The Influence of Fairness on Channel Member Relationship Satisfaction: A Case of Malaysian Car Dealers

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Abstract: Undeniably, buyer-supplier relationship has become an important issue in today’s business-to-business environment. In business-to-business, dealers or marketing channels are increasingly emphasising relationships they have with their suppliers. Consistent with the increasing interest in buyer-supplier relationships, relationship satisfaction has become an important factor in relationship marketing and channel theory. Despite the assumption that relationship satisfaction influences buyer-supplier relationship, the factors that contribute to relationship satisfaction has not received much research attention. Using a survey method, this study investigates the influence of fairness on relationship satisfaction among 107 Malaysian car dealers. The findings suggest that perceived fairness has significant associations with relationship satisfaction. The results of this study will be of particular interest of practicing suppliers for maintaining relationship with dealers.

Keywords: Relationship satisfaction, car dealership, distributive fairness, procedural fairness

INTRODUCTION

The topic of relationship marketing has increasingly attracted interest in academic marketing research as well as in practice. In recent years, a growing number of companies particularly in business-to-business have invested considerable resources into various programs for enhancing business relationships. In relation to that, dealers or marketing channels are increasingly emphasizing relationships they have with their suppliers and are demanding that they adhere to high standards. The pressure to compete also makes it necessary

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