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DOES THE EFFECT OF RELATIONSHIP QUALITY ON CUSTOMER-PERCEIVED VALUE VARY DEPENDING ON COMPANY SIZE?

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Abstract

This study aims to investigate whether the company size leads some variations on the effect of buyer-supplier relationship quality on customer-perceived value. The data was collected through self-administrative questionnaire from 373 small, medium and big-sized firms. A series of regression analyses showed that the effects of relationship quality dimensions (i.e., trust, commitment, satisfaction, information sharing, and communication) on creating perceived value differs depending on company size. For small firms, only commitment has significant effect on perceived value. In the case of medium-sized firms, trust and satisfaction are found to be significant value-creating relationship quality dimensions. While effective communication is a significant value antecedent only for big-sized firms, information sharing has not significant effect on customer-perceived value.
Keywords: Customer-perceived Value, Relationship Quality, Company size, Industrial Marketing

Öz

İlişki Kalitesinin Müşterinin Algıladığı Değer Üzerindeki Etkisi Firma Büyüklüğüne Göre Değişmekte midir?

Bu çalışmada, alıcı ve tedarikçi firmalar arasındaki ilişki kalitesinin, müşterinin algıladığı değer üzerindeki etkisinin firma büyüklüğüne bağlı olarak değişiklik gösterip göstermediği incelenmektedir. Çalışmada kullanılan veri, toplam 373 küçük, orta ve büyük işletmeden anket yöntemi ile toplanmıştır. Uygulanan bir dizi regresyon analizi sonuçları, ilişki kalitesi boyutlarının (güven, bağlılık, tatmin, bilgi paylaşımı ve iletişim), değer yaratma üzerindeki etkilerinin firