

Supplier's Economic Commitment: The Economic Motives Underlying Inter-firm Relationships

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Abstract

Inter-firm Commitment is a central concept in literature pertaining to marketing channels. Researchers distinguish between affective and calculative commitments according to the motivations underlying relationship commitment. Despite recent calls for a new approach by organization science scholars, calculative commitment is still conceptualized by relying on the “bet-side” theory.

In this study we explore the economic motives of Inter-firm Commitment with an inductive approach. Grounded Theory methodology is used to gather and analyze data generated through the semi-structured interviews of eight French export managers.

This research provides a detailed and meaningful analysis of the economic motives that lead firms to commit themselves to a business relationship. Consequently, a new concept called Economic Commitment is put forth. This new concept offers a springboard to design a new measurement instrument to be used in future empirical channel research.

Key words : Marketing Channels, Commitment , Grounded Theory

Résumé

Le concept d'engagement est central dans la littérature relative au marketing des canaux de distribution. Pour ce qui est des motivations sous jacentes à l'engagement relationnel, les chercheurs opèrent une distinction entre engagement affectif et engagement calculatif. Malgré des appels à de nouvelles approches émanant de chercheurs en sciences de l'organisation, l'engagement calculatif est toujours conceptualisé en se fondant sur la «bet side theory» de Becker.

Dans le travail qui suit nous explorons les motivations économiques de l'engagement inter-entreprise à partir d'une approche inductive. La méthodologie «Grounded Theory» est utilisée pour réunir et analyser les retranscriptions d'interviews semi-directifs de huit responsables français de l'exportation. Cette recherche fournit une analyse détaillée et significative des motivations économiques qui conduisent les entreprises à l'engagement dans la relation d'affaires. En conséquence, nous proposons un nouveau concept que nous nommons «engagement économique». Il s'agit des premiers pas visant à la création d'un nouvel instrument de mesure utilisable dans les futures recherches empiriques portant sur le marketing des canaux de distribution.

Mots clés : Marketing des canaux de distribution, engagement calculatif, grounded theory.

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Introduction

Marketing channels researchers have devoted considerable attention to developing and testing models explaining the antecedents and consequences of relationship commitment (Anderson and Weitz 1992, Kim and Frazier 1996). Morgan and Hunt (1994) highlighted the crucial role of relationship commitment in the success of business relationships.

Nurtured by the social psychology research on organizational commitment (Mathieu and Zajac 1990, Randall and O'Driscoll 1997), research on channel marketing has explored two facets of attitudinal inter-firm commitment. The first, affective commitment, is motivated by the desire to belong and positive affects (Geyskens et al. 1996) or by a sentiment of loyalty (Gilliland and Bello 2002). The second, calculative commitment is based on the evaluation of the costs and rewards that one can derive from remaining in a relationship compared to the cost of leaving it (Lee et al. 2004, Randall and O'Driscoll 1997).

However, since the work of Kumar, Hibbard and Stern (1994), all channel researchers have based their conceptualization of calculative commitment on the "bet side theory" developed by social psychologist Becker in 1960. Becker posits that the main motivation behind individuals continuing an activity is to avoid the costs of discontinuing it. Gilliland (1997) claims that firms feeling calculative commitment are forced to remain in the relationship. Gilliland and Bello (2002) see calculative commitment as an antecedent of opportunistic behaviors. Geyskens et al. (1996, p.305), therefore, consider calculative commitment as "*...a rather negative motivation to continue the relationship.*" Hence, contrary to the trust construct (Johnson and Grayson 2005), the channel literature does not provide a "positive attitude" construct for cognitive commitment which would mirror the affective facet of attitudinal commitment. An investigation of this issue is important because the current calculative conceptualization of commitment does not adequately reflect the motivations of firms when they conduct business (Williamson 1996). Furthermore, researchers have experienced problems with the calculative construct as this construct has failed to correlate as hypothesized (Gilliland 1997).

We believe that the narrow and negative scope inherited from Becker's theory (1960) has hampered the construct from capturing the true rational motivations of economic agents to continue into business relationships. In this study, we seek to extend the channel literature by addressing this gap. The study will explore the cognitive facet of inter-firm commitment by studying the relationship between exporters and importers. Using Grounded Theory methodology (Strauss and Corbin 1998), we have investigated and analyzed the rational motivations of exporting firms which intend to continue their business relationships with foreign-based distributors. This study provides a new conceptualization of cognitive commitment which we call economic commitment.

