Success variables in business-to-business relationships

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Abstract

Many contacts are based on human relations. The relationship might be considered as a process of developing mutual understanding and the mutual creation of value with clients over the lifetime of an association. The businesses of relationship age are leveraging knowledge about their network of relationships, including customers and other market's actors (e.g. employees, partners, providers, investors) for transforming their products and services into memorable experiences that create unique value. The wealth embedded into customer relationships is now more important than the capital contained in the land, factories, buildings, goods and even bank accounts. According to Galbreath, the relationship age is the pathway of economic success.

In most business-to-business (B2B) exchanges, seek for building and sustaining long-term relationships serves as a key target for successful business activities. Companies more and more often pay attention to the successful relationships among business partners for mutual benefit. Importance of relationships between B2B firms and their customers is stressed by Turnbull et al. (1996). Ford et al. (2003) highlight that management of organisation relationships among all business partners and its position in the business network have become the critical task on which a company's very existence stands or falls.

Different aspects of business-to-business (B2B) relationship development – lifecycle of relationship, client involvement, confidentiality, relationship quality, trust, commitment and etc. – are analyzed in publications.

Although there are numerous researches in field of business-to-business (B2B) relationships and its impact on business success or failure, but still success variables in business-to-business (B2B) relationships are not investigated in detail. Thus, problem of the paper may be identified in the following: what variables affect relationships and how they lead to business success?

The aim of the paper is to systematize what variables affect the success of business-to-business (B2B) relationships.

Keywords: success variables, business-to-business (B2B) relationships, relationship management

Introduction

Many industries, especially service industries, rely on their relationships with stakeholders – customers, employees, as well as those with suppliers and partners, investors and market analysts, and even government regulators, trade associations and other entities that influence the general business climate. Ford et al. (2003) highlight that management of relationships among all business stakeholders have become the critical task on which a company's very existence stands or falls. Despite that, the crucial among them are customers. An increasing number of businesses have recognized the benefits of establishing and nurturing ongoing relationships with their customers. Many have begun to shift their emphasis from discrete transactions toward shaping longer-term, mutually beneficial exchange relationships (Claycomb, Martin, 2001). The wealth embedded in provider and customer relationships is now more important than the capital contained in the land, factories, buildings, goods and even bank accounts (Galbreath, 2002). Relationship age is marked by tailor product and services to individual customer wishes and needs. Such access is determined by a seller and a buyer (in the broadest sense); relationships get the form of relationships between a provider and a customer.

Business relationships can be defined as a process where two firms or other types of organizations form strong and extensive social, economic, service, and technical ties over time, with intent of lowering total cots and/or increasing value, thereby achieving mutual benefit (Ritter et al., 2004; Schurr, 2007). In most business-to-business (B2B) exchanges, the striving for building and sustaining long-term relationships serves as a key target for successful business activities. Companies more and more often pay attention to the successful relationships among interacting parties for mutual benefit. Galbreath (2002) states that relationship age is marked by tailor product and services to individual customer wishes and needs. Different aspects of business-to-business (B2B) relationship – relationship dimensions, lifecycle of relationship, client involvement, confidentiality, relationship quality, trust, commitment, etc. – are analyzed by Hill (2007), Rauyruen & Miller (2007), Miles et al. (1995), Toivonen (2004), Bagdonienė & Jakštaitė (2009), Kramer & Tyler (1995), Stahlecker & Koch (2004), Koch & Strotmann (2004; 2005), Gebert et al. (2003), Barnhoorn (1995), Jaakkola & Halinen (2006), Heffernan (2004), Donaldson and O'Toole (2007), etc.

Variables of successful relationships mentioned in this and other researchers' studies have analyzed focusing to relationship value and/or relationship performance/outcome. Plenty of research results will be raised by a number of problematic issues: which success factors are universal, i. e. does not depend on functions of interacting parties (buyer-seller, manufacturer – dealer, distributor – supplier, provider – consumer, etc.); or does effect of these variables vary in different relationship development stages; which of these variables have impact on economical results, which influence more emotional content of relationship, etc. In this study we do not strive to find all unambiguous answers to these questions. *The aim of the paper* is to reveal the possible success variables of business-to-business (B2B) relationships according to its dimensions.

Research methods: scientific literature and comparative analysis, analogy, and generalization methods.

Nature, forms and dimensions of business-to-business relationships

Mutual success in business-to-business selling often depends on establishing and maintaining a sound relationship to assess the costs and benefits. Relationships enable partners to do more, and create more value, by focusing on core competencies and letting others then do the things they can do better. Functions of business relationships may be distinguished into direct (also called primary or first-order) functions and indirect (called secondary or second-order) functions (Walter et al., 2001). Direct functions have an immediate effect on the partner firms; indirect functions are supposed an oblique effect on the partners because their relationships are directly or indirectly connected to other relationships. Galbreath (2002) notes three key attributes define partner and supplier relationships: goal (increased business velocity and innovation), key value outcome (increased customer share and improved revenue growth) and key ingredient for success (collaboration and communication via electronic integration). In organisations cooperative behaviour is based upon the operation of a system of inter-organisational norms, which are common understandings about the ways of conducting business through the facilitation of interaction within a social system. These relationships can be characterized by motives that could involve mutually compatible as well as incompatible goals (Cohen, 2006).

In today's competitive global market customers are becoming a key source of competitive advantage. In additional to revenues, suppliers can gain product ideas, technologies, and/or market access from their customers (Walter et al, 2001). It means companies must put the customer at the heart of the business and seek to build long-term, mutually beneficial and profitable relationships first at all with their customers. Establishing long-lasting relationships can help a provider and a client to create a higher value and can be mutually beneficial (Gil-Saura et al., 2009), as well as competitive advantage (Powers & Reagan, 2007). Interaction is central to the relationship framework in business markets (Medlin, 2004).

Relationships may formalise into partnerships, joint ventures or strategic alliances (Donaldson, O'Toole, 2007), networks, trade associations, interlocking directorates (Barringer & Harrison, 2000) where significant cooperation and joint involvement are advocated and deemed necessary. That implicates the different style of relationships. For example, in the professional services area Dawson (2005) differentiates relationships under the following criteria: 1) services scope (focused or broad), 2) supplier diversity (single incumbent or many suppliers), 3) engagement duration (brief engagement or long-term contract), 4) transaction frequency (many small or infrequent large), 5) range of client contact (individual/department or entire organization), and 6) interaction style (online or frequent face-to-face). Johnston & Clark (2008, p. 86) suggest two main forms of relationship: firstly, relationship based on a portfolio of service products frequently found in higher volume operations; and secondly, a personal relationship created between an individual customer and an employee, particularly prevalent in low-volume professional organizations. These authors also cover temporary relationships, recognising the transactional, one-off nature of many services.

The relationships comprise activities at multiple levels, from individual service personnel and sale staff, to organization-wide initiatives such as strategic alliances. They are not dichotomous (distant or close, good or bad) and exist in a wide variety of forms. Kasper et al. (2006, p. 151) note that the best way to describe the relationships is to contrast them on different dimensions, for example, individual versus collective, obligated versus non-obligated. Turnbull et al. (1996) made a point that all inter-organisational relationships simultaneously exhibit conflict and cooperation, with guile and self-seeking. Analysing the professional services, Laing & Lian (2005) distinguish elementary, interactive, embedded, partnering relationships and integration. Walter et al. (2001) identified the selling, low- and high-performing and networking relationships. The effective management of relationships between providers' and clients' organizations is increasingly viewed as being a key source of competitive advantage for modern organisations (Wilson, 1999). The business relationships appear as a valuable resource essential for the economics performance (Castro et al., 2005). It means the need to develop the understanding of the nature and dynamics of relationships between organisations. This is one of the conceptual and operational challenges facing marketing professionals (Laing & Lian, 2005).

