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The Effects of Satisfaction and Structural Constraints on Retailer Exiting, Voice, Loyalty, Opportunism, and Neglect

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The article reports the results of a study of the associations between the response intentions of hardware retailers when there are problems with their supplier, and their antecedents. The objective was to fill a gap in our knowledge of retailer-supplier relationships by testing hypothesized associations between response intentions, such as relationship neglect, and antecedents that include investment in the relationship. The response intention variables were those proposed by Hirschman (1970), and others: exiting, voice (constructive attempts to change conditions), loyalty, opportunism (self interest seeking with guile), and relationship neglect (reduced contact). Their antecedents were overall satisfaction with the relationship, and the relationship "structural constraints" (Johnson 1982) of alternative attractiveness, relationship investment, and switching cost. The results add to our understanding of problem resolution and relationship maintenance in the channel, and shed light into the "dark side" of channel relationships.

Most empirical research contributing to the body of channel knowledge has focused on the management of long-term relationships (Arndt 1979, Wind 1970; see Heide and John 1990). As a result, the channel literature is rich with examinations of the dynamics of these relationships: relationship formation (e.g., Dwyer, Schurr, and Oh 1987; Ford 1980), power and

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dependence (e.g., Buchanan 1992; Lewis and Lambert 1991; Skinner, Gassenheimer, and Kelly 1992; see Gaski 1984), conflict (see Kaufmann and Rangan 1990), interfirm influence (Roering 1977; see Frazier and Rody 1991), communication (Mohr and Nevin 1990), adaptation within the relationship (Hallén, Johanson, and Seyed-Mohamed 1991), commitment building (see Anderson and Weitz 1992), and the political economy (Arndt 1983) of the marketing channel (Stern and Reve 1980; see Dwyer and Oh 1987).

Arguably because the discipline's focus has rightly been on relationship formation and maintenance, the dissolution of channel relationships has received little theoretical or empirical attention.

Anecdotal evidence suggests that dissolutions of long-term relationships occur. In a conversation with an international marketing researcher we were told that in Sweden approximately ten percent of the channel relationships tracked in Sweden are terminated annually. The legal literature provides glimpses of responses to problems in channel relationships that typically end in dissolution (see "Legal Developments in Marketing," in the *Journal of Marketing*). These accounts regularly involve retailers, and prompt intriguing questions concerning these troubled channel relationships. For example, what caused them to terminate? Diminished overall satisfaction with the relationship is necessary, but is it always sufficient? Most Chrysler dealers did not terminate their franchise during the nadir of their satisfaction that accompanied the restructuring of the Chrysler Corporation in the 1970s. What holds together a channel relationship that is in trouble? Plausible candidates include lack of an attractive alternative. Are there other "structural constraints" (Johnson 1982) in a channel relationship? For a firm having problems with a supplier or institutional customer, are there other responses besides exiting? Anecdotal evidence suggests that problems in channel relationships generate complaints, but are there other responses as well?

This study is intended to narrow the gap in our knowledge of troubled channel relationships in a retailing scenario. This paper proposes and tests associations between the general responses to relationship problems and their antecedents. Inspired by the arguments of Hirschman (1970) in the economics literature, and Rusbult, Zembrodt, and Gunn (1982) in the psychology literature, the general responses include exiting, voice (constructive attempts to change conditions), loyalty, opportunism (self interest seeking with guile), and neglect (reduced relationship contact). The antecedents of these general responses are overall satisfaction with the relationship, and the structural constraints (Johnson 1982) of alternative attractiveness, investment in the relationship, and switching cost.

Knowledge of the dynamics within troubled channel relationships would add to our understanding of problem resolution and relationship maintenance, and could help avoid dissolution and its associated costs both economic and psychic. Anecdotal evidence suggests that once problems become endemic, relationship satisfaction declines, conflict increases, and monitoring costs increase. Relationship investments from the low satisfaction firm dry up. Without exit barriers (Porter 1980) such as switching costs, the low satisfaction firm may exit the relationship. This incurs costs. Exiting may obsolete assets that are unique to the relationship. These assets in retailing range from knowledge of how to do business with the terminated supplier, through fixtures and employee training that are product or supplier specific, to lost customers and good will. In addition, exiting may require the firm to incur additional costs, such as search, negotiation, and monitoring costs. Finally, it may require additional investments in assets that are specific to a new relationship, to establish and build that new relationship. In retailing these additional investments include learning how to do business with the new supplier, acquiring new fixtures and employee training that are supplier or product specific, and more lost customers and good will until this process is complete.

Channel researchers have commented on the need for work on troubled marketing channel relationships. In the last phase of their channel relationship development process, relationship dissolution, Dwyer et al. (1987) stated that little is known about channel relationship disengagement, and that relationship terminations merit careful study. Frazier (1983) in his writing on the exchange behavior between organizations, mentioned the dissolution of the relationship. Commenting on the consequences of dissatisfaction, he stated that an acknowledgement and inspection of this flow of events would lead to a greater understanding of current attempts to coordinate such exchange relationships.

After briefly reviewing topically related literatures and introducing the concepts, we report the results of interviews with firms that experienced troubled relationships. After that, we propose the relationships between the generalized responses and their antecedents. Finally, we test these relationships in a field survey of hardware retailers and interpret the results.

BACKGROUND

Economics

Hirschman (1970) proposed that exit (relationship termination) was one of several responses to problems in exchange relationships. He argued that

members of person-organization relationships had three options when responding to organizational "lapses" in performance (problems): they could exit the relationship, they could use voice, or they could do nothing and remain loyal. Exit was the member ceasing to buy the firm's product(s), or leaving the organization. Voice involved actively working with the relationship partner to remedy problems. Loyal behavior involved the loyal member suffering in silence, with confidence that things would get better. Hirschman proposed that these exit, voice, and loyalty responses had antecedents that included the level of overall satisfaction with the relationship, the attractiveness of an alternative relationship, and the switching cost associated with leaving the current relationship and establishing the alternative.

Psychology and Employee Relations

The psychological literature has addressed responses to inter-person problems. Rodin (1982) argued that exiting obtains from a loss of relationship value. Relationship value consisted of the pleasure/cost ratio, the substitutability of the partner, and the importance of the criteria that is satisfied by the relationship. Johnson (1982) asserted that rewards and costs were antecedents of satisfaction.

The employee relations literature has addressed employee responses to employer-employee problems. Mobley, Griffeth, Hand, and Meglino (1979), among others, proposed a process model of employee exiting that involved dissatisfaction, evaluation of alternatives, and finally exiting. Rosse and Hulin (1985) argued that responses to dissatisfaction include withdrawal (exit), avoidance, attempts to change undesired aspects of work, aggressive retaliatory responses, and cognitive readjustments.

In studies in both literatures Rusbult et al. (1982), and Rusbult, Farrell, Rogers, and Mainous (1988) proposed that responses to problems included exit, voice loyalty, and neglect responses. These studies also proposed, and generally confirmed, that the general responses to problems depended on the antecedents of satisfaction and alternative attractiveness, and relationship investment: the time, effort, and money spent to build and maintain the relationship.

