How to Measure Relationship Value in Principal-Retailer Context

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Abstract

Purpose: This study aims to review existing research on the definition, conceptualization, and measurement of relationship values to guide future research. This study specifically measures the relationship value between principals and retailers, which is still not widely discussed in previous research. Besides, to broaden our knowledge of the value-based determinants of competitive advantage, satisfaction, and retailer loyalty in business-to-business relationships. **Research design, data, and methodology:** This research assessed three alternative models of the relationship value construct's dimension structure and then tested for reliability, validity, and confirmatory factor analysis. The research sample is 185 retailers-data analysis using Structural Equation Modeling (SEM). **Results:** The results showed that product-based values and relationship-based values positively influenced competitive customer advantage, satisfaction, and loyalty. **Conclusions:** Relationship value construct can be measured and consist of five dimensions: product quality, delivery performance, customer orientation, service support, and personal interaction. They are key factors that maintain the relationship between principal and retailers. This study indicates that principals must invest more time and effort in building valuable relationships with their retailers. Finally, the value of relationships is a determinant of retailer performance: satisfaction and loyalty.

Keywords : Relationship Value, Retailer, Satisfaction, Loyalty

JEL Classification Code: E44, F31, F37, G15

1. Introduction

Relationship values are highlighted as the main goal for any company to engage in sustainable business relationships. Values cannot be realized in long-term relationships and simple transactional exchange processes (Anderson & Narus, 1998; Čater & Čater, 2009; Chicksand & Rehme, 2018; Ganesan, 1994; Park & Lee, 2018; Walter et al., 2000; Wilson & Jantrania, 1994).

Customer value creation has been widely recognized as one of the main goals in buyer-seller relationships (Biggemann & Buttle, 2005; Cannon & Homburg, 2001; Jap, 2012; Nevins & Money, 2008). Adding value to basic market offerings can increase customer satisfaction while strengthening ties between the parties, thereby increasing customer retention (Ritter & Walter, 2012). Business relationships' value is a multidimensional concept that reaches beyond price versus quality exchange (Wolfgang Ulaga & Eggert, 2006b).

In long-term business-to-business relationships, value, satisfaction, and loyalty are perhaps the three most important constructions. In a meta-analysis of the factors that influence business relationships' effectiveness, customer loyalty is one of the most important outcomes of customer-focused relationships (Palmatier et al., 2006). Values are related to various relational factors, for example,

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relationship quality, customer loyalty (Gil-Saura et al., 2009; Lai et al., 2015). Some studies in the business literature and industrial marketing explore the value nature of relationships: (Lai et al., 2015; Payne et al., 2001; Ritter & Walter, 2012; Ryssel et al., 2004; Wolfgang Ulaga & Eggert, 2006b). However, due to different conceptualizations, which lead to different approaches to measuring the value of relationships. There is still a lack of understanding of this construct's nature and what methods are appropriate for its measurement.

The value of relationships is one of the core concepts in research on buyer-seller relations. Several empirical studies explored the value of business relationships (Biggemann & Buttle, 2012; Cui & Coenen, 2016; Gil-Saura et al., 2009; Lewin et al., 2008; Pinnington & Scanlon, 2009; Skarmeas et al., 2015; Ulaga & Eggert, 2006; Wagner & Benoit, 2015; Westerlund & Svahn, 2008).

Most relationship value research focuses on exploratory drivers (Baxter & Kleinaltenkamp, 2015; Menon, A., Homburg, C. & Beutin, 2005; Ruiz-Molina et al., 2015; Ulaga & Eggert, 2005). There has been much discussion about customer value. Still, only a few authors have discussed the perspective of the value of the relationship from the retailer side, with the principal. There have not been sufficient conceptual and empirical efforts to examine the impact of relationship value on satisfaction and loyalty in that context. Building relationship is indispensable in a competitive business environment due to higher competition. They are an essential factor and desired for a company (Khoa, 2019)

Research on the value of relationship has been focused mainly on developed economies. It was little discussed in developing countries such as Indonesia. Research was limited to the concept of relationship marketing, which has not specifically addressed a value of relationships. Its mainly discusses on relationship marketing concept and their imbalance in the retail industry's strength. It assesses the effect of power asymmetry and marketing relationship on economic performance of principal and retailers.