Business-to-business relationships as complex phenomenon have multidimensional features and the following dimensions could be distinguished: time, structure, process, substance and functions, value (Castro et al. (2005), Biggemann & Buttle, 2004). Let's discuss these dimensions.

Time dimension of relationships. The relationships are dynamic; it means they evolve over time. By providing a boundary for interaction and potential interactions, time acts as a container for business relationships (Medlin, 2004). There are different approaches to time dimensions of relationships. Some scholars highlight the cycle of relationships, others – the features of relationships. Ford et al. (2003) point out four stages of relationship: pre-relationship, exploratory, developing and stable; Dwyer et al. (1987) – five stages: 1) full mutual awareness, 2) exploration, 3) expansion, 4) commitment and 5) dissolution; Brooks (2008) – four stages: 1) emerging, 2) growth, 3) maturity and 4)declining. Despite the diversity of relationship development stages, all the scientists distinguish pre-relationship and developing stages. Relationship development might be described with reference to *experience*, *uncertainty*, *distance* and *commitment* (Castro et al., 2005). All these features of relationships vary during the time.

Structure dimension of relationships. A business relationship might be described by recurrent characteristics that are readily evident to outside observers. Castro et al. (2005) highlights such features as continuity, complexity, symmetry and informality which are appropriate to relationship structure. *Continuity* is derived from the maintenance of business transactions over time, following contracted steps repeatedly. It focuses on the anticipation of future interaction between firms. Wilson & Nielson (1999) note continuity may be defined as the supplier's perceptions of the expectation of future exchange between relationship partners. *Complexity* may be given by the number, type and the contact pattern of individuals involved in business relationships. The variety of ways along which a relationship can be exploited for different purposes also determines complexity. *Symmetry* is a typical situation in industrial markets, unlike many consumer markets, because both buyers and sellers have resources and capabilities, and this tends to give rise to more balanced situations. Finally, *informality* is most common in business contexts, although formal contracts exist, and has been identified as more effective in problem solving.

Process dimension of relationships. Mutual *adaptations* of some kind are essential for relationships to develop as they demand coordination of activities, resources and individuals, and often reflect commitment. *Cooperation and conflict* coexist in business relationships. This results from the need to cope with *win-win* strategies even when conflicts persist. Equally important is *social interaction*. *Routinization* means the process of emergence over time of routines, implicit rules of behaviour, and some rituals, especially in the most important relationships.

Substance and functions dimension of relationships. Each business relationship is a process in which connections between companies are created and developed involving activities, resources, and actors. These connections originate a *quasi-organization*, where something unique is produced that, otherwise, the parties involved could not effectively achieve. The elements that connect the focal relationship are a distinctive factor from which three main effects can be derived the effects for both individual organisations and for the focal relationship, also for third parties that may inter-play in the involving network.

Value dimension of relationships. Significant amongst the reasons for companies wanting to build relationships is the value that relationships generate. Value might be thought as the difference or ratio between costs and benefits. Biggemann & Buttle (2001) distinguish personal, financial, knowledge and strategic value.

Link between success variables and dimensions of business-to-business relationships

Successful relationships for many business organizations in broader sense are associated with greater profitability. Tuten & Urban (2001) offer to measure success of business-to-business relationships using objective measures (such as sales volume attributed to both parties) and affective measures (such as satisfaction with the business relationship). According to Wright (2004), factors to be considered for successful B2B relationships are 1) total commitment (from all senior managers), 2) strategic fit (objectives and strategies in the chosen area of activity should be complementary), 3) cultural fit (employees from each firm should be able to work with one another), 4) risk sharing (all firms will incur of some kind and participating organizations should be aware of this when discussing the level and type of commitment), 5) resource allocation (both sides should allocate sufficient resources), and 6) knowledge exchange (participating organizations will be expected to share knowledge and expertise and a firm might be loath fully to disclose important valuable information in case relationships fail).Due to successful B2B relationships, organizations should increase their competitiveness; simplify organizational processes and increase efficiency.