Marketing

The marketing channel literature has recently addressed interfirm relationship dissolution. Stern and Reve (1980), in their explication of the Political Economy framework for marketing channels, mentioned the link

between satisfaction and exiting. Frazier (1983), in mapping interorganizational exchange behavior, mentioned channel relationship dissolution, and asserted that dissatisfaction and a more desirable exchange partner would lead to dissolution. Dwyer et al. (1987), in their framework for the development of the relationship between buyer and seller, offered a four-stage model of the process of dissolution of an interpersonal relationship proposed by Duck (1982). There are several proceedings articles addressing relationship termination in marketing channels (Ping and Dwyer 1988; Ping 1990). Ping and Dwyer 1988 proposed a graph-based model of exiting involving role performance and alternative attractiveness. In an experiment using student subjects, Ping (1990) observed that satisfaction and alternative attractiveness were associated with exiting.

The consumer satisfaction/dissatisfaction literature has addressed responses to dissatisfaction in consumer purchases. Richins (1987) argued that the responses to dissatisfaction in consumer purchases were complaints (see Singh and Howell 1985 for a review), negative word of mouth (Diener and Grayser 1978; Richins 1983), and brand switching (LaBarbara and Mazursky 1983). Singh (1990a) proposed exit and voice as responses to dissatisfaction in consumer purchases. Singh (1990b) found evidence of four clusters of responses to dissatisfaction in consumer purchases: passive, voice, negative word of mouth, and consumer activism.

The picture that emerges is that there are several general responses to relationship problems: loyalty, voice, exit, and neglect. These responses are generally associated with satisfaction, alternative attractiveness, investment, and switching cost. In the following paragraphs we investigate these matters in a retailing context, beginning with exploratory interviews that suggested that opportunism, self interest seeking with guile (Williamson 1975), was also a general response to channel relationship problems.

RESPONSES TO CHANNEL RELATIONSHIP PROBLEMS

In exploratory interviews with firms that were contemplating or had recently completed termination of a channel relationship, we found hints of all of the responses to relationship problems just discussed. These interviews involved a convenient sample of fifteen suppliers, distributors, and retailers in an area surrounding a metropolitan university. We interviewed key informants who had titles ranging from owner to purchasing manager, and were responsible for relationships with suppliers or institutional customers.

The informants in the distributor group generally reported problems

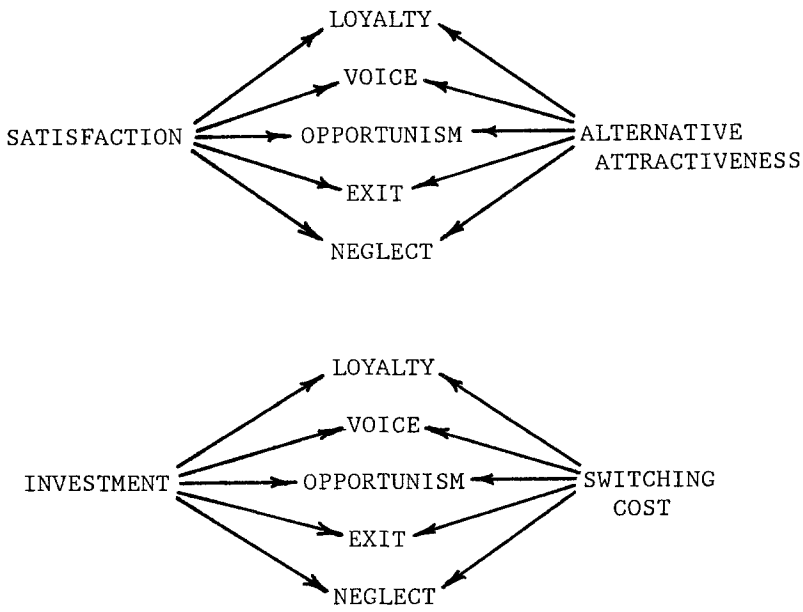
created either by the actions of the partner firm, or the lack of action by the partner firm. These problems prompted responses from the subject firm that included ignoring the problem (loyalty), or complaining to the partner firm (voice). After chronic unsuccessful resolution of these problems, additional problems appeared to have produced opportunism, neglect, or thoughts of exiting.

The informants reported that decisions regarding exiting were protracted. While not consistently reported, the lack of an attractive alternative, high relationship investment, and a high cost associated with switching to an alternative relationship appeared to complicate the exiting decision. In addition, there were hints that these antecedent variables were associated with the other responses to relationship problems. For example, an attractive alternative, low investment, and low switching cost were also associated with opportunism, loyalty, and neglect.

We were encouraged by these interviews, and the arguments and favorable results in the various literatures. As a result, we propose that the

FIGURE 1

A Model of the General Responses to Problems in Channel Relationships and Their Antecedents



general responses to problems in a channel relationship include exiting, voice, loyalty, opportunism, and neglect. In addition, satisfaction, alternative attractiveness, investment, and switching cost should be associated with these general responses as shown in Figure 1.

HYPOTHESES

For the subject firms, increases in the level of overall satisfaction with the relationship, investment, and switching cost should make economic exchanges with the partner firms more valuable perceptually (Dwyer et al. 1987; Frazier 1983; Thibaut and Kelley 1959). As relationship satisfaction, investment, and switching cost increase, subject firms should respond positively to relationship problems by working with the partner firms (voice), or not rocking the boat (loyalty) (Hirschman 1970; Rosse and Hulin 1985; Rusbult et al. 1982; Rusbult et al. 1988). In these circumstances, subject firms should be disinclined to exhibit responses that are destructive to the relationship, such as opportunism (Frazier 1983; Anderson 1988; Pfeffer and Salancik 1978), reduced contact with the partner firm (neglect) (Rosse and Hulin 1985; Rusbult et al. 1982; Rusbult et al. 1988), or exiting (Dwyer et al. 1987; Frazier 1983; Hirschman 1970; Jackson 1985; Mobley et al. 1979; Rodin 1982; Rosse and Hulin 1985; Rusbult et al. 1982; Rusbult et al. 1988; Schultz, Bigoness, and Gagnon 1987; Stern and Reve 1980; Blau 1964), because there is much to lose. Thus,

H1a: Satisfaction, investment, and switching cost are positively associated with loyalty and voice.

H1b: Satisfaction, investment, and switching cost are negatively associated with exiting, opportunism, and neglect.

Previous studies lend some support to these assertions. Ping (1990), and Schultz et al. (1987) reported that satisfaction was negatively associated with exiting. Dwyer and Oh (1987) observed that satisfaction was positively associated with opportunism. Lewis and Lambert (1991) reported that satisfaction with partner's role performance was positively associated with whether the subject firm would "join the system again," arguably a facet of exiting. Anderson (1988) observed that investment was negatively associated with opportunism. Anderson and Weitz (1992) reported that investment was positively associated with relationship commitment, arguably related to exiting. Rusbult et al. (1982) observed that satisfaction and investment were negatively associated with exiting and neglect. They also

observed that satisfaction and investment were positively associated with loyalty and voice. Rusbult et al. (1988) reported similar results.

