

ABSTRACT

With the increasing interest in buyer-supplier relationships, relationship satisfaction has become an important factor in relationship marketing and channel theory. In the area of business relationships, relationship satisfaction is viewed as an essential ingredient in the development and maintenance of long-term buyer-supplier relationships and becoming critical in business relationships to lower transaction costs and foster greater economic value for both marketers and their customers. Using a survey method, this study investigates the level of relationship satisfaction among 126 Malaysian car dealers and examines the factors influencing economic and social satisfaction. Apart from that, the consequence of relationship satisfaction on commitment is also been studied in this research. Results revealed that level of relationship satisfaction among dealers is high and economic satisfaction is positively related to social satisfaction. For the factors influencing relationship satisfaction, the results demonstrated that all the elements of influence strategy are significantly related to economic satisfaction while benevolence and credibility are positively influence social satisfaction. Results are compared with earlier findings and implications for future research are discussed.