



# Communication, interactivity, and satisfaction in B2B relationships

Micah Murphy<sup>a</sup>, C.M. Sashi<sup>b,\*</sup>

<sup>a</sup> Eastern Michigan University, 300 W. Michigan Avenue, 437 Owen Building, Ypsilanti, MI 48197, United States

<sup>b</sup> Florida Atlantic University, 777 Glades Road, PO Box 3091, Boca Raton, FL 33431, United States

## ARTICLE INFO

### Keywords:

Personal communication  
Digital communication  
Impersonal communication  
Interactivity  
Satisfaction  
Business-to-business relationships

## ABSTRACT

This study examines how traditional and new communication media impact satisfaction in business-to-business (B2B) relationships. We develop a conceptual model and empirically investigate hypotheses linking personal face-to-face (F2F), digital, and impersonal communication to buyer and supplier contacts, rationality, social interaction, and reciprocal feedback, and these interactivity dimensions to relationship satisfaction. Structural equation models are estimated with data from the commercial printing and graphic design industry. The findings indicate that personal has a stronger positive association than digital communication with dyadic contact (buyer and supplier contacts), social interaction, and reciprocal feedback, but a weaker positive association than digital with rationality. Digital has a stronger positive association than impersonal communication with dyadic contact, rationality, and reciprocal feedback, but a weaker positive association than impersonal with social interaction. Only rationality and reciprocal feedback have positive associations with satisfaction. Dyadic contact, however, has a negative association with satisfaction that is stronger for personal than digital communication.

## 1. Introduction

Communication is one of the most effective relationship building strategies and a key determinant of outcomes in business-to-business (B2B) relationships (Anderson & Narus, 1990; Grewal, Comer, & Mehta, 2001; Hung & Lin, 2013; Lindberg-Repo & Grönroos, 2004; Mohr & Spekman, 1994; Palmatier, Dant, Grewal, & Evans, 2006; Palmatier, Gopalakrishna, & Houston, 2006). Effectively listening and responding to buyers can have a dramatic impact on a firm's ability to compete (Duncan, 1972; Ramani & Kumar, 2008) and increasingly occurs on the Internet. Yet as new technologies such as the Internet and social media have spread and use of digital communication has grown rapidly, changing the management of relationships between buyers and suppliers, there has been little academic scholarship on the role of new communication media in B2B relationships (Obal & Lancioni, 2013). A better understanding of the impact of different communication modes on relational exchange between organizations can benefit not only academics but also help managers better satisfy buyer needs and develop competitive advantage.

This study examines how modes of communication that differ in terms of interactivity impact satisfaction in relationships between organizations in supply chains and marketing channels. Web 2.0 social media like Facebook, LinkedIn, Twitter, YouTube, Chatter, and Google Docs have led to increased use of digital communication between buyer and seller organizations. These new media facilitate information

sharing within and between organizations by changing the nature and number of communication alternatives available to managers. The information shared can include instrumental information like product specifications and delivery times that are task related (Joshi, 2009; Sheng, Brown, & Nicholson, 2005) as well as social information that strengthens bonds between buyers and suppliers (Berry, 1995; Palmatier, Gopalakrishna, et al., 2006).

We develop a conceptual model to examine the impact of different modes of communication in B2B relationships using research from marketing including Duncan and Moriarty's (1998) communication-based model of relationship marketing, Mohr and Nevin's (1990) model of communication for marketing channels, and Joshi's (2009) collaborative communication and control model as well as research from communication including Daft and Lengel's (1986) media richness theory, Dennis and Valacich's (1999) media synchronicity theory, and Lasswell's model of communication (1948). We distinguish B2B from B2C (business-to-consumer) relationships based on the nature of the transaction: intermediate or final. Intermediate transactions in B2B markets typically occur between organizations and are always followed by a subsequent transaction in an output market in contrast to final transactions in B2C markets where no subsequent output market transaction occurs (Sashi, 1990; Sashi & Stern, 1995). We address two questions about relationships between buyers and suppliers in intermediate transactions:

\* Corresponding author.

E-mail addresses: [mmurph49@emich.edu](mailto:mmurph49@emich.edu) (M. Murphy), [sashic@fau.edu](mailto:sashic@fau.edu) (C.M. Sashi).

<http://dx.doi.org/10.1016/j.indmarman.2017.08.020>

Received 4 June 2015; Received in revised form 15 February 2016; Accepted 30 August 2017  
0019-8501/ © 2017 Elsevier Inc. All rights reserved.

1. How interactive is digital communication relative to personal face-to-face (F2F) and impersonal communication?
2. Which dimensions of interactivity are more or less likely to promote satisfaction with the relationship?

We attempt to contribute to theory development about communication in B2B exchanges by developing a model to examine how (1) different modes of communication are related to several dimensions of interactivity, and (2) these interactivity dimensions are related to satisfaction with the relationship. An empirical investigation is conducted with data from the commercial printing and graphic design industry, which provides custom products as well as services and uses all three modes of communication extensively.