The subject firms' perception of the attractiveness of the best alternative relationship should have a different consequence. As the attractiveness of the alternative relationship increases, subject firms should be less likely to be passive in the face of problems. Subject firms should actively respond to problems by confronting the incumbent (voice) (Hirschman 1970; Rusbult et al. 1982; Rusbult et al. 1988), looking out for number one (opportunism) (Provan and Skinner 1989), or exiting (Dwyer et al. 1987; Frazier 1983; Hirschman 1970; Rodin 1982; Rusbult et al. 1982; Rusbult et al. 1988). They should be disinclined to respond passively by being loyal (Hirschman 1970; Rusbult et al. 1982; Rusbult et al. 1988) or neglectful (Rusbult et al. 1982; Rusbult et al. 1988). Hence,

H2a: Alternative attractiveness is positively associated with voice, opportunism, and exiting.

H2b: Alternative attractiveness is negatively associated with loyalty and neglect.

There is also some empirical support for these statements. Rusbult et al. (1982) reported that alternative quality was positively associated with exit, and negatively associated with loyalty and neglect. Ping (1990) observed that alternative attractiveness was positively associated with exiting. Rusbult et al. (1988) reported that alternative attractiveness was positively associated with exit and voice, and negatively associated with loyalty.

The balance of this paper presents the results of a test of these hypotheses.

METHOD

The test involved a field survey and structural equation analysis to determine the associations among these concepts. We gathered data from hardware retailers concerning their loyalty to their primary supplier, and their voice, opportunism, neglect, and exit propensity responses. In addition we asked about their satisfaction with that supplier, the attractiveness of the best alternative supplier, relationship investment, and perceived switching cost.

Sample Design

The study surveyed hardware retailers in the 50 U.S. states. The key informant within these sampling units was the store owner, manager, or executive. We randomly drew the sample of these informants from the

TABLE 1

Profile of the Final Test Responses

First Title Mentioned	Frequency
Owner, partner	120
President	67
General Manager	6
Chief Financial Officer	4
Other	18
Not reported	7
Total	222

Reported Last Year's Sales	Frequency
>$10MM	5
$3–9.99MM	8
$1.2–2.99MM	28
$0.6–1.199MM	34
$0.25–0.599MM	47
$01–0.249MM	39
$.01–.099MM	22
$<.01MM	0
Unreported	39
Total	222

Years with Primary Wholesaler	Frequency
1–2	19
3–5	54
6–10	51
11–20	57
21–30	21
31 +	19
Unreported	1
Total	222

subscription list for an industry publication that appeared to represent all the U.S. hardware retailers.

The final mailer was sent to 600 names and addresses, and included a $2 response incentive. This mailing, and two follow-up post card mailings, produced 288 responses (49%—nine mailers were undeliverable). Two hundred and twenty-two (38%) responses were deemed usable. Table 1 profiles these responses.

Measures

The measurement of the study concepts involved a combination of new and existing Likert scales. For example, satisfaction, the firm's global evaluation of relationship fulfillment (Dwyer and Oh 1987), was measured using a modification of the Dwyer and Oh satisfaction scale inspired by Gaski and Nevin (1985). Satisfaction's domain includes all relationship characteristics that the subject firm deems "rewarding, profitable, or instrumental" (Rukert and Churchill 1984), or costly, unfair, or frustrating. The satisfaction items addressed overall satisfaction with the relationship, fairness, and "a good company to do business with."

Opportunism, self interest seeking with guile (Williamson 1975), was also measured using a modification of an existing scale: Dwyer and Oh's (1987) opportunism scale that was derived from John's (1984) scale. John characterized the items in his scale as distortion of information, failure to fulfill promises, and shirking obligations. The scale items involved noncompliance when the relationship partner will not notice, not volunteering information, exaggeration/alteration of reports, and shirking responsibilities.

New scales were developed for the other measures in the study. For example, alternative attractiveness, the subject firm's estimate of the satisfaction available in an alternative relationship (Rusbult 1980), was operationalized as the perception of the overall fulfillment available from the best alternative supplier, in addition to the overall fulfillment available in the existing relationship (Rusbult 1980). Its conceptualization encompasses the generalized perceptions of the subject firm of the rewards and costs available in the most salient alternative relationship. The scale items concerned "a good supplier company," its fairness, products and services, and policies, and the subject firm's anticipated overall satisfaction with the alternative supplier.

Investment, the costs the firm electively incurs to build and maintain the relationship in anticipation of future exchanges (Lund 1985), were operationalized as the perceived magnitude of the relationship assets that would

be lost or no longer useful if the relationship were terminated (Rusbult 1980). Its conceptual domain involves sunk economic and opportunity costs such as money, time, and effort. The investment items dealt with overall relationship investment, investment uniqueness, and the time, effort, and energy that were put into building and maintaining the relationship.

Switching cost, the perception of the magnitude of the additional costs that would be required to terminate the current relationship and secure the alternative (Porter 1980), was operationalized as the perceived magnitude of the additional cost and effort that would be required to change suppliers. The domain of switching cost encompasses monetary expenses to end the current relationship and secure the alternative, and the psychic costs incurred in the expenditures of time and effort. The switching cost scale items involved spending time and money, the costs, and losses in switching suppliers.

Because this study investigated existing relationships, we operationalized exiting, physically leaving the relationship, as the propensity to terminate the primary wholesaler (Mobley 1977)—the degree of disinclination to continue the relationship with the top full line wholesaler. The resulting items dealt with thinking of exiting, looking for a replacement relationship, considering a replacement, and the intention to exit.

We measured voice, the active and constructive attempts by the subject firm to change conditions, as the intention to work directly with the partner firm to change conditions actively and constructively (Rusbult et al. 1982). Its domain includes seeking problem removal with a desire to maintain the relationship, confronting the partner firm with problems in a positive way, and discussing and working cooperatively with the partner firm to improve the situation. The voice items addressed talking to partner, suggesting and discussing changes, and working with partner to solve mutual problems.

The study operationalized loyalty, abiding relationship problems in silence with confidence that things will get better (Rusbult et al. 1982), as the predisposition to live with the situation rather than confront the partner firm. The conceptual domain of loyalty involves viewing problems as transitory phenomena that correct themselves: they go away and are forgotten. Problems either work themselves out or the partner firm fixes them, so there is little reason to worry. The loyal firm either ignores problems or assumes they will go away, and concentrates on continuing with business as usual. Loyalty items addressed not mentioning problems, disregarding/overlooking/ignoring problems, and the belief that problems fix themselves.

We measured neglect, reduced physical contact with the partner firm, as

the intention to reduce physical contact with the partner firm. Its conceptualization encompasses physical contact that is partially reduced: little effort is expended to maintain the relationship and the relationship is a succession of discrete exchanges (Macneil 1980). In more extreme cases it includes ignoring attempts by the partner firm to resolve problems, and just letting the relationship deteriorate (Rusbult et al. 1982). The resulting items dealt with letting the relationship deteriorate, taking no action to improve relations, not caring about the partner firm, and letting the relationship die.

To develop these new measures we generated definitions of the concept domains guided by existing theorizing in the marketing channel, economics, psychological, and employment relations literatures. Items were then developed using presurvey interviews with hardware retailers, and examinations of the items in scales from the above literatures.

The resulting Likert-scale items were presented in random order to a jury of nine academicians to determine if the items tapped the domains of the constructs. Items that were misclassified by more than one judge were dropped. The resulting scales were combined with the satisfaction and opportunism scales to produce a multipage questionnaire with Likert items each with a balanced five-point scale. We administered this questionnaire to a convenient group of hardware retailers to reduce misinterpretation, and then tested it in a pretest mailer. The 190 retailers randomly drawn from the final test sampling frame received a response incentive and postcard follow-ups, and produced 63 usable responses (33%).

Using the pretest responses, we gauged the psychometric properties of the measures using item-total correlations, ordered similarity coefficients (Hunter 1973), and coefficient alpha calculations. The resulting measures were content valid, unidimensional, internally/externally consistent (see Gerbing and Anderson 1988), and had coefficient alpha's of .8 or above.

When the final test responses were available we reexamined the psychometric properties of the measures using item-total correlations, ordered similarity coefficients, multiple group analysis (Anderson, Gerbing, and Hunter 1987), LISREL single factor analysis (Jöreskog 1993), and coefficient alpha calculations. Table 2 summarizes the psychographic properties of the final test scales.

Several measures required the deletion of single items to attain internal consistency (see the Appendix). The bases for dropping an item were an examination of the statistics available in LISREL single factor analysis (including χ^2, AGFI, RMS Residual, and normalized residuals) versus construct validity. An item was deleted only when its deletion would substantially improve internal consistency without impairing content validity.

TABLE 2

Psychometric Properties of the Final Test Scales

Construct	Parameter[a]	Fit Statistics: Final Test Scale	Fit Statistics: Parameter Estimation Scale
Satisfaction	Items	5	5
	df		6
	Chi-Squared		6
	p-value		.26
	GFI		.99
	AGFI		.98
	RMS Residual		.009
	Alpha		.94
Alternative Attractiveness	Items	5	4
	df	6	3
	Chi-Squared	20	4
	p-value	.000	.12
	GFI		.99
	AGFI		.99
	RMS Residual		.011
	Alpha	.93	.92
Investment	Items	5	5
	df		6
	Chi-Squared		18
	p-value		.003
	GFI		.97
	AGFI		.96
	RMS Residual		.021
	Alpha		.91
Switching Costs	Items	5	4
	df	6	3
	Chi-Squared	11	.87
	p-value	.038	.64
	GFI		.99
	AGFI		.99
	RMS Residual		.004
	Alpha	.94	.94

TABLE 2 Cont'd

Construct	Parameter[a]	Fit Statistics: Final Test Scale	Fit Statistics: Parameter Estimation Scale
Loyalty	Items	5	4
	df	6	3
	Chi-Squared	53	2.5
	p-value	.000	.47
	GFI		.99
	AGFI		.99
	RMS Residual		.014
	Alpha	.86	.81
Voice	Items	5	4
	df	6	3
	Chi-Squared	75	2
	p-value	.000	.30
	GFI		.99
	AGFI		.99
	RMS Residual		.007
	Alpha	.91	.92
Opportunism	Items	6	5
	df	10	6
	Chi-Squared	84	8.72
	p-value	.000	.19
	GFI		.98
	AGFI		.97
	RMS Residual		.015
	Alpha	.86	.80
Neglect	Items	5	4
	df	6	3
	Chi-Squared	65	1
	p-value	.000	.40
	GFI		.99
	AGFI		.99
	RMS Residual		.008
	Alpha	.92	.91

TABLE 2 Cont'd

Construct	Parameter[a]	Fit Statistics: Final Test Scale	Fit Statistics: Parameter Estimation Scale
Exit	Items	6	6
	df		10
	Chi-Squared		54
	p-value		0
	GFI		.94
	AGFI		.89
	RMS Residual		.020
	Alpha		.95

[a] Items = Number of items in the scale.
df = LISREL Chi-squared statistic degrees of freedom.
Chi-Squared = LISREL Chi-squared statistic value.
p-value = Attained significance of the LISREL chi-squared statistic.
GFI = LISREL goodness-of-fit index.
AGFI = LISREL adjusted goodness-of-fit index.
RMS Residual = LISREL root mean squared residual.
Alpha = Coefficient (Cronbach) alpha value.

The Table 2 results and the latent variable reliabilities (Fornell and Larker 1981) (see Table 3) suggested that the measures were reliable. The Average Variances Extracted (Fornell and Larker 1981) (see Table 3) suggested convergent and discriminant validity. Each concept was associated as hypothesized with one or more other concepts (see Table 4), which suggested construct validity.

Estimation

Specifying Figure 1 as a measurement model (not shown) produced the measurement results shown in Table 3 using covariances, LISREL 7, and maximum likelihood estimation. This measurement-model-before-structural-model estimation approach is recommended (Anderson and Gerbing 1982, 1988) to avoid a potential interpretational problem. A structural equation model with latent variables is the synthesis of two models: the measurement model that specifies the relationships between the observed and latent variables, and the latent variable model that shows the influence of the latent variables on each other (Bollen 1989; Jöreskog and Sörbom 1989; Bentler 1989). Anderson and Gerbing proposed estimating

the measurement model to ensure the unidimensionality of the latent variables before specifying the structural model (i.e., two-step model estimation). This they argued avoids interpretational confounding (Burt 1976) in structural models, the interaction between the measurement and structural models that produces marked changes in the estimates of the pattern coefficients (indicator loadings) when alternative structural models are estimated. Jöreskog (1993) voiced a stronger position suggesting that the structural model may be meaningless unless it is first established that the measurement model holds (see Kumar and Dillon 1987 for an alternative view). Anderson and Gerbing (1988) further argued that with acceptable unidimensionality, parameter estimates from the measurement model should change "trivially, if at all," when the measurement and the structural submodels are simultaneously estimated. Hence the final measurement model ϕ's are presented in Table 3 and the measurement/structural λ's and θ's appear in Table 4 to conserve space.

The Comparative Fit Index (Bentler 1990) of .91 (.90 suggests a good model/data fit) suggested an acceptable measurement model specification and fit (see Bollen and Long 1993). This was supported by the small number of normalized residuals that were greater than two (40—less than the number that could be expected at 5% chance), although the traditional fit statistics (GFI and AGFI) for this measurement model were low.

We then specified Figure 1 as the structural model shown in Figure 2, and produced the maximum likelihood parameter estimates shown in Table 4 using covariances and LISREL 7.

The Comparative Fit Index (.91) and the normalized residual behavior (38 normalized residuals were greater than two and 41 were expected at a 5% level of chance) suggested an acceptable fit of the model to the data (see Table 4).

RESULTS

Hypotheses Tests

Of the Hypothesis 1 associations[1] involving satisfaction, investment, and switching cost, six were significant (based on the traditional *t*-statistic of two; see Jöreskog and Sörbom 1989) (see Table 4). The satisfaction associations with exiting, voice, and neglect were as hypothesized, while the satisfaction associations with loyalty and opportunism were not sup-

[1] The associations for the three Vertical Marketing Systems types represented in the sample were directionally similar to the significant associations shown in Table 4.