Building and maintaining business relationships was one of the company's priorities. However, the question has been raised by academics and practitioners in Indonesia. The business relationships are valuable and beneficial for both parties. Then how to determines the value of business relationship. For several years, the concept of customer value has been becoming the focus of research attention from marketing academicians. In buyer-seller relationships, the goal of business partners (principal, retailers, customers) involved the relationship. The purposes are to create higher value for all parties involved (Ritter & Walter, 2012). Therefore, partners in business relationships must try to increase the value of relationships to gain a competitive advantage (Ulaga, 2001; Wagner & Benoit née Moeller,

2015; Wagner & Lindemann, 2008; Westerlund & Svahn, 2008).The development of marketing channels is able to become a new vehicle for business people to gain a greater market share (Firman, 2020).

Peterson and Balasubramain (2002) identified several retail researches issues that are important to investigate. Coordination with suppliers or producers considers it important to be investigated based on contracts, trust, and promises. Knee (2002) identified five retail strategy challenges, namely, branding strategy, human resource development, retailer growth, customer relations, and performance. This argument concludes that marketing scholars have important records to investigate business relations in the retail industry. The strategic role of the retail industry is as a distribution channel that connects producers to end consumers. Retailers play an important role in distributing goods and services as connectors between the manufacturer and the end consumer. This unique position affects the type of retail business relationship. They should maintain long-term relationships with customers and principal simultaneously.

The purpose of this paper is filling the above gap. Specifically, this paper seeks to contribute both theory and practice. The first stage is examining the relationship value scale in principle-retailer context. The second stage is testing validity and reliability. Furthermore, a generalization of the scale items, description of their empirical analysis then followed them. Concluding a discussion as the main results and limitations of the study. This review will give researchers a deeper understanding of relationship values' scope, helping to choose the scale of relationship values appropriate for their studies. This paper is also expected to expand knowledge about customer satisfaction and loyalty in the business-to-business market by creating relationship value.

2. Literature Review

2.1. Definition and Conceptualization of Relationship Value

Relationship value is a basic constituent of relationship marketing. It is developed through the relational dimension (Lapierre, 2005). The study of relationship value continues to develop to understand value creation in business exchange (Ulaga, 2003). Value creation is important in relationship marketing. The existence of an organization is value-oriented. Although the concept of value creation has been widely understood as an important factor of companies, many companies do not know what value is and how to measure and create it (Anderson & Narus, 1998). Although the concept of value is essential, only a

few empirical studies specifically prove the definition of value, how value is created, transmitted, and felt by customers. Two approaches to defining values are widely used by many researchers, including values based on products and the relational approach (Lindgreen & Wynstra, 2005).

Table 1: Explanation on Relationship Value

Author	Explanation of Relationship Value
Cui and Coenen(2016)	Relationship value is built from relationship benefit (product quality, service delivery, principal know-how, core business support, Troubleshooting support, personal interaction, sustainability) and sacrifice (price, process cost)
Badenhorst-Weiss and Tolmay(2016)	Relationship value is built from core product offering, procurement process, and operations
Skarmeas, Zeriti, and Baltas(2015)	Relational norms, knowledge sharing, complementary capabilities, relationship- specific assets build up a relationship value
Sun, Pan, Wu, and Kuo(2014)	Relationship value is trade-off between multiple benefit and sacrifice based on perception of key decision-makers
Jianhua and Mingli(2013)	In a principals and customers, relationship value consists of product, service and cost dimension
Čater and Čater(2009)	The trade-off between a sum of benefits and compare to reduce sacrifices (direct product cost)
Lewin, Barry, and Terry(2008)	In industrial services, relationship value included economic and strategic benefit is a trade-off between benefit and cost (switching costs and cost advantage)
Ulaga and Eggert(2006)	The trade-off between benefit and sacrifice from the supplier offering, considering with the alternate supplier
Ulaga and Eggert(2003)	A perceived trade-off between multiple benefits against the sacrifices by key decision-makers
Narus(1998)	A trade-off between benefit (economic benefits, technical benefits, service benefits, social benefits and sacrifice (price)
Wilson and Jantrania(1994)	The trade-off between benefits and sacrifices (price, acquisition and life cycle costs)

The product-based approach shows that value comes from certain products and transactions in goods or services. They are assuming that customers tend to maximize

benefits and minimize sacrifice. Value as a trade-off between the benefits and sacrifice of a product (Anderson & Narus, 1998; Ulaga, 2003; Wolfgang Ulaga & Eggert, 2006a; Wilson & Jantrania, 1994). The relational approach is an extension of the product-based approach, which asserts that value does originate from a particular product and embed in a buyer-seller relationship consisting of relationship activities, resource relations, and personal bonding (Ford & Mcdowell, 1999). The relational approach considers value a long-term oriented exchange process rather than a quick process (Ulaga & Eggert, 2006a). The concept of value can be done by looking at the perspective of the customer or principal. A better understanding of value research can use for the implementation of the principal business strategy (Pham, 2020).

