

## **Buyer's Relational Desire and the Number of Suppliers Used: The Relationship Between Perceived Commitment and Continuance**

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### **Abstract:**

This paper examines the effect of perceived commitment in relation to a buyer's propensity to stay in a business-to-business relationship. The findings of this study support that buyer's perception of both the salesperson and selling firm's commitment have a significant positive relationship with buyer's propensity to stay. Second, buyer's perception of the salesperson's commitment is more influential on buyer's propensity to stay when purchasing from a single supplier than from multiple suppliers. Third, buyer's perception of the salesperson's commitment in relation to propensity to stay is stronger when buyers have a high need for a relationship with a salesperson.

**Keywords:** buyers | salespeople | suppliers | business-to-business relationship

### **Article:**

Within the marketing literature, the issue of customer continuance has been widely examined (e.g., Crosby, Evans, and Cowles 1990; Dwyer, Schurr, and Oh 1987). A number of studies have divided the relationship a buying firm has with a selling firm into two different components (e.g., Doney and Cannon 1997; Reynolds and Beatty 1999; Tellefsen and Thomas 2005). The first component is with an individual boundary spanner (the salesperson) and the second is with the selling organization. These studies show that differences exist in the buyer's relationship with the salesperson and the buyer's relationship with the selling firm. For example, a meta-analysis conducted by Palmatier et al. (2006) suggests that customer relationships often have stronger effects on exchange outcomes when the target of the relationship is an individual than when the target is a selling firm. Although this meta-analysis found differences in relationships, additional research in the area is called for. With additional research, (1) selling firms can better develop tools to properly segment customers based on factors affecting the customer's willingness to provide inputs into the relationship, (2) selling firms will have an additional way to identify a

buyer's desired outputs from their relationship with salesperson/selling firm, and (3) selling firms will be better able to increase a buyer's willingness to continue in the relationship.

The formal purpose of this research is to explore differences in the relationship the buyer has with the selling firm and salesperson with regard to perceptions of commitment, number of suppliers used, buyer's desire for a relationship, and buyer's continuance in the relationship. To accomplish this, the study applies equity theory to develop the theoretical linkages. Findings from this study will (1) aid sellers in better identifying types of outputs to provide in the relationship, (2) identify factors affecting buyer's willingness to provide inputs in the relationship, and (3) assess ways to increase a buyer's willingness to continue in the relationship.

## LITERATURE REVIEW

In marketing, equity theory has been applied to both the salesperson-to-firm relationship and buyer-to-salesperson or selling firm relationships (e.g., Leventhal, Younts, and Lund 1972; Oliver and Swan 1989). One of the key foundations of equity theory is that each party to the relationship makes commitments (inputs) and in return seeks certain outcomes (outputs). During the relationship, the buyer forms perceptions concerning the ratio of inputs to outputs that each party in the relationship received and provided. If the buyer perceives an inequity between inputs and outputs, the buyer may question the salesperson and selling firm's commitment, and the buyer's willingness to remain in the relationship may be reduced. If the buyer perceives desired outcomes from the salesperson/selling firm, the buyer is more likely to continue the relationship or have stronger future intentions to do business with the salesperson/selling firm in the future. For example, Swan and Oliver (1991) looked at a buyer-salesperson relationship and found that both buyer inputs and seller outputs affected the buyer's future intentions to continue to deal with the salesperson. Thus, if the selling firm or salesperson are performing effectively, the buyer may perceive there is commitment in the exchange relationship and be less likely to leave the relationship.