TABLE 3

Measurement Model Results

Latent Variable Covariances[a] (ϕ's):

Latent Variable	Latent Variable 1	2	3	4	5	6	7	8	9
1. Satisfaction	.82	−.56*	.35*	.26*	.01	.30*	−.21*	−.55*	−.67*
2. Alt. Attract.	−.48	.91	−.28*	−.40*	.04	−.09	.30*	.46*	.62*
3. Investment	.30	−.25	.86	.54*	−.04	.25*	−.17*	−.34*	−.27*
4. Switching Cost	.22	−.35	.46	.84	.10	.15*	−.05	−.26*	−.23*
5. Loyalty	.01	.04	−.03	.09	.85	−.31*	.31*	.12*	.04
6. Voice	.25	−.08	.22	.13	−.26	.84	−.28*	−.39*	−.25*
7. Opportunism	−.16	.24	−.13	−.04	.24	−.21	.69	.45*	.41*
8. Neglect	−.46	.41	−.29	−.22	.11	−.33	.35	.85	.70*
9. Exit	−.57	.56	−.23	−.20	.04	−.21	.32	.61	.87

Fit Indices:

Chi-Squared Degrees of Freedom	=	743
Chi-Squared Statistic Value	=	1562
p-Value of Chi-Squared Value	=	.000
Goodness-of-Fit Index	=	.79
Adjusted Goodness of Fit Index	=	.74
RMS Residual	=	.055
Normalized Residuals greater than 2	=	40 (41 expected at 5%)
Bentler (1990) Comparative Fix Index	=	.91

Average Variance Extracted:

	Variables								
	1	2	3	4	5	6	7	8	9
Average Variance Extracted	.76	.76	.69	.80	.55	.75	.52	.73	.75

Latent Variable Reliabilities:

	Variables								
	1	2	3	4	5	6	7	8	9
Latent Variable Reliabilities	.94	.92	.91	.91	.82	.92	.80	.91	.94

* *t*-value greater than 2.

[a] Covariances on and below the diagonal, correlations above.

TABLE 4

Structural Equation Model Results

Structural Equations[a]

$$\text{LOYALTY}(\eta_1) = \gamma_{11}\text{SAT}(\xi_1) + \gamma_{21}\text{ALT}(\xi_2) + \gamma_{31}\text{INVEST}(\xi_3) + \gamma_{41}\text{SWITCH}(\xi_4) + \zeta_1$$
$$\text{VOICE}(\eta_2) = \gamma_{12}\text{SAT}(\xi_1) + \gamma_{22}\text{ALT}(\xi_2) + \gamma_{32}\text{INVEST}(\xi_3) + \gamma_{42}\text{SWITCH}(\xi_4) + \zeta_2$$
$$\text{OPPORT}(\eta_3) = \gamma_{13}\text{SAT}(\xi_1) + \gamma_{23}\text{ALT}(\xi_2) + \gamma_{33}\text{INVEST}(\xi_3) + \gamma_{43}\text{SWITCH}(\xi_4) + \zeta_3$$
$$\text{NEGLECT}(\eta_4) = \gamma_{14}\text{SAT}(\xi_1) + \gamma_{24}\text{ALT}(\xi_2) + \gamma_{34}\text{INVEST}(\xi_3) + \gamma_{44}\text{SWITCH}(\xi_4) + \zeta_4$$
$$\text{EXIT}(\eta_5) = \gamma_{15}\text{SAT}(\xi_1) + \gamma_{25}\text{ALT}(\xi_2) + \gamma_{35}\text{INVEST}(\xi_3) + \gamma_{45}\text{SWITCH}(\xi_4) + \zeta_5$$

Parameter[b]	Coefficient Estimate	*T*-value	Parameter[b]	Coefficient Estimate	*T*-value
γ_{11}	.09	1.14	ϵ_{14}	.69	11.25
γ_{12}	.31	4.03	ϵ_{22}	.30	9.81
γ_{13}	−.02	−.32	ϵ_{23}	.16	7.21
γ_{14}	−.38	−5.60	ϵ_{24}	.31	9.96
γ_{15}	−.47	−8.08	ϵ_{25}	.19	8.06
γ_{21}	.15	1.80	ϵ_{31}	.83	11.43
γ_{22}	.15	1.92	ϵ_{32}	.75	11.20
γ_{23}	.31	3.74	ϵ_{33}	.30	7.34
γ_{24}	.21	3.05	ϵ_{34}	.32	7.63
γ_{25}	.37	6.46	ϵ_{36}	.47	9.74
γ_{31}	−.15	−1.87	ϵ_{41}	.42	10.71
γ_{32}	.17	2.28	ϵ_{43}	.28	9.76
γ_{33}	−.15	−1.96	ϵ_{44}	.13	6.72
γ_{34}	−.14	−2.08	ϵ_{45}	.27	8.64
γ_{35}	−.02	−.41	ϵ_{51}	.47	11.32
γ_{41}	.23	2.88	ϵ_{52}	.24	10.46
γ_{42}	.04	.59	ϵ_{53}	.12	8.65
γ_{43}	.15	1.89	ϵ_{54}	.31	10.87
γ_{44}	.00	.06	ϵ_{55}	.12	8.77
γ_{45}	.06	1.05	ϵ_{56}	.16	9.50
δ_{11}	.34	10.59	λ_{x11}	.89	18.82
δ_{12}	.24	9.77	λ_{x12}	.96	22.06
δ_{13}	.17	8.73	λ_{x13}	1.00	0.00*
δ_{14}	.23	9.72	λ_{x14}	.96	22.23
δ_{15}	.17	8.85	λ_{x15}	.99	24.27
δ_{22}	.27	9.95	λ_{x22}	.89	22.76
δ_{23}	.26	9.86	λ_{x23}	.89	23.11
δ_{24}	.08	5.08	λ_{x24}	1.00	0.00*
δ_{25}	.31	10.31	λ_{x25}	.86	21.18
δ_{31}	.48	11.11	λ_{x31}	.77	15.37
δ_{32}	.17	8.62	λ_{x32}	.97	25.51
δ_{33}	.14	7.60	λ_{x33}	1.00	0.00*
δ_{34}	.16	8.30	λ_{x34}	.98	26.08
δ_{35}	.56	11.31	λ_{x35}	.70	13.27
δ_{42}	.26	9.93	λ_{x42}	.93	21.29
δ_{43}	.18	8.71	λ_{x43}	.98	24.36