Relationship value is the quality of previous relationships (Ulaga & Eggert, 2003). Based on these studies, it is known that customer value is a better predictor than satisfaction associated with behavior in a marketing context. Customer value are more strategic concept and long term, whereas satisfaction is a short-term tactic. Managing business relationships requires understanding how these relationships create value, both value for buyers and value for sellers, and how that value is delivered through the supply chain. The same consumer has different needs from each principal, and different consumers also have different needs for the dimensions of the value product (Ulaga, 2001). Therefore, building long-term relationships with customers is the essence of business-to-business marketing, which has found empirical support in the findings of some researchers that relationship Business-to-business offers opportunities for companies to create power competitiveness, profits, and achieving superior results (Jap, 2012; Ulaga & Eggert, 2003).

Product quality and delivery performance have been reported by Ulaga & Eggert (2006a) as core offerings, which are the main reasons producers enter relationships with their principal. Product quality is the ability of a product to perform its functions. It includes durability, reliability, accuracy produced, ease of operation and repair, and other valuable product attributes. The concept of product quality is highly dependent on customer perception and can be understood as "the extent to which the supplier's products meet customer specifications" (Eggert & Ulaga, 2002). Several studies positively influence product quality on customer satisfaction (Čater & Čater, 2009; Chumpitaz. & Paparoidamis, 2004; Janda, Murray, & Burton, 2002).

Customer orientation is defined as supplier know-how in the study of Ulaga & Eggert, (2006b) dan Čater & Čater (2009). In the literature on business-to-business relationships, principals know-how or knowledge is treated as "soft" resources that are not embedded in physical

products (Anderson et al., 1994). This concept includes supplier knowledge about supply markets, prior experience with customers' operations and products, and how to assist customers in developing new products (Ulaga & Eggert, 2006b). There are positive effects of strategic benefits, including expertise as a synonym for knowledge on behavioral satisfaction and loyalty (Čater & Čater, 2009; Spiteri & Dion, 2004).

According to Čater and Čater (2009), the source of value creation is the sourcing process, which consists of support of supplier services and personal interaction between the two parties. Service support includes supplier response, its capacity to manage information exchange, and outsourcing activities to suppliers. Personal interactions include knowing suppliers' key contact personnel, getting along with them, and involving top supplier management (Ulaga & Eggert, 2003). In their classification, the marketing approach of Pels et al.(2004) argue that developing personal interactions is the essence of "marketing interaction" or the "individual to individual" approach. There is empirical support from service support and personal interaction on customer satisfaction and loyalty (Cater & Cater, 2009; Lam, 2004; Spiteri & Dion, 2004; Ulaga & Eggert, 2005). Explanations of relationship values are listed in Table 1.

2.2. Satisfaction

Satisfaction depends on the product's perceived performance in providing value in a matter relative to the buyer's expectations. When product performance lower than customer expectations, the buyer is not satisfied. However, if the product performance is in line with expectations, the buyer will feel very satisfied. Customer satisfaction generally means the customer's reaction to the needs that have been obtained and the customer's judgment on the services that have been provided (Harris & Goode, 2004).

In a complex market condition, where competition is very complex and various emerging competitors, its bargaining position weakens. Thus, steps are needed to penetrate existing competition. The company's bargaining position can increase competitors' activities, and changes in the environment can be overcome properly (Mbango, 2017). The key to increasing this bargaining position is to pay attention to retailers by increasing the satisfaction received. Usually, this measurement of a retailer's satisfaction is based on the quality of the company's service. Retailers provide their views and opinions about the company's services by assessing aspects of existing services based on the experience they experienced.