In order to maintain successful relationships, both acting parties should know what variables make impact on success. Successful B2B relationships, by their nature, tend to start as *ad hoc* market relationships, but if they continue they may eventually lead to more collaborative relationships (Archer & Yuan, 2000). The current business trend is towards fewer providers with a higher degree of collaboration between provider and customer. As a result, more of the procurement process can be automated, resulting in lower transaction handling costs and higher volumes for the remaining providers, and faster and more reliable delivery for the customer. Successful relationships are viewed as involving extensive person-to-person contact by numerous functional participants from each firm that results in close personal and working relationships (Nielson, 1998). Powers & Reagan (2007) highlight that the factors that influence relationships are reputation, performance satisfaction, trust, social bonds, comparison level of the alternative, mutual goals, power/interdependence, technology, non-retrievable investments, adaptation, structural bonds, cooperation, and commitment. Rauyruen & Miller (2007) propose relationship quality as a higher construct for successful relationship; it includes trust, commitment, satisfaction and service quality. According to Cheng (2006), relationships are influenced by longevity, frequency of contact, extensive and effective communication, efficient and satisfactory service as well as a range of personal factors related to the skills and personalities of company representatives. But mostly as B2B relationships success variables in academic investigation are mentioned trust (Adobor, 2002; Anderson & Narus, 1990; Barnes, 1994; Blenkhorn & Mackenzie, 1996; Castro et al., 2005; Cohen, 2006; Czepiel, 1990; Gil-Saura et al., 2009; Bagdonienė & Jakštaitė, 2009; Hefferman, 2004; etc.), commitment (Ganesan, 1994; Garbarino & Johnson, 1999; Gil-Saura et al., 2009; Gounaris, 2005; etc.), communication (Anderson & Narus, 1990; Adobor, 2002; Castro et al., 2005; etc.), shared values (Cohen, 2006; Hefferman, 2004; Gittell, 2002; etc.), co-operation (Anderson & Narus, 1990; Lages, 2005; Morgan & Hunt, 1994; etc.) and social contacts (Hefferman, 2004; Castro et al., 2005; etc.).

How B2B relationships dimensions are interconnected with success variables? This link is revealed based on comparative analysis and analogy.