Calculative Commitment

Calculative commitment reflects an exchange relationship where the dyad members intend to continue the relationship because they see it as profitable on the basis of rewards and costs (Randall and O'Driscoll 1997). Commitment is the result of a calculation where the benefits and costs associated with the continuity of the relationship are evaluated (Lee et al. 2004). The profits considered are generated by continuing the relationship and the costs are those associated with leaving the relationship (Gilliland and Bello 2002). These costs include the loss of the transaction of specific investments made to support the exchange with the other party (Gilliland and Bello 2002). The assessment includes the evaluation of alternative solutions to the current business relationship (Geyskens et al. 1996).

Gilliland and Bello (2002) carried out a thorough review of the attitudinal commitment literature. In this study, we will only analyze the three articles from the channel literature (Geyskens et al. 1996, Gilliland and Bello 2002, Lee et al. 2004) which used the calculative commitment construct (see Table 1).

Table 1: Calculative commitment: conceptualization and operationalization.

	Definition of Calculative Commitment	Operationalization/ Operational feasibility
Geyskens et al. 1996	<i>“Calculative commitment... is the extent to which channel members perceive the need to maintain a relationship given the significant anticipated termination or switching costs associated with leaving.” (p.305)</i>	It would be too expensive for us to terminate our relationship with this supplier. (3 items)
Gilliland and Bello 2002	<i>“Calculative commitment is the state of attachment to a partner cognitively experienced as a realization of the benefits sacrificed and losses incurred if the relationship were to end.” (p.28)</i>	<ol style="list-style-type: none"> 1. Changing distributors would be too disruptive so we continue to work with this one. 2. Even if we wanted to shift business away from this distributor, we could not because our losses would be too significant. 3. We need to keep working with this distributor since leaving would create a hardship to our firm.
Lee et al. 2004	<i>“Calculative commitment refers to a firm’s intention to remain in an interorganizational relationship based on its recognition of the costs and benefits of doing so.” (p.36)</i>	<ol style="list-style-type: none"> 1. We want to continue the relationship; otherwise it would be too costly for us to terminate the relationship. 2. We want to remain in the relationship because it makes sense, money wise. 3. We want to maintain the relationship because it is mutually beneficial, economically speaking.

We can see how Geyskens et al. (1996) and, Gilliland and Bello (2002) restricted their operationalization of calculative commitment to one aspect of the construct: firms would remain in the relationship only because of an unacceptable exit cost. They worked along the lines defined by Becker (1960) who posited that the main motivation for individuals to pursue an activity is to avoid relationship termination costs. Lee et al. (2004) are more in line with Etzioni (1961) who claimed that calculative involvement is an exchange process where individuals evaluate costs and benefits to remain in an organization. However, they do not evaluate, as claimed, the cost *“to remain in an interorganizational relationship”* (p.36). The first item of their scale is dedicated, as in the first two studies, to an evaluation of the termination cost of the business relationship. This difference is important because this exit cost corresponds to the loss of past idiosyncratic investments – as in Becker’s (1960). On the contrary, the cost of remaining in the relationship corresponds to future investments that the firm would have to perform to develop the relationship – as in Etzioni’s (1961). However, Lee et al. (2004) are the first channel scholars to introduce future benefits as a firm’s motive to continue a business relationship. They distance themselves from previous conceptualizations

of calculative commitment considered as a negative motivation (Geyskens et al.1996) to continue a relationship.

Other approaches of cognitive commitment exist in the marketing literature. Consumer behavior's scholars (Simon 2004) distinguish between the cognitive and affective dimensions of consumer loyalty commitment to a brand. They certainly do not associate the evaluative dimension of a consumer's commitment with a negative attitude.

On the other hand, microeconomics posits that firms enter and develop business relationships because they seek to maximize their profits (Bergen, Dutta and Walker 1992, Williamson 1996). Firms adopt specific governance mechanisms when their prime concern is goal attainment (Heide 1994). Once again, no negative connotation is associated with this kind of motivation. Drawing on the sociology literature, Gilliland and Bello (2002, p. 28) analyze the rationale for such an attitude:

“[This type] of relations comprise the rational, task oriented actions that pull a relationship toward concerns of instrumental gain. This strain concerns forming functional alliances to deal with environmental challenges to “get the job done”. In a channel relationship, each partner realistically considers the economic rewards that can be attained through the arrangement. This utilitarian concern for tangible results is devoid of emotion and sentiment for the partner.”