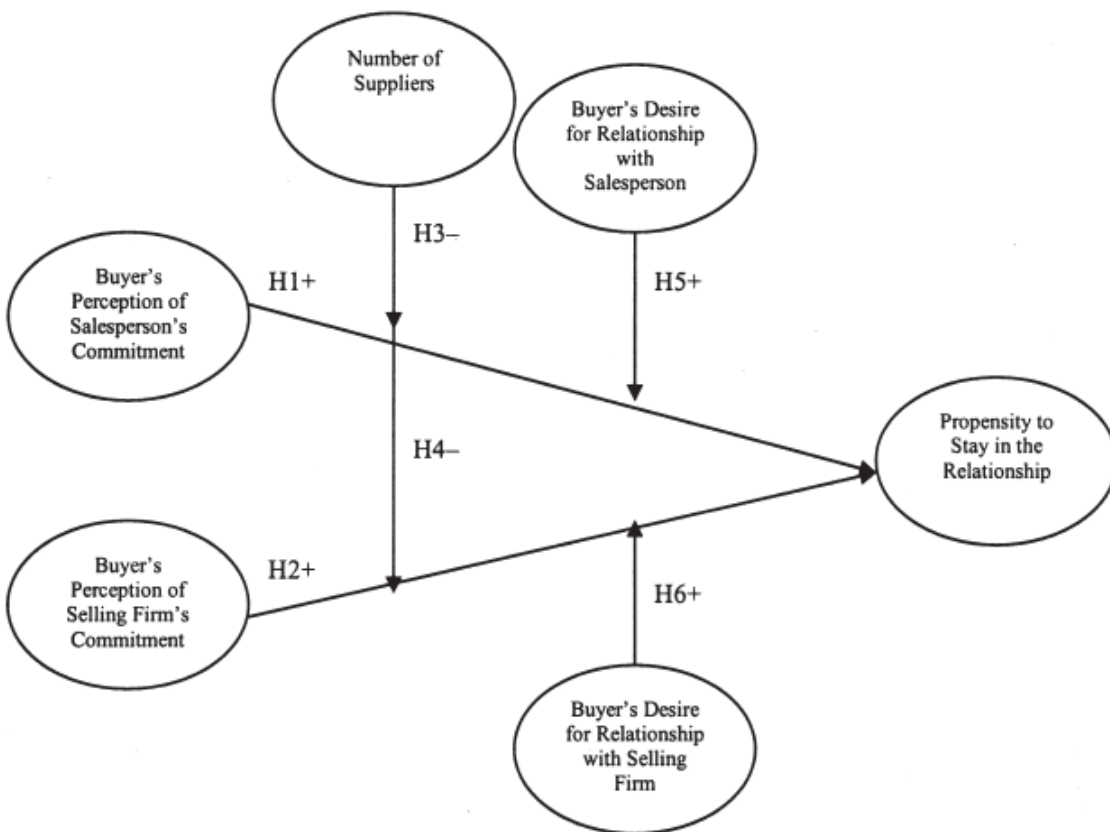
### Buyer's Continuance in the Relationship

Theory on buyer continuance in relationships has been expanded in recent years (Gounaris 2005; Johnson, Barksdale, and Boles 2001; Ruyter, Moorman, and Lemmink 2001). Johnson, Barksdale, and Boles state, "After the initial purchase, buyers often continue to repurchase from the same salesperson to avoid spending the time and expense required to assess new suppliers. A buyer's perception of his/her relationship with the salesperson can play an integral role in the buyer's decision to continue or terminate the relationship" (2001, p. 124). Researchers investigating buyer decisions to remain with a supplier examine constructs such as propensity to stay (Rutherford et al. 2006), expectation of continuity (Crosby, Evans, and Cowles 1990; Doney and Cannon 1997), and continuance (Anderson and Sullivan 1993). Definitions of these constructs include words pertaining to intention and likelihood of continued purchases. We define *buyer's propensity to stay* as the likelihood that the buying organization will continue in an exchange relationship with the selling firm.

### Perceived Commitment

Suppliers engage in relationship-building efforts that are evaluated by the buying firm (Gao, Sirgy, and Bird 2005). Although selling firms engage in efforts to build relationships with buyers, buyers may not be able to fully assess the seller's efforts with regard to building the relationship and in turn may form inaccurate perceptions (Anderson and Weitz 1992). Research assessing the effect of the buyer's perception of the selling firm's commitment has found that one party's perception of another party's commitment will affect that party's actual commitment to the relationship (Anderson and Weitz 1992). Jap and Ganesan (2000) indicate that a buyer's perception of the seller's commitment will change that party's evaluation of performance, conflict, and level of relational satisfaction. Within a franchising context, Ross, Anderson, and Weitz (1997) found that if perceptions of an exchange partner's commitment are negative, they will have detrimental effects on relationship outcomes. Gao, Sirgy, and Bird (2005) noted that a buyer's perception of supplier commitment had a positive effect on buyer trust.

Drawing on constructs developed by Anderson and Weitz (1992) and Ross, Anderson, and Weitz (1997), we define *buyer's perception of the salesperson's commitment* as the buyer's belief about the salesperson's desire to develop a stable relationship, the buyer's belief about the salesperson's willingness to make short-term sacrifices to maintain the relationship, and the buyer's level of confidence in the stability of the relationship. We define *buyer's perception of the selling firm's commitment* as the buyer's belief about the selling firm's desire to develop a stable relationship, the buyer's belief about the selling firm's willingness to make short-term sacrifices to maintain the relationship, and the buyer's level of confidence in the stability of the relationship.



**Figure 1.** Buyer's Perception of Seller's Commitment and Propensity to Stay

Within the research conducted on exchange partners' perceptions of the others, perceived commitment has been studied (1) from an overall firm perspective (Gao, Sirgy, and Bird 2005; Jap and Ganesan 2000) and (2) from a perspective that relies on several key contact people (Ross, Anderson, and Weitz 1997). The existing research has not assessed both simultaneously. As a result, findings from these studies do not provide a clear indication whether perceived commitment is based on a key contact person, or if it is based on the overall supplying firm, or both. Given the failure to consider both, the current study assesses the effect of both dimensions of perceived commitment as they affect the buyer's propensity to stay in the relationship. Figure 1 provides a summary of the proposed model. This leads to our first two hypotheses:

*Hypothesis 1: A positive relationship exists between a buyer's perception of a salesperson's commitment and the buyer's propensity to stay in a purchase relationship.*

*Hypothesis 2: A positive relationship exists between a buyer's perception of a selling firm's commitment and the buyer's propensity to stay in a purchase relationship.*

### Number of Current Suppliers Used in Procurement

The topic of the number of suppliers a buying firm uses for a particular item or product has been examined in only a limited way (e.g., Segal 1989; Stremersch et al. 2003; Vyas and Woodside 1984; Zeng 1998). Specifically, the issue of single-source procurement versus multiple sources of procurement has been examined. Factors that have been shown to influence a buyer's choice to use a single supplier include reputation of the supplier (Vyas and Woodside 1984), the courtesy and helpfulness of the sales personnel (Segal 1989), and supplier dependability (Swift 1995). With respect to the buyer's decision to use multiple suppliers, (1) buyers felt that the additional sources were an inexpensive insurance policy for continuity of supply which helps to stimulate competition (Vyas and Woodside 1984); (2) the buyer's bargaining leverage, operating costs, and ability to exercise opportunistic behavior are increased (Segal 1989); and (3) buyers increase their focus on lower prices (Swift 1995).

When buyers engage in single-source procurement, they can commit more inputs, if desired, into the relationship than buyers using multiple suppliers. Single-sourcing buyers can commit more inputs into the relationship because of the lack of competition among suppliers to obtain a percentage of the purchases. One limitation of buyers using single-source procurement is that the buyer may not be able to switch input allocation as easily and quickly as firms already procuring from multiple suppliers (Johnson, Barksdale, and Boles 2001). With single-source buyers requiring more effort than multiple-source buyers to switch suppliers, single-source buyers will place a higher importance on salesperson/selling firm's commitments (outcomes) in their relationship.

*Hypothesis 3: The positive relationship between a buyer's perception of a salesperson's commitment and the buyer's propensity to stay in the relationship is stronger for firms using a single supplier than for firms using multiple suppliers.*

*Hypothesis 4: The positive relationship between a buyer's perception of a selling firm's commitment and the buyer's propensity to stay in the relationship is stronger for firms using a single supplier than firms using multiple suppliers.*

### A Buyer's Desire for a Relationship with the Salesperson and Selling Firm

In this research, a *buyer's desire for a relationship with the salesperson* is defined as the extent to which the buyer needs a close working relationship with the salesperson. Likewise, a *buyer's desire for a relationship with the selling firm* is defined as the extent to which the buyer needs a close working relationship with the selling firm.