Link between time dimension and B2B relationships success variables. Interacting firms get to development of their relationships: share knowledge and skills, observe one another, feel effect of the interaction. In other words, they acquire experience. Relationship ending has, however, not recognized the potential underlying relationship tension because of cumulative negative experiences as an aspect that influences ending (Holmlund-Rytkönen & Strandvik, 2005). Due to this reason, through experience should be incurred mutual satisfaction of relationship and service quality. Satisfaction and experience are related. Satisfaction is a process of evaluating or measuring a purchase experience where expectations are compared with the result (Gil-Saura et al., 2009). According to Rauyruen & Miller (2007), the key to customer retention is his/her satisfaction. Customer satisfaction leads to the development of trust and commitment, which is key to maintaining a long-term relationship (Powers & Reagan, 2007). Satisfaction is generally conceptualized as an attitudinal judgment about purchase (Jayawardhena et al, 2007). Customer satisfaction also has a significant affective component, which is created through repeated product or service usage. Satisfaction is commonly considered a prerequisite of customer retention and loyalty, as well as increased profitability and market share (Meng & Elliott, 2009). Service quality signifies the conformance to customer requirements. Quality is particularly important to service firms because it has been shown to increase profit levels, reduce costs, and increase market shares. Moreover, service quality has been shown to influence purchase intentions, and is used by some firms to strategically position themselves in the marketplace (Meng & Elliott, 2009), also positively affects one of behavioural outcomes – loyalty (Rauyruen & Miller, 2007). The beginning of the relationship usually might be characterize by uncertainty. Trust seems to essentially be a means for people to deal with uncertainty about the future and their interaction partners (Ruohomaa & Kutvonen, 2005). Trust defines one party's optimistic expectations from the other party's behaviour (Lewicki et al, 1998). Suh et al (2006) point out that expectations are always associated with positive behavioural outcomes. Cowles (1996) argues that trust occurs when one party, seeking target and putting something valuable for him/her, assume that it may be relied on other party's knowledge, competence and motives, which encourages associate relationship. Svensson (2004) notes that trust is a multidimensional concept, as well as it summarises the various dimensions of trust researched by scientists. The researcher divides them into five groups: dependability/reliability (confidence, consistency, faith, loyalty, predictability, respect and security), honesty (fairness, motivation to lie, and openness of management), buyer/seller orientation (altruism, business sense and judgement, congruence, intention and motives) and friendliness (acceptance, benevolence, and liking). Trust may also be expressed as hope, faith, confidence, assurance, initiative (Lewicki et al, 1998), ability and congruence (Sitkin & Roth, 1993), benevolence (Mayer et al, 1995), predictability (Coleman, 1990; Dasgupta, 1988), common values (Eriksson & Lindvall, 2000); Gillespie & Mann, 2004). Hacker et al. (2001) argues that the trust consists of consistency, commitment and capability. The authors insist on the fact that trust might not be, if at least one of these items does not exist. The more provider and customer trust in one another, the more they appreciate their relationships. Trust becomes a key condition for the continuity of relationships (Doney & Cannon, 1997; Sharma & Pattersson, 1999) and their success (Kramer & Tyler, 1995). According to Smaliukienė (2005), trust encourages open communication between partners, the exchange of ideas and the sharing of resources. Business relationships between provider and customer based on trust often degenerated into personal relations. This is even more increases the likelihood that the provider and the client relationship will have long-term perspective. One more dimension of relationships depending on time is distance. According to Hess et al (2007), openness, attention, and involvement decrease distance between interacting parties. Closeness might enhance the stability and longevity of relationships (Nielson, 1998). In other words, success variables of B2B relationships may be important. Commitment together with trust is a key mediating variable for relationship (Gil-Saura et al, 2009). According to Hausman & Johnston (2009), relationship commitment might be defined as an exchange partner's belief that the relationship is worth the expenditure of effort required to ensure its survival. Commitment among exchange partners is a key to achieving valuable outcomes, such that firms endeavour to develop and maintain this important attribute in their relationships. Committed customers experience relationship closeness, which over time leads to confidence about the relationship (Dagger et al, 2009). Commitment is the consumer's voluntary willingness to remain in and make efforts towards maintaining a relationship and can be thought of as the foundation on which relationships are built (Dagger et al, 2009). Loyalty is consider as the degree to which a customer exhibits repeat purchasing behaviour from a provider, possesses a positive attitudinal disposition toward the provider, and considers using only this provider when a need for this product arises (Gil-Saura et al., 2009). Loyal customer offers a steady stream of revenue for a firm by remaining with the brand/supplier and rejecting the overtures of competitors (Rauyruen & Miller, 2007). B2B client loyalty and retention are linked to relationship quality, trust, involvement, satisfaction, purchase development, organizational change, and switching costs (Rauyruen & Miller, 2007). These three coherent variables – satisfaction, trust and commitment – compose relationship quality that reflects the overall nature of relationships between providers and consumers. (Hennig-Thurau et al, 2002). Hill (2007) notes that business relationship's quality can be measured by the following accepting (the customer perceives the business/its representatives to be accepting that the customer does not think that the business wants the customer to do anything for business 'sake), understanding (the customer, in their communications with business, thinks that the business understands what they want, need, or desire), understandable (the customer, in their communications with business, thinks they understand what help is being offered to them by way of products or services) and expert (the customer perceives the business to be expert in the area or field of their want, need, or desire). Hill (2007) argues that the higher the quality of this relationship, the more likely sales, loyalty, and repeat custom will ensue.