TABLE 4 Cont'd

Parameter[b]	Coefficient Estimate	*T*-value	Parameter[b]	Coefficient Estimate	*T*-value
δ_{44}	.16	8.09	λ_{x44}	1.00	0.00*
δ_{45}	.17	8.58	λ_{x45}	.98	24.59
ϵ_{11}	.31	7.78	λ_{y11}	.88	16.01
ϵ_{12}	.12	3.02	λ_{y12}	1.00	0.00*
ϵ_{13}	.66	11.17	λ_{y13}	.61	10.22
λ_{y14}	.59	9.77	ζ_4	.55	9.58
λ_{y22}	.91	19.90	ζ_5	.39	9.61
λ_{y23}	1.00	0.00*	ψ_{12}	−.27	−5.03
λ_{y24}	.90	19.41	ψ_{13}	.21	4.17
λ_{y25}	.98	23.32	ψ_{14}	.10	2.29
λ_{y31}	.49	6.62	ψ_{15}	.03	.77
λ_{y32}	.59	8.17	ψ_{23}	−.16	−3.56
λ_{y33}	1.00	0.00*	ψ_{24}	−.18	−4.23
λ_{y34}	.98	14.39	ψ_{25}	−.06	−1.67
λ_{y36}	.86	12.53	ψ_{34}	.22	5.12
λ_{y41}	.81	16.77	ψ_{35}	.15	4.22
λ_{y43}	.91	20.81	ψ_{45}	.24	6.74
λ_{y44}	1.00	0.00*	ϕ_{11}	.82	9.78
λ_{y45}	.95	23.39	ϕ_{12}	−.48	−7.64
λ_{y51}	.77	16.03	ϕ_{13}	.30	5.31
λ_{y52}	.92	23.77	ϕ_{14}	.22	4.04
λ_{y53}	1.00	0.00*	ϕ_{22}	.91	10.63
λ_{y54}	.88	20.89	ϕ_{23}	−.25	−4.43
λ_{y55}	.99	30.01	ϕ_{24}	−.35	−5.90
λ_{y56}	.97	28.02	ϕ_{33}	.86	10.11
ζ_1	.84	9.40	ϕ_{34}	.46	7.43
ζ_2	.72	9.67	ϕ_{44}	.84	9.90
ζ_3	.61	7.84			

Fit Indices

Chi-Squared Degrees of Freedom	=	743
Chi-Squared Statistic Value	=	1562
p-Value of Chi-Squared Value	=	.000
Goodness of Fit Index	=	.79
Adjusted Goodness of Fit Index	=	.74
RMS Residual	=	.055
Normalized Residuals greater than 2	=	38 (41 expected at 5%)
Bentler (1990) Comparative Fit Index	=	.91
Total Coefficient of Determination for Structural Equations	=	.64

Squared Multiple Correlations

	Variables				
	5	6	7	8	9

TABLE 4 Cont'd

Squared Multiple Correlations	.04	.13	.12	.35	.55

* = Parameter fixed.

[a] SAT = satisfaction, SWITCH = switching cost, ALT = alt. attractiveness, INVEST = investment, OPPORT = opportunism.

[b] δ_{ij}, ϵ_{ij} and λ_{ij} refer to construct i (Figure 2, and the "Structural Equations" portion of this table), and item j in the Appendix.

ported. In addition, the investment associations with voice and neglect were as hypothesized, as was the switching cost association with loyalty. The investment associations with exiting, loyalty, and opportunism were not significant, and the switching cost associations with exit, voice, neglect, and opportunism were not supported.

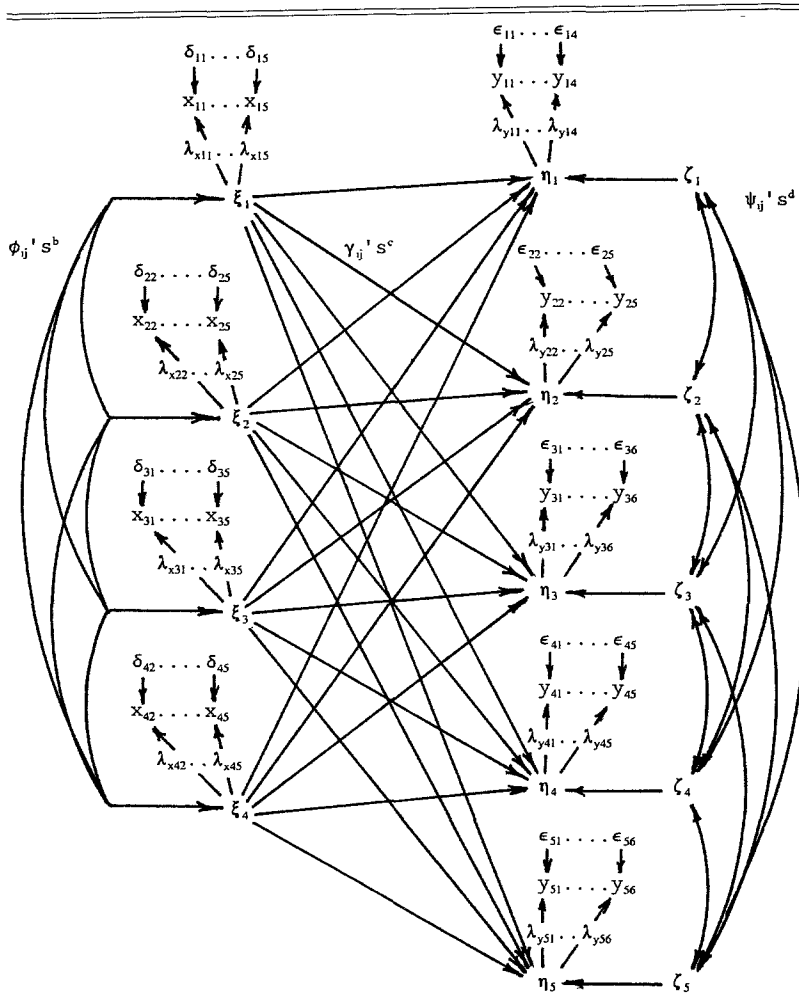
The Hypothesis 2 associations concerning alternative attractiveness were also selectively significant. The alternative attractiveness associations with opportunism and exiting were as hypothesized. On the other hand, the association between alternative attractiveness and neglect was significant but positive, rather than negative as hypothesized. The alternative attractiveness associations with voice and loyalty were not significant.

The consistency of these results with prior research was mixed (see Table 5). Some associations were consistent with previous studies: the satisfaction associations with exit, neglect, and voice; the alternative attractiveness association with exit; and the investment associations with neglect and voice. Other associations have been consistently reported as significant, but in this study were not significant: the investment associations with exit and opportunism, the loyalty associations with satisfaction, alternative attractiveness, and investment. Some associations have been inconsistently observed in other studies. One of these was significant in this study, the association between alternative attractiveness and neglect, and another was not significant in this study, the alternative attractiveness association with voice. Several associations were significant for the first time. One was previously not significant, the alternative attractiveness association with opportunism, and one has not been previously measured, the loyalty association with switching cost.

One significant association was opposite the direction hypothesized. The association between alternative attractiveness and neglect was positive rather than negative. Rusbult et al. (1982) argued that the lack of a high-quality alternative would be associated with relationship neglect in interpersonal relationships, and observed this negative association. In retro-

FIGURE 2

Structural Equation Model[a]



[a] δ_{ij}, ϵ_{ij} and λ_{ij} refer to construct i and item j shown in the Appendix.
[b] ϕ_{ij} is the correlation between ξ_i and ξ_i.
[c] γ_{ij} is the path coefficient between ξ_i and η_j.
[d] ϕ_{ij} is the correlation between ξ_i and ξ_i.

spect, the argument is plausible for these relationships because many of these subjects could exist with no partner, if the relationship deteriorated to the point that partner exited. Rusbult et al. (1988) also argued for a neg-

TABLE 5

Present Study and Prior[a] Research Results[b]

Association	Present Study	Dwyer et al. (1987)	Anderson (1988)	Ping (1990)	Provan et al. (1989)	Rusbult et al. (1982)	Rusbult et al. (1988)	Schultz et al. (1987)
Sat-Exi[c]	−			−		−	−	−
Alt-	+			+		+	+	
Inv-	ns					−	−	
Swi-	ns							
Sat-Voi	+					+	+	
Alt-	ns					ns	+	
Inv-	+					+	+	
Swi-	ns							
Sat-Loy	ns					+	+	
Alt-	ns					−	−	
Inv-	ns					+	+	
Swi-	+							
Sat-Neg	−					−	−	
Alt-	+					−	ns	
Inv-	−					−	−	
Swi-	ns							
Sat-Opp	ns	−						
Alt-	+				ns			
Inv-	ns		−					
Swi-	ns							

[a] Dwyer, Schurr and Oh (1987), Provan and Skinner (1989), Schultz, Bigoness, and Gagnon (1987).

[b] − = significant negative association, + = significant positive association, ns = not significant.

[c] Sat = satisfaction, Alt = alt. attract., Inv = investment, Swi = switch. cost, Exi = exit, Voi = voice, Loy = loyalty, Neg = neglect, Opp = opportunism.

ative association in employee-employer relationships, though the stakes are much higher if the relationship deteriorates to the point that the partner exits (i.e., the employee is fired). However, they observed nonsignificant associations between alternative attractiveness and neglect.

This suggests an explanation for this study's observed positive association between alternative attractiveness and neglect: the subject firm cannot afford to let the relationship with the primary supplier die when there is no attractive alternative. The interview results suggested this, but we considered this data inconclusive in the face of theory and prior empirical

results to the contrary. This, in turn, suggests the existence of an unmodeled varible: the importance of the relationship type to the subject. Rodin (1982) proposed a similar concept, the importance of the criterion that is satisfied by the relationship. In addition, Hirschman (1970) hinted at the existence of this concept in his discussion of the penalties associated with exiting. The empirical results suggest that this importance variable may interact with the alternative attractiveness variable. The interaction between the importance of the type of relationship and alternative attractiveness may have changed the association between alternative attractiveness and neglect from negative (Rusbult et al. 1982), through zero (Rusbult et al. 1988), to positive (in the present study) as importance increased. Importance may produce a negative association between alternative attractiveness and neglect for the type of relationship that is viewed by the subject firm as not essential and could be done without. However when the relationship type is important, as it was in this study, it may produce the positive association observed in this study.

DISCUSSION

Despite the selective support for the hypotheses, the Hirschman (1970)/ Rusbult et al. (1982) model appears to apply to marketing channels. Each of the general response intention variables was associated with one or more of the antecedents. In addition, each antecedent was associated with one or more of the general response intentions.

The positive association between voice and overall satisfaction was gratifying. The observation of "complainers" that may have been satisfied customers overall has occurred before (TARP 1979, 1986) with retail customers. In addition, the implication that a subject firm can simultaneously be dissatisfied with an individual event, yet satisfied overall with the relationship within which the event occurred, has been predicted. Hirschman (1970) hinted at this distinction between event and overall satisfaction when he referred to a firm's "repairable lapses" versus deterioration of a firm's performance. Repairable lapses were negative evaluations of individual events: event dissatisfaction. Deterioration of performance was the negative evaluation of the performer or the relationship: overall dissatisfaction.

The model explained less variation in loyalty, voice, and opportunism than in exiting and neglect. Table 4 shows that the Squared Multiple Correlations for voice and opportunism was .13 and .12, respectively, and .04 for loyalty. The low explained variance suggests that there are unmodeled antecedents for these variables. Hirschman argued that voice was

affected by the expectation of the success of voice, and the advantage to be gained by voice (Hirschman 1970). He later maintained that voice itself was rewarding (Hirschman 1974). Hirschman (1970) also contended that industry characteristics (e.g., concentration, competition, or loose monopoly) affected exiting, voice, and loyalty. Anderson (1988) argued that goal congruence is associated with opportunism.

Several disconfirmed associations were surprising. Exiting, for example, was not associated with investment or switching cost, apparently in contradiction to the predictions of Porter (1980) and Thibaut and Kelley (1959). Similarly, opportunism was not associated with investment or switching cost, apparently contrary to the predictions from Transaction Cost Analysis (Williamson 1975). In this study the significant exit and opportunism associations also accounted for the covariance in these nonsignificant associations. One explanation of these results is that in at least one context there is no direct investment and switching cost association with exit and opportunism. Investment and switching cost operate through overall satisfaction and alternative attractiveness, and are indirectly associated with exit and opportunism.

IMPLICATIONS

Bearing in mind the risk of generalizing from a single study, we address the following interpretations to both the retailer and the supplier, in the spirit of long-term relationship maintenance.

The study substantiates in a channel context the popular belief that increasing satisfaction is important for reducing exit. Since satisfaction and exiting had the largest association in the study, this suggests that changes in retailer satisfaction are associated most with changes in retailer exiting. In addition, these results support the maxim that a supplier should strive to perceptually reduce the attractiveness of their customers' alternatives. What this study adds is the size of the exiting associations with satisfaction and alternative attractiveness, and the amount of variance explained in exiting propensity by these two variables. For the busy channel manager who can manage only a few relationship factors, satisfaction improvement and alternative attractiveness reduction are the keys to a defensive strategy to minimize exiting in the channel.

These satisfaction and alternative attractiveness associations with exit also suggest that other retailers are inclined toward exiting when satisfaction with their supplier declines and there is an attractive alternative. As a result, a supplier's unremedied problems with retailers could lead to contractions in that supplier's distribution network. This in turn could create problems for the subject retailer in consumer promotion, markups, re-

turned goods, allowances, deals, and more, when the subject retailer least expects it. As a result the study results add a new dimension to environmental scanning. Unremedied problems between a retailer's supplier and other retailers may be a signal of future problems between that supplier and the subject retailer. Retailers should monitor not only their relationship with a supplier, but that supplier's relationships with other retailers.

The study results cast doubt on the channel aphorism that mobility barriers such as investments and switching cost reduce a customer firm's inclination to exit. These antecedents had no association with exiting. For a supplier this means that increasing relationship specific investments and switching cost may or may not reduce the mobility of retailing firms. As a result, this becomes an empirical matter that should be researched on a case by case basis before it is tried. For retailers, on the other hand, the absence of these associations means that supplier requests for the retailer to increase investments in assets that would be unique to the relationship may or may not be an "entrapment" ploy by the supplier. As a result, retailers should think carefully about routinely viewing supplier overtures for more retailer training, fixtures, etc. as dependance increasing strategies. These requests may be motivated by a sincere desire for mutual gain.