Overall satisfaction recognizes customers rely on their entire experience when forming purchase intentions or repeat purchases. There are two fundamental things that every company must realize in formulating customer satisfaction. First, the customer satisfaction strategy must start with customer expectations. Satisfaction will occur if the company can provide products, services, prices, and other aspects following or exceed customer expectations. Second, the customer satisfaction strategy must start by choosing the right customer because it affects segmentation and targeting strategy.

Satisfaction is a positive affective state that results from evaluating all aspects of a company's working relationship with other companies (Anderson & Narus, 1990). The relationship between components of economies of scale and non-economies for measuring satisfaction differs between studies (Geyskens et al., 1999). Two ways to conceptualize satisfaction are in the literature according to Lam (2004), transaction-specific satisfaction, and overall or cumulative satisfaction. Cumulative satisfaction recognizes that customers rely on their entire experience when forming intentions or making repurchase decisions. Therefore, it must be a better predictor of customer intentions and behavior. This study focuses on overall satisfaction, which is defined as the overall assessment of the principals' services' retailers.

2.3. Loyalty

Loyalty is the ability to repurchase a product or service that is consistently preferred in the future, thereby causing the same brand to buy the same set of brands, in addition to the influence of the situation and marketing efforts that have the potential to change behavior (Sota et al., 2018). Rational and emotional factors can cause the emergence of loyalty in customers' minds to the company and its products. Loyalty is related to satisfaction, and the characteristics of the product or service offered to customers physically. In contrast, emotional factors are related to customer satisfaction with the company and its products (Mbango, 2017). Loyalty is a balance between its physical or functional quality and its quality emotionally felt by customers.

Another concept of customer loyalty states that loyalty leads to behavior rather than attitude. A loyal customer is interpreted as a regular and long-term purchase pattern, carried out by units unit of makers or decision-makers (Gil-Saura et al., 2009). Loyalty has been defined as a construct that measures the probability that customers will return and be ready to carry out partnership activities such as referrals (Lapierre, 2005). There are three main loyalty research streams: behavior loyalty, attitudinal loyalty, and combined loyalties. We can understand loyalty in this study as retailers desire to buy back products and continue relationships with principals.

3. Research Method

3.1. Research Design and Measurement

The data were collected to test the model with a population of all paint retailers. The research sample is 185 paint retailers. The study was conducted with a questionnaire distributed by a team formed by researchers in each city. The team was briefed by the researcher regarding the goals and understanding of the contents of the questionnaire. The data analysis technique used in the study is a confirmatory factor analysis. The retailers' profile description is based on the size of the retailer's assets and their relationship age. It aims to determine respondents' experience in managing the business and the level of ability to maintain business continuity. The results are shown in Table 2.

Table 2: Sample Characteristics (n=185)

Profile		Frequency
Business age	1 - 5 years	62
	More than 5 years	93
Assets	Up to 1 billion	100
	Between 1 – 2 billion	34
	More than 2 billion	37
Relationship age	Less than 5 years	32
	More than 5 years	107

3.2. Generation of Scale Items

Based on a literature review from previous research on relationship value, it is the basis for compiling this study's items. This item reflects the extent to which relationship values affect the relationship between principals and retailers according to the research's conceptual definition. The total number of items produced was 23 items. Each item is given a scale of 1 to 5, where a scale of 1 shows strongly disagree, and five shows strongly agree. The preliminary test was conducted on practitioners from the principal, as the marketing director and sales manager of five principal paints. Practitioners are asked to identify confusing, difficult to understand, and irrelevant to conditions at this stage. Furthermore, the questionnaire was tested on 30 respondents as shop owners, aiming to ensure that respondents understood the items proposed. The overall results of items that have been tested are shown in Table 3.

After obtaining items developed from the previous stage, further testing these items to determine whether items need to be removed from the instrument. Tests were carried out with Confirmatory Factor Analysis (Hair et al., 2009). The correlation matrix of 23 items that describe the personal value, financial value, knowledge value, and strategic value is used as input in all models. This study proposes three hypotheses, including:

Model 1: Relationship value is conceptualized as a single factor calculated from 23 covariance items. (Figure 1)

Model 2: Relationship values are conceptualized into two factors, namely general relationship value and first-order factor. (Figure 2)

Model 3: Covariance between items can be calculated from four first-order factors, with each factor representing a different component of the relationship value, and each item only reflects a single component. These four factors are likely correlated or not