Link between structure dimension and B2B relationships success variables. Continuity refers to the time during which a firm maintains a relationship with other various firms (Kamp, 2005). Satisfaction is a key aspect of buyer-seller relationships and is critical to relationship continuity (Dagger et al., 2009). According to Powers & Reagan (2007), commitment refers to a pledge of relational continuity between exchange partners. Continuity of relationships also depends on negotiation which might be described as a process in the public domain where two parties, with supporters of various kinds, attempt to reach a joint decision on issues in dispute (Weigand et al., 2003). Complexity of business relationships depends on the type of interdependence between organisations. In the case, relationships should be characterized by flexibility and rigidity (Ferrer-Balas & Buckland, 2008). Complexity requires an effective coordination. According to Gittell (2006), if effective coordination is to occur, interacting parties should also be connected by relationships of shared goals and mutual respect. Mutual goals might be considered as a common understanding or focused alignment of expectations in communicative way (Davis & Walker, 2007). In relationship management there is an emphasis on the necessity for symmetry and mutuality and that symmetric dependence structures foster longer-term relationships based on trust, whilst asymmetric relationships are associated with less stability and more conflict (Hingley, 2005). Symmetrical interdependence exists when parties are equally dependent on each other (Caniëls & Gelderman, 2005). Relationships that are power balanced tend to be more stable than unbalanced ones and as one party in a relationship is seen to gain power, then the other will seek to rebalance power (Hingley, 2005). The success of relationships depends on the strength of the interpersonal relationships and the informality of the process (Karkoulian et al., 2008). Informality has a consistently positive effect on interorganizational learning of tacit knowledge. Therefore, where informal learning behaviours abound while more tacit knowledge flow between organizations is undesirable, the partners may need to curb informal interactions. This can be achieved by introducing formal mechanisms that block opportunities for knowledge sharing (Janowicz-Panjaitan & Noorderhaven, 2008). The root of the relationship is a social exchange between the interacting firms (Gefen, 2004). Social exchange builds a strong relationship and creates interdependencies between the exchange parties (Terho & Halinen, 2007).

Link between process dimension and B2B relationships success variables. Adaptations are often a direct and conscious attempt by firms to improve the nature of their business relationship and the benefits that they derive from it. Adaptations often lead to the creation of relationship specific assets, such as personal relationships and trust (Schmidt et al., 2007). Personal relationships constitute the underlying basis of long-term relationships between the provider and customer organizations in complex service settings. Personal friendships and liking by the exchange parties is crucial in developing loyalty (Lian & Laing, 2007). Woo & Ennew (2004) denote that inter-firm adaptations imply considerable investments by one or both of the firms and have a significant influence on the provider's ability to conduct business with a particular customer and on the customer's ability to secure needed products. They also highlight the investments made in inter-firm adaptations often cannot be transferred to other business relationships – they are relationship specific. Consequently, the parties become tied together. Last, the adaptations may have important consequences for the long-term competitiveness of the firms. From a business-to-business relationship perspective, cooperative behaviour includes the coordination tasks which are undertaken jointly and singly to pursue common and/or compatible goals and activities undertaken to develop and maintain the relationship. Cooperation includes joint technical problem solving, reciprocity, continuity, concerns with profitability, willingness to make cooperative changes, and owing favours (Woo & Ennew, 2004). According to Andersson et al. (2007), problems and conflicts should be solved through collaboration and cooperation, by adapting products and processes toward interacting parties. Social interaction is a manifestation of social capital (Tsai & Ghoshal, 1998). Any organization is not available without people, as well as interorganizational relationships. Effective communication between firms as well as skills and traits of personnel, it should be required for strategic and cultural fit in order to develop successful B2B relationships. Employees should be interest in to be involved into mutual relationships. Mutual goals are the degree to which partners share goals that can be accomplished through joint action and the maintenance of the relationship (Powers & Reagan, 2007). Personnel's knowledge and skills give a firm competitive advantage because it is through this set of knowledge and skills that a firm is able to innovate new products/processes/services, or improve existing ones more efficiently and/or effectively (Cheng, 2006). Relationships allow communication to flow between parties (Biggemann & Buttle, 2004). According to Byer (2003), communication is the most important contributing factor to the success of any business. Socialization has been identified as a process of communication and interaction between people. It enables tacit knowledge to be transferred between individuals through shared experience, space and time. More importantly, socialization drives the creation and growth of personal tacit knowledge bases. Knowledge creation starts with socialization, which is the process of converting new tacit knowledge through shared experiences in day-to-day social interaction (Karkoulian et al., 2008). Social bonding is the bond that holds buyer and seller closely together in a personal sense, including personal interactivity and feelings of personal closeness (Stanko et al., 2007). Sustainability in the relationships process may be accepted by routinization (Karapetrovic et al., 2007). Routinization might be considered as re-establishing their current relationships with the other actors.