Methodology

To explore the cognitive facet of firm's relationship commitment, we selected a qualitative inductive approach, which yielded an examination at a level which is closer to the complex phenomena being studied (Gilliland 2003). In this study we use the qualitative data collected from eight exporting firms and grounded theory methodology (Strauss and Corbin 1998) to analyze relationship commitment. Gilliland (2003, p.57) summarizes the advantages of the grounded theory methodology:

“Grounded theory methodologies inductively derive frameworks by directly studying the phenomenon of interest. There are distinct advantages to grounded approaches. By coding and categorizing data at a level of analysis closely associated to the phenomenon, the resulting framework ‘fits’ the reality of the phenomenon. In turn, because the framework fits, it has a high degree of practical usefulness.”

The source of the data is semi-structured interviews of managers in charge of exporting in eight French firms. Respondents were asked to compare a cross-border business relationship they intended to continue versus a venture they wished to terminate. The interviews lasted between 65 and 95 minutes. Following Strauss and Corbin's (1998) recommendation, we adopted a theoretical sampling procedure in order to try to capture all the facets of firm's cognitive commitment. Firms were selected to represent different sectors of the French industry, each with specific marketing processes. This is because marketing processes heavily influence the role and importance of a foreign representative and, therefore, the attitude of the exporter towards its overseas distributor (Cavusgil and Zou 1994). For example, we included firms with "per project" marketing processes: firms that develop new products for almost each new order they get from abroad. These firms tend to cooperate very intensively with their representatives to gain their orders as the marketing process requires a continuous exchange of information between them and their foreign-based distributor (Styles and Ambler 2000). At the other end of the spectrum, multi-nationals producing consumer goods insisted on the logistic role of their local representatives. However, they hardly implied them in other aspects of the marketing process. All the selected companies were seasoned exporters with a high percentage of international sales. They also had the experience of long and short relationships with their importers. The respondents were chosen because they were directly responsible of the relationship with at least 5 foreign importers. They had at least 5 years seniority in their current position and a 10-year experience in exporting through independent intermediaries. The eight respondents also had, at least, one experience of a relationship termination with an overseas intermediary.

Table 2: Sample firms' characteristics

Firm	Sector	Employment	Total Sales 2004 (3) (m €)	% of exports	Number of export markets	Years of exporting experience
A	Medical Equipment	150	30	40	25	15
B	Electrical Equipment	8	3	50	50	25
C	Lubricants	400	90	10	15	20
D	Electronics	175	30	25	25	10
E	Cosmetics	50(1)	50	100	20	50
F	Trucks	14800	3500	60	50+	50+
G	Consumer goods	97	20	100	20	30
H	Wine	13 (2)	4	30	40	25

(1) Fully owned subsidiary of a 50.000 employees multinational corporation.

(2) Export subsidiary of a production coop with 85 employees.

(3) Approximate total sales

The two researchers performed a computer-assisted micro-analysis of the interviews transcripts to isolate the relevant data. They searched for mentions of “cognitively generated motives of inter-firm relationship commitment”. Thus, if a respondent mentioned that he developed only cross-border relationships where his firm could “make good money” the quote was stored in the data set for further analysis. Then, after rectifying minor discrepancies, the authors determined if such motives had a potential influence on the commitment of the exporter towards its relationship with a foreign-based intermediary. In all, 64 quotes were stored and confirmed in the data set.

Next, in order to categorize each quote, an open coding procedure was performed following the constant comparative method. This method proposes an iterative process to organize the data: each statement is analyzed individually and then compared to previously analyzed statements to identify categories including similarities and differences between statements (Strauss and Corbin 1998). Thus, in this process, the first statement is analyzed and assigned a label. The next statement is compared to the first statement and is assigned the same label if it is found similar. If considered different, it receives a new label. The procedure is repeated for all subsequent statements. Statements grouped under the same label should reflect the same phenomenon. For example, “The finality of our relationship is to do business...” and “I can’t imagine going on with a business partner... who does not deliver results...” were grouped under the label “Overall Business Expectations”. The categories and corresponding labels were not pre-determined. They were derived from the analysis of each statement as “*In grounded theory, concepts are derived from the empirical data...*” (Geiger & Turley 2003, p. 581). After eliminating duplicates, the 64 statements were grouped into 10 sub-categories.

The next stage, called axial coding, implied organizing the 10 sub-categories of cognitively generated motives. At this stage researchers focus “*on discovering higher-order connections between the categories.*” (Geiger and Turley 2003, p.585). The categories could be organized along two dimensions. The first dimension implied an evaluation of the future economic performance of the exporter. The second dimension implied an evaluation of the governance structure created for this venture, i.e. how the foreign distributor was performing the marketing tasks that had been delegated to him. Thus, the economic performance of the exporter and the performance of the governance structure were found to be the cognitive motives underlying exporter’s commitment. This commitment is, therefore, economic in nature and the phenomenon described in this study was called “Economic Commitment”.

Results

The results of our analysis are presented in Table 3. The two general categories differ through two underlying dimensions. First, the object of the evaluation, which is the key driving motivation to continue the relationship, is different. For the first category, economic results are the main drivers. For the second, it is the performance of the governance structure that is taken into account. Another significant difference between the two categories arises from the time span. Exporters take the governance structure's current performance into account. However it is the *future* economic benefits drawn from the relationship that motivate cognitive commitment.

Table 3: Cognitive motives underlying Economic Commitment

General Categories	Sub-categories and firm's codes
Evaluation of the future benefits arising from the relationship	Overall business: A, B, C, D, E, F, G, H
	Sales: A, B, C, D, E, F, G, H
	Growth: B, D, E, G
	Profits: C, G, H
	Market share: A, G, H
Evaluation of the current governance structure	Overseas distributor role fulfillment: A, B, C, D, F, G, H
	Ability to take advantage of market potential: B, C, E, F, G
	Comparison with portfolio of foreign distributors: A, B, H
	Comparison with alternative entry modes: B, E, G
	Comparison with competitor's local distributors: A

Evaluation of the future benefits arising from the relationship

One of the most salient findings of our study is that French exporters commit themselves to a business relationship with an overseas importer only if future benefits can be expected from this venture. Benefit dimensions cover: overall business, sales, profits and market share.

The eight respondents repeated the importance of the potential for good business and strong sales in their evaluation of the future of a relationship:

Firm A: « ...Forcément, c'est quand même le nerf de la guerre. Une relation financière, un chiffre d'affaires. Moi, mon activité, c'est pour gagner de l'argent, pour faire du chiffre d'affaires.... Donc...si cela ne fonctionne pas, même si tout le reste fonctionne, ça ne me sert à rien. C'est sûr que c'est extrêmement important. »

Firm E: “J’ai beau avoir extrêmement confiance en quelqu’un, je sais que la finalité de notre relation, c’est le côté business, [l’aspect] financier. C’est du chiffre d’affaires, de la rentabilité. »

Growth was the next most quoted issue when evaluating the continuation of a relationship. Three firms only cited market Share and Profits criteria.

The five facets of the future benefits closely match the elements used to measure the economic performance of exporters in recent research (Lohtia et al. 2005; Morgan, Kaleka and Katsikeas 2004). These elements are also found in the measure of the suppliers' economic results when evaluating the performance of their dealers (Kumar, Achrol and Stern 1992). From a theoretical point of view, one facet of Etzioni's (1961) approach is confirmed here with commitment being motivated by the future benefits that a firm expects to obtain from a business relationship.

Evaluation of the current governance structure

In this study, along with Williamson (1991), we define the governance structure as the organization put in place in order to conduct the exchange with foreign markets. It includes the distributorship arrangement with the importer and the foreign distributor organization as well. Seven out of eight firms evaluate how their overseas distributor performs their role. Exporters assess if the marketing functions transferred to the overseas intermediary are adequately carried on.

Firm F: "On ne lui demande [à l'importateur] plus de faire seulement des volumes. On lui demande aussi de créer des réseaux qui soient professionnels, d'embaucher des gens compétents...et puis...d'avoir un réseau qui soit suffisamment maillé sur l'ensemble du pays pour pouvoir satisfaire la clientèle locale puisque ça c'est important également. Si on n'a pas un réseau compétent, professionnel, souvent on perd des clients, on perd la confiance [du consommateur final]. »

Competence, flexibility and the ability to satisfy end-users are recognized criteria to evaluate intermediaries (Kumar, Stern and Achrol 1992). These criteria are also used to evaluate cross-border distributive arrangements (Morgan Kaleka and Katsikeas 2004).

Exporters evaluate distributive arrangements in absolute terms as mentioned above. However, they also proceed to comparative evaluations. Four of the managers in the sample compared the performance of their foreign intermediaries with the potential of their markets. Some managers also compared the results obtained by the distributors of the portfolio they managed:

Firm B: « Mais, si je vois que mon [distributeur] autrichien fait 4000 euros de commande [sur son minuscule marché], je vais trouver qu'il a fait du bon travail. Alors que si le [distributeur] danois m'a fait 30 000 euros de commande alors que mon [distributeur] hollandais est parti pour faire 1 million d'euros, je vais sûrement trouver que mon distributeur danois ne fait pas

son boulot. Donc [ce qui compte] c'est la perception que j'ai de la taille du marché de chaque pays et ce que j'obtiens [avec chaque distributeur]. »

As suggested by Leonidou (2003), exporters seem to adjust their approach to each export arrangement based on their perception of the value of the other export ventures included in their portfolio of cross-border business relationships.

Three managers compared their current arrangement with alternative entry modes. Two firms consistently evaluate the appropriateness to open a foreign subsidiary as a substitute to their current distribution agreement with an independent local intermediary. This reveals the attitude of many managers who tend to prefer fully integrated entry modes (Arnold 2000):

Firm G: « La plupart des sociétés qui exportent ont l'espoir, un jour, de contrôler parfaitement leur distribution donc de créer des filiales. »

The general manager of one of the smaller firms in our sample indicated that he used to compare markets where he had granted exclusivity to one dealer to markets where several foreign intermediaries represented his firm. These practices are in line with Transaction Cost Economics. Williamson (1996 p.5) states: “...*Economic agents purportedly align transactions with governance structures to effect economizing outcomes*”. Williamson suggests that the role of the management of a firm is to maximize profit. In order to do so, management must find adequate governance structures to conduct exchanges. Williamson argues that this can only be done by comparing alternative governance arrangements.

Surprisingly, only one firm indicated that it evaluated its distributors by comparing them with the distributors of competing firms. This might be due to the fact that export managers tend to have a limited knowledge of the behaviors of their competitors on export markets (Morgan, Kaleka and Katsikeas 2004).

To our knowledge, the evaluation of the governance structure was never included in the motives underlying inter-firm commitment in previous researches. Our findings might be attributed to the Grounded Theory methodology, which allowed the researchers to uncover the motivations of firms that, before all, are channel partners. The concern for the performance of the channel arrangement seems purposeful in the context of exporting and other distributive agreements.

Economic Commitment vs. Calculative Commitment

The main difference between the two concepts is that Economic Commitment is not motivated by the past investments in the relationship. Respondents in our sample do not

consider that past investments should impede them from reaching their performance objectives:

Firm E: « ...Si on a un problème avec un distributeur, ce n'est pas parce qu'on a investi en formation ou en quoi que ce soit d'autre, qu'on va se poser la question : est ce qu'il faut continuer ou pas sachant que si on change il faut recommencer cette formation ? Si on a un problème et qu'on est sur le point de se séparer de ce distributeur, c'est qu'il y a un vrai problème. Et ce n'est pas parce qu'on investi [dans le passé] qu'on peut passer au dessus de ce problème. »

Exporters also have a clear view of what are sunk costs:

Firm B: « Non, [quand j'évalue la continuité d'une relation d'affaire] je ne prends pas ça en considération [les investissements passés], parce que l'investissement, ce qu'on appelle l'investissement dans la comptabilité est [en réalité] passé en charges... Mais si au bout du compte... l'investissement en question ne rapporte pas ou ne rapporte plus, ce n'est pas la peine...de se dire : je vais essayer de ne pas perdre mon investissement, parce que de toute façon d'un point de vue économique vous l'avez [déjà] perdu....Peut être qu'il [le distributeur] a été rentable pendant 15 ans et puis que les ventes ont diminué, on a eu une belle époque et puis on ne l'a plus. »

Clearly, all the managers in the sample would cut the losses if they did not see any perspective into a business relationship. The fundamental difference between economic and calculative commitment can be traced to two main issues: firms evaluate a business according to its future benefits and effectiveness is more a concern than efficiency.