According to Rackham and DeVincentis (1999), when buyers enter exchange relationships with selling firms, the nature of the relationship depends on buyer's desired outcomes. Research suggests that buyers do not always desire a relationship with sellers (Dwyer, Schurr, and Oh 1987; Rackham and DeVincentis 1999; Ring and Van De Ven 1992). For example, when a buyer does not desire a relationship, he or she will be more transactional oriented than a buyer desiring a relationship that will place more importance on commitment (MacNeil 1980). When the relationship is more important, the buyer may desire a stronger relational orientation with the salesperson or selling firm. When buyers desire a stronger relationship, the buyers may be more willing to provide additional inputs over buyers not desiring a strong relationship to obtain relational outputs such as commitment. For buyers that desire a relationship, selling firms or salespeople that appear to provide good value based on the input/output ratio may be more desirable as suppliers. Thus the issue of differences in buyers that want or need a strong relationship versus buyers that do not want this type of relationship (Beverland 2001; Rackham and DeVincentis 1999) will be examined with regard to perceptions of the salesperson's and supplier's commitment and buyer's propensity to stay in the relationship.

*Hypothesis 5: The positive relationship between a buyer's perception of a salesperson's commitment and the buyer's propensity to stay in the relationship is stronger for buying firms with a high need for a relationship with the salesperson.*

*Hypothesis 6: The positive relationship between a buyer's perception of a selling firm's commitment and the buyer's propensity to stay in the relationship is stronger for buying firms with a high need for a relationship with the selling firm.*

## **METHODOLOGY**

### Sample

Business customers of a Fortune 100 network service provider were surveyed by mail. Prior to designing the questionnaire, in-depth interviews and focus groups were conducted with several of the selling firm's salespeople, sales managers, and customers. The questionnaire was then pretested on five customers.

Key informants were then identified by the sales force. To qualify as a key informant, one had to have decision-making authority regarding network services. Network services provided by the

selling firm included local and long-distance service, the use of toll-free inbound and outbound service, private line networks, wireless service, and Internet services. Once key informants were qualified, a random sample of informants was contacted by phone and asked to complete the survey. Three hundred questionnaires were sent and a total of 126 usable respondents after list-wise deletion were obtained, yielding a response rate of 42 percent.

Respondents represented a wide cross section of industries and size firms. Thirty-four percent of the respondents' firms were in manufacturing, 16.7 percent were wholesalers, 10.4 percent were retailers, and 27.1 percent were service providers. In terms of sales volume, 9.8 percent of responding firms had an annual sales volume over \$50 million, 13.6 percent had sales ranging from \$20 million to \$50 million, 19.7 percent had sales ranging from \$10 million to under \$20 million, 23.5 percent had sales ranging from \$5 million to under \$10 million, and 28.8 percent had sales ranging from \$1 million to under \$5 million, and the remainder of the respondents' firms had an annual sales volume less than \$1 million.

### Measure of the Study Constructs

A 20-item measurement model was analyzed to evaluate five of the study constructs. Eighteen items were selected to comprise measures of the five constructs, and loadings were significant ( $\chi^2 = 257$ , degrees of freedom [df] = 125, root mean square error of approximation [RMSEA] = 0.079, and normed fit index [NFI] = 0.94). Further, Harman's single-factor test was conducted. Results from this test indicated that multiple factors emerged without a single factor accounting for the majority of the covariance. Overall, fit indices from the confirmatory factor analysis suggest adequate model fit, and concerns pertaining to common method bias were reduced after concluding the Harman's single-factor test.

Table 1 provides correlations, covariances, reliabilities, means, and standard deviations for the constructs. Table 2 summarizes the response formats and item sources. When possible, previously validated scales were adapted. Items used by Anderson and Weitz (1992) were adapted to assess buyer's perception of selling firm's commitment and buyer's perception of the sales representative. A scale previously used by Rutherford et al. (2006) was used to measure the propensity to stay construct. In cases where no established scales were available, scale development was guided by construct definitions and field interviews. The number of suppliers and annual sales were assessed using single-item measures. Desire for a relationship with the firm and desire for a relationship with the salesperson items were developed for this study.