The study introduces a new variable in channel relationships: neglect, a type of emotional "exiting." As with exiting, neglect increased as satisfaction decreased or alternative attractiveness increased. It, however, was negatively associated with investment. For channel managers neglect makes attaining cooperation in the channel difficult. In the interviews neglected relationships were characterized by impersonal, reluctant, even "grudging" exchanges. These relationships were marked by, for example, ordering in writing not over the phone, and delegating contacts with the relationship partner to low/level staff. In extreme cases neglect included the retailer dropping portions of the product lines, and ignoring the supplier firm's attempts to resolve problems. As a result, the channel manager's efforts to increase satisfaction and reduce perceptions of alternative attractiveness in the channel may be important not only for reducing exiting, but also for increasing cooperation and coordination in the channel. In addition, unlike exiting, neglect is reduced by increasing customer investments in the relationship. This suggests that while it will not necessarily limit exiting, customer investment in the relationship will reduce neglect and increase cooperation. For a retailer these results suggest that problems between their supplier and other retailers could lead to reduced coordination in the channel. This in turn could increase the subject retailer's risk of being the victim of other retailers' lack of cooperation in areas such areas as service before and after the sale.

The study showed that some "complainers" (voice) were also satisfied customers. This underscores the complexity of satisfaction in long term buyer-seller relationships: a retailing firm may be dissatisfied with an individual event, yet still satisfied with the supplier relationship overall. It also has implications for retailers and suppliers alike. For example, among the firms complaining to a supplier may be that supplier's most satisfied customers. For a retailer, complaining to a supplier who knows this may be very gratifying.

These voice associations, when considered with the exit and neglect associations, provide a glimpse of the role that voice plays in the process of building and maintaining long-term relationships between retailers and suppliers. Retailers that are satisfied with the relationship are likely to contact their supplier with problems (voice). Favorable resolution of these problems is likely to increase the overall satisfaction of these retailers (Frazier 1983), and that in turn increases the likelihood of voice. This upward voice, problem resolution, and satisfaction spiral reduces relationship neglect and exiting, and helps cement the long-term relationship. Therefore suppliers that are interested in fostering long-term relationships and strategic alliances should sincerely solicit complaints and work to resolve them in a mutually satisfactory manner (see Fornell and Wernerfelt 1987). Similarly, retailers should complain and insist on mutually satisfactory problem resolutions. Retailers should advise their suppliers not only of problems but of their interest in preserving the relationship, in the interest of long term buyer-seller relationships.

APPENDIX: FINAL TEST SCALE ITEMS

SATISFACTION

1. All in all, my primary wholesaler is very fair with me.
2. Overall, my primary wholesaler is a good company to do business with.
3. In general am pretty satisfied with my relationship with my primary wholesaler.
4. Overall, my primary wholesaler treats me very fairly.
5. All in all, my relationship with my primary wholesaler is very satisfactory.

SWITCHING COST

*1. On the whole, I would spend a lot of time and money to change primary wholesalers.

2. All things considered, the company would lose a lot in changing primary wholesalers.
3. Generally speaking, the costs in time, money, effort, and grief to switch primary wholesalers would be high.
4. Overall, I would spend a lot and lose a lot if I changed primary wholesalers.
5. Considering everything, the costs to stop doing business with the current wholesaler and start up with the alternative wholesaler would be high.

NEGLECT

1. I won't plan to do anything to improve relations with my primary wholesaler and will expect things will become worse.
*2. At times I care very little about what happens to my primary wholesaler as long as I get what I need from them.
3. I have quit caring about my primary wholesaler and will let conditions get worse and worse.
4. I will passively let the relationship with my primary wholesaler slowly deteriorate.
5. If things are not right with my primary wholesaler I sometimes consider letting the relationship die a slow death.

ALTERNATIVE ATTRACTIVENESS

*1. All in all, the alternative wholesaler would be _____ fair than/as the current wholesaler is. (Circle a letter)
   a. Much more b. Slightly more c. As
   d. Slightly less e. Much less
2. Overall, the alternative wholesaler's policies would benefit my company _____ than/as the current wholesaler's policies. (Circle a letter)
   a. Much more b. Slightly more c. As much
   d. Slightly less e. Much less
3. I would be _____ satisfied with the product and service available from the alternative wholesaler than/as the product and service provided by the current wholesaler. (Circle a letter)
   a. Much more b. Slightly more c. As
   d. Slightly less e. Much less
4. In general, I would be _____ satisfied with the alternative wholesaler than/as I am with the current wholesaler. (Circle a letter)
   a. Much more b. Slightly more c. As
   d. Slightly less e. Much less

5. Overall, the alternative wholesaler would be a/an _____ company to do business with than/as the current wholesaler. (Circle a letter)
   a. Much better b. Slightly better c. As good as
   d. Slightly worse e. Much worse

INVESTMENT

1. Overall I have invested a lot in the relationship with the current wholesaler.
2. A lot of energy, time and effort have gone into building and maintaining the relationship with the current wholesaler.
3. All things considered the company has put a lot into the relationship with the current wholesaler.
4. I have put a considerable amount of time, effort, and energy into building the relationship with the current wholesaler.
5. Much of my investment with the current wholesaler is unique to the relationship.

LOYALTY

1. I will not say anything to my primary wholesaler about mutual problems because they seem to go away by themselves.
2. I disregard problems with my primary wholesaler because they just seem to work themselves out.
3. Problems with my primary wholesaler will often fix themselves.
4. Sometimes I ignore problems with my primary wholesaler.

*5. I often overlook problems with my primary wholesaler because they frequently fix themselves.

EXIT

1. Occasionally I will think about ending the business relationship with my primary wholesaler.
2. I am not likely to continue the business relationship with my primary wholesaler.
3. I will probably consider a replacement primary wholesaler in the near future.
4. I am looking at replacement wholesalers.
5. I will consider a replacement wholesaler soon.
6. I will probably stop doing business with my primary wholesaler in the near future.

VOICE

*1. Occasionally I will suggest changes to my primary wholesaler if there is a mutual problem.

2. If there are problems with my primary wholesaler I will work jointly with them to help improve the situation.
3. I will work with my primary wholesaler to correct any mutual problems.
4. I will try to discuss any primary wholesaler-related problems with them.
5. I will cooperatively discuss mutual problems with my primary wholesaler.

OPPORTUNISM

1. I will not volunteer much information regarding my business to my primary wholesaler.
2. There will be some things I will do only if my primary wholesaler checks up and insists on it.
3. Sometimes, I will have to alter the facts slightly in order to get what I need from my primary wholesaler.
4. I may purposefully exaggerate the sales opportunities in my market in order to get additional allowances or assistance from my primary wholesaler.
*5. Occasionally I may shirk certain contractual obligations to my primary wholesaler when I see profit opportunities from doing so.
6. I may neglect my program responsibilities when my primary wholesaler is not likely to notice my noncompliance.

* Item deleted for coefficient estimation.

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