## 2. Model and hypotheses

A mathematical model of communication originally suggested by Shannon (1948) and Lasswell's (1948) verbal version that has been further developed by several researchers in marketing (Andersen, 2001; Duncan & Moriarty, 1998; Mohr & Nevin, 1990; Mohr & Spekman, 1994) may be adapted to study communication between organizations. According to the model, communication is initiated by a source and sent through a medium or channel to a receiver. A source encodes a message or content into a medium or mode of communication and transmits it to a receiver. Feedback was added to the model in the cybernetics literature (Wiener, 1989) to measure the outcome of the communication. Outcomes could include a recipient's reaction to a communication such as a change in attitude or behavior or a message sent from the original recipient to the source. Previous research in marketing has demonstrated the importance of five elements: media or mode used (Hoffman & Novak, 1996), source and receiver (Moriarty & Spekman, 1984), content of messages (Mohr, Fisher, & Nevin, 1996), and feedback (Joshi, 2009). We develop a conceptual model of interactive communication that incorporates all five elements.

Interactivity is a distinguishing feature of relationship marketing (e.g., Morgan & Hunt, 1994) as well as the Internet (e.g., Hoffman & Novak, 1996; Yadav & Varadarajan, 2005). Although interactivity can refer to interaction with a website or a device, in this study interactivity refers to communication that involves back and forth dialogue between sellers and buyers. Interactive communication is a two-way or joint activity (Duncan & Moriarty, 1998). Frequency of communication alone, particularly one-way communication, provides an incomplete picture of communication and its effect on business relationships (Fisher, Maltz, & Jaworski, 1997). We investigate multiple elements of communication including the mode of communication, number of contacts or participants, content, and feedback. Fig. 1 presents a schematic overview of our conceptual model. We distinguish between personal, digital, and impersonal modes of communication, which are expected to differ in terms of interactivity. We identify the dimensions of interactivity from the marketing and communication literature. Buyer and supplier contacts engaged in communication serve as a proxy for source and receiver. Message content is represented by rationality, which is providing information for making decisions, and by social interaction, which is communication that is not directly task related. One form of feedback is reciprocal feedback, which is responses to previous messages in two-way communication between the parties (Joshi, 2009). These interactivity dimensions are expected to differ in their impact on satisfaction with the relationship.

### 2.1. Modes of communication

The mode of communication refers to how a message is transmitted. Modes of communication have been investigated based on their synchronicity, speed of transmission, ability to transmit rich information, support two-way communication, (Dennis & Valacich, 1999), and

formality (Mohr et al., 1996; Mohr & Nevin, 1990). When the mode of communication is appropriate for the communication task, more effective communication is likely to occur (Mason & Leek, 2012), e.g., if the task is a straight rebuy, an online order followed by an invoice may be appropriate, but a modified rebuy or new buy may require F2F interactions to clarify and build a shared understanding of expectations before the order is placed. We use media richness and media synchronicity theory to distinguish modes of communication.

Media richness theory aims to explain which channel or mode of communication is best utilized under different conditions (Daft & Lengel, 1984; Daft & Lengel, 1986). According to the theory, if the information being exchanged is ambiguous and does not lend itself to being easily codified, a richer method of communication will be required. The richness of communication depends on the number of additional cues present. Personal F2F communication provides the greatest level of richness by providing the greatest number of cues in addition to the actual words used for communication. These cues are capable of communicating hedonic emotion, surprise, gratitude, anger, and confusion. Examples of cues include tone of voice (Scherer, 1986), posture, head nods (Wallbott, 1998), and facial expressions (Ekman, 1999).

According to Daft and Lengel (1984), formal communication primarily involves text-based letters and documents, while informal communication involves F2F meetings. Mohr et al. (1996) suggest that more formal communication is associated with collaborative communication, while Anderson and Weitz (1989) suggest that informal communication is associated with greater goal congruence and reduced role ambiguity. In relational exchange both types of communication are necessary. Formal communication is essential to carrying out established routines while informal is necessary for developing these routines. Formal communication establishes legitimacy while informal communication contributes to trust (Anderson & Weitz, 1989; Mohr & Nevin, 1990).

The ability of a mode of communication to allow multiple conversations between multiple senders and receivers has been investigated using media synchronicity theory (MST) as an alternative to media richness theory. MST employs two constructs to explain media choice: convergence refers to the ability to enhance mutual agreement, and conveyance refers to the ability to process information (Dennis & Valacich, 1999). These two constructs depend upon five characteristics of the mode of communication: (1) immediacy of feedback, which is similar to synchronicity and refers to the ability of a mode to support fast bidirectional communications, (2) symbol variety, which is similar to media richness and refers to the cues a mode can transmit, (3) parallelism, which is similar to reach and refers to the number of concurrent bidirectional messages a mode can support, (4) rehearsability, which is similar to user control and refers to the ability to edit the message before sending it, and (5) reprocessability, which is similar to recording and refers to the ability of a mode to support reprocessing of a message while retaining the context.

Personal F2F communication requires immediate feedback. In digital communication, rehearsability and reprocessability allow communication to take place with both sender and receiver able to control the timing of a response or feedback. Control over feedback enables users to interact and maintain the original context of the interaction over time (Oviatt & Cohen, 1991; Whittaker, Brennan, & Clark, 1991), and parallelism allows them to take part in multiple dialogues simultaneously. Some of these conversations may require feedback the same day while other conversations can be resumed weeks later. Digital communication is unique in its ability to give all participants in an interaction some degree of control over each of these characteristics.

According to Hoffman and Novak (1996), the Internet can be viewed as an environment where individuals are present and capable of interacting through the medium similar to F2F interaction. It is also an environment where individuals are not always present but they can interact with the medium in a way that is similar to traditional written

Download English Version:

<https://daneshyari.com/en/article/7431969>

Download Persian Version:

<https://daneshyari.com/article/7431969>

[Daneshyari.com](https://daneshyari.com)