A DETERMINATION OF INTERPERSONAL INTERACTION EXPECTATIONS IN INTERNATIONAL BUYER-SELLER RELATIONSHIPS

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(ABSTRACT)

Relationship/collaborative selling, as opposed to traditional, transaction oriented selling, stresses the need to form relationships with prospects and customers across all stages of the buyer-seller relationship (Jolson, 1997). The problem is that applying the relationship selling process to all types of customers may lead to inappropriate interpersonal interaction if the customer's orientation is only short-term in nature (Jackson, 1985a, 1985b). Anderson and Narus (1991) make the point that significant variations within industries (i.e., hotel industry) can exist in the buyer's expectation of working relationships with sellers, from a collaborative relationship desire to a transactional (i.e., discrete) relationship. This study developed and empirically tested a model of international buyer-seller relationships in the hospitality industry. The model analyzed several relationships: 1) the relationship between National Culture (Hofstede, 198oa, 1980b & 1997) and the interpersonal interaction "success" variables (i.e., structural bonding, social bonding, communication content, communication style, and trust) in the buyer-seller relationship (Wilson, 1995); 2) the relationship between the "success" variables and the outcomes of the buyer-seller relationship (i.e., relationship commitment and long-term orientation of the buyer); and 3) the relationship between the level of knowledge of the selling strategy used by the salesperson and the buying preferences of the buyer, as perceived by the salesperson. In addition, each of these relationships was examined in terms of the differences that may exist in base of operation of the salesperson (i.e., North America or Asia). The study specifically focused on the hotel industry salesperson and the relationship he or she has with his or her top account. The cross-cultural differences were captured by use of a sample of salespeople that were based either in North America or Asia. The results of this study showed that the relationship/collaborative selling strategy is not necessarily appropriate for all selling situations, but the salesperson may not be knowledgeable enough of his or her customer's preference for interpersonal interaction to be able to identify that fact. It also indicated that different importance is placed on different "success" variables in the buyer-seller relationship in different bases of operation. Specifically, trust is more important in North America than Asia, but it is still an important factor in both selling environments. It was also concluded that social bonding might be overrated in regards to the top account buyer-seller relationship. The conclusion can be made that more emphasis needs to be placed on the building and maintaining of trust than the need to "build a relationship" through social bonding, at least with the top account. The implications of the study can be applied to the improvement of how sales training is taught on a global basis.

DEDICATION

This dissertation is dedicated to the memory of my late wife, Cynthia Ventresca-Jones. Her inspiration and encouragement made the completion of my doctorate possible. I will always love her.

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TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

CHAPTER I - INTRODUCTION

This dissertation develops and empirically tests a model of interpersonal interaction expectations of buyers in international buyer-seller relationships. The study will be approached from the salesperson's perspective of the international buyer-seller relationship and his or her buyer's actions, attitudes and behaviors that indicate his or her expectations. The scope of the study is the hospitality industry, specifically an analysis of North American and Asian hotel salespersons and their international business-to-business customers. The study addresses the appropriateness of the relationship selling approach at one stage of the buyer-seller relationship development (i.e., a top account) from a variety of business-to-business market segments handled by the hotel salesperson and has implications for the content of sales training programs.

In this chapter, the research problem and relevance of the study are specified. The theoretical framework of the study is discussed and the theoretical model that serves as the basis for the study is presented.

Statement of the Problem

Since the 1980's there has been an emphasis in business-to-business marketing on building long-term buyer-seller relationships. Dwyer, Schurr and Oh (1987), who are credited with the seminal work in this area, addressed the notion of the exchange that takes place in the unique dyad of the individual buyers and sellers. Specifically, they recognized that the buyer-seller relationship may not be a discrete event, but an ongoing relationship made up of multiple stages that take place over time. They defined those stages as: awareness, exploration, expansion, commitment and dissolution. Wilson (1995) further defined the stages of buyer-seller relationship development as: partner selection, defining purpose, setting boundaries, creating value and maintenance.

The desire for sales organizations to develop and maintain long-term buyer seller relationships has led to acceptance of relationship selling as the ideal selling process (Alessandra & Barrera, 1993; Swenson & Link, 1998). However, Swenson and Link state that our understanding and knowledge of relationship selling is “somewhat elementary”. They suggest that research needs to be undertaken to refine the relationship selling concepts and determine if relationship selling should be applied differently in different selling situations.

The purpose of this research is twofold. First, it will determine if applying the relationship selling process at one stage of the buyer-seller relationship development (i.e., a top account) appropriately recognizes the hotel industry’s international business-to-business buyer’s preferences for working relationships (i.e., interpersonal interaction), as expressed by his or her actions, attitudes or behavior as perceived by the salesperson. Second, the research will identify the interpersonal interaction factors that should be emphasized at the one stage in the relationship selling process as noted above. The knowledge gained from identifying these factors will serve as a source of information for modifying sales training programs that teach the salesperson to better adapt their selling approach to different buyers in different international market segments.

The research will analyze the interpersonal interaction factors that contribute to establishing and maintaining long-term buyer-seller relationships and the effect of national culture on those factors in the international hotel industry buyer-seller interactions. The focus of the research will be on the hotel salesperson’s viewpoint of the buyer-seller relationship, as noted above. The reason for this focus is to better address the broad spectrum of market segments the hotel industry encompasses in a parsimonious manner. Specifically, the objective is to determine if the salesperson’s perspective of the level of the buyer’s desired interpersonal interaction is consistent with the relationship selling process the salesperson employs in the North American and Asian selling situations.

Background of the Problem

The relationship/collaborative selling process is based on the stages of building long-term buyer-seller relationships as defined by Dwyer et al. (1987) and Wilson (1995). Relationship selling, as opposed to traditional, transaction oriented selling, stresses the need to form relationships with prospects and customers across all stages of the buyer-seller relationship (Jolson, 1997). The problem is that applying the relationship selling process to all types of customers may lead to inappropriate interpersonal interaction if the customer's orientation is only short-term in nature (Jackson, 1985a, 1985b). Anderson and Narus (1991) make the point that significant variations within industries (i.e., hotel industry) can exist in the buyer's expectation of working relationships with sellers, from a collaborative relationship desire to a transactional (i.e., discrete) relationship. Therefore, if the objective of the salesperson and his or her firm is to develop mutually beneficial buyer-seller relationships, then recognition by the salesperson of the buyer's actions, attitudes and behaviors that indicated his or her preference of working relationships expectations (i.e., interpersonal interaction style) is necessary (Jackson, 1985a, 1985b).

Studies have found that salespeople find ways to adapt their sales presentation to the perceived interpersonal interaction preference of the buyer during the selling situation (Weitz, 1981; Weitz, Sujan & Sujan, 1986; Spiro & Weitz, 1990; Morgan & Stoltman, 1990; Comstock & Higgins, 1997; Lambert, Marmorstein & Sharma, 1990; Boorom, Goolsby & Ramsey, 1998). However, the salesperson needs to know what the selling situation dictates in terms of interpersonal interaction style preferences of the buyer and then be able to practice those techniques in order to achieve positive sales performance (Morgan & Stoltman, 1990; Marks, Vorhies & Badovick, 1996). The complicating factor is the salesperson needs to have knowledge about customer types, in terms of both customer traits and strategies for selling to them to be more effective (Sujan, Sujan & Bettman, 1988; Morgan & Stoltman, 1990).

There are conflicting trains of thought regarding the use of different selling approaches to different types of customers. Miles, Arnold and Nash (1990) suggest there are different selling styles for different types of buyer-seller interactions (i.e., discrete transactions, relational exchanges and just-in-time exchange relationships). For example, they believe that there are customers who are best sold on a one-time, discrete transaction basis. In these situations, the salesperson needs to adapt his or her selling approach to a task oriented means of communication (i.e., mechanistic, goal oriented and purposeful) versus an interaction oriented style (i.e., social and interpersonal relationships). Chrzanowski and Leigh (1998) echo this viewpoint stating that market-driven firms need to customize strategic selling approaches to fit the buying processes and relationship requirements of targeted customer segments. Jolson (1997), on the other hand, states that relationship selling is just as appropriate for the customer who doesn't have a desire for a long-term relationship as one who does. He recognizes the importance of adaptability of the salesperson to the interpersonal interaction style preferences of the buyer, but believes that the adaptation is a part of the relationship selling process whether the selling situation is prospecting for a new customer (i.e., awareness or partner development stage of the buyer-seller relationship) or maintaining the relationship with an existing customer.

There have been several empirical studies done that attempted to decipher if different selling processes (i.e., relationship or transactional) are more effective in different selling situations. MacIntosh, Anglin, Szymanski and Gentry (1992) found that more successful sales people felt relationship building was important on the first call and less successful sales people viewed first calls as discrete transactions. However, their study was done using salespeople from one North American financial services firm. Crosby, Evans & Cowles (1990) view the salesperson's role in the selling of services as "relationship manager". They found in a study of life insurance salespeople that future sales opportunities depend on relationship quality (i.e., trust and satisfaction) as perceived by the customer. Their results support the view that relational type selling behaviors produced a strong buyer-seller bond. Neither of these studies, however, addresses either the business-to-business type selling environment or the cross-cultural selling environment that this study encompasses.

The hotel industry selling function involves buyer-seller relationships with a variety of business-to-business market segments (e.g., corporate meetings, association meetings and conventions, incentive travel programs, tour groups, local corporate accounts, etc.). The nature of buyer-seller relationships with each of these market segments may also involve international selling situations, interjecting cross-cultural factors into the relationship. The relationship marketing and selling approach has been suggested as the most effective means to build long-term buyer-seller relationships for all of these market segments in the hotel industry (Mayersohn, 1994; Lewis, Chambers & Chacko, 1995, pp. 613-616; Kotler, Bowen & Makens, 1998, pp. 610-613). One hotel industry sales executive suggests that customer demand has led all major hotel chains to begin introducing the principles of total account management (Plott, 1998). This total account management concept stresses the long-term, relationship-based approach to group sales.

In addition to the variety of group (i.e., business-to-business) market segments the hotel sales force sells to, there are also different qualification categories of customer relationships within each market segment (Abbey, 1989, pp. 126-128; Kotler, Bowen & Makens, 1999, pp. 621-624). The qualification types are categorized by the potential of future business the customer's organization can produce for the hotel and the longevity of the relationship between the customer's organization and the hotel. Those accounts with the potential for producing the greatest revenue and profits for the hotel are classified as key accounts, major accounts or top accounts. These accounts are sometimes referred to as the 20% of the hotel's accounts that produce 80% of the hotel's group business (Abbey, 1989, pp. 126; Kotler, Bowen & Makens, 1999, pp. 621). The top accounts would be expected to receive the highest level of attention from the salesperson and are the focus of the national account management approach (Plott, 1998). The top accounts would represent those business-to-business customers in the maintenance stage of the buyer-seller relationship development as defined by Wilson (1995). At the other end of the hotel business-to-business customer classification scheme are the new, present or potential accounts that are perceived not to have a great deal of long term potential for the hotel. This classification of accounts or customers will be termed "general inquiry leads" for purpose of discussion in this study. These general inquiry leads would represent those customers at the partnership development stage of the buyer-seller relationship development (Wilson, 1995). The recommended sales strategy suggested for these types of customers is to wait for their call to the hotel with a potential group business requirement (Abbey, 1989, pp. 126-128; Kotler, Bowen & Makens, 1999, pp. 621-624). However, as Mayersohn (1994) suggests, the customer's inquiry may be the result of other effective relationship marketing efforts such as advertising or direct mail meaning that there could be the potential to build long-term buyer seller relationships with the general inquiry customer.

Although there have been studies done regarding the product related attributes the individual buyers in different hotel industry market segments consider in their selection of venues, there has only been one study in one international market segment (Crotts, Aziz & Raschid, 1998) that addressed the subject of building long-term buyer-seller relationships in the hospitality industry. The lack of empirical evidence regarding the appropriateness of using the relationship selling process to build long-term buyer-seller relationships at different stages in the buyer-seller relationship development with the international market segments in the hospitality industry leads to the justification for this study. Additionally, identification of the factors that effect the potential adaptive selling techniques the hotel salesperson employs needs to be established. These factors can then be emphasized in refining the existing relationship selling process being taught or as the rationale for expanding the sales training programs to include traditional, transaction oriented processes for employing different sales strategies for different customer classifications (i.e., stages in the buyer-seller development).

Research Questions

The specific research questions generated from the above statement of the problem that this research will address are:

Research Question 1:

Is a focus on building long-term buyer-seller relationships through the relationship/consultative selling process appropriate for all international and domestic hotel industry group (business-to-business) customer account sales strategies?

Research Question 2:

What interpersonal interaction factors need to be emphasized in the teaching of the relationship/consultative selling process used by the international hotel industry sales force that reflect the expectations of the interpersonal interaction between buyers and sellers at different stages of the buyer-seller relationship development within international and domestic selling situations of the hospitality industry?

Theoretical Background of the Problem

The broad paradigm in the marketing field that encompasses the research questions is organizational buyer behavior (OBB). More specifically, the boundary for this study would be the dyadic relationship between individual buyers and sellers within the organizational buying process. The boundary is further refined to the hotel industry buyer-seller relationship as perceived by the hotel salesperson.

Figure 1 represents the theoretical framework of this study. The framework is drawn from the relevant literature in the areas of: 1) national culture, and 2) developing buyer-seller relationships. The framework depicts how the national culture of the salesperson (i.e., his or her personal values and work related values) in the international buyer-seller relationship affects how the salesperson perceives the interpersonal interaction factors of the buyer-seller relationship. Additionally, the framework illustrates the relationship between the salesperson's perceptions of those interpersonal interaction factors and the salesperson's perception of the buyer's preference for interpersonal interaction (i.e., the degree to which the buyer desires to interact with the salesperson in a relationship selling process).

The explanation of the framework first addresses the two bodies of literature represented (i.e., national culture and buyer-seller relationships) and the interpersonal interaction constructs of developing long-term buyer-seller relationships. Second, it addresses how the two bodies of literature interrelate to form the components that are the basis for the cross-cultural analysis of this study. Finally, it will explain two additional constructs particularly relevant to this study (i.e., long-term orientation and the working relationship continuum).

Dimensions of National Culture and National Culture

National culture in the theoretical framework (Figure 1) is represented by the five cultural dimensions (i.e., uncertainty avoidance, power distance, masculinity/femininity, individualism/collectivism, and long term/short term orientation on life) within the broken line box labeled "dimensions of national culture". Those dimensions are expressed through the salesperson's personal values and work related values.

Hofstede (1980a, 1980b) initially developed four cultural dimensions (i.e., individualism, uncertainty avoidance, power distance and masculinity) to better define the cross-cultural difference in work values of individuals in an organizational environment. The dimension of individualism, and its contrast collectivism, refers to the degree to which individuals are integrated into groups. The individualism cultural dimension has been establish as being the one with the greatest differences between North American culture and Asian culture (Hofstede, 1980a, 1980b). Uncertainty avoidance is the means taken to avoid uncertainty through rules orientation, employment stability, and stress. Power distance is related to the hierarchy within an organization and the ability to question authority. Masculinity/femininity is the socialization factor of males and females in a culture. These four dimensions have become the most widely used measures of national culture. The Work Values box in the theoretical framework (Figure 1) represents these dimensions from an organizational orientation.

A fifth dimension of national culture was later added by Hofstede (1997) resulting from studies of Confucian values in Asian cultures (Hofstede & Bond, 1988; Bond, 1988). It was determined long-term orientation versus short-term orientation in life was an additional dimension that differentiated Western and Asian cultures. The research instrument used to identify this dimension was the Chinese Value Scale (CVS) (Chinese Culture Connection, 1987), an adaptation of the Rokeach Value Scale (Rokeach, 1968, 1973) with the inclusion of Confucian values. The CVS is designed to be a culture-free instrument that determines an individual's national cultural values based upon the individual's personal values as opposed to work values. This construct is represented in the framework (Figure 1) as Personal Values.

Buyer-Seller Relationships

The interpersonal interaction related constructs of development of long-term buyer-seller relations incorporated in the theoretical framework (Figure 1) are identified by the shaded boxes within the broken line box labeled "buyer-seller relationships". They include: structural bonding, social bonding, communication, trust, and relationship commitment.

Dwyer et al. (1987) initially conceptualized a framework for building long-term buyer-seller relationships. Wilson (1995) built on the framework of Dwyer et al., by integrating relationship success variables into development stages of buyer-seller relationships (Figure 2). Those variables included: reputation, performance satisfaction, trust, social bonds, comparison of alternatives, mutual goals, interdependence, technology, non-retrievable investments, adaptation, structural bonds, cooperation, and commitment. Wilson suggests that these variables can be the focus of the partners' attention in some stages and latent in other stages of the buyer-seller relationship development. As mentioned previously, he defined the stages of the buyer-seller relationship development as: partner selection, defining purpose, setting relationship boundaries, creating relationship value, and relationship maintenance (see Figure 2).

Crotts and Wilson (1995) further related Wilson's model (1995) to the buyer-seller relationships in the international travel wholesaler and tour operator market segment of the hospitality industry. The premise is that building long-term buyer-seller relationships in the tourism/hospitality industry leads to a more co-operative means of conducting business. Crotts et al. (1998) modified Wilson's model by adding the construct of communication and dropping the construct of structural bonds in their empirical study. They found significant relationships between social bonds, trust, and communication with supplier commitment using a sample of tour wholesalers (i.e., buyers) and small tourism businesses (i.e., sellers) in New Zealand.

Other studies of the interpersonal interaction constructs (structural bonding, social bonding, trust and relationship commitment) incorporated in Wilson's model (1995) have shown them to be relevant factors in international buyer-seller relationships (Williams, Hans & Qualls, 1998; Doney, Canon & Mullen, 1998). Additionally, studies done in North America have established the relationship of the other relevant constructs of Wilson's model that comprise the theoretical framework (Morgan & Hunt, 1994; Ganesan, 1994).

Buyer-Seller Relationships and National Culture Interrelationship

Wren and Simpson (1996), in assessing the contributions of research frameworks in buyer-seller relationships, concluded that four categories of variables exist: salesperson-related factors, buyer-related factors, factors related to the relationship/interaction, and outcome factors.

The theoretical framework in Figure 1 reflects key constructs in each of those categories and its respective direct connection to national culture. The salesperson-related factors are the organizational and interpersonal orientation of the salesperson that are affected by his or her personal values and work-related values. The relationship/interaction related factor is represented by the trust building process. The outcome of the interaction factor is the salesperson’s perception of the long-term orientation of the buyer. This factor is related to both the trust building process (i.e., the relationship/interaction factor) and the national culture dimension of long-term orientation on life. The buyer-related factor is incorporated as the buyer’s expectations of working relationships that is manifested in the salesperson’s perception of the actions, attitudes and behavior of the buyer.

Organizational and Interpersonal Orientation. Williams et al. (1998) related national culture as defined by Hofstede’s initial four dimensions (Hofstede, 1980a, 1980b) and the constructs of social bonding and structural bonding in developing buyer-seller relationships (Wilson, 1995; Crotts & Wilson, 1995) (Figure 3). Structural bonding refers to the commitment to the organization and social bonding refers to the commitment to people. They determined that national culture works through organizational orientation to affect the individual’s behavior in relationship to his or her firm and then toward structural bonding with the buyer and his or her firm. The individual’s interpersonal orientation to other people is also a factor of national culture that in turn affects their social bonding.

An additional factor of the salesperson’s interpersonal orientation is the communication construct. Although the communication construct was not one of the success variables Wilson (1995) included in his model, Kale and Barnes (1992) incorporated it in their model of international buyer-seller relationships. Kale and Barnes drew from Sheth (1976) who defined communication in buyer-seller interactions as having two dimensions (i.e., content and style). The Kale and Barnes (1992) model shown in Figure 4 depicts those two dimensions of communication content and communication style as “product utilities desired and emphasized” and “preferred interaction style”, respectively. The content of communication represents the substantive aspects of the purpose for which the two parties got together (i.e., the product related factors). Style refers to the rituals, format, mannerisms, and ground-rules that the buyer and seller follow in their encounter. Kale and Barnes' model proposes that the combined effect of the two communication dimensions results in the level of buyer-seller compatibility on an international level. Crotts et al. (1998) also utilized the communication construct in their study of hospitality industry buyer-seller relationships.

Structural and social bonding were both found to be factors of commitment to long-term relationships by Williams et al. (1998). Additionally, Kale and Barnes (1992) conceptualized the level compatibility between the buyer and seller resulting from the form of communication (i.e., content or style) chosen by the salesperson led to determining the level of relationship commitment (i.e., what they called the outcomes of the sales interaction including degree of relationship building and closure).

Trust Building Process. Doney et al. (1998) developed a model that conceptualized how national culture effects the development of trust in the buyer-seller relationship. Specifically, they delineate five cognitive trust building processes (i.e., calculative, prediction, capability, intentionally and transference) in business relationships that are proposed as differentiating factors in cross-cultural relationships (Figure 5). These processes were shown to have relevance in the anticipated future interaction of buyer-seller relationships in a United States study (Doney & Cannon, 1997). Morgan and Hunt (1994) also established that trust is a factor in relationship commitment in a study of mediating variables in relational exchanges in a United States buyer-seller relationship. None of these studies have empirically tested the constructs in international buyer-seller relationships.

Long-term Orientation

Ganesan's (1994) premise was that long-term relationships are mutually beneficial for both buyers and sellers as long as they understand what sacrifices and specific investments are needed to maintain those relationships. He studied retailers and their vendors (i.e., salespeople) to determine the factors influencing the desire for long-term relationships and found that both trust and dependence (i.e., the need to maintain the relationship to achieve their goals) were important. The theoretical framework (Figure 1) reflects Ganesan's findings connecting the trust building processes and the trust construct with the long-term orientation of the buyer. The framework also adds the connection between the long-term versus short-term orientation in life of the salesperson and the long-term orientation of the buyer, which is to be analyzed from the salesperson's perceptions. The direct connection between the national culture dimension (i.e., long term orientation on life) and the construct of long-term orientation of the buyer has not been previously tested.

Expectations of Working Relationship Continuum

Anderson and Narus (1991) propose that a continuum of transaction types from discrete to collaborative actually exists (Figure 6). This continuum is represented in the theoretical framework (Figure 1) as the buyer's expectations of working relationship continuum construct. They make the point that within industries (e.g., the hotel industry) there are bandwidths of transaction types. These bandwidths address the issue that different market segments within the hotel industry may have different expectations of the working relationship they have with the salesperson, as well as the variation of individual buyers within a market segment (i.e., types of customer classifications).

Interjecting the factor of cross-cultural buyer-seller relationships, it has been suggested that relationships are more important in other cultures than the North American culture (Abrahamson & Ai, 1997; Albers, Krafft & Bielert, 1998). Abrahamson and Ai (1997) indicate Chinese buyers need more relational transactions (*guanxi*) and long-term relationships versus the short-term transaction needs of North American buyers. *Guanxi* can be seen as a special type of relational transaction that exists only in the Asian cultures (Abrahamson & Ai, 1997). It is the far extreme point on the relationship continuum.

The Theoretical Model

The theoretical model (Figure 7) is represented by a structural equation model (SEM) diagram. The constructs in the theoretical model are further clarified as follows:

National Culture

National culture based upon the salesperson's work values is represented by Hofstede's original four dimensions of national culture (Hofstede, 1980a, 1980b). A Western-culture organization orientation (i.e., work-related values) would have low uncertainty avoidance, low power distance, low masculinity and high individualism

National culture based upon the salesperson's personal values is determined by the culture-free CVS instrument representing the cross-cultural differences between North America and Asia (Chinese Culture Connection, 1987; Bond, 1988; Hofstede & Bond, 1988). The CVS incorporates three of the four original national culture dimensions (i.e., power distance, masculinity and individualism) plus, it adds the fifth dimension of the long-term versus short-term orientation in life of the salesperson (Hofstede, 1997).

Social and Structural Bonding

As noted previously, Williams et al. (1998) have established the relationship of national culture to the variations in the individual's behavior toward the business partner firm (structural bonding) and the individual buyer (social bonding). Both constructs have also been positively related to the commitment longevity and stability of the business relationship (Figure 3).

Communication

In this study, communication will be treated as one construct with two dimensions (i.e., content and style) each affected differently by national culture and each having different effects on the outcome of the buyer-seller relationship (i.e., relationship commitment). Kale and Barnes (1992) recognized the importance of communication in the international buyer-seller relationship, but their model (Figure 4) has not been tested. It would be anticipated that content dimension is more related to the discrete transaction approach (i.e., product knowledge), while the style dimension refers more to relationship building. Therefore, Western culture would be characterized by a high level of importance attributed to the content orientation, while Asian culture would place a high level of importance on the style dimension (i.e., relationship building) (Kale & Barnes, 1992). It would also be expected that more emphasis placed on communication content would result in less relationship commitment as the focus would be on the product and its attributes (Mohr & Nevin, 1990).

Trust

Doney et al. (1998) conceptualized the effect national culture has on the trust building process of international buyer-seller relationships. Morgan and Hunt (1994) found trust is related to relationship commitment that establishes the link between those constructs in the model. Ganesan (1994) also has established that trust is a key factor in the determination of the buyer's long term orientation. What needs to be tested is whether Doney et al.'s model (Figure 5) is valid, particularly in the international hotel industry buyer-seller relationship and will the results of the other two studies apply cross-culturally.

Long-term Orientation

This construct is one of two in the model directed at determining the buyer's desires, as perceived by the salesperson. As the dependent variable in Ganesan's study (Ganesan, 1994) it was found that those buyers who desired long-term relationships expected trust to be a key factor. It is also anticipated that the Asian salesperson, who has a more long-term orientation in life (Hofstede, 1997), will tend to view the customer's orientation in a similar fashion, reflecting the *guanxi* relationship need. The construct will then serve as a crosscheck against the relationship commitment the salesperson expects from the buyer and the salesperson's perception of the buyer's working relationship.

Relationship Commitment

Relationship commitment has been determined to be a factor of the other constructs in the buyer-seller relationship (Kale & Barnes, 1992; Morgan & Hunt, 1994; Williams et al., 1998). In Wilson's model (1995), commitment is the final success variable that becomes pertinent in the final stages of the long-term relationship development (e.g., top accounts) (see Figure 2). Therefore, this construct in the model will serve as a crosscheck to verify if the other constructs in the buyer-seller relationship actually do result in a more long-term commitment desire by the buyer and seller. It would be anticipated that if the desire for a strong relationship commitment exists on the salesperson's part, they would also envision a long-term orientation from the buyer.

Relationship Continuum

The final construct in the model is the dependent variable adapted in part from Anderson and Narus (1991) and Abrahamson and Ai (1997). The study will be the first connecting national culture and the buyer-seller relationships to the buyer's expectations of the working relationship, as perceived by the salesperson. What is anticipated is that the buyer's actions, attitudes and behavior perceived by the salesperson will reflect a high level of expectation for relationship building type interpersonal interaction (i.e., working relationship) for the classification of a top account customer in the Asian hotel buyer-seller environment. It is expected the North American hotel buyer-seller relationships will show that top account customers in North America prefer to be dealt with on more of a one-time exchange basis. Further, the Asian buyer's expectations of working relationships, as perceived by the salesperson, will result in a much higher level of expected interpersonal interaction than the North American buyers for his or her top customer. This final anticipated result of the study has particular ramifications toward identifying cross-cultural differences in the interpersonal interaction factors in the buyer-seller relationship development that need to be emphasized in the relationship selling processes currently being utilized in North America for them to be effective in Asia.

Organization of the Study

Chapter I presents the overview of the study and includes the statement of the problem, the background behind the problem, the research questions, the theoretical framework of the study, and the theoretical model that is the basis for the study. In Chapter II, a review of the relevant literature is presented. The background literature addressing selling approaches in buyer-seller relationships, buyer-seller relationship research, cross-cultural research in the area of national culture and the various streams of literature that form the basis for the interpersonal interaction expectations of the buyer are discussed. Additionally, the hypotheses to be tested are presented. Chapter III provides a summary of the research hypotheses, research design and methodology (including the data analysis steps to be taken). The sampling procedure to be employed and the instrumentation and scaling are also presented in this chapter.

CHAPTER II - REVIEW OF RELATED LITERATURE

Introduction

This chapter reviews the literature relevant to the study of interpersonal interaction expectations of buyers in international buyer-seller relationships. Additionally, the hypotheses established by the theoretical model (Figure 8) to be empirically tested are presented. The literature review will be organized into four sections. In each of these sections, the relevant literature to the hospitality industry will be highlighted.

The first section presents the relevant literature to the selling approach in buyer-seller relationships. It serves as the background behind the research questions addressed by the study and defines one of the boundary parameters of the study. The second section covers the cross-cultural constructs related to the analysis of international buyer-seller relationships. While the study of national culture encompasses a broad area of research, the second boundary definition of this study limits the discussion to literature relevant to differences in only the North American and Asian cultures. Section three presents the literature from the field of organizational buyer behavior (OBB) related to the development of long-term buyer-seller relationships in general, the third defining parameter of the boundaries for this study.

The next four sections of the chapter are devoted to the interpersonal interaction constructs incorporated in the buyer-seller relationship (i.e., bonding, communication, trust, and the buyer-seller relationship outcomes). In these sections, the hypotheses to be empirically tested are presented first in relationship to national culture and then in relationship to the other constructs in developing the buyer-seller relationship. The final section addresses the various streams of literature that form the basis for the relationship continuum construct developed for this study, as well as the related hypotheses to be tested. Specially, this includes: 1) discrete versus relational transactions continuum, 2) the cross-cultural analysis of the Chinese relationship concept of *guanxi*, 3) purchasing strategy typologies, and 4) selling approach strategies.

Selling Approach in Buyer-Seller Relationships

This section addresses the relevant literature in the area of personal selling. Personal selling can be defined as the process by which a salesperson attempts to influence a customer to purchase his or her product or service (Weitz, 1981). The selling approaches/processes used to accomplish the sale and develop buyer-seller relationships establish the parameters for the first boundary of this study. Specifically, the concepts of relationship selling and adaptive selling will be presented and defined. The appropriateness of those selling approaches/processes to the service industry in general, the hospitality industry specifically, and the international selling environment are also discussed in this section.

The literature dealing with personal selling is a combination of conceptual articles and empirical studies designed to validate the conceptualizations. Much of the literature, particularly the empirical studies, has been based on industrial business-to-business selling situations (e.g., purchasing agents of industrial products, salespeople for chemical manufacturers and their customers) and consumer products and services selling situations (e.g., life insurance sales, sporting goods retailers). The basic principles of selling, however, are believed to be applicable to the business-to-business selling of services represented by the hospitality industry selling situation and will be verified by this study.

It should be noted that the relationship selling process and adaptive selling process are not distinctly different processes in personal selling. While the relationship selling process represents the selling strategy to develop long-term buyer-seller relationships, adaptive selling involves the knowledge and ability to be able to match the most effective selling approach to each customer.

Relationship Selling

Relationship selling, as opposed to traditional, transaction oriented selling, stresses the need to form relationships with prospects and customers across all stages of the buyer-seller relationship (Jolson, 1997). Alessandra and Barrera (1993) view the relationship or collaborative oriented salesperson as one who takes the time up front to build a sincere, committed relationship and to learn the customer's needs. Traditional, transaction selling, on the other hand, is most effective with single exchange transactions, typically consists of emphasis on products or services, and is driven by price (Evans, Good & Hellman, 1998). Jolson (1997) characterizes traditional, transaction selling as one-on-one contacts, engagements, and clashes, each of which produces a winner and a loser. Alessandra and Barrera (1993) state, "what's missing in traditional selling is the salesperson's commitment to a long-term relationship." (p. 4). They also suggest traditional, transaction selling leads to an adversarial relationship where everyone loses.

Anderson (1996) projects that one of the key personal selling objectives in the next millennium will be developing long-term, mutually profitable partnerships with customers. Buyer-seller relationship theory, to be discussed in more detail in a later section of this chapter, is based on the premise that long-term relationships develop over a series of exchanges between buyers and sellers (Dwyer, Schurr & Oh, 1987). Jolson (1997) suggests that each of these exchanges in selling shouldn't be viewed as a series of struggles between buyers and sellers, but instead should be seen as building relationships or partnerships. Selling, from this viewpoint, then is a function not so much of closing sales but of opening relationships (Swenson & Link, 1998).

Jolson (1997) advocates the viewpoint that relationship selling is not just the process of selling once a relationship is established, but should begin at the creation of the relationship in the prospecting stage (e.g., general inquiries). He states that some authors have presented relationship selling and transaction-oriented selling as polar opposites, however, his view is that there is a need to reshape traditional selling to incorporate relationship building at all stages of the selling process. Jolson states that relationship selling is just as appropriate for the customer who doesn't have a desire for a long-term relationship as one who does.

Support of Jolson's (1997) position that relationship selling is more effective than traditional, transaction oriented selling has been supported by a several of empirical studies (Crosby, Evans & Cowles, 1990; MacIntosh, Anglin, Szymanski & Gentry, 1992; DeComier & Jobber, 1993). The relevant findings from those studies are reviewed below.

Crosby et al. (1990) view the salesperson's role in the selling of services as "relationship manager". They found in a study of life insurance salespeople that future sales opportunities depend on relationship quality (i.e., trust and satisfaction) as perceived by the customer. Specifically, those salespeople who engaged in selling behaviors focused on long-term relationships such as high contact intensity, mutual disclosure, and cooperative intentions had more favorable perceptions by the customers of the relationship quality. Their results support the view that relational type selling behaviors produced a strong buyer-seller bond.

MacIntosh et al. (1992) conducted two studies designed to determine if higher performing salespeople differed in the aspects of their relationship building process in the early stages of the buyer-seller relationship. The first study of North American financial service salespeople found that higher performing salespeople place more importance on the buyer's potential level of trust in the salesperson. In fact, low performers didn't even note trust as being important at all in the early stages of the relationship. The second study, using a sample of North American industrial salespeople working for a distributor of agricultural products, determined that higher performers placed more emphasis on relationship building and less emphasis on product benefits at early stages of the buyer-seller relationships. They concluded from the two studies that relationship building and developing trust at early stages of the buyer-seller relationship are important to effective sales performance.

DeCormier and Jobber (1993) advocate the use of a relationship/counselor selling method that incorporates personality knowledge, microskills and strategies and processes. Personality knowledge refers to understanding the buyer's personality style. Microskills are the means that the salesperson uses to influence the buyer. They state the salesperson's objective is to counter negative influences and strengthen positive ones. The counselor selling process presented and tested by DeCormier and Jobber (1993) involves four stages: 1) introduction that involves rapport, respect and trust building; 2) qualification by means of gathering information to define the problem (they particularly stress the importance of the salesperson educating the prospect through influencing not lecturing); 3) presentation designed to summarize and finalize the finer details of the sale; and 4) closing with the focus on asking the prospect to respond to questions about alternatives. They stress the importance of sales training as the mechanism to implement this approach. They further tested the counselor selling method through experiments with marketing students who were taught how to sell life insurance. Their experimental method incorporated two groups, one group who had training in the counselor selling method and the second group that had only product knowledge training. The findings confirmed that the counselor selling method improved effectiveness, however, they also determined that personality knowledge training alone did not have significant results unless the microskills were addressed, as well. They state that this method of selling goes beyond the traditional transaction-oriented selling by incorporating the philosophy of adaptation, customer orientation, and satisfaction. They also state that the large percentage of increases in sales performance resulting from training in the counselor selling model support the central importance of researching the dynamics of sales transactions in order to explain variations in salespeople's performance.

In order to move from traditional, transaction-oriented selling to relationships selling, Jolson (1997) states that there are three distinct flows of influence that must take place. The first flow of influence is disarming, the process of omitting any signs of power or control on the part of the seller. Second is liking, or how rapport is established and relationships are trigger with strangers. Third is distinctiveness, which refers to the degree that the seller's approach differs from others to which the buyer has been exposed.

Williams (1998) suggests that firms who want to move from traditional transaction-oriented selling to relationship building must look closely at all aspects of sales management including recruitment, training, remuneration and sales planning. Conti and Cron (1998) state that the field sales force must be particularly involved in targeting individual customers, implementing relationship-specific offerings, and evaluating relationship outcomes for relationship selling to be effective. To accomplish those objectives, they suggest a planning framework that includes criteria that are conducive to collaborative relationships. The key criteria include; 1) the customer's business philosophy is geared towards supplier relationships, 2) the relative dependence between the buyer and seller organizations are equal, and 3) what they term "leadership edge", i.e., targeting firms that are the sellers lead users (i.e., best customers).

However, not all researchers agree that moving from traditional, transaction oriented selling to a total focus on relationship selling is appropriate. Evans et al. (1998) suggest that transactional selling is not outdated, but an appropriate approach that can be properly balanced with relational strategies. They further state that employing relational selling should not be an all or nothing decision, in fact transactional and relational selling should be used in cooperation and concert to enrich both strategies and environments.

Evans et al. (1998) state that transactional sales are encouraged in single exchange contexts where buyers and sellers have become socialized to maximize single exchange situations. The focus of these buyer-seller exchanges is on the transaction (i.e., the product or service, price discounting) as opposed to relational sales contexts that require sellers to focus on the application of the goods and services. They also make an important point in acknowledging that relational selling approaches require selling companies to make appropriate resource investments that encourage relational exchanges with customers. Not all of these resource investments will be productive unless all factors are considered. They suggest some of the factors to consider are: 1) A selling orientation toward solutions, not products; 2) determining how value is established for buyers and when the product or service is purchased; 3) the development of smooth communication processes between buyers and sellers; 4) the strategic construction of buyer trust; and 5) creating commitment on the part of the supplier. They also stress that sales training needs to be more focused on cultivating long-term relationships and bridging factors into sales opportunities, such as trust and commitment, if relationship selling is to be productive.

The point made by Evans et al. (1998) is that different customers require different selling strategies. One representation of that point is Spiro, Perreault and Reynold's (1977) conceptualizing of the sales process. They recognized that the buyer-seller relationship is affected by the personal characteristics of both the individual buyer and seller, as well as the role requirements and characteristics expected by the organizations of both the buyer and seller. These factors lead to the need for adaptation of interpersonal strategies by the seller. The authors make particular note of the fact that buyer and seller strategies are interdependent and may be modified based on actual sales negotiations. Additionally, they state that previous studies indicate the salesperson can substantially control not only his or her strategy, but also the interaction process. Thus, adaptive selling may present the framework for using the appropriate selling approach for each customer.

Adaptive Selling

Adaptive selling is defined as, "altering of sales behaviors during a customer interaction or across customer interactions based on perceived information about the nature of the selling situation" (Weitz, Sujan & Sujan, 1986, p. 175). Spiro and Weitz (1990) incorporate the following into the practice of adaptive selling: 1) A recognition that different selling approaches are needed in different sales situations, 2) confidence in the ability to use a variety of different sales approaches, 3) confidence in the ability to alter the sales approach during the customer interaction, 4) a knowledge of structure that facilitates the recognition of different sales situations and access to sales strategies appropriate for each situation, 5) the collection of information about the sales situation to facilitate adaptation, and 6) the actual use of different approaches in different situations.

As Weitz (1981) states, "salespeople have the opportunity to match their behavior to the specific customer and situation they encounter" (p. 89). The salesperson is able to evaluate each selling situation and adapt his or her behavior to the appropriate expectations of the buyer. He suggests that a salesperson can adapt his or her behavior along dimensions of: establishment of an expertise influence base, the use of influence techniques (i.e., those that sacrifice long-term relationships to close the sale immediately versus those oriented toward an open and lasting relationship), and the control of the sales interaction (i.e., the salesperson exerting control when the objective is an immediate sale, as opposed to low pressure selling when continued goodwill is at stake).

Weitz (1978) suggests that the salesperson must recognize and adapt or flex to fit different customer communication styles. Weitz's (1978) model of the sales process (ISTEA Sales Process Model, see Figure 9) suggests that the salesperson's success in influencing the customer is related to his or her ability to perform five activities. The five activities are: 1) developing impressions, 2) formulating strategies, 3) transmitting messages, 4) evaluating reactions, and 5) making appropriate adjustments. The adjustments are made throughout the entire selling process. In empirically testing the impression formation and strategy formulation constructs of the model with industrial salespeople and their customers, he found the ability of the salesperson to adjust to the customers led to greater sales performance.

Weitz et al. (1986) note that adaptive selling, however, has costs associated with it. It requires the salesperson to spend time doing "marketing research" on the customer. The effectiveness of using the adaptive selling approach is also moderated by the salesperson's ability and skills to practice the technique. The ability and skills are gained from knowledge of the structure of sales situations, sales behaviors, and contingencies that link specific behaviors to situations. They characterize adaptive selling as "working smarter" (i.e., gathering more information about the customer to be able to create more categories and strategies), while the alternative is "working harder" (i.e., simply putting more effort into the task at hand). However, in a study conducted in the Netherlands by Vink and Verbeke (1993), it was found that these may not be two contrasting concepts, but interrelated instead. In other words, to be most effective the salesperson needs to "work smarter" and "work harder".

Lambert, Marmorstein and Sharma (1990) confirmed Weitz's (1978) adaptive selling theory in a study of chemical salespeople and their customers. Their findings indicated that salespersons' performance was directly related to the accuracy of their predictions of the customers' expected performance level. It is their conclusion that sales training needs to do a better job of providing insight into customers to enable salespeople to effectively practice adaptive selling.

The effectiveness of sales training to provide insight into customer types was the subject of study by Sujan, Sujan and Bettman (1988). Their study used student callers in a telephone operation designed to raise funds from alumni. They found that after the students had completed a training program designed to provide knowledge of different customer types, they were more effective. Their findings indicated that more effective salespeople have richer and more overlapping knowledge structures of customer types, in terms of both customer traits and strategies for selling to those customers.

Boorom, Goolsby and Ramsey (1998) suggest that adaptiveness requires the salesperson to gather information about prospects and then to use that information to develop unique presentations designed to cover salient buying points and persuade customers to purchase. In order for the salesperson to accomplish this objective; they state that training in presentational methods, knowledge of the salesperson's product or service and customer behaviors, as well as the economic value of the transaction and the personal cost of time and effort needed to gather the information are necessary. They stress that training should emphasize true information gathering (not just fact finding), proposing creative solutions (rather than just offering standard products), and aiding the customer after the sale by answering questions and providing technical assistance. In their study of insurance salespeople, they found that the relational communication skills of attentiveness (willingness to listen and observe non-verbal cues), perceptiveness (ability to interpret observations of the customer), and responsiveness (knowing what message to present and when to present it) all were correlated with the ability to adapt selling approaches to the customer.

Morgan and Stoltman (1990), however, make the point that the knowledge structures Weitz (1978) assumes in his ISTEA Sales Process Model (Figure 9) may be flawed. They discuss the potential problems that might arise if salespeople adapt to customers based on knowledge structures that don't reflect the expectations of buyers. Morgan and Stoltman state, "effective selling depends on something more than an opportunity and sufficient motivation to be adaptive. It requires foresight and an ability to perceive and integrate information" (p. 45). Among the problems faced by the salesperson to adapt their presentation is adhering to incorrect theories (e.g., believing all Asian buyers have Eastern culture norms). What they suggest is that a need for training regarding how to adjust/modify one's sales approach is necessary. They make particular note of the importance of sales training to address the impression stage of the Weitz's (1978) ISTEA Sales Process Model (Figure 9). Their statement is, "errors that stem from the wrong premise, e.g., overly simple schemes for classifying prospects, may be corrected by current training programs by virtue of the inculcation of categorization schemes and refined knowledge structures" (p. 50). They state that training modules can be developed to describe why interrelationships exist with customers and how they were discovered. The need for sales training to address these issues is made more important in instances where long-term relationships are the objective (Morgan & Stoltman, 1990).

Marks, Vorhies and Badovick (1996) found two dimensions exist in adaptive selling: beliefs and behavior. Not surprisingly, the only significant correlation with sales performance was with the adaptive selling behavior dimension. They recognized that beliefs do influence behavior and also noted that moderating factors may exist such as the nature of the sales situation and/or the nature of the product itself that effect the ability to translate beliefs into sales performance.

An important aspect of practicing effective adapt selling behaviors is knowledge of the customer's communication style (Weitz, 1978). Williams and Spiro (1985) propose that the successful salesperson is one who adapts his or her communication style appropriately to interact with the customer. In that regard, Comstock and Higgins (1997) determined in two studies of buyers and sellers in the advertising field that salespeople should adapt their behaviors to the buyers' preferred relational messages (i.e., interpersonal behaviors such as composure, immediacy and affection, receptivity and trust, and similarity and depth) but not communicator style (i.e., the pattern of communication such as friendly, relaxed, dominant, contentious or argumentative, attentive, animated, dramatic, open, precise, and impression leaving). They also found that salespeople were generally aware of the type of sales interaction buyers prefer. This salesperson's awareness is a key factor in relationship to the focus of this study because it is the salesperson's perception of the buyer's expected interpersonal interaction that will be solicited.

Jolson (1997) characterizes adaptive selling as the salesperson's development of the relationship with the buyer as they probe for needs and other questioning into a tactical adjustment to the demands of the current situation. He recognizes the importance of adaptability of the salesperson to the interpersonal interaction style preferences of the buyer, but believes that the adaptation is a part of the relationship selling process whether the selling situation is prospecting for a new customer or maintaining the relationship with an existing customer.

Williams (1998) ties relationship selling and adaptive selling together in stating,

> The longer-term focus of customer-oriented, relational selling, often requires the salesperson to bypass the immediate gratification and reward promised by short-term sales. In addition, the expenditure of more time and effort are required in order to gather information about customer needs, adapt responses, and provide post-sale follow-up (p. 281).

One can deduct from the review of the relationship and adaptive selling processes that the buyer's expectation of interpersonal interaction is the key ingredient in sales effectiveness. While there is debate about whether relationship selling and traditional, transaction oriented selling are both appropriate means of adapting the selling approach to the buyer, the importance of recognizing the interpersonal interaction variables in the buyer-seller relationship (i.e., bonding, communication and trust) do form the core of knowledge needed to practice adaptive selling. Additionally, the common thread throughout the literature is that the vehicle to accomplish the task of gaining buyer knowledge is sales training.

Selling of Services

The review of relationship selling and adaptive selling has incorporated conceptual models and empirical studies drawn from both industrial products and consumer products and services selling situations, however, it is important in the context of this study to distinguish between these two types of sales. Hite and Bellizzi (1985) hypothesized that there must be differences in the industrial versus consumer selling interaction process and tested their theory using a mixed sample of industrial and consumer salespeople. Analyzing each stage of a selling process (prospecting, getting an interview with the prospect, approach, sales presentation, handling of objections, and closing the sale), the results determined that the consumer salesperson was more "personalized" and relied more on other people (referrals and intermediaries) than the industrial salesperson. This implies that consumer salespeople need to be well trained with regard to "people" skills and the importance of first impressions (Hite & Bellizzi, 1985).

Another factor relevant to this study of the hospitality industry selling environment is that services marketing has been established as being different from goods or product marketing in numerous studies emanating from the seminal work of Zeithaml, Parasurman & Berry (1985). While this area of research is beyond the scope of this study, it is noted that four key differentiating factors of services from goods have been established: 1) intangibility, 2) heterogeneity of the service deliver, 3) simultaneous production and consumption (i.e., inseparability), and 4) perishability.

Based on the differentiating factor of tangibility, a seven part customer contact model for selling services was conceptualized by George, Kelly and Marshall (1986). The GKM model phases are:

1. Orchestrate the customer contact encounter. This phase involves understanding the buyers needs and expectations.
2. Tangibilize the service. This is a unique phase to the service industry sale as it involves educating the buyer on what is offered to establish differentiation from other alternatives.
3. Facilitate quality assessment. For example, establish levels of expectations.
4. Utilize all "public contact" personnel. This phase means sensitizing all personnel on their direct role in customer satisfaction.
5. Encourage customer involvement during the service encounter. This phase is a result of the customer involvement factor in the delivery of services.
6. Involve external references or word-of-mouth.
7. Maximize positive organizational reputation.

All of these phases of the process are directly connected to the issues of dealing with the intangible nature of the service delivery product and, therefore, serve to establish the differences in how services are sold compared to goods.

An adaptation of the George et al. (1986) process was conceptualized by Buttle (1993). Buttle revised the GKM model based on interviews and observations of the selling of hotel services (Table 1). His model determined two parts to the process, the first being the sales interactive process that incorporates: a) a distinction between orchestrating encounters between salespeople and prospects from those with other employees and guests; b) encouraging customer involvement after the sale; and c) stressing the importance of salespeople helping the customer identify their hotel's service quality. The second part of his model is the sales facilitation processes, that differs from the original GKM model by adding: a) the importance of orchestrating all employee interactions, b) the importance of coordinating all factors that impact on the winning and keeping of customers, c) implementing an internal marketing program, and d) the significance of dovetailing the sales effort into a planned and integrated market communication strategy. Buttle states that the key to this model is recognizing that selling a service, such as the hotel service product, needs to integrate all of those who interact to create the service (sales, marketing, operations and human resources), not just the salesperson. This model is based on the objective of developing long-term buyer-seller relationships.

The selling processes of George et al. (1986) and Buttle (1993) make the important point that relationship selling type issues such as "tangiblizing" the service and orchestrating all employee interactions with the customer need to be addressed when selling services to a greater degree than when selling products. This might suggest that relationship selling is an appropriate sales strategy for all types of customer classifications as suggested by Jolson (1997).

International Selling Environment

Conti and Cron (1998) suggest that managing global sales organizations requires significantly greater skills and competencies due to the increased complexity of international operations. Two of those complexities they cite include cultural norms and differing social values, both relevant to this study. They further state “the sales executive today must not only have the contact and understanding of the customers, but they must also have the seasoned management expertise to manage and direct diverse internal company resources while balancing market needs” (p. 277).

Kale and Barnes (1992) make the point that the foreign sales force of multinational companies could be: 1) the expatriate salesperson working in a foreign country, 2) the foreign salesperson working at home for a subsidiary of a foreign company, and 3) the “cosmopolitan” salesperson – an expatriate who works in many foreign countries. This situation represents one of the complexities that issues of cultural norms and social values can affect (Conti & Cron, 1998). It is also an important factor related to this study as it is expected there will be a variety of national cultures represented in both the North American sales force and the Asian sales force.

Specifically addressing the differences in buyer-seller relationships between North America and Asia, Schuster and Copeland (1996, pp. 19-20) make an important point in distinguishing the North American concept of relationship/collaborative selling from the sales approach expected in Asia. They state that the relationship/collaborative selling approach still views the business relationship as coming first, while in Asia the personal relationship comes before the business relationship. They see this as related to the focus of getting the task at hand accomplished over the buyer-seller relationship development.

Further to the point of differences in international selling approaches, Alber, Krafft, & Bielert (1998) state that the United States is highly transactional versus relationship based in its selling approach. They relate this to the national culture dimensions of Hofstede (1980a, 1980b) to be covered in more detail in the following section of this chapter. However, a key point made by the authors is that collectivist cultures (e.g., Asia) have a high tendency to avoid uncertainty, thus relying on more stable relationships between companies than in individualistic countries with low uncertainty avoidance (e.g. United States). The implication is that relationship marketing and selling is more critical to countries like the United States if long-term relationships with customers are to be established.

Kale and Barnes (1992) propose an international selling process flow-chart (Figure 10). The first step of the process is self-appraisal where the salesperson determines their communication preferences in terms of content and style (note that the communication construct will be discussed in greater detail later in the chapter). They depict this stage as a "cultural self-awareness. The second stage involves understanding the buyer's position in cultural terms. They suggest Hofstede's (1980a, 1980b) dimensions provide insight into the national characteristics of the buyer before the initial sales call is made. The third stage is the "discrepancy identification" stage where the differences between the seller and buyer are determined. Based on the first three stages, the fourth stage becomes the strategy formulation stage where the seller determines the appropriate content and style of communication to use in the selling situation. They inject the adaptive selling approach (Wietz, 1978) at this stage of the selling process if the buyer gives the seller feedback that the communication/persuasion strategy is not appropriate. The result is evaluation and adjustment.

The above noted literature in international selling relates directly to both of the research questions of this study. The authors cited have been supporters of the position that differences do exist between buyers and sellers in how sales strategies should be implemented in different cultures. Additionally, it would be expected that modifications in the North American relationship selling approach are necessary for it to be adopted in Asia.

Hospitality Sales

The relationship marketing and selling approach has been suggested as the most effective means to build long-term buyer-seller relationships in the hotel industry (Mayersohn, 1994; Lewis, Chambers & Chacko, 1995, pp. 613-616; Plott, 1998; Kotler, Bowen & Makens, 1998, pp. 610-613). Mayersohn (1994) states that traditional selling methods used in the hotel industry such as tracing files and calling unproductive names on outdated lists have to change. He suggests that sales training in the industry needs to address the customer's frame of reference and understanding their reasons for buying. Further, he states that product-based sales approaches are not productive, instead a "marketing" approach needs to be implemented. However, it is noteworthy that in a review of hospitality marketing literature by Bowen and Sparks (1998), it is stated “personal selling has not been extensively researched, especially using empirical methods” (p. 135).

The findings from a study of convention hotel salespeople in North America by Bojanic, Shea and Honeycutt (1995) suggest that at least one of the skills necessary for effective relationship and adaptive selling approaches (i.e., interpersonal skills) are not being extensively taught. The study found that the most important skills a hotel salesperson needs are interpersonal skills, however, the degree of training the hotel salespeople actually received in interpersonal skills fell way down the list.

Further evidence that hospitality sales training outside of the United States also is not providing salespeople with the tools to practice relationships or adaptive selling was uncovered in a study in the United Kingdom (Hartley and Witt, 1992). The researchers conducted telephone calls to conference hotels in the United Kingdom to assess the abilities of hotel salespeople to obtain knowledge from potential customers about their meeting and conference needs (i.e., customer knowledge is an important ingredient of adaptive selling). The results indicated that hotel salespeople did not attempt to find out if the caller had a particular event in mind or to ascertain any basic details about the proposed event 77% of the time. Their conclusion was without the knowledge base information about the customer, there was no way to determine the appropriate selling approach to be used. In fact, the information they qualified as knowledge could be categorized as product-related factors (i.e., who was organizing the event, who was running the event, what was the purpose of the event, and are there any proposed dates for the event), not even relational oriented factors. They state an explanation for the poor performance of the salespeople may be because they don’t perceive the initial conversation with the customer as a selling opportunity.

Relevant to this study, Bojanic et al. (1995) indicate that assessing the needs of the sales force is the first step in developing a sales training program. This study will address the interpersonal interaction constructs of the buyer-seller process and thus provide information that will assist is assessing the sales force’s needs.

As noted previously, the lack of empirical evidence regarding the appropriateness of using the relationship selling process to build long-term buyer-seller relationships with all of the international market segments of the hospitality industry is one justification for this study. Additionally, identification of the factors that effect the potential adaptive selling techniques the hotel salesperson employs needs to be established. These factors can then be incorporated as modifications to the existing relationship selling process being taught or as the rationale for expanding the sales training programs to include traditional, transaction oriented processes for certain market segments.

National Culture

The second section of this chapter presents the literature related to the international scope of the study. The discussion is limited to the literature addressing the North American versus Asian national culture differences that define the second parameter of the boundaries of the study.

The structure of this section of Chapter II will first present the dimensions of national culture that define the cross-cultural differences between countries, societies and regions of the world as represented by individuals within organizations. Second, the related concept of national character is defined and connected to the national culture construct. Third, literature and empirical studies relevant to the international personal selling and the hospitality management field are presented. It should be noted that the hypotheses contained in the theoretical model related to national culture will be discussed in the buyer-seller relationship construct sections of the chapter.

Dimensions of National Culture

Culture is defined by Hofstede (1980a) as "the collective programming of the mind which distinguishes the members of one human group from another" (p.21). Culture is to human collectivity what personality is the individual, it determines the identity of the human group in the same way as personality determines the identity of the individual. In determining differences in national culture between countries, societies and regions of the world, the values (i.e., "a broad tendency to prefer certain states of affairs over others", Hofstede, 1980a, p. 18) of individuals are considered in their collectivity to compare the cultures (Hofstede, 1980a).

Based on a qualitative study done using IBM world-wide as the case study, Hofstede (1980a, 1980b, 1997) found differences in cultural values between the employees representing different countries within one organization. Those differences led to the development of four cultural dimensions (individualism, uncertainty avoidance, power distance and masculinity) that better define the cross-cultural difference between national cultures (Hofstede, 1980a, 1980b).

The four dimensions (individualism, uncertainty avoidance, power distance and masculinity) that will be elaborated on below, have become the most widely used measures of national culture. Support for the generalizability of the four dimensions was cited by Sondergaard (1994) who reviewed the number of times Hofstede's (1980a) study had been replicated. He found 64 replications had been conducted with 28 done cross-culturally, all of which supported Hofstede's (1980a) original conclusions.

Individualism. The dimension of individualism, and its contrast collectivism, refers to the degree to which individuals are integrated into groups. It is the relationship between the individual and the collectivity which prevails in a given society. In individualistic cultures individuals look primarily after their own interests, while in collectivist cultures individuals belong to one or more "in-groups" from which they can not detach themselves. The "in-group" is the protector of the interests of its members (Hofstede, 1980a, 1980b, 1997). Hofstede further differentiates the individualistic society from the collectivist society in work organizations by characterizing individual societies as putting task before relationships as opposed to the collectivist view that relationship has precedence over task. The individualism cultural dimension has been establish by Hofstede as being the one with the greatest differences between Asian cultures and the North American culture with the United States being more individualistic. The differences were determined by means of an "Individualism Index" that was calculated by adding the country mean scores on 14 work-related values. The results indicated the United States' index score was the highest of all countries studied at 91, Japan's index score was 46, Hong Kong's was 25 and Singapore's was 20.

Uncertainty Avoidance. Uncertainty avoidance is the means taken to avoid uncertainty through rules orientation, employment stability, and stress. It is the extent to which people within a culture are made nervous by situations that they consider unstructured, unclear, or unpredictable and the extent to which they attempt to avoid such situations by adopting strict codes of behavior and a belief in absolute truths. Cultures with strong uncertainty avoidance are active, aggressive, emotional, security-seeking, and intolerant. Those cultures with weak uncertainty avoidance are contemplative, less aggressive, unemotional, accepting of personal risk, and relatively tolerant (Hofstede, 1980a, 1980b, 1997).

Power Distance. Power distance is related to the hierarchy within an organization and the ability to question authority. It is the extent to which the less powerful person in society accepts inequality in power and considers it as normal (Hofstede, 1980a, 1980b, 1997).

Masculinity. Masculinity is the socialization factor of males and females in a culture. In masculine cultures values stress material success and assertiveness, while in feminine cultures the values stressed are quality of life, interpersonal relationships and concern for the weak (Hofstede, 1980a, 1980b).

The combined effect of the various national cultural dimensions has shown other dramatic differences in the Asian and North American cultures. For example, it was found that if power distance and individualism were combined, the United States would fall into a grouping with small power distance and high individualism, while all of the Asian countries would be grouped in a quadrant of large power distance and high collectivism. The negative correlation between these two dimensions in characterizing the Asian and North American cultures has implications to the organizational structure of companies within those countries (Hofstede, 1980a).

Long-term Orientation on Life. A fifth dimension of national culture was later added by Hofstede (1997) resulting from studies of Confucian values in Asian cultures (Chinese Culture Connection, 1987; Hofstede & Bond, 1988; Bond, 1988). It was determined long-term orientation versus short-term orientation in life was an additional dimension that differentiated Western and Asian cultures. Long-term oriented cultures are characterized by patience, perseverance, respect for one's elders and ancestors, and a sense of obedience and duty toward the larger good (Hofstede, 1997).

The research that identified the fifth dimension of national culture was initially conducted by the Chinese Culture Connection (1997), a group of academic researchers from nine Asian and Pacific countries. They developed the Chinese Value Scale (CVS) which is a modified version of the Rokeach Value Scale (Rokeach, 1968, 1973), a measurement of individual values that has been used extensively in several disciplines including marketing and tourism, with the intent of comparing the values to Hofstede's (1980a, 1980b) four cultural dimensions at the national culture level (i.e., not at the individual level). The results of ecological factor analysis (to be discussed in Chatper III) of the scale determined four value factors: integration (i.e., a broad integrative, socially stabilizing emphasis), "Confucian work dynamism" (i.e., values reflect Confucian work ethics), human-heartedness (i.e., gentleness and compassion as opposed to a harsher, legalistic approach), and moral discipline (taking a firm and disciplined stance versus flexibility). The integration factor was positively correlated with the individualism dimension and negatively correlated with the power distance dimension. Human-heartedness was highly correlated with the dimension of masculinity and moral discipline was correlated with the power distance dimension. The results, however, found no correlation with the uncertainty avoidance dimension of national culture (Hofstede, 1980a, 1980b) and the "Confucian work dynamism" factor identified by the CVS instrument had no correlation with any of Hofstede's four dimensions. They conclude from those findings that uncertainty avoidance is a dimension unique to Western culture (i.e., it was only identified in Hofstede's measurements of national culture, a Western scale). Additionally, the fifth cultural dimension of long-term orientation on life (Hofstede & Bond, 1988; Hofstede, 1997) was based on the "Confucian work dynamism" factor that was unique to the Asian culture instrument. The importance of this study was that it took an Eastern culture oriented instrument (CVS scale) and compared it with a Western culture oriented instrument (Hofstede's four dimensions) determining that they both measured similar constructs of national culture.

The particular relevance of the long-term orientation on life dimension or "Confucian work dynamism" factor is the differences in values of the Asian and North American cultures it represents. In a comparison ranking of the countries represented in the survey (Hofstede & Bond, 1988), the Western cultures of North America ranked low in the composite index (United States was 14 and Canada was 17), while the Eastern cultures of Asian countries ranked the highest (Hong Kong, Taiwan, Japan, and Korea were ranked 1-4 respectively).

Ralston, Gustafson, Elsass, Cheung & Terpstra (1992) used the CVS instrument to survey managers from the United States, Hong Kong and the Peoples Republic of China (PRC) to determine if there were differences in their national cultural values. They found that there were significant differences between U.S. managers and PRC managers in the dimensions of integration (U.S. > PRC), "Confucian work dynamism" (PRC > U.S.), and human heartedness (U.S. > PRC). There were significant differences between U.S. managers and Hong Kong managers on two dimensions with U.S. managers higher on human heartedness and lower on "Confucian work dynamism". There were no significant differences found between any of the three cultures on the moral discipline dimension. While the findings did confirm that there are differences between each of the three cultures on three of the dimensions, the majority of the variance could be attributed to difference within each culture. This result would mean that the dimensions can not be considered universal among all members of each country.

Another study by Chang and Ding (1995) also used the CVS instrument to determine national cultural differences. The subjects of this mail survey were purchasing department managers of high tech manufacturers in Taiwan and the People's Republic of China (PRC). The results were similar to those of Ralston et al. (1992), as they found both differences in the integration and "Confucian work dynamism" factors between countries and within the cultures. These conclusions would support the theory that Asian buyers can be differentiated from Western culture buyers.

National Culture and its relationship to Organizations and Individuals. Hofstede's (1980a, 1980b) study was a measure of people's work values. The Chinese Culture Connection (1987) study using the CVS instrument was designed to be a study of people's personal values.

However, as the research has shown, the dimensions of national culture are effectively measured on a national level by both.

It is Hofstede's view that at the national level cultural differences reside mostly in values, while at the organizational level cultural differences reside mostly in practices. He further states that values are acquired from youth, while organizational practices are acquired through socialization. Therefore, the national level and organizational level are phenomenon of different order. However, organizational culture is a manifestation of verbal and non-verbal behaviors of individuals aggregated to the level of the organizational unit (Hofstede, 1997, 1998).

In this study the focus is on OBB at the level of the buyer-seller dyad. Therefore, the measure of national culture at the culture-level is appropriate since the buyer-seller relationship is a function the individuals partake in as result of their organizational responsibility. The national level of the cultural values is also most appropriate since they represent the more deep seeded factors that effect the interpersonal interaction of the buyer-seller relationship.

It should be noted, however, that Bond (1988) extended the applicability of the concepts of national culture to the individual level (to be covered in more detail in Chapter III). Although his study did conclude that national culture could be measured on an individual basis, the dimensions of the CVS instrument he used did differ from the four dimensions of national culture to be used in this study.

National Character and National Culture

Clark (1990) synthesized all previous cross-cultural research including Hofstede's (1980a, 1980b) original four dimensions into his conceptualization of national character. National character is defined as describing "the pattern of enduring personality characteristics found among populations of nations" (p. 66). The relevance of the discussion of national character to this study is: 1) Clark relates the concept specifically to the marketing context, 2) it validates the constructs of Hofstede's four dimensions, and 3) several authors in the international buyer-seller relationship research field have referred to both national culture and national character in establishing culture differences.

The domains of national character that he presents are: 1) relation to authority, 2) relations to self, and 3) relation to risk. Relation to authority refers to the emphasis on hierarchical relations of family, social class, and reference groups and is related to Hofstede's power distance dimensions (Hofstede 1980a, 1980b). The "relations to self" domain is the concern with self-concept and personality. This domain is related to the Hofstede dimensions of masculinity and individualism. Relation to risk reflects the perception, evaluation, and experience of risk in the buying process and is directly correlated with Hofstede's uncertainty avoidance dimension.

While Clark (1990) acknowledges the fact that individuals within any nation can not be stereotyped, he states that national character is valid in marketing studies because of its potential to explain the aggregate national strategy in buyer-seller relationships. Its value is in analysis of traits or a pattern of tendencies in each nation. He views the contribution of studies of national character as shedding light on: 1) identifying significantly similar patterns among buyers and sellers cross-nationally that provide information for global thinking; 2) identifying multimodal patterns at the national level, thus suggesting more rational segmentation and market niching strategies; and 3) providing a richer vantage point for gaining a more global attitude that goes beyond just the marketing mix.

Personal Selling on an International Level

Several authors have addressed the specific issue of personal selling on an international level. Blois (1998), in referring to the development of buyer-seller relationships, makes the point that the interaction between the two cultures of buyer and seller firms is not only mediated by the behavior of individuals, but is the creation of individual's interpretation of events. In discussing international selling situations, Scarborough (1998) notes that interpersonal relationships, rather than the content and practice of business, are affected most by cultural differences. He also states that Chinese buyers do not respond well to overbearing sales pitches and aggressive negotiation that are more common in the North American selling approach, as he puts it "one must avoid the urge to 'close the deal'" (p. 23). Additionally, he makes the point that the national culture dimensions of collectivism and large power distance common to Asian cultures are related to the concepts of harmony and order. In the context of personal selling, the need for harmony and order means that the salesperson must not show anger, impatience, or any form of disharmony and unpleasantness when frustrated. Schuster and Copeland (1996) also make the point that cold-call selling is generally not effective in Asian countries and that substantive discussions usually don't take place during the first meeting and probably not until after several meetings.

National Culture and the Hospitality Industry

The studies related to the construct of national culture that have been undertaken in the hospitality industry have been focused on management issues and consumer behavior as opposed to the business-to-business marketing area of buyer-seller relationships. However, as presented below, the studies have established the relevance of national culture differences within the hotel industry in Asia that is the focus of this study.

Pizam, Pine, Mok & Shin (1997) compared hotel managers in Hong Kong, Japan and Korea with regards to Hofstede's (1980, 1984) original four dimensions of culture. The reliabilities associated with the measures used in the study, however, led to only the dimensions of individualism and masculinity being reliable measures. They highlight two important findings from the study. First, national culture has a greater effect on managerial behavior than the culture of a particular industry (i.e., hospitality industry). There were significant differences between all of the national cultures for the individualism dimension (ranked from most collectivist to least – Korean, Japanese and Chinese managers) and Chinese were less masculine than Japanese and Korean managers. The second key finding was that there is a positive relationship between work values and managerial behavior. The results of the individualism/collectivism and masculinity constructs were found to be almost identical to Hofstede's findings, meaning values effect attitude that in turn effect behavior (Pizam et al., 1997). Additionally, the study found the Hong Kong Chinese specifically placed lower emphasis on building relationships and trust as a prerequisite of business dealings.

Mwaura, Sutton and Roberts (1998) conducted a qualitative study of differences in corporate culture versus national culture at the Great Wall Sheraton in Beijing, Peoples Republic of China. Their objective was to identify problems and establish divergence in the process of transferring a North American corporate culture into an Asian national culture. The results of the critical incident approach found conflicts did occur in areas of personal relationships, lack of empowerment, meaning of life, training, role of women, communication, human resource management and *guanxi* (a concept in Chinese culture to be discussed further later in the chapter). In each of these areas, the observation was that national culture was prevailing over the attempt to establish the Sheraton corporate culture.

Pang, Roberts and Sutton (1998) conducted a similar qualitative study to the Mwaura, Sutton and Roberts (1998) study only the subject of the study in this case was Shangri-la's China World Hotel in Beijing, PRC. The results also confirmed the fact that national culture overides the corporate culture, even though in this case the corporate culture is also Chinese but it is Malaysian Chinese as opposed to PRC Chinese. They did, however, observe that younger employees showed more potential and capacity to change even though they still possessed Chinese cultural traits; they were more tolerant and willing to accept alternatives. The authors suggest that to successfully transfer corporate cultures there needs to be a better understanding of and adaptation to Chinese culture.

McCleary and Choi (1999) and Lee (1993) researched the difference in personal values between U.S. and Korean business travelers and how those personal values affected the importance of hotel attributes. It was determined that personal value differences between the individualistic U.S. culture and the collectivist Korean culture can be related to the business traveler's purchasing criteria in their studies. The studies found that personal value differences between two cultures can be an important tool for segmenting consumer markets in the hospitality industry. McCleary and Choi suggest that values can be a better base for developing cross-cultural marketing strategy than other segmenting methods.

The relevant literature cited above in the area of national culture has established the existence of significant differences in North American and Asian managers, particularly in the hotel industry. The affect of those differences will be established as hypotheses in this study in the sections of this chapter related to the buyer-seller relationship constructs.

Buyer-Seller Relationships

This section of Chapter II presents the third defining parameter of the boundaries of this study, the buyer-seller relationship. There is an extensive body of literature in this area of research that evolved from the broader paradigm of organizational buyer behavior (OBB) that will be covered first in this section. The association between OBB and the dyadic buyer-seller relationship, including the most frequently cited conceptual models of the development of buyer-seller relationships, is the subject of the second part of this section. The third part of the section will establish the link between national culture and the primary interpersonal interaction constructs of the conceptual models. The final part of the section will cover the past research in this arena directly related to the hospitality industry. The research hypotheses to be empirically tested related to the buyer-seller relationship constructs will be introduced in later sections of the chapter.

Organizational Buyer Behavior (OBB)

The three conceptual models that significantly influenced the generation of academic research in organizational buyer behavior (OBB) are those of Robinson, Faris and Wind (1967), Webster and Wind (1972), and Sheth (1973) (Johnston & Lewin, 1996; Sheth, 1996; Wilson, 1996). Sheth (1996) notes that the initial research in OBB addressed the decision making precision in organizations, but emerging trends in buyer-seller interaction and buyer-seller relationships have developed. Sheth also recognizes the trend in OBB is moving from transaction centered to relational-centered philosophy, as well as from domestic sourcing to global sourcing. As a result of these shifts, he notes a number of promising research areas include bonding between buyers and suppliers, cross-cultural values and services procurement that this study will address.

Johnston and Lewin (1996) note that there are three common elements among the seminal OOB conceptual models. The common factors include environmental or situational influences (e.g., national culture), organizational influences, and individual participants. They further indicate that OBB affects and is affected by buyer-seller relationships.

Wilson (1996) concurs with the importance of the three OBB models in establishing a middle-range theory in the field marketing. She recognizes the work of Dwyer et al. (1987) and Wilson (1995) as examples of the growth of analysis in OBB toward the dyadic relationship of buyer and seller as opposed to previous research that focused only on the buyer side. However, she suggests that new models be proposed and new empirical studies be conducted to further our knowledge about OBB. In that context, she supports the emphasis on examining exchanges as ongoing relationships rather than discrete transactions. The analysis of long-term relationships, she believes, would be a further evolvement in research from the three OBB models that focused on short-term business orientation, buying based on lowest price, and very little interaction with suppliers other than the initial negotiations.

Williams (1998) also acknowledges the trend in OBB toward focusing on long-term buyer-seller relationships. He states "marketing's emerging strategic focus has shifted toward energizing performance through the implementation of longer-term, customer-oriented strategies in hopes of increasing customer satisfaction and nurturing customer relationships" (p. 271).

Buyer-Seller Relationships Models

The development of the OBB decision models established the framework for the entire buying process within an organization, however, it didn't deal with the unique dyad of the individual buyers and sellers (Dwyer et al., 1987; Wilson, 1995; Wilson, 1996). The recognition of the importance of targeted research of the dyadic buyer-seller relationship led to the development of conceptual models by Dwyer et al. (1987) and Wilson (1995). Those conceptual models, in turn, spawned further research into how long term, mutually profitable relationships were developed and maintained that will be discussed in detail below.

The buyer-seller relationship has been characterized, based on qualitative research, as a dyadic relationship (Evans, 1963). This means that in order to effectively study the buyer-seller relationship, the disciplines of psychology and sociology have to be incorporated. The primary theoretical justification for the development of long-term buyer-seller relationships actually stems from the expectancies of social exchange theory (Hieder, 1958; Homans, 1961). Homan's

(1958) propositions about interpersonal behavior suggest that interaction is a process in which two participants (i.e., the buyer and seller) carry out activities directed toward one another and exchange valuable resources. Social exchange theory views the exchange relationships as dynamic and assumes processes evolve over time as the actors mutually and sequentially demonstrate their trustworthiness (Hallen, Johanson & Seyed-Mohamed, 1991).

Dwyer, Schurr and Oh (1987) Model. The recognition that the buyer-seller relationship is not a discrete event, but an ongoing relationship led to the development of a framework for buyer-seller relationships (Dwyer et al., 1987). The framework was theoretically based on social exchange theory, as noted above. The five-phase development process of Dwyer et al. (1987) incorporates the concept of relational exchanges versus discrete transactions that do not involve joint decisions. The stages of the process are: 1) awareness or recognition of the feasibility of the exchange partner; 2) exploration which characterizes the search and trial phase including the development of norms for the relationship and expectations (trust would fit into this stage); 3) expansion, where increased risk taking develops due to the establishment of trust in the relationship; 4) commitment, the implicit and explicit pledge of relational continuity; and 5) dissolution or the possible break-up of the relationship.

The awareness stage is characterized as a bilateral interaction that marks the beginning of the next phase of the possible relationship (e.g., a general inquiry). It is only the recognition of the feasibility of a relationship. The second stage, exploration, is the search and trail phase. It has five sub-processes: 1) attraction, 2) communication and bargaining, 3) development and exercise of power, 4) norm development, and 5) expectation of development (trust plays an important role in this sub-process). Phase three is the expansion stage and refers to continual increase in benefits obtained by exchange partners and to their increasing interdependence. Commitment is the fourth phase that refers to the implicit and explicit pledge of relational continuity between exchange partners (e.g., top accounts). The criteria of this phase are inputs (i.e., what the parties contribute), durability (i.e., bonding is a factor in this criteria) and consistency. The final phase is dissolution that shouldn’t be considered as a reversal according to Dwyer et al. (1987).

The benefits of the relational exchange sales strategy include reduced uncertainty, exchange efficiency and social satisfactions for the association. Another important advantage of this sales strategy is the possibility of significant gains in joint payoffs as a result of effective communication and collaboration to attain goals. Additionally, the buyer's perception of the effectiveness of the exchange relation is a significant mobility barrier and potential competitive advantage for the seller that insulates the latter from price competition (Dwyer et al., 1987).

Dwyer et al. (1987) stressed that their objective was to address the area of buyer-seller relationships they felt had been neglected, relational exchanges. They pointed out that discrete transactions shouldn't be ignored as one form of buyer-seller relationships. This is an important point in relation to this study as both relational exchange and discrete transaction type buyer actions are to be analyzed.

Wilson (1995) Model. Wilson (1995) built on the model of Dwyer et al. (1987) using a review of literature in the buyer-seller relationship area to determine relationship "success" variables. Those success variables were commitment (i.e., importance of continuing the relationship), trust, cooperation, mutual goals (i.e., sharing of goals that can only be accomplished through joint action), interdependence and power, performance satisfaction, structural bonds, comparison level of alternatives, adaptation (i.e., altering the processes or the item to accommodate the other party), non-retrievable investments (i.e., relationship specific investments), shared technology and social bonds.

Commitment was found to be the most common dependent variable by Wilson (1995) in previous buyer-seller relationship studies. Commitment implies importance of the relationship to the partners and a desire to continue the relationship into the future. Trust, as defined by Wilson, is the belief that one relationship partner will act in the best interests of the other partner. Cooperation is defined as similar or complementary coordination of actions taken by firms in interdependent relationships to achieve mutual outcomes or singular outcomes with expected reciprocation. Wilson further states that cooperation and commitment interact to ensure long-term relationships. Mutual goals are defined as the goals accomplished through joint action and maintenance of the relationship. These are goals of the firms involved. Interdependence and power and their imbalance are important relationship variables. Wilson states that power imbalance is a direct result of the degree of one partner's dependence on the other partner. Performance satisfaction is the partner's satisfaction with the basic elements of the business relationship. Structural bonds are those forces that create impediments to termination of the relationship. Comparison of alternatives is the comparison of the quality of the outcome available from the best available relationship partner. Adaptation occurs when one party in a relationship alters its processes or the item exchanged to accommodate the other partner. The concept of adaptation was drawn directly from the IMP "interaction" model (Hakansson, 1982), to be discussed later in this section. Non-retrievable investments are relationship-specific commitments of resources that a partner invests in the relationship. Shared technology is the degree to which one partner values the technology contributed by the other partner to the relationship. Social bonds are the strong personal relationships that commit the partners to the relationship. The "success" variables related to the interpersonal interaction between buyer and seller will be the focus of this study and is discussed in more detail later in the chapter.

The stages of Wilson's (1995) model (Figure 2) are: 1) partner selection, the beginning of the relationship development when the partner is untested so reliance is on the reputation of the firm and salesperson and the initial formation of social bonds is begun (e.g., a general inquiry); 2) defining purpose, an agreed upon set of mutual goals and objectives, the furthering of social bonds and the state where trust becomes a major factor and lack of trust causes failure; 3) setting relationship boundaries, or the degree of relationship involvement from both parties. At this stage the buyer and seller have developed strong mutual goals, trust, and social bonding; 4) creating relationship value, where commitment, structural bonding and adaptation enter into the process. The competitive abilities of the hybrid of the two organizations is enhanced by the relationship; and 5) relationship maintenance (e.g., top accounts). He also suggests that the variables of trust, performance and satisfaction become latent in the latter stages, but they are still important to maintaining long term buyer-seller relationships. The stages are based on partnership literature on the creation of hybrid organizational relationships (Borys & Jemison, 1989) that have many of the same principles as buyer-seller relationships. Situational variables such as time pressure to develop a relationship, company cultures, and experience of potential partners will influence the ability to move through the stages according to Wilson (1995). He also states that communication is a necessary process throughout all of the stages of the relationship, but the content of the communication activities changes as the stage in the process changes.

Other Models of Buyer-Seller Relationship Stages. In a study that proceeded the development of the OBB conceptual models, Ozanne and Churchill (1968) proposed a model of adoption for industrial products and subsequently tested its validity. The model proposed the process of adoption went through five stages: awareness, interest, evaluation, trial and adoption. Their field study research confirmed all but one stage, trial. Additionally, they determined that personal selling was the primary information source for the initial two stages of awareness and interest.

Campbell (1997) proposes a conceptual framework of long-term buyer-seller relationships based on expectations of mutuality. She believes a fundamental of relational exchange is the expectation of mutual interest. The model she conceptualizes incorporates the antecedents of mutual norms of competitive context, firm context, relationship context and interpersonal context. The relevant dimension of interpersonal context in her model incorporates personal trust and social bonds. While she acknowledges previous research on the trust construct, she differentiates her concept of trust as personal trust versus trust between firms. Personal trust is defined as a generalized expectancy held by an individual that the word of another can be relied upon. Social bonds are evidenced by friendship and liking which develop through personal interaction. Again, she acknowledges previous research incorporating this construct but points out that there have been mixed results regarding its effect on exchange partners. Campbell hypothesizes that both personal trust and social bonds strengthen expectations of mutuality in inter-firm relationships.

Palmer and Bejou (1994), using a sample of investment service customers, empirically tested the theory that buyer-seller relationships go through a life cycle of some sort. They found that indeed a life cycle existed and that empathy grew over time during the relationship development, sales orientation/selling pressure decreased as the relationship progressed, and ethical credibility peaked after the early stages of the relationship.

Wren and Simpson (1996) in assessing the contributions of research frameworks in buyer-seller relationships concluded that four categories of variables exist: salesperson-related factors, buyer-related factors, factors related to the relationship/interaction, and outcome factors. The salesperson-related factors include personal characteristics, adaptive selling skills and salesperson knowledge. The customer characteristics would include their purchasing strategy among other variables. The relationship/interaction related factors include relational exchange and communication climate. The outcome of the interaction could be attitude/behavior intention based (cooperation, satisfaction, trust, commitment) or performance based (sales quotas, profit objectives). All of these factors are incorporated within this study.

Buyer-Seller Relationships and the Salesperson. As discussed previously, the initial focal point of OBB literature was on the buyer in the buying decision, however, subsequent studies have also focused on the salesperson and their role in the buyer-seller relationship. The literature related to the salesperson will be discussed below.

Williams and Attaway (1996) found that the selling organization’s culture is represented by the salesperson and his or her customer oriented behavior. They looked at three variables (organizational culture, customer orientation and relationship development) through a survey of a diverse group of business-to-business buyers in the Midwest. They determined that the selling firm’s organization culture is transmitted through the salesperson to the buyer, not directly, and that the salesperson’s customer orientation is strongly correlated with the relationship development. The limitation of this study, however, was that they used a convenience sample versus a random sample which may effect the generalizability of the results.

Dion, Easterling and Miller (1995) conducted a study of the personality traits of buyers and sellers and trust on the outcomes of the buyer-seller relationship. The study involved buyers from the National Association of Purchasing Managers and the designated salespeople they dealt with from their suppliers. Their findings indicated that specific personality traits as measured by the Myers-Briggs Type Indicator did not have a significant effect on the trust or sales performance outcomes, however, they did determine that perceived similarity between buyers and sellers had a significant relationship to both trust and sales performance outcomes. The conclusion they reached is that there is more than the salesperson's personality involved in successful buyer-seller relationships. Additionally, they found a strong relationship existed between trust and sales performance outcomes.

Wray, Palmer and Bejou (1994) determined buyer's relationship satisfaction is influenced the most by the sales orientation of the salesperson (i.e., the salesperson's level of pressure selling was negatively related to satisfaction). Their study of buyers of financial services also found that the primary variable effecting trust was the duration of the relationship. The author's interpreted that as evidence trust only develops over time in a relationship. This might put in question Wilson's (1995) premise that trust is more important in the initial stages of the buyer-seller relationship.

Buyer-Seller Relationships Trends and Future Direction. A paradigm shift in channels research has occurred in shifting away from studying discrete, formalized transactions towards studying continuing relationships, however, it is suggested that the shift has not been addressed in services literature (Shemwell, Cronin & Bullard, 1994). Additionally, Williams (1998) makes the point that gaps exist from the conceptualization of buyer-seller relationship models and empirical research regarding the customer orientation and relationship development process. He also stresses the point that the very success of a firm's relationship marketing strategy is highly dependent on its sales force since they have the most immediate influence on the customer.

Heide and John (1990), using a sample of industrial firms and their suppliers, addressed the contradictory position that long-term relationship commitments are not necessarily appropriate in all buyer-seller relationships. Their findings determined that bilateral governance (i.e., an ongoing buyer-seller relationship) is not universally desirable, but useful only when the investment in the relationship is cost effective. They also found that buyers and suppliers had different incentives for developing close relationships. They found that continuity (i.e., the perception of the bilateral expectation of future interaction) was more important from the supplier's side than the buyer's.

International Buyer-Seller Relationships

All of the previously reviewed literature in OBB and the dyadic buyer-seller relationship in this section has evolved from the North American culture. This study, however, is focused on the international buyer-seller relationship. Therefore, it is important to discuss the body of literature that more specifically addresses the international OBB and buyer-seller relationships, as well.

The three seminal conceptual models in OBB did incorporate the element of environmental or situational factors that serve as representations of the cross-cultural factors in international buyer-seller relationships (Johnston and Lewin, 1996). However, research has also been generated in Europe (IMP "interaction model", Hakansson, 1982) related to buyer-seller relationships that has identified additional factors to be considered when studying international buyer-seller relationships. The following discussion will cover the IMP "interaction model" (Hakansson, 1982) and its relationship to this study, as well as recent international buyer-seller relationship literature that connect the constructs of national culture and the buyer-seller relationship.

Interaction Model. The body of literature in OBB was extended in Europe from the three seminal conceptual models of Robinson et al. (1967), Webster & Wind (1972) and Sheth (1973) by the Industrial Marketing and Purchasing Group (IMP Group). They developed a model of buyer-seller interaction based on ethnographic research they called the "interaction model" (Hakansson, 1982; Hakansson & Snehota, 1995; Turnbull, Ford & Cunningham, 1996) (Figure 11). The model is based on the buyer-seller relationship as cooperation rather than as adversaries. The group's research also followed the paradigm shift toward focusing on the ongoing relationship between the buyer and seller rather than discrete purchase decisions. Like

Dwyer et al. (1987), they believed that business purchases do not exist as individual events and can not be fully understood if each one is examined in isolation (Turnbull et al., 1996). In contrast to Dwyer et al., however, the unit of analysis of their research was the overall relationship rather than the individual transaction. They saw business markets as arenas within which buying and selling companies interacted with each other, thus separating the short-term management of individual relationships from longer-term development of a strategy for the company's portfolio of supplier and customer relationships (Turnbull et al., 1996).

The "interaction model" has four basic elements: 1) the interaction process, 2) the participants in the interaction process, 3) the environment within which the interaction takes place, and 4) the atmosphere affecting and affected by the interaction (Hakansson, 1982). The relevant factors to this study in each of those elements are:

1. Interaction process. The episodes that comprise the process incorporate the product or service exchange (i.e., the nature of the product or service), information exchange (i.e., the content of communication) and social exchange (i.e., the series of social exchanges that lead to long-term relationships).
2. Interaction parties. This element recognizes the individuals and the interpersonal interaction between them.
3. Interaction environment. The aspect of social system and the differences in cultures between the parties is a part of this element.
4. Atmosphere. This element incorporates the dependence between the parties, cooperation, closeness (i.e., bonding) and the expectations (i.e., the expectation of the working relationship.

The "interaction model" incorporates both the firm and the individuals in the buyer-seller relationship and the factors of who is affected (i.e., function) and what is affected by the relationships (i.e., substance) (Hakansson & Snehota, 1995). The dimension of what is affected (i.e., substance) incorporates activity links and resource ties that are the essence of the actions that Wilson (1995) defines as structural bonds, as well as actor bonds (i.e., Wilson's social bonds). The functions of the "interaction model" are the dyad itself (i.e., the buyer and the seller in the relationship), the individual company and third parties (i.e., how other companies are affected by the relationship).

Campbell (1985) states that the IMP "interaction model" (Hakansson, 1982) has the advantage over the three seminal OBB models in that it incorporates both the buyers and sellers. He incorporates the "interaction model" as the link between the buyer's interaction strategy types (i.e., competitive, cooperative, command) and the seller's interaction strategy types (i.e., competitive, cooperative, command) that will be discussed in greater detail in the relationship continuum section of the chapter.

One relevant cross-cultural study of the IMP "interaction model" (Hakansson, 1982) was conducted by Hallen et al. (1991). They studied the industrial supplier business relationship in several European countries (Germany, Sweden, United Kingdom). The results from the study indicate that the social exchange process variables of trust and power (i.e., the balance of power in the relationship) were both significant factors in the interfirm adaptation process. However, they suggest that these results may not be applicable in the United States where long-term relationships are less common.

Another relevant study using the IMP "interaction model" (Hakansson, 1982) as the basis was conducted in the United States using aircraft engine manufacturers and their respective suppliers (Metcalf, Frear & Krishnan, 1992). The study determined that social exchange and information exchange (i.e., communication content) were significant prediction factors of the level of cooperation between the buyers and suppliers (i.e., the extent that the work of the buyer and seller is coordinated).

The importance of the interaction between buyer and seller is accentuated in the international context. Hakansson, Johanson and Wootz (1977) defined the uncertainty factors in this relationship based on case studies they had done on three Swedish industrial companies doing business internationally. They divided the uncertainty into three factors: 1) need uncertainty - the actual need for the product, 2) market uncertainty - the suppliers perception of the alternative choices for purchasing the product , and 3) transaction uncertainty - the area where the differences in culture and language come into play. All of these influence the interaction between buyer and seller.

Ford (1982) takes the initial work of the IMP a step further in conceptualizing a five-stage process of buyer-seller relationship development similar to Dwyer et al.'s (1987) model. The stages are: 1) pre-relationship, 2) early stage, 3) development stage, 4) long-term stage, and 5) final stage. He sees the development of the buyer-seller relationship evolving through these stages in terms of: a) Increasing experience of both partners; b) reduction in their uncertainty and all kinds of distance in the relationship; c) growth of both actual and perceived commitment; d) formal and informal adaptations, and investment and savings involved in both side's organizations.

Wilson and Mummalaneni (1986) link the studies of the IMP Project Group (Hakansson, 1982) in Europe with the concept of long-term buyer-seller relationships. They point out that the IMP Project Group analyzed single discrete transactions based on the individual buyers and sellers, but that those discrete transactions when viewed from a corporate level make up a series of stages in developing long-term buyer-seller relationships. In that context, they relate four sets of factors in the IMP "interaction model" (Hakansson, 1982) contributing to the focal point of the buyer-seller relationship as opposed to discrete transactions. The four sets of factors are: 1) the elements and process of interaction, 2) the participants, 3) the macro environment, and 4) the relationship atmosphere.

OBB Models and International Buyer-Seller Relationships. Samli, Grewal and Mathur (1988) conceptualized a model of international OBB based on the three seminal OBB models (Figure 12). The model they developed added a significant amount of variables to account for the multitude of different cross-cultural influences. The categories of factors are: 1) the individual, including language; 2) environmental factors, this concept from previous models was expanded upon by adding input-output variables; 3) organizational factors that include organizational climate; 4) government and regulatory factors; 5) societal and cultural factors, including beliefs and attitudes; and 6) uncertainty factors that deal with perceived risk. By means of a Delphi study they tested their model in order to weight the factors they had developed. Key results from those weights with implications to this study are that language had the highest weight for the individual variables and family patterns and business practices had the highest weights in the societal/cultural values.

Asian versus North American Factors in International Buyer-Seller Relationships. It should be noted that much of the research in the area of cross-cultural buyer-seller relationships has focused on negotiations. As Simintiras and Thomas (1998) point out, negotiations are an integral part of the buyer-seller relationship. They also indicate that communication problems involve more than just language. In particular, they note values and patterns of thought can cause misunderstandings that aren't as obvious as language. They also cite a lack of literature in inter-cultural and cross-cultural sales negotiations.

Simintiras and Thomas (1998) note that literature in cross-cultural negotiations indicates behavior in negotiation is consistent within cultures and each culture has its own distinctive negotiation style. In explaining those differences, they define the interactive part of negotiations as having two stages; non-task related interaction (i.e., the rapport building between buyers and sellers) and the task-related interaction (i.e., the actual business of negotiation). The task-related interaction stage puts the most emphasis on the information exchange along with persuasion, bargaining strategy, concession making and agreement. The non-task related interaction involves the importance of status distinction (i.e., rank, age, sex, education, position), impression formation accuracy (i.e., the first impressions), and interpersonal attraction (i.e., feeling of attraction that develops into a personal relationship). Status distinction has been found to play a critical role in cross-cultural negotiations, as well as first impressions of cultural similarity or dissimilarity between the parties in the negotiation.

Gulbro and Herbig (1995) note that in cross-cultural negotiations some cultures may focus on different aspects of an agreement (i.e., the contract details), while other cultures may be more oriented to personal relationships. They also state that negotiations involve two dimensions: substance (i.e., the matter being negotiated) and the negotiation process itself (i.e., how the negotiations are conducted).

In a study of United States companies involved in cross-cultural negotiations, Gulbro and Herbig (1995) established that there were differences in the negotiations cross-culturally between industrial products and consumer products. Specifically, they found that consumer product firms spent more time on the non-task and task stages of negotiation than the industrial product firms did.

The differences in buyer-seller negotiations within the Pacific Rim versus North America was the target of the research conducted by Graham, Kim, Lin & Robinson (1988). The did simulations of intercultural negotiation using American, Chinese, Japanese and Korean managers. Their findings were that Americans were more problem solving oriented (i.e., they stressed openness and trust-building behaviors), Chinese were more competitive, and that all cultures did better when the negotiator from the other country was rated more attractive. They also concluded that generalizations about negotiations in cultures from the same region of the world (Chinese, Japanese and Korean) is not a wise idea.

Another simulation study was conducted by Tse, Lee, Vertinsky and Wehrung (1988) using Canadian, Hong Kong Chinese, and People's Republic of China managers. Those results found that home cultures did have significant effects on the decisions made and that traditional Chinese cultural norms do prevail in marketing decisions. Other studies using simulations with managers of Asian versus North American cultures (Adler & Graham, 1989; Adler, Brahm & Graham, 1992) also found that negotiators from different cultures need to adapt their behavior to achieve successful interactions. In particular, Adler et al.'s (1992) study determined that Chinese negotiating behavior had better results if it involved searching for win-win solutions, the exchange of information and an interpersonal attractiveness of the negotiator (i.e., the negotiator's friendliness and likability).

The cultural differences between Western culture (i.e., North America) and Chinese culture have been addressed by a number of authors. Mostly notably, Tse et al. (1988) state that exchange relationships in Western culture are based on principles of balance, clearance, and specific relationship investments, while in Chinese culture exchanges create long-term moral obligations. Referring to Chinese culture and "Overseas Chinese" management (i.e., those of

Chinese ancestry living outside of China in all parts of Asia), Redding (1995) states “they negotiate very hard, they demand high returns, they need the assurance of interpersonal trust, and their organizations are highly dependent on individuals” (p. 69).

The international buyer-seller relationship has also been studied in the context of international OBB. Leung, Wong and Tam (1995) conducted a study of Hong Kong Chinese companies doing business in the People Republic of China (prior to the hand-over of Hong Kong to the PRC) relating the IMP “interaction model” (Hakansson, 1982) to the development of *guanxi* (i.e., connections, a subject to be discussed in more detail in a later section of the chapter). They found that relationship building or *guanxi* is an underlying dimension in China business. Information exchange (i.e., communication content) was a key variable in affecting adaptation between Hong Kong firms and their Chinese counterparts. They present a framework of how adaptation moves through stages to achieve *guanxi*. Those stages are associate, new friend, partner and old friend. The associate stage is the first level of interaction involving the testing of intentions, but the seller is still regarded as an outsider (e.g., general inquiry). The second stage of new friend is achieved when the parties accept each other as friends. At this point the relationship can go one of two ways, first it can become an old friend relationship if adaptation also involves the acceptance of *guanxi* (e.g., top account). On the other hand, the relationship may become one of partner if adaptation exists without the acceptance of *guanxi*. The authors suggest this develops a framework for studying *guanxi*.

Organizational Buyer Behavior and Buyer-Seller Relationship in the Hospitality Industry

Although there has been not been a great deal of research on buyer-seller relationships conducted in the hospitality industry (March, 1997; Bowen & Sparks, 1998), the OBB theory and the development of Wilson’s (1995) buyer-seller relationships model have been linked to the industry. Those studies addressing that link are detailed below.

Organizational Buyer Behavior and the Hospitality Industry. McCleary (1977) established the link between the seminal models of OBB and the hospitality industry corporate group market segment. The study of corporate group meeting buyers found that the decision process used for selecting hotel sites for corporate meetings was similar to the industrial products purchasing decision process as defined by Webster and Wind (1972). Additionally, the findings of the study determined that multiple buying influences exist in the corporate group meeting decision process as conceptualized in the three seminal OBB models. McCleary also states:

> The results of the study can be interpreted to mean that an understanding of the needs and wants of the meeting planners contributed considerably to the chances of being successful in the corporate meeting marketing (p. 135).

McCleary (1977, 1978) also analyzed the buyer-seller relationship in the corporate group meeting market segment. He compared the buyer's priorities in terms of hotel attributes offered versus the hotel salesperson's knowledge of those attribute priorities. What was found was, "sales managers may be emphasizing factors that are not of primary importance to meeting planners" (McCleary, 1977, p. 129). Therefore, McCleary (1978) concludes that hoteliers must develop a better informed sales staff that follows through using personal selling.

Clark (1993) and Clark and McCleary (1995) used a qualitative study through interviews (direct communication) with association meeting planners to determine the relationship of the buying process in the hospitality industry for meetings and the seminal models of OBB. They determined that the models were helpful in describing the association buying process for meetings. Their studies specifically determined that the constructs of the Robinson et al. (1967) model and the Webster and Wind (1972) model were present in the decision making process of association meeting planners. Clark and Knutson (1995) further defined the buying process within the hospitality industry of the association meeting site decision. They developed a conceptual model including four levels: 1) buying phases which uses the eight stages of buying (Robinson et al., 1967), 2) the Buying Center (Webster & Wind, 1972), 3) influence variables or environment class of variable (Webster & Wind, 1972), and 4) information sources (Sheth, 1973).

Wilson's (1995) Model and the Hospitality Industry. Crotts & Wilson (1995) extended Wilson's (1995) model to the hospitality business-to-business sales environment, specifically using the Western suppliers and Asian travel buyers. They characterize the complex relationships between all of the elements in a tour package as a hybrid organization (Borys & Jemison, 1989) that fits the definitions of Wilson's (1995) stages of the development of buyer-seller relationships (i.e., partner selection, defining purpose, setting boundaries, and creating and expanding value in the relationship). In the partner selection stage, they make the point that social bonding begins which makes the importance of acknowledging the differences in buyer expectations of interpersonal interaction critical. Specifically, they mention two key points related to social bonding and the initial development of trust: 1) "Western suppliers should understand that Asian buyers do not make a habit of accepting business solicitations from those to whom they have not been formally introduced" (p. 133), and 2) "a supplier should never bring up price with a potential Asian buyer unless asked" (p. 133). The second stage of defining purpose is noted as one with particular concern for the understanding of Asian buyer's cultural values. Further, they make the point that communication needs to reach a business relationship level at this stage (i.e., content of the communication is important). The boundary definition stage involves investments in the relationship. An example cited is when an Asian tour operator calls upon the resort manager to make certain changes in such things as menus or alternatives for pre-planned events in the case of bad weather as a result of either trial tests of the planned events or previous experiences at the resort with similar planned events. The final stage, creating and expanding relationship value, may result in lower prices and service concessions for the buyer and reliable repeat business for the supplier (i.e., hotel). They note in this stage, for example, the resort operator who responds to the needs of the Asian tour operator's customer is also increasing the structural bonds of the buyer-seller relationship. They conclude that the commitment to the buyer-seller relationship is a result of the key "success" variables of Wilson's (1995) model.

Crotts, Aziz and Raschid (1998) applied a modified version of the Wilson (1995) model to a study conducted with small tourism businesses (i.e., sellers) in New Zealand and their relationships with tour wholesalers (i.e., buyers). The dependent variable of their study was commitment to the relationship and the independent measures incorporated the "success" variables from Wilson's model (i.e., trust, performance satisfaction, comparison of alternatives, cooperation, adaptation, non-retrievable investments, and social bonds) plus the variable of communication. All but one of the variables (non-retrievable investments) was shown to have a significant relationship with commitment. Most notably, social bonds, was ranked the highest in explanatory power with both communication and trust also having strong support. It should be noted that this was a very small sample and the results may not be generalizable.

International Buyer-Seller Relationships in the Hospitality Industry. March (1997) conducted a qualitative study of Japanese wholesalers and Australian suppliers (10 hotels, 6 transport/cruise companies, 1 condominium, 1 theme park, 5 restaurants) to determine the factors in their buyer-seller relationships. The research determined five major categories of concern in the development of buyer-seller relationships:

1. Criticality of human relationships. The importance of developing and maintaining good personal relationships.
2. Differing cultural and behavioral communication norms: a) indirect and vague communication as a result of cultural differences; b) Japanese firms were seen as acting in unison, which could be interpreted as collectivism; c) the direct selling approach was rarely successful, aggressive selling was inappropriate; d) Japanese adopted defensive or inflexible attitudes, again a possible result of collectivism; e) the Japanese buyer was expected to be treated with respect beyond the norm; and f) individuals in the wholesalers office behaved irrationally under pressure.
3. Opaque decision making process: a) decisions on hotels are made at the corporate office level in Japan, b) inbound operators influence the final decision making process, c) channels of communication from offices in Australia are often poor with the head office in Japan, d) suppliers may be switched at the last minute, and e) the role and influence of the tour guide is "critical".
4. Lack of product feedback and new product development. The Japanese wholesalers do not share their operating results with the suppliers.

5. Supplier dependence on the Japanese buyers. Many destination locations depended heavily on the Japanese wholesalers and they viewed all of the wholesalers as having similar organization structures with similar customers, similar expectations, etc.

Most of the study dealt with the dependence between buyer and seller factors. The results provide a strong case for a knowing your wholesaler market and targeting those potential customers most likely to develop long-term relationships. The author also suggests that one area for future research is the role of culture in a cross-national setting.

These hospitality industry specific studies have shown that the OOB models (McCleary, 1978; Clark & McCleary, 1995; Clark & Knutson, 1995) and the development of buyer-seller relationships (Crotts & Wilson, 1995; Crotts et al., 1998) are relevant concepts to the applications in the hospitality business-to-business selling environment. The studies also have established significant cross-cultural differences between hospitality salespeople and their customers (March, 1997). This link with the body of knowledge in the entire OBB marketing discipline is the foundation for the relevance of the theoretical framework to the hospitality industry.

International Buyer-Seller Relationships and the Relationship to National Culture

Albers et al. (1998) make the statement "simply adopting recommendations found in U.S. textbooks and journal articles regarding sales management practices and trying to apply those ideas in other countries around the world is most inadvisable" (p. 210). They believe, as Hofstede (1997) suggests, that incorporating receptivity to cultural differences is a must.

The theoretical framework that formed the basis for the buyer-seller relationship constructs in this study was Wilson's (1995) model and its adaptation to the hospitality industry (Crotts & Wilson, 1995; Crotts et al., 1998). The interpersonal interaction constructs related to this study will be discussed in remaining sections of this chapter, as well as the research hypotheses to be empirically tested.

Bonding

When the outcomes of the buyer-seller relationship interactions yield satisfaction to both parties, bonds emerge that link the parties (Turnbull et al., 1996). Structural bonding is the task orientation between the buyer and seller. It is the “degree to which certain ties link and hold a buyer and seller together in a relationship as the result of some mutually beneficial economic, strategic, technological, and/or organizational objective” (Williams, Han & Qualls, 1998, p. 137). Structural bonds have four components: 1) investments, 2) termination procedures (i.e., steps to be taken to end the relationship), 3) social pressures (i.e., pressure to maintain the relationship as opposed to ending it), and 4) available alternatives (i.e., if alternatives exist to the current relationship, it would weaken the structural bonds) (Turnbull et al., 1996). Social bonding is the bonding that takes place between the individuals of the buyer and seller organization on a personal and social basis. Trust and satisfaction with the relationship partner play an important role in developing social bonding (Williams et al., 1998).

Wilson and Mummalaneni (1986), in a conceptualization of buyer-seller relationships, state that the future stability of buyer-seller relationships is a combination of repeat purchases and the psychological bond of attachment between them. They make the point that the development of inter-organizational relationships comes about through interpersonal contacts. In other words, the organization is represented by the individuals within it. The bonds that develop between the individuals can be economic (i.e., structural) or social in nature and constitute “investments” in relationships through a series of interactions. This series of interactions can lead to a long-term buyer-seller relationship and thus increase the number and variety of bonds that exist. In turn, they propose that the greater the number, diversity and strength of these bonds, the greater the commitment of these organizations to their relationship and the greater the stability of the relationship.

Structural and Social Bonding and National Culture

Williams et al. (1998) related the individualism/collectivism construct from Hofstede’s (1980a, 1980b) five dimensions of national culture to the buyer-seller relationship constructs of social and structural bonding (Wilson, 1995). Their conceptual model (Figure 3) surmised that national culture would have a direct effect on social bonding and an indirect effect on structural bonding through the individual's relationship to the firm. They characterized individualistic national cultures as those with less interpersonal orientation (i.e., lower social bonding), while collectivist national cultures would have high needs for interpersonal orientation (i.e., high social bonding). Structural bonding was conceptualized as being related to national culture through the filter of organizational culture. Based on an empirical study of international buyer-seller relationships from the United States, Germany, Costa Rica, Jamaica and China, they confirmed their hypothesis that in highly individualistic countries (United States and Germany) structural bonding was of significantly greater importance than it was in collectivist countries (China, Jamaica and Costa Rica). They also confirmed that the Chinese buyers had the strongest desire for social bonding and the United States buyers had the weakest desire. The conclusion they reached was that national culture did have a significant affect on the relationship of structural and social bonding in achieving commitment longevity and stability of the business relationship.

The results of Williams et al. (1998) lead to the formulation of the first hypotheses to be tested by this study.

Hypothesis 1: The higher the level of Western-culture work values of the salesperson, the higher the level of importance given to structural bonding in buyer-seller relationships by the salesperson.

Hypothesis 2: The higher the level of Western-culture work values of the salesperson, the lower the level of importance given to social bonding in the buyer-seller relationships by the salesperson.

Hypothesis 3: The higher the level of Western-culture personal values of the salesperson, the lower the level of importance given to social bonding in the buyer-seller relationship by the salesperson.

Structural and Social Bonding and Relationship Commitment

Turnbull and Wilson (1989) use a case study of Pennmist (UK) Ltc. Company to present the ramifications of structural and social bonding in a buyer-seller relationship. They point out that when structural bonds that bind the customer and suppliers are weak, price becomes a powerful tool. They also state that social bonding between all buyers and salespeople may be high, but social bonding will not maintain the sales relationship in the face of large price differences. This situation existed in the case study and served as an example of an area for Pennmist to be concerned about, which could be rectified with greater technical support, thus creating greater structural bonds.

Smith (1998) states that social, functional and structural bonds provide the context or basis from which relational outcomes such as trust, satisfaction and commitment are evaluated. He introduces a third form of bonding he calls functional bonding that is a further division of structural bonding. Functional bonding is defined as economic, performance and instrumental ties or linkages that promote continuity of the relationship. However, this form of bonding is not a function of interpersonal interaction and is therefore not incorporated in this study. Social bonds, in the study, are measured by belonging/acceptance, friendship, empathy/concern, interest in family/personal life, and looking out for each other. Structural bonds are measured by information exchange, routines/norms, electronic ties, exchange gifts/cards, informal rules, pollicies, procedures, and formal agreements.

In his study of members of the Purchasing Management Association of Canada, Smith (1998) found that social bonds and the relationship management facets of communication/cooperation and relationship investment were predictors of relationship quality in buyer-seller relationships. Communication/cooperation, relationship investment (i.e., the resources, effort and attention devoted to the relationship that do not have outside value), and relationalism (i.e., the extent to which the buyer and seller actively and purposefully manage their relationship and promote behaviors to maintain and improve the relationship) were found to predict social bonding, while relationship investment and relationalism predicted structural bonding.

Smith (1998) also makes the point that his findings suggest that relationship building through social bonding should be a part of sales training. He notes that the trend away from social bonding, or the "three martini lunch", toward adoption of impersonalized technologies such as faxes and computers may be minimizing the effect of bonding in developing long-term buyer-seller relationships. A major contribution of Smith's study was to operationalize the constructs of social and structural bonding by establishing valid and reliable empirical measures of each (these measures will be discussed in more detail in Chapter III).

Han (1991), in a study of bonding in buyer-seller relationships, found a strong relationship between structural bonds and commitment, but not between social bonds and commitment. He did, however, find a relationship between social bonds and satisfaction, however, in his study there was no direct relationship with trust. Williams et al. (1998) found that both social and structural bonding were positively related to commitment and that structural bonding had a greater effect on commitment than social bonding.

Nielson (1998) presents the concept of "closeness" referring to the degree of importance of close and even intimate relationships in partnerships. He further indicates that "closeness" is a parallel to the social bonding in buyer-seller relationships. In a study of salespeople from manufacturers and distributors of industrial and chemical products, he empirically tested the relationship between trust, commitment to the relationship, a joint working relationship and "closeness" among other variables. He found that "closeness" mediates the relationship between trust and commitment and the joint working relationship. He further states that trust was found to be essential for establishing closeness and intimacy in partnerships. He notes this finding was similar to Han (1991) who found the path of causation from trust to social bonding to commitment. The study didn't find a significant relationship between commitment and "closeness", however, he postulates a dynamic interaction exists among the constructs of trust, commitment and "closeness" (i.e., social bonding). Further, there was a positive, significant relationship between "closeness" and a joint working relationship. Neilson does concede that the causal relationships between the variables could be considered in other directions (e.g., close working relationships could proceed trust).

The preceding discussion of studies of bonding in buyer-seller relationship indicates that a direct relationship exists between both social and structural bonding and relationship commitment. The studies had mixed results regarding the direct and indirect relationship of trust and social bonding. However, in the theoretical model of this study (Figure 8) the focus is on the direct relationship of the buyer-seller constructs and the relationship outcomes (i.e. relationship commitment and long-term orientation). Therefore, the hypotheses generated from the previous discussion are as follows:

Hypothesis 4: The higher the level of importance given to structural bonding in the buyer-seller relationship by the salesperson, the higher the level of percieved relationship commitment with the buyer by the salesperson.

Hypothesis 5: The higher the level of importance given to social bonding in the buyer-seller relationship by the salesperson, the higher the level of perceived relationship commitment with the buyer by the salesperson.

Communication

"A customer's initial contact with a seller must include some form of either written or oral communication. The style, tone and content of this initial communication will likely shape the first impressions of either or both parties and may affect the nature of the relationship that develops" (Wren & Simpson, 1996, p.72). This statement establishes the need to include the construct of communication in the buyer-seller relationship, particularly as it relates to the initial selling strategy undertaken by the salesperson.

Sheth (1976) developed a conceptual framework of communication in buyer-seller relationships. He characterizes communication along two dimensions: content and style. Content refers to the substantive aspects of the purpose for which the two parties have gotten together. The style dimension represents the format, ritual or mannerism that the buyer and the seller adopt in the interaction. It reflects the highly individualistic preferences and normative expectations of the buyer and the seller about the process of interaction itself. He makes the point that if communication style and content are incompatible between the buyer and seller no transaction will take place and there could even be negative consequences. It should be noted that this study will treat communication as one construct representing the two dimensions (i.e., content and style) of Sheth (1976).

Communication content is further defined in five utility dimensions: functional, social-organizational, situational, emotional, and curiosity. Functional utility is the product or service performance and purpose and is based on its product-anchored attributes. Social-organizational utility refers to the product or service connotations or imageries such as its prestige. Situational utility represents a product or service utility derived from the existence of a set of situations or circumstances (i.e., it wouldn't be used if the circumstances didn't exist for it). Emotional utility is how the product or service evokes emotional feeling such as respect, anger, fear, love, hate, or aesthetics due to its association with some other objects, events, individuals or organizations. Curiosity utility is related to novelty, curiosity, and exploratory needs among individuals. All of the content utilities relate directly to the product or service being purchased or sold. The sellers must be aware of the buyer's expectations of content and adapt their presentation of the product accordingly (Sheth, 1976).

The second communication dimension is style and is defined by three dimensions: task-oriented, interaction-oriented and self-oriented. Task-oriented style is highly goal oriented and purposeful. It would be most appropriate in mechanistic or transactional selling situations. The interaction-oriented style is one where personalizing and socializing are essential to the sale. This would be the most effective style for building long-term buyer-seller relationships. The third style is the self-oriented style where the preoccupation is with him/herself in an interaction situation. It represents the buyer or seller who is concerned about his or her own welfare. Sheth (1976) makes the point that adapting communication style to match the buyer's preference is more difficult than adapting communication content.

The determinant factors of the communication content and style are: 1) personal factors, 2) organizational factors, and 3) product-specific factors. Personal factors tend to drive the communication style, organizational factors drive both communication content and style, and product-specific factors drive the communication content in buyer-seller relationships (Sheth, 1976).

Communication and National Culture

Kale and Barnes (1992) develop a framework for cross-national face-to-face selling which is based on the affect of three constructs (i.e., national character, organizational culture, and individual personality) and the preference choice of the two communication dimensions (Sheth,1976) utilized (Figure 4). The three constructs in their framework are: 1) national character as was proposed by Clark (1990), however, they equate this construct directly with Hofstede's (1980a, 1980b) four dimesions; 2) organizational culture, the pattern of shared values and beliefs which enable people within organizations to understand its functioning and furnishes them with behavioral norms; and 3) individual personality that represents the dyadic part of the relationship. They suggest a combination of Hofstede's four dimensions of national culture, a typology of organizational culture and a test of personality can provide the insight to the form of communication that can help to better target international sales. The results of this approach, Kale and Barnes believe, would allow for a more harmonious transaction with the highest chance of closure and greatest satisfaction.

Kale and Barnes (1992) propose a number of relationships between national character/national culture and Sheth's (1976) two dimensions of communication: content and style. Related to content of communication, they propose that buyers from countries with high levels of individualism (e.g., North American countries) will place significantly greater emphasis on product attributes designed to offer curiosity (i.e., epistemic) utility (e.g., exploration of new product offerings) than those buyers from collectivist countries (e.g., Asian countries). Additionally, large power distance societies (e.g., Asian countries) would emphasize the "status" value of a product or service rather than its functional utility. A buyer with strong uncertainty avoidance (e.g., Asian buyers) would prefer to know uncertainty-reducing attributes in a product or service offering. Specifically, the situational (i.e., security) utility will be more valued in high uncertainty avoidance societies (e.g., Asian countries).

Regarding style of communication, Kale and Barnes (1992) proposed that buyers from cultures with weak uncertainty avoidance (e.g., North American buyers) would be more receptive to soft-sell, non-aggressive selling approaches. In collectivist cultures (e.g., Asian cultures), the buyer's preferred sales behavior would be more cooperative, integrative, and interaction-oriented, as opposed to buyer's from individualistic cultures (e.g., North American buyers). Where high power distance exists (e.g., Asian countries), it is suggested that sellers will have to be more respectful and subservient to their buyers. Additionally, in those high power distance cultures there will be less willingness to trust the salesperson initially until the buyer has had the opportunity to build a social relationship. This particular proposed relationship is potentially contradictory to Wilson's (1995) characterization of trust in the intial stages of the buyer-seller relationship, but could be supportive of Wray et al.'s (1994) determination that trust builds over time.

There are several relevant implications of Kale and Barnes' (1992) conceptual model to this study. First, they suggest that communication preferences should effect the choice of national markets for doing business. More specially, they suggest the four dimensions of national culture are the means to segment markets into homogeneous clusters based on communication preferences. Second, in the case of sales training, it is stated that the salesperson's willingness to adapt his or her behavior to the psychological mind-set of the buyer is of critical importance (i.e., knowledge of the buyer's communication preference provides the ability to practice adaptive selling).

Kale and Barnes (1992) suggest that Hofstede's (1980a, 1980b) dimensions of national culture need to be tested in their conceptualized framework (Figure 4) and that the dimensions of national culture should serve as a starting point for evaluating cross-cultural differences. Based on the Kale and Barnes conceptual framework incorporated into the theoretical model of this study, the following hypotheses are generated:

Hypothesis 6a: The higher the level of Western-culture work values of the salesperson, the higher the level of importance given to the content dimension of communication in the buyer-seller relationship by the salesperson.

Hypothesis 6b: The higher the level of Asian-culture work values of the salesperson, the higher the level of importance given to the style dimension of communication in the buyer-seller relationship by the salesperson.

Hypothesis 7a: The higher the level of Western-culture personal values of the salesperson, the higher the level of importance given to the content dimension of communication in the buyer-seller relationship by the salesperson.

Hypothesis 7b: The higher the level of Asian-culture personal values of the salesperson, the higher the level of importance given to the stlye dimension of communication in the buyer-seller relationship by the salesperson.

Communication and Buyer-Seller Relationship Constructs

Although communication was not one of the original "success" variables in Wilson's (1995) model, he does make note of the fact that communication is a part of every stage of the development of buyer-seller relationships. The studies that form the relationship of communication in the buyer-seller relationship take several different approaches to the same end result of how communication effects the outcomes of the relationship. One form of analysis has been to utilize Sheth's (1976) dimensions of communication in the context of the overall buyer-seller relationship, as well as the need for the seller to adapt to the buyer's communication preferences. The other form of analysis uses measurement instruments derived from the area of relational communication to address the specific selling approaches taken in the development of buyer-seller relationships.

Sheth's (1976) Communication Dimensions. The first studies to be presented in this part of the section are those that utilized Sheth's (1976) dimensions and other derivations of them. These studies establish the factors that influence the buyer's preferences for communication content and style within the buyer-seller relationship.

Miles, Arnold and Nash (1990) conceptually tie the communication style dimension of Sheth (1976) with the stages of the buyer-seller relationship development of Dwyer et al. (1987). Their propositions state that the task-oriented buyer will expect a task-oriented sales adaptation at all stages of the relationship, while the self and interaction oriented buyers will expect an interaction style of communication in the early stages of the relationship development (i.e., awareness and exploration) and a combination of interaction style and task style communication in the latter stages (i.e., expansion and commitment). They state "it is unlikely the task oriented buyer would be willing to entertain movement away from the awareness phase of the exchange process with any seller other than one who the buyers feels is also purposeful and goal directed" (p. 24). The main point they make is the salesperson must adapt his or her communication style to the expectations of the buyer.

Williams, Spiro and Fine (1990) present a conceptual framework of customer-seller interaction that focuses on communication as the essence of the interaction. Their model is comprised of the customer, seller and their interaction with interaction component consisting of the interpersonal communication. They conceptually link Sheth's (1976) communication content dimension with buyer types (i.e., analytical, sociable, authoritarian and ego involved) they derived from King, Canada and Kutch (1989). The analytical buyers are proposed to prefer functional and situational utilities, sociable buyers would be expected to prefer social-organizational and emotional utilities, ego involved buyers would be expected to prefer emotional, curiosity and social-organizational utilities, and authoritarian buyers are proposed to prefer functional, situational, and social-organizational utilities. Their conceptualization provides further justification for the premise that different buyers have different expectations of communication preferences that will effect the outcome of the buyer-seller relationship.

Williams and Spiro (1985), in a study of sporting goods salespeople and their customers, found that communication style (i.e., task, self and interaction oriented) was significant in terms of explaining sales variance. They determined that task oriented salespeople did poorly with all communication styles of buyers and the combination of a task-oriented buyer and an interaction-oriented seller also doesn't lead to a sale. Again, the importance of understanding the communication preferences effects the sales outcome.

Humphreys and Williams (1996) evaluated the importance of technical product attributes (product features and benefits, i.e., communication content) and the interpersonal process attributes (relational selling) using a sample buyers in a commodity driven product manufacturing field. Their results determined that even in a selling environment driven by product specifications and price, interpersonal process attributes were more important to the buyer than the product attributes. They suggest these results add credence to the need for focusing sales training on the understanding of buyer's communication styles and how to adapt to them.

As was suggested in the Adaptive Selling section of this chapter, knowledge of the buyer is critical to practicing effective adaptive selling. Relevant to that point in regards to communication preferences and the buyer-seller relationship stages, Williams et al. (1990) make particular note of Olshavsky's (1973) study that found little time is spent by salespeople in the orientation phase (i.e., awareness and exploration stages of the Dwyer et al., 1987 model or the partner selection stage of the Wilson, 1995 model) of the sales interaction and that the evaluative stage (i.e., expansion stage of the Dwyer et al., 1987 model or the defining purpose stage of the Wilson, 1995 model) accounted for the largest amount of time and effort. They suggest if the salesperson spends more time in the orientation stage they will save time by determining the customer's preferred communication content and style. Miles, Arnold and Nash (1990) also suggest that flexing communication style according to the stage of the relationship noting that personal selling is not static, it is dynamic.

Relational Communication. The second area of study in relation to the communication construct in buyer-seller relationships utilizes previous work in relational communication. Soldow and Thomas (1984) conclude that relational communication affects behavioral outcomes in negotiation situations, and that it must be considered in conjunction with content in order to understand buyer-seller interaction effectiveness. They define relational communication as the form of a message that could be equated to the communication style dimension. They classify the buyer and seller into three categories of relationship (i.e., dominance, deference and equality). They propose that sales interactions where the buyer and seller agree on the relationship will be characterized by greater mutual satisfaction and a greater potential for the sale than those where the buyer and seller don't agree on the relationship. Additionally, they propose that salespeople who are more adept at recognizing and manipulating relational communication will be more effective than those who are not as adept. Also stated in their propositions is the expectation that relational communication has a greater impact on the control of a sales interaction than content. It is their belief that sales training in relational communication will improve the salesperson's effectiveness.

A number of studies done in the relational communications area have employed Norton's (1978) communicator style instrument. While this study will not specifically incorporate the instrument, those studies that have used it provide important insight into the communication construct of this study. The communicator style instrument is a measurement of overall communicator effectiveness that is assumed to be different than personality because it can be deliberately manipulated by the communicator (Norton, 1978). The instrument has been determined to represent ten dimensions of communication style (i.e., contentious, open, dramatic, precise, relaxed, friendly, dominant, attentive, animated and impression-leaving).

Dion and Notarantonio (1992) used Norton's (1978) communicator style construct in their investigation of its relation to sales performance. The results of their study of real estate agents and automobile salespeople revealed that only the ten dimensions of communication style, the precise dimension, was strongly associated with effective sales performance. Precision refers to the importance of describing the product benefits in this scenario (Dion & Notarantonio, 1992).

Comstock and Higgins (1997) conducted a study of advertising industry buyers and sellers using the Norton Communicator Style (1978) and the buyer's preference for relational communication scale. They found that buyers actually preferred the trust, task and composure style relational messages, while salespeople perceived the buyer to prefer trust and composure.

Additionally, they determined that salespeople who wanted to be customer-oriented need to focus on task-oriented communication. As the authors point out, this is contradictory to relationship/consultative selling principles and indicates a mixed result based on other studies as to the importance of task-oriented versus relational-oriented sales preferences by buyers. It should be noted that their results may be partially explained by evaluating the cluster analysis they performed on the communicator style preferences of the sample buyers. Although four clusters were determined and differences in the importance of task-oriented communication style was significantly different between them, the type of buyer who preferred social type communication only represented 9 of the 100 advertising buyers.

Parrish-Sprowl, Carveth and Senk (1994) also used the Norton Communicator Style (1978) instrument to evaluate the sales effectiveness of real estate agents. The results of their study concluded that salespeople who perceive themselves as being effective communicators or have strong and positive communicator images are more successful than those who do not perceive themselves as effective communicators. They caution, however, that this may be misleading in that their effectiveness may be related to more than just communication abilities. They didn't find that any particular style of communication was more effective than another and thus surmised that this could be a result of effective adaptability in the selling style they use with different buyers.

Other Relevant Communication Studies and The Hypotheses Generated. Another study that addressed the issue of competence of the salesperson to adapt their communication style was done by Cronin (1994). In a simulated exercise using professional salespeople and college students, he determined that communication competence had no significant effect on the overall performance of the salesperson. However, it was also determined that perceived communication competence was a factor for the buyer and the unique interaction between particular buyers and sellers.

Mohr and Nevin (1990) encapsulate a great deal of the previously discussed literature into a theoretical framework for communication strategies in marketing channels that has a direct relationship to the anticipated results of this study. Their framework delineates differences between discrete and relational transaction communication. The proposition they introduce is that relational channel structures lead to higher frequency and more informal communication. Discrete transaction communication in contrast is more autonomous, resulting in it being less frequent, more formal and direct. It is direct because it takes less time and effort to implement and the link between partners is only short-term in nature. They also make the point that relational structures use different communication content. The content of relational structures is expressed through more willingness to share benefits and burdens. Communication style in relational structures, Mohr and Nevin (1990) suggest, would reflect mutual dependence and reduce tough, distributive bargaining tactics.

All of the above literature suggests that long-term buyer seller relationships would be characterized by a greater emphasis on communication style, while the importance of communication content would be more typical of a developing buyer-seller relationship in a discrete transaction relationship. Therefore, the following hypothesis is generated for this study:

Hypotheses 8a: The higher the level of importance given to the content dimension of communication in the buyer-seller relationship by the salesperson, the lower the level of perceived relationship commitment with the buyer by the salesperson.

Hypotheses 8b: The higher the level of importance given to the style dimension of communication in the buyer-seller relationship by the salesperson, the higher the level of perceived relationship commitment with the buyer by the salesperson.

Trust

The construct of trust has been the focal point of many studies in the area of buyer-seller relationships. Trust, however, has been defined in a number of ways:

1. A willingness to rely on an exchange partner in whom one has confidence (Moorman, Zaltman & Deshpande, 1992).

2. One party believes that its needs will be fulfilled in the future by actions taken by the other party (Anderson & Weitz, 1989).
3. A party's expectation that another party desires coordination, will fulfill obligations, and will pull its weight in the relationship (Dwyer et al., 1987).
4. The belief that a party's word or promise is reliable and a party will fulfill his or her obligations in an exchange relationship (Schurr & Ozanne, 1985).
5. Willingness to rely on another party and to take action in circumstances where such action makes one vulnerable to the other party (Doney, Cannon & Mullen, 1998).
6. Trust exists when one party has confidence in an exchange partner's reliability and integrity (Morgan & Hunt, 1994)

Shemwell, Cronin and Bullard (1994) state that trust and its manifestations (e.g., information sharing, co-operative synergy, and low levels of perceived risk) constitute the most critical aspect of an exchange relationship. Hawes, Mast and Swan (1989) characterize trust as "the binding force in most productive buyer-seller relationships" (p. 1). The importance of trust in the buyer-seller relationship was also established empirically by Schurr and Ozanne (1985). They were able to show that a seller's trustworthiness, plus their toughness in bargaining, led to higher levels of buyer-seller relationships through empirical research using MBA students in a simulated computerized bargaining game.

As noted, the process of gaining or building trust in buyer-seller relationships has been the subject of a number of conceptual models and empirical research. This section will review the literature that has established the factors/antecedents of trust, how trust is related to the international buyer-seller relationships, the relationship that exists between trust and relationship commitment, and how trust effects the selling approach taken.

Swan and Nolan (1985) conceptualized the development of buyer trust in the salesperson from a review of previous literature that includes: 1) buyer's personality, 2) buyer's experience with the salesperson, 3) salesperson's characteristics and behavior, 4) image of the salesperson's firm, and 5) buyer attribution of salesperson's trustworthiness. The key factor is how the buyer combines his experience, image, and the initial impression of the salesperson to attribute some level of trustworthiness. They theorize that there would be different buyer expectancy based on the knowledge levels of both the salesperson and the salesperson's firm with the greatest buyer expectancy being when they had personal experience with both. They also state that the attribution of trustworthiness in the salesperson is most critical when one of two situational factors are present: 1) risk, and 2) incomplete buyer information. Swan and Nolan further categorize trust into four dimensions: 1) a feeling of trust (i.e., the emotional component that develops out of experience), 2) cognitions or beliefs that someone can be trusted (i.e., the product of the buyer's thinking and analysis), 3) intentions regarding future behavior (i.e., the plans and decisions to behave in a trusting way), and 4) actual behavior.

Swan, Trawick, Rink and Roberts (1988) in a study using a sample of members of a national purchasing association determined that overall trust in a salesperson was comprised of five components: 1) responsibility, 2) honesty, 3) dependability, 4) competence, and 5) likablity. The most important of the five components was found to be dependability.

Hawes et al. (1989) conducted research into the perceptions of trust in buyer-seller relationships using a survey method with salespersons who were members of the Manufacturer' Agents National Association and buyers who were members of the National Association of Purchasing Managers. The results determined that there were significant differences in the overall perceptions of trust between buyers and sellers. The differences that existed were found in: 1) likability, 2) competence, and 3) dependability. The salespeople placed more emphasis on being likable, competent, and dependable than the buyers did, although the buyers did consider those factors important. What the buyers and sellers did agree on was the importance of honesty and customer orientation. The authors suggest that salespeople may be overestimating the level of trust they have developed if they base it on their being likable, competent and dependable. This study suggests slightly different results than the study of Swan et al. (1988), plus it incorporates the salesperson into the analysis.

Young and Wilkinson (1989) conducted interviews of managers to determine the role of trust in market channel cooperation. The results of their qualitative research into the factors that influence the presence of trust found: 1) the duration of the relationship was an important factor, 2) the relative power of the participants in the relationship was an important factor (i.e., the more powerful the firm, the more trusting), 3) the presence of cooperation as a result of trust was not completely supported, and 4) the degree of conflict has an inverse relationship with trust. They also found that trust applied to both interpersonal relationships and interfirm relationships. Additionally, they indicate that trust was found to develop over time rather than as a result of particular episodes, thus providing another rationale for the concept that trust is not necessarily in existence at the initial stages of the buyer-seller relationships.

Doney and Cannon (1997) went further with the trust construct by separating the salesperson and his or her organization. Their study examined five processes by which trust can be developed:

1. Calculative process. One party calculates the costs and/or rewards of another party cheating or staying in a relationship. If the costs of opportunity outweigh the benefits, trust is not established.
2. Prediction process. Prediction based on the ability to forecast the other party from his or her past behavior. This requires information about the other party's past actions.
3. Capability process. The willingness to trust the other party based on their ability to deliver, which they equate to credibility.
4. Intentionality process. The interpreting of words and behaviors of the other party to determine intentions. The other party's intentions must be determined to be benevolent.
5. Transference process. Transferring trust from a third party or company to salesperson.

The antecedent variables Doney and Cannon (1997) used for trust in the organization were: a) reputation, b) size, c) information sharing, d) length of relationship, e) expertise, and f) power. Those antecedent variables for trust of the individual were: a) likability, b) similarity, c) frequency of contact, and d) length of relationship. The variables for the consequences of trust building were: a) role of trust in supplier selection, b) supplier performance, c) purchase experience with the vendor, and d) purchase choice. The results found trust of the salesperson had a positive effect on the trust of the firm and vice versa (i.e., transferability). They also found that the salesperson's expertise, likability, and similarity to the members of the buying firm all had positive relationships with the development of trust (i.e., capability, prediction, intentionality). The findings determined that caculative trust building was related more to the qualification of the firm than the salesperson. Additionally, suppliers chosen were more trusted than those not chosen. The significance of Doney and Cannon's results is that they do find that trust can be transferred from salesperson to company and vice versa.

Trust and National Culture

Doney et al. (1998) developed a model that conceptualized how national culture affects the development of trust in the buyer-seller relationship (Figure 5). Specifically, the five cognitive trust building processes in business relationships (i.e., calculative, prediction, capability, intentionality, and transference) conceptualized by Doney and Cannon (1997) are proposed as differentiating factors in cross-cultural relationships. While these processes were shown to have relevance in the anticipated future interaction of buyer-seller relationships in a United States study (Doney & Cannon, 1997), they have not been tested empirically cross-culturally.

The conceptual model of Doney et al. (1998) tied the five forms of building trust to the dimensions of national character/national culture as conceived by Hofstede (1980a, 1980b) and Clark (1990). They propose the that individualist national cultures (e.g., North American) build trust based on calculative and capability processes, while collectivist (e.g., Asian) national cultures are more focused on prediction, intentionality and transference methods of building trust. Those national cultures with high power distance (e.g., Asian) are proposed to be building trust by the calculative, prediction and capability means, as opposed to the intentionality and transference methods for low power distance national cultures (e.g., North American). High uncertainty avoidance national cultures (e.g., Asian) would be inclined to be focused on prediction, intentionality, capability and transference in the building of trust, while the low uncertainty avoidance national cultures (e.g., North American) would use the calculative method.

Finally, the more masculine national cultures (e.g., Asian) are predicted to build trust based on calculative and capability process, while more feminine national cultures (e.g. North American) are more focused on prediction, intentionality and transference methods of building trust. These proposed relationships actually create contradictions in expectations for the differences in North American and Asian cultures. This may indicate that the actual differences in the national cultures will be a factor in which of Hofstede's (1980a, 1980b) dimensions of national culture is more discriminating in determining those differences.

Doney et al. (1998) go further to suggest that recognizing these differences in cross-cultural buyer-seller relationships leads to different strategies to build trust. If the buyer is expected to prefer the calculative process, then the seller can: 1) lower the trustor's perception that they will cheat, 2) increase the perceived costs of cheating, and/or 3) reduce the perceived benefits of cheating. When the predictive process is preferred, demonstrating consistence based on information regarding past actions is important. The intentionality process means building trust over time and is accomplished through sharing values and beliefs to assure the buyer of the seller's motives. Capability trust building is achieved through demonstration of competence, ability and expertise. Building trust through the transference method means using other parties as references and is more appropriate in the initial stages of the buyer-seller relationship. In conclusion, they make the suggestion that training programs need to incorporate these concepts.

Another link to the issue of the influence of trust internationally was the focus of research by Andaleeb and Anwar (1996). Their study involved surveying middle and upper class residents of Dhaka, Bangladesh regarding retail salespeople who sold high-involvement type products. They studied the salesperson variables (expertise, intentions and likability), customer variables (trusting disposition and customer knowledge) and organization variables (trust in the organization) in relationship to the trust buyers had in salespersons. Their findings were similar to those of North American studies that expertise, intentions and trust in the organization were factors related to trust in salespersons. Although this study focused on consumer salespeople, the significance is that it indicates similar antecedents of the trust construct can be tested effectively in cross-cultural research.

The cross-cultural literature discussed above has suggested that those cultures exhibiting high degrees of individualism and low power distance (e.g., North American), the two national culture dimensions that have been shown previously to distinguish Asian and North American cultures the most, will determine trust by analytical means (i.e., caculative and capability processes). In contrast, the Asian culture influence (i.e., collectivism and high power distance) would indicate trust is built more on intentionality and transference. The importance of intentionality and transference processes would imply that trust is in fact of importance in all phases of the buyer-seller relationship, not just a consideration in the initial partner selection and defining purpose stages (Wilson, 1995). This implication leads to the prediction that trust will not be considered as important to the North American salesperson in all phases of the buyer-seller relationship.

Another supporting statement of the differences in the importance of trust in the Asian buyer-seller relationship that directly relates to the hospitality industry is:

> Hotel salespeople attempting to penetrate the lucrative but often elusive Asian market, for instance, will find they need time and patience to develop personal relationships – since business in Asia is based on trust. Trust in the integrity of the seller may be the most significant factor in an Asian travel distributor's decision to work with a hotel as its travel partner (Gee, 1994, p. 447).

The following hypothesis to be empirically tested by this study is generated from the above discussion:

Hypothesis 9: The higher the level of Western-culture work values of the salesperson, the lower the level of importance given to trust in the buyer-seller relationships by the salesperson.

Trust and Commitment

The determinants of a long term, mutually profitable buyer-seller relationship have been established as including trust at the initial stages of the relationship development leading to commitment in the more advanced stages (Dwyer et al., 1897; Ganesan, 1994; Wilson, 1995). The theory underlying relationship marketing assumes: 1) the more a consumer/buyer trusts a service provider, the more likely they are to continue the relationship, and 2) the more a consumer/buyer feels an affective or emotional commitment to their relationship with the service provider, the more likely they are to continue doing business with that service provider (Shemwell et al., 1994).

Morgan and Hunt (1994) define relationship marketing as activities directed toward establishing, developing, and maintaining relational exchanges. Further, they make the point that in a true relational exchange there are no "buyers", "sellers', "customers" nor " "key accounts", only partners exchanging resources. The reasons they believe commitment and trust are essential to establishing these partnerships are because they encourage: a) work at preserving relationship investments by cooperating with exchange partners, b) resistance to attractive short-term alternatives in favor of the expected long-term benefits of staying with existing partners, c) viewing potentially high-risk actions as being prudent because of the belief that their partners will not act opportunistically.

Swan, Bowers and Richardson (1999) in reviewing literature of customer trust in salespeople conclude that there are two components of trust: affect and cognition. Affect is feeling secure or insecure about relying on the salesperson and cognition is the belief that the salesperson has both the necessary competence and motivation to be relied upon, as they state it. The common themes among previous studies of trust in buyer-seller relationships are the salesperson competence (i.e., expertise, reliability) and benevolence (i.e., motivation to protect the customer's interests). They also found three levels of abstraction of trust components: 1) specific salesperson behaviors (e.g., keeping promises), 2) attributes broader than behaviors (e.g., dependability), and 3) general trust measures (e.g., trustworthy actions). Additionally, they determined that both the salesperson and the salesperson's firm were determinants of trust.

The results of the meta-analysis of previous literature by Swan et al. (1999) did not support the notion that as the level of trust in the salesperson rises, the level of positive interaction between the salesperson and customer increases, nor did the results support the assumption that a salesperson can influence the level of trust held by the customer. They propose that the determinants and consequences of trust are sequenced as follows:

Trust Behaviors → Attributes → Overall trust → Satisfaction → Intentions → Purchase Behavior

Additionally, they propose that indirect cues (i.e., salesperson's similarity) will be more important in the initial stages of trust development and direct cues (i.e., benevolence and competence) will be more important in later stages.

Relationship commitment and trust were studied as key mediating variables to relational exchanges in a United States study of buyer-seller relationship by Morgan and Hunt (1994). Their commitment-trust theory was tested using automobile tire retailers and their relationship with suppliers, which would most appropriately be considered an industrial sales buyer process. The results of the analysis comparing their model with a rival model which did not incorporate relationship commitment and trust as mediating variables found that trust is correlated negatively with the propensity to leave an existing business relationship and it is positively correlated with relationship commitments. The conclusion reached is that business-to-business buyer-seller relationships characterized by relationship commitments and trust lead to: a) cooperation, b) a reduced tendency to leave, c) functional conflict resolution, and d) reduced uncertainty. Their premise was that previously tested variables such as shared values and communication did not have a direct effect on the relational exchange outcomes, but instead were mediated by trust and relationship commitment. Additionally, they believed trust and commitment weren't just two more independent variables that resulted in significant relationships to relational exchange outcomes. What their study determined was that relationship commitment and trust both were central to the relational exchange outcomes and the were mediating variables between

Doney and Cannon's (1997) previously discussed study found that trust of the salesperson and the firm had a significant effect on anticipated future interaction. However, a surprising finding was that supplier trust didn't influence specific transactions. They explain this finding by saying that trust operates as an "order qualifier", not an order winner meaning without trust the supplier doesn't even get consideration.

Chow and Holden (1997) make the point that trust may not be important for single transactions when future performance is not considered, but trust does become important as a moderator of risk when repeat purchases are involved. In that context, they used a sample of computer circuit board buyers to test the hypothesis that trust has a significant impact on loyalty and that impact is greater than traditional compensatory measures of performance (i.e., product performance). They did confirm this hypothesized relationship in their study, but also determined that simply trusting in the salesperson was not sufficient to establish loyalty without the presence of trust in the supplying company as well. However, they also determined that trust in the salesperson was a moderator of trust in the supplying company.

Smith and Barclay (1997) conducted a study using Canadian computer salespeople involved in selling partnerships to determine the effects of mutual perceived trustworthiness and mutual perceived trusting behaviors on mutual satisfaction and task performance. The findings determined that the direct and indirect effects of mutually perceived trustworthiness played a larger role in predicting satisfaction than the trusting behaviors. The implication they suggest from this is that it is not so much what the salesperson does, but how their trustworthiness is perceived that counts in satisfaction. The study also supported the concept of three dimensions of trustworthiness: 1) common character or motives, 2) competence, and 3) judgement. They also found that perceived organizational differences played a modest role in the partner perceptions of trustworthiness.

Zaheer, McEvily and Perrone (1998) were also interested in empirically studying the relationship of trust in inter-firm exchange from both the interpersonal level and the inter-organizational level. Based on a sample of buyer-seller relationships in the electrical equipment manufacturing industry, they determined that interpersonal and inter-organizational trust were distinct constructs. Further, they found that inter-organizational trust had a greater influence on exchange performance and negotiations than interpersonal trust. Similar to the findings of Chow and Holden (1997), they found that interpersonal trust had a moderating effect on inter-organizational trust (i.e., the more one trusts the salesperson, the more one trusts the salesperson's organization).

Moorman et al. (1992) argue that both belief and behavioral intention components of trust must be present for trust to exist. They determined in a study of market research users that trust in the market research provider is a determinant of relationship quality and the commitment to the relationship. Moorman, Deshpande & Zaltman (1993) using the same data focused on the determinants of trust in market research relationships. The findings of this study were that interpersonal factors are the most predictive of trust, not individual factors. The most important interpersonal factor was integrity followed by perceived willingness to reduce uncertainty, confidentiality, expertise, tactfulness, sincerity, congeniality, and timeliness.

Anderson and Narus (1990) studied the working relationships between distributors (sellers) and manufacturers (buyers) at the firm level by comparing their evaluations of the relationship of key variables (i.e., dependence, communication, trust, cooperation, conflict and satisfaction). Their objective was to determine if manufacturers and distributors viewed the working relationship the same way. They found trust to be a core construct of the buyer and seller expectations of the working relationship with the antecedents of communication and cooperation. Of particular note, they determined cooperation was an antecedent of trust rather than a consequence of trust.

The relationship of trust and the service industry selling scenario was one of the variables incorporated in Crosby et al.'s (1990) study of life insurance buyers. They found that relationship quality (i.e., a combination of trust in and satisfaction with the salesperson) had a significant effect on future anticipated interaction.

The commonality of the previously discussed literature on trust in the buyer-seller relationship is that trust plays a critical role in the process of developing long-term buyer-seller relationships. As Williams (1998) states, "relationship development is the extent to which an individual buyer trusts and is committed to maintaining and/or increasing their level of interdependence and interaction with a sales organization's representatives"(p. 272). Whether trust is manifested as trust of the salesperson or trust of the salesperson's firm, it none-the-less needs to be present for the buyer-seller relationship to progress to the stage of commitment (Wilson, 1995). Therefore, the hypothesis generated from the above research to be empirically tested in this study is:

Hypothesis 10: The higher the level of importance given to trust in the buyer-seller relationship by the salesperson, the higher the level of perceived relationship commitment with the buyer by the salesperson.

Trust and Selling Approach

The importance of trust in the selection of a selling approach has also been the subject of several studies. These studies are presented to again draw the connection between the constructs of the theoretical model (Figure 8) and the boundary of this study related to personal selling.

Milliman and Fugate (1988) were able to determine that the use of trust-transference techniques (i.e., incorporation of an outside proof source of the credibility of the product, transference process) had a significant effect on closing the sale. They chose to study a sales situation that was not conducive to trust building, selling water filtration systems, by using a field experiment approach. One group of salespeople used a canned presentation developed by the company and the other group was trained on a modified version of the presentation that incorporated visual proof of the product's performance. The implication of their study is that sales training should incorporate a means of trust-transference if it is to improve sales effectiveness.

Using a scenario technique with industrial purchasing executives, Hawes, Strong and Winick (1996) determined that the closing technique of the salesperson has an effect on the prospect's trust in the salesperson. Actually, they found that using no closing technique engendered the most trust. Additionally, the more presumptuous methods of assumptive closes and “either-or” closes were the least effective in building trust. The study suggests that the interaction style (i.e., communication style) of the salesperson has a significant effect on trust building in the relationship.

Buyer-Seller Relationship Outcomes

This section of the chapter will address the outcome variables/constructs from the development of long-term buyer-seller relationships. These variables have been identified in previous studies as the eventual final outcome from the other interpersonal interaction “success” variables in Wilson’s (1995) model. Previous sections of this chapter have already established several hypotheses (Hypotheses 4, 5, 8a, 8b & 10) to be empirically tested by this study in conjunction with those “success” variables and the outcome variables/constructs. This section will elaborate further on the definitions of the outcome variables/constructs (relationship commitment and long-term orientation of the buyer) and the interrelationships between them that are a part of this study. It should be noted that these constructs are similar in definition. The primary differentiation between them in this study is the target subject (i.e., the seller and the buyer as perceived by the seller). Relationship commitment will be a measure of the seller’s (i.e., the hotel salesperson) perception of the buyer-seller relationship and the long-term orientation of the buyer construct will be a measure specifically directed at the buyer’s point of view on the inter-firm relationship as perceived by the seller.

Both outcome variables/constructs (i.e., relationship commitment and long-term orientation of the buyer) are measures of commitment to the existing buyer-seller relationship. The two outcome variables/constructs, as they are perceived by the salesperson, will be connected to the buyer’s expectation of interpersonal interaction along a relationship continuum to be discussed in the next section of this chapter.

As previously noted, Wilson (1995) found commitment to be the most common dependent variable in studies of buyer-seller relationships. He states “commitment implies importance of the relationship to the partners and a desire to continue the relationship into the future” (p. 337). This definition implies two dimensions of commitment: relationship commitment (i.e., the importance of the relationship to the partners) and long-term orientation (i.e., desire to continue the relationship into the future).

Gundlach, Achrol and Mentzer (1995) also recognize that commitment is an essential ingredient for successful long-term buyer-seller relationships. They conceptualize commitment as being made up of three components: instrumental, attitudinal and temporal. The instrumental component is the initial commitment and involves an affirmative, calculative action taken that creates self-interest in the relationship (i.e., inputs). Attitudinal commitment signifies an enduring intention by the parties to develop and maintain a stable long-term relationship. This component is similar to one facet of Ganesan's (1994) long-term orientation construct (i.e., intentions) incorporated in this study that will be discussed in more detail later in this section. The third component, temporal, is related to the fact that inputs and attitudes brought to the relationship must be consistent over time. This component is more closely related to Morgan and Hunt's (1994) construct of relationship commitment that also will be incorporated as an outcome variable/construct in this study and discussed in more detail in this section.

Relationship Commitment

Morgan and Hunt (1994) define relationship commitment as "an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts to maintain it" (p. 23). They view relationship commitment as central to all the relational exchanges between buyers and sellers. A similar definition of commitment was expressed by Dwyer et al. (1987) as, "the implicit and explicit pledge of relational continuity between exchange partners" (p. 19).

Wren & Simpson (1996) view relationship commitment as one the attitude-based outcomes of the buyer-seller relationship interaction. They define relationship commitment as going beyond short-term evaluation of current benefits and costs of the relationship; it is the desire for both parties to maintain the relationship. They state that commitment is often treated as being closely related to satisfaction, however, the difference from satisfaction is that commitment represents a more long-term continuance of the relationship.

Swan and Nolan (1985) present a variation on the definition of commitment related specifically to the salesperson as, “the favorable outcome contingent upon the salesperson fulfilling his or her promise or having been truthful” (p. 40). This definition would be consistent with the relationship commitment construct in this study particularly because it is one that can be effectively ascertained from the salesperson him or herself.

Long-term Orientation of the Buyer

Long-term orientation is defined from the buyer’s perspective as “the perception of interdependence of outcomes in which both a vendor’s (i.e., seller) outcomes and joint outcomes are expected to benefit the retailer (i.e., buyer) in the long run”(Ganesan, 1994, p. 233). A long-term orientation would rely on relational exchanges to maximize profits over a series of transactions. Ganesan (1994) states that long-term orientation captures both the desire and utility of a buyer for having a long-term relationship; it is not just the probability of the future interaction. Long-term orientation is also distinct from the longevity of the relationship. Though duration of the relationship is likely, it is not sufficient in itself to manifest long-term orientation according to Ganesan.

Empirical evidence exists in the manufacturer-supplier context that a long-term relationship strategy benefits the supplier firms (Kalwani & Narayandas, 1995). It was found that profitability is higher, customer turnover is lower, customer satisfaction is higher, and there is higher effectiveness of selling expenditures when a long-term relationship strategy is employed versus a transactional approach to servicing customers. However, this study analyzed industries in general, based on Standardized Industrial Codes (SIC) and annualized data for a five-year period (1986-1991). It did not address either the service industry or cross-cultural factors.

Gundlach et al. (1995) conducted a behavior simulation study depicting manufacturer and distributor exchange relationships. They found that relational social norms (i.e., “patterns of accepted and expected sentiments and behaviors that are shared by members of an exchange system and have the force of social obligation or pressure”, p. 84) play a pivotal role in the long-term commitment process. Therefore, national culture personal values, particularly the long-term orientation on the life personal dimension discussed in a previous section, would be anticipated to be an important influence on the salesperson's perception of the long-term orientation of the buyer. Recognizing that North American culture (i.e., Western-culture) is characterized as having a short-term orientation on life, the hypothesis generated for this study is:

Hypothesis 11: The higher the level of Eastern-culture personal values of the salesperson, the higher the level of long-term orientation of the buyer as perceived by the salesperson.

Ganesan (1994) used a sample of retail buyers from six department stores and their vendors to establish the determinants of long-term buyer-seller relationships as opposed to transactional relationships. The results from this study found that mutual dependency and the extent to which the buyer and seller trust one another were the two main factors in establishing a long-term orientation. Specifically, he determined that retailers are likely to have a long-term orientation with vendors they are dependent upon and those that they believe are credible. Additionally, Gundlach et al. (1995) conclude from their study that credible commitments act as powerful self-interest stakes in exchange relationships and tend to reinforce and escalate commitment over time.

Therefore, it is anticipated that the construct of trust in this study will have a positive relationship with the long-term orientation of the buyer, as perceived by the salesperson. The hypothesis to be tested is:

Hypothesis 12: The higher the level of importance given to trust in the buyer-seller relationship by the salesperson, the higher the level of long-term orientation of the buyer as perceived by the salesperson.

Relationship Continuum

This section of Chapter II will address the construct of the relationship continuum that has been developed for this study. The relationship continuum is a representation of the buyer's expectation of the interpersonal interaction in the buyer-seller relationship. It is designed to account for the potential gaps in the salesperson's approach to selling the buyer (i.e., relationship selling) and the various classifications of buyers that exist in the hospitality industry (i.e., top accounts, general inquiries, etc). In order to develop and define this construct, conceptualizations and empirical studies from several streams of literature are drawn upon. Those streams of literature include: 1) discrete versus relational transactions continuum, 2) the cross-cultural analysis of the Chinese concept of *guanxi*, 3) purchasing strategy typologies, and 4) selling approach strategies. The final portion of this section will address the related literature from the hospitality industry and present the related hypotheses to be tested.

Discrete versus Relational Transaction Continuum

The basis for defining the types of relationships along a continuum in buyer-seller relationships has evolved from contract negotiations literature (Dwyer et al., 1987; Swenson & Link, 1998). The continuum is represented on one end by discrete transactions and on the other extreme by relational transactions (Macneil, 1980; Dwyer et al., 1987). Macneil (1980) indicates that discrete transactions are manifested by money on one side and an easily measured commodity on the other. Relational transactions, as opposed to discrete transactions: a) involve more parties (two or more), b) have a longer life, c) have relationships that continue even with different people involved, d) involve future cooperation in planning, e) include social exchange as a part of the role of the buyer and seller, f) involve preservation of the relationship as a norm, and g) includes more harmonizing of relational conflict in relationships both externally and internally. While Macneil (1980) recognizes that discrete transactions still involve social exchange, he states in this case the only relation between the two parties is the simple exchange of goods.

Dwyer et al. (1987) have summarized Macneil's (1980) characterization of discrete and relational polar archetypes of exchange on 12 contractual dimensions (Table 2). The most important differentiation they highlight is that relational exchange takes place over time. They also state that future collaboration may be supported by implicit and explicit assumptions, trust and planning.

Anderson and Narus (1991) propose a continuum of transaction types from discrete to collaborative (Figure 6). They address the point that within industries (e.g., the hospitality industry) there are “bandwidths” of transaction types. These “bandwidths” represent the fact that different market segments within an industry may have different expectations of the working relationship they have with the salesperson. Further, they recognize that there are variations of individual buyers within each market segment, what Anderson and Narus call “flaring out”. These “flaring out” type buyers within the market segments are best represented in this study’s discussion of the different types of buyer classifications (e.g., top accounts and general inquiry).

Anderson and Narus (1991) state that as a buyer-seller relationship moves from transactional to collaborative the product offering will change. The transactional emphasis addresses the “core product” elements of basic quality, price, and availability. The collaborative emphasis leads to an “augmented product” that is customized in terms of physical and service attributes to meet more demanding customer needs. In order to develop a successful transactional product/service offering, Anderson and Narus suggest the seller must unbundle the product offering to obtain the “core product” of services, programs and systems. Collaborative offerings, on the other hand, are designed to add value to the product and involve bundling of the offering including price discounts. The authors make the point that the fundamental reason for all relationship-building activities and efforts is to either add value or reduce cost in the exchange relationship. They state that this point means there should be an equitable sharing of the added value or lower cost.

Jackson (1985a, 1985b) presents a spectrum of behavior in relationship to the buyer’s ties with the seller. On the one extreme is the “always-a-share model” that assumes the customer can easily switch vendors and will, if presented with an immediate attractive combination of product, price, support and/or other benefits. This type of buyer has a short time horizon and few supplier ties (e.g., a general inquiry). The opposite end of her spectrum is the “lost-for-good model”.

This model assumes the buyer is committed to one supplier and changes reluctantly. The relationship with the supplier is one with a long-term horizon (e.g., top accounts). Jackson sees real customers as falling in intermediate positions between these two extremes of the spectrum. She suggests that the patterns of behavior of the buyers along the spectrum require different actions to be taken by the vendors/sellers in the buyer-seller relationship. Relationship marketing is appropriate for those “lost-for-good” buyers and transaction marketing should be used for “always-a-share” types. It is also noteworthy that she states the behavior of the customer along the spectrum is beyond the control of the vendor/seller. While she does support the strategy of developing long-term relationships, she points out that there are considerations to be made by taking that approach because relationship building takes time and effort.

Webster (1992) also presents a continuum of types of relationships and alliances in a review of the changing role of marketing. At the one extreme is the pure transaction and the other extreme is fully integrated hierarchical firms. In the first two levels of Webster’s continuum, pure transactions and repeated transactions, all activity is discrete and price controls the exchange (e.g., a general inquiry). The third level is long-term relationships that he still characterizes as being an adversarial relationship even though long-term contracts are negotiated. Not until the fourth level, partnerships, is achieved does dependence on the other and mutual trust become factors (e.g., top accounts). This level would also incorporate the Japanese institution of *keiretsu* (similar to the Chinese concept of *guanxi*) according to Webster. The levels of strategic alliances, network organizations and vertical integration refer to the firm to firm relationships and go beyond the scope of the buyer-seller interpersonal interaction. Webster states that the focus of marketing shifts from products and firms as units of analysis to people, organizations, and the social processes that bind actors together in ongoing relationships as the buyer-seller relationship moves along the continuum.

Gronroos (1991, 1994) conceptualizes a marketing strategy continuum from transaction marketing to relationship marketing. Relationship marketing focuses on relationships with customers over time, in this context, and transaction marketing is focused on one transaction at a time with a short time perspective. He places services on the continuum at the extreme point of relationship marketing. Gronross believes that the 4 P’s of the marketing mix, product, price, place and promotion (McCarthy, 1968) are more appropriate for the transactional marketing approach, while he sees the relationship approach requiring additional consideration of the interactive marketing function. The interactive marketing function is defined as marketing activities outside of the marketing mix. A move toward relationship marketing, according to Gronroos, leads to less price sensitivity, a focus more on functional quality rather than technical quality, and greater interorganizational collaboration.

Duncan and Moriaty (1998) differentiate discrete transactions from relational transactions based on the communications perspective. They see persuasion (i.e., manipulation) rather than communication as applying to the short-term, discrete transactions. Persuasion is primarily a one-way communication form while relationships are built from informing, answering, and listening. Listening is particularly important when interactive relationships become the focus. They go further to characterize many service marketing roles as communication positions that take communication deeper into the core of marketing activities. A further distinction is made that relationship focused marketing is more involved with two-way, interactive communication.

Heide (1994) presents another perspective of the differences in inter-firm relationships based upon a governance typology. He classifies discrete transactions in the market governance typology. Relational exchanges are non-market governance forms that can be either unilateral/hierarchical or bilateral. The distinction of categorizing non-market governance into unilateral/hierarchical and bilateral typologies is based on Heide’s position that there is no single continuum of non-market governance, but instead there is a heterogeneous syndrome. He actually doesn’t view movement from the market governance to non-market governance as a continuum. This position was born out empirically in a study of industrial component manufacturers and their customers. The major implication of this study is that it identifies a series of dimensions along which inter-firm relationships can be structured.

Gronroos (1996) characterizes the shift from transaction oriented marketing to relationship marketing as a movement away from product based factors to a focus on resources and competencies. He sees the ultimate focus in relationship marketing as the relationship itself.

Gronroos's position is that relationship marketing can benefit everyone. Jackson (1985a, 1985b) views long-term buyers (i.e., "lost-for-good model") as focused on the vendor and short-term buyers (i.e., "always-a-share model") focused on the product. These focuses are important considerations in the strategy taken to sell these customers.

Guanxi

Interjecting the factor of cross-cultural buyer-seller relationships, it has been suggested that relationships are more important in other cultures than the North American culture (Abrahamson & Ai, 1997; Alber et al.,1998). Abrahamson and Ai (1997) indicate Chinese buyers need more relational transactions (*guanxi*) and long-term relationships versus the short-term transaction needs of North American buyers. In fact, they suggest that using the transactional approach to buyer-seller relationships in China shows a lack of understanding of the customer. Their study of North American salespeople from both manufacturing and service industries and Chinese buyers found that companies engaging in the transactional approach experienced greater uncertainty and worse performance than those who employed the relational/*guanxi* approach.

Guanxi is translated as connections and refers to the existence of direct particularistic ties between an individual and others (Farh, Tsui, Xin & Cheng, 1998). It can take two forms: 1) a web of personal connections, relationships and obligations that business persons can use to obtain resources and advantages, and 2) the exchange of favors or the purchase of influence (Abrahamson & Ai, 1997). It has been related to the constructs of trust, shared goals/cooperation, a collaborative approach to disagreements, and the development of networks of importance connections (Abrahamson & Ai, 1997). Farh et al. (1998) found in a study of business executives and their important connections in China that a high level trust exists in *guanxi* relationships, as well as a willingness to share information or extend resources important to the executive's business pursuits.

Guanxi can be seen as a special type of relational transaction that exists only in the Asian cultures (Abrahamson & Ai, 1997). Arias (1998) defines *guanxi* relationships as beginning with social relationships before business relationships are established. In this manner, *guanxi* is differentiated from the concept of relationship marketing, relationship building and network building in Western culture that addresses only the business or commercial-based relationship (Luo, 1997; Arias, 1998). *Guanxi* is the far extreme point on the relationship continuum (Abrahamson & Ai, 1997).

Wong (1998) states that Chinese buyers who are “heart-oriented” (i.e., have emotional responses) tend to take a long-term perspective regarding the building of group loyalty and group values and *guanxi* is a major factor influencing their decision making. On the other hand, buyers who are “mind-oriented” (i.e., logical and reasonable) are more likely to be task oriented. Using a sample of executives attending an export/import short course, Wong concluded that trust and adaptation were positively correlated with the *guanxi* indicator of overall relationship quality and adaptation was also positively correlated with future sales perception.

Tse et al. (1988) state that exchange relationships exist in both Western and Eastern cultures, but in the Western culture they are based more on principles of balance and specific relationships while in Eastern culture they are long-term moral obligations. They make the point that in the Eastern culture, long-term moral obligations involve rules of repayment and lead to preferential treatment to “insiders”. Their study of Chinese from the People’s Republic of China, Hong Kong Chinese and Canadian executives also found that Hong Kong executives were influenced by Western and Chinese cultural norms.

Arias (1998) further addresses the issue of a changing attitude in China. He opens the door to consideration of the fact that *guanxi* remains a social construct in China, but the economic and structural conditions are changing causing *guanxi* to not be as prevalent as it once was. Furthermore, Xin and Pearce (1996) found that *guanxi* and trust between business connections were more important to the private Chinese companies as opposed the state-owned companies in China. The recognition of the potential differences in the levels and importance of *guanxi* contribute an important point in relation to this study. It is very likely that different levels and importance of *guanxi* mean the potential of different working relationship expectations within the Chinese buyers.

Purchasing Strategies of Buyers

Another perspective on the relationship continuum is the focus of a study by Campbell (1985). In analyzing trading relationships in the packaging industry in Europe, he determined that interactions between buyers and sellers could be independent (i.e., equity is assured by competitive market forces and price is the primary determinate), interdependent (i.e., long-term relationships and loyalty exists) or dependent (i.e., one party is dependent upon the other). The types of interaction are determined by the matching of the types of marketing strategies of the seller and purchasing strategies of the buyer. Either side of the interaction can take a competitive (i.e., when the buyer plays the market or the seller has plenty of potential customers), cooperative (i.e., when long-term relationships are the objective for either party) or command (i.e., dominance of one party over the other) strategy. The interrelationship between the strategies of the buyer and the seller determines the type of buyer-seller relationship (e.g., a command purchasing strategy matched with a cooperative marketing strategy creates a dependent relationship, while a cooperative purchasing strategy matched with a cooperative marketing strategy would result in an interdependent relationship). The interplay of these strategies are influenced by the product, the buyer and the seller.

Of particular relevance to this study, the buying/purchasing strategies of competition and cooperation differ on several key variables identified by Campbell (1985). A competitive strategy exists when there are many suppliers, there is receptivity to new suppliers and the desire for standardization is high. In contrast, the cooperative strategy is characterized by few suppliers, few opportunities to consider new suppliers and there is only an average desire for standardization. The emphasis in the buying process is focused on price in the competitive strategy scenario, while service and quality are the emphasis in cooperative strategy scenarios. What Campbell concludes is that guidelines need to be established to help the seller choose a strategy in response to the strategy employed by their counterparts (a subject to be discussed later in this section).

As further empirical support to Campbell's purchasing strategies typology (1985), Alexander, Schul and McCorkle (1994) determined that coordinative tactics (i.e., cooperative style) led to greater buyer satisfaction and less negotiation deadlocks than a competitive style (i.e., a “win-lose” approach using tactics of threats, promises, positional commitments, and persuasive arguments in a negotiation simulation exercise). They also determined that when both parties used coordinative tactics, they were more prone to reach agreement and enhance the efficiency of the process, thus lending support to the “win-win” principal.

Selling Strategies

In applying the transaction continuum to sales management, the first step in addressing the working relationship differences is to segment markets based on how the service is used and thus generate value to the customer versus using demographics alone (Anderson & Narus, 1991). Some market segments will be targeted as needing collaborative emphasis and others need more transactional emphasis.

Blios (1998) supports Anderson and Narus’s (1991) viewpoint that there is a continuum of relationships between buyers and sellers. He cites examples of two companies who both have relationships with their customers, but in one instance the relationship is based on discrete type transactions and the other uses a categorization of customers based on the type of relationship they desire (e.g., a general inquiry and a top account, respectively). He states “strategically a company should determine what type of relationships are ideally appropriate to its circumstances but in reaching that decision it must take account of the type of relationship its customers find acceptable”(p. 264). The supplier (seller) must adapt his or her position to meet the customer’s viewpoint (Blios, 1998).

Chrzanowski and Leigh (1998) state that “generalist” selling is no longer adequate, instead market-driven companies must adapt their selling strategy to how the buyers prefer to be sold. In analyzing the buyer-seller relationships in the hospital business, they present a continuum of segmentation strategies from transactional relationships to collaborative relationships. They define the various strategy stages as: 1) base customers, 2) contract customers, 3) potential partners, 4) emerging partners, and 5) strategic partners. Each of these stages requires a different selling approach that leads to the difficult challenge of managing the wide range of customers according to Chrzanowski & Leigh (1998) (Figure 14).

The most transactional relationships are defined as the base customers. These base customers are price-driven preferring to use bid processes. The transactional sales force, in turn, is characterized by being product specialists and focused on geographic regions. It is suggested that these transactional relationships can be profitable to the selling company if they are managed effectively. The core competencies of this type of sales force include: regular call patterns, scripted or organized selling presentations, price negotiation skills and closing tactics (Chrzanowski & Leigh, 1998).

The buyers who prefer a more collaborative transaction relationship require matching the sales force to the buyers in the organization at all levels using a team selling strategy. This team selling strategy leads to a solution selling approach with competencies of: product and application knowledge, diagnostic selling, relationship management, service excellence, customer satisfaction and competition analysis. These competencies are gained through sales training (Chrzanowski and Leigh, 1998).

Chrzanowski and Leigh (1998) conceptualize a 7-step selling process to establish the best method to manage customer relationships (Figure 15). The seven steps are: 1) develop a regional strategy, 2) profile customers, 3) access customer potential/allocate resources, 4) develop an account plan, 5) obtain customer commitment, 6) implement, and 7) measure. The key element in this process is the emphasis placed on diagnosing and profiling accounts for the appropriate fit to the selling company's sales strategies. The collaborative selling approach means a change in the mindsets of the salesperson and the ability to adapt his or her selling style according to Chrzanowski & Leigh. It requires both a need to profile the accounts and the understanding of how to resolve team issues. The ultimate measurement of the process is done by evaluating shared values including respect, responsiveness and results, what Chrzanowski and Leigh call the "360° Feedback Process".

Lambe and Spekman (1997) state that collaborative relationships between buyers and sellers can be conceptualized as a range of national account management relationships. The range of relationships is defined as: 1) spot-market transactions, 2) repeated transactions, 3) long-term relationships, 4) buyer-seller alliances, and 5) vertical integration. The spectrum of these relationships is differentiated by the level of collaboration (going from low to high), the emphasis on selling (going from high to low), the concern with price (going from high to low), switching costs (going from low to high), and product (going from commodity to complex to joint development). Specifically, Lambe and Spekman conducted an exploratory study of national account management alliances versus other types of alliances, focusing only on the differences in the buyer-seller alliance type of relationship. They found significant differences in collaborative characteristics of alliance managers from a variety of industries. The study determined that there was a greater degree of information sharing, a higher level of commitment, more cooperation, and a higher level of compatible goals in national account management alliances. The implications from the study suggest different strategies are necessary to develop national account management alliances and that salespeople need to have a broad understanding of all parts of the buyer's business.

The Relationship Continuum and Hospitality Industry Buyer-Seller Relationships

Crotts and Wilson (1995) characterize three models of relationship formation in the international travel wholesaler market segment of the hospitality industry. They contend that the ideal model for developing long-term buyer-seller relationships, if the seller is from another country, is the co-operative model. This model involves establishing long-term alliances that reduce the operating risk to the buyer and involve value-added commitments from the supplier (i.e., seller). They relegate the discrete transaction type to the adversarial model where the buyer pits suppliers against each other. The third model of relationships is the "interlocken" model, those where buyers and suppliers are part of an exclusionary group, called *keiretsu* in Japanese, *chaebols* in Korean and *guanxi* in Chinese. Crotts and Wilson contend that in the "interlocken" model the foreign supplier has no opportunity to make a sale.

As stated in Chapter I, the hotel industry commonly establishes buyer classifications based on revenues or expected profits from their group market segments (Abbey, 1989, pp. 126-128; Kotler et al., 1999, pp. 621-624). The qualification types are categorized by the potential of future business the customer's organization can produce for the hotel and the longevity of the relationship between the customer's organization and the hotel. However, these classification schemes do not account for the buyer's expectation of the interpersonal interaction.

The conceptualization of the relationship continuum (i.e., the expected interpersonal interaction of the buyer) and the outcome variables/constructs measured by the salesperson's perception of the buyer-seller relationship are hypothesized not to always be positively correlated. In fact, as has been suggested by the literature reviewed in this section, there are different selling strategies necessary for different expectations of the working relationship by the buyer. The conflict and potential sales management problem is when the salesperson perceives a long-term buyer seller relationship, but the buyer only expects a discrete or transactional relationship.

Therefore, the hypotheses generated relative to the relationship continuum and the buyer-seller outcome/variables, as they are perceived by the salesperson, are presented below:

Hypothesis 13: The higher the level of long-term orientation of the buyer as perceived by the salesperson, the higher the level of expected interpersonal interaction by the buyer as perceived by the salesperson.

Hypothesis 14: The higher the level of perceived relationship commitment with the buyer by the salesperson, the higher the level of expected interpersonal interaction by the buyer as perceived by the salesperson.

Base of Operations

In order to address the portion of the two research questions regarding differences in international and domestic hotel industry group account selling environment, it is necessary to analyze the differences in the base of operations of the salesperson. The purpose of analyzing the differences in the base of operations is to determine differences in the domestic selling environments between North American and Asia that are distinct from the international selling environment. As will be discussed, there could be a variety of national cultures represented in each domestic selling environment, but the desire in this study is to identify differences in the buyer-seller relationship "success variables" and outcomes existing in each domestic selling environments. Additionally, this study compares the international selling environment represented by the entire sample used in this study with the domestic selling environment represented by the salespeople based in either North America or Asia. This section of the chapter will relate the previously cited literature to the potential differences in the North American and Asian based salespeople to be addressed in this study.

National Culture and the Base of Operations

A person's National Culture values (i.e., Work Values and Personal Values) would not be anticipated to vary as a result of the base of operations of the salesperson. These values are deep seeded in the culture of the nationality of the individual as defined by Hofstede (1980, 1997) and are not changed solely because the individual changed his or her place of residence or work. Therefore, the direct relationship between the constructs of National Culture and the interpersonal interaction constructs (i.e., social bonding, structural bonding, communication dimensions, trust, relationship commitment, long-term orientation, and the relationship continuum) will not be effected by the base of operations.

Buyer-Seller Relationship Constructs

The buyer-seller relationship constructs (i.e., social bonding, structural bonding, communication dimensions, trust, relationship commitment, long-term orientation, and the relationship continuum) are anticipated to have different strengths or emphasis based on the different bases of operation. This portion of the chapter will relate previously cited literature that establishes the framework for these differences and presents the hypotheses to be tested.

The differences in the international selling environment were discussed earlier in the chapter. Conti and Cron (1998) addressed the issue of international sales management situations involving a more complex issue particularly related to cultural norms and differing social values. Shuster and Copeland (1996, p. 19-20) cite the importance of distinguishing between the North American relationship/collaborative selling approach and the Asian selling approach. Alber et al. (1998) also make reference to the fact that Asian and North American selling situations differ. Additionally, the studies of international negotiations have found that there are differences in the behaviors and focus of negotiations between North America and Asia (Graham et al., 1988; Tse et al., 1988; Adler & Graham, 1989; Adler et al., 1992; Gulbro & Herbig, 1995; and Simintiras & Thomas, 1998).

Wilson's "Success" Variables. The "success" variables of Wilson's buyer-seller relationship model (1995) are the basis for several constructs in this study (i.e., structural and social bonding, communication dimensions, trust, and relationship commitment). The differences in the emphasis of the "success" variables based on the international base of operations have been cited previously. Williams et al. (1998) established the potential differences in structural and social bonding constructs, Kale and Barnes (1992) conceptualized the communication dimension construct differences, and Doney et al. (1998) addressed the issue of differences in the importance and type of trust that exists in international selling situations. In each of the above noted models, relationship commitment has been the final outcome variable. Those "success" variable constructs have also been related to the differences in base of operations within the hospitality industry by other studies (Crotts & Wilson, 1995; Crotts et al., 1998). Therefore, the hypotheses to be tested are:

Hypothesis 15: North American based hotel salespeople are more likely to give a higher level of importance to structural bonding in the buyer-seller relationship than Asian based hotel salespeople.

Hypothesis 16: Asian based hotel salespeople are more likely to give a higher level of importance to social bonding in the buyer-seller relationship than North American based hotel salespeople.

Hypothesis 17a: North American based hotel salespeople are more likely to give a higher level of importance to the content dimension of communication in the buyer-seller relationship than Asian based hotel salespeople.

Hypothesis 17b: Asian based hotel salespeople are more likely to give a higher level of importance to the style dimension of communication in the buyer-seller relationship than North American based hotel salespeople.

Hypothesis 18: Asian based hotel salespeople are more likely to give a higher level of importance to trust in the buyer-seller relationship than North American based hotel salespeople.

Hypothesis 19: Asian based hotel salespeople are more likely to perceive a higher level of relationship commitment with the buyer than North American based hotel salespeople.

Long-term Orientation of the Buyer. The differences in long-term orientation of the buyer between the bases of operation are derived from Hofstede (1997) and the definition of the fifth dimension of National Culture, long-term orientation on life. Asians were found to have a higher level of long-term orientation on life, so, it would be anticipated that the Asian based hotel salesperson would perceive a higher level of long-term orientation from the buyers. The hypothesis generated would be:

Hypothesis 20: Asian based hotel salespeople are more likely to perceive a higher level of long-term orientation of the buyer than North American based hotel salespeople.

Relationship Continuum. The previously cited literature that addresses the issue of differences in base of operation regarding the relationship continuum construct is the *guanxi* related literature. Specifically, Abrahamson and Ai (1997) identified the differences in the buyer’s expectations and actions between the PRC and North America. They found that Chinese buyers were more relational oriented as opposed to North Americans being more short-term. The resulting hypothesis to be tested is:

Hypothesis 21: Asian based hotel salespeople are more likely to perceive higher levels of expectations of interpersonal interaction by the buyer than North American based hotel salespeople.

Chapter Summary

This chapter defined the boundaries of this study (i.e., personal selling approaches, cross-cultural research between North American and Asian cultures, and the buyer-seller relationship interpersonal interaction constructs), defined the constructs to be studied based on conceptualizations and previous empirical studies, and presented the hypotheses to be empirically tested by this study. While there could be other factors that would effect the international buyer-seller relationship in the hospitality industry, it is believed this study has incorporated the relevant variables necessary to answer the two research questions stated in Chapter I.

The first research question regarding the applicability of using the relationship selling process to build long-term buyer seller relationships as the selling strategy of all accounts will be addressed by hypothesis 13 and 14. What will be determined is whether the salesperson's perceptions of the relationship commitment and the buyer's long-term orientation are congruent with his or her perceptions of the buyer's actions, attitudes and behavior that reflect his or her expectation of interpersonal interaction. In other words, the relationship selling strategy is not appropriate for all accounts if one of two findings result for the testing of the above hypotheses. The hypotheses would not be supported if the salesperson perceives the relationship with either his or her top account as one where a relationship selling strategy should be employed, but the indications from the perception of the buyer's actions, attitudes and behavior is that he or she prefers a traditional, transaction approach. Additionally, the use of structural equation modeling and multi-group analysis to be described in Chapter III will test the cross-cultural differences (hypothesis 21).

The second research question will entail an analysis of all of the hypotheses related to the interpersonal interaction constructs of the buyer-seller relationship (i.e., structural bonding, social bonding, communication, trust) and the outcomes of the buyer-seller relationship (i.e., relationship commitment and long-term orientation of the buyer). This would encompass hypotheses 1-12. Each of the hypothesized relationships will be analyzed to determine which factors need to be emphasized in teaching relationship and/or traditional, transaction oriented sales approaches. The level of significance of the hypothesized relationships, the weights of the path coefficients, and the indication of the driving factors of each construct, to be discussed in greater detail in Chapter III, will provide the answers to the research question. Again, the cross-culture affect can be analyzed using structural equation modeling to be addressed in Chapter III (hypotheses 15-20).

Evidence from previous studies discussed in this chapter suggests that there are gaps between the perceptions of the salesperson and the buyer regarding the nature of the buyer-seller relationship. Specifically, it has been suggested in the conceptualizations of buyer-seller relationships that different selling strategies need to be employed for different classifications of buyers (e.g., top accounts). However, a key factor in the ability of the salesperson to be able to adapt his or her selling approach, where and if necessary, is knowledge of the buyer. In particular, the adaptation to the interpersonal interaction preferences of the buyer is an area that this study will provide further knowledge about from an empirical perspective.

The literature presented has also established that significant differences exist between North American and Asian culture that affect the selling process and the methods of building long-term buyer-seller relationships. Those differences are manifested through the values of the individuals involved in the buyer-seller relationship as they relate to both work and personal situations. A better understanding of the effect of the cultural differences at one stage of the buyer-seller relationship (i.e., top accounts) will be another important outcome of this study.

Another important benefit that has been emphasized throughout the literature in all areas addressed by this study is the contribution it will make to sales training methods. The result of connecting national culture research, buyer-seller relationship research, and the further analysis of the relationship continuum developed for this study allows for a comprehensive analysis of critical interpersonal interaction variables that effect the international buyer-seller relationship.

The knowledge to be gained from how each of these variables contribute to differences between selling approaches in North America and Asia will lay the groundwork for a more global method of teaching sales training in the hospitality industry.

As noted in this chapter, little empirical research has been done in the business-to-business selling environment of the service industry represented by the hotel industry group sales market beyond the North American studies of McCleary (1977, 1978), Clark (1993), and McCleary and Clark (1995) and internationally beyond March (1997) and Crotts et al, (1998). Additionally, much of the literature related to the cross-cultural factors in the international buyer-seller relationship area has been conceptual. This study will focus on addressing the void that exists in these research areas.

The next chapter (Chapter III) will detail the methodology to be undertaken in this study. It will serve to quantify each of the constructs discussed in this chapter and the related research hypotheses.

CHAPTER III - METHODOLGY

Introduction

The preceding chapters defined the research problems and the theoretical framework that comprises the constructs to be addressed by this study. This chapter will detail the methodology used in this study to empirically test the research problems. The first section of the chapter will discuss the theoretical model developed from the theoretical framework and the research hypotheses to be empirically tested in this study. The second section will present the statistical method used in the study, structural equation modeling. Section three will describe the sample used and the survey method employed in the study. The measures and scaling used to determine the constructs will be the subject of the fourth section of the chapter. The fifth section of the chapter will discuss the issues of reliability and validity including the cross-culture methodology issues. The final section of the chapter explains the process of data analysis undertaken in the study.

Research Framework

There are two research questions address by this study, as stated in Chapter I. The first is to determine if the relationship/consultative selling process being utilized by the hotel industry sales force is appropriate for all international and domestic hotel industry group customer account sales strategies. The second is to identify what interpersonal interaction factors need to be emphasized in the teaching of the relationship/consultative selling process that reflect the expectations of the interpersonal interaction between buyers and sellers at different stages of the buyer-seller relationship development in the international hotel industry. Additionally, the analysis of the second question will address the differences in those interpersonal interaction factors cross-culturally. Identifying those factors will provide the insight into the points of emphasis to be made in teaching relationship and/or traditional, transaction oriented selling processes that reflect the perceptions of the buyer’s actions, attitudes and behavior indicating his or her preferences for working relationships.

In order to accomplish the objectives of the research questions of this study, a theoretical model was developed (Figure 8) that incorporates several bodies of literature in the marketing field. The literature in the area of national culture has established the differences that exist between the North American and Asian work values and personal values that affect the way business is conducted in these regions of the world. The long-term buyer-seller relationships research has conceptualized and empirically tested the factors that lead to the most effective selling approaches and strategies to be employed in order to maintain ongoing relationships with customers. Arguments have also been made in the relationship and adaptive selling literature that suggest differences of opinion in the academic field regarding the appropriateness of using different selling approaches (i.e., relationship selling and adaptive selling) with different types of buyers/customers.

The result of the review of these bodies of literature provides the justification for a theoretical model (Figure 8) that depicts the affect of national culture on the interpersonal interaction "success" variables (Wilson, 1995) (i.e., constructs in this model) in the buyer-seller relationship. Additionally, the literature puts into question the sales perspective that long-term buyer seller relationships are the appropriate sales objective for every customer. The theoretical model (Figure 8) is the basis for generating the research hypotheses empirically tested by this study. The next section of this chapter presents those hypotheses.

Research Hypotheses

The following is a listing of the 21 hypotheses that are represented in the theoretical model (Figure 8) and were empirically tested in this study:

Hypothesis 1: The higher the level of Western-culture work values of the salesperson, the higher the level of importance given to structural bonding in buyer-seller relationships by the salesperson.

Hypothesis 2: The higher the level of Western-culture work values of the salesperson, the lower the level of importance given to social bonding in the buyer-seller relationships by the salesperson.

Hypothesis 3: The higher the level of Western-culture personal values of the salesperson, the lower the level of importance given to social bonding in the buyer-seller relationship by the salesperson.

Hypothesis 4: The higher the level of importance given to structural bonding in the buyer-seller relationship by the salesperson, the higher the level of perceived relationship commitment with the buyer by the salesperson.

Hypothesis 5: The higher the level of importance given to social bonding in the buyer-seller relationship by the salesperson, the higher the level of perceived relationship commitment with the buyer, by the salesperson.

Hypothesis 6a: The higher the level of Western-culture work values of the salesperson, the higher the level of importance given to the content dimension of communication in the buyer-seller relationship by the salesperson.

Hypothesis 6b: The higher the level of Asian-culture work values of the salesperson, the higher the level of importance given to the style dimension of communication in the buyer-seller relationship by the salesperson.

Hypothesis 7a: The higher the level of Western-culture personal values of the salesperson, the higher the level of importance given to the content dimension of communication in the buyer-seller relationship by the salesperson.

Hypothesis 7b: The higher the level of Asian-culture personal values of the salesperson, the higher the level of importance given to the style dimension of communication in the buyer-seller relationship by the salesperson.

Hypothesis 8a: The higher the level of importance given to the content dimension of communication in the buyer-seller relationship by the salesperson, the lower the level of perceived relationship commitment with the buyer, by the salesperson.

Hypothesis 8b: The higher the level of importance given to the style dimension of communication in the buyer-seller relationship by the salesperson, the higher the level of perceived relationship commitment with the buyer, by the salesperson.

Hypothesis 9: The higher the level of Western-culture work values of the salesperson, the lower the level of importance given to trust in the buyer-seller relationships by the salesperson.

Hypothesis 10: The higher the level of importance given to trust in the buyer-seller relationship by the salesperson, the higher the level of perceived relationship commitment with the buyer, by the salesperson.

Hypothesis 11: The higher the level of Eastern-culture personal values of the salesperson, the higher the level of long-term orientation of the buyer as perceived by the salesperson.

Hypothesis 12: The higher the level of importance given to trust in the buyer-seller relationship by the salesperson, the higher the level of the long-term orientation of the buyer as perceived by the salesperson.

Hypothesis 13: The higher the level of the long-term orientation of the buyer as perceived by the salesperson, the higher the level of expected interpersonal interaction by the buyer as perceived by the salesperson.

Hypothesis 14: The higher the level of perceived relationship commitment with the buyer, by the salesperson; the higher the level of expectation of interpersonal interaction by the buyer as perceived by the salesperson.

Hypothesis 15: North American based hotel salespeople are more likely to give a higher level of importance to structural bonding in the buyer-seller relationship than Asian based hotel salespeople.

Hypothesis 16: Asian based hotel salespeople are more likely to give a higher level of importance to social bonding in the buyer-seller relationship than North American based hotel salespeople.

Hypothesis 17a: North American based hotel salespeople are more likely to give a higher level of importance to the content dimension of communication in the buyer-seller relationship than Asian based hotel salespeople.

Hypothesis 17b: Asian based hotel salespeople are more likely to give a higher level of importance to the style dimension of communication in the buyer-seller relationship than North American based hotel salespeople.

Hypothesis 18: Asian based hotel salespeople are more likely to give a higher level of importance to trust in the buyer-seller relationship than North American based hotel salespeople.

Hypothesis 19: Asian based hotel salespeople are more likely to perceive a higher level of relationship commitment with the buyer than North American based hotel salespeople.

Hypothesis 20: Asian based hotel salespeople are more likely to perceive a higher level of long-term orientation of the buyer than North American based hotel salespeople.

Hypothesis 21: Asian based hotel salespeople are more likely to perceive higher levels of expectations of interpersonal interaction by the buyer than North American based hotel salespeople.

The first 12 hypotheses predict the relationships addressed by the second research question of this study related to the interpersonal interaction constructs of the buyer-seller relationship (i.e., structural bonding, social bonding, communication, trust) and the outcomes of the buyer-seller relationship (i.e., relationship commitment and long-term orientation of the buyer) in a general selling environment. The first research question, regarding the applicability of using the relationship selling process to build long-term buyer seller relationships as the selling strategy from all accounts, addressed by hypothesis 13 and 14. Additionally, the cross-cultural affect of the base of operations of the salesperson (i.e., North America or Asia) on each of the constructs and the relationship selling process is addressed by hypotheses 15-21. As will be described later in the chapter, these hypotheses are tested in the development of a baseline model for a top account, as well as in the multi-group comparison analysis procedure for both the North American and Asian based hotel salespeople.

Statistical Method to be Employed

Structural equation modeling (SEM) was utilized to empirically test the relationships between the constructs in this study. It is noted that SEM terminology does not conform to theory construction terminology. Therefore, to avoid confusion, this chapter will utilize the accepted theory construction terminology wherever possible, but references to the corresponding SEM terminology can be found in Appendix A.

SEM allows simultaneous estimation of: 1) a measurement model that relates the items in each scale to the constructs they represent, giving factor loadings for each item; and 2) a structural model that relates constructs to one another, providing parameter values (i.e., path coefficients). This method was chosen so that both a priori models accounting for measurement error in the constructs and their respective scale measurements and simultaneous estimation of those relationships for the complex model can be achieved (Anderson & Gerbing, 1988).

Anderson and Gerbing (1988) recommend the use of a measurement model to separate measurement issues from model structure issues. The use of confirmatory factor analysis (CFA) ensures the unidimensionality of the scales measuring each construct in the model and avoids the interaction of the measurement and structural models that could effect the parameters associated with the hypothesized relationships between the constructs in the model. The CFA statistical procedure identifies the reliabilities of the individual scale items for each construct, providing the statistical justification for dropping those items that do not meet accepted guidelines (this subject will be covered in more detail in the Data Analysis section of this chapter). The procedure is a further test of the scale instrument that proceeds the structural model analysis.

The structural model portion of the SEM allows for the testing of multiple equations with multiple dependent variables (i.e., endogenous variables). In other words, the theoretical model (Figure 8) represents multiple structural equations with each endogenous variable serving as a dependent variable for a structural equation incorporated in the model (e.g., relationship commitment is a dependent variable for an equation incorporating structural bonding). This statistical method provides parameter values (i.e., path coefficients) for each of the research hypotheses and determines their respective significance. Additionally, model fit indices of various types, to be discussed further in the Data Analysis section of this chapter, confirm or disconfirm the overall relationships hypothesized by the model (Hair, Anderson, Tatham & Black, 1995).

Further, the SEM statistical procedure allows for comparisons of multiple groups represented within the sample. SEM can be used when, “we want to know if a measurement or latent variable model for one group has the same parameter values as that in another group” (Bollen, 1989, p. 355). Bollen (1989) notes that comparability can be divided into model form (i.e., when different parameter matrices with different dimensions and different locations of fixed, free, and constrained parameters exist) and similarity of parameter values (i.e., the model form is the same). In this study the latter, similarity of parameter values, is the approach taken where first the baseline model was established by an analysis of the entire sample (i.e., the international selling environment). The baseline model serves as the basis for analyzing the international selling environment as a whole, while the multi-group comparison, utilizing the demographic variable indicating the salesperson's base location in North American or Asia as the determination of group membership, allows for a comparison of the two domestic selling environments. Additionally, the scales representing the constructs can subsequently be analyzed to determine any differences in the driving factors for each group (i.e., North American or Asian based salespeople). Those identified differences represent the interpersonal interaction factors that need emphasis in teaching the relationship selling process to the hotel industry sales force in both the international and domestic selling environments. Further detail on the steps of this procedure will be addressed in the Data Analysis section of this chapter.

Research Design

Survey Instrument

The survey instrument used in this study was a questionnaire made up of three parts (see Appendix C). The first part of the questionnaire presented a scenario of a top account classification of a buyer/customer representing the maintenance stage of the buyer-seller relationship development discussed in Chapter I (Wilson, 1995). The top account depicted from the salesperson's respective market segment was one that represented the 20% of the accounts he or she has responsibility for that produce 80% of the business he or she generates for his or her respective hotel(s) represented. Part two of the questionnaire addressed the scale items related to national culture both from the work-related values and personal values perspective. These scale items represent the exogenous variables of national culture in the SEM model. The third section of the questionnaire gathered demographic information on the seller, including nationality and nationality at birth.

All of the scale items represented in the survey instrument utilized a 5-point Likert type scale. The anchors used included: a) strongly disagree to strongly agree, b) not very important to very important, or c) when frequency is sought, never to very often.

The survey was distributed by several methods. One method was to send it electronically as a broadcast e-mail attachment in Word 97 format. This method allows the respondent to take the survey on his or her computer, save the file in Word 97 format and then send it back to a designated e-mail address as an attachment; or the respondent could print out the survey, take it by hand and fax it back to a specified fax number. Another method used was a web survey on the Internet that was accessed by informing the respondents of the URL address for the site. A third method used was to fax the survey to the hotel and allow the respondents to either mail it or fax it back. Finally, a fourth option of providing a printed survey was used when the distribution was done to the participants in the Cornell Professional Development Program (PDP) courses to be discussed below. The choice of response method used was at the discretion of the hotels participating based on each one's estimation of the automation capabilities of their sales force.

The first method by which the survey was sent out to the sample population was via broadcast e-mail from the sponsoring hotel sales organizations to be discussed below. Sackmary (1998) defines e-mail surveys as any data collected that is sent to the e-mail address of the respondent and returned by e-mail to the researcher. He further notes the option of printing out the questionnaire and returning it by mail also exists. This survey was designed as an e-mail attachment form that could be returned in several ways, as noted above. In any case, anonymity of the respondents was maintained by not recording any identifying e-mail address or fax number information from the participant. Zikmund (1997) has expressed the advantages of using this e-mail method as follows:

> It has been argued that many respondents feel they can be much more candid on e-mail for the same reasons they are candid on other self-administered questionnaires. It has been suggested that e-mail questionnaires arouse curiosity because they are novel and because they reach respondents when users are more likely to answer because people opening their e-mail are prepared to interact. (p. 253)

It was also felt that the sponsorship of key executives of the various hotels participating (to be discussed further below) would address the point made by Scholand and Williams (1996) that, "E-mail surveys, which are sent via e-mail to a select group of people, appear to be most suited to panels of people who have agreed to participate or with whom the researcher has some connection, thus ensuring compliance" (p. 82). Tse (1998) also suggests that e-mail surveys are best suited to situations where; 1) the population under study consists of elements with universal or nearly universal e-mail account ownership, 2) there is no need to incorporate high quality image or color in the questionnaire, and 3) the inclusion of incentives will not greatly facilitate response rate and response quality. In his study of response rates, response speed and response quality conducted in the Hong Kong Chinese culture using Chinese University of Hong Kong faculty, he did find that e-mail response rates were significantly lower than mail questionnaires. However, response speed was significantly faster with e-mail and response quality was equal between the two methods. Of importance to this study was the fact that he did not find any evidence that the nature of the survey was affected by the mode of delivery of the questionnaire.

The outcome of using this means of distributing the survey, therefore, was anticipated to improve response rate and expedite the turnaround process of receiving the questionnaires from international respondents.

The second format of the survey was a web survey designed to be taken on-line at a specified URL address. Web-site surveys are defined as any research in which the questionnaire is posted at a Web-site and accessed by respondents who connect to the site either through links or by using the Web-site URL or address (Sackmary, 1998).

It was believed that the Internet-based survey approach would be more efficient and more effective than traditional survey methods due to the international nature of the sample population and the support of the corporate level executives, as suggested by Scholand and Williams (1996). Mehta & Sivadas (1995) also state that a major advantage of the on-line survey is that it permits global surveys with extensive international data collection. Additionally, it has been suggested that the operational benefits of Internet surveys are associated with fewer errors, reduced time in data collection and lower overhead costs in information processing and dissemination (Scholand & Williams, 1996).

Smith (1997) states that few studies have been done comparing e-mail to web surveys. However, she does cite one study that found 95% of the participants chose to use the web survey over the e-mail approach. She also states that while length can be a deterrent to web surveys, we do not know how long is too long.

The third survey distribution format used was the more traditional fax method of a printed survey. This alternative was offered when the preferred e-mail or web survey formats were deemed to be less advantageous to the hotel group participating. A fourth option of distributing a printed survey was only used in the case of the Cornell PDP courses to be discussed later in this section. Schaefer and Dillman (1998) compared paper (i.e., fax or printed surveys) versus e-mail surveys and found that response rates were not significantly different for the two methods. However, they did obtain more complete returned questionnaires when e-mail was used, which is why this method was the first preference.

A cover letter on Virginia Tech letterhead explaining the nature of the survey accompanied the questionnaire. This cover letter was usable as an attachment with the e-mail message sent from a senior executive of the sponsoring hotel group to his or her sales force and as an introduction to the web survey page. As mentioned previously, the sample subjects were given the option of responding: 1) via e-mail by sending the original form of the questionnaire as an attachment, or 2) via fax by sending the questionnaire to a designated fax number in the United States. Additionally, the web page was created that made the survey accessible regardless of the word processing system used by the potential respondent (i.e., the web site was a back-up should the word processing system not be compatible with the downloaded questionnaire attached to the e-mail message). The web survey option was designed so the responses were sent back to a designated, anonymous e-mail address that also did not identify the respondent's e-mail address.

Sample

The sample for the study was targeted to hotel salespeople based primarily in either North American or Asia. In order to obtain the sample and attempt to assure a strong response rate, six different hotel companies were approached (Mandarin Oriental Hotel Group, Ritz-Carlton Hotels and Resorts, Destination Hotels and Resorts, Meritus Hotels and Resorts, Shangri-la International Hotels, and Starwood Hotels and Resorts). Since the survey was designed to be distributed either as an e-mail attachment or as a web survey, the objective was to obtain the endorsement of a high level sales and marketing executive in the corporation who would in turn elicit support from his or her hotel sales directors.

Additionally, three classes at Cornell University's Professional Development Program (PDP) were asked to complete the survey. The PDP courses meet during the summer months and are comprised of experienced international hotel people. The particular classes selected for participation were predominately those with attendees employed in the sales and marketing field.

The sample included salespeople from many nationalities, but their base of operations was predominately either North America or Asia. The sample also represented salespeople with sales responsibility for a wide variety of group market segments. However, all respondents had responsibility for a top account.

A senior executive in the sales organization of the participating hotel groups distributed the survey to their sales force (i.e., sending the survey form as an attachment to a e-mail message), as mentioned above. The companies participating chose to either send the questionnaire to all of their sales force or to a select group of their hotels, but the actual choice of the salesperson to respond was on random basis. Anonymity was maintained when the survey was sent as an attachment to an e-mail message by separating it from the actual e-mail address information and the return e-mail address was that of the researcher. When the respondent chose an option where either his or her e-mail address or fax number was shown with the response, the researcher blacken them out. The web survey option allowed for complete anonymity, as no respondent e-mail address was shown.

It is generally accepted that the minimum size of the sample to ensure appropriate use of SEM is 100. This would mean that each of the groups (i.e., North American and Asian based salespeople) would need to be represented by at least 100 respondents. However, there is also a concern with sample sizes over 400 for each of the groups as the goodness-of-fit indices may indicate poor fits. Therefore, the objective was to obtain a sample size of approximately 200 for each group (i.e., North American and Asian based salespeople) (Hair et al., 1995, p. 637).

Measurement Variables

The measurement variables in a SEM represent the scale items for each construct to be measured. The theoretical model for this study is represented by two exogenous variables (i.e., the two constructs of national culture) and seven endogenous variables (i.e., the buyer-seller relationship interpersonal interaction constructs and the relationship continuum construct). Note that exogenous and endogenous variables are SEM terminology for the theory construction terminology of constructs (refer to Appendix A). This section of the chapter will detail the scales and scale items to be employed in the measurement of all of those constructs.

The complex model that this study will analyze contains many constructs. Therefore, the selection of the scale items used in this study to represent each of the constructs was done with the objective of creating a parsimonious survey instrument.

One criterion for scale item selection considers the fact that many of the previously tested scales for the various constructs used in this research were adopted from studies focusing on the buyers as the sample population, and a number of those studies were directed toward industrial product or consumer retail sales. Therefore, some scale items from those previously tested scales were eliminated if they did not apply to the salesperson's perspective of the buyer-seller relationship or the business-to-business buyer-seller relationship in a service industry that are the focus of this study.

The discussion that follows in this section of the chapter will address how and why each of the items were selected from the previously tested scales for each construct to be tested in this study. Table 3 is a compilation of each item selected to represent the buyer-seller relationship constructs and the adaptations used in this study in cases where the original item was modified to the salesperson's perspective. Those items created for this study and those that have been substantially modified were validated in a pre-test survey to be discussed later in the chapter. The items that have been taken verbatim from previously tested scales and those that involved only changing the verbiage to address the salesperson's perspective, as opposed to the original usage as buyer oriented items, were validated by use of CFA to be discussed in the Data Analysis section of the chapter. The pre-test survey and the CFA statistical procedure were used to reduce the number of scale items for each construct to be utilized in the SEM structural model testing of the hypotheses. The reduced number of scale items were those that the pre-test and CFA procedure determined to best represent the measurement of their respective constructs.

Exogenous Variables

The theoretical model (Figure 8) incorporates two exogenous variables that are both conceptualized to measure national culture. One of the exogenous variables, National Culture Work Values, measures the work-related values of the salespersons and is related to their work environment and hotel organization where they are employed. The second exogenous variable, National Culture Personal Values, measures the salesperson's personal values of what is important to them in life. It should be noted that for both constructs the scale items are directed to the views of the salesperson about him/herself. The measurement items (i.e., scales and scale items) that comprise these two exogenous variables will be detailed below. Additionally, issues related to the unit of analysis in measuring national culture will be discussed below.

National Culture – Work Values. The measurement of national culture in this survey will be approached from two perspectives. The first is related to the work values of the salesperson as defined by Hofstede (1980a). These salesperson's values as they apply to their job and their employer (i.e., hotel organization) is the first construct measurement that will be discussed. The second perspective is the personal values of the salesperson and their relationship to the salesperson's view on life. Personal values will be discussed further in the next part of this section.

The initial four dimensions of national culture (i.e., individualism, uncertainty avoidance, power distance, and masculinity) were established from Hofstede's (1980a, 1980b) study of IBM employees worldwide. In the IBM study, the four dimensions together accounted for 49% of the country differences in the data. Hofstede (1997) acknowledges that the four dimensions do not account for the majority of the explained variance in country differences, but defends the validity of the dimensions by noting that no other worldwide factor can be associated with the other half of the explained variance in the data (i.e., the other 51%).

The instrument Hofstede (1980a) developed from his IBM study is called the Value Survey Module (VSM) (Table 4). The items employed by this study were drawn directly from that survey. Table 4 presents the entire VSM survey and indicates the items used in bold. Each of those items used and the corresponding dimension it represents, as well as the factor loading can be seen by referring to Table 4. The items selected from the VSM are based on the items that were indicated to have the highest loadings based on the factor analysis of the items comprising the four dimensions in Hofstede's (1980a) initial study. The reason for reducing the number of items from the original VSM was to maintain the objective of creating a parsimonious survey instrument. Additionally, the four dimensions (i.e., individualism, uncertainty avoidance, power distance, and masculinity) were utilized as the measurement items of the National Culture Work Values construct. This means that the scale items from the VSM representing each dimension were treated as composite indices comprising the measurement values for each respective dimension. The use of four composite indices keeps the number of measurement items of the construct utilized within the guidelines for SEM modeling (i.e., each construct should be measured by at least 2 scale items and not more than 8 scale items, a point discussed further in the Data Analysis section).

Hofstede (1997) suggests that to replicate his study using the VSM, one must have at least two matched samples of respondents from different countries, which this study had. Additionally, he makes the point that the usefulness of the country scores derived from the items in the VSM is not for describing individuals, but for describing the social systems these individuals are likely to have built (Hofstede, 1997, p. 253). This issue will be covered further in the unit of analysis discussion.

Support for the generalizability of the VSM (Hofstede, 1980a) as a measure of the four dimensions of national culture was cited by Sondergaard (1994), who reviewed the number of times Hofstede's study had been replicated. He found 61 replications had been conducted with 28 done cross-culturally, all of which generally supported Hofstede's original conclusions. Of particular note was the fact that the individualism dimension was consistently found to be the most significant predictor of differences in cultural values between different nationalities (Sondergaard, 1994). Williams, Han and Qualls (1998) echo the opinion that the individualism dimension is the most pervasive difference associated with the cultures of various countries. In the hospitality industry research conducted with Asian hotel managers, Pizam, Pine, Mok and Shin (1997) found confirmation of differences in national culture based on Hofstede's (1980a, 1980b) dimensions of individualism and masculinity.

Kale and Barnes (1992) have suggested that the national character construct (i.e., relation to authority, relations to self, and relation to risk) (Clark, 1990) is a more etic (i.e., culture free) construct than national culture (Hofstede, 1980a, 1980b) because it incorporates both economic and cultural aspects. However, they also state that Hofstede's four dimensions appear to be the most comprehensive.

National Culture - Personal Values and the Chinese Value Scale. The second measure of national culture utilized is the salesperson's personal values. There have been several studies that correlated the national cultural dimensions of Hofstede (1980, 1984) with personal value scales (Hofstede & Bond, 1984; Chinese Culture Connection, 1987; Bond, 1988). Correlations were found with both a Western culture instrument for measuring personal values, the Rokeach Value Scale (RVS) (Rokeach, 1968, 1973) (Hofstede & Bond, 1984) and an Eastern culture instrument for measuring personal values, the Chinese Value Scale (Chinese Culture Connection, 1987). The Chinese Value Scale (CVS) was chosen for this study over the Western cultural instrument from which it was derived, the RVS, because it was determined to uniquely measure the fifth dimension of national culture (Hofstede, 1997), long-term orientation on life (i.e. Confucian work dynamism) (Table 5).

The CVS is a 40-item scale (Table 5) utilizing a 9-point Likert-type scale measurement of how important each item is to the respondent personally, where a score of 9 means "of supreme importance" and a score of 1 means "of no importance at all". The CVS was originally validated by a test of 100 psychology students (50 men and 50 women) from each of 22 countries. As discussed in Chapter II, four factors were determined from the study using ecological factor analysis: integration, Confucian work dynamism, human-heartedness, and moral discipline. The factor analysis revealed the four factors represented 21.3%, 15.4%, 11.5% and 8.7% of the matrix variance, respectively. The four factors will comprise the actual measurement of the National Culture Personal construct in the same manner as the National Culture Work Values construct discussed previously. Therefore, the values in the CVS scale representing each factor as determined by the Chinese Culture Connection (1987) will be treated as composite indices. The use of four composite indices creates a more parsimonious measurement of the construct and it keeps the number of measurement items to be used within the guidelines for SEM modeling as noted previously and to be discussed further in the Data Analysis section.

This study applies the CVS in its originally intended method as a measure of culture, not individual values. However, it should be noted that Bond (1988) found the CVS scale to be an etic instrument (to be discussed in more detail later in the Cross-Cultural Issues section of the chapter) in a study he conducted comparing the CVS and RVS at the individual level. Bond's study involved 21 countries in the case of the CVS and nine in the RVS sample (all of them from Asia).

National Culture - Unit of Analysis. Hofstede (1980a) makes a key point that the VSM scale is designed to measure culture and not individuals. As he puts it,

> The culture of a country – or other category of people – is not a combination of properties of the 'average citizen', nor a 'modal personality'. It is, among other things, a set of likely reactions of citizens with a common mental programming. One person may react in one way (such as, feeling more nervous), another in another way (such as, wanting rules to be respected). Such reactions need not be found within the same persons, but only statistically more often in the same society. Confusing the level of the individual with the level of the society is known in the social sciences as the ecological fallacy. It amounts to a confusion between personality and culture. (Hofstede, 1997, p. 112)

Hofstede (1997) warns about the different findings which researchers might find at the culture level and at the individual level. Citing individualism and collectivism as an example, Hofstede has made it clear that this dimension was proposed to describe societal contexts - not individuals. What characterizes a culture does not necessarily characterize individuals in the culture. As support for this assertion, Hofstede notes that correlations between variables at the culture level (based on mean scores of the individuals within the culture) can be completely different from the correlations of the same variables at the individual level. One set of variables may produce a bipolar dimension at the culture level and two or more unipolar dimensions at the level of individuals.

An ecological fallacy occurs when a researcher uses a culture-level correlation without conducting individual-level analysis to interpret individual behavior, while a reverse ecological fallacy occurs when researchers construct cultural indices based on individual-level measurements (attitudes, values, behaviors) without conducting culture-level analysis (Schwartz, 1994; Babbie, 1995). In order to avoid an ecological fallacy, ecological factor analysis has been utilized to determine national culture values (Hofstede, 1980a; Chinese Culture Connection, 1987). Ecological factor analysis is performed with calculations of either mean values of variables for each society or from percentages (Hofstede, 1980a). It assumes the within society correlations are zero (i.e., the values are a constant within the society).

Endogenous Variables

The endogenous variables incorporated in the theoretical model (Figure 8) include the constructs representing the interpersonal interaction between the buyer and seller (i.e., structural and social bonding, communication, and trust), the outcomes of that interpersonal interaction (i.e., relationship commitment and long-term orientation) and the relationship continuum (i.e., the buyer’s expected interpersonal interaction). All of the constructs were measured from the salesperson’s viewpoint of the relationship that exists with the top account customer depicted in the scenario of the survey, as well as the salesperson’s viewpoint of the buyer’s actions, attitudes and behavior that exemplify his or her preference for different selling approaches (i.e., the buyer’s expected interpersonal interaction).

Each of the scale items that have been previously tested as measurements of the various constructs that comprise the endogenous variables included in this study will be discussed below. As noted above, a number of the previously tested scale items have been modified for this study to better reflect the salesperson's perspective. Table 3 provides comparisons of the previously tested scale items for the buyer-seller relationship constructs and the modifications made, if any, for this study.

Social and Structural Bonding. The six items representing the social bonding construct in the scale were taken from two previously tested scales (Doney & Cannon, 1997; Smith, 1998) (see Table 3). Doney and Cannon's measure of social interaction is one representation of the social bonding construct. It was developed as a formative scale listing seven types of social interaction typically encountered in business-to-business marketing. The scale items were asked on the basis of, "how often do you and other people from your firm interact with this salesperson in these ways?", with never and often being the anchors on a 7-point Likert-type scale. The scale Doney and Cannon used was composed of 7-items intended to measure frequency of each form of social interaction and because of the frequency nature of the scale no reliability statistics were calculated. However, the mean value of the items in scale was 2.47 and the standard deviation was 1.01. Three items from their scale were drawn for this study because they were deemed to be most representative items of the business-to-business selling situation in the hospitality industry. The only modification to be made for this study is how the question is posed; it was asked how important each item is in the buyer-seller relationship depicted in the scenario given. The three items are:

1. "Meeting away from the workplace."
2. "Talk about family, sports or other personal interests."
3. "Meeting over breakfast, lunch or dinner."

The second social bonding scale and the structural bonding scale drawn from for this study are from Smith (1998). Both of his scales were measured using a 5-point Likert-type scale. Three of the social bonding items utilized in this study came from the Smith's 5–item social bonding scale and represent the three items that had the highest factor loadings. Smith did not report the actual factor loadings for each item, however, he did list them in rank order and stated that they all had loadings greater than .35. He did indicate the 5-item scale had a Cronbach's alpha reliability of .84. His scale development process actually began with 13 social bonding items that were determined to be reliable (α = .92). The scale was statistically analyzed using CFA resulting in the final 5-items used in the statistical analysis.

Three items taken from Smith's (1998) 6-item scale constitute the 3-item structural bonding construct in this study. The three items were selected because they were considered the most relevant of Smith's items to the international buyer-seller relationship being studied. Smith's 6–item scale had a Cronbach's alpha reliability of .61. Noting that the reliability measure was low (i.e., < .70), he states that this is not surprising as items represent distinct sources of structure, not all of which would be expected in any given relationship. The structural bonding items in Smith's study were treated as a composite index and not reflected in the CFA he used. The items were found to load highly on this construct and not on others using a principle components factor analysis.

As noted above, three social bonding and three structural bonding items were adapted from Smith (1998) for this study. Again, they were posed as questions of how important each is in the buyer-seller relationship depicted in the scenario given, the items are:

Social Bonding

1. "Feelings of belonging and acceptance."
2. "Friendship."
3. "Empathy/concern for the other's well being."

Structural Bonding

1. "Formal contracts or agreements."
2. "Electronic ties or linkages between your organizations such as electronic mail or access to computerized reservations system."
3. "Special negotiated rate agreement based on room night volume produced."

Communication. The communication construct in this study is defined as a having two dimensions as identified and defined by Sheth (1976): content and style. The content dimension is composed of three items, while the style dimension includes four items (Table 3). The two dimensions will comprise the actual measurement of the communication construct in the same manner as the National Culture Work Values and National Culture Personal Values constructs discussed previously. Each of the two dimensions was initially treated as a composite index of the scale items representing them (note that this will be discussed in more detail in Chapter V). It should be noted that this produces two measurement items for the communication construct, which satisfies the minimum guideline for SEM as noted previously. However, the CFA procedure for establishing the reliabilities of the two dimension composite indices does require a special estimation procedure call the "two-indicator rule" (Bollen, 1989, p. 244) that was utilized.

The communication construct and its two dimensions is composed of items from two studies relating communication to the outcomes of buyer-seller relationships (Williams & Spiro, 1985; Humphreys & Williams, 1996). Humphreys and Williams (1996) scale items were created from the service quality and satisfaction literature related to the dimension of tangibility/intangibility. They used a Delphi technique to refine a list of 55 initial items down to those items they used in their measurement instrument. Further, they did a pre-test of the items and eliminated any with Cronbach's alpha item-to-item reliabilities less than .35 or principal components factor loadings less than .60 and no cross-loadings +/- .20 of the primary loading. The results produced scales that measured two dimensions of communication, a 4-item technical product attributes scale and a 5-item interpersonal process attributes scale. The technical product attributes scale addresses the facets of reliability and conformance to specification (i.e., communication content). The interpersonal process attributes scale corresponds with attitudes/behaviors, reliability/trustworthiness and empathy from previous studies (i.e., communication style). Reliability and validity of the scale items were determined through CFA. The CFA results of reliability found that the variance extracted for the technical product attribute scale was .70 and had a Cronbach's alpha reliability of .90 with each item having squared multiple correlations between .50 and .84. The interpersonal process attributes scale had an extracted variance of .72 and a Cronbach's alpha reliability of .93. Both convergent and discriminant validity measurement of the appropriate items were found to be supported.

The three content dimension items selected from Humphreys and Williams' (1996) 4-item technical-product scale for this study's research were chosen because the CFA results found each item to be a strong measure of the construct it represented. The first item chosen was "operating trouble free", a technical product scale item, and was modified to "assuring the customer's meeting, business traveler's reservation, etc. are handled trouble free". The original measure had a .887 factor loading and a squared multiple correlation of .786. The "meeting customer standards" technical-products scale item was also modified to "discussing the details of the proposal/contract". The original scale item had a factor loading of .854 and a squared multiple correlation of .729. The third technical-product scale item to be utilized was "performing as expected" and was adapted to "assuring the customer's meeting details, special requests, etc. will be handled as expected". This item in Humphreys and Williams' scale had a factor loading of .841 and a squared multiple correlation of .707. All of the items in the original scale used a 5-point Likert-type scale. The items used in this study were posed as a question of how important it is in face-to-face and phone communication with the buyer depicted in the scenario given.

The 4-item communication style dimension scale utilized in this study was adapted from the 16-items of Williams and Spiro (1985). Their study and its scale were designed to measure the perceptions that the salesperson and buyer have of each other in a retail sales situation, therefore, the items adapted for this dissertation research were selectively chosen based on their applicability to the international business-to-business selling situation. Williams and Spiro adapted their scale items from previous research of the communication dimension of style and its three sub-dimensions of task, self and interaction. The items for each sub-dimension in the scale: 1) were significantly and positively inter-correlated, 2) were correlated significantly with the appropriate overall scale but not with other scales, and 3) increased the reliability of that scale (Williams & Spiro, 1985).

Williams and Spiro (1985) used principal component factor analysis to determine if the items for each scale loaded on the intended scale dimension for both the salespeople and the buyers in the study. They also found that each of the three sub-dimensions' scale items were independent on both the salesperson's and buyer's scale (i.e., task, self and interaction were independent sub-dimensions). The "interest in socializing" interaction item, incorporated in this study, had a scale correlation of .73 and a factor loading of .69 in judging customer interaction. The "establishing a personal relationship" interaction item had a scale correlation of .78 and a factor loadings of .74. The original scale's self item that was modified to be used in this study as, "customer tries to impress me with him/herself", had a scale correlation and factor loading of .68. The final item incorporated in this study, "customer is concerned with obtaining guestroom and meeting space commitments from the hotel as effectively as possible", is a modification of the original task item in Williams and Spiro's scale stated as, "concern was to complete his shopping as effectively as possible". The modification is intend to reflect the key issue of completing the task (i.e., obtaining meeting specification details from the hotel as effectively as possible). This item in the original scale had a scale correlation of .82 and a factor loading of .80. It should also be noted that the scale used a 5–point Likert-type scale with anchors of strongly agree to strongly disagree. The items used in this study are to be posed as questions of how important each is in the face-to-face or phone communication with the buyer depicted in the scenario given.

Trust and Relationship Commitment. The two constructs of trust and relationship commitment will be discussed jointly as the two studies that formed the basis for the scale items used both dealt directly with the relationship of trust on commitment (Morgan & Hunt, 1994; Doney & Cannon, 1997). The resulting trust scale will be composed of six items and the relationship commitment scale will also have six items

In measuring the construct of trust in the dyadic buyer-seller relationship, the literature has drawn on social psychology studies for developing the scales (Evans, 1963; Morgan & Hunt, 1994; Doney & Cannon, 1997). Specifically, the model developed by Morgan & Hunt (1994) used the Dyadic Trust Scale (Larzelere & Huston, 1980) to establish measurements of trust in the buyer-seller relationship. This scale measures the relationship factors between partners using the variables of reliability, integrity and confidence (Morgan & Hunt, 1994). The resulting scale used by Morgan and Hunt was composed of 7-items with a composite reliability of .949 and a Cronbach's alpha reliability of .947. This dissertation research study incorporated two items from Morgan and Hunt's scale. The two items were chosen because they were the only two positively worded items for this construct actually reported in the study's appendix. It should also be noted that their study was directed toward the buyer, so those two items were modified to the seller's perspective. The items used were framed as questions of how important each item is in the buyer-seller relationship depicted in the scenario given: "the customer can be counted on to do the right thing" and "the customer has high integrity".

Doney and Cannon (1997) treated trust of the salesperson and trust of the salesperson's organization as two separate unidimensional scales. Their scale items were generated from interviews with marketing and purchasing personnel. Both exploratory factor analysis and confirmatory factor analysis methods determined discriminant validity of the scale items. Their 8-item scale measurement of the buyer's attitudes toward trust of the supplier's firm had high reliability ($\alpha = .94$), while the measurement of buyer's attitude toward trust of the salesperson used a 7-item scale with a reliability of $\alpha = .90$. Note that all of the scale items from Doney and Cannon's study were anchored by strongly agree and strongly disagree using a 7 – point Likert-type scale.

The focus of this dissertation research is on the interpersonal interaction between the buyer and seller, so scale measurement of the trust of the salesperson is more relevant to the scales to be used. Four items from the 7-item scale measuring trust of the salesperson from Doney and Cannon (1997) are incorporated in this study. Since Doney and Cannon did not report factor loadings for the scale items, the four items chosen were deemed to be the most representative of the salesperson's view of the buyer-seller relationship. Those items, prefaced by the question of how important are each of these in the buyer-seller relationship depicted in the scenario given, were adapted as follows (see Table 3 for the comparisons with the original item wordings):

1. "This customer has been frank in dealing with us."

2. “This customer does not make false claims.”
3. “This customer does not seem concern with our needs.”
4. “The customer is trustworthy.”

Morgan and Hunt (1994) developed the commitment scale used in their study from organizational commitment scales (Mowday, Steers & Porter, 1979; Meyer & Allen, 1984) that were modified to reflect the buyer-seller relationship. Relationship commitment was measured with a 7-item scale having a composite reliability of .895 and a Cronbach’s alpha reliability of .895. All three of the items from the relationship commitment scale that were reported in the appendix of their study are incorporated with adaptations in this dissertation research (see Table 3 for the original item wordings). The items are: “the relationship my hotel has with this customer is .... 1) something we are very committed to, 2) something my hotel intends to maintain indefinitely, and 3) deserving of our hotel’s maximum effort to maintain”. It should be noted that the scales used by Morgan and Hunt for both the measurement of the trust construct and the relationship commitment construct were anchored by strongly agree/strongly disagree using a 7-point Likert-type scale.

Doney and Cannon (1997) analyzed the outcome of the buyer-seller relationship as anticipated future interaction (i.e., relationship commitment). Their measurement scale of that construct (i.e. anticipated future interaction) employed two items with a reliability of $\alpha = .95$. The anchors of the 7-point Likert-type scale Doney and Cannon developed were: very little chance to definitely will use. Both of those items, with modifications, were utilized in this dissertation research and can be referenced in Table 3.

Long-Term Orientation. The long-term orientation construct measure is drawn from Ganesan (1994). Ganesan developed parallel items for both buyers and sellers from interviews with retail buyers and their vendors (i.e., sellers). In his study, item analysis and exploratory factor analysis were used to clarify the scales. Items showing high factor loadings and those not loading on multiple factors were retained. Convergent and discriminate validity was determined by using CFA. The reliability of the scales were $\alpha = .82$ for 6-item vendor scale measure of the buyer-seller relationship (i.e., the seller) and $\alpha = .94$ for the 7-item retailer scale measure of the buyer-seller relationship (i.e., the buyer side). Both scales employed a 7-point Likert-type scale.

The long-term orientation construct in this study is intended to measure the buyer's attitudes from the salesperson's perceptive, as previously noted. Therefore, the scales utilized from Ganesan's (1994) study are adapted from the 7-items of the retailer's (i.e., buyers) long-term orientation. Five items were actually chosen based on the applicability to the buyer-seller relationship selling situation of the international hotel industry. Each scale item was prefaced by the statement that it is the buyer's perspective of the long-term relationship being sought (i.e., it is what the salesperson thinks the buyer thinks). The items used and the original scale items can be found in Table 3.

Relationship Continuum. The scale items representing the salesperson's perception of the buyer's actions, attitudes and behavior that indicate the buyer's preference for interpersonal interaction with the seller (i.e., the relationship continuum) includes those directed toward: a) establishing the discrete versus relational nature of the transaction, b) the level of relational transaction on a cross-cultural basis, c) the purchasing strategy of the buyer, and d) the level of relationship selling process the buyer expects. This scale has been developed for this study and includes a combination of items from a variety of previously tested scales (Crosby, Evans and Cowles, 1990; Leung, Wong and Tam, 1995; Abrahamson and Ai, 1998) and items derived from conceptual literature related to the difference in buyer expectations of interpersonal interaction (Macneil, 1980; Campbell, 1985; Dwyer, Schurr & Oh, 1987; Anderson & Narus, 1991) (See Table 6 for a list of all of the items). All of the items are designed to measure the actions, attitudes and behavior of the buyer that reflect his or her preference for interpersonal interaction with the seller, however, they are asked from the salesperson's viewpoint.

All of the relationship continuum scale items to be discussed in this section were incorporated in the pre-test of the scales because none of the items had been utilized in this context before. It is important to note that the number of relationship continuum scale items to be used in the statistical analysis of the theoretical model will be limited to those determined to be valid and reliable measures of a unidimensional scale. The following discussion will first address the items related to establishing the discrete versus relational nature of the transaction. Second, the level of relational transaction on a cross-cultural basis with particular reference to the Chinese concept of *guanxi* will be discussed. Third, the items developed from the purchasing strategy of the buyer literature will be presented. Finally, the level of relationship selling process the buyer expects and the items modified from that body of literature are discussed.

Discrete versus Relational Transactions. The items representing the discrete versus relational transactions were all created for this study based on the conceptual comparisons drawn by Dwyer et al. (1987) from Macneil's (1980) definitions of the two types of transactions (Table 2). Each of the four items was designed to address the international buyer-seller relationship in the hospitality industry that is not captured by other scale items to be used measure the relationship continuum construct. The items can be found in Table 6-I.

Cross-Cultural Relational Transactions. One relational transaction concept that has received some empirical support in the literature, is the Chinese concept of *guanxi* (i.e., the extreme point on the relational transaction end of the relationship continuum). *Guanxi* items to be used to define this measurement along the relationship continuum construct were derived from Abrahamson and Ai (1998) and Leung et al. (1995).

Abrahamson and Ai (1998) developed a 12-item scale to measure *guanxi*. This scale is comprised of four dimensions: shared goals, trust building, resolving disagreements and networking. The 12-item scale in its entirely was found to have a reliability factor of .76. All items were based on a 5-point Likert-type scale with the values of never, seldom, sometimes, usually and always. Two items were selected from Abrahamson and Ai's scale as potential measures to be incorporated in the relationship continuum scale items. The adaptations of those two items to be used are: "he/she believes in having an extensive relationship network of hotel salespeople" and "he/she prefers to do business with someone who fully understands his or her goals and objectives" These items from the Abrahamson and Ai scale were used because they were felt to be the most representative items of the *guanxi* dimensions (i.e., networking and shared goals) this dissertation research is addressing. The shared goals dimension is based on cooperation driven by self interest, an important factor in *guanxi*, and extensive networking is a critical ingredient of *guanxi*.

In addition to the 12-item *guanxi* relationship scale Abrahamson and Ai (1998) also developed a single item measure to determine gifts/favors given. Gifts/favors given represents the element of *guanxi* that reflects the actions of buyers resulting from their attitudes toward the relational transaction. The gifts/favors item has also been utilized in other studies of the concept of *guanxi* (Xin & Pearce, 1996; Wong, 1998), as well as in relationship selling preference studies (Crosby et al., 1990).

Leung, Wong and Tam (1995) developed their items based on the IMP "interaction model" (Hakansson, 1982) using focus group interviews. They used a 5-point Likert-type scale with anchors of strongly disagree to strongly agree. They began with 12 items, but discarded two after principal component factor analysis did not find them to have high enough loadings. They state that the remaining 10 items were found to represent three factors (i.e., relationship building, mutual expectation and information exchange) that explain 61.7% of the variance in the 10 items.

The relationship continuum scale developed for this study incorporates four items from Leung et al. (1995) (Table 6-II-B). Two items for this dissertation research were chosen from the relationship building factor that was comprised of 4-items with a composite Cronbach's alpha reliability of .78. The two items used reflect the highest factor loadings on items relevant to this study's focus on the salesperson's viewpoint. The first item was modified from the item of "we keep in touch with the Chinese counterpart closely" that had a factor loading of .824. The resulting modification of that item is "he/she expects to receive a personal call from me at least once a month", and is intended to reflect the "keep in touch" aspect of the original item posed in hotel sales jargon. The second relationship building factor item used, "he/she believes maintaining good relationships is the best way to enhance business", was not modified from the original scale where it had a factor loading of .774.

The third item adapted from Leung et al. (1995) comes from the mutual expectation factor. That factor was comprised of three items with a composite Cronbach's alpha reliability of .673. The one item used in this dissertation research reflects the only one of the three items in their scale not previously addressed by other scale items. The item incorporated in the relationship continuum scale item is, "this customer and I easily reach consensus on major issues in our business dealing". This item was modified from the original item that had a factor loading of .615 (see Table 6-II-B for the original item wording). The final item used for the relationship continuum construct measurement in this dissertation research was adapted from the information exchange factor of Leung et al., that was made up of three items with a composite reliability .661. The item chosen had the highest factor loading on the information exchange factor (i.e., .775). The item used was originally stated as, "exchange market information (e.g., competitors) frequently" (see Table 6-II-B for the wording of the item for this study).

Purchasing Strategy. The two items in this study representing the purchasing strategies of the buyer were created from Campbell's (1985) definitions of competitive and command purchasing strategies that were discussed in Chapter II. A competitive purchasing strategy is when the buyer plays the market (e.g., shops other hotels for his or her meetings). A command purchasing strategy is defined as one where the buyer dominates over the seller. The competitive strategy item created is, "he/she seeks bids from other hotels for their guestroom/meeting space needs"; while the command purchasing strategy is intended to be captured by the item, "he/she is very demanding". Campbell also defines a third purchasing strategy, cooperation. Cooperation strategy exists when long-term relationships are the target for the buyer, however, the essence of cooperation is felt to be captured by other scale items already incorporated in the relationship continuum scale items (see Table 6-III).

Level of Relationship Selling. The relationship selling area has been the subject of some empirical studies related to the receptiveness of buyers to a relationship selling approach. Crosby et al. (1990) measured the buyer's evaluation of the salesperson's relationship selling approach. They developed eight scale items for the interaction intensity of the relationship between life insurance buyers and their respective salesperson based on previous research. The interaction intensity indicator index in their study was developed as a multi-item scale but was intended to be unidimensional. In order to validate the unidimensionality, they determined that all of the scale items for the index loaded as one factor. The items were based on frequency of occurrence of each type of action or behavior of the salesperson, with fives times or more at one anchor and never at the other end of a 5-point scale. The 8-item interaction intensity index had a Cronbach's alpha reliability of .88.

The two items chosen for this study from Crosby et al. (1990) represent the two interaction intensity indicator index items presumed to have the highest factor loadings. Crosby et al., did not report the factor loadings for specific items, but the appendix of their study did contain a summary of items used that was interpreted to be listed in rank order. The original scale was designed for buyer's responses, so the two items used in this study are modifications. The adapted items are, "he/she expects me to keep him/her abreast of all new developments at our hotel(s)" and "he/she promptly returns my phone calls". The corresponding original items can be found in Table 6-IV.

Pre-tests

The scale and its respective items for the relationship continuum construct have been developed specifically for this study. Since it is a newly constructed scale, it required pre-testing to validate the items in the scale. Additionally, those items adapted from previously tested scales where modifications made resulted in substantial wording changes were also pre-tested.

The first step in pre-testing the scale was to determine if the items to be used to measure the relationship continuum are understandable in the cross-cultural context (i.e., functionally and conceptually equivalent in North American and Asian cultures) and whether any of the those items were redundant with scale items from the other interpersonal interaction constructs to be used in the study (i.e., attempt to eliminate multicollinearity of scale items). This step was done by submitting a list of potential scale items to graduate students from various nationalities (including Asians) (see Appendix B). The results of the five responses received did determine that two potential scale items for the relationship continuum might not be understood in other cultures. Those items dropped from consideration were: 1) "He/she looks for win-win relationships", and 2) "He/she expects me to make concessions in negotiations". Note these items were not included in the discussion of the measurement variables above. None of the potential relationship continuum items were indicated to be redundant with scale items proposed for other constructs. Some of the items in the first pretest (see Appendix B) were modified prior to the selection of the items to be used in the study that were discussed previously in this chapter.

The second pre-test step involved empirically testing the newly developed scale and modified items from other previously tested scales (note these items are identified in Table 3 with an asterisk). The objective for the newly developed relationship continuum scale was to create a unidimensional measurement that reflected the discriminating factors of discrete versus relational transaction preferences of the buyers. In order to verify the ability of each item in the relationship continuum scale to measure the continuum, to reduce the number of items in that scale to be used in the SEM data analysis, and to affirm the unidimensionality of the scale a pre-test was done. In addition, the modified items incorporated in the pre-test were expected to reliably measure their intended construct.

The pre-test used a convenience sample of hotel salespeople from selected hotels (Kingsmill Resort in Williamsburg, VA; the Vail Cascade Hotel and Club in Vail, CO; the Sheraton St. Regis in New York City also including other Sheraton salespeople based in Asia; and the Shangri-la International regional office sales staff in North America) and subscribers to an Internet listserv. The Internet listserv posted an announcement of the survey and requested the subscribers go to a designated web page URL address to find and respond to the survey. The survey was designed as both a Word 97 document form that could be downloaded from the web page and as a web survey to be taken over the Internet.

The statistical method used in comparing these scales was a principal component factor analysis. The sample size recommended for this statistical method is at least 50 responses and a ratio of 5 responses for every variable in the scale (Hair et al., 1995, p. 373). Since the relationship continuum scale was represented by 15 items in the survey, this meant a recommended sample of n =75. While this sample size was not achieved, as will be discussed in

Chapter IV, the scale items were able to be analyzed and refined before the final survey was conducted.

The results of the factor analysis of the relationship continuum scale were analyzed to determine if only one factor is represented by the scale with the anticipation that it is unidimensional. The relationship continuum scale items that did not have acceptable guidelines were eliminated to obtain a final scale. That final scale, to be discussed further in Chapter IV, was comprised two dimensions with between 3 and 8 items, the desired number of indicators for conducting structural equation modeling (Bollen, 1989, p. 284). The items drawn from previously tested scales that were modified for this study were also validated by the factor loadings on their respective constructs that determined if they were reliable. The guideline used was a factor loading of .5 or greater (Hair et al., 1995, p. 384-385).

In addition to the principal component factor analysis, a second validation method was used by comparing the relationship continuum factors to those of an existing, proven scale. The "buyclass framework" scale (Anderson, Chu & Weitz, 1987) was chosen to represent a correlated scale with the relationship continuum construct scale because it represented a similar measurement in the buyer-seller relationship and the subjects of the survey were also salespeople (more details on this scale will be provided in Chapter IV). The use of correlation analysis between the relationship continuum factors identified in the factor analysis and the buyclass framework scale provided evidence of the convergent validity (to be discussed below) of the factors identified.

Reliability and Validity

Reliability concerns the extent to which a measurement of a phenomenon provides stable and consistent results (Carmines & Zeller 1979). Reliability has two dimensions: repeatability and internal consistency (Zikmund, 1995, p. 340-341). The dimension of internal consistency is an important verification measure of ability of a scale item to correlate with other scale items intended to measure the same variable. There are two methods for testing internal reliability employed in this study, Cronbach's (1951) coefficient alpha (referred to as Cronbach's alpha or α) and confirmatory factor analysis (CFA).

The most popular reliability coefficient of internal consistency between the items in a unidimensional scale is Cronbach's (1951) coefficient alpha (Bollen, 1989, p. 215). Cronbach's alpha estimates the degree to which the items in a scale are representative of the domain of the construct being measured (Pedhazur & Schmelkin, 1991, p. 104). It was utilized in this study as a verification of the reliability of the composite items comprising each scale for each construct. CFA, as mentioned previously, provides a statistical method to evaluate both the reliability of each item in the scale, as well as any potential cross-loading issues with other items or scales. Just how both of these reliability measures will fit in the data analysis steps will be discussed later in the chapter.

Validity refers to the relationship between a construct and its indicators. A construct is valid to the extent that it measures what it is suppose to measure (Zikmund, 1995, pp. 342-345). There are several types of validity to be considered: face/content validity (i.e., the agreement among professionals that the scale is measuring what it suppose to be measuring), criterion validity (i.e., the degree of correspondence between a measure and a criterion variable, usually measured by their correlation) and construct validity (i.e., the ability of a measure to confirm a network of related hypotheses generated from a theory based on the constructs) (Bollen, 1989, pp 184-189; Zikmund, 1995, pp. 342-345).

Face/content validity is largely a conceptual test and the pre-test methods of this study detailed above address this validity issue. The two validity checks of criterion validity are: concurrent and predictive validity. Predictive validity concerns a future criterion that is correlated with the relevant measure and concurrent validity exists when a new measure of a construct is taken at the same time as the criterion measure. Construct validity is addressed by analyzing both convergent validity (i.e., the items and constructs that are suppose to be correlated with one another are) and discriminant validity (i.e., the items and constructs that are not suppose to be correlated with one another aren't). Campbell and Fiske (1959) indicate that correlations of different measures of the same trait (i.e., construct) be statistically significant and sufficiently large, while discriminate validity would be applied as the differences between measures being statistically significantly and sufficiently large. CFA provides a statistical tool, to be discussed further below, to evaluate both convergent and discriminate validity.

All of the above discussion of validity refers to the internal validity of the scales and their respective items. External validity, on the other hand, is concerned with the generalizability of findings to other cases (Zikmund, 1995, pp. 306-307). External validity can occur in two ways (Cox & Enis 1972, pp. 301-305): from sample to population and from the situation in question (i.e., exploratory variables, test units, and dependent variables) to other situations. The second type of external validity refers to the extent that the results can be generalized to different exploratory variables, test units (e.g. other hotel salespeople or other service industry salespeople), and dependent variables. It requires multiple replications of a given study. In this study, the first type of validity, sample to population, was addressed by employing a random sampling from 6 hotel companies in North America and Asia. Thus, the sample was not biased by only one company's organizational culture. The second type of external validity was addressed by using salespeople from multiple hotel companies and different countries, as well as those participants in the Cornell PDP courses, for the sample. This sampling method provided a diverse sample population that was able to be effectively used to make generalizations from the results.

Cross-Cultural Issues

Since this study was conducted in multiple cultures, there are a number of important concerns with regard to the focus of the study, the external environmental issues effecting the construct definitions, and the internal measurement issues effecting the construct measurement to be considered (Choudry, 1986; Malhotra, Agarwal & Peterson, 1996). This section will address those issues and how they will be handled in this study.

Focus of the Study

When focusing on cultural variation (e.g. the four dimensions of national culture), intra-cultural analysis (i.e., studying subjects in different populations separately), cross-cultural analysis (i.e., comparing the results of separate intra-cultural analyses), and pan-cultural analysis (mixing subjects from separate cultures to study) are all appropriate methods for the focus of a study (Leung & Bond, 1989). This study focuses on cross-cultural analysis, as the objective is to determine differences in the national culture between North America and Asia.

In cross-cultural analysis the data can be aggregated for each country and these aggregate statistics analyzed. The objective of this level of analysis is to assess the comparability of findings from one country to another (Netemeyer, Durvasula & Lichtenstein., 1991). The similarities as well as the differences between countries should be investigated. Malhotra et al., (1996) suggest that not only differences in means, but also differences in variance and distribution should be assessed. In this study, SEM allowed for a thorough analysis of all of the differences and similarities.

External Environmental Issues

The two relevant external environmental issues are: functional equivalence and conceptual equivalence (Choudry, 1986; Malhotra et al., 1996). Functional equivalence examines whether a given concept or behavior serves the same role or function in different cultures (e.g., a non-smoking seat on most international airlines indicates the entire section of the airplane is non-smoking, however, on a People's Republic of China airline, it only means your seat is non-smoking). Conceptual equivalence deals with whether the concept or construct is expressed in similar attitudes or behaviors across cultures.

Both functional and conceptual equivalence are dealt with in this study in several ways. First, the study uses scale items that have been previously tested in cross-cultural environments (e.g. the CVS was designed specifically to capture Asian values, but has been replicated in the North American environment). Second, the same industry (i.e., hotels) and the same position in the industry (i.e., salesperson) creates a common industry language factor. Third, the pre-test of the relationship continuum scale incorporated some cross-cultural mix to validate the scale items.

Internal Measurement Issues

The second area of cross-cultural issues relates to the actual measurement of the constructs. There are three interrelated areas of concern in internal measurement: instrument equivalence; instrument translation; and the adequacy, representativeness and comparability of samples (Choudry, 1986; Malhotra et al., 1996). Instrument equivalence deals with whether the scale items, response categories, and questionnaire stimuli, such as buyer behavior and interpersonal interaction preferences, are interpreted identically across cultures. Instrument translation is not an issue in this study as all of the international salespeople in the hotel companies comprising the sample population will be fluent in English. The adequacy, representativeness and comparability of the samples is an important issue of this study and will be discussed below.

Instrument Equivalence. Instrument equivalence presents two concerns: 1) whether the items in the scales are culture specific or culture-free, and 2) if scalar equivalence exits. A scale item that is considered culture-free (i.e., it can be employed in a number of cultures to measure the same phenomenon) is termed an etic instrument. An item that is specific to one culture (i.e., it only measures a phenomenon in that culture) is said to be an emic instrument. Etic phenomena usually have the stronger interest for cross-cultural marketing researchers, compared with emic phenomena, because of the multiple-culture focus of cross-cultural marketing researchers (Malhotra et al., 1996). However, it has been suggested that cross-cultural measures should be composed of a set of cross-national etic indicators and a set of culture-specific emic indicators (Przeworski & Teune, 1970). A combination of the etic and emic indicators would then result in a scale with improved reliability and validity in different cultures. The measurement is equivalent to the extent to which the scale furnishes homogeneous indices for the various cultures, while measures for specific cultures are equivalent to the extent to which the culture-specific emic measures are related to the identical etic measures (Malhotra et al., 1996).

The items utilized in this study are intended to be primarily etic items. As noted previously, the CVS scale dimensions have been found to have etic qualities, although some of the specific items in the scale may be more emic (e.g., filial piety) (Chinese Culture Connection, 1987; Bond, 1988). The Value Survey Module (Hofstede, 1980a) has also been replicated in many cultures and is considered to be an etic instrument. The other previously tested scales were developed in the North American culture and could have emic qualities. In order to assure that they are predominately etic, the scale was reviewed by graduate students from Asian cultures to identify any items not understood in the same context as in North America.

Scalar equivalence, also called metric equivalence, examines whether the psychometric properties of data from the various cultures exhibit the same coherence or structure. It examines whether the scores obtained from respondents in different cultures have the same meaning and interpretation. This involves demonstrating that two individuals from different cultures with the same value on some variable, such as trustworthiness, will score at the same level on the same test. The specific scale or scoring procedure used to establish the measure should be equivalent (Malhotra et al., 1996).

The issue of scalar equivalence, as related to this study, concerns the use of Likert-type scale measures. Some researchers have found that attitude measures such as Likert-type scale measures are culture-specific (i.e., have emic properties) even among countries with some commonality such as Japan, South Korea, and China (Yu, Keown & Jacobs, 1993). That same study of the three Asian cultures, determined significant main effects and interactive effects owing to country and types of scale used on response ratings (Yu et al., 1993). A similar problem could result from extreme response style (ERS) which is the tendency of a group to endorse extreme categories of responses in multiple response items. This can produce different in-group means and affect the level of item correlation within a measure (Samiee & Jeong, 1994). Courtesy bias is another source of variation common in Asia which raises concerns about biases that would affect comparability of results (Douglas & Craig, 1983).

Malhotra et al. (1996) also caution that when using a Likert-type scale measurement, researchers need to test the significance and appropriateness of anchors. They cite an example of a study of US-Japanese channel relationships that found Japanese managers did not adequately understand the scale anchors “agree/disagree”, so the anchors were changed to “definitely true”, “somewhat true”, and “not at all true” (Johnson, Sakano, Cote & Onzo, 1993).

Considering all of the above noted issues with regard to scalar equivalence, the approach of this study was to identify any relevant negative effects. The fact that the scales being used to measure national culture have been successfully replicated in many cross-cultural studies would indicate that the anchors being used and the Likert-type scale measurement used have been appropriate. Additionally, the CFA results identified any items from the scales that didn't generate a high enough loading or reliability factor to be considered. Further, an analysis of outliers and frequency distributions also assisted in determining if any discrepancies existed (Hair et al., 1995, Chapter 2). It is also important to note that this study focuses on the unit of analysis of culture versus the individual and on the relationship, not the individual buyer. Therefore, the response to the items are not anticipated to be as strongly influenced as those personal items used in consumer oriented studies. It was also suggested by Yu et al. (1993) that ranking scales have a more etic quality, so a ranking of the importance of each construct overall in the relationship was employed as a means to validate the scales.

Brislin (1986) also makes the following suggestions for measurement purity in cross-cultural research that will be adhered to in creating new scale items for this study: 1) use short sentences with one dominant idea per sentence, 2) avoid metaphors and colloquialisms, 3) use specific rather than general terms, and 4) avoid words indicating vagueness regarding a certain object or event.

Adequacy, Representativeness and Comparability of Samples. This study addresses the concerns of adequacy of the sample through the sponsorship from hotel companies that generated comparable numbers of respondents from North America and Asia. Representativeness and comparability were accomplished through the comparable position of salesperson in all of the sample population.

Data Analysis

The data analysis will be comprised of seven steps (Figure 15) that will be outlined in this section of the chapter, and detailed in Chapter IV. The study employed several statistical procedures including multiple discriminant analysis (MDA), Cronbach's coefficient alpha, Path analysis, t-tests and structural equation modeling (SEM) to be described below. The SEM modeling process incorporating multi-group comparisons to be discussed in Steps 4-7 has been recommended as an approach for conducting cross-cultural research (Singh, 1995).

Step 1: Validate the Culture-Level Measurement of the National Culture Scales.

Hofstede (1980a, 1997) has repeatedly made the point that the work-related values obtained by using the Value Survey Module (Hofstede, 1980a) are culture-level measures and not individual measures. As mentioned previously, the statistical method used to calculate the national culture dimensions in both the Value Survey Model and the Chinese Value Scale (Chinese Culture Connection, 1987) was ecological factor analysis. The ecological factor analysis procedure involves using the mean scores of each national culture represented in the study as the measurement unit of analysis. Therefore, in order to validate that the dimensions of national culture do effectively discriminate between the national cultures represented in this study, the mulitvariate statistical procedure of MDA was used. MDA provides analysis of significant differences attributed to the five dimensions of national culture, using the mean scores of the composite items for each scale (i.e., a metric independent variable), between the national cultures represented (i.e., a non-metric, categorical dependent variable). The MDA procedure also provides a means of determining which of the five dimensions of national culture are driving the difference in the national cultures represented in the study. This second aspect of the MDA is important because other replications of the Value Survey Module have shown that not all of the dimensions are reliable discriminating factors between national cultures in every situation (Sondergaard, 1994). The intended application of the MDA results was: 1) to validate that the measures to be used in further statistical analysis to discriminate between national cultures, and 2) to eliminate any non-significant dimension of national culture from further statistical analysis.

Step 2: Determine the Reliability of the Scale Items for Each Construct.

The second step in the data analysis utilized the statistical procedure of CFA (Figure 15). As discussed in the “Statistical Method to be Employed” section of this chapter, CFA provides the statistical analysis necessary to determine the reliabilities of each scale item in the measurement of each scale representing the constructs in the theoretical model. Bollen (1989, p.

228) states that CFA is a better method of analysis than exploratory factor analysis (i.e., principal component factor analysis) in situations where hypothesis about plausible models exist, as in the case of this study. Additionally, the CFA procedure can identify potential problems with multicollinearity between items within each scale and it can identify scale items that cross-load on other constructs in the model (i.e., convergent and discriminant validity). The presence of multicollinearity between items is one determining factor in eliminating scale items for the SEM analysis. Items that cross-load on other constructs are also subject to elimination if they are not providing discriminatory validity. The identification of these problems was made through the examination of modification indices produced by SEM analysis using AMOS 3.6 (Joreskog, 1993). The use of modification indices in this analysis will be addressed in more detail in Chapter IV.

The two CFA measurements employed for the analysis are the factor loadings and the squared multiple correlations (s.m.c). The factor loadings represent the direct effects of the scale items on the measurement of the construct (Bollen, 1989, p.230). The factor loadings are recommended to be above .50 to be acceptable in the CFA procedure (Hair et al., 1995, p. 642). The squared multiple correlation is the measure of each item in the scale when it is regressed on the remaining items in the same scale. It is a measure of the degree of collinearity of the scale item with the other items in the same scale and is considered a measure of reliability for each scale item (Bollen, 1989, p. 288).

The ultimate objective of the CFA procedure in this step of the data analysis is to refine the scale items and the scales measuring the constructs so that they are represented in the SEM to be utilized by reliable and valid measurements. This procedure is what is termed identifying the SEM (Bollen, 1989, pp. 326-333). One important consideration, however, is that each construct in the SEM should be represented by at least two scale items or composite indices, however, three or more items was preferred (Bollen, 1989, p. 244).

Step 3: Determine the Reliability of Each Composite Scale.

An additional measure of reliability employed is Cronbach's (1951) coefficient alpha (α). This statistical process in this step is a cross-check mechanism to verify the CFA findings

(Figure 15). The guideline α recommended for acceptable composite item scales is .70 (Nunnally, 1978, chp. 12).

Step 4: Establish the Baseline SEM Model.

As stated above, the recommended process for cross-cultural analysis is a multi-group SEM model comparison. The process to perform that type of statistical analysis will be discussed in Steps 4-7 and follows the steps laid out by Bollen (1989, pp. 355-359) and Singh (1995). The first step in the multi-group SEM comparison procedure is to determine a baseline model. Determining a baseline model is termed as identifying the model in SEM terminology and refers to a model incorporating the reliable scales and their respective items measuring each construct in the model determined by the CFA, plus the significant paths hypothesized between the constructs. In this study, a baseline model was created representing the top account classification depicted in the survey instrument. The creation of the baseline model involved testing all of the hypothesized relationships in the theoretical model (Figure 8) using the entire "pooled" sample (i.e., all salespeople regardless of their base of operation). The statistical data analyzed in this step, as well as Steps 5 and 6, is obtained from the structural model of the SEM results.

At this point in the data analysis, it is important to note that Hayduk (1987) recommends that paths in SEM models be driven by theory, not by data. This means that the hypothesized relationships already delineated above are the only relationships being tested. Researchers can make the mistake of adding hypothesis based the modification indices provided by SEM analysis.

The baseline model was evaluated based on its goodness-of-fit indices to determine if the model was a good representation of the hypothesized relationships (this will be addressed in more detail in Chapter IV). There are a number of goodness-of-fit indices that could be utilized, but this study concentrated on the chi-square significance (χ^2), the goodness-of-fit index (GFI), the comparative fit index (CFI) and the root square mean error (RMSEA) measures. The χ^2 value is the most fundamental measure of overall fit. A significant χ^2 (i.e., $p < .05$) means the observed and estimated models differ considerably, therefore, the desire is to have a non-significant χ^2. However, this statistic is highly sensitive to sample size and becomes more likely to be found to be significant as the sample size gets arbitrarily larger, yet the model could still be a good fit (Bollen, 1989, pp. 263-269; Hair et al., 1995, p. 683; Hu & Bentler, 1995, p. 78). The GFI, CFI and RMSEA measures used, however, are less affected by sample size and have been accepted as adequate measures of the goodness-of-fit of the model (Hair et al., 1995, p. 684-690; Hu & Bentler, 1995). The GFI is another measure of absolute fit between the overall model and the observed covariance and correlation matrix (Bollen, 1989, pp. 276-277; Hair et al., 1995, p. 684). CFI is a measure of the observed model with a null model (i.e., an incremental fit index) (Hu & Bentler, 1995). The closer either the GFI or CFI value is to unity, the better the fit, with .90 or greater indicating an acceptable fit (Bentler & Bonett, 1980). To identify specification or measurement errors, the RMSEA measure was utilized. This measure is an estimate of the goodness-of-fit if the model was estimated in the entire population. The closer this RMSEA value is to 0, the less the error, with a rule of thumb being that values of .05 or less would indicate a close fit, but an RMSEA of .08 or less would still be considered within a reasonable error factor of a good fit (Browne & Cudeck, 1993).

Once the baseline model was determined to have a good fit, then the analysis of the baseline model focused on the hypothesized relations, that is the parameter values (i.e., path coefficients) referred to as the gamma (γ) and beta (β) weights in SEM. The parameter values are measures of the relationships between any two constructs in the model (i.e., hypotheses). If the measure is significant at $p < .05$, the hypothesized relationship is supported, however, direction of the parameter value (i.e., +/-) also needs to be considered (Bollen, 1989; Hair et al., 1995, Chp. 11; Hoyle, 1995). These statistically significant parameter values established the baseline models for the top account that is used to analyze the differences between the two groups (i.e., North American and Asian based salespeople).

Additionally, a strong correlation (i.e., the existence of mulitcollinerarity) was anticipated between the two constructs of national culture (i.e., work values and personal values) based on the previous research (Chinese Culture Connection, 1987; Hofstede, 1997). This correlation is depicted in the theoretical model (Figure 8) by the curved arrow between the two constructs. The procedure in SEM to check for multicollinearity between two constructs involves checking for correlations among the standardized estimates of constructs greater then .90 (Hayduk, 1987). It was anticipated that the correlation between the two national cultures would exceed .90.

This fourth step in the data analysis procedure is the test of hypotheses 1-14 in the study. The next step in the data analysis will address the testing of hypotheses 15-21and determine cross-cultural differences.

Step 5: Test the Multi-Group Models for North American and Asian Based Salespeople

Multi-group comparisons were used to assess whether any of the significant hypothesized relationships in the baseline model is different for North American and Asian based salespeople, particularly hypotheses 1-14 on a cross-cultural basis (Figure 15). This is the next step in conducting multi-group comparisons established by Bollen (1989, pp. 355-359) and Singh (1995). They suggest the use of SEM analysis in order to compare the fit indices for the two groups using the baseline model to determine if both are considered good fits based on the indices indicated above (χ^2, GFI, CFI and RMSEA). However, sample size limitations that will be discussed in greater detail in Chapter IV precluded the use of SEM analysis in this step. Instead, only the structural portion of the model was able to be analyzed using Path analysis. This was considered an appropriate statistical method to test the hypotheses in this study because it was the structural portion of the model that was the focus.

The Path analysis allowed for determinations of differences in the significant paths between the constructs from a cross-cultural perspective. The results were compared both to the baseline model representing a "pooled" sample from salespeople all over the world and between the two bases of operations (i.e., North America and Asia). This step provides the first insight into the factors that need different emphasis in the sales training efforts in North America and Asia.

This step in the data analysis using the Path analysis statistical procedure was directed at addressing portions of both research question 1 and 2. The results of this analysis answer the hypothesized relationships between the constructs in the theoretical model tested in this study. In other words, the answer to how the *process* of building long-term buyer-seller relationships through relationship selling can be compared between the international selling situation and the domestic selling situations of North America and Asia. This is done through the comparison of the hypothesized path relationships between the constructs using the baseline model representing the international selling situation (i.e., the "pooled" sample) and the multi-group (i.e., North American and Asian based salespeople) comparison method of the baseline model described above. This addresses one aspect of research question 1. Additionally, the relationship between the interpersonal interaction factors and the relationship outcomes can be compared between the international selling situation represented by the "pooled" sample and the domestic selling situations of North America and Asian using the multi-group comparison method. This analysis addresses one aspect of research question 2.

Step 6: Test the Multi-Group Models to Determine Significant Difference in the Paths and in the Importance of the Constructs in the Buyer-Seller Relationship.

The next step has two parts to it. The first part is to determine if there are significant differences in the parameter values (Bollen, 1989, pp. 355-359; Singh, 1995) between the two groups. This part of this step further analyzes the question of the *process* of building long-term buyer-seller relationships noted in the previous step discussion. The second part is to test hypotheses 15-21 to determine if there is a difference in the importance placed on the constructs in the model based on the base of operations (i.e., North America and Asia). This part of the step is intended to identify the specific interpersonal interaction *factors* that need to be emphasized in teaching relationship/consultative selling. It will analyze differences in the importance of each construct that research question 2 is attempting to determine, not in the process of the building of the long-term relationship.

The first part to this step in the data analysis involves imposing an equality constraint for the multi-group comparison model on each parameter value (i.e., path coefficient), which is termed a constrained model in SEM terminology. AMOS 3.6 provides a procedure to set the parameters to being equal and then test for significant differences between them (i.e., c.r. > 1.96). What this step in the data analysis determined is whether the hypotheses 1-14 showed differences between North American and Asian salespeople. As noted above, it is directed at answering the *process* oriented portions of the two research questions.

The second part of this step was to test hypotheses 15-21 that predicted differences in the importance given to each of the constructs in the theoretical model as a result of the base of operation of the salesperson (i.e., North America and Asia). This part of the step was accomplished using the t-test for equality of means statistical method of comparing differences in the means between the two groups. In those cases where significant differences did exist, it would support the respective hypothesis that there were differences between the base of operations. Again, as noted above, this part of the this step is focused on answering the portion of research questions 1 and 2 that are directed at analyzing the importance of the interpersonal interaction ***factors*****, not the** ***process***.

Step 7: Determine Differences in Driving Factors for Each Group.

One additional data analysis step was employed for those constructs in the baseline model that were found to be significantly different in step 6 (Figure 15). This step utilizes the t-test of equality of means to determine differences in the driving factors (i.e., scale items and/or composite indices) for each significantly different construct (Bollen, 1989, pp. 355-359; Singh, 1995). The results provide more in-depth insight into answering the one portion of the second research question as to what *factors* need to be emphasized in teaching relationship/consultative selling processes on a global basis.

It should be noted that Bollen (1989, pp. 355-359) suggests a number of additional steps that can be taken in multi-group model comparisons, however, it was felt that the research questions and hypotheses in this study could be tested without taking further steps.

Chapter Summary

This chapter has been devoted to presenting the research methodology for the study. The statistical procedures used to empirically test the research hypotheses of the theoretical model were discussed; the research design including the sample and survey instrument used were presented; the intended measurement scales for each of the constructs in the theoretical model were discussed along with the origins of those scales; the issues of reliability and validity including the cross-cultural issues were addressed; and the steps to be undertaken in analyzing the data collected were outlined.

CHAPTER IV – ANALYSIS AND RESULTS

Introduction

This chapter presents the results of the data analysis and hypothesis testing. In the first section the pre-test of the scale items used in the study is presented including a description of the sample. This is followed by a section that provides a description of the survey methods employed in this study and the demographic profiles of the final survey respondents. The third section of the chapter follows the data analysis steps discussed in Chapter III and presents the results of the hypothesis testing.

Pre-test

As stated in Chapter III, before the final survey instrument could be prepared, it was necessary to conduct a pre-test of certain scale items. The purpose of the pre-test was to validate the scale items to be used in the study that were either developed specifically for this study or modified from previous studies. The scale, and its respective scale items developed specifically for this study, was the one measuring the relationship continuum construct (i.e., the interpersonal interaction preferences of the buyer). The other modified scales that were incorporated in the pre-test included those for the following constructs: structural bonding, communication content and communication style.

The first pre-test step, as discussed in Chapter III, was to determine if the relationship continuum scale items were understandable in the cross-cultural context and whether any of the scale items were redundant with other interpersonal interaction constructs. This step was done using graduate students from various nationalities. The results, as presented in Chapter III, led to the elimination of two items from further testing of the relationship continuum scale.

The second pre-test step was to empirically test the newly developed scale items (i.e., relationship continuum) and the modified scale items that had been drawn from previous studies (i.e., structural bonding, communication content and communication style). This step in the pre-test is discussed in detail in this section of the Chapter.

Pre-test Survey Method

The pre-test survey was distributed by several methods. One method was to send it electronically as an e-mail attachment in Word 97 format. This method allow the respondent to take the survey on his or her computer, save the file in Word 97 format and then send it back to a designated e-mail address as an attachment; or the respondent could print out the survey, take it by hand and fax it back to a specified fax number. Another method used was a web survey on the Internet that was accessed by informing the respondents of the URL for the site. A third method used was to fax the survey to the hotel and allow the respondents to either mail it or fax it back. The choice of response method used was at the discretion of the hotels participating based on each one's estimation of the automation capabilities of their sales force.

Pre-test Sample

A convenience sample was used to conduct the pre-test. The sample consisted of sales staff members of Kingsmill Resort in Williamsburg, VA; the Vail Cascade Hotel and Club in Vail, CO; the Sheraton St. Regis in New York City (note that the contact at this hotel also sent the survey to other Sheraton salespeople based in Asia); and the Shangri-la International regional office sales staff in North America. Additionally, subscribers to an Internet listserv for hotel salespeople were solicited by announcing the web survey site URL and encouraging participation. It should be noted that the listserv announcement method only accounted for 1 or 2 responses (note that because of the attempt to protect anonymity of the respondents, it did not allow for the ability to track specific respondents to specific sources). Additionally, one property, Kingsmill Resort, accounted for one-third of the sample (11 out of 33).

The final pre-test sample size was 33 respondents. The recommended guidelines for principal component factor analysis are at least 50 responses and a ratio of 5 responses for every 1 variable in each scale being measured (Hair et al., 1995, p. 373). This sample size, however, did not exceed the suggested guideline of 50 respondents, but it did meet the ratio criteria (i.e., 5:1) for all but two of scales being tested (i.e., 9 items of the Communication Content scale and 15 items of the Relationship Continuum scale). Taking into consideration that this was a pre-test and the scales would undergo a more thorough analysis in the full sample, the fact that the number of respondents did exceed a ratio of 2:1 for the largest 15-item Relationship Continuum scale, the pre-test was deemed adequate.

The demographics of the sample indicate the majority of the respondents were female (76%, n=25, Table 7). Additionally, only one respondent was an executive level person, while 6 were at the director level and 26 were at the manager level. The nationality at birth demographic indicated that the sample was predominately North American (83%, n=25) and all but 2 of the respondents were based in North America. This demographic did present one concern for the final survey, as the number of Asian based respondents was minimal.

The distribution of the method in which the survey was taken was; 13 were mailed back, 10 were received via the web survey, 7 were faxed, and 3 were sent by e-mail attachment. The balance in the variety of methods used would be expected to eliminate any concerns with regard to bias by any one method of response.

Results from the Pre-Test

The results of the pre-test provided the necessary validation in order to finalize the scale items to be used in the final survey. This section of Chapter IV will provide the discussion of which items were chosen and how they were determined to be valid.

Structural Bonding. The pre-test of the Structural Bonding construct included six (6) potential scale items derived and modified from previous studies, as noted in Chapter III (see Table 3). In order to determine the scale items, a principal component factor analysis was performed. The principal component factor analysis indicated that one factor represented 40% of the explained variance of the scale (see Table 8). That factor was comprised of three (3) items with factor loadings greater than .5. Those items were formal contracts, competitive information and electronic ties (factor loadings of .869, .726, and .610, respectively). It should be noted that a second factor was also indicated by the principal component factor analysis. This second factor could have contributed an additional 18% to the explained variance, however, the objective of the pre-test was to establish a unidimensional scale for the measurement of the construct. Therefore, the following three items were selected for the final survey to represent the construct of Structural Bonding: 1) "formal contracts or agreements", 2) "sharing of industry competitive information", and 3) "electronic ties or linkages between your organizations such as electronic mail or access to computerized reservations systems". In each case, these items were prefaced by the statement, "For your top account, how important do you feel the following are?".

The reliability of the final three (3) items was determined to be .612 using Cronbach's alpha (see Table 8). While this reliability did not exceed the .7 guideline established in Chapter III, it was determined to be close enough to consider due to the fact that the pre-test sample was small (n=33) and predominately North American based. The consistency of this scale's results in a repeated test using a larger, more diverse sample might indicate the scale measurement of the construct of Structural Bonding is indeed reliable. Therefore, it was incorporated in further analysis.

Communication Content. The Communication Content scale items comprise one of the two dimensions of communication. The pre-test incorporated four (4) items modified from previously tested scale items for this dimension of the Communication Dimension construct (see Table 3). Principal component factor analysis was also done to determine the unidimensional scale to be used to measure this dimension (see Table 9). The results indicated one factor that represented 69% of the explained variance of the scale. That factor included three scale items with factor loadings greater than .5. The items were assuring details, assuring trouble free, and assuring uniform treatment (factor loadings of .980, .959 and .926 respectively). These three items were found to represent a reliable scale with a Cronbach's alpha of .950. The resulting scale items used in the final survey for this communication dimension were: 1) "assuring the customer's meeting details, special requests, etc. will be handled as expected", 2) "assuring the customer's meeting, business traveler's reservation, etc. are handled trouble free", and 3) "assuring the customer's meeting, business traveler's reservation, etc. are treated uniformly". The items were prefaced by the statement, "Again, for this same top account, in face-to-face or phone communication with the buyer, how important is....?".

Communication Style: The other dimension of the Communication Dimension construct is Communication Style. This dimension was represented by nine (9) scale items in the pre-test. The principal component factor analysis of those nine items indicated three possible factors with eigenvalues greater than 1.00. However, the objective of the pre-test was to establish a unidimensional scale for this dimension, thus one factor that represented 33% of the explained variance was identified (see Table 10). That factor was represented by four (4) items with factor loadings greater than .5. The items included were interested in me, likes talking to people, personal relationship, and obtaining commitment effectively (factor loadings of .854, .813, .714 and .670 respectively). The Cronbach's alpha measure of reliability for these four scale items was .771.

The items selected for the final survey were: 1) "customer is interested in me not only as a salesperson, but also as a person", 2) "customer likes to talk to people", 3) "establishing a personal relationship" and 4) "customer is concerned with obtaining guestroom and meeting space commitment from the hotel as effectively as possible". Each of these was prefaced by the statement, "For your top account, how important do you feel the following are?".

Relationship Continuum: This construct was developed for this study and therefore was comprised of scale items that had not been previously tested. This element led to a pre-test analysis not only including the principal component factor analysis of the items, but also an additional validation of the items through a correlation analysis with an already proven scale.

The principal component factor analysis of the relationship continuum items (15 items) determined that there were five factors with eigenvalues greater than 1.00 (see Table 11). Those five possible factors represented an explained variance of 63%. However, the objective of the factor analysis was to determine two possible dimensions to represent the opposite ends of the relationship continuum (i.e., discrete and relational transactions). Since the first two factors represented an explained variance of 33% (see Table 11) and the additional explained variance contributed by the third factor was only 11%, a two factor solution to measuring the continuum was determined acceptable. The first factor was made up of four (4) items and the second factor was comprised of three (3) items.

The first factor represented items that could be best equated with discrete transactions. The customer is demanding and they seek bids from others had factor loadings of .704 and .627, respectively. This factor also was represented by an item, the expectation of receiving gifts and exchange of favors (factor loading = .764), which was intended to represent a desire for a relational type transaction. However, this item loaded on the discrete transaction factor, meaning that it appears to have been interpreted in contrast to what was expected (i.e., gift given was not interpreted by the respondents as a means to establish a relationalship). Further, the item that asks whether consensus is reached easily was found to have a negative loading on this factor relationship (factor loading = -.677). Thus, reaching consensus would be an indication of a relationship, while not reaching it would be more likely to be a discrete transaction orientation. This four-item scale developed from this factor, or the discrete transaction dimension, was found to be reliable (α = .722)

The second factor determined from the analysis was represented by three scale items that would be interpreted to be relationship oriented. The items included; 1) maintaining good relationship as the best way to enhance business, 2) the customer preferring to do business with someone who understands his or her goals and objectives, and 3) a customer who expects to receive a personal call at least once a month (factor loadings of .811, .523 and .676, respectively). The respondents interpreted the last item, receiving a personal call once a month, as a positive factor toward relationship building. In other words, the relationship was enhanced by calling once a month, as opposed to it being a demanding action more indicative of a discrete transaction relationship. Although there was some evidence that a mixed interpretation of this item might exist since it also loaded on the discrete transaction factor (factor loading = .569). The reliability test of this three item construct was well below the .7 guideline (α = .437) meaning that it may not be reliable in future analysis of the scale. However, the scale did have a significant correlation with the buyclass framework (to be discussed below). These mixed results and the small size of the pre-test sample, as noted previously, may not provide conclusive evidence that this dimension of the scale would not be found to be reliable in a final study.

Additionally, considering the fact that this is a newly developed scale for this study and it represents one of the dependent variables in the study, it was determined that it would be incorporated into the final survey with the intent of further analysis with a full sample.

The discrete dimension factor is represented by two items derived from Campbell (1985) and two items derived from scales designed to measure the relationship in a *guanxi* effect (see Table 6). One of the *guanxi* items came from the scale developed by Leung et al., (1995), "This customer and I easily reach consensus on major issues in our business dealings", while the other *guanxi* item is derived from Abrahamson and Ai (1998), "he/she expects to receive gifts and exchange of favors". As noted previously, the second *guanxi* item was actually interpreted by the respondents as a discrete transaction item. The principal component factor analysis found this item loaded positively on the factor with the other discrete oriented scale items. This could be attributed to the fact that this study asked the question regarding how important it was for the buyer to *expect* to receive gifts and favors, while Abrahamson and Ai (1998) phrased the item as "we built relationships by giving gifts and exchanging favors". While the item's wording was not changed in the final survey due to the context of measuring its importance, perhaps a rewording to reflect the building of the relationship through the frequency of giving gifts and exchanging favors might have been interpreted as more relational. The items in the relational dimension factor include two *guanxi* items from Leung et al., (1995), "he/she expects to receive a personal call from me at least once per month" and "he/she believes maintaining good relationships is the best way to enhance business", while the other item in the scale is a modification of an Abrahamson and Ai (1998) *guanxi* item, "he/she prefers to do business with someone who fully understands his or her goals and objectives".

In addition to the principal component factor analysis, as noted above, a second validation method was used by comparing the Relationship Continuum scale to an existing, proven scale. The "buyclass framework" scale (Anderson, Chu & Weitz, 1987) was chosen to represent a scale that would have a positive correlation with the Relationship Continuum scale. The buyclass framework (Robinson, Faris and Wind, 1967) posits that different organizational buying approaches are required for different purchasing situations. The scale developed by Anderson et al., 1987, was developed to measure the different buying situations of "straight rebuy”, “modified rebuy”, and “new task” that comprise the buyclass framework. The study by Anderson et al., 1987, had a similarity to this study in that their sample also queried managers of sales forces as opposed to the customer’s themselves. Because this study is focused on top accounts, the items from the buyclass framework scale that represent the “straight rebuy” and “modified rebuy” were considered to be the most appropriate (i.e., the top account purchasing situation would be either a repeat purchase or simply a modification of a previous purchase). The seven scale items used for validation purposes were developed to measure two dimensions of the buyclass framework (see Table 12). The first dimension was how much information the prospective buyer needs to make a good decision. The second dimension was how familiar the purchase situation is to the prospective buyer. In each case, the correlation to the Relationship Continuum would be that the more discrete the buying situation, the more likely it would be to involve; 1) less information needs, and 2) less familiarity. Each of the scales is designed to represent the actions of the buyer related to how they purchase a product.

The results of the buyclass framework scale indicated two factors that accounted for 60% of the explained variance in the scale (see Table 13). However, the first factor incorporated five of the seven items from the original scale. That factor alone accounted for 39% of the explained variance in the scale. The two items loading on the second factor were both related to accounts that would not have been represented by the top account that was the focus of the survey (i.e., not dealt with and seldom purchase). The buyclass framework scale incorporating all of the seven items was found to have an acceptable reliability ($\alpha = .791$).

The correlation with the first factor, the discrete transaction dimension, of the Relationship Continuum scale had a significant correlation (.35, $p = .05$, see Table 14). The second factor, the relational orientation dimension also had a significant correlation (.40, $p = .02$, see Table 14) with the buyclass framework scale. A significant correlation at the .05 level would represent a scale with convergent validity (i.e., the items and constructs that are supposed to be correlated with each other, are). This would also mean that either end of the Relationship Continuum (i.e., the discrete or the relational dimension) would have convergent validity. In other words, the discrete dimension would be correlated with less information and less familiarity measured by the buyclass framework scale, while the relational would be presumed to be correlated with more information and more familiarity.

The results of the principal component factor analysis, reliability test using Cronbach's alpha and the correlation with the previously tested scale (i.e., the buyclass framework scale) were not conclusive in determining the dimensions of the Relationship Continuum with this small pre-test sample. Therefore, it was determined that incorporating all of the items representing the two dimensions of the Relationship Continuum scale would be necessary. In turn, a further analysis of all of these items would need to be done using the final sample of the study to be more conclusive.

Final Survey

This section of the chapter will discuss the final survey method, the sample, response rate, and the demographics of the final sample. In addition, a comparison of the demographics of the North American based and Asian based salespeople will be presented.

Survey Method

The same methods of distribution used for the pre-test were employed for the final survey (i.e., e-mail, web survey, fax and mail). As noted in Chapter III, Sackmary (1998) defines e-mail surveys as any data collected that is sent to the e-mail address of the respondent and returned by e-mail to the researcher. He further notes the option of printing out the questionnaire and returning it by mail (or in the case of this study, via fax) also exists. Web-site surveys are defined as any research in which the questionnaire is posted at a Web-site and accessed by respondents who connect to the site either through links or by using the Web-site URL address.

Sample

The population from which the sample for the study was drawn was hotel salespeople based primarily in either North American or Asia. In order to obtain the sample and assure a strong response rate, six different hotel companies were approached (Mandarin Oriental Hotel

Group, Ritz-Carlton Hotels and Resorts, Destination Hotels and Resorts, Meritus Hotels and Resorts, Shangri-la International Hotels, and Starwood Hotels and Resorts). Because the survey was designed to be distributed either as an e-mail attachment or as a web survey, an objective was to obtain the endorsement of a high level sales and marketing executive in the corporation who would in turn elicit support from his or her hotel sales directors. In three cases, a corporate level executive sent the survey as an e-mail attachment to a select group of hotel Director of Sales and/or Marketing requesting their support for the research by distributing the survey to the sales team. This method represented the largest number of potential hotels participating in the survey. Mandarin Oriental Hotel Group distributed the survey to their 10 hotels via an e-mail attachment sent from the Vice President of Marketing. The participants in the survey could return the survey in an e-mail attachment format, print it out and fax it back to a designated fax number or print it out and mail it back. Ritz-Carlton's Vice President of Marketing chose to target four hotels from the group and requested that each Director of Sales ask his or her sales team to respond to the web survey version of the survey. The senior executives from Mandarin Oriental Hotel Group and Ritz-Carlton estimated that each of the hotels had a sales staff of six people. Starwood Hotels was the biggest supporter of the research. The corporate level Director of Sales Development solicited the support of the regional sales Vice Presidents in North America and Asia who in turn sent the survey as an e-mail attachment to his respective Directors of Sales and Marketing within his region. Starwood Hotels is comprised of both Sheraton and Westin hotels and there were 40 North American hotels and 59 Asian hotels that potentially received the survey attachment. In the case of Starwood, an estimate of five sales people on each hotel's sales staff was used as the estimate of potential participants. Meritus Hotels and Resorts is an Asian based hotel group. The North American sales representation company agreed to distribute the survey to five of their Asian sales force who were visiting North America on a sales trip. This accounted for a potential of five participants in the survey. The North American Regional Director of Sales and Marketing for Shangri-la International Hotels also supported the research effort by faxing a copy of the survey to eight of the Director of Sales and Marketing of Shangri-la hotels in Asia and to his sales team in North America. This hotel group gave an estimate of 40 possible participants. Finally, a Regional Director of Sales for Destination Hotels and Resorts provided the names of five Director of Sales from the group who were each approached directly regarding possible participation in the research. One of those hotel's

Director of Sales agreed to provide the names and e-mail addresses of her five person sales staff who were sent the survey.

Additionally, three classes at Cornell University's Professional Development Program (PDP) were asked to complete the survey. The PDP courses meet during the summer months and are comprised of experienced international hotel people. The particular classes selected for participation were predominately those with attendees employed in the sales and marketing field.

Using the best estimation of the total population from which the final sample was drawn, it was determined that 698 sales people could have received the survey (see Table 15). It should be noted that because of the distribution method used for the survey and the electronic formats of the survey, it was impossible to obtain an exact number of those receiving survey information. The total response was 173, which constitutes a response rate of 24.8% (see Table 15).

Surveys completed by non-sales and/or marketing people were eliminated from the final usable sample. In addition, there were three surveys returned as blank e-mail attachments. These blank surveys could have been due to improper actions taken to save the survey file once it was completed. The result of these refinements left a final usable sample of 147 (85% of 173).

Response Rate

The useable response rate of 21% is based on estimation of the total population size (see Table 15). However, it should be acknowledged that the number of salespeople who actually received the survey could be considerably less than the estimated 698 population. The survey was distributed to hotel Directors of Sales and Marketing from a central source within the supporting companies. It is very possible that a number of those Directors of Sales and Marketing did not distribute the survey to his or her staff. This could have been a result of such things as priorities (e.g., it was annual budgeting time for many of the hotel companies participating) or from lack of expertise in how to receive and distribute electronic surveys. Another potential problem was with the possible incompatibility of the software being used, in fact some of the surveys returned via fax or mail came in very different formats than what was originally designed in Word 97.

Johanson and Woods (1999) in a study of response rates from five mainstream hospitality industry publications found that a mean response rate from hotel industry studies, when it was reported, was 45.29%, considerably higher than this study. They also found the mean number of respondents for those surveys were 216.73, about 25% higher than the number of responses obtained in this study. They did not indicate the position level of the respondents in their research. However, they also report a previous study of Boser and Green (1997) that analyzed response rates of business journals. In Boser and Green's (1997) analysis, it is noted that studies reported in Industrial Marketing Management, a journal that targets research related to buyer-seller relationships as this study does, had a mean response rate of 27.3%.

It should also be noted Zikmund (1997) suggests that no mail survey with less than a 50% response rate should be considered acceptable. Babbie (1995) also states that a response rate of at least 50% would be needed to be considered adequate. However, the key is that response rate is defined as the number of questionnaires returned divided by the number of eligible people who were contacted or requested to participate in the survey (Zikmund, 1997). In the case of this survey, the number of eligible people is purely an estimation. All that can be verified is the number of hotels (i.e., Directors of Sales and Marketing) who actually received the survey for distribution. This is due in part to the desire to keep the survey anonymous and therefore no direct connection could be made to the source of the survey received and the respondents

Sackmary (1998) makes the point that literature regarding on-line methods of survey research has little continuity with no attempts at replication and little similarity in terms of population of interest, topic of study, or specific features of the method of data collection. He concluded from his literature review that there is no reliable method of comparing web surveys and e-mail surveys for response rate. He also points out potential software problems, as were experienced in the distribution of this survey.

Demographics – "Pooled" Sample

The "pooled" sample was comprised of mostly females (69.7%) who hold Manager level positions (61%) and have been in the hotel sales field for 5 or more years (59.3%), as can be seen in Table 16. The base of operations of the sample participants was split between the two primary target regions for this study of North America (52.1%) and Asia (43.8%), with another 4.1% based in other regions of the world (e.g., Europe). This was considered to be advantageous to measuring relatively equal populations in the two group comparisons. Additionally, the nationality at birth of respondents was representative of both of the target regions of this study; North American = 47.9% and Asian = 39.0%.

There was a fairly even spread of age groups with the majority being under 35 years of age (53.1%). The predominate market segment handled by those responding was the corporate meetings market (37.5%). Additionally, another 15.5% handle the business travel market, 11.3% handle the tour operators/wholesalers, and 11.3% are responsible for multiple markets.

The two most common methods of responding to the survey were by sending it back as an e-mail attachment (36.7%) and by fax (32.0%). Somewhat surprisingly, the number of responses received from the web survey represented only 13.6% of those who responded. It was anticipated that because this was the easiest method and potentially the fastest to respond, it would represent a higher percentage of the responses. In fact, the Ritz-Carlton participants were only given the web survey option as means of response. While the various hotel groups responding were not identified specifically to maintain the anonymity of the respondents, the timing of when Ritz-Carlton notified their potential participants and the web survey responses received during that same timeframe, suggested there was little response from that hotel group.

Demographics – Two Group Comparisons

This section will compare the demographic data between the sample representing North American based hotel salespeople and Asian based hotel salespeople (see Table 17). The respective sample sizes were; North American based = 76 and Asian based = 64.

The North American sample was represented by a greater percentage of females than the Asian sample (76.0% and 64.1%, respectively). There were also a greater percentage of Manager level participants in the North American sample than in Asia (64.4% and 56.5%, respectively), but conversely, there were more Directors who responded from Asian based hotels than North American (40.3% and 30.1%, respectively). It could also be said that the Asian sample represented a younger, less experience group of salespeople. The Asian based group had 56.4% under 35 and 54.7% with more than 5 years of experience compared to the North American group that had only 46.7% under 35 and 64.0% had more than 5 years experience in the hotel business.

As would be expected based on the difference in market segments addressed in hotels in the two different regions, there were notable differences between the respondents market segment responsibilities. In the North American based population, a greater percentage handled corporate meetings than in Asia (42.5% and 33.3%, respectively) and association meetings (13.7% and 1.6%, respectively). However, the Asian based salespeople worked more with tour operators/wholesalers than the North American group (15.9% and 6.5%, respectively).

The method of response between the two groups was most interesting (see Table 17). The largest percentage of those responding from Asian based hotels used the e-mail attachment method (48.4%), while this only represented 26.3% of the North American responses. However, the North American based hotel salespeople chose to use the web survey method more often than the Asian respondents (19.7% and 4.7%, respectively). The greatest number of responses from Asia came via e-mail attachment (48.4%), while the North American salespeople responded most often using the fax method (38.2%).

Data Analysis

This section of the chapter will present the results of the statistical analysis of the data collected. The format will follow the steps of the data analysis process presented in the Chapter III.

Step 1: Validate the Culture-Level Measurement of the National Culture Scales

The first step in the data analysis involved the validation of the dimensions of National Culture that represent the differentiating factors between North American and Asian cultures. A multiple discriminant analysis (MDA) statistical procedure was employed to test any differences between the nationality at birth of the respondents with regards to National Culture dimensions represented in the study by Hofstede's VSM scale (Hofstede, 1980a) and the Chinese Value Scale (Chinese Culture Connection, 1987). The scale items from both scales were considered as composites of the dimensions represented in the original research of Hofstede (1980a) and the Chinese Culture Connection (1987). The Hofstede VSM measured four dimensions: individualism, power distance, uncertainty avoidance, and masculinity; while the CVS measured four other dimensions: integration, Confucian work dynamism, human-heartedness, and moral discipline.

Prior to conducting the MDA procedure, the reliability of the composite scales measuring the two constructs of Personal Values and Work Values was tested using Cronbach's alpha. The results indicated that the Personal Values construct was reliably measured by the Chinese Value Scale items ($\alpha = .852$, see Table 18). Further, the analysis indicated that all four composite scale items (i.e., integration, Confucian work dynamism, human-heartedness, and moral discipline) each contributed in establishing the reliability of the scale. The Work Values scale four composite items (i.e., individualism, power distance, uncertainty avoidance, and masculinity) did not attain the suggested guideline of .7 ($\alpha = .530$). However, the reliability analysis did indicate if the composite scale item of uncertainty avoidance were removed from the construct measurement, the reliability would improve to .684 (see Table 18). As will be discussed later, the results of the confirmatory factor analysis (CFA) done in Step 2 of the data analysis also confirmed that the uncertainty avoidance dimension scale items used in this study did not reliably measure the dimension and was eliminated from the final analysis.

Having found the scales reliable with the possible exception of the uncertainty avoidance composite scale, the next step in the analysis was designed to answer the question of whether the North American versus Asian cultures can indeed be differentiated by their national cultural values. The statistical method used for this analysis was a simultaneous method MDA using full sample and the cross validation technique of the Jackknife method (i.e., comparing the correct identification of Work Values and Personal Values dimensions). The two nationalities at birth categories (i.e., North American and Asian) were used as the dependent variable. The exclusion of any respondent who did not have factor values for all eight factors resulted in a sample size of 98 for this statistical analysis.

The results of comparing the two nationalities on the eight dimensions of Work Values and Personal Values produced one discriminate function depicted in Table 19. This function was found significant in establishing the ability to discriminate between the two nationalities (Wilks' Lamba = .645, $\chi^2_{(8)}$ = 40.34. sig. = .000, see Table 20). The eigenvalue of the discriminate function was .550, another indicator that the function produced was good.

A comparison of the classification results of the sample does provide validation of the discriminant function results as presented in Table 21. The sample produced a hit ratio of 78.6% which does exceed the three criteria of: 1) maximum chance plus 25% as suggested by Hair et al. (1995, p. 204) (72.8%), 2) proportional chance plus 25% as suggested by Hair et al. (1995, p. 204) (64.0%), and 3) Press's Q ($p < .00$) indicating positive results. The cross validation method used produced a hit ratio of 69.4% that does exceed all of the criteria, except the maximum chance criteria.

Our main interest, however, is in isolating the dimensions that are driving the discriminant function in order to utilize those dimensions in testing the theoretical model. The discriminant function produced by the analysis displayed in Table 19 shows that the significant factors driving the differences between the two nationalities are the Work Values of masculinity, individualism, and power distance (coefficients of .608, .585, and .330 respectively, along with significant univariate F-values for each, $p < .05$ are displayed in Table 19) and the Personal Values of moral discipline and Confucian work dynamism (coefficients of -.538 and -.327 respectively, along with significant univariate F-values for each, $p < .05$ are displayed in Table 19). A comparison of the mean scores on each of the significant factors for the two nationalities, shown in Table 22, indicates higher mean scores for North Americans being given to the dimensions with significant differences between the two nationalities of individualism, masculinity and power distance (mean = 3.94, 3.92, and 3.28, respectively, as compared to Asian mean = 3.73, 3.67, and 3.02, respectively). Additionally, the negative function coefficients for the two significant Personal Value composites of moral discipline and Confucian work dynamism, indicates lower means for North Americans than Asians (North American mean = 2.98 and 3.30 versus Asian mean = 3.18 and 3.57, respectively). The results are consistent with Hofstede's findings on three of the five dimensions. There are differences in expectations on both the masculinity and power distance dimensions. That is, in each of those two cases, it was anticipated that Asians would have placed a higher importance than North Americans on each of the values.

Step 2: Determine the Reliability of the Scale Items for Each Construct

This step entailed the use of confirmatory factor analysis (CFA) using AMOS 3.6. Each construct in the theoretical model (Figure 8) and its respective scale item measurements (i.e., indicator variables) were analyzed separately to determine the reliability of the measurements. This is the first of two steps to test the reliability of the scales. A second, cross-check of reliability using Cronbach's alpha will be discussed in Step 3 of the data analysis below.

Work Values. The four dimensions of Work Values (i.e., individualism, masculinity, power distance, and uncertainty avoidance) were all analyzed in detail because the overall scale had been found to have a reliability less than the guideline (i.e., < .7), as noted previously. The four scale items representing the individualism construct were reduced to three items following CFA (see Table 23). The items with standardized regression weights (i.e., factor loadings) of greater than .5 were retained. The same CFA analysis was done for the four item masculinity scale and again the three items with greater than a .5 factor loading were retained (see Table 23). The CFA of uncertainty avoidance and power distance found that none of the factor loadings for either dimension were above the .5 guideline (see Table 23). It should be noted that in the case of uncertainty avoidance only two scale items represented the dimension, so the two-indicator rule was employed for the CFA analysis (Bollen, 1989, pp. 244-246). However, the combination of the previously mentioned MDA analysis of the Work Values construct that indicated the uncertainty avoidance dimension did not have significant discriminating power between the two National Cultures and the CFA results led to it being eliminated from the further analysis in the data analysis steps. The power distance dimension was also dropped from the analysis in the final baseline model as will be noted later in the Chapter in the discussion of Step 3, the determination of the reliability of each composite scale using the Cronbach's alpha cross-validation method.

Personal Values. The CFA of the Chinese Value Scale was done using the composite index of each of the four dimensions represented by the scale. The composite was used for two reasons; 1) because as many as 10 items per dimension exist in the scale that makes the composite approach to measurement more feasible within the limitations of SEM model statistical analysis, and 2) the composite reliability noted above for the Personal Values construct exceeded the suggested guideline of .7. The results indicated that all four dimensions were reliable with factor loadings greater than .5 (see Table 23).

Social Bonding. The CFA results of the six items in the Social Bonding scale found that four had factor loadings of .5 or greater (see Table 24). The importance in the buyer-seller relationship of the items; 1) feelings of belonging and acceptance, 2) friendship, 3) empathy/concern for the other's well being, and 4) talk about family, sports and other interests were all reliable measures (factor loadings of .710, .702, .690, & .545, respectively).

Structural Bonding. None of the three items representing the importance Structural Bonding construct were found to have factor loadings greater than .5 in the CFA analysis (see Table 24). The result of this analysis was that the importance of this construct could not be reliably measured in the identification of the baseline model to be tested in this study. This does not mean that structural bonding is not a part of the "success variables" in the buyer-seller relationship in theoretical model, only that its importance was not measured in the SEM data analysis step of this study. It may have been as a result of the fact that the scale from which the items were drawn was based on an industrial buyer-seller relationship, but this study focused on a service industry buyer-seller relationship.

Trust Relationship. All but one of the six Trust Relationship scale items were found to have factor loadings greater than .5 (see Table 24). Trust was found to be represented by the importance of these items in the buyer-seller relationship; 1) this customer does not make false claims, 2) this customer is trustworthy, 3) this customer has high integrity, 4) the customer can be counted on to do the right thing, and 5) the customer has been frank in dealing with us (factor loadings of .853, .783, .769, .654, & .606, respectively).

Communication Dimensions. The two dimensions of communication were analyzed separately using CFA. The results indicated that three of the four Communication Style scale items had acceptable factor loadings (i.e., >. 5) and two of the three Communication Content items were acceptable (see Table 24). The Communication Style items were; 1) customer likes to talk to people, 2) customer is interested in me not only as a salesperson, but also as a person, and 3) establishing a personal relationship (factor loadings of .720, .709 & .621, respectively). While the Communication Content items were; 1) assuring the customer's meeting, business traveler's reservation, etc. are handled trouble free, and 2) assuring the customer's meeting details, special requests, etc. will be handled as expected (factor loadings of .852 & .726, respectively).

Relationship Commitment. Three of the four Relationship Commitment scale items were found to be reliable with factor loadings greater than .5 (see Table 24). Those items representing the salesperson's commitment to the buyer-seller relationship were: 1) deserving of our hotel's maximum effort to maintain, 2) something my hotel intends to maintain indefinitely, and 3) something we are very committed to (factor loadings of .889, .672 & .654, respectively).

Long-term Orientation. The construct of Long-term Orientation was found to be reliably measured by all five of the scale items representing it. This construct measured the salesperson's perception of the buyer's long-term relationship and the five items all had greater than .5 factor loadings (see Table 24).

Relationship Continuum. The results of the pre-test were not conclusive regarding the items that best measured the Relationship Continuum scale developed for this study. Therefore, the first step in the analysis of the 7 items included in the final survey instrument was to determine if either of the two dimensions identified in the pre-test were indeed reliable. The reliability analysis using Cronbach's alpha found that neither the discrete or relational dimensions was reliably measured by its respective scale. The four item discrete dimension was found to have a Cronbach's alpha of .467 and the three item relational dimension was only .322 (see Table 25). Thus, the second dimension (i.e., relational dimension) was not found to be reliable in either the pre-test or in the final study and the items were dropped from further consideration.

The next step in determining the most valid measures of the Relationship Continuum construct was to look at the face and convergent validity of the four items in the discrete dimension of the construct. One item "he/she expects to receive gifts and exchange favors" was derived from a scale intended to measure the *guanxi* relationship. Therefore, the expectation would have been that a high importance given to this item would mean a high level of relational orientation. However, the fact that this item correlates with the more discrete oriented items in the scale (factor loading = .510 and smc =.261, see Table 25) indicates the participants in the survey interpreted this item as being more of a demand than a relationship building item. As discussed previously, this may have been due to the modification in the wording of the item from the original scale it was drawn from. However, it does indicate questionable face validity and convergent validity issues as the item doesn't measure what it was intended to measure. It was, therefore, eliminated from the final statistical analysis.

Confirmatory factor analysis of the entire 7 items of the Relationship Continuum indicated that of the four items in the discrete dimension, the item "this customer and I easily reach consensus on major issues in our business dealings" was the lowest factor loading (.088). Therefore, it too was eliminated from further consideration. This left two items to measure the discrete dimension that would represent the Relationship Continuum in identifying the final model to be tested. Those items were "he/she can be very demanding" (factor loading = .679, smc = .461, see Table 25) and "he/she seeks bids from other hotels for his/her guestroom/meeting needs" (factor loading = .396, smc = .157, see Table 25).

Summary of Step 2: The results of the second step in the data analysis, the CFA of the constructs in the model are summarized in this section. The Work Values construct was determined to be best represented by two dimensions (i.e., individualism and masculinity), both of which were found to differentiate between Asian and North American nationalities in Step 1 of the data analysis. Additionally, the scale items of each of those two dimensions were modified to include only items with factor loadings greater than .5. All four dimensions of the Personal Values construct were found to be reliable by the CFA results, however, as noted previously in Step 1, only the dimensions of Confucian work dynamism and moral discipline actually discriminated between Asian and North American nationalities. The endogenous constructs of Social Bonding, Trust Relationship, Communication Style, Communication Content and Relationship Commitment were all modified to include only the scale items with factor loadings greater than .5. The construct of Long-term Orientation was found to be reliably represented by all of the scale items used in the survey. The Structural Bonding construct, however, was eliminated from further statistical analysis in identifying the baseline model as a result of the CFA findings because none of its representative scale items obtained a factor loading greater than .5.

The Relationship Continuum construct that was developed for this study was modified in several ways. First, the relational dimension was eliminated from further statistical analysis because of consistently poor reliabilities found in both this final survey and the pre-test (i.e., Cronbach's alpha results well below the .7 guideline in both data analysis). Second, the CFA results for the four items in the discrete dimension of the Relationship Continuum indicated only two met the reliability and validity tests.

Step 3: Determine the Reliability of Each Composite Scale

The next step in the data analysis was to verify the reliability of each composite scale as it was modified by the results of the CFA analysis. This was done using the Cronbach's alpha statistic derived from the SPSS 7.5 statistical program that serves as a cross-check of the CFA results for the composite scale reliability. It is not a part of the structural equation model analysis to be done in Step 4 below. As noted in Chapter III, the guideline of acceptability to validate the reliability of the scale is .7 or greater (Nunnally, 1978, Chp. 12). This section will discuss the construct reliabilities by category of exogenous and endogenous variables in the model.

Exogenous Variables. The reliability analysis of the Work Values construct first involved determining the reliabilities of each of the three significant dimensions (i.e., individualism, masculinity and power distance). In the case of individualism, the final three items to be utilized in measuring the dimension were analyzed for their scale reliability using Cronbach's alpha. The results indicated the individualism scale was less than the guideline of .7 (α = .546, see Table 23). However, because the scale was composed of only three items from the original scale developed by Hofstede (1980a) and it has been found reliable in many past studies cited in Chapter II, it was determined that the reliability was acceptable enough to include this dimension in further analysis. The 3-item masculinity dimension scale reliability indicated an alpha of .685, barely below the .7 guideline (see Table 23). Power distance was measured by three scale items, however, the reliability of that scale was not found adequate (α = .139, see Table 23) and was dropped from further consideration in the data analysis.

The result of the above reliability determinations meant that Work Values was represented by only two dimensions (i.e., indicator variables), individualism and masculinity. The use of Cronbach's alpha measure indicated these two composite items represented less than the guideline reliability (α = .600, see Table 23) for Work Values, however, it was considered close enough to the guideline to include it in further analysis.

The Personal Values' two dimensions that were found to discriminate between the two cultures of Asian and North America, Confucian work dynamism and moral discipline, both had acceptable reliabilities (α = .728 and .609, respectively, see Table 23). Additionally, taken together as two composite items measuring Personal Values, the Cronbach's alpha was found reliable (α = .707, see Table 23). The resulting conclusion was that Personal Values was reliably measured by the two dimensions in the final model.

Endogenous Variables. All of the endogenous variables derived from previously tested scales that remained in the data analysis after the CFA analysis in Step 2, were found to be reliable. The results in Table 24 indicate the following Cronbach alpha measures of reliability for the construct scales of; 1) Social Bonding = .757, 2) Trust Relationship = .860, 3)

Communication Style = .713, 4) Communication Content = .861, 5) Relationship Commitment = .781, and 6) Long-term Orientation = .823.

The composite reliability of the Relationship Continuum final two items failed to meet the reliability guideline of .7 (α = .407, see Table 25). However, since these items were developed for this study and they were the only two being considered, they were retained for further analysis.

Step 4: Establish the Baseline Model

This step in the data analysis involves determining the final baseline model to be tested in the study. It incorporates the reliable scales determined from the previous steps in the data analysis and then further modifies the theoretical model (Figure 8) that was hypothesized to establish the final baseline model.

Joreskog (1993) indicates that the specified model of the researcher (i.e., theoretical model in Figure 8) should not be assumed to hold exactly in the population. Therefore, it is necessary to assess the model's fit and examine the modifications indices produced by the statistical program (e.g., AMOS 3.6) to determine the best fitting model to be tested (i.e., the final baseline model). He also cautions that the modifications should be suitable for the substantive problem being studied.

The first step in modifying the theoretical model (Figure 8) was to use AMOS 3.6 to test all of the constructs, with the exception of Structural Bonding, and related paths (i.e., hypothesized relationships). In order to use AMOS 3.6 for this analysis, the issue of dealing with missing values had to be addressed. Bollen (1989, p. 370-373) suggests three ways to deal with missing values; 1) listwise deletion (i.e., removing any item observations that have missing information for any of the variables), 2) pairwise deletion (i.e., using all cases with nonmissing values to compute each covariance or variance), and 3) estimating missing values. The third alternative was used in this analysis as the AMOS 3.6 program does not allow for listwise or pairwise deletions in testing the structural model from an SPSS working data file.

Bollen (1989, p. 370-373) notes that estimating missing values by replacing those missing values with the sample mean of the observed values is the most common method of handling missing data. Therefore, this was the method chosen for this study. However, Bollen does cite limitations with this method specifically noting that it is unlikely the distribution of the variable is normal. Further, he states that the smaller the original sample and the larger the percent of missing data, the more grave the consequences of this method. In this study, the number of missing values (Table 26) for the indicators of the constructs was less than three with the exception of the exogenous variable of Personal Values (i.e., Confucian work dynamism and moral discipline composites) and one scale item for Relationship Commitment (i.e., deserving of our hotel's maximum effort to maintain).

Modification Indices Analysis. A modification index for a parameter in the model is "an estimate of the amount by which the discrepancy function would decrease if the analysis were repeated with the constraints on that parameter removed" (Arbuckle, 1997, p. 232). It indicates the amount that the chi-square statistic will drop if the covariance between two parameters were allowed to depart from zero. The AMOS 3.6 program identifies modification indices not only for specified parameters, but also for those not specified.

The initial testing of the structural model treated the Communication Dimension as one endogenous variable (i.e., construct) having two separate dimensions (i.e., Communication Style and Communication Content) each represented as one composite variable of the construct. In other words, there were two indicator variables used to measure the Communication Dimension. However, this was later modified to treat the two dimensions separately with their respective scale items (i.e., indicator variables) due to the analysis of the modification indices to be discussed below.

In the case of this analysis, the modification indices utilized indicated that zero correlations specified between constructs in the model did not exist in the case of Social Bonding and Communication Style composite. In other words, it indicated that multicollinearity existed between the communication dimension of Communication Style and the Social Bonding scale (modification index value of 35.66 indicated between the two constructs, see Table 24 footnote).

Further analysis was undertaken to determine if splitting the two composite dimensions of the Communication Dimension construct would be appropriate. In fact, it did indicate that only the Communications Content dimension represented a measure of an independent construct. Therefore, Communications Content was retained in the final baseline model and Communications Style was dropped from further analysis.

Additionally, the modification indices also indicated strong correlations between the indicator variables (i.e., composite indices) of the two Personal Values composite scale items (i.e., Confucian work dynamism and moral discipline) and the composites of the Personal Values' moral discipline and the Work Values' individualism. Since, both of these strong correlations were consistent with the theory and expected relationships between the measures of National Culture, their covariance relationship was identified in the final baseline model (i.e., represented by a curved two-way arrow in the Figure 16).

Final Baseline Model. The final baseline model minus the construct of Structural Bonding and the communication dimension of Communication Style was then tested using AMOS 3.6. The option utilized for dealing with missing values was to replace the missing values with the sample mean of the observed values. The objective was to determine the structural relationships with the model that represented the remaining hypothesized relationships to be tested in for this study. This baseline model (Figure 16) was then tested using the entire sample (n=146). Note that the sample was reduced from 147 to 146 as the one respondent who did not complete the demographic information was dropped.

The goodness of fit indices were then evaluated to determine if the model could be considered reliable in testing the hypotheses (see Figure 16). The chi-square significance test was not conclusive as the results indicated a significant χ^2 value ($\chi^2_{(260)}$ = 364.780, p = .000, see Figure 16). However, as noted in Chapter III, this test is very sensitive to sample size and the model could still be a good fit even with a significant χ^2 value (Bollen, 1989 pp. 263-269; Hair et al., 1995, p. 683; Hu & Bentler, 1995, p.78). The second measure of goodness-of-fit, the GFI index that compares the absolute fit between the overall model and the observed covariance and correlation matrix, was also not conclusive (GFI = .840) because it fell below the acceptable fit level of .90 or greater (Bentler & Bonnet, 1980). The other two measures of fit, however, were found to be acceptable within the recommended guidelines. The comparative fit index (CFI) that measures the observed model with a null model met the acceptable guideline of .90 or greater (Bentler & Bonnet, 1980) at .919. Additionally, the root square mean error measure (RMSEA) was below the .08 guideline for acceptability (Browne & Cudeck, 1993) at .053. Therefore, the model was determined to be an acceptable enough fit to proceed with further analysis.

The establishment of an identified final baseline model then allows for the testing of the hypothesized relationships between the constructs. The following results of the analysis are related to the full sample analysis (n=146).

Full Sample Analysis of the Baseline Model: The full sample analysis (i.e., “pooled” sample) of the baseline model will address the testing of hypotheses 1-14. The presentation of the hypotheses testing in this section will be done in order of the constructs represented in the model (Figure 16). In other words, the discussion with first relate the exogenous variables to the endogenous variables where hypothesized relationships exist, then it will address the endogenous variables to the other endogenous variables as hypothesized. This approach will mean that the hypotheses will not all be discussed in order of their respective numbers (e.g., the discussion of the Work Values construct will address H1, H2, H6a, H6b and H9).

It should be noted that H1, H4, H6b, H7b and H8b could not be tested due to the issues of scale reliability and multicollinearity discussed previously that eliminated some constructs from the final baseline model. Therefore, no conclusions can be made on these hypotheses as a result of this study.

Work Values related to Social Bonding, Communication Content and Trust Relationship. This analysis includes H2, H6a and H9. Two of these three hypothesized relationships that were analyzed between the exogenous variable of Work Values and the endogenous variables were found to be significant. The first significant relationship supported H6a that the higher the level of Western-culture work values of the salesperson (i.e., the higher the level of importance given to the individualism and masculinity dimensions composite measurement of Work Values), the more importance is given to Communication Content in the buyer-seller relationship (β = .44, c.r. = 2.225, see Table 27).

The other significant parameter in the structural model actually contradicts the hypothesis being tested in this study (i.e., H9). It was felt that the higher the level of Western-culture work values (i.e., the higher the level of importance given to the individualism and masculinity dimensions composite measurement of Work Values), the lower the importance given to trust in the buyer-seller relationship; however the finding was that in actuality the effect of a higher level Western-culture work values actually resulted in a higher level of trust (H9 - β = .24, c.r. = 2.110, see Table 27). This contradiction seems to indicate that a higher level of the individualism dimension within the salesperson's workplace that represents Western-culture work values, in particular, the greater the need to place more importance on trust with a top account. However, a conclusion that a higher level of Eastern-culture work values would represent an inverse relationship with trust may not be inferred by the results of this hypothesis. This is noted because a strong measure of Eastern-culture work values would have been expected to show a high level of the masculinity dimension, in particular. This was not the case in this study because the mixed results in the measurement for the masculinity dimension compared to previous research, as describe in MDA results in Step 1, would make an inference about Eastern-culture work values less conclusive.

The non-significant relationship between Work Values and Social Bonding (β = -.11, c.r. = -0.193, see Table 27) does not support H2. Therefore, it can not be said that overall Work Values have an effect on the importance of Social Bonding in the buyer-seller relationship.

Personal Values related to Social Bonding, Communication Content and Long-term Orientation. The hypotheses discussed related to the Personal Values construct include H3, H7a and H11. Only one of these hypothesized relationships between Personal Values and the other constructs in the model was supported in the analysis of the baseline model. It was found that H11 was supported (β = .24, c.r. = 2.124, see Table 27). The support of this hypothesis indicates that the higher the level of Eastern-culture personal values (i.e., the higher the level of importance given to the composite values of Confucian work dynamism and moral discipline that represent Eastern-culture personal values), the higher the level of long-term orientation of the buyer, as perceived by the salesperson. This is consistent with the expectations that Asian cultures do perceive long-term orientations as important in buyer-seller relationships. Those hypotheses not supported, H3 and H7a (β = .96, c.r. = 0.989 and β = -.15, c.r. = -0.971, respectively, see Table 27) indicate that overall Personal Values of the salesperson do not effect how important they feel either Social Bonding or Communication Content are to the buyer-seller relationship.

Social Bonding, Communication Content and Trust Relationship related to Relationship Commitment. The hypotheses to be discussed related to Relationship Commitment are H5, H8a and H10. Two of these three hypothesized relationships leading to Relationship Commitment were found to be significant (i.e., H8a & H10). There was a significant relationship between the level of importance given to Communication Content and the level of perceived Relationship Commitment (γ = .21, c.r. = 2.262, see Table 27). Thus, the higher the level of importance given to issues of Communication Content (e.g., assurance that details of the meeting are taken care of) in the buyer-seller relationship, the higher the level of Relationship Commitment the salesperson is willing to make to the buyer. The second significant relationship was between the level of importance given to Trust in the buyer-seller relationship and the level of perceived Relationship Commitment. It was found that the higher the level of importance given to Trust, the higher the level of Relationship Commitment the seller is willing to give (γ = .33, c.r. = 3.497, see Table 27). The only hypothesized relationship not found significant was between the level of importance of Social Bonding and Relationship Commitment (H5).

Trust Relationship related to Long-term Orientation. This discussion is related to H12, the hypothesized relationship between the importance of Trust in the buyer-seller relationship and the level of perceived Long-term Orientation of the buyer. The hypothesis was also found to be significant (H12 - γ = .61, c.r. = 5.389, see Table 27). Therefore, the positive relationship is supported between the importance of building Trust in the buyer-seller interaction and the level of the buyer's Long-term Orientation, as perceived by the salesperson. In fact, it should be noted that this hypothesized relationship had the highest critical ratio of all of the hypothesized relationships related to the full sample (i.e., "pooled" sample).

Relationship Commitment and Long-term Orientation related to Relationship Continuum. There are two hypotheses related to the Relationship Continuum construct to be discussed, H13 and H14. One of those two hypothesized relationships between other endogenous variables and the Relationship Continuum developed for this study was supported (i.e., H13). A significant relationship was found between the Long-term Orientation and the Relationship Continuum (γ = -.26, c.r. = -2.517, see Table 27). The measurement of the Relationship Continuum, as noted previously in the Chapter, was represented by the discrete relationship indicators. This fact means that the higher the value given to this construct of Relationship Continuum, the more the actions of the buyer represent a desire for a discrete transaction interaction from the buyer. Thus, the negative relationship found between these two constructs supports the original hypothesis (H13) by finding that the lower the perception of the level of Long-term Orientation of the buyer by the salesperson, the more likely it is the buyer will take actions indicating a preference for a discrete type interaction.

The other hypothesized relationship between Relationship Commitment and the Relationship Continuum was not found significant (H14 - γ = -.02, c.r. = -0.182, see Table 27). This would mean that there is no relationship between the level of Relationship Commitment given by the salesperson and his or her hotel and the buyer's actions indicating a preference for the type of interpersonal interaction in the buyer-seller relationship. It should be noted that the results of the hypotheses testing related to the Relationship Continuum may not be generalizable beyond this study because the reliability of scale, as noted previously, was found to be below the guideline of .7. Therefore, a repetition of this study may not produce similar results in terms of H13 and H14.

Covariances Between the Exogenous Variables Representing National Culture. As noted in Chapter III, previous studies have found strong correlations between the Work Values construct and the Personal Values construct used in this study (Hofstede & Bond, 1984; Chinese Culture Connection, 1987, Bond, 1988). Therefore, it was anticipated that there would be a strong covariance relationship between the two constructs and between the composite variables noted above. The correlation between Work Values and Personal Values was found to be .57 (see Figure 16). This was lower than the anticipated .90 (Hayduk, 1987), but does still represent a high correlation between the two constructs. The results of the testing of the baseline model also found a strong correlation between the two composites of the Personal Values construct (.59, see Figure 16). The correlation between the Personal Values' composite of moral discipline and the Work Values' composite of individualism was less strong and negatively correlated, as would have been expected in comparing items measuring the differences in the two cultures (-.29, see Figure 16).

Step 5: Test the Multi-Group Models for North American and Asian Based Salespeople

The small sample sizes of the two groups (North American based = 76 and Asian based = 64) when split from the full sample (i.e., "pooled" sample) resulted in some statistical procedure modifications from the methods initially anticipated to be used to test this step in the data analysis. As discussed in Chapter III, the structural equation model comparisons method should involve samples of n = 100 or greater. As noted by Bentler and Chou (1987), small sample sizes in structural equation models may yield such problems as inadequate convergence behavior and problems with estimation of standard errors. Both of these problems were found to exist when the SEM procedures were attempted on the two multi-group models using the AMOS 3.6 statistical program.

Therefore, an alternative statistical method, a PATH model comparison, was chosen to analyze the hypothesized relationships in each of the two multi-group models. This method was done by setting the indicator variables (i.e., individual scale items) in the SEM model to 1 and then testing the hypothesized paths between the constructs using AMOS 3.6. This was deemed an effective method for this study because the intent of this step in the data analysis was to analyze the structural model (i.e., the PATH model) and not the measurement model (i.e., the indicator variables) that had been previously refined by the CFA analysis in step 2.

The key findings did determine that there were differences between the two groups (i.e., North American based and Asian based salespeople) with regard to the hypothesized structural relationships (see Table 28 and Figures 17 and 18). There was only one common path in both models that was found significant, H12, the higher the level of importance given to Trust, the higher the level of Long-term Orientation of the buyer, as perceived by the salesperson (North American – standardized regression weight = .67, c.r. = 5.878 and Asian – standardized regression weight = .55, c.r. = 4.331, see Table 28) . In each group this hypothesis was supported, as it was in Ganesan's study in the retail industry (1994). This would also be supported by the results from the full sample (i.e., "pooled" sample) SEM analysis that found this hypothesized relationship to have the highest critical value (c.r. = 5.398, see Table 27).

The North American Based group was found to have two additional significant paths that didn't support H2, but supported H10 (see Table 28 and Figure 17). The hypothesized relationship that the higher the Western-culture work values of the salesperson (i.e., the higher the level of importance given to the individualism and masculinity dimensions composite measurement of Work Values), the lower the level of importance given to Social Bonding in the buyer-seller relationship was not supported (i.e., H2). Although the relationship between the two constructs was significant, it was anticipated that there would be a inverse relationship between the constructs. However, it was found that the higher the Western-culture work values of the salesperson (i.e., the higher the level of importance given to the individualism and masculinity dimensions composite measurement of Work Values), the higher the level of importance given to Social Bonding (standardized regression weight = .41, c.r. =2.412, see Table 28). This would seem to indicate that Social Bonding carries a more important role in the North American buyer-seller relationship than was anticipated. The third significant parameter depicting the relationship between Trust and the level of Relationship Commitment (i.e., H10) was supported as hypothesized (standardized regression weight = .52, c.r. = 4.065). In other words, it was found that the higher the importance given to Trust, the higher the Relationship Commitment given by the salesperson.

It is also important to discuss the relationships not found significantly correlated within the North American based group. First, there were no significant relationships found between the salesperson's Personal Values and the other constructs in the model (see Figure 17). This would lead to the conclusion that Personal Values that differentiate cultures do not play a role in how the salesperson views the buyer-seller relationship in the North American based hotel environment. Additionally, it is important to acknowledge that the salesperson's perception of the buyer-seller relationship (i.e., the level of Long-term Orientation perceived and Relationship Commitment given) is not correlated with the interpersonal relationship actions shown by the buyer. This would seem to indicate that the North American salesperson may perceive the buyer-seller relationship to be long-term in nature, but the customer isn't showing that in the manifestation of the his or her actions. In fact, it may suggest the North American salesperson is really not aware of the buyer's preferences for the relationship at all, if we judge those preferences by the buyer's actions.

In the Asian based model, there were three significant relationships between the constructs that were not found significant in the North American based sales group (see Table 28 and Figure 18). In fact, one of those three, H3, was not found to be significant in the baseline model. In each of these three relationships the hypotheses that they represented was supported. The first hypothesis, the higher the level of Eastern-culture personal values, the higher the level of importance given to Social Bonding, H3 (note: this is actually the inverse of the how the original hypothesis was stated, but reflects the same relationship) was supported (standardized regression weight = .48, c.r. = 2.402, see Table 28). Since this was not found to be significant in the either the baseline model or the North American based model, it would indicate that in Asia the level of Eastern-culture personal values play a more important role in how important Social Bonding is in the buyer-seller relationship. This is certainly consistent with the expectations that were derived from previous studies. It would also suggest that strong emphasis should be placed on the importance of this factor in the sales training process.

The second hypothesized relationship between Work Values and Communication Content, H6a, was also supported in the Asian based model (standardized regression weight = .56, c.r. = 2.501, see Table 28). Specifically, the higher the Western-culture work values of the salesperson, the higher the importance put on Communication Content. Again, this suggests more importance being placed on cultural value differences between salespeople and the areas of emphasis in the sales training process. It could be surmised that the Asian based salesperson with strong Eastern-culture work values would place much less importance on the

Communication Content of the buyer-seller relationship than the salesperson with Western-culture work values.

The third hypothesized relationship to be found significant in the Asian based model that was not significant in the North American based model was H13 (standardized regression weight = -.68, c.r. = -1.968, see Table 28). This is a particularly important finding because it indicates that in Asia there is a correlation between how the salesperson perceives the Long-term Orientation of the buyer and the actions the buyer expresses. The relationship between these two constructs is an inverse one that supports the expectation that the more long-term orientated the buyer feels, the less discrete actions he or she will show in his or her buying process. This also suggests that an Asian salesperson has a better understanding of his or her top customers than a North American salesperson. However, it could also mean that the Asian based customer is simply more predictable by his or her actions.

Step 6: Test the Multi-Group Models of North American and Asian Based Salespeople to Determine Significant Differences in the Paths and in the Importance of the Constructs in the Buyer-Seller Relationship

There are two parts to the analysis in this step, both of which represent testing the main effect of the base of operations in the theoretical model (see Figure 8). The first part is the determination of whether there are significant differences in the hypothesized relationships identified in the baseline (i.e., H2, H3, H5, H6a, H7a, H8a, H9, H10, H11, H12, H13 & H14) when it is applied to the North American based group and the Asian based group of salespeople separately. This test amounts to a comparison of the paths of the baseline model (i.e, the process of building long-term buyer-seller relationships as discussed in Chapter III). The second part of this step addresses H15-H21 by comparing the level of importance given to each of the constructs representing the factors in the buyer-seller relationship between the North American based group and the Asian based group. In this part of the step, the comparison will be between the composite means of the constructs in the baseline model (i.e., the identification of the interpersonal interaction *factors* that need to be emphasized as discussed in Chapter III).

Comparison of the Paths Between the Two Groups. This comparison was done by setting the parameters (i.e., the hypothesized paths) to be equal in both of the two groups. AMOS 3.6 provides a procedure to set the parameters to being equal and then test for significant differences between them (i.e., c.r. > 1.96). The results of this procedure are shown in Table 29 and indicate that 7 of the hypothesized paths are indeed significantly different between the two multi-group models.

This means that the path coefficients (i.e., standardized regression weights) are significantly higher in the North American based group than the Asian based group for Work Values to Social Bonding (H2, c.r. = 2.792, standardized regression weights = .41 & .31, respectively), Trust to Relationship Commitment (H10, c.r. = 4.217, standardized regression weights = .52 & .24, respectively), and Trust to Long-term Orientation (H12, c.r. = 7.358, standardized regression weights = .67 & .55, respectively), as shown in Tables 28 and 29. While the Asian based group was significantly higher than the North American based group for Personal Values to Social Bonding (H3, c.r. = 2.480, standardized regression weights = .48 & .18, respectively), Work Values to Communication Content (H6a, c.r. = 2.999, standardized regression weights = .56 & .28, respectively), Communication Content to Relationship Commitment (H8a, c.r. = 2.170, standardized regression weights = .25 & .19, respectively), and Long-term Orientation to the Relationship Continuum (H14, c.r. = -2.488, standardized regression weights = -.68 & -.21, respectively), again, as shown in Tables 28 and 29. The other hypothesized relationships were not found to be significantly different between the two groups.

Comparison of the Means of the Constructs Between the Two Groups. In order to compare the importance given to each of the constructs in the baseline model between the two groups, a comparison of the means of each of those constructs must be made. A t-test for the equality of means was done using SPSS 7.5 to test the hypotheses related to the differences in the base of operation and how they affect the importance of the buyer-seller relationship constructs. The t-test method used measured the significance of the difference in means of each of the constructs that could be reliably measured in this study (i.e., Social Bonding, Communication Content, Trust, Relationship Commitment, and Long-term Orientation), plus the Relationship

Continuum construct. The hypothesized relationships represented by this analysis were H16, H17a, H18, H19, H20 and H21. Hypothesis that were not able to be analyzed included H15 and H17b because the scale items designed to measure the Structural Bonding and Communication Style constructs were not reliable as discussed earlier.

The results of the t-test (see Table 30) determined that in two cases, the difference in the means of the constructs between the North American based salespeople and the Asian based salespeople were significant. However, in both cases the results proved contrary to the hypothesized relationship. The first significant difference contradicted H18, Asian based hotel salespeople are more likely to give a higher level of importance to Trust in the buyer-seller relationship than North American based hotel salespeople. In fact, it seems that North American based hotel salespeople placed a higher importance on Trust with his or her top account (North American mean = 4.02; Asian mean = 3.71, see Table 30). One possible explanation for this finding could be that Trust is simply expected at all stages in the Asian buyer-seller relationship, while in North America, even with the salesperson's top account, it is still something valued more than just expected. The other significant difference was found in the measure of the Relationship Continuum or the testing of the hypothesis that Asian based hotel salespeople are more likely to perceive higher levels of expectations of interpersonal interaction by the buyer than North American based hotel salespeople (H21). The results of the t-test found that Asian based salespeople observed more discrete transaction related actions than North American salespeople (North American mean = 3.64; Asian mean = 3.91, see Table 30). More specifically, it is actually saying that Asian based salespeople believe the buyers show actions of being more demanding and more often seeking competitive bids than North American salespeople (i.e., the two indicator variables the make up this construct).

An additional step was taken for each of these two significantly different constructs to identify which of the indicator variables (i.e., scale items) was driving the difference. The objective was to better refine the usefulness of the results to application in the sales training programs being used in the hospitality industry. This analysis also applied the t-test statistical technique to compare the significant differences in the means of each indicator variable of each construct.

The Trust construct significant differences in the indicator variables determined that three of the five scale items showed a higher agreement with the statements from North American salespeople than Asian salespeople. Specifically, the first item was regarding the making of false claims. The North American salesperson felt the customer did not make false claims to a greater degree than the Asian salesperson (North American mean = 3.96, Asian mean = 3.52, see Table 31). The second significant difference was in how trustworthy the salesperson felt the customer was. Again, North American salespeople felt top account customers were more trustworthy than Asian based salespeople felt his or her top accounts were (North American mean = 4.12, Asian mean = 3.75, see Table 31). The third difference was the agreement with whether the customer had high integrity (North American mean = 4.12, Asian mean = 3.78, see Table 31).

In the case of the Relationship Continuum, it was found that the only significant difference was in the measurement of how demanding the customer was. The Asian based salesperson felt his or her top account customer was more frequently demanding in his or her actions than the North American based salesperson (Asian mean = 3.82, North American mean = 3.50, see Table 31).

Cross-cultural Validation

As stated in Chapter III, one method used to validate scalar equivalence on a cross-cultural basis is by comparing rank data to the rating data obtained on the various constructs in the study (Yu et al., 1993). This was done in this study by adding one scale item in the survey that questioned which of the "success" variable constructs was most important to the salesperson in the buyer-seller relationship with his or her top account. Specifically, the definitions of each construct (i.e., structural bonding, social bonding, communication style, communication content, and trust) were used in the survey.

The results validated by the multi-group comparisons of the North American and Asian based salespeople presented in Steps 6 and 7 of the data analysis, do indicate a cross-cultural scalar equivalence. The rank order of the most important constructs in the buyer-seller relationship was consistent for the “pooled sample” and the two groups (i.e., North American based and Asian based salespeople) as can be seen in Table 32. In each case the most important constructs in ranking were; 1) structural bonding, 2) trust, 3) communication style, 4) social bonding, and 5) communication content.

The ranking comparisons do indicate that the construct of structural bonding may be of more importance than could be studied in this research. The inability to measure this construct reliably, as discussed previously, did not allow for the analysis of this construct in the final identified model (i.e., the baseline model). However, it should also be noted that the order of the scale items might have caused a bias result. The first item in the scale was the structural bonding definition, and therefore could have been the predominate choice because of the order. What can be said is this study does not suggest that structural bonding does not exist as a “success variable” in buyer-seller relationships with top accounts, only that the scales utilized in the study did not effectively measure its importance.

What was an important factor in the rank comparisons is that trust was determined to be a highly ranked construct. This was consistent with the findings of the data analysis of the baseline model with both “pooled” sample and multi-group samples (i.e., North American and Asian based salespeople) that indicated trust of the customer was the most important “success” variable in the buyer-seller relationship with the top account customer. It is also consistent with previous studies indicating that trust is the most critical aspect of the buyer-seller relationship (Schurr & Ozanne, 1985; Hawes et al., 1989; Shemwell et al., 1994)
Additionally, it also provides support for the validity of the cross-cultural comparison results that found trust to be more important in the North American based buyer-seller relationship than the Asian based buyer-seller relationship as determined by the t-test comparisons between the two bases of operation. Trust plays a critical role in all buyer-seller relationships, but is needs even more emphasis in the North American selling environment.

Summary of the Chapter

This chapter covered the data analysis from both the pre-test of the scale items and the final study. It presented the statistical justification for the scales used in this study that were either modified from previous studies or those developed specifically for this study. The method of sampling and the descriptive information of both the pre-test sample and the final survey sample were also discussed. The six step data analysis of the final sample responses was then presented in detail. The results have shown that National Culture does have an effect on the various elements of the buyer-seller relationship and that differences do exist in the importance given to those elements between North American based salespeople and Asian based salespeople regardless of their nationalities. The cross-cultural validation of those results was also confirmed by the rank order comparisons.

More specifically, the hypotheses that were found to be supported in the full sample model (i.e., “pooled” sample) included H6a, H8a, H10, H11, H12 and H13. The results showed that the higher the level of Western-culture Work Values, the more importance given to Communication Content in the buyer-seller relationship. The results also found that the higher the level of Eastern-culture Personal Values, the higher the perceived level of Long-term Orientation of the buyer by the salesperson. It was also found that the higher the level of importance placed on Communication Content, the higher the level of importance given to both Relationship Commitment and Trust in the buyer-seller relationship. Another finding was the higher the level of importance of Trust in the buyer-seller relationship, the higher the perceived level of Long-term Orientation of the buyer by the salesperson. Finally, the higher the perceived level of Long-term Orientation of the buyer by the salesperson, the less likely it will be for the buyer to exhibit actions desiring an interpersonal interaction on a discrete type basis.

One hypothesized relationship that was found to be significant did not support the hypothesized direction of the relationship (i.e., H9). The findings were that the higher the level of Western-culture Work Values, the more importance given to Trust in the buyer-seller relationship. The expectation of the hypothesized relationship was that the higher the level of

Eastern-culture Work Values, the more importance given to Trust and thus the hypothesis was not supported.

The comparison of the two groups (i.e., North American based salespeople and Asian based salespeople) actually found that the two significant comparisons of the constructs of Trust H18) and Relationship Continuum (H21) contradicted the hypothesized relationships. In the case of Trust, it was found that North American based salespeople place more importance on Trust in the buyer-seller relationship with a top account than Asian based salespeople, while the Asian based salesperson observed a higher level of discrete transaction type actions than the North American based salesperson with a top account. A further analysis of the Relationship Continuum found the Asian based salesperson finds his or her top account customer more demanding than the North American based salesperson. A full summary of all of the hypotheses testing can be found in Table 33.

The next chapter will discuss the ramifications of those differences in greater detail, as well as discuss the limitations of this study and what future direction research should take along the lines of the focus of this study.

CHAPTER V - DISCUSSION AND CONCLUSION

Introduction

This chapter presents the summary, discussion and implications of the findings of the study. In the first section of the chapter, the summary and discussion of the hypotheses testing are presented. The theoretical and practical implications of the findings followed by the limitations of the study are discussed next. Finally, the chapter concludes with suggestions for future research.

Summary of the Findings

This study developed and empirically tested a model of international buyer-seller relationships in the hospitality industry. The model analyzed several relationships: 1) the relationship between National Culture and the interpersonal interaction "success" variables (i.e., structural bonding, social bonding, communication content, communication style, and trust) in the buyer-seller relationship (Wilson, 1995); 2) the relationship between the "success" variables and the outcomes of the buyer-seller relationship (i.e., relationship commitment and long-term orientation of the buyer); and 3) the relationship between the level of knowledge of the selling strategy used by the salesperson and the buying preferences of the buyer, as perceived by the salesperson. The latter relationship was studied to determine whether the selling strategy being employed is consistent with the way the buyer prefers to be sold. In addition, each of these relationships was examined in terms of the differences that may exist in base of operation of the salesperson (i.e., North America or Asia).

The study specifically focused on the hotel industry salesperson and the relationship he or she has with his or her top account. This focus was selected in order to address one of the stages in the buyer-seller relationship where the maximum number of "success" variables (Wilson, 1995) was prevalent (i.e., the maintenance stage). The cross-cultural differences were captured by use of a sample of salespeople that were based either in North America or Asia. This was accomplished through the support of six international hotel groups and the participants in the

Cornell PDP summer courses. The result was a final usable sample of 147 salespeople, 76 of whom were based in North America and 64 in Asia (note the remainder were based in other regions of the world, such as Europe).

The results of the study did find that National Culture has an effect on several of the "success" variables (Wilson, 1995) in the buyer-seller relationship to be discussed further. It was also found that these effects differ as a result of the base of operation being studied. The study also determined which "success" variables had the most importance in the buyer-seller relationship with a salesperson's top account and how those "success" variables affect the outcomes of that relationship. Again, differences did exist between the two bases of operation in the importance given to these "success" variables. Finally, the study determined whether there was a correlation between the salesperson's knowledge of his or her customer and that buyer's preference for sales approach, as the salesperson perceives it. This too was found to differ between the two bases of operation. These findings will be detailed in the following discussion of the results from the study.

Discussion

The discussion section of this chapter is organized around the research questions that were addressed in this study. The large number of hypotheses makes a discussion of each one cumbersome, so they will be addressed in the context of how they affected the answers to the research questions. Additionally, the discussion will address the "pooled" sample results separately from the results of the multi-group comparison analysis (i.e., the comparison between North American based and Asian based salespeople).

Research Question 1:

Is a focus on building long-term buyer-seller relationships through the relationship/consultative selling process appropriate for all international and domestic hotel industry group (business-to-business) customer account sales strategies?

The answer to this question was found in the results of the hypotheses testing for H13, H14, H19, H20 and H21. What was analyzed was whether the salesperson's indicated selling approach (i.e., relationship/consultative selling) was indeed appropriately correlated with the preferences of the buyer. The preferences of the buyer were determined by asking the salesperson's perception of the actions the buyer took toward a discrete transaction type of interpersonal interaction preference (i.e., the relationship continuum construct in the model tested).

The results of analyzing the relationship between the constructs indicated that there were no correlations between the relationship commitment given by the salesperson and his or her hotel and the buyer's preference level for a discrete transaction type relationship (i.e., H14 was not found significant). However, it was found that an inverse relationship existed between the level of long-term orientation of the buyer and the preference of that buyer for a discrete transaction type relationship, both as perceived by the salesperson (i.e., H13 was significant). This would mean that the salesperson does have the knowledge to recognize the buyer's preferences and, therefore, could adjust his or her selling strategy if they so chose. Interestingly enough though, this correlation was not found significant in the North American base of operation model to be discussed further below. In other words, while salespeople on a global basis may be knowledgeable enough about the orientation of the buyer and that buyer's selling approach preferences, within the North American market that knowledge may not exist.

Further analysis of the degree of the existence of relationship outcomes in the buyer-seller relationship and the preferences of the buyer for interpersonal interaction between the two bases of operations (i.e., North America and Asia) also revealed important insights into the buyer-seller relationship. First, there was no difference in the degree of relationship commitment given by the salesperson and his or her hotel to the top customer in either base of operation (i.e., H19 was not significant). Second, there were no differences in how the long-term orientation of the buyer was perceived in either base of operation (i.e., H20 was not significant). Third, there was a difference in the salesperson's perceptions of the buyer's desire for a discrete transaction type interaction (i.e. H21 was found significant). In fact, it was determined that top accounts of Asian based salespeople actually are more demanding in nature than North American salesperson's top accounts. This was a bit surprising as the hypothesis was that the buyer of the Asian based salesperson would give more importance to relational type interpersonal action preferences (i.e., the opposite end of the relationship continuum from the discrete type transaction preferences actually measured in the study). However, the importance was that at least the Asian based salesperson recognized the relationship between the customer's demanding nature and the customer's orientation toward long-term relationships. That is, the higher the level of long-term orientation of the buyer, as perceived by the salesperson, in this specific top account scenario; the less importance that buyer will give to discrete transaction type selling preferences (i.e., the buyer won't be as demanding and won't seek other competitive bids).

As was stated in Chapter II's review of the relationship/consultative and adaptive selling approaches, there is a need for recognizing buyer preferences for the way they want to be sold, so that the salesperson can adapt his or her selling approach to match the buyer's preferences (Jackson, 1985a, 1985b). It was also noted that the salesperson needs to be knowledgeable of the customer in terms of both customer traits and strategies for selling to be effective (Sujan et al., 1988; Morgan & Stolman, 1990). Therefore, in North America, the matching of the selling strategy and the appropriateness of that approach to the buyer's preferences may be questionable because the salesperson doesn't appear to possess that knowledge. It is an indication that more training needs to been done to educate the salesperson on how to determine the preferences of the buyer, particularly in regard to the nature of his or her demands and/or desire to seek competition.

Research Question 2:

What interpersonal interaction factors need to be emphasized in the teaching of the relationship/consultative selling process used by the international hotel industry sales force that reflect the expectations of the interpersonal interaction between buyers and sellers at different stages of the buyer-seller relationship development within international and domestic selling situations of the hospitality industry?

This question was addressed by the remaining hypotheses tested (H1-12 and H15-H18), as well as through the multi-group comparison method used to compare the North American based and Asian based salespeople. It should be noted here that the focus was only on top accounts, so the results reflect just that stage of the buyer-seller relationship. Additionally, several of the hypotheses related to the constructs of structural bonding and communication style (i.e., H1, H4, H6b, H7b, H8b, H15, and H17b) were not able to be tested in this study due to the lack of reliability and multicollinearity issues uncovered in the scales used. This section will first be presented in terms of the National Culture constructs' relationship to the "success" variables including the differences found by multi-group comparison of the two bases of operations (i.e., North American and Asian based salespeople). Second, it will address how the "success" variables interrelate with the outcomes of the buyer-seller relationship, as hypothesized. Third, the multi-group comparison incorporating the effect of the base of operations (i.e., North America and Asia based salespeople) on the importance of those "success" variables will be addressed. Fourth, a discussion of the hypotheses that could not be tested due the reliability of the scales measuring the "success" variables of structural bonding and communication style constructs will be presented.

National Culture and the "Success" Variables. First, it should be noted that the differences in the National Culture Work Values and Personal Values dimensions that distinguished between the North American and Asian cultures were consistent with previous research. The Work Values dimensions of individualism and masculinity were also found to be the most discriminating factors between North American and Asian hotel managers by Pizam et al. (1997). One important difference, however, was that this study found masculinity to be higher in North American than Asian nationalities in contrast to the previous study of hotel managers (Pizam et al., 1997). The results of Ralston et al. (1992) found that Confucian work dynamism was greater in Asian cultures than North American cultures, while the moral discipline dimension was found the same for both cultures. In this study, both Personal Value dimensions were found to be greater in the Asian culture as opposed to Western-cultures. It should also be noted that the integration dimension of Personal Values was shown to be a highly reliable measure of the construct (see Table 18), but it was not found to discriminate between the two cultures of North America and Asia (see Table 19) and therefore, not incorporated in the final measurement of this construct. This was also consistent with the Ralson et al. (1992) study results.

Hofstede (1980a, 1980b) maintained that Work Values are not individual measures, but are at the culture level. The findings of this study indicated that the more Western-culture influenced the salesperson is, the more importance he or she will place on Communication Content and Trust in the buyer-seller relationship (i.e., H6a and H9). Thus, one can conclude that the salesperson who exemplifies a greater influence from his or her Western-culture nationality will place more importance on the customer's assurance that details, specifications, etc. are handled properly. Kale and Barnes' (1992) conceptual model of the role of communication content in the international buyer-seller relationship was supported by this study. They had proposed that communication content would be more important in countries with individualism (e.g., North America). The relationship found between Work Values and Trust in this study, however, was contrary to that expected in the hypotheses tested (i.e. H9). This relationship will be discussed further later in this section.

A higher level of Eastern-culture oriented Personal Values was found to lead to a higher perception of the buyer's long-term orientation toward this specific buyer-seller relationship (i.e. H11 as supported). This was consistent with the expectation that Hofstede (1997) would have had because the Asian cultures are characterized as having a higher level of long-term orientation on life.

A further analysis of the differences in the multi-group models of North American and Asian based salespeople revealed other important differences in the effect of National Culture on the "success" variables. In the North American based operations, it seems that Personal Values have no influence on the "success" variables (i.e., none of the hypothesized relationship with Personal Values were significant). Additionally, Work Values were only found to have a significant relationship with Social Bonding. The results indicated that the more influenced the salesperson was by his or her Western-culture nationality, the more importance he or she would put on Social Bonding. This was in contrast to what had been hypothesized (i.e., H3). It is possible that the reason for this finding is that Social Bonding is regarded as more important in the North American market with the top account than was anticipated. Wilson (1995) had conceptualized Social Bonding as one of the "success" variables that was most predominant in the early stages of the buyer-seller relationship (e.g., partner selection), while it would be latent at later stages (e.g., maintenance stage or top account). This study shows that Social Bonding is still important in the North American selling environment at later stages of the buyer-seller relationship.

In the case of the Asian based salesperson model, Eastern-culture Personal Values did influence the importance given to Social Bonding and Western-culture Work Values positively influenced the importance of Communication Content. The first significant correlation between Eastern-culture Personal Values and the level of importance given to Social Bonding was an anticipated relationship. It would indicate that in Asia the more the salesperson believes in his or her Eastern-culture Personal Values, the more importance will be placed on building social bonds with the customer. The second significant National Culture effect of Work Values on Communication Content was consistent to the "pooled" sample results discussed previously.

"Success" Variables and the Outcomes of the Buyer-Seller Relationship. This section of the discussion will address the findings of how the "success" variables (i.e., social bonding, communication content, and trust relationship) affect the outcomes of the buyer-seller relationship (i.e., relationship commitment and long-term orientation of the buyer) in the full, "pooled" sample. The first finding was that Social Bonding had no significant relationships with the buyer-seller outcomes (i.e., H5 was not supported). One possible explanation for why Social Bonding was not found to have any significant correlations with the outcome variable, relationship commitment, could be that it is not as strong a factor at the later stages of the buyer-seller relationship, as noted above. In fact, Crotts and Wilson (1995) found that Social Bonding existed at the early stage of partner selection.

The second finding was that Communication Content had a significant relationship with the outcome variable of relationship commitment; however, it was the inverse of what had been hypothesized (i.e., H8a was significant, but not supported). The original hypothesis had predicted that a higher level importance given to Communication Content would result in a lower level of relationship commitment given by the salesperson and his or her hotel to the customer. However, this hypothesis was based on the two dimensions of communication (i.e., content and style) being measured as part of the communication construct. Since Communication Content was the only dimension utilized in the final statistical analysis, this dimension would serve as the representation of the level of importance of communication in the buyer-seller relationship. The fact that Communication Content was found to have a positive relationship with the outcome of the relationship commitment could therefore be interpreted as meaning the more importance given to communication between buyer and seller the higher the level of relationship commitment given. Crotts and Wilson (1995) found that communication, particularly communication content, was strongest in the second stage of the buyer-seller relationship (i.e., defining purpose). The results of this study would indicate it is also a strong factor in the later stage of the buyer-seller relationship (i.e., the maintenance stage) depicted by the top account scenario.

The third finding, however, was that the Trust "success" variable did result in a number of notable conclusions related to the outcome variables and the multi-group comparison (to be discussed in more detail later). When all cases were analyzed together (i.e., "pooled" sample, North American based and Asian based), the relationship between the importance placed on Trust in the buyer-seller relationship and the level of Long-term Orientation of the buyer, as perceived by the salesperson, were significant (H12). This would indicate that Trust plays a crucial role in the perception of long-term relationships with the buyer on a global basis.

Multi-group comparisons and the "Success" Variables. The first finding that no significant relationship was found between social bonding and the outcomes of the buyer-seller relationship (i.e., Social Bonding with the outcome variables of the relationship commitment and long-term orientation of the buyer) was also consistent in the multi-group comparison (i.e. North American and Asian based salespeople comparison). The second finding that a significant relationship exists between the importance given to Communication Content and the level of relationship commitment given by the salesperson and his or her hotel, however, was not supported in either of the two bases of operation (i.e., North America and Asia). Additionally, there was no difference found in the importance given to either of these two "success" variables (i.e., social bonding and communication content) between the two bases of operations (i.e., H16 and H17a were not significant).

Since the results of the “pooled” sample did not find Social Bonding significantly related to the buyer-seller relationship outcomes and there was no significant difference found between the two bases of operations, it could be interpreted that the level of importance given to Social Bonding is not a factor in the level of Relationship Commitment the salesperson and his or her hotel are willing to give the top account customer. This could very well be a result of the top account scenario used in the study, meaning that the Social Bonding may be latent at this stage of the buyer-seller relationship. In other words, it may still be considered an important factor, but it does not directly related to the outcomes at this stage of the buyer-seller relationship.

Although Communication Content (i.e., assurances that specifications, etc. are handled properly) was found to have a significant relationship with the relationship commitment given when the baseline model was analyzed using the “pooled” sample, it was not found to have a significant relationship in either of the two bases of operations (i.e., North America and Asia). There was also no significant difference in the importance given to Communication Content in either of the two bases of operations. These results would indicate a similar interpretation to that of the Social Bonding construct. That is, within the two selling environments (i.e., North America and Asia), Communication Content may be a latent “success” variable at this stage of the buyer-seller relationship (i.e., the top account scenario). It could be surmised that Communication Content, because it deals with assurance of specifications being handled correctly, is more important at earlier stages of the buyer-seller relationship when the parties are more likely to be dealing with details of meetings, reservations, etc. This would be particularly true in the unique selling environments of North America and Asia even though in the global perspective, represented by the “pooled” sample, it was considered to be important in the top account scenario.

The relationship of Trust to the Long-term Orientation of the buyer in the multi-group comparison, as noted previously, was found to be significant. Of particular note, is the fact that this hypothesized relationship (i.e., H12) was found to be significantly greater in the North

American based operation over the Asian based operation. Additionally, Trust was found to be more important in the North American based buyer-seller relationship than in the Asian based relationship (i.e., H18 was found to be significant, but the reverse of the hypothesized relationship). This finding doesn't imply that Trust is not important in the Asian buyer-seller relationship, only that it is of more importance in North America. In fact, the level of the importance of Trust was found to be a significant factor in all cases (i.e., "pooled" sample, North American based and Asian based) in the level of the Long-term Orientation of buyer, as perceived by the salesperson, toward the specific buyer-seller relationship depicted in the top account scenario of this study..

There may be several reasons why the findings on the role Trust plays differ from what was hypothesized. One explanation is that Wilson (1995) conceptualized Trust as being a major "success" factor at the earlier stages of the buyer-seller relationship (i.e., the defining purpose stage), while it would become more of a latent influence latter in the relationship development. This might account for why Trust was found to be less important to the Asian based salesperson than the North American based salesperson. It suggests that Trust may not be as latent as Wilson proposed in the North American selling environment. Further, Graham et al. (1986) did find that Americans in a negotiation situation were more problem solving oriented and stressed trust more than Asians did. It could be that in North America, even with top accounts, the need to enter negotiations on more problem-solving type situations (i.e., there may be more situations where less negotiating transpires because of the acceptance of a strong degree of trust between the two parties) is more likely than in Asia.

Another factor that could explain the difference in importance given to trust in North America may be as a result of the type of trust developed. As Doney et al. (1998) suggest, there are different types of trust building processes (calculative, prediction, capability, intentionally, and transference). For example, they would have expected trust developed by calculative or capability means would be stronger in a national cultural environment where individualism was dominant, like North America. It could be that North Americans interpret trust with top accounts as being based on calculative or capability methods.

"Success" Variables Not Measured in this Study. As noted previously, two "success" variables could not be measured in this study due to reliability and multicollinearity issues. However, it is believed that the effect of two "success" variables that were not able to be measured directly were captured by the other "success" variables in the study. An explanation of that reasoning follows.

The structural bonding construct that represented commitment to the organization in the relationship between buyer and seller organizations was found not to be reliably measured by the scale items used in this study. The pre-test results had found that the three items used in the final study were reliable, however, the full, "pooled" sample results did not, resulting in H1, H4 and H15 not being tested in this study. This could have been due to the limited number of items measuring the construct (i.e., three scale items); perhaps a greater number of items would have led to the better measure of the construct. However, it should be noted that this construct in the travel industry study of buyer-seller relationships by Crotts et al. (1998) was actually replaced by the communication dimensions construct. While no explanation was given in that study for the change the "success" variable used, it could be implied that the similarity of the communication content dimension to structural bonding may mean the essence of this "success" variable was captured in this study by the communication content construct.

The other "success" variable that could not be measured in this study was the communication style dimension due to multicollinearity found with the social bonding construct. In this case, the measure of the communication style construct was found to represent the same factors as the social bonding. Therefore, this communication dimension was redundant with other measures in the study and its effects were captured by the other construct (i.e., social bonding). Again, the Crotts et al. (1998) study added the two communication dimensions in lieu of using structural bonding in measuring the effects on the buyer-seller relationship. They did include social bonding as a separate construct in their study, but they didn't analyze the potential mulitcollinearity issues discovered by the SEM approach used in this study (i.e., they used a multiple regression statistical technique).

It can be said from the findings regarding Research Question 2 that differences do exist in the importance of interpersonal interaction factors in different international selling situations. The next section of this chapter will address the implications of the findings discussed above.

Implications of the Research Findings of This Study

This study was focused on the service industry buyer-seller relationship represented by the hospitality industry. It also addresses the business-to-business selling environment of that sector of the service industry. Therefore, the implications to be discussed in this section are applicable to the service industry business-to-business selling environment as opposed to previous studies that either studied industrial buyer-seller relationships or service industry consumer related buyer-seller relationships.

The most critical implications of the research findings are those that relate to the business-to-business type sales training being done today in the hospitality industry. The results of this study, particularly in relation to the top accounts of the salesperson, make several points clear.

First, in all international selling situations, there needs to be more emphasis put on the level of relationship commitment actually given by the salesperson for his or her hotel to the buyer and the preferences the buyer exhibits toward how he or she interacts with the salesperson, particularly in North America. The fact that no correlation was found with the relationship commitment level given to the customer and what the customer actually desires, if the measurement of the buyer's desire for a discrete relationship is considered valid and reliable, is a major concern. Sales training could be enhanced by incorporating more emphasis on the buyer's actions that represent his or her preferred interpersonal interaction style (i.e. relational or discrete). Although one might think the salesperson would have this knowledge of his or her top account, the results don't support that premise. In North America, this is even more critical as there was also no correlation found with the salesperson's perception of the buyer's long-term orientation and the buyer's actions representing how he or she prefers to be sold (i.e., how demanding the buyer is and whether the buyer seeks competition). Therefore, there is evidence the North American salesperson is not very aware of his or her customer's actions. The salesperson shows that they prefer instead to just take the relationship/consultative selling strategy with all top accounts.

Second, it could be concluded that social bonding may be overrated in regards to the top account buyer-seller relationship. It seems the amount of relationship commitment given is not a factor of social bonding. This could mean either too much commitment is being made regardless of the importance of the social bonding or too little is being committed. In either case, it suggests further sales training needs to focus on making the level of social bonding with the customer congruent with the relationship commitment given to the customer. While the study indicates that more emphasis needs to be placed on the building and maintaining of trust than the need to "build a relationship" through social bonding with the top account, it also suggests that the level of social bonding activities engaged in with the customer should better reflect the overall selling strategy taken with each customer. As Smith (1998) states the trend away from social bonding, or the "three martini lunch", toward adoption of impersonalized technologies such as faxes and computers may be minimizing the effect of bonding in developing long-term buyer-seller relationships.

Third, in the international buyer-seller relationship, the more emphasis the salesperson puts on communicating a level of assurance for meeting the customer's meeting, reservation, etc. details the higher the level relationship commitment he or she will give to that customer. This would indicate that sales training should address the need for the salesperson to effectively assure the customer's needs are met when establishing the level of commitment given. Perhaps, bringing the convention service, catering and reservations staff into the regular sales calls with the top account would be advantageous to establishing the assurance the customer desires will be met.

Fourth, it can also be interpreted from the lack of significant relationships between social bonding and communication content with the outcome variables in the study in both the North American and Asian bases of operations, that these two constructs play a latent role in the top account buyer-seller relationship when considered in the unique selling environments of the two regions of the world. The latent nature of the social bonding construct is consistent with the "success" variable models of Wilson (1995) and Crotts and Wilson (1995). However, the communication content dimension, if it is equated to the structural bonding commitment as indicated in the Crotts et al. (1998) model, would have been expected to play more of a factor at this stage of the buyer-seller relationship (Wilson, 1995; Crotts & Wilson, 1995). This would mean that the communication content issues such as assurances that specifications, etc. are handled properly, are not as important in the relationship with a top account as might have been expected. Therefore, it would be concluded that in the sales training process in both regions of the world (i.e., North America and Asia), less importance should be put on the assurances issues; perhaps leaving that factor to other departments such as convention service to handle.

Fifth, significant differences do not exist between the two bases of operation (i.e., North America and Asia) regarding the two outcome variables of relationship commitment and long-term orientation of the buyer. This finding implies: 1) the relationship commitment made by the salesperson to his or her top account customer does not differ between different regions of the world, and 2) the customer's representing the salesperson's top accounts are viewed desiring long-term relationships with that salesperson in all regions of the world. This would imply that sales training in either North America or Asia would stress the same principles of relationship commitment given by the salesperson and his or her hotel. It would also imply that a salesperson views the desires of his or her customer from a top account toward a long-term relationship as similar in both regions of the world. In other words, while the relationship/consultative selling approach may not be appropriate for all customers, the desired outcomes when it is applied would be global.

Finally, it can be said that Trust is the most critical "success" variable even with a top account. The idea that Trust becomes latent in the later stages of the buyer-seller relationship as surmised by Wilson (1995), simply doesn't seem to hold true. The significant relationships between Trust and the other outcome variables, as well as it's greater importance in the North American selling environment, justifies more emphasis on how to build and maintain trust throughout the selling process. As Doney et al. (1998) suggest, there are a number of ways that trust can be built (calculative, prediction, capability, intentionally, and transference). Each one of those ways needs to be incorporated in the sales training process; it should not be relegated to the status of just being mentioned as a part of building rapport with the customer at the first contact. It is evident that trust is still important even when a long-term relationship exists with a top account.

The study also indicates that the salesperson has to believe that the customer is trustworthy with high integrity and that the customer doesn't make false claims about his or her needs in order for trust to exist. The salesperson is not likely to believe the customer desires a long-term relationship nor will he or she make commitments to the customer reflecting a relationship/consultative approach if trust with the customer isn't considered important. This factor means that the sales training process should address the customer trust factor in how commitments are made, as well as the salesperson's trust building and maintaining process.

Limitations of the Study

The limitations of the study evolve from: 1) the boundaries that were set for the analysis of the theoretical model, 2) the sample population chosen, 3) the choice of scales and scale items used in the study, and 4) the statistical method used to conduct the analysis (i.e., structural equation modeling). Those limitations will be discussed in this section.

Boundaries of the Study

One limitation of the study was that the focus was directed to only a top account of the salesperson. This means that only one stage of the buyer-seller relationship (i.e., maintenance stage) was addressed. If the survey were expanded to include customers at other stages of the buyer-seller relationship (e.g., a general inquiry), there could be very different levels of importance placed on the "success" variables in the relationship, as suggested by Wilson (1995). There might also be a difference in the type of interpersonal interaction preferences of the buyer at different stages.

Another limitation of the study was that some of the scales used were derived from previous studies of industrial buyer-seller relationships (e.g., structural bonding and the scales used to measure *guanxi* in the relationship continuum). The boundaries of this study, however, addressed the service industry buyer-seller relationship.

Sample Population Chosen

Another limitation is that the study was directed at only luxury and deluxe level hotels in both North America and Asia. This could be a limiting factor in the types of market segments addressed and may have an influence on the status of the relationship between the buyer and seller. It is very possible that suburban and commercial hotels, particularly in North America, would place less effort on nurturing top accounts and more effort on prospecting for new business, thus presenting a very different scenario than the high demand, luxury hotel.

A further limitation related to the sample population was that only salespeople were targeted in this study. The buyer was not studied with regard to his or her feelings about the importance of the various constructs in the model. This would be of particular note regarding the salesperson's observations of the buyer's preference for interpersonal interaction. In the case of the North American selling environment, it appears the salesperson really doesn't know if there is a correlation between long-term orientation of the buyer and the actions the buyer takes to show how he or she would like to be sold. In addition, there is no correlation between his or her commitment to the buyer-seller relationship and the buyer's actions that exemplify how they would prefer to be sold.

Scales and Scale Items Chosen

One limitation related to the scales used was the fact that two constructs, structural bonding and communication style, were not able to be measured in the final baseline model due to reliability and multicollinearity issues. If these two factors had been able to be measured more accurately with better developed scales, it could have provided better insight into the buyer-seller relationship process in the hospitality industry. This would be particularly true in the case of the structural bonding construct measurement that was ranked the most important "success" variable in all of the top account scenarios. However, it was also noted that these two constructs may have been captured by other variables in the study and the ranking analysis may have been biased by the order in which structural bonding occurred in the scale item used to rank the constructs.

Another limitation of the scales used was related the consistency of anchors employed. The constructs of Social Bonding, Structural Bonding, Communication Content and Communication Style were all anchored by the degree of importance of the factor in the buyer-seller relationship. However, the measurement of Trust was related to the existence of trust in the top account customer. It could be that the importance of Trust might have been different if it had been measured in that regard. Additionally, if the scales for the other “success variables” had been addressed in terms of whether they existed or not, there could have been different results particularly in regard to the exclusion of Structural Bonding and Communication Style in the buyer-seller relationship.

A bigger limitation of the scale items, however, was the fact that the relationship continuum developed for this study did not meet the reliability guideline of .7. While the discrete dimension of the relationship continuum scale was reliable in the pre-test, a repetition of that test with the full sample did not support its reliability. The pre-test limitation of the convenience sample used and the fact that one-third of the sample came from one North American resort hotel could have attributed to the lack of consistency between the pre-test results and the final sample. What this means in this study is that the results of the relationships between the constructs of relationship commitment and long-term orientation of the buyer with the relationship continuum and the comparison of the relationship continuum in the multi-group comparison may not be generalizable. Reliability refers to the ability of the scale to measure the same factors in repeated testing. Therefore, the measurement of this particular construct may not be consistent in repeated studies. This limitation suggests the implications of this study may not apply to all buyer-seller situations (e.g., the results may not imply that North American salespeople don’t understand the buying preferences of their top account customer in all situations). However, it does imply that further analysis of the interpersonal interaction preferences of the buyer needs to be undertaken (this will be discussed further in the implications for future research section of the chapter).

Statistical Method Used

There are several limitations that need to be addressed with regard to the use of structural equation models in this study. The first limitation is the final sample size of the full, “pooled” sample (i.e., 147). While it is suggested that a sample size of 100 is acceptable, Hair, et al. (1995, p. 637) do recommend at least 200 participants. Additionally, it is recommended that there be five times as many observations as estimated parameters (Hair et al., 1995, p.637). In this study there were 65 parameter estimates in the “pooled” sample SEM analysis that would have indicated a desired sample size of 325. This sample size issue may have affected the reliability results and could have affected other findings in the testing of the hypothesis. However; Marsh, Hau, Balla and Grayson (1998) do question the 5:1 ratio of sample size to parameters and the validity of results gained from smaller sample sizes.

Additionally, it is acceptable to use scales that are measured by only two items, but it is preferred that three or more items be used (Bollen, 1989, p. 244). In the case of the two National Culture, communication content construct, and the relationship continuum construct; only two items were used to measure each of the constructs. This could have had an affect on the results of the findings related to these constructs.

Another limitation that should be noted is that the SEM goodness-of-fit indices indicated mixed results. While the chi-square goodness-of-fit measure is frequently found to be significant because of the large or small sample size factors (Hu & Bentler, 1995, p. 78), the GFI falling below .9 (i.e., GFI = .840, see Figure 16) is a concern in the statistical analysis of this study. The GFI measures the degree of fit by comparing the relative amounts of variances and covariances that are accounted for by the implied model (Hu & Bentler, 1995, p. 86) and is considered an absolute fit index. Hu and Bentler (1995), however, did find that the use of the GFI measure at .9 resulted in an over rejection of true models with small sample sizes (i.e., under 250) when latent variable were dependent. In this study, there are numerous dependent latent variables (i.e., endogenous variables). Du and Tanaka (1989) also indicate that smaller sample sizes result in the lower GFI scores**.** Hu and Bentler (1995) further state that the .9 rule-of-thumb is “clearly an inadequate rule” (p. 95). The CFI, which did exceed the .9 guideline (CFI = .919, see Figure 16), is a comparative fit index of the relationship between the observed model and the null model (Hu & Bentler, 1995, p. 91). It is recommended as an index that is not as effected by sample size. The RMSEA (i.e., .053, see Figure 16) also fell within guidelines. This index measures the specification and measurement errors and determines if the goodness-of-fit could also be expected in the population, not just the sample used for estimation (Hair et al., 1995, p. 685). Again, this provides support for the final results.

Finally, the fact that the multi-group samples fell below the minimum sample size of 100 affected the statistical procedure used. It was anticipated that the SEM method would be able to be utilized throughout the statistical analysis, but the sample size limitations resulted in the use of alternative, less complex statistical procedures (i.e., Path analysis and t-tests). This means that the final analysis of the driving factors in each of the constructs was done using statistical methods that were multi-variate processes and therefore, could not analyze all of the relationships simultaneously.

Implications for Future Research

There are several key implications that deserve the attention of future research as a result of the findings and limitations of this study. Those implications will be discussed in this section.

One of the limitations of this study was that it focused only on the hotel salesperson and his or her perceptions of the buyer. A future follow-up incorporating the buyer's actual preferences and the buyer's perceptions of the salesperson's selling strategies would add to the credibility of the findings of this study. Further, because this study encompassed a wide variety of market segments handled by the salespeople participating, it would be highly recommended that a buyer survey follow-up would also include a wide variety of types of buyers.

In fact, the incorporation of the buyer in the development of a more reliable measure the preferences for interpersonal interaction of the buyer (i.e., the relationship continuum) would be recommended. It was determined that discrete transaction type preferences could be measured, but not with the reliability desired. The other end of the continuum, the relational type transaction, could not be measured in this study at all. In order to adequately address the future exploration of the issues uncovered in this study, including the lack of correlation between the salesperson's perception of the buyer's long-term orientation and the buyer's preference for how he or she wants to be sold, a more reliable scale needs to be developed. A more reliable scale will also add further credence to the generalizablity of the results.

Other stages of the buyer-seller relationship also need to be addressed. The findings of this study with regard to the potential latent status of certain "success" variables and whether or not they would be more prevalent at other stages should be addressed. One possible means to accomplish that objective would be to replicate the study using a general inquiry type customer scenario in place of the top account used in this survey. Anderson and Narus (1991) suggest that "flaring out" might exist within an industry selling situation. An example of this "flaring out" concept might very well be the top account and the fact that the selling approach would differ with that account from the general inquiry or other type of account.

Yet another implication for future analysis is recognition of the fact that there are "bandwidths" (i.e., different types of customers and market segments) within an industry (Anderson & Narus, 1991). This would mean that the importance of different "success" variables might differ with different market segments (e.g., corporate meetings, travel wholesalers, etc.) if analyzed on a market segment basis. Along those same lines, broadening the scope of the study to include salespeople for a variety of hotel types (i.e., suburban hotels, airport hotels, etc.) might also determine that differences exist along those types of "bandwidths".

Another future research consideration would be to determine if differences exist as a result of the gender of the salesperson and perhaps of the meeting planner. This study represented a higher percentage of female than male salespeople (69.7% female/30.3% male in the "pooled" sample), which does reflect the hotel industry trend of an increasing percentage of females in the sales discipline. However, the percentage of females in the North American sample of this study was greater than that of the Asian sample (North American females = 76.0%, Asian females = 64.1%). The gender mix differences could indicate different importance place on different “success variables” and it might have implications on the level of relationship outcomes. There could also be different considerations given to female as opposed to male customers that should be addressed in future research.

It would also be suggested the measurement of the construct of structural bonding be refined to a more reliable level. Since structural bonding does appear to be an important factor, as determined by the ranking method used, it would suggest it might have more importance in the top account buyer-seller relationship than was able to be determined by this study. The scale utilized in this study was derived from previous industrial buyer-seller relationship studies involving purchasing managers (Smith, 1998), however, the focus of the study was on the service industry buyer-seller relationship. It could be that what is needed is the development of a structural bonding scale representative of the service industry scenario in order to measure the this construct in the model.

Finally, this study did not attempt to link sales performance to the knowledge level of the customer or the importance of any of the buyer-seller outcome variables. It has been suggested in studies of other consumer-oriented service industries (e.g., life insurance sales) that there is a link (Sujan et al., 1988; Crosby et al., 1990; Lambert et al., 1990; MacIntosh et al., 1992; DeComier & Jobber, 1993), but it wasn’t addressed in the business-to-business selling situation focused on in this study.

All of these future implications need to continue to address the cross-cultural issues addressed by this study. Evidence strongly suggests that differences do exist in different international selling environments and each one of those environments needs more thorough analysis.

Conclusion

The results of this study showed that the relationship/collaborative selling strategy is not necessarily appropriate for all selling situations, but the salesperson may not be knowledgeable enough of his or her customer’s preference for interpersonal interaction to be able to identify that fact. Much more emphasis needs to be placed on training the hotel salesperson on how to identify the preferences of the buyer so selling strategies can be adapted to the customer.

It also indicated that different importance is placed on different factors in the buyer-seller relationship in different bases of operation. There are identifiable differences between North America and Asia that could be incorporated into modifications of a sales training program of a hotel company to make the program more globally acceptable. Specifically, the process in which trust is built should be addressed. It seems that trust is more important in North America than Asia, but it is still an important factor in both selling environments.

It could also be concluded that social bonding may be overrated in regards to the top account buyer-seller relationship. The conclusion can be made that more emphasis needs to be placed on the building and maintaining of trust than the need to “build a relationship” through social bonding, at least with the top account.

In conclusion, this study has provided insights into potential modifications of the sales training programs being conducted in the hotel industry. It is now up to the industry to take these findings and make the necessary adjustments to what the sales force of today is being taught in the hotel industry.

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APPENDIX A: SEM TERMINOLOGY

The Structural Equation Model (SEM) terminology and the corresponding theory construction terminology.

SEM Terminology	Theory Construction Terminology
Latent Variable	Construct
Exogenous Variables	Constructs or Independent Variables
Endogenous Variables	Constructs or Independent/Dependent Variables (i.e., depending on the structural equation they present)
Observed Variables or Indicator Variables	Items in the Scales Comprising the Measurement of the Constructs
Parameter	Hypothesis
Parameter Values or Path Coefficients	The Value Associated with the Hypotheses

APPENDIX B: PRETEST OF SCALE ITEMS WITH GRADUATE STUDENTS

Dear Fellow Graduate Students:

I'd like to ask for your help with the scales I'm developing for my dissertation survey. I particularly need input from the Asian contingent, as this survey will go out to many Asian hotel salespeople.

Attached are some sample items that I am considering for the survey. The first page is the scale I've developed to measure working relationships between hotel salespeople and their customers. The other pages are items from previous studies intended to measure different aspects of the buyer-seller relationship.

What I'd like to know is:

1. In comparing the items on the first page (working relationship continuum scale) with all of the other buyer-seller relationship items, do you see any items on the first page that seem to be redundant with the other items?

   If you do, please circle or highlight the item (question) on the working relationship continuum scale and note the number of the item from the other scale. An example, if you feel the item is redundant:

   I. Item from first section (page 1)

   21 1. This is a very good survey

   II. Item from second section

   21. The survey is very good

2. Particularly for the international students, I'd like to know if there are any items on either list that you don't understand because of the wording of the item?

   If are there are any, please put a question mark (?) by the item, as shown below.

   ? 1. This is a very good survey.

When you've made your notations, you can put the survey in my box in the graduate student room. Thanks very much for help!

David Jones

Sample Scale Items for the Buyer-Seller Relationship Constructs

I. Working Relationship Continuum Items

For this type of account, how important would your primary contact with the company feel each of the following statements is. (1= not very important, 5 = very important)

1. He/she expects to receive a personal call from me at least one a month.
2. He/she wants to deal with only one individual at the hotel for all their needs.
3. He/she looks for win-win situations.
4. He/she expects to receive gifts and exchange favors.
5. He/she believes maintaining good relationships is the best way to enhance business
6. He/she believes in having an extensive relationship network of hotel salespeople.
7. He/she expects me to keep them abreast of all new developments at our hotel(s).
8. He/she prefers to do business with someone who fully understands his or her goals and objectives.

For the same type of account, how often would the following occur: (1 = never, 2 = rarely, 3 = sometimes, 4 = often, 5 = very often)

9. He/she expects me to make concessions in negotiations.
10. He/she promptly returns my phone calls.
11. In negotiating an agreement for guestrooms/meeting space, price is the first consideration.
12. In negotiating an agreement for guestrooms/meeting space, availability of the customer's preferred dates is the first consideration.
13. He/she seeks bids from other hotels for their guestroom/meeting space needs.
14. He/she is able to give me a confirmation without seeking approval from others in their organization.
15. My customer and I easily reach consensus on major issues in our business dealings.
16. He/she is willing to share competitors rate quotes with me.
17. He/she shares confidential information with me.
18. He/she can be very demanding.

II. Buyer-Seller Items

For this type of account, how important is each of these in your relationships. (1 = not very important, 5 = very important)

1. Formal contracts or agreements
2. Electronic ties or linkages between your organizations such as electronic mail or access to computerized reservations system.
3. Special negotiated rate agreement based on room night volume produced.
4. Meeting away from the workplace
5. Talk about family, sports or other personal interests
6. Sharing of work related advice/support
7. Meeting over breakfast, lunch or dinner
8. Empathy/concern for the other's well being
9. The customer keeping promises it makes to the hotel.
10. The customer being completely open in dealing with us.
11. Believing the information that the customer provides us.
12. The customer can be counted on to do what is right.
13. The customer has high integrity.
14. The customer is trustworthy.
15. We trust the customer keeps our best interest in mind.

For this type of account, how important is each of these in your face-to-face or phone communication. (1 = not very important, 5 = very important)

16. Provide a quotation of rates and availability of guestrooms or meeting space.
17. Discussing the details of the proposal/contract.
18. Interest in socializing.
19. Ability to respond quickly and efficiently to their requests.
20. Establishing a personal relationship.
21. Customer dominates the conversation
22. Assurance his or her meeting details, special requests, etc. will be handled correctly.

For this type of account, how do you feel about the following statements about your relationships. (1 = strongly disagree, 5 = strongly agree)

23. The relationship my hotel has with this customer is something we are very committed to.
24. The relationship my hotel has with this customer is something we intend to maintain indefinitely.
25. The relationship my hotel has with this customer deserves our firm's maximum effort to maintain.
26. It is likely that this customer will book guestrooms/meeting space with us in the next 3 months.

27. It is likely that this customer will book guestrooms/meeting space with us in the next year.
28. Neither this customer nor we are committed to each other.

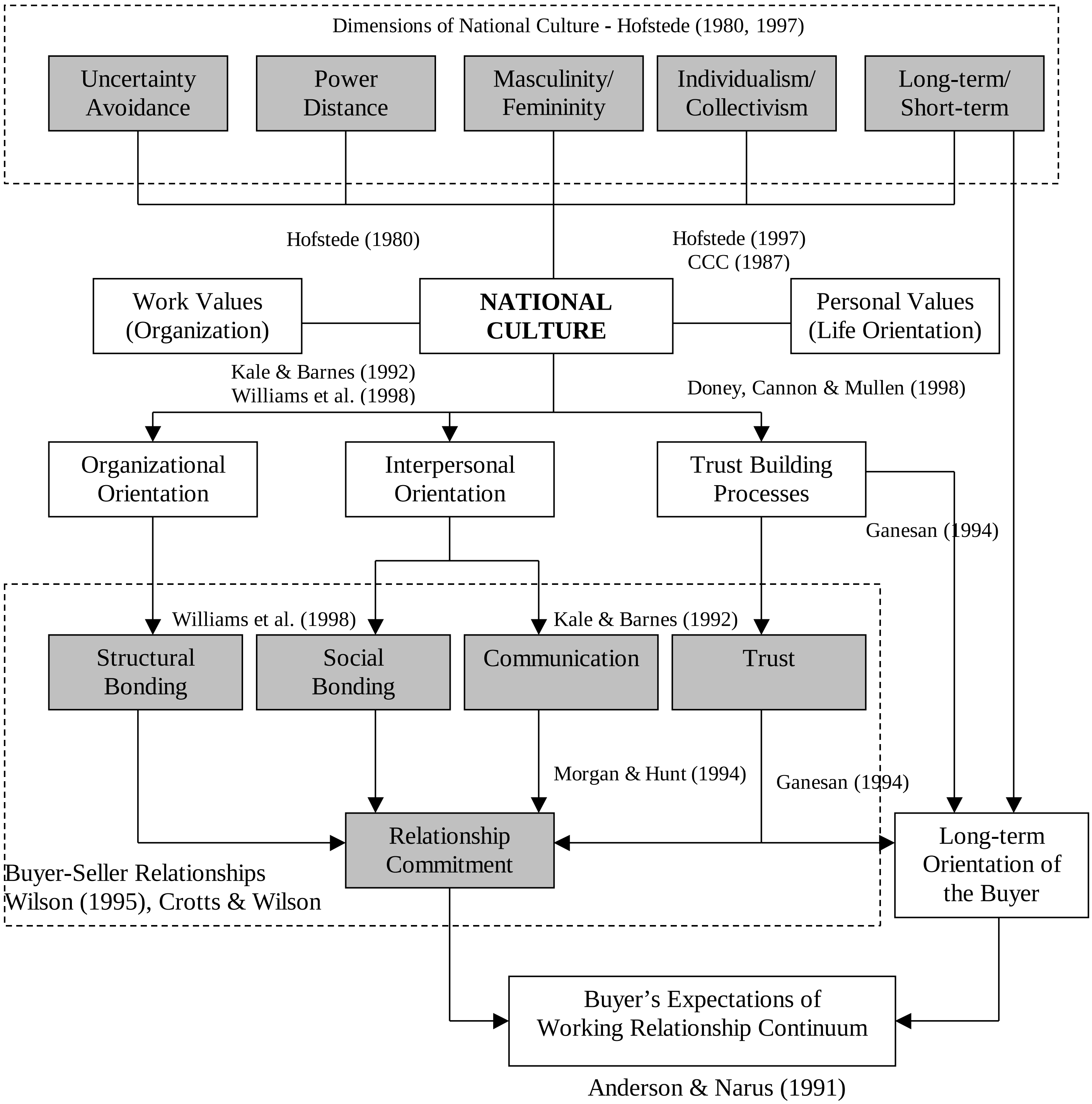
For this type of account, how would your primary contact with the company feel about following statements. (1 = strongly disagree, 5 = strongly agree)

29. Maintaining a long-term relationship with the hotel is important.
30. We are willing to make sacrifices to help the hotel from time to time.
31. We believe that over the long run our relationship with the hotel will be profitable.
32. We share our long-term goals with the hotel.
33. We focus on long-term goals in our relationship with the hotel.

APPENDIX C: PRETEST SURVEY INSTRUMENT

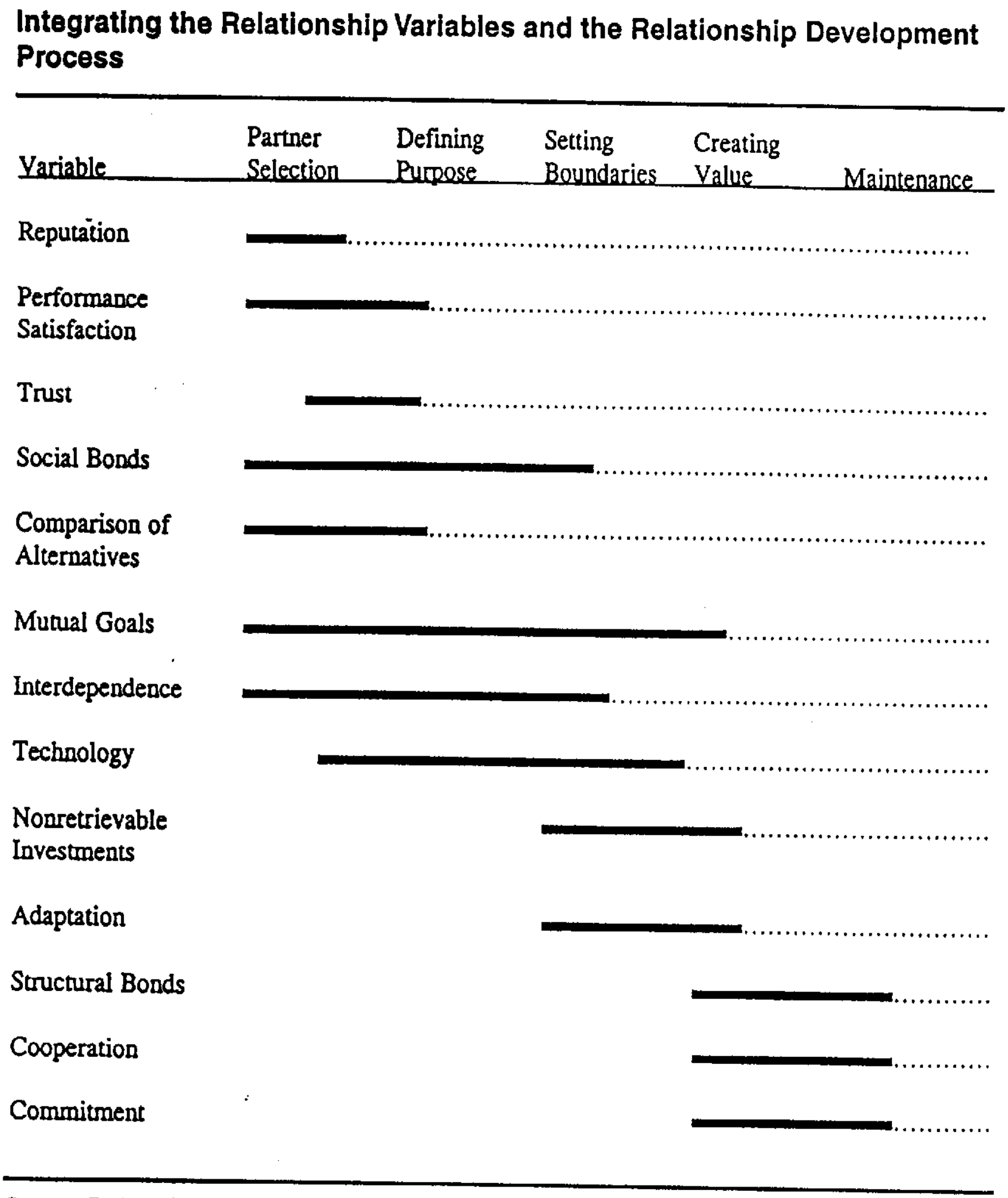
APPENDIX D: FINAL SURVEY INSTRUMENT

Figure 1: Theoretical Framework for the Study



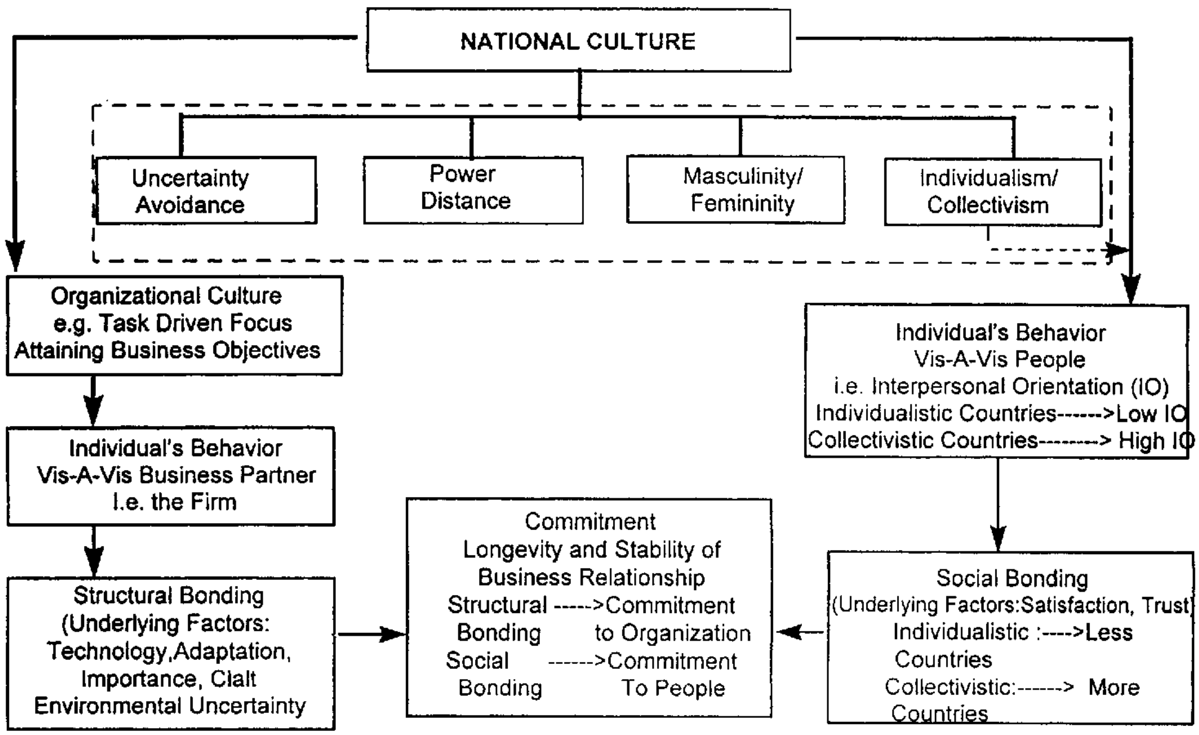
Note: The shaded constructs indicate those derived from the theories (i.e., national culture and buyer-seller relationships) enclosed by the broken line boxes.

Figure 2: Wilson's Integrated Buyer-Seller Relationship Model (1995) including Success Variables.



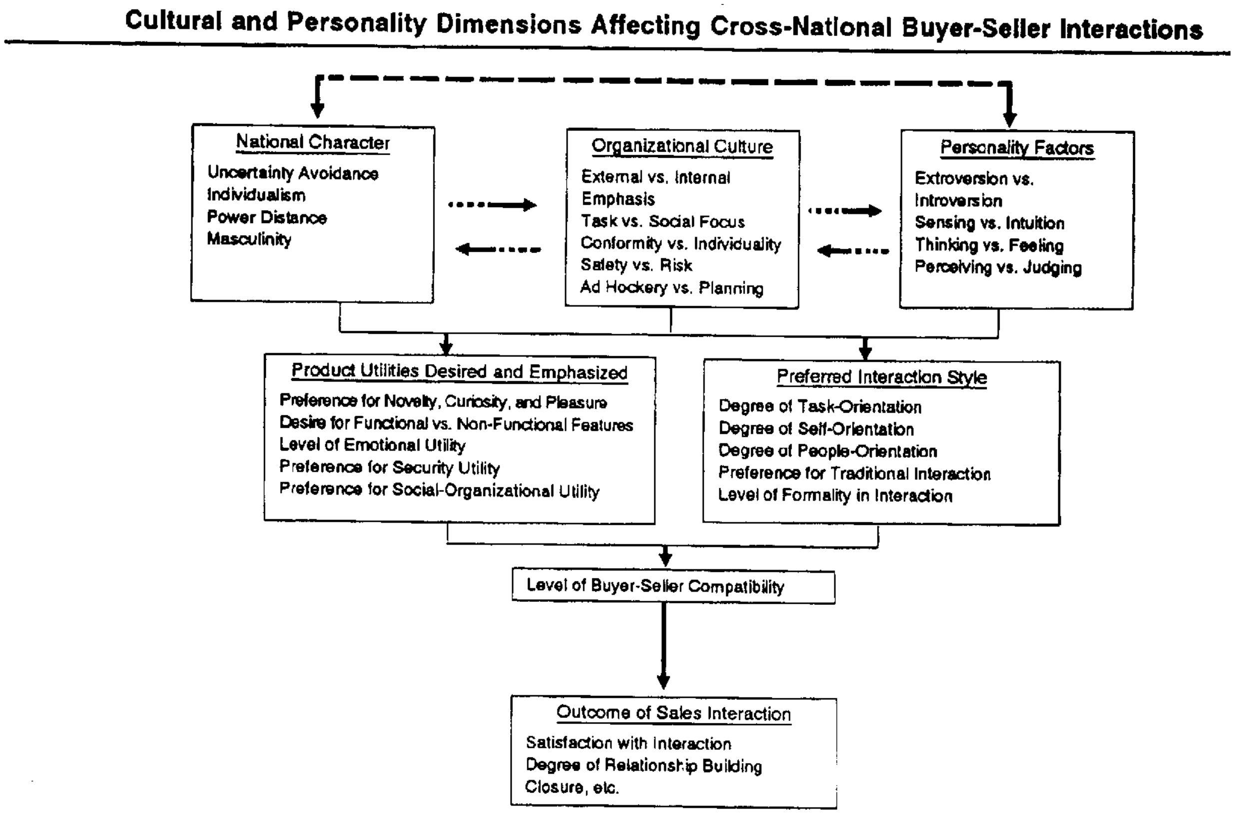
Source: D. T. Wilson, An Integrated Model of Buyer–Seller Relationships. *Journal of the Academy of Marketing Science* 23, no. 4 (Fall): 345. Copyright © 1995 by Sage Publications, Inc. Reprinted by permission of Sage Publications, Inc.

Figure 3: The Relationship of National Culture on Structural and Social Bonding in Buyer-Seller Relationships.



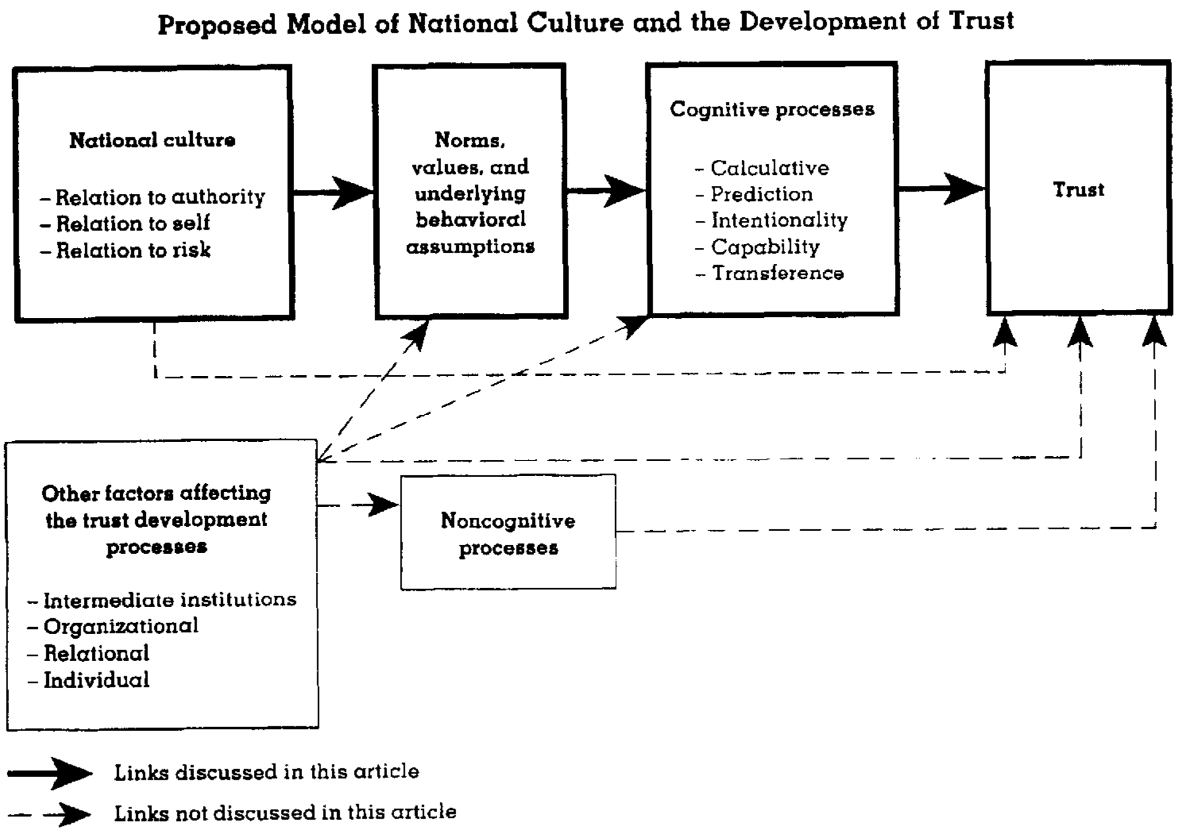
Source: Williams, Jerome D., Han, Sang-lin & Qualls, William J. (1998). A conceptual model and study of cross-cultural business relationships. Journal of Business Research, 42, 135-143.

Figure 4: Cultural and Personality Dimensions (including National Culture) Affecting International Buyer-Seller Relationships.



Source: Kale, Sudhir H. & Barnes, John W. (1992). Understanding the domain of cross-national buyer-seller interactions. Journal of International Business Studies, 23 (1), 101-132.

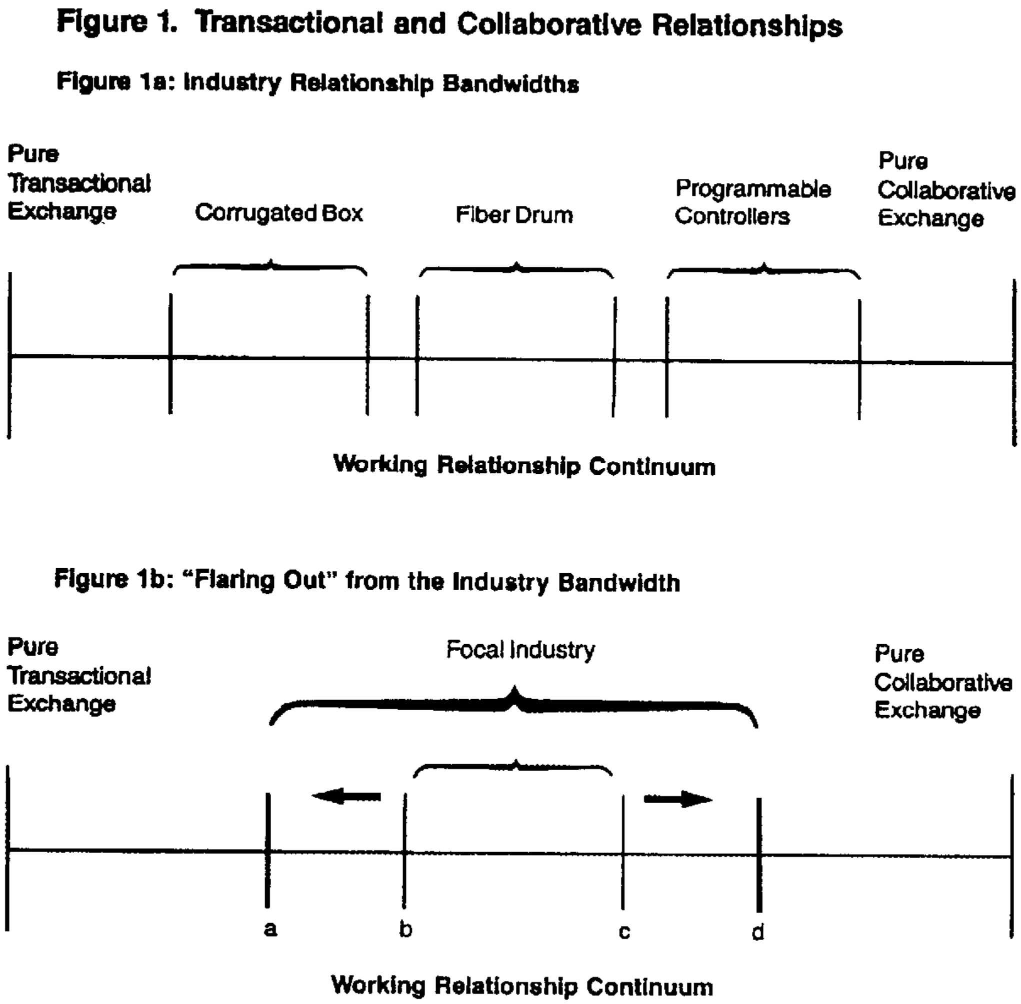
Figure 5: Doney, Cannon & Mullen's Model (1998) of National Culture and the Development of Trust in International Buyer-Seller Relationships.



Note: the links referred to above are related to the source article identified below.

Source: Doney, Patricia M., Cannon, Joseph P. & Mullen, Michael R. (1998). Understanding the influence of national culture on the development of trust. Academy of Management Review, 23 (3), 601-620.

Figure 6: Anderson and Narus (1991) Transactional and Collaborative Relationships Models.



Source: Anderson, James C. & Narus, James A. (1991). Partnering as a focused market strategy. California Management Review, (Spring), 95-113.

Figure 7: Theoretical Model of the Interpersonal Interaction Constructs in International Buyer-Seller Relationships.

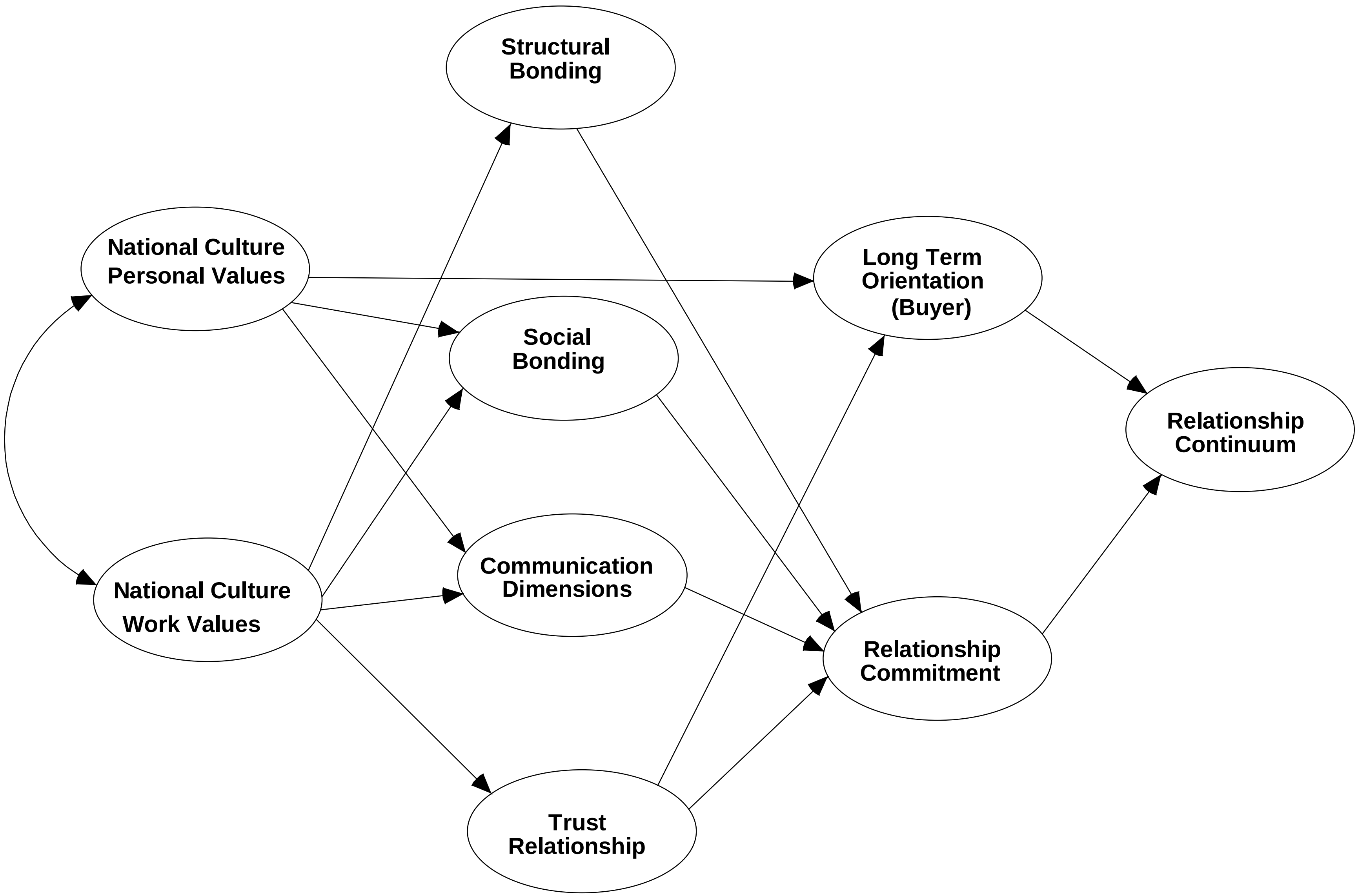
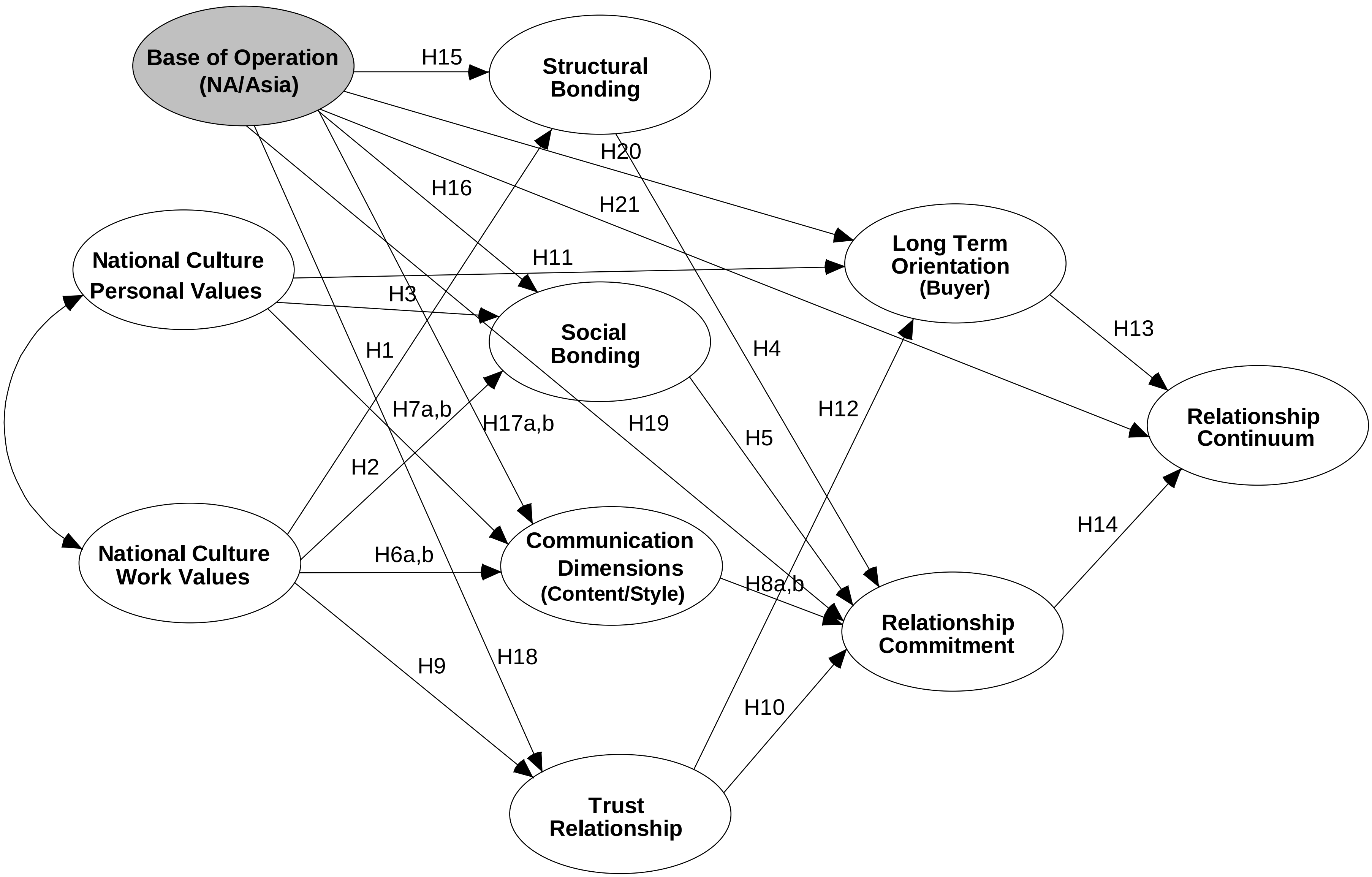
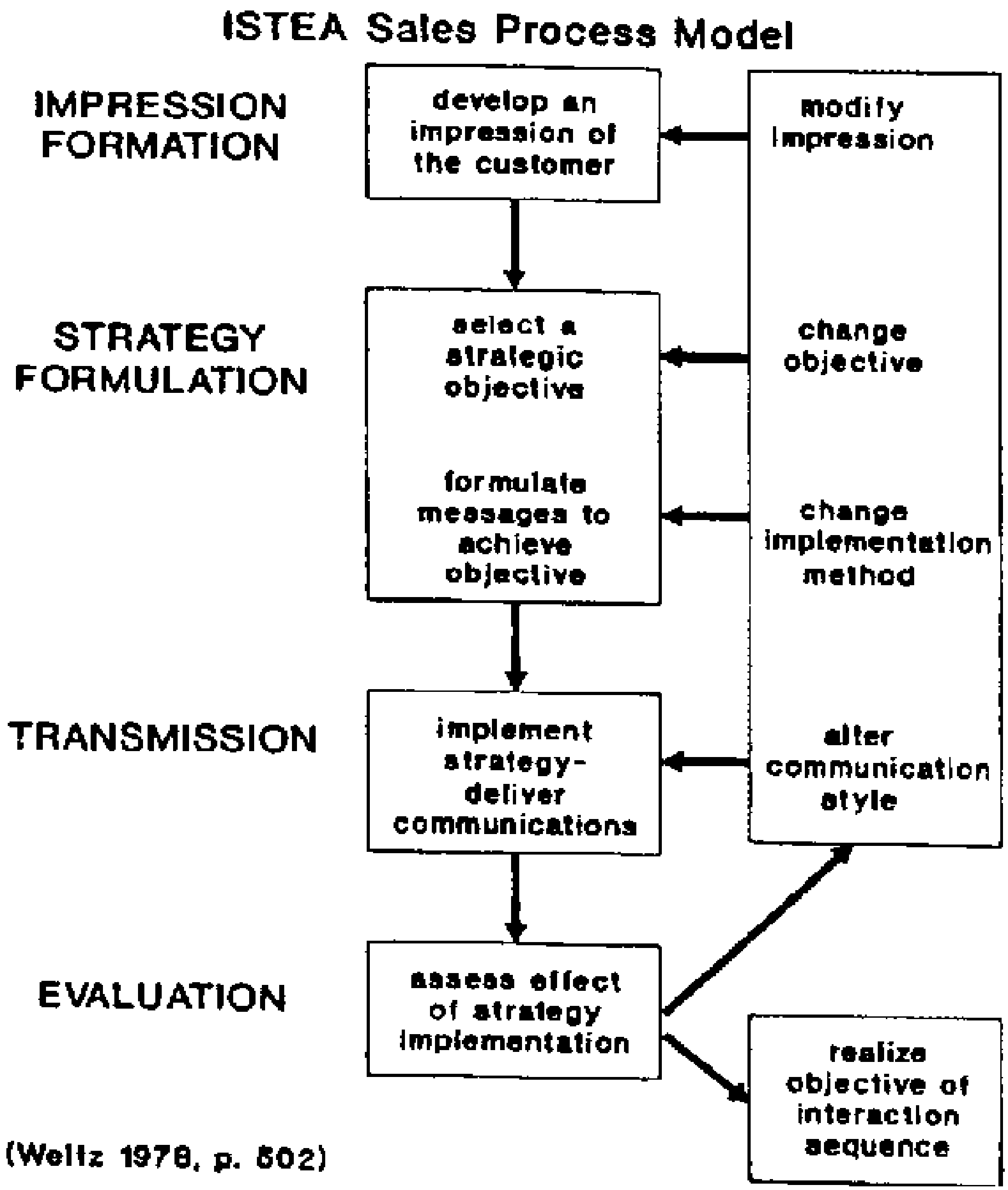


Figure 8: Theoretical Model of the Interpersonal Interaction Constructs in International Buyer-Seller Relationships with the Hypotheses to be Empirically Tested by this Study.



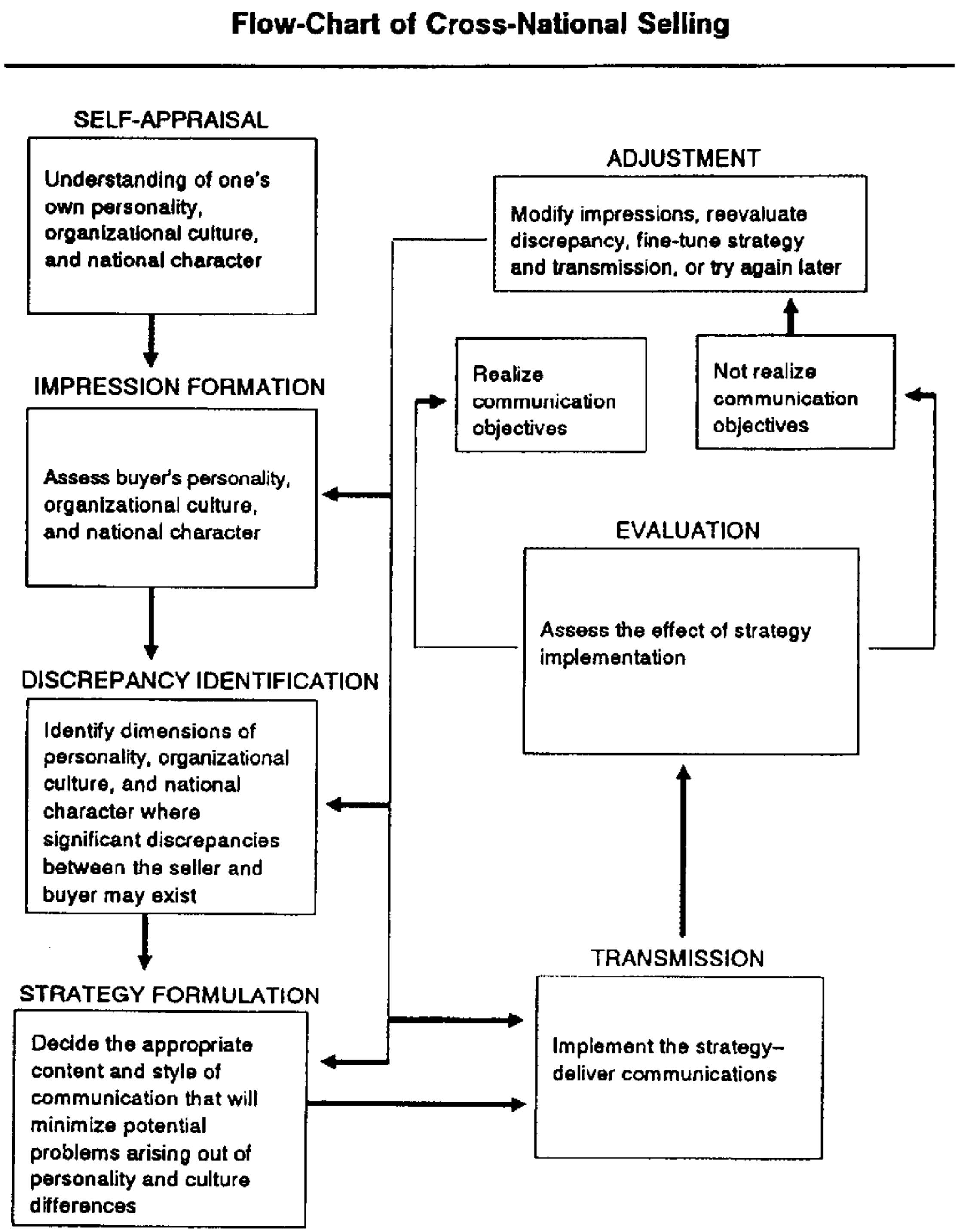
Note: The shaded construct of "Base of Operation" represents the categorical variable of North American as opposed to Asia base of operation. The resulting hypotheses from that construct will be tested by the multi-group SEM method. All of the other hypotheses are to be tested using the "pooled sample".

Figure 9: ISTEA Sales Process Model of Weitz (1978) Depicting the Adaptation/Adjustment Affect to Adaptive Selling.



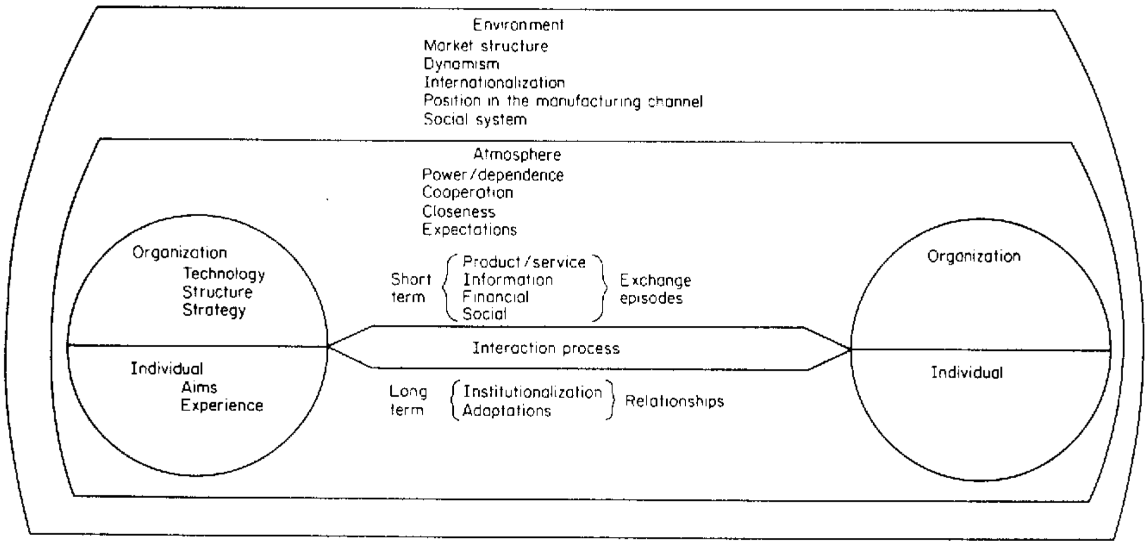
Source: Weitz, Barton. (1978). Relationship between salesperson performance and understanding of customer decision making. Journal of Marketing Research, 15 (4), 501-516.

Figure 10: Kale & Barnes (1992) International Selling Process Flow-Chart.



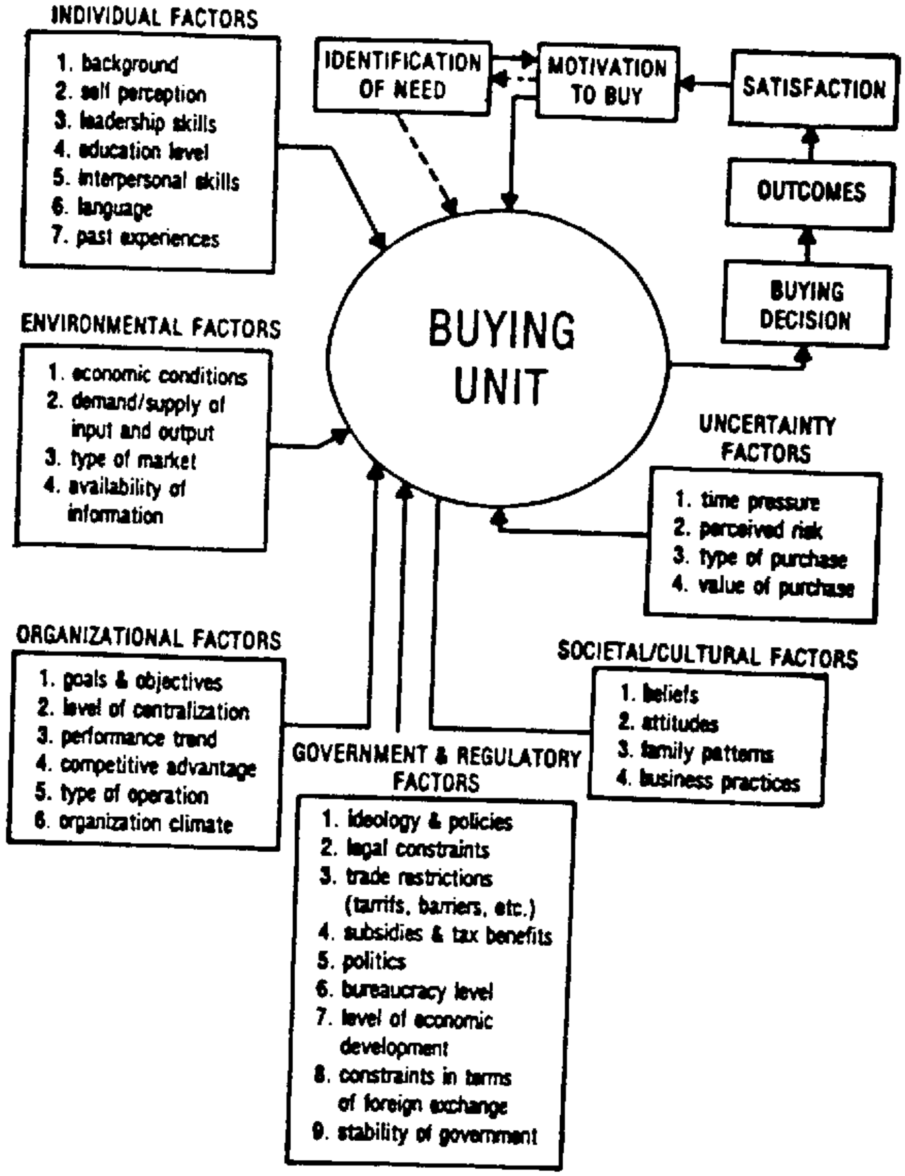
Source: Kale, Sudhir H. & Barnes, John W. (1992). Understanding the domain of cross-national buyer-seller interactions. Journal of International Business Studies, 23 (1), 101-132.

Figure 11: The Industrial Marketing and Purchasing Group's "Interaction Model" (1982) of International Buyer-Seller Relationships.



Source: Hakannson, Hakan. (1982). International Marketing and Purchasing of Industrial Goods. New York: John Wiley & Sons, Ltd.

Figure 12: Integrative Model of International Industrial Buying Behavior of Samli, Grewal & Mathur (1988).



Source: Samli, Coskun A., Grewal, Dhruv & Mathur, Sanjeev. (1988). International industrial buyer behavior: an exploration and a proposed model. Academy of Marketing Science, 16 (2), 19-29.

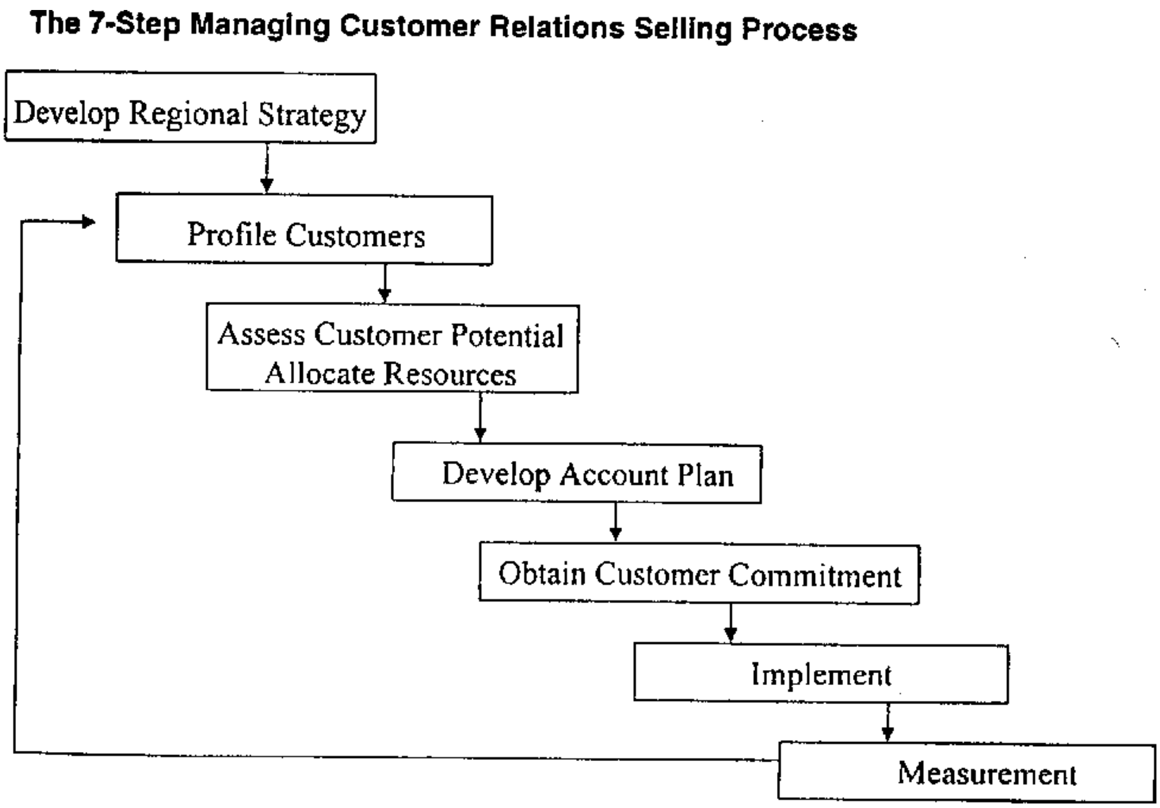
Figure 13: Customer Relationship Strategy Continuum of Chrzanowski & Leigh (1998).

COLLABORATIVE ←→ **TRANSACTIONAL**

Strategic Partners	**Emerging Partners**	**Potential Partners**	**Contract Customers**	**Base Customers**

Source: Chrzanowski, Kieth A. & Leigh, Thomas W. (1998). Customer relationship strategy and customer-focused teams. In G. J. Bauer, M. S. Baunchalk, T. N. Ingram & R. W. LaForge (Eds.), Emerging Trends in Sales Thought and Practice (pp. 51-79). Westport, CN: Quorom Books.

Figure 14: The Seven-Step Managing Customer Relations Selling Process of Chrzanowski & Leigh (1998).



Source: Chrzanowski, Kieth A. & Leigh, Thomas W. (1998). Customer relationship strategy and customer-focused teams. In G. J. Bauer, M. S. Baunchalk, T. N. Ingram & R. W. LaForge (Eds.), Emerging Trends in Sales Thought and Practice (pp. 51-79). Westport, CN: Quorom Books.

Figure 15: The Data Analysis Steps followed in this study to empirically test the research hypotheses.

STEP 1
Validate the Culture-Level Measurement
of the National Culture Scales
MDA

↓

STEP 2
Determine the Reliability of the Scale Items for Each Construct

CFA

↓

STEP 3
Determine the Reliability of Each Composite Scale
Cronbach's Alpha

↓

STEP 4*
Establish Baseline SEM Model
Test the Baseline Models with the Pooled Sample
(Paths and Direction of Relationships Between Constructs)

↓

STEP 5*
Test the Multi-Group Models - N. A. and Asian Based
(Paths and Direction of Relationships Between Constructs)

↓

STEP 6**
Test the Multi-Group Models – N. A. and Asian Based
Determine Significant Differences in the Paths
and Importance of Constructs

↓

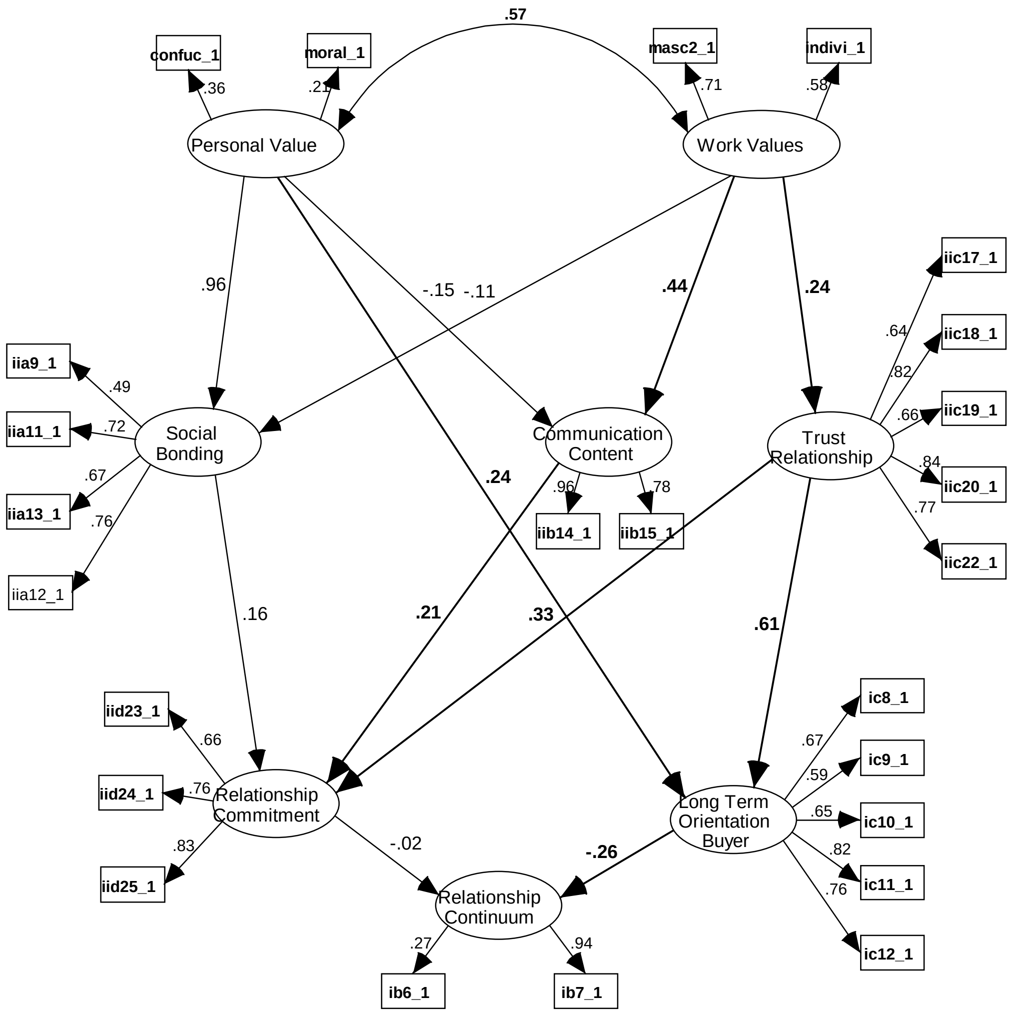
STEP 7**
Determine Differences in Driving Factors For Each Group

(Indicator Variables)

* Steps 4-6 involve analysis of the structural model using SEM and path analysis

** Step 6-7 involve path analysis and t-Tests of the difference in means

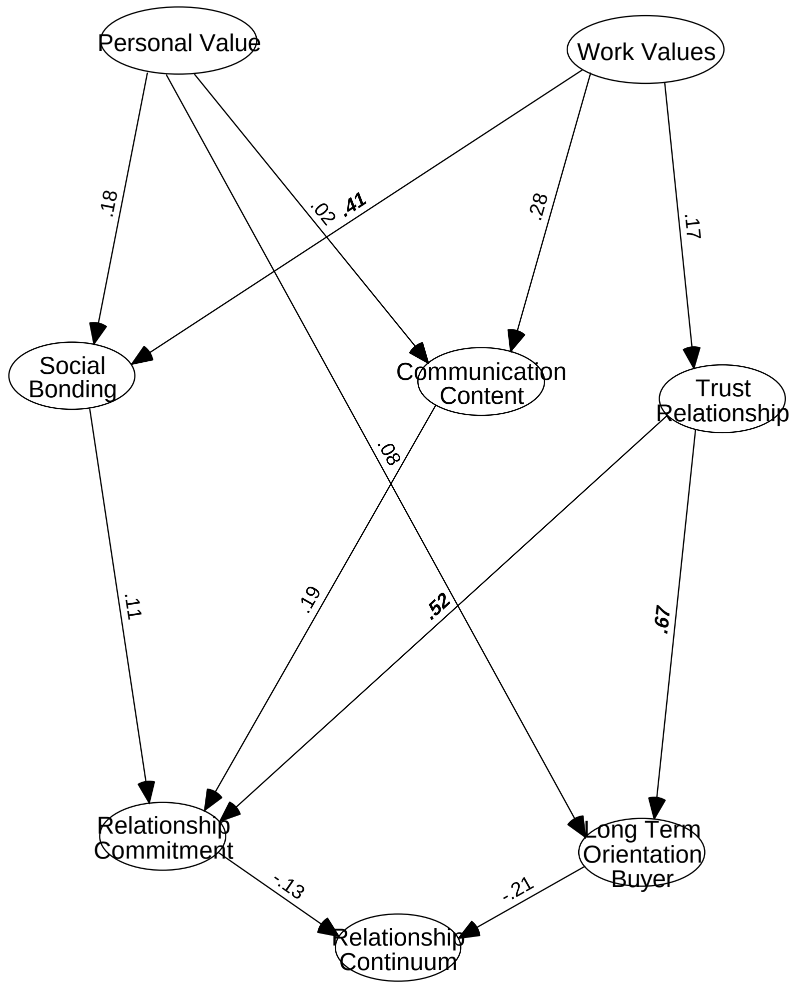
Figure 16: Final baseline model structural equation results using AMOS 3.6



Chi square = 364.780, df = 260, p = .000
GFI = .840, CFI = .919, RMSEA = .053

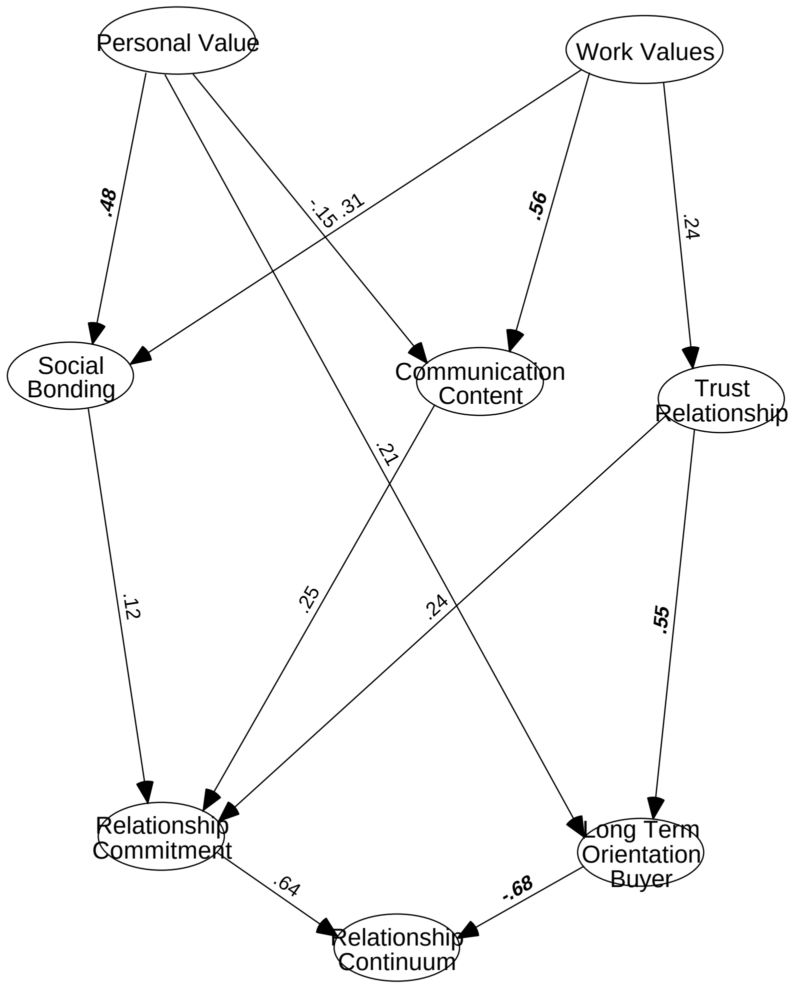
* bold face parameters indicate significant relationships (p > .05) between constructs

Figure 17: North American Based Salespeople Path model results of the Final Baseline Model



Note: The bold, italized parameters indicate significant relationships (p < .05)

Figure 18: Asian Based Salespeople Path model results of the Final Baseline Model



Note: The bold, italized parameters indicate significant relationships (p < .05)

Table 1: The Revised GKM Model of Selling Services

Part A - Sales Interactive Processes

1. Orchestrate service purchase encounter(s)

    Identify interactive contexts
    Identify participants
    Identify desirable outcomes
    Design processes
    Specify evaluative processes

2. Encourage customer involvement before, during and after purchase

3. Tangibilize the service

4. Facilitate quality assessment

    Identify prospect's expectations of quality on significant dimensions
    Communicate proofs

Part B – Sales Facilitative Processes

1. Orchestrate employee-customer encounters

    Identify contexts
    Identify participants
    Specify desirable outcomes
    Design processes
    Specify evaluative processes

2. Coordinate marketing, sales, human resources and operations

3. Develop internal marketing strategy

    Identify internal target markets
    Specify desirable outcomes
    Train and motivate all customer contact staff
    Specify evaluative processes

4. Develop external market communication strategy

    Identify external target markets
    Specify desirable outcomes (e.g., positive reputation on significant service dimensions, and positive word-of-mouth)
    Identify positioning strategy
    Design communication strategy

Source: Buttle, Francis. (1993). Selling services: a contingency model. Journal of Services Marketing, 7 (3), 36-48.

Table 2: Dwyer, Schurr & Oh's (1987) Comparison of Discrete Transactions and Relational Exchange Adapted from Macneil (1980).

Contractual Elements	Discrete Transactions	Relational Exchange
Situational characteristics		
Timing of exchange (commencement, duration, and termination of exchange)	Distinct beginning, short duration and sharp ending by performance	Commencement traces to previous agreements; exchange is longer in duration, reflecting an ongoing process
Number of parties (entities taking part in some aspect of the exchange process)	Two parties	Often more than two parties involved in the process and governance of exchange
Obligations (three aspects: sources of content, sources of obligation. and specificity)	Content comes from offers and simple claims, obligations come from beliefs and customs (external enforcement), standardized obligations	Content and sources of obligations are promises made in the relation plus customs and laws; obligations are customized, detailed, and administered within the relation
Expectations for relations (especially concerned with conflicts of interest, the prospects of unity, and potential trouble)	Conflicts of interest (goals) and little unity are expected. but no future trouble is anticipated because cash payment upon instantaneous performance precludes future interdependence	Anticipated conflicts of interest and future trouble are counterbalanced by trust and efforts at unity
Process characteristics		
Primary personal relations (social interaction and communication)	Minimal personal relationships: ritual-like communications predominate	Important personal, noneconomic satisfactions derived; both formal and informal communications are used
Contractual solidarity (regulation of exchange behavior to ensure performance)	Governed by social norms, rules, etiquette, and prospects for self-gain	Increased emphasis on legal and self-regulation; psychological satisfactions cause internal adjustments
Transferability (the ability to transfer rights, obligations, and satisfactions to other parties)	Complete transferability; it matters not who fulfills contractual obligation	Limited transferability: exchange is heavily dependent on the identity of the parties
Cooperation (especially joint efforts at performance and planning)	No joint efforts	Joint efforts related to both performance and planning over time; adjustment over time is endemic
Planning (the process and mechanisms for coping with change and conflicts)	Primary focus on the substance of exchange; no future is anticipated	Significant focus on the process of exchange; detailed planning for the future exchange within new environments and to satisfy changing goals: tacit and explicit assumptions abound
Measurement and specificity (calculation and reckoning of exchange)	Little attention to measurement and specifications; performance is obvious	Significant attention to measuring, specifying, and quantifying all aspects of performance, including psychic and future benefits
Power (the ability to impose one's will on others)	Power may be exercised when promises are made until promises are executed	Increased interdependence increases the importance of judicious application of power in the exchange
Division of benefits and burdens (the extent of sharing of benefits and burdens)	Sharp division of benefits and burdens into parcels; exclusive allocation to parties	Likely to include some sharing of benefits and burdens and adjustments to both shared and parceled benefits and burdens

Table 3: The Scale Items Adapted from Previously Tested Scales Measuring the Constructs of the Buyer-Seller Relationship Incorporated in this Study.

The items presented in this table represent the scale items designed to measure the buyer-seller relationship constructs incorporated in this study. All of the items were measured using a 5-point Likert-type scale. The anchors used included: a) strongly disagree to strongly agree, b) not very important to very important, and c) never to very often, when frequency is sought. Note that the items marked with an asterisk (*) are those included in the pre-test.

I. Social Bonding

A. The following are Social Bonding scale items drawn from Doney and Cannon (1997). The original question posed by Doney and Cannon's scale was, "How often do you and other people from your firm interact with this salesperson in these ways?". The question posed in this study were, "How important are each of these in the buyer-seller relationship depicted?".

Original Scale Item	Scale Item to be Used in this Study
Meet away from the work place	Meeting away from the workplace.
Talk about family, sports or other personal interests	Talk about family, sports or other personal interests.
Meet over breakfast, lunch or dinner	Meeting over breakfast, lunch or dinner.

B. The Social Bonding items drawn from Smith (1998) are as follows:

Original Scale Item	Scale Item to be Used in this Study
Feelings of belonging and acceptance.	Feelings of belonging and acceptance.
Friendship.	Friendship.
Empathy/concern for the other's well being.	Empathy/concern for the other's well being.

II. Structural Bonding

All of the Structural Bonding items are drawn from Smith (1998).

Original Scale Item	Scale Item to be Used in this Study
Guided by formal contracts and agreements	Formal contracts or agreements. *
Electronic ties or linkages between your organizations such as electronic mail, access to computer databases, or support systems.	Electronic ties or linkages between your organizations such as electronic mail or access to computerized reservations system. *
Informal rules, policies, or procedures for interaction.	Special negotiated rate agreement based on room night volume produced. *
Sharing of industry competitive information.	Sharing of industry competitive information. *

Original Scale Item	Scale Item to be Used in this Study
Exchange cards, gifts, and the like on birthdays, holidays, or special events.	Exchange cards, gifts, and the like on birthdays, holidays, or special events. *
Routines or norms in terms of when you meet this customer.	Routines or norms in terms of when you meet this customer. *

III. Communication – Content Dimension

The Communication – Content Dimension items were chosen from Humphreys and Williams (1996). They are to be posed as responses to the question, "<u>In face-to-face and phone communication with the buyer depicted in this scenario, how important it is ...?</u>"

Original Scale Item	Scale Item to be Used in this Study
Operating trouble free	Assuring the customer's meeting, business traveler's reservation, etc. are handled trouble free. *
Meeting customer standards	Discussing the details of the proposal/contract.*
Performing as expected	Assuring the customer's meeting details, special requests, etc. will be handled as expected. *
Product uniformity	Assuring the customer's meeting, business traveler's reservation, etc. are treated uniformly. *

IV. Communication – Style Dimension

The Communication – Style Dimension items drawn from Williams & Spiro (1985) are:

Original Scale Item	Scale Item to be Used in this Study
This customer was interested in socializing.	Interest in socializing. *
This customer tried to establish a personal relationship.	Establishing a personal relationship. *
This customer tried to impress me with himself.	Customer tries to impress me with him/herself.*
This customer was easy to talk with	Customer is easy to talk with. *
This customer seems more interested in himself than in the product or what I have to say.	Customer seems more interested in him/herself than in the hotel features or what I have to say.*
This customer seemed more interested in me not only as a salesperson, but also as a person.	Customer is interested in me not only as a salesperson, but also as a person. *
This customer likes to talk to people.	Customer likes to talk to people. *

Original Scale Item	Scale Item to be Used in this Study
This customer wanted to finish the shopping task.	Customer desires to finish the contract negotiation discussions quickly.*
This customer wanted to complete his shopping as effectively as possible.	Customer is concerned with obtaining guestroom and meeting space commitments from the hotel as effectively as possible.*

V. Trust

A. The Trust items drawn from Morgan & Hunt (1994) are:

Original Scale Item	Scale Item to be Used in this Study
In our relationship, my major supplier can be counted on to do the right thing.	This customer can be counted on to do the right thing.
In our relationship, my major supplier has high integrity.	This customer has high integrity.

B. The items in the Trust scale chosen from Doney & Cannon (1997) are:

Original Scale Item	Scale Item to be Used in this Study
This salesperson has been frank in dealing with us.	This customer has been frank in dealing with us.
This salesperson does not make false claims.	This customer does not make false claims.
This salesperson does not seem concern with our needs.	This customer does not seem concern with our needs.
This salesperson is not trustworthy.	This customer is trustworthy.

VI. Relationship Commitment

A. The Relationship Commitment items drawn from Morgan & Hunt (1994) were originally prefaced by the question, "<u>The relationship that my firm has with my major supplier is ...</u>". In this study the question posed were, "<u>The relationship my hotel has with this customer is ....</u>".

Original Scale Item	Scale Item to be Used in this Study
Something we are very committed to.	Something we are very committed to.
Something my firm intends to maintain indefinitely.	Something my hotel intends to maintain indefinitely.
Deserves our firm's maximum effort to	Deserving our hotel's maximum effort to

Original Scale Item	Scale Item to be Used in this Study
maintain.	maintain.

B. The second set of items to be utilized for measuring Relationship Commitment is drawn from Doney & Cannon (1997).

Original Scale Item	Scale Item to be Used in this Study
How likely is it that your firm will make a purchase from this supplier during the next 3 years.	How likely is it that this customer will book guestrooms/meeting space with us in the next 3 months.
How likely is it that your firm will make a purchase from this supplier during the next year.	How likely is it that this customer will book guestrooms/meeting space with us in the next year.

VII. Long-term Orientation

All of the items to be used to measure the Long-term Orientation of the buyer are drawn from Ganesan (1994). The items were prefaced by the question of whether the salesperson would agree/disagree (i.e., using a 5-point Likert-type scale) with these statements regarding the buyer depicted in this scenario.

Original Scale Item	Scale Item to be Used in this Study
Maintaining a long-term relationship with this resource is important to us.	He/she believes maintaining a long-term relationship with the hotel is important.
We are willing to make sacrifices to help this resource from time to time.	He/she is willing to make sacrifices to help the hotel from time to time.
We believe that over the long run our relationship with this resource will be profitable.	He/she believes that over the long run our relationship with the hotel will be profitable.
We expect this resource to be working with us for a long time.	He/she expects to be working with this hotel for a long time.
We focus on long-term goals in this relationship	He/she focuses on long-term goals in his or her relationship with the hotel.

Table 4: Hofstede's (1980) Value Survey Module of National Culture Work-Related Values.

Please think of an ideal job – disregarding your present job. In choosing an ideal job, how important would it be to you to:

1. **Have sufficient time left for your personal or family life? (IND, .86)**
2. **Have challenging tasks to do, from which you can get a personal sense of accomplishment? (IND, .46)**
3. **Have little tension and stress on the job? (UAI, .62)**
4. **Have good physical working conditions (good ventilation and lighting, adequate work space, etc.)? (IND, -.69)**
5. **Have a good working relationship with your direct superior? (MAS, .69)**
6. Have security of employment?
7. **Have considerable freedom to adopt your own approach to the job? (IND, .49)**
8. **Work with people who cooperate well with one another? (MAS, .69)**
9. **Be consulted by your direct superior in his/her decisions? (PD, -.76)**
10. Make a real contribution to the success of your company or organization?
11. **Have an opportunity for high earnings? (MAS, -.70)**
12. Serve your country?
13. **Live in an area desirable to you and your family? (MAS, .59)**
14. Have an opportunity for advancement to higher level jobs?
15. **Have an element of variety and adventure in the job? (PD, .82)**
16. Work in a prestigious, successful company or organization?
17. Have an opportunity for helping other people?
18. Work in a well-defined job situation where the requirements are clear?

The descriptions below apply to four different types of managers. First, please read through these descriptions:

Manager 1: Usually makes his/her decisions promptly and communicates them to his/her subordinates clearly and firmly. Expects them to carry out the decisions loyally and without raising difficulties.

Manager 2: Usually makes his/her decisions promptly, but, before going ahead, tries to explain them fully to his/her subordinates. Gives them the reasons for the decisions and answers whatever questions they may have.

Manager 3: Usually consults with his/her subordinates before he/she reaches his/her decisions. Listens to their advice, considers it, and then announces his/her decision. He/she then expects all to work loyally to implement it whether or not it is in accordance with the advice they gave.

Manager 4: Usually calls a meeting of his/her subordinates when there is an important decision to be made. Puts the problem before the group and invites discussion. Accepts the majority viewpoint as the decision.

19. Now, for the above type of manager, please mark the one which you would prefer to work under (circle one answer number only):

    1. Manager 1
    2. Manager 2
    3. Manager 3
    4. Manager 4

20. And, to which one of the above four types of managers would you say your own superior most closely corresponds?

    1. Manager 1
    2. Manager 2
    3. Manager 3
    4. Manager 4
    5. He/she does not correspond closely to any of them.

21. How often do you feel nervous or tense at work?

    1. I always feel this way
    2. Usually
    3. Sometimes
    4. Seldom
    5. I never fell this way.

Please indicate your degree of agreement or disagreement with the following statements:

22. A company or organization's rules should not be broken - even when the employee thinks it is in the organization's best interests. (UAI, .76)
23. Most people can be trusted.
24. Quite a few employees have an inherent dislike of work and will avoid it if they can.
25. A large corporation is generally a more desirable place to work than a small company.
26. How frequently, in your work environment, are subordinates afraid to express disagreement with their superior? (PD, .75)

    1. Very frequently
    2. Frequently
    3. Sometimes
    4. Seldom
    5. Very seldom

Note: The items shown in bold are those used in this study. Items 1, 2, 4 & 7 represent Individualism (IND); items 2 & 22 represent Uncertainty Avoidance (UAI); items 9, 15 & 26 represent Power Distance (PD); and items 5, 8, 11 & 13 represent Masculinity (MAS). The factor loading for each item on the respective dimension is also shown after each item.

Source: Hofstede, Geert. (1980). Cultures Consequences: International Differences in Work-Related Values. Newbury Park, CA: Sage Publications.

Table 5: Chinese Value Scale (CVS) Items as Translated into English.

1. Filial piety (Obedience to parents, respect for parents, honoring of ancestors, financial support of parents)
2. Industry (Working hard)
3. Tolerance of others
4. Harmony with others
5. Humbleness
6. Loyalty to superiors
7. Observation of rites and social rituals
8. Reciprocation of greetings, favors, and gifts *
9. Kindness (Forgiveness, compassion)
10. Knowledge (education)
11. Solidarity with others
12. Moderation, following the middle way
13. Self-cultivation
14. Ordering relationships by status and observing this order *
15. Sense of righteousness
16. Benevolent authority
17. Non-competitiveness
18. Personal steadiness and stability *
19. Resistance to corruption
20. Patriotism *
21. Sincerity
22. Keeping oneself disinterested and pure
23. Thrift *
24. Persistence (Perseverance) *
25. Patience
26. Repayment of both the good or the evil that another person has caused you
27. A sense of cultural superiority
28. Adaptability
29. Prudence (Carefulness)
30. Trustworthiness
31. Having a sense of shame *
32. Courtesy
33. Contentedness with one' position in life
34. Being conservative
35. Protecting your "face" *
36. A close, intimate friend
37. Chastity in women
38. Having few desires
39. Respect for tradition *
40. Wealth

* = "Confucian Work Dynamism" factor

Source: Chinese Culture Connection (1987). Chinese values and the search for culture-free dimensions of culture. Journal of Personality and Social Psychology, 49, 250-263.

Table 6: The Scale Items Developed to Represent the Relationship Continuum Construct Created for this Study.

The items measuring the relationship continuum construct will utilize a 5-point Likert-type scale. The anchors will be either not very important to very important or never to very often, if frequency is sought. In each case the items will be posed as questions related to the salesperson's perspective of the primary contact (i.e., buyer) with an account depict in each of the two scenarios that represent the two classification of customers/buyers (i.e. top accounts and general inquiry accounts).

The original scale items and the scales used in this study are presented below.

I. Discrete versus relational transaction scale items drawn from Dwyer, Schurr & Oh (1987) comparisons detailed in Table 2. (4 items)

Original Scale Item	Scale Item to be Used in this Study
No previous scale items. The comparisons of discrete and relational transactions can be found in Table 2.	He/she wants to deal with only one individual at the hotel for all their needs.
	In negotiating an agreement for guestrooms/meeting space, price is the first consideration.
	In negotiating an agreement for guestrooms/meeting space, availability of the customer's preferred dates is the first consideration
	He/she is able to give me a confirmation without seeking approval from others in his or her organization.

II. Cross-cultural scale items measuring the Chinese concept of *guanxi*.

A. Abrahamson & Ai (1998) items chosen. (3 items)

Original Scale Item	Scale Item to be Used in this Study
Having an extensive network in China.	He/she believes in having an extensive relationship network of hotel salespeople.
Demonstrating in discussions the understanding of each other's goals.	He/she prefers to do business with someone who fully understands his or her goals and objectives.
We built relationships by giving gifts and exchanging favors.	He/she expects to receive gifts and exchange of favors.

B. Leung, Wong & Tam (1995) items chosen. (4 items)

Original Scale Item	Scale Item to be Used in this Study
We keep in touch with the Chinese counterpart closely.	He/she expects to receive a personal call from me at least once a month.
Maintaining good relationships is the best way to enhance business	He/she believes maintaining good relationships is the best way to enhance business
We can easily reach consensus on the major issues.	This customer and I easily reach consensus on major issues in our business dealing
Exchange market information (e.g., competitors) frequently.	He/she is willing to share competitors rate quotes with me.

III. Purchasing strategy of the buyer developed from the definitions of Campbell (1985). (2 items)

Original Scale Item	Scale Item to be Used in this Study
No previous scale items. The first item represents the competitive strategy definition and the second represents the command strategy.	He/she seeks bids from other hotels for their guestroom/meeting space needs.
	He/she is very demanding

IV. Relationship selling receptiveness of the buyer items based on the scales of Crosby, Evans & Cowles (1990) (2 items)

Original Scale Item	Scale Item to be Used in this Study
Was contacted by my agent who wanted to stay "in touch" and make sure I was still satisfied	He/she promptly returns my phone calls
Was contacted by my agent who wanted to keep abreast of changes in my family and insurance needs.	He/she expects me to keep him/her abreast of all new developments at our hotel(s)

Table 7: Demographic Profile of the Pre-Test Sample. Total sample size n= 33.

Category	**%**	n
Gender		
Male	24.2	8
Female	75.8	25
Position		
Executive	3.0	1
Director	18.2	6
Manager	78.8	26
Base of Operations		
North America	93.9	31
Asia	6.1	2
Nationality at Birth		
North American	83.3	25
Asian	13.3	4
Other	3.3	1
Form of Survey Received		
Web Survey	30.3	10
E-mail Attachment	9.1	3
Fax	21.2	7
Mail	39.4	13
Years in the Hotel Business		
Less than 1 year	12.1	4
1-2 years	6.1	2
2-3 years	24.2	8
3-4 years	3.0	1
4-5 years	6.1	2
More than 5 years	48.5	16
Age Groups		
Under 30	18.1	6
30-34	33.3	11
35-39	15.1	5
40-44	18.1	6
45 and over	15.1	5
Market Segments		
Corporate Meetings	43.8	14
Association Meetings	12.5	4
Business Travel Accounts	3.1	1
Incentive Travel Companies	6.3	2
Tour Operators/Wholesalers	9.4	3
Travel Agents	3.1	1
Other	18.8	6
Multiple Markets	3.1	1

Differences in percentages may be do to rounding

Table 8: Factor analysis results from the pre-test of the 6-items representing the Structural Bonding construct. Note that only those items that loaded on the first two factors with eigenvalues greater than 1 are shown.

Scale Items/Factors	**Factor 1**	**Factor 2**
Formal contracts or agreements.	.869	
Sharing of industry competitive information.	.726	
Electronic ties or linkages between your organizations such as electronic mail or access to computerized reservations systems.	.610	
Exchange of cards, gifts, and the like on birthdays, holidays, or special events.		.799
Special negotiated rate agreement based on room night volume		.766
Meeting over breakfast and lunch		.580
Reliability coefficient (Cronbach's alpha)	.612	[a]
Eigenvalue	2.402	1.087
Variance explained	40.03%	18.13%
Total explained variance (2 factors)	58.16%	

[a] Reliabilities not calculated due to desired one factor solution
Note: only factor loadings >.5 are shown

Table 9: Factor analysis results from pre-test of the 4-items representing the Communication Content construct. Note that only those items that loaded on the only factor with an eigenvalue greater than 1 are shown.

Scale Items/Factors	**Factor 1**
Assuring the customer's meeting details, special requests, etc. will be handled as expected.	.980
Assuring the customer's meeting, business traveler's reservation, etc. are handled trouble free.	.959
Assuring the customer's meeting, business traveler's reservation, etc. are treated uniformly.	.926
Reliability coefficient (Cronbach's alpha)	.950
Eigenvalue	2.74
Variance explained	68.72%

Note: only factor loadings >.5 are shown

Table 10: Factor analysis results from pre-test of the 9-items representing the Communication Style construct. Note that only those items that loaded on the first three factors with eigenvalues greater than 1 are shown.

Scale Items/Factors	Factor 1	Factor 2	Factor 3
Customer is interested in me not only as a salesperson, but also as a person.	.854		
Customer likes to talk to people.	.813		
Establishing a personal relationship	.714		
Customer is concerned with obtaining guestroom and meeting space commitments from the hotel as effectively as possible.	.670		
Customer tries to impress me with him/herself.		.794	
Customer desires to finish the contract negotiation discussions quickly		.669	
Customer seems more interested in him/herself than in the hotel features or what I have to say.		.647	
Customer is easy to talk with.			.819
Reliability coefficient (Cronbach's alpha)	.771	[a]	[a]
Eigenvalue	2.996	1.444	1.081
Variance explained	33.29%	16.05%	12.02%
Total variance explained (3 factors)	61.36%		

[a] Reliabilities not calculated due to desired one factor solution
Note: only factor loadings >.5 are shown

Table 11: Factor analysis results from pre-test of the 15-items representing the Relationship Continuum construct. Note that only those items that loaded on the first five factors with eigenvalues greater than 1 are shown

Scale Items/Factors	Factor 1 Discrete	Factor 2 Relational	Factor 3	Factor 4	Factor 5
He/she expects to receive gifts and exchange favors	.764				
He/she can be very demanding	.704				
This customer and I easily reach consensus on major issues in our business dealings.	-.677				
He/she seeks bids from other hotels for his/her guestroom/meeting needs.	.627				
He/she believes maintaining good relationships is the best way to enhance business.		.811			
He/she expects to receive a personal call from me at least once a month.	.569	.676			
He/she prefers to do business with someone who fully understands his or her goals and objectives.		.523			
He/she is willing to share competitor rate quotes with me.			-.777		
In negotiating an agreement for guestrooms/meeting space, availability of the customer's preferred dates is the first consideration.			.729		
He/she promptly returns my phone calls				.865	
He/she expects me to keep them abreast of all new developments at our hotel(s).				.650	
He/she wants to deal with only one individual at the hotel for all of their needs.					.661
He/she is able to give me a confirmation without seeking approval from others in his or her organization.					-.536
Reliability coefficient (Cronbach's alpha)	.722	.437	[a]	[a]	[a]
Eigenvalue	2.960	1.963	1.723	1.489	1.344
Variance explained	19.73%	13.09%	11.54%	9.93%	8.96%
Total explained variance (5 factors)	63.33%				
Total explained variance (2 factors)	32.82%				

[a] Reliabilities not calculated due to two item factors and the desire for a two factor solution

Note: only factor loadings >.5 are shown

Table 12: The Buyclass Framework Scale Items used in the pre-test as a validity test with the Relationship Continuum items.

Original Scale Item	Scale Item to be Used in the Pre-test
1. The customer seldom purchases this type of product.	1. He/she seldom purchases this type of hotel service, meeting space, etc.
2. The customer considers the purchase decision to be routine.	2. He/she considers the purchase decision to be routine.
3. The customer has not dealt with this product class or requirement before.	3. He/she has not dealt with this type of group business or requirement before.
4. The customer has routinized the purchase decision so that it no longer requires a lot of attention.	4. He/she has routinized the purchase decision so that it no longer requires a lot of attention.
5. The customer's requirements have changed since the product was purchased last.	5. His/her requirements have changed since the last booking was made.
6. The customer has complete knowledge about what product characteristics are needed to solve the problem.	6. He/she has complete knowledge about what product characteristics are needed to solve the problem.
7. The customer needs a lot of information before making a purchase decision.	7. He/she needs a lot of information before making a purchase decision.

Items 1-5 relate to the familiarity of the purchase situation to the prospective buyer, items 6-7 relate to the amount of information the buyer needs to make a good decision.

Table 13: Factor analysis results from pre-test of the 7-items representing the Buyclass Framework construct. Note that only those items that loaded on the first two factors with eigenvalues greater than 1 are shown

SCALE ITEMS/FACTORS	Factor 1	Factor 2
He/she considers the purchase decision to be routine.	.899	
He/she has routinized the purchase decision so that it no longer requires a lot of attention.	.743	
He/she needs a lot of information before making a purchase decision.	-.713	
His/her requirements have changed since the last booking was made.	-.686	
He/she has complete knowledge about what product characteristics are needed to solve the problem.	.586	
He/she seldom purchases this type of hotel service, meeting space, etc.		.880
He/she has not dealt with this type of group business or requirement before		.700
Reliability coefficient for all 7 items (Cronbach's alpha) = .791		
Eigenvalue	2.725	1.470
Variance explained	44.37%	15.56%
Total explained variance (2 factors)	59.93%	

Note: only factor loadings >.5 are shown

Table 14: Results of the pre-test correlations between the Relationship Continuum Dimensions and the Buyclass Framework Scale to determine the validity of the Relationship Continuum dimensions.

Relationship Continuum Dimension	Correlation with Buyclass Framework Scale
Discrete Dimension	.348*, p = .05
Relationship Dimension	.408*, p = .02

* significant at p < .05

Table 15: Total estimated sample population and response rate for the final survey.

A. Hotel groups participating

Hotel Group	Number of Hotels	Estimated Sample Population
Destination Hotels & Resorts (Royal Palms Hotel)	1	5
Mandarin Oriental Hotel Group[a]	10	60[b]
Meritus Hotels & Resorts	N/A	5
Ritz-Carlton Hotels	4	24[b]
Shangri-la International Hotels & Resorts[a]	8	40[c]
Starwood Hotels & Resorts (North America)	40	200[c]
Starwood Hotels & Resorts (Asia)	59	295[c]
Total Estimated Sample Population from Hotel Groups		629

[a] Region sales offices also participated and were included in the estimated sample population
[b] Estimates were based on six (6) salespeople per hotel staff
[c] Estimates were based on five (5) salespeople per hotel staff

B. Cornell University PDP course participants. Note that the numbers reflect the number of students in the course less those students who were attending more than one of the three courses.

Course	Number of Students Each
Direct Marketing	20
Buyer Behavior in Key Market Segments	14
Relationship & Frequency Marketing	35
Total Estimated Sample Population from PDP Courses	69

C. Response Rate

Total of Estimated Sample Population from All Sources	698
Total Responses Received	173[d]
Overall Estimated Response Rate	24.8%

[d] Includes three (3) blank surveys returned that were assumed to be participant errors in saving the documents before they were returned via e-mail.

Table 16: Demographic profile of the full sample. Total sample size n = 146*.

Category	%
Gender	
Male	30.3
Female	69.7
Position	
Executive	4.3
Director	34.8
Manager	61.0
Base of Operations	
North America	52.1
Asia	43.8
Other	4.1
Nationality at Birth	
North American	47.9
Asian	39.0
European	11.0
Other	2.1
Form of Survey Received	
Web Survey	13.6
E-mail Attachment	36.7
Fax	32.0
Mail	6.8
By Hand	10.9
Years in the Hotel Business	
Less than 1 year	4.8
1-2 years	6.2
2-3 years	11.7
3-4 years	6.9
4-5 years	11.0
More than 5 years	59.3
Age Groups	
Under 30	23.1
30-34	30.1
35-39	21.7
40-44	13.3
45 and over	11.9
Market Segments	
Corporate Meetings	37.3
Association Meetings	7.7
Business Travel Accounts	15.5
Incentive Travel Companies	4.2
Tour Operators/Wholesalers	11.3
Travel Agents	4.2
Other	8.5
Multiple Markets	11.3

Differences in percentages may be do to rounding
* Note one response out of the 147 did not include demographic information.

Table 17: Demographic profile of the multi-group (North American Based and Asian Based Salespeople) breakout of the final sample.

Category	North American Based (n=76) %	Asian Based (n=64) %
Gender		
Male	24.0	35.9
Female	76.0	64.1
Position		
Executive	5.5	3.2
Director	30.1	40.3
Manager	64.4	56.5
Nationality at Birth		
North American	90.8	1.6
Asian	1.3	82.5
European	5.3	10.9
Other	2.6	0.0
Form of Survey Received		
Web Survey	19.7	4.7
E-mail Attachment	26.3	48.4
Fax	38.2	28.1
Mail	2.6	12.5
By Hand	13.2	6.3
Years in the Hotel Business		
Less than 1 year	6.7	3.1
1-2 years	2.7	10.9
2-3 years	10.7	10.9
3-4 years	6.7	7.8
4-5 years	9.3	12.5
More than 5 years	64.0	54.7
Age Groups		
Under 30	20.0	25.8
30-34	26.7	30.6
35-39	20.0	25.8
40-44	17.3	9.7
45 and over	16.0	8.1
Market Segments		
Corporate Meetings	42.5	33.3
Association Meetings	13.7	1.6
Business Travel Accounts	12.3	15.9
Incentive Travel Companies	2.7	6.3
Tour Operators/Wholesalers	6.5	15.9
Travel Agents	1.4	6.3
Other	8.2	9.5
Multiple Markets	12.3	11.1

Differences in percentages may be do to rounding

Table 18: Initial reliability analysis of the exogenous variables of National Culture (i.e., Personal Values and Work Values) using Cronbach's alpha.

Composite Variable	Correlated Item-Total Correlation	Squared Multiple Correlation	Alpha If Item Deleted
Work Values Individualism	.502	.478	.370
Uncertainty Avoidance	.173	.039	.684
Masculinity	.486	.444	.364
Power Distance	.317	.178	.458
Work Values Composite Reliability - α = .530			
Personal Values Integration	.768	.633	.792
Human-Heartedness	.587	.385	.854
Confucian Work Dynamism	.678	.509	.830
Moral Discipline	.789	.671	.770
Personal Values Composite Reliability - α = .852			

Table 19: Standardized canonical discriminant function coefficient and univariate results from MDA for the analysis sample*.

Factors from the independent variables	Function 1 Coefficients	Univariate Tests	
		F-value	Wilks' Lambda
Masculinity	.608	19.512[a]	.831
Individualism	.585	18.096[a]	.841
Moral Discipline	-.538	15.317[a]	.862
Power Distance	.330	5.744[a]	.944
Confucian Work Dynamism	-.327	5.657[a]	.944
Uncertainty Avoidance	.199	2.098	.979
Human Heartedness	-.127	.849	.991
Integration	-.117	.724	.993

[a] significant $p < .05$

Factors shown in order of their absolute order of correlation within function

[*] n = 98 after listwise deletion of those who did not response on all items.

Table 20: Summary of the National Culture dimensions MDA results for North America and Asian nationality at birth.

Function	Eigenvalue	Function % of Variance	Cumulative % of Variance	Canonical Correlation	Wilks Lambda	Chi-square	Sig. Level
1	.550	100.0	100.0	.596	.645	40.34	.000

Additionally, the Box's M test was significant (p = .001).

Table 21: MDA classification results for North American and Asian Nationalities at birth.

Nationality at Birth	No. of cases	Predicted Group Membership	
		North American	Asian
North American	57	47 (82.5%)	10 (17.5%)
Asian	41	11 (26.8%)	30 (73.2%)

Percentage correctly classified (hit ratio) = 78.6%
Cross-validated group cases (Jackknife method) = 69.4%
Maximum chance criteria plus 25%= 72.8%%
C_{max} = chance based on the sample size of the largest group
Proportional chance criteria plus 25%= 64.0%
$C_{pro} = [p^2 + (1\text{-}p)^2] + 25\%$
Press's Q = 32.00 (df = 1, p < .01)

Note the above are based on the percent of "grouped cases". Additionally, any differences in percentages are due to some ungrouped respondents who were not North American or Asian.

Table 22: Means of the two nationalities at birth (North American and Asian) on the dimensions of National Culture of the MDA.

Factors from the independent variables	North American (n=57)	Asian (n=41)
Individualism	3.94	3.73
Masculinity	3.92	3.67
Moral Discipline	2.98	3.18
Uncertainty Avoidance	3.40	3.19
Confucian Work Dynamism	3.30	3.57
Power Distance	3.28	3.02
Human Heartedness	4.07	4.17
Integration	3.64	3.73

Likert-type scales either (1=not very important, 3=neutral, 5=very important) or (1=no importance, 5=supreme importance)

Note the sample of n=98 was reached once exclusions for not having a response on all 8 dimensions was taken into account

Table 23: Confirmatory Factor Analysis (CFA) results of the indicator variables of the exogenous variables (λ x).

Indicator Variable Name	MEASUREMENT ITEM	Factor Loading (λ)	Reliability (squared multiple correlation)
Exogenous Variable Dimensions– National Culture Work Values (ξ)			
Individualism			
iii1	Have sufficient time left for your personal or family life.	.586	.343
iii2	Have challenging task to do, from which you can get a personal sense of accomplishment.	.569	.324
iii4	Have good physical working conditions (good ventilation and lighting, adequate workspace, etc.).	.529	.280
iii6	Have considerable freedom to adopt your own approach to the job.*	.368	.135
	Composite reliability using 3 significant items = .546		
Masculinity			
iii5	Have a good working relationship with your direct superior.	.708	.501
iii7	Work with people who cooperate well with one another.	.696	.484
iii11	Have an opportunity for high earnings.	.556	.309
iii9	Live in an area desirable to you.*	.327	.107
	Composite reliability using 3 significant items = .685		
Power Distance			
iii8	Be consulted by your direct superior in his/her decisions.*	.412	.170
iii10	Have an element of variety and adventure in the job.*	.329	.108
iii13	How frequently, in an ideal job environment, are subordinates afraid to express disagreement with their superior.* [a]	.028	.001
	Composite reliability using all 3 items = .139		
Uncertainty Avoidance[b]			
iii3	Have little tension and stress on the job.*	.227	.051
iii12	A company or organization's rules should not be broken – even when the employee thinks it is in the organization's best interests.*[c]	.179	.032
Individualism and Masculinity Composite Scale			
	Composite reliability using 2 composite items = .600		
Exogenous Variable Dimensions– National Culture Personal Values (ξ)			
(note each of these dimensions was treated as a composite)			
confucian	Confucian Work Dynamism (9 items)	.889	.690
	Composite reliability using all 9 items = .728		
moral	Moral Discipline (5 items)	.750	.563
	Composite reliability using all 5 items = .609		
human	Human-Heartedness (4 items)	.594	.353
	Composite reliability using all 4 items = .435		
integration	Integration (10 items)	.831	.790
	Composite reliability using all 10 items = .630		
Confucian Work Dynamism and Moral Discipline Composite Scale			
	Composite reliability using 2 composite items = .707		

[a] Likert type scale (1= strongly agree, 3 = uncertain, 5= strongly disagree)
[b] two-indicator rule was used to calculate the factor loadings and reliabilities for the two item scales
[c] Likert type scale (1= very frequently, 3 = sometimes, 5= very seldom)
* These indicators where dropped from the further analysis because of unacceptable factor loadings and reliabilities (guidelines used λ > .5 and reliability > .3 respectively).

Table 24: Confirmatory Factor Analysis (CFA) results of the indicator variables of the endogenous variables (λ y).

Indicator Variable Name	MEASUREMENT ITEM	Factor Loading (λ)	Reliability (squared multiple correlation)
Endogenous Variables (η)			
Social Bonding [a]			
iia11	Feelings of belonging and acceptance.	.710	.504
iia12	Friendship.	.702	.493
iia13	Empathy/concern for the other's well being.	.690	.475
iia9	Talk about family, sports and other personal interests.	.545	.297
iia10	Meeting over breakfast, lunch or dinner.*	.430	.185
iia8	Meeting away from the workplace*	.335	.112
	Composite reliability using 4 significant items = .757		
Structural Bonding			
iia2	Sharing industry competitive information.*	.478	.229
iia3	Electronic ties or linkages between your organizations such as electronic mail or access to computerized reservations systems.*	.406	.165
iia1	Formal contracts or agreements.*	.397	.157
	Composite reliability using all 3 items = .486		
Trust Relationship			
iic20	This customer does not make false claims.	.853	.727
iic22	This customer is trustworthy.	.783	.613
iic18	This customer has high integrity.	.769	.591
iic17	The customer can be counted on to do the right thing.	.654	.428
iic19	The customer has been frank in dealing with us.	.606	368
iic21	This customer does not seem concerned with our needs. (r) *	.481	.232
	Composite reliability using 5 significant items = .860		
Communication Dimensions			
Communication Style [a]			
iia5	Customer likes to talk to people.	.720	.519
iia4	Customer is interested in me not only as a salesperson, but also as a person	.709	.503
iia7	Establishing a personal relationship	.621	.386
iia6	Customer is concerned with obtaining guestroom and meeting space commitments from the hotel as effectively as possible.*	.272	.074
	Composite reliability using 3 significant items = .713		
Communication Content			
iib15	Assuring the customer's meeting, business traveler's reservation, etc. are handled trouble free.	.852	.725
iib14	Assuring the customer's meeting details, special requests, etc. will be handled as expected.	.726	.527
iib16	Assuring the customer's meeting, business traveler's reservation, etc. are treated uniformly.*	.198	.039
	Composite reliability using 2 significant items = .861		

Relationship Commitment			
iid25	Deserving of our hotel's maximum effort to maintain.	.889	.790
iid24	Something my hotel intends to maintain indefinitely.	.672	452
iid23	Something we are very committed to.	.654	428
iid26	How likely is it that this customer will book guestrooms/meeting space with us in the next 3 months?*	.268	.072
iid27	How likely is it that this customer will book guestrooms/meeting space with us in the next year?*	.147	.022
	Composite reliability using 3 significant items = .781		
Long-term Orientation			
ic8	He/she believes maintaining a long-term relationship with the hotel is important.	.757	.573
ic10	He/she believes that over the long run his/her relationship with the hotel will be profitable.	.738	.545
ic11	He/she expects to be working with this hotel for a long time.	.721	.520
ic12	He/she focuses on long-term goals in his or her relationship with the hotel.	.668	.447
ic9	He/she is willing to make sacrifices to help the hotel from time to time.	.632	.399
	Composite reliability using 5 significant items = .823		

[a] Mulitcollinearity exists between Communication Style and Social Bonding (modification index = 35.66)

* These indicators where dropped from the further analysis because of unacceptable factor loadings and reliabilities (guidelines used $\lambda > .5$ and reliability > .3 respectively).

Table 25: Confirmatory Factor Analysis (CFA) results of the indicator variables of the Relationship Continuum (λ y).

Indicator Variable Name	MEASUREMENT ITEM	Factor Loading (λ)	Reliability (squared multiple correlation)
Endogenous Variables (η)			
Relationship Continuum			
ia6	He/she can be very demanding.[a]	.679	.461
ia2	He/she expects to receive gifts and exchange favors.[a]	.510	.261
ia1	He/she expects to receive a personal call from me at least once per month.[b]	.484	.234
ia7	He/she seeks bids from other hotels for his/her guestroom/meeting needs.[a]	.396	.157
ia3	He/she believes maintaining good relationships is the best way to enhance business.[b]	.122	.015
ia4	He/she prefers to do business with someone who fully understands his or her goals and objectives.[b]	.091	.008
ia5	This customer and I easily reach consensus on major issues in our business dealings.[ac]	.088	.008
	Composite reliability of 4 item discrete dimension = .467		
	Composite reliability of 2 item discrete dimension = .407		
	Composite reliability of 3 item relationship dimension = .322		

[a] items from the discrete dimension
[b] items from the relationship dimension
[c] reverse coded item
* These indicators where dropped from the further analysis because of unacceptable factor loadings and reliabilites (guidelines used λ > .5 and reliability > .3 respectively).

Table 26: Missing Values for each indicator variable of the exogenous and endogenous variables.

Indicator Variable Name[a]	MEASUREMENT ITEM	Number of Missing Values
Exogenous Variables (ξ)		
National Culture Work Values		
individ_1	Individualism Composite	0
masc2_1	Masculinity Composite	2
National Culture Personal Values		
confu_1	Confucian Work Dynamism Composite	8
moral_1	Moral Destiny Dimension	6
Endogenous Variables (η)		
Social Bonding		
iia11_1	Feelings of belonging and acceptance.	0
iia12_1	Friendship.	0
iia13_1	Empathy/concern for the other's well being.	1
iia9_1	Talk about family, sports and other personal interests.	0
Trust Relationship		
iic20_1	This customer does not make false claims.	2
iic22_1	This customer is trustworthy.	3
iic18_1	This customer has high integrity.	2
iic17_1	The customer can be counted on to do the right thing.	2
iic19_1	The customer has been frank in dealing with us.	2
Communication Content		
iib15_1	Assuring the customer's meeting, business traveler's reservation, etc. are handled trouble free.	0
iib14_1	Assuring the customer's meeting details, special requests, etc. will be handled as expected.	1
Relationship Commitment		
iid25_1	Deserving of our hotel's maximum effort to maintain.	6
iid24_1	Something my hotel intends to maintain indefinitely.	3
iid23_1	Something we are very committed to.	2
Long-term Orientation		
ic8_1	He/she believes maintaining a long-term relationship with the hotel is important.	2
ic10_1	He/she believes that over the long run his/her relationship with the hotel will be profitable.	2
ic11_1	He/she expects to be working with this hotel for a long time.	2
ic12_1	He/she focuses on long-term goals in his or her relationship with the hotel.	2
ic9_1	He/she is willing to make sacrifices to help the hotel from time to time.	2
Relationship Continuum		
ib6_1	He/she can be very demanding.	2
ib7_1	He/she seeks bids from other hotels for his/her guestroom/meeting needs.	3

[a] indicator names are those used in the final SEM model

Table 27: Structural model results for final identified baseline model of the full sample. Note this table corresponds with Figure 16.

Hypothesized Relationships	Standardized Regression Weight	Critical Ratio (c.r.)[a]
H_1: Work Values → Structural Bonding (β) [b]	---	---
H_2: Work Values → Social Bonding (β)	-.11	-0.193
H_3: Personal Values→ Social Bonding (β)	.96	0.989
H_4: Structural Bonding → Relationship Commitment (γ) [b]	---	---
H_5: Social Bonding → Relationship Commitment (γ)	.16	1.599
H_{6a}: Work Values → Communication Content (β) *	.44	2.225
H_{6b}: Work Values → Communication Style (β) [b]	---	---
H_{7a}: Personal Values → Communication Content (β)	-.15	-0.971
H_{7b}: Personal Values → Communication Style (β) [b]	---	---
H_{8a}: Communication Content → Relationship Commitment (γ) *	.21	2.262
H_{8b}: Communication Style → Relationship Commitment (γ) [b]	---	---
H_9: Work Values→ Trust (β) *	.24	2.110
H_{10}: Trust → Relationship Commitment (γ) *	.33	3.497
H_{11}: Personal Values → Long-term Orientation (β) *	.24	2.124
H_{12}: Trust → Long-term Orientation (γ) *	.61	5.389
H_{13}: Long-term Orientation → Relationship Continuum (γ) *	-.26	-2.517
H_{14}: Relationship Commitment → Relationship Continuum (γ)	-.02	-0.182

[a] critical ratio (c.r.) in Amos 3.6 is the equivalent of the t-test
[b] hypothesized relationship was not tested in the final identified SEM
* statistically significant if c.r. > 1.96

Table 28: Structural model results for each of the two groups (North American Based and Asian Based Salespeople). Note this table corresponds with Figures 17 and 18.

Hypothesized Relationships	North American Based (n = 76)		Asian Based (n = 64)	
	Standardized Regression Weight	Critical Ratio (c.r.)[a]	Standardized Regression Weight	Critical Ratio (c.r.)[a]
H_2: Work Values→ Social Bonding (β)	.41*	2.412	.31	1.601
H_3: Personal Values→ Social Bonding (β)	.18	1.246	.48*	2.402
H_5: Social Bonding → Relationship Commitment (γ)	.11	0.793	.12	0.815
H_{6a}: Work Values → Communication Content (β)	.28	1.654	.56*	2.501
H_{7a}: Personal Values → Communication Content (β)	.02	0.131	-.15	-0.818
H_{8a}: Communication Content → Relationship Commitment (γ)	.19	1.394	.25	1.737
H_9: Work Values→ Trust (β)	.17	1.071	.24	1.426
H_{10}: Trust → Relationship Commitment (γ)	.52*	4.065	.24	1.655
H_{11}: Personal Values → Long-term Orientation (β)	.08	0.668	.21	1.555
H_{12}: Trust → Long-term Orientation (γ)	.67*	5.878	.55*	4.331
H_{13}: Long-term Orientation → Relationship Continuum (γ)	-.21	-1.109	-.68*	-1.968
H_{14}: Relationship Commitment → Relationship Continuum (γ)	-.13	-.0661	.64	1.854

[a] critical ratio (c.r.) in Amos 3.6 is the equivalent of the t-test

* statistically significant if c.r. > 1.96

Table 29: Structural model results for two group comparisons of the hypothesized paths in the final baseline model

Hypothesized Relationships Between the North American and Asian Based Salesperson Groups	Critical Ratio (c.r.)[a]
H_2: Work Values → Social Bonding (β) *	2.792
H_3: Personal Values→ Social Bonding (β) *	2.480
H_5: Social Bonding → Relationship Commitment (γ)	1.150
H_{6a}: Work Values → Communication Content (β) *	2.999
H_{7a}: Personal Values → Communication Content (β)	0.050
H_{8a}: Communication Content → Relationship Commitment (γ) *	2.170
H_9: Work Values→ Trust (β)	1.784
H_{10}: Trust → Relationship Commitment (γ) *	4.217
H_{11}: Personal Values → Long-term Orientation (β)	1.507
H_{12}: Trust → Long-term Orientation (γ) *	7.358
H_{13}: Long-term Orientation → Relationship Continuum (γ) *	-2.488
H_{14}: Relationship Commitment → Relationship Continuum (γ)	1.352

[a] critical ratio (c.r.) in Amos 3.6 is the equivalent of the t-test

* statistically significant if c.r. > 1.96

Table 30: Comparison of hypothesized relationships of the affect of the base of operations on the constructs in the final baseline model based on t-Test of the differences in means.

Hypothesized Relationships	North American Based (n = 76) Construct Mean Value	Asian Based (n = 64) Construct Mean Value	t-value[a]	Degrees of Freedom (d.f.)	Sig.
H_{15}: Structural Bonding – NA > Asian [b]	---	---	---	---	---
H_{16}: Social Bonding – Asian > NA	3.91	3.93	-.181	137	.857
H_{17a}: Communication Content – NA > Asian	4.93	4.85	1.396	137	.165
H_{17b}: Communication Style – Asian > NA [b]	---	---	---	---	---
H_{18}: Trust – Asian > NA * [c]	4.02	3.71	2.843	135	.005
H_{19}: Relationship Commitment – Asian > NA	4.51	4.38	1.245	132	.215
H_{20}: Long-term Orientation – Asian > NA	4.06	3.91	1.455	136	.148
H_{21}: Relationship Continuum – Asian > NA * [c]	3.64	3.91	-2.066	135	.041

[a] t-value used was based on the assumption of equal variances
[b] hypothesized relationship was not tested in the final identified SEM
[c] results are contrary to the hypothesized relationship and therefore, not supported
* sig. < .05

Table 31: T-test of the differences in means of indicator variables (i.e., scale items) of the significantly different constructs between the two group comparisons (North American Based and Asian Based Salespeople)

Indicator Variables (Scale Items)	North American Based (n = 76) Construct Mean Value	Asian Based (n = 64) Construct Mean Value	t-value[a]	Degrees of Freedom (d.f.)	Sig.
Trust Relationship					
This customer does not make false claims. *	3.96	3.52	2.805	136	.006
This customer is trustworthy. *	4.12	3.75	3.091	135	.002
This customer has high integrity. *	4.12	3.78	2.815	136	.006
The customer can be counted on to do the right thing.	3.83	3.65	1.258	136	.211
The customer has been frank in dealing with us.	4.09	3.87	1.647	136	.102
Relationship Continuum					
He/she can be very demanding. *	3.50	3.82	-1.990	136	.049
He/she seeks bids from other hotels for his/her guestroom/meeting needs.	3.77	4.00	-1.340	135	.183

[a] t-value used was based on the assumption of equal variances

* sig. < .05

Table 32: Rank order of the "Success" variables/constructs in the buyer-seller relationship.

"Success" Variable/Construct	"Pooled" Sample (n=139)	North American Based (n=75)	Asian Based (n=58)
Structural Bonding	1 (46.0%)	1 (46.7%)	1 (46.6%)
Social Bonding	4 (5.8%)	4 (5.3%)	4 (5.2%)
Communication Content	5 (2.9%)	5 (4.0%)	5 (1.7%)
Communication Style	3 (17.3%)	3 (16.0%)	3 (19.0%)
Trust	2 (28.1%)	2 (28.0%)	2 (27.6%)

Rank order and (percentage that ranked this construct most important)

Table 33: Summary of the hypotheses testing of the theoretical model.

Hypothesized Relationships – Full, "Pooled" Sample	**Results**
H_1: Work Values → Structural Bonding (β)	Not Tested
H_2: Work Values → Social Bonding (β)	Not Supported
H_3: Personal Values→ Social Bonding (β)	Not Supported
H_4: Structural Bonding → Relationship Commitment (γ)	Not Tested
H_5: Social Bonding → Relationship Commitment (γ)	Not Supported
H_{6a}: Work Values → Communication Content (β)	**Supported**
H_{6b}: Work Values → Communication Style (β)	Not Tested
H_{7a}: Personal Values → Communication Content (β)	Not Supported
H_{7b}: Personal Values → Communication Style (β)	Not Tested
H_{8a}: Communication Content → Relationship Commitment (γ)	**Significant, but Not Supported**
H_{8b}: Communication Style → Relationship Commitment (γ)	Not Tested
H_9: Work Values→ Trust (β)	**Significant, but Not Supported**
H_{10}: Trust → Relationship Commitment (γ)	**Supported**
H_{11}: Personal Values → Long-term Orientation (β)	**Supported**
H_{12}: Trust → Long-term Orientation (γ)	**Supported**
H_{13}: Long-term Orientation → Relationship Continuum (γ)	**Supported**
H_{14}: Relationship Commitment → Relationship Continuum (γ)	Not Supported

Hypothesized Relationships – Multi-group (N.A. & Asia) Comparisons (Paths)	**Results**
North American Based Salespeople	
H_1: Work Values → Structural Bonding (β)	Not Tested
H_2: Work Values → Social Bonding (β)	**Significant, but Not Supported**
H_3: Personal Values→ Social Bonding (β)	Not Supported
H_4: Structural Bonding → Relationship Commitment (γ)	Not Tested
H_5: Social Bonding → Relationship Commitment (γ)	Not Supported
H_{6a}: Work Values → Communication Content (β)	Not Supported
H_{6b}: Work Values → Communication Style (β)	Not Tested
H_{7a}: Personal Values → Communication Content (β)	Not Supported
H_{7b}: Personal Values → Communication Style (β)	Not Tested
H_{8a}: Communication Content → Relationship Commitment (γ)	Not Supported
H_{8b}: Communication Style → Relationship Commitment (γ)	Not Tested
H_9: Work Values→ Trust (β)	**Significant, but Not Supported**
H_{10}: Trust → Relationship Commitment (γ)	**Supported**
H_{11}: Personal Values → Long-term Orientation (β)	Not Supported
H_{12}: Trust → Long-term Orientation (γ)	**Supported**
H_{13}: Long-term Orientation → Relationship Continuum (γ)	Not Supported
H_{14}: Relationship Commitment → Relationship Continuum (γ)	Not Supported

Asian Based Salespeople	
H_1: Work Values → Structural Bonding (β)	Not Tested
H_2: Work Values → Social Bonding (β)	Not Supported
H_3: Personal Values→ Social Bonding (β)	**Supported**
H_4: Structural Bonding → Relationship Commitment (γ)	Not Tested
H_5: Social Bonding → Relationship Commitment (γ)	Not Supported
H_{6a}: Work Values → Communication Content (β)	**Supported**
H_{6b}: Work Values → Communication Style (β)	Not Tested
H_{7a}: Personal Values → Communication Content (β)	Not Supported
H_{7b}: Personal Values → Communication Style (β)	Not Tested
H_{8a}: Communication Content → Relationship Commitment (γ)	Not Supported
H_{8b}: Communication Style → Relationship Commitment (γ)	Not Tested
H_9: Work Values→ Trust (β)	Not Supported
H_{10}: Trust → Relationship Commitment (γ)	Not Supported
H_{11}: Personal Values → Long-term Orientation (β)	Not Supported
H_{12}: Trust → Long-term Orientation (γ)	**Supported**
H_{13}: Long-term Orientation → Relationship Continuum (γ)	**Supported**
H_{14}: Relationship Commitment → Relationship Continuum (γ)	Not Supported

Hypothesized Relationships – Multi-group (N.A. & Asia) Comparisons (Construct Means)	**Results**
H_{15}: Structural Bonding – NA > Asian	Not Tested
H_{16}: Social Bonding – Asian > NA	Not Supported
H_{17a}: Communication Content – NA > Asian	Not Supported
H_{17b}: Communication Style – Asian > NA	Not Tested
H_{18}: Trust – Asian > NA	**Significant, but Not Supported**
H_{19}: Relationship Commitment – Asian > NA	Not Supported
H_{20}: Long-term Orientation – Asian > NA	Not Supported
H_{21}: Relationship Continuum – Asian > NA	**Supported**