Link between quasi-organization dimension and B2B relationships success variables. Business relationships might be termed a quasi-organization with its own goals, culture, organization structure and communications mechanisms formed through evolving collaboration of the parties. Stretching the boundary of the firm to include its dyadic relationships gives rise to the concept of an extended enterprise within which operation employees have responsibilities not only to their own legal firm employer but also to the extended enterprise. This quasi-organization, or extended enterprise, allows the parties to exploit their complementarities (Harland, 1997). Joint working refers to joint or mutual decision-making and problem solving. Joint action has been defined as the degree of interpenetration of organizational boundaries. It is similar to the shared problem solving dimension (Wilson & Nielson, 2001). The relationship might be described as a working relationship where partners work closely together to achieve mutual goals (Huntley, 2006).

Link between value dimension and B2B relationships success variables. Personal value is more central to the feelings and emotions and might be considered as emotional value (emotional satisfaction). Personal value led to retention of relationships and positive referrals, financial value might be connected to economic satisfaction and is indicated by increased efficiency, more share of market and willingness to pay more. Knowledge value is expressed in market intelligence, idea-generation and innovation outcomes. Knowledge value enables innovative solutions to emerge, improves mutual understanding and promotes trust. Strategic value of the relationships allows better planning, reduces risks, makes possible better utilisation of the assets, and provides a foundation on which business can be built. Strategic value also exists if firms improve their competitiveness as a result of the relationships in which they are engaged (Biggemann & Buttle, 2004).

In summary Table 1 represents business-to-business relationships' dimensions, features and success variables.

Table 1

Dimensions, features and success variables of business relationships

Dimension	Features	Success variables
Time	experience	satisfaction, service quality
	uncertainty	trust
	distance	closeness, openness, attention, involvement
	commitment	loyalty
Structure	continuity	negotiation, satisfaction, commitment
	complexity	mutual goals, flexibility, rigidity, effective coordination
	symmetry	power
	informality	knowledge sharing, social exchange, problem solving
Process	adaptations	personal relationships, trust, loyalty
	cooperation and conflict	joint technical problem solving, reciprocity, continuity
	social interaction	communication, socialization, skills and traits of personnel
	routinization	faster performance, impact of technology
Substance and functions	quasi-organization	risk sharing, resource allocation, mutual goals, joint working
Value	personal value	emotional satisfaction, customer retention, referrals
	financial value	profitability, increased efficiency, share of business, share of market, investments
	knowledge value	knowledge creation, idea generation, market intelligence, innovation
	strategic value	sustainable competitiveness, long-term planning, extended network connections

Conclusions

Business-to-business relationships are complex and multidimensional phenomenon. The activities of many industries are based on their relationships with customers, employees, as well as with suppliers and partners, investors and market analysts, and even government regulators, trade associations and other entities. Over time the business relationships form strong and extensive social, economic, service and technical ties. The relationships get different organizational forms: partnerships, joint ventures, strategic alliances, networks, trade associations, interlocking directorates, etc. These forms implicate different styles of business relationships and comprise activities at multiple levels – from individual personnel to organization-wide initiatives. Summarising business relationships may be described by time, structure, process, functions and value dimensions.

Success of business-to-business relationships means the mutual benefit to both parties (lower total costs and/or increasing value, greater profitability and competitiveness, etc) and is leading by various variables. The analysis of scientific literature shows that success variables correlate with business-to-business relationships dimensions. All these variables are interdependent and cannot act as separate ones.

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