**Table 1.** Correlations, Covariances, Reliabilities, Means, and Standard Deviations

	X1	X2	X3	X4	X5	X6	X7	Means	Standard Deviation
Propensity to Stay (X1)	0.81	1.062	0.987	0.273	0.555	-0.083	-0.239	5.23	1.34
Buyer's Perception of the Salesperson's Commitment (X2)	0.574**	0.90	1.465	1.067	0.677	0.157	-0.214	4.61	1.38
Buyer's Perception of the Selling Firm's Commitment (X3)	0.552**	0.794**	0.87	0.904	0.844	0.236	-0.217	4.30	1.34
Buyer's Desire for a Relationship with Salesperson (X4)	0.126	0.476**	0.417**	0.617	1.107	0.614	-0.134	4.06	1.62
Buyer's Desire for a Relationship with Selling Firm (X5)	0.247**	0.292**	0.376**	0.406**	0.83 <sup>1</sup>	0.366	0.074	5.09	1.68
Annual Sales (X6)	-0.042	0.078	0.121	0.264**	0.151	—	0.045	—	—
Number of Suppliers (X7)	-0.267**	-0.231**	-0.243**	-0.123	0.066	0.055	—	—	—

Notes: Correlations are below the diagonal. Covariances are above the diagonal. Reliabilities are on the diagonal. <sup>1</sup> Correlations reported for two-item measures. \*  $p < 0.05$ ; \*\*  $p < 0.01$ ; \*\*\*  $p < 0.001$ .

**Table 2.** Measures

Item Description Summary	Response Format	Source of Items
Buyer's Perception of the Selling Firm's Commitment (six items) (X) is not very committed to my firm. (R) (X) is quite willing to make a long-term investment in helping us. (X) sees our relationship as a long-term alliance. (X) is willing to dedicate whatever people and resources it takes to grow our sales. <sup>a</sup> (X) is patient with us when we make mistakes that cause them trouble. (X) has a strong sense of loyalty to my firm.	Seven-point Likert	Adapted from Anderson and Weitz (1992)
Buyer's Perception of the Salesperson's Commitment (six items) My (X) salesperson is not very committed to my firm. (R) My (X) salesperson is willing to make a long-term investment in helping us. My (X) salesperson sees our relationship as a long-term alliance. My (X) salesperson is willing to do whatever it takes to help our sales grow. <sup>a</sup> My (X) salesperson is not patient with us when we make mistakes that cause them trouble. (R) My (X) salesperson has a strong sense of loyalty to my firm.	Seven-point Likert	Adapted from Anderson and Weitz (1992)
Propensity to Stay (four items) About how likely is it that during the next year your firm will continue to use (X) as your primary company? <sup>b</sup> It is very likely that my firm will drop this supplier during the next year. (R) There is virtually no chance that my firm will leave our supplier during the coming year. I am not interested in investigating what other suppliers could offer my firm.	Three seven-point Likert and 1 percent measure	Rutherford et al. (2006)

Item Description Summary	Response Format	Source of Items
Desire for a Relationship with the Supplying Firm (two items) It is absolutely critical that my firm has a close working relationship with our service provider. My firm does not need a close relationship with our service provider. (R)	Seven-point Likert	Created for this study
Desire for a Relationship with Sales Representative (two items) It is absolutely critical that I have a close working relationship with my firm's salesperson. I do not need to have a close relationship with my company's salesperson. (R)	Seven-point Likert	Created for this study
Number of Suppliers (one item) Currently, about how many suppliers does your firm use for service at your location?	Category	Created for this study
Annual Sales (one item) What was your companywide gross sales volume last year?	Category	Created for this study

Notes: (X) = Selling firm's name; (R) = reverse coded. <sup>a</sup> Item dropped. <sup>b</sup> Modified to create equal weighting with the other items  $((\text{Value}/(100/(7 - 1))) + 1)$ .

**Table 3. Study Results**

	Unstandardized Coefficients	Standardized Coefficients	Significance Level	Supported /Not Supported
H1: PCSP → PTS	0.357	0.368	0.002	Supported
H2: PCFM → PTS	0.260	0.259	0.031	Supported
	<b>Single Supplier</b>	<b>Multiple Suppliers</b>	<b>F-Value</b>	
H3: PCSP → PTS Moderated by Number of Suppliers	$n = 87$ $p < 0.05$ $\beta = 0.620$	$n = 39$ $p < 0.05$ $\beta = -0.019$	3.55	Supported
H4: PCFM → PTS Moderated by Number of Suppliers	$p < 0.05$ $\beta = 0.037$	$p < 0.05$ $\beta = 0.459$		Not Supported
	<b>Low-Need Group</b>	<b>High-Need Group</b>	<b>Z-Value</b>	
H5: PCSP → PTS Moderated by Relational Desire with Salesperson	$r = 0.460$ $n = (84)$	$r = 0.753$ $N = (42)$	2.47*	Supported
H6: PCFM → PTS Moderated by Relational Desire with Selling Firm	$r = 0.385$ $n = (61)$	$r = 0.610$ $N = (65)$	1.46	Not supported

Notes: PCSP = buyer's perception of salesperson's commitment; PCFM = buyer's perception of selling firm's commitment; PTS = propensity to stay.

\* Z-value is the reported value from the Fisher's Z-test. The body of the text reports a Z-value that is based off of the correlation provided in this table.



## Analysis

First, the correlation matrix was checked for multicollinearity concerns. All correlations between constructs were below 0.90 and all correlations between items were below 0.90. Collinearity statistics were also checked. Both the variance inflation factor (VIF) of 2.702 and the tolerance of 0.370 indicate no major concerns. Results indicated that multicollinearity was not an issue.

Regression analysis was run to test H1 and H2. Next, subgroup analysis was conducted in a similar process as used by Sumrall and Sebastianelli (1999) to test H3, H4, H5, and H6. Subgroups were formed to compare buyers that procured from a single source and buyers that procured from multiple sources. Next, two sets of subgroupings were formed by splitting item responses at their median values. Buyer's desire for a relationship with a salesperson was split into two groups based on that measure's median value of 4.0 (range 1–7). Buyer's desire for a relationship with a selling firm was split into two groups based on its median value of 5.5 (range 1–7). To test for differences with regard to the number of suppliers used, a Chow (1960) test was conducted. To test the differences in the regression coefficients of the buyer's desire for a relationship with the salesperson and buyer's desire for a relationship with the selling firm's subgroups, Z-values provided by a Fisher's Z-test were used (Cohen and Cohen 1983).

## RESULTS

### Direct Effects

To test H1 and H2, regression paths were tested that linked perceived commitment to buyer's propensity to stay in the relationship. Both paths yielded significant results ( $p < 0.05$ ) and provided an  $R^2$  of 0.355. The standardized coefficient of a buyer's perception of a salesperson's commitment leading to propensity to stay produced a value of 0.368, and the standardized coefficient of buyer's perception of a selling firm's commitment leading to propensity to stay yielded a value of 0.259. These findings suggest that both a buyer's perception of a selling firm's commitment and the buyer's perception of a salesperson's commitment have a significant relationship with the buyer's propensity to stay in the relationship even after taking into account the other construct. Even though both relationships are significant, a buyer's propensity to stay in the relationship is more strongly related to perceptions of the salesperson's commitment. This finding may be due to the key role of the firm's salespeople as the main communication conducted between the supplier and customer. This role would tend to enhance the importance of salesperson commitment for many buyers because they may see their sales contact as "the firm" in their mind (Czepiel 1990).

### Number of Suppliers

To test H3 and H4, regression paths linking buyer's perception of commitment to propensity to stay in the relationship were tested for both the single supplier and multiple suppliers groups (see Table 3). The Chow test produced a significant  $F$ -value of 3.55. Results support H3 ( $p < 0.05$  in the single-source group and  $p > 0.05$  in the multiple-source group). However, results failed to support H4, and a significant relation was found in the opposite direction hypothesized ( $p > 0.05$  in the single-source group and  $p < 0.05$  in the multiple-source group). The findings suggest that a

buyer's perception of a salesperson's commitment is more likely to keep the buyer in the relationship when the buyer is purchasing from only one supplier as opposed to multiple suppliers. In contrast, perceptions of the selling firm's commitment are related to a firm using multiple suppliers. Perhaps the use of multiple suppliers results in a supplier being more open about its investments in the relationship with the buyer and, by doing so, increases customer perceptions of the supplier's commitment. Another view might suggest that the supplier is perceived by a client as being more committed because the supplier is working harder to gain all of the customer's business instead of the share that the supplier currently maintains.

### Buyer's Desire for a Relationship

To test H5 and H6, regression was used to examine the links between a buyer's perception of commitment and the buyer's propensity to stay in the relationship for firms that had a high need for a relationship and firms with a lower need for a relationship (see Table 3). The results provide support for H5 ( $Z$ -value in the lower-needs group = 0.4973;  $Z$ -value in the high-needs group = 0.9798; Fisher's  $Z$ -value = 2.47,  $p < 0.05$ ). Results do not provide support for H6 ( $Z$ -value in the lower-needs group = 0.4059;  $Z$ -value in the high-needs group = 0.7089; Fisher's  $Z$ -value = 1.46,  $p > 0.05$ ). These results indicate that a buyer's perception of a salesperson's commitment is more important to keep a buyer in the relationship when the buyer has a high desire for a relationship with the salesperson. When looking at the variance explained in the linkage between a buyer's perception of a salesperson's commitment and the buyer's propensity to stay in the relationship, almost 57 percent of the variance is explained in firms that have a high need for a relationship with the salesperson, whereas the amount of variance explained in firms that have a lower need for a relationship drops to only 21 percent. Findings suggest that the relationship between a buyer's perception of a selling firm's commitment and the buyer's propensity to stay in a relationship is not moderated by a buyer's desire for a relationship. It appears that buyers who desire a relationship with the selling firm are not more likely to remain in the relationship when the supplier is committed than buyers who do not desire a relationship.

## MANAGERIAL IMPLICATIONS

Overall, our findings provide evidence for managers to further explore the issue of buyers' relationships with the salespeople who call on them. This research found that a buyer's perceptions of a salesperson's commitment play a significant role in a buyer's propensity to stay in the relationship even after taking into account the buyer's perception of the selling firm's commitment. To help a selling firm convey commitment to the relationship using sales personnel, managers should incorporate company procedures that will increase the salesperson's authority to make commitments to a buyer and establish clear guidelines on what can and cannot be promised. In addition, sales managers should seek to monitor levels of buyer's perceptions of salesperson commitment to evaluate their sales force's performance. To partially evaluate their sales force's performance, sales managers can ask buyers to complete surveys relating to their salesperson or have selected buyers participate in business review and development sessions or form buyer councils to develop feedback mechanisms at a more aggregate level.

Second, the selling firm should seek to convey commitment to the relationship not by simply paying lip service to the concept, but through specific actions. There are several ways an

organization can do this. One way to increase the buyer's perception of the selling firm's commitment is through open communications. For example, a selling firm can provide buyers with information, in advance, on possible changes in products and services so a buyer can better understand how these changes affect them and provide feedback on these changes. In addition, the firm may communicate to customers their salespeople's achievements, such as customer care awards and employee of the month awards, and possibly extend this to other employees within the organization who service the buyer. One additional way to show commitment to the buyer is through consistency at all points of contact with the selling firm. For example, if the customer visits one of the selling firm's offices or locations, the perception that the buyer gets from contact with the seller's employees can alter levels of buyer's perception of selling firm's commitment to the relationship. If the buyer calls the selling firm on the phone, the way in which the employee who answers the phone handles the call will affect the buyer's perception of the selling firm's commitment. Open communications and recognizing the importance of every touch point a buyer has with the selling firm can influence the buyer's perception of the overall selling firm's commitment to the relationship.