Table 3: A Pool of Scale Item for Measuring Relationship Value

| Construct	Measuring items	Code
Product Quality (QUA)	The main supplier provides us with better product quality	QUA1
	The main supplier meets our quality standards better	QUA2
	The main supplier's products are more reliable	QUA3
	The main supplier provides more consistent product quality over time	QUA4
	The main supplier's products have guarante	QUA5
Delivery Performance (DEL)	The main supplier performs better in meeting delivery due dates	DEL1
	Deliveries from the main supplier are more accurate	DEL2
	Deliveries from the main supplier can faster in special condition	DEL3
Customer Orientation (ORI)	The main supplier provides us with better access to its know-how	ORI1
	The main supplier knows better how to improve our existing products	ORI2
	The main supplier performs better at presenting us with new products	ORI3
	The main supplier knows better how-to increasing sales	ORI4
	The main supplier provides us how to improve new product	ORI5
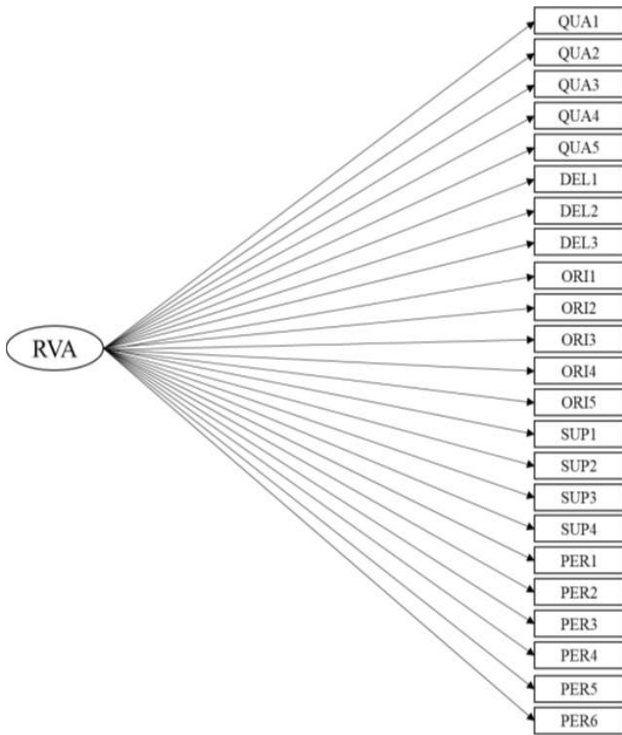
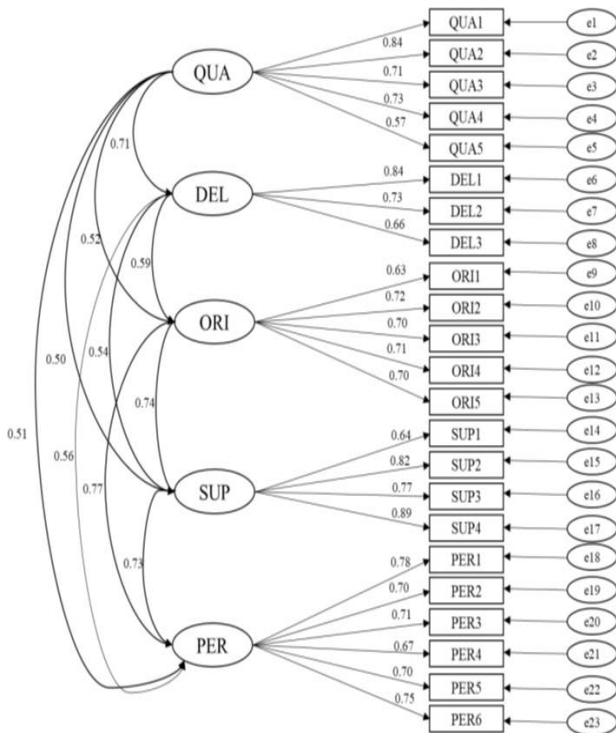**Figure 1:** Relationship Value Construct

Figure 2: Five Correlated Factors (Model 2)

4. Result and Discussion

4.1. Result of Analysis

Measurement model analysis is ensures that all indicators or observed variables meet the requirements or valid and have good reliability. In this study, the validity of the variables measured from the standard loading factor (SLF) results of each indicator > 0.5. The results are shown in Table 4. Various types of the goodness of fit index measure the degree of conformity between the models hypothesized with data presented. The researcher is expected to conduct the test using several fit indexes to measure the "truth." Some conformity index and cut off value are used to test whether the model can be accepted or rejected. Hair et al.(2009) classify the goodness of fit index (GOFI) into three parts, they are fit measures, incremental fit measures, and parsimonious fit measures.