Firm F: “Il y a à la fois les résultats c'est-à-dire les volumes...ça c'est le court terme. Ce qu'on veut c'est...des objectifs qualitatifs : construction du réseau, professionnalisation du réseau, vente de pièces de rechange, vente de service, promotion de la marque, signalétique etc. On ne regarde pas seulement les volumes. S'ils n'ont pas les volumes mais que derrière ils ont énormément investi dans la marque, ils ont mis en place tout ce qu'on leur a demandé au niveau qualitatif, on [fera de notre mieux] pour qu'ils arrivent l'année suivante à vendre les volumes [voulus]. »

Hence, even the evaluation of the current governance structure currently aims, actually, at reaching future economic objectives. Furthermore, efficiency does not appear to be a criterion of performance. When export managers measure performance, they do not take into consideration the investments needed to reach their objectives. However, in some very specific occasions, they do consider the importance of the future investments implied by their decisions. When evaluating the termination of a relationship, export managers evaluate the

cost of exiting the relationship (breaking the contract), of finding a new partner and initiating the foreign venture. Here again, there are crucial differences with calculative commitment:

- 1) The investment considered is future- not past.
- 2) It has an influence on the decision to terminate -not to continue- the relationship.

Calculative commitment was adapted from social psychology research (Mathieu and Zajac 1990). The context of inter-firm business and exporting certainly differs from the context studied by social psychologists like Becker. Organizational commitment, from which the calculative commitment is derived, analyzes the state of mind of individuals employed by a firm or a public administration. These individuals do not have the possibility to diversify their revenue stream like firms do. On the contrary, most exporting firms generate a significant part of their revenue on their local market and may export to several countries. Furthermore, firms are usually less risk-averse than individuals (Bergen, Dutta and Walker 1992). Geyskens and al. (1996) qualify calculative commitment as a rather negative motivation to continue the relationship. The analysis of the data collected shows that past investments have no influence whatsoever on such intentions. We claim that past investments only influence the intention to discontinue a relationship and therefore cannot be considered as a motive of inter-firm commitment.

Discussion

The inductively derived economic commitment concept was obtained from field data. It helps expand the understanding of an important channel phenomenon. This new approach makes several contributions to the marketing channel research.

Research Contribution

The first contribution is to propose a conceptualization of cognitive commitment based on a field research within the context of channel inter-firm arrangements. Previous approaches were derived from the social psychology literature and based on the analysis of individuals' attitudes within the organization that employed them. Grounded Theory methodology allowed an analysis that describes the reality as close as possible to the phenomenon we analyzed. The study increases our understanding of what can motivate firms to commit themselves to a channel relationship. Second, by uncovering the economic motives that underlie the intention to continue a relationship, the study highlights the different facets that compose economic commitment. Because it is motivated by the desire to reach economic goals, economic commitment can be used as a predictor of the firm's performance. Additionally, it can be considered as an antecedent of the policies aimed at attaining performance such as the

attribution of incentives by the supplier to the intermediary. Third, the breadth of the conceptualization increases our understanding of the phenomenon. While one research recently incorporated the economic performance of the supplier as a motive underlying relationship commitment (Lee et al. 2004), the evaluation of the governance structure used to conduct the exchange had never been considered as a phenomenon reflecting this type of attitude. Forth, the analysis insisted on the importance of the temporal approach. Unlike in Lee et al. (1994) our findings suggest that it is the future performance of the firm that motivates economic commitment. If the current governance structure is evaluated, it is because managers think that it will influence the future outcomes of the business venture. Fifth, the study provides researchers with an alternative to the calculative commitment concept. While the calculative approach opened the way to the exploration of the different facets of attitudinal inter-firm commitment, the context from which it was derived made it less suitable for conducting research in a business-to-business context.

Limitations and agenda for future research

The limitations of this study help define an agenda for future research. The first set of limitations is due to the source of data from which the concept was derived. Although the sample size criteria for Grounded Theory research (Strauss and Corbin 1998) were respected - theoretical saturation was reached after five interviews- an investigation based on a bigger data set could allow a safer generalization of the findings. Most of all, other contexts should be explored. Cross-border relationships are evaluated with specific export performance measures (Katsikeas, Leonidou and Morgan 2000). As performance is the underlying motive of economic commitment, investigations of other inter-firm arrangements might help uncover other facets of economic commitment. By sampling theoretically, we tried to incorporate as much variation as possible in the composition of our sample. However, all the firms included in the sample are French. Although microeconomics claims that economic motives could be universal, it should be interesting to analyze the attitudes of firms from other cultures. Finally, the relationships between the different facets of the concept are hardly unveiled in this research. This issue is especially important (Burke-Jarvis, Mackenzie and Podsakoff 2003) if further research seeks to develop an instrument to measure economic commitment that could be used in empirical channel research.

In conclusion, economic commitment reflects the importance given to performance by commercial firms. Social links tend to be presented as a priority into business relationships. However, this research suggests that future economic performance and performance of the channel arrangements are the key drivers of firm's attitudinal commitment.

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