Considering that both the buyer's perception of the salesperson and overall selling firm's commitment can significantly affect the buyer's propensity to stay in the relationship, the issue of key contact employee turnover can partially be addressed (Bendapudi and Leone 2001). If a selling firm builds buyer commitment through open communication and points of contact within the selling firm, a firm can reduce the effect of "key contact employee turnover" on the buyer's propensity to stay with the selling firm through increased levels of buyer's perceptions of selling firm's commitment. This is because the buyer has multiple points of contact and multiple relationships.

When buyers purchase from only one supplier, a buyer's perception of a salesperson's commitment was shown to be more important than if the buyer purchases from multiple suppliers. These results are consistent with current literature indicating that when buyers purchase from one supplier, they are more concerned with relational aspects. This means that if a buyer uses only one supplier, he or she must perceive his or her salesperson to be committed to the relationship. If the buyer perceives the salesperson is not committed to the relationship, the buyer is more likely to leave the relationship when using one supplier than if the buyer is purchasing from multiple suppliers. The results suggest that sales personnel should clearly convey commitment to customers when a buyer is in a sole-source procurement situation. To do this, sales personnel should make sure that when they are aware that a buyer procures from only them, they must be committed to building additional value in the relationship for the buyer.

Finally, a salesperson should try to determine if each buyer desires a relationship. If a buyer desires a relationship, the buyer will place greater importance on his or her perception of the salesperson's commitment. If the buyer desires a relationship, the salesperson must look closely at the cost of increased levels of communication. For example, if a buyer wants a high degree of communication, the cost of providing the extra attention needs to be taken into account. If a buyer does not have a desire for a relationship with the salesperson, the firm may limit the communication with the buyer and focus more attention on the costs of delivering the service to the buyer in an acceptable manner.

## LIMITATIONS AND FUTURE RESEARCH

This research, like all research, has limitations. One such limitation is that the study was confined to buyers of a single service. Although the study findings are important, the research is not necessary generalizable to other service settings. A second limitation is that the sampling frame is composed entirely of firms that procured at least some of their communication service from the service provider who sponsored the study. To increase the generalizability of this research, other service providers should be contacted to allow their customers the option to be included in the sampling frame. Further, the results are based on a cross-sectional study using a survey.

The research presented here provides a starting point for future research pertaining to the topic of perceived commitment and its linkages to other constructs. First, a seller's commitment could be researched using dyadic data to see if there are differences in buyer's perception of a seller's commitment and the seller's actual commitment to the relationship. Second, future studies could use multiple selling firms and multiple buying firms to address the generalizability concern mentioned above.

This study addresses a gap in the current literature dealing with a buyer's propensity to stay in a relationship. It reinforces the commitment literature by demonstrating that a buyer's perception of a salesperson's commitment and selling firm's commitment are associated with the buyer's propensity to stay in the relationship. In addition, the number of suppliers used in procurement influences the relationship between a buyer's perception of salesperson's commitment and propensity to stay. Finally, a buyer's desire for a relationship with a salesperson influences the relationship between the buyer's perception of the salesperson's commitment and propensity to stay.

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**APPENDIX. Single and Multiple Source Correlations**

	Buyer's Perception Propensity of the Salesperson's to Stay	Buyer's Perception of the Selling Firm's Commitment	Buyer's Perception of the Selling Firm's Commitment	Buyer's Desire for a Relationship with Salesperson	Buyer's Desire for a Relationship with Selling Firm	Annual Sales
Propensity to Stay		0.273*	0.447**	-0.192	0.053	-1.56
Buyer's Perception of the Salesperson's Commitment	0.650**		0.636**	0.060	0.010	-0.094
Buyer's Perception of the Selling Firm's Commitment	0.545**	0.82		0.067	0.185	0.012
Buyer's Desire for a Relationship with Salesperson	0.213*	0.582**	0.510**		0.313*	0.214
Buyer's Desire for a Relationship with Selling Firm	0.414**	0.446**	0.502**	0.466**		0.161
Annual Sales	0.008	0.144	0.167	0.287**	0.149	

Notes: Single source is below the diagonal. Multiple sources are above the diagonal. \*  $p < 0.05$ ; \*\*  $p < 0.01$ .