Table 4: Comparison of The Result Obtained for The Relationship Value Constructs

GOFI	Model 1: one general factor	Model 2: second-order factor analysis	Model 3: five correlated factors
Absolute fit measures			
Chi-Square (χ^2)	608.1	430.1	276.9
GFI	0.62	0.85	0.88
RMSEA	0.08	0.08	0.08
Standardized RMR	0.05	0.05	0.07
Incremental fit measures			
AGFI	0.80	0.80	0.83
CFI	0.90	0.94	0.96
TLI/NNFI	0.90	0.93	0.95
NFI	0.81	0.90	0.94
RFI	0.96	0.90	0.92
IFI	0.96	0.94	0.96
Parsimonius fit measures			
PNFI	0.7	0.8	0.8
PGFI	0.6	0.6	0.7
Normed Chi-Square	2.3	2.4	2.4

First, the measure of absolute compatibility assesses the extent to which the model matches the sample data. The model compatibility criteria used are chi-square statistics ($\chi2$), the goodness of fit index (GFI), root mean square

residual (RMSEA), and standardized root means square residual (RMR). Second, incremental conformity measures assess the incremental suitability of the proposed model compared to the zero models. The zero model is hypothesized as a single-factor model with no measurement error (Hair et al., 2009). Two of the best incremental indexes are TLI (Tucker-Lewis Index) and CFI (Comparative Fit Index) since they are not influenced by sample size. The number of estimated coefficients, namely PNFI (Parsimonius Normed Fit Index), PGFI (Parsimonious Goodness-of-Fit Index) and Normed Chi-Square. This model also examines all other incremental fit measurements, such as AGFI (Adjusted Goodness-of-Fit-Index), NFI (Normed Fit Index), RFI (Relative Fit Index), and IFI (Incremental Fit Index). The result is that all measurements show fit results.

Summary of the measurement result from the Goodness of Fit Index (GOFI) for all three models shown in Table 4. The suitability models' assessment is assessed based on how much the number of models can be filled with the value of suitability by the research model. The more target matches the value from the Goodness of Fit Index

measurement met by the model, the better the research model. Therefore, it can be concluded that most models have good GOFI.

4.2. Testing the Model (Assessing reliability and construct validity)

Reliability is a measure of the internal consistency of constructs' indicators that shows the degree to which each indicator indicates a general construct. The reliability test also used to test the research instrument when it is used several times to measure the same object will produce the same data. Two approaches can be made to assess the reliability of the measurement model, namely construct reliability test and variance extracted on each latent variable. The reliability result of the variable measurement model is measured by calculating the value of construct reliability (CR) and variance extracted (VE), with the condition of $CR \geq 0.70$ value and ≥ 0.70. Overall results of the variable reliability test in this study have met the requirements shown in Table 5.

Table 5: Result of Construct Reability and Variant Extracted

Construct	Measuring Items	Loading Factor	t-value	Construct Reliability	Variance Extracted
Product Quality (QUA)	QUA1	0.55	7.86	0.86	0.55
	QUA2	0.59	6.82		
	QUA3	0.56	6.45		
	QUA4	0.51	8.47		
	QUA5	0.51	5.57		
Delivery Performance (DEL)	DEL1	0.54	4.11	0.79	0.56
	DEL2	0.51	1.83		
	DEL3	0.54	3.44		
Customer Orientation (ORI)	ORI1	0.56	8.03	0.86	0.54
	ORI2	0.61	8.98		
	ORI3	0.58	8.42		
	ORI4	0.63	9.21		
	ORI5	0.70	10.68		
Service Support (SUP)	SUP1	0.59	8.61	0.86	0.62
	SUP2	0.73	11.28		
	SUP3	0.68	10.30		
Personal Interaction (PER)	SUP4	0.76	11.84	0.87	0.52
	PER1	0.70	10.67		
	PER2	0.61	8.94		
	PER3	0.64	9.46		
	PER4	0.67	10.04		
	PER5	0.63	9.32		
	PER6	0.68	10.27		

The construct validity aims to determine whether the measuring instrument's result score can reflect the theoretical construct that underlines measuring instruments' preparation. This validity test is conducted using factor analysis. The relationship between factors will provide information about the measuring instrument. Whether it has similarities with the purpose, then it can reduce the number of variables that must be handled by the researcher. Construct validity refers to the quality of measuring instrument used, whether it describes a theoretical construct used as the basis for operationalization. Construct validity is an assessment of how good a researcher interprets theory used in measuring instruments.

