Value Creation and Loyalty in Exchange Relationships
A Dynamic Perspective

av

Claes Gunnarsson

Akademisk avhandling

Avhandling för ekonomie doktorsexamen i företagsekonomi, som enligt beslut av rektor kommer att försvaras offentligt fredag den 29 april 2011 kl. 13.15,
Hörsal M (Musik), Örebro universitet

Opponent: Docent Jörgen Elbe
Högskolan Dalarna

Örebro universitet
Handelshögskolan

70182 ÖREBRO
Abstract

This marketing dissertation focuses on the troublesome aspects of value creation in dynamic business relations including in relation to internal and external customers. The research field points out that relationship-mediated value creation emerges in various forms of organizational arrangements, inter-organizational settings, service systems and networks.

The aim of this dissertation is to describe and analyze how loyalty and value creation shortfalls influence business relationship dynamics. It is claimed that shortfalls in value creation reflect a discrepancy between anticipated or present performance compared with business partners’ expectations.

In this dissertation, a dynamic perspective is applied to substantiate how critical episodes influence the continuity of relationships taking a progressive or regressive course of development. The study focuses on shortfalls in value creation and indicates troublesome aspects in term of the dimensions of customer satisfaction, trust and commitment. Accordingly, it directs attention towards the heterogeneous influence of business relationship dynamics which is caused by loyalty antecedents in specific episodes of value creation shortfalls.

The main contribution of this dissertation is a portrayal of 11 different episodes of shortfalls in value creation, which indicates the stabilizing role of loyalty antecedents in different dynamic business relations.

In essence, the findings specify that perceived or anticipated shortfalls in value creation imply an increased awareness among managers to account for loyalty antecedents in dynamic relationships. First, shortfalls in value creation are related to discrepancies between value proposition and value change. Second, stability can be achieved by substitution between trust and commitment (i.e. formalization) when there is a lack of value realization or value capture. Third, the formation of managerial commitment in goal congruence is crucial for stability when shortfalls relate to contingencies in the managerial system of control and coordination. The conclusions in this dissertation signify how loyalty antecedents may not be sequentially connected or activated along the relationship development process. In addition, these loyalty antecedents are occasionally inherently inconsistent in continuous and dynamic relationships.

This dissertation consists of an extended summary and seven research papers. The applied method is characterized by both multiple and single case study approaches. Furthermore, the qualitative and multidimensional approach used is pertinent to the discussion of value creation and loyalty in contrast to employing a single theory framework.

Keywords: Marketing, Industrial marketing, Value creation, Shortfall, Loyalty, Business relationship, Trust, Commitment, Customer satisfaction.