The validity is measured on Confirmatory Factor Analysis (CFA). The latent variable indicator's standard factor loadings are validity estimation from those indicators. However, in the second-order model, the higher latent variables' standard structural coefficients are validity estimation from those factors. A variable can have a good validity towards construct or latent variable if the t-value of the loading factor is higher than the critical value (or ≥ 1.96) and the standardized loading factor is ≥ 0.70 (Doll et al., 1994; Rigdon & Ferguson, 2014). Meanwhile, the guidelines from Hair et al., (2009) aboutsignificant of the factor loading of each item about the significant factor loading of each item stated that a standardized loading factor $\geq$ of 0.50 is very significant.
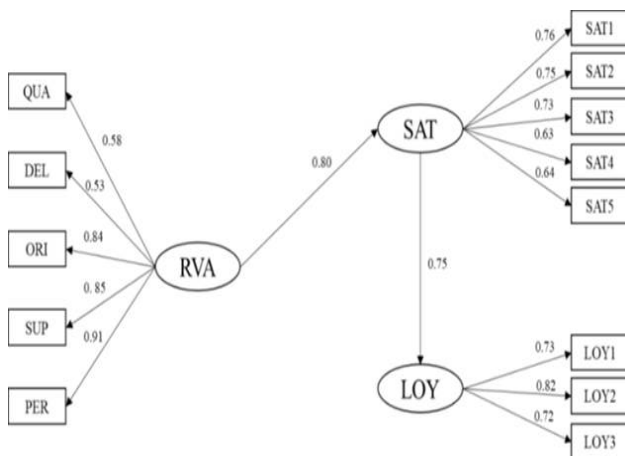

Figure 3: Criterion Related Validity

The validity test result on all items in this study meets the value requirements of the confirmatory factor analysis. It can be said that the item is part of a relationship value construct. The result is that there is no item deleted from the model. It confirms that the principal must consider all of these factors to improve relationship value. Besides, Factor analysis can help find and identify the factors that underlie a measuring instrument and understand the relationship between one factor to another. Criterion-related validity, which is sometimes called concurrent validity or predictive validity, evaluates the correlation between measure and some criterion variable of interest. If the correlation is high, the measure is considered valid for that criterion.

This empirical study supports hypothesis testing that relationship value has a positive correlation with satisfaction and loyalty. Therefore, criterion-related validity is assessed by checking the correlation coefficients between relationship value scores, sales collaboration, and business performance. Measurement of criterion-related validity is conducted through structural equation modeling analysis. The findings of this study support the hypothesis and show that there is a positive correlation between satisfaction and loyalty ($r=0.83$ and $p< 0.01$) and business performance ($r= 0.71$ and $p< 0.01$), which is shown in Figure 3.

4.3. Discussion

The results showed that a valid instrument for measuring the value of relationships in the principal-retailer context. The relationship value consists of five dimensions. This relationship value construct can be measured using 23 questionnaire items that show reliability and build validity. Despite continuous research to explore the nature and role of relationship values over the past two decades, some problems need attention. Previous research on the value of relationships in the business and marketing industry uses various uses. The approach and conceptualization of this construct, the nature of the relationship to the relationship's quality are still being debated.

The study is interesting to note that the findings suggest product quality, delivery performance, customer orientation, service support, and personal interaction as part of the relationship's construct value. Results of this study support the findings of other research about the correlation between satisfaction with product quality (Janda, Murray, & Burton, 2002; Selnes & Sallis, 2003), delivery performance (Chakraborty, 2007), personal interactions (Selnes & Sallis, 2003; Spiteri & Dion, 2004), customer orientation (Čater & Čater, 2009) and service support (Lam, 2004). The study results from Choi (2018) show that customer orientation and personal interaction of salespersons affect the evaluation of services. When a salesperson makes more effort to provide useful information to meet customer needs, the customer evaluates the salesperson's service more positively. Finally, customer service evaluation has a positive impact on customer loyalty. Further research is needed to contribute to the development of theory in this area.

Companies must pay attention to these five factors: product quality, delivery performance, customer orientation, service support, and personal interaction. The relationship's

value is expected to positively impact retailer satisfaction, which can be defined as the real achievement of the outcome of the relationship itself. The relationship value has a positive impact on retailer performance, as shown by sales growth, profit growth, and increased market share of key products.

This study proves a significant correlation between product quality, delivery performance, customer orientation, service support, and personal interaction as dimensions of relationship values with satisfaction and loyalty. In a business-to-business relationship between principal and retailer, a more intricate understanding is needed regarding the five factors that build relationship value to benefit business cooperation. The correlation between the variable relationship value with relationship age and loyalty shows that retailers will be more willing to continue long-term transactions with the principal if the retailer's perception of the relationship's value is high.

The implication for a marketing researcher is to measure relationship values in different contexts. It is important to develop procedures for making valid instruments (as in this study). It must be considering the context in which relationship values are measured so that some pre-test is needed for business practitioners. It does not mean that current measurements can only be used in one setting. Accurate measurement ensures that many instruments can be used in different contexts. In short, the measurement of relationship value developed in this study is an important step in expanding our understanding of how to develop better instruments.

The steps of the identified relationship value can also be beneficial for principals of paint industries. Principals who want to increase retailer satisfaction need to create value. Companies must be able to create relationship value with customers. It is to create and maintain a relationship that grows into stronger and more sustainable bonds. This relationship value can influence retailer satisfaction with companies. In the long-term, these relationships will increase loyalty. Therefore, it is necessary to evaluate the potential value creation of each party. Each relationship has an optimal configuration that allows partners to maximize the value obtained. There is not a single strategy in collaboration. Performance is related to understanding values, and then the increase in performance depends on how much value they want to get from a relationship.

Companies must pay attention to these five factors of relationship value. Relationship value is expected to positively impact retailer satisfaction, which can be defined as a real achievement from its relationship. Relationship value positively impacts retailer performance as indicated by sales growth, profit growth, and an increase in major products' market share.

Relationship marketing theory contributes to integrating relationship marketing indicators into five dimensions and tests into the framework developed by Ulaga & Eggert (2006b). This study focuses on driving values based on the dimensions of benefit, following the relevant conditions of principal and retailer relationships. The effect of relationship value on satisfaction and loyalty was investigated. As a result, the antecedents of relationship values according to the dimensions of relationship benefits and investigates the influence of relationship values on satisfaction and loyalty. Previous work investigated marketing relationships only for the manufacturing or service sectors. Current research integrates the types of product and service offerings into the model as contextual variables, according to Palmatier et al. (2006). Retailers' perceptions of product and service providers are examined simultaneously to verify the different effects of relationship marketing in management channels, which have not been examined in the previous research. On the other hand, this study's results prove that relationship values correlate with relationship continuity and relationship improvement.

5. Conclusion

5.1. Conclusions

Relationship value construct can be measured and consisted of five dimensions: product quality, delivery performance, customer orientation, service support, and personal interaction. In general, principals can learn something new from our structural model of the antecedents of customer satisfaction and loyalty through relationship value, which can serve as a tool for assessing new relationships and developing new relationships with their customers. More specifically, the principal can use our findings to identify customer satisfaction antecedents with direct implications in the area of strategy development. Relationship value between the principal and the retailer is seen as a competitive advantage for the principal. Therefore, principals are advised to differentiate themselves by establishing unique strategic partnerships with their customers.

5.2. Roadmap for Future Research

The nature of the sample limits generalization of findings. This study only considers five attributes to evaluate the value of the relationship. However, more attributes might be influential in generating/decreasing relationship values. Additional research can be carried out to investigate the nature and importance of other attributes in determining a relationship's value. Additional constructs can also be added to the conceptual model to enrich this finding. The sample

size does not allow sophisticated modeling techniques to analyze various rival models from current conceptual models. For example, models in which relationship values can consist solely of cost-benefit differences, models where relationship values can only consist of benefits. Testing a rival model will tell us which model explains the best nature of customer-supplier relationships in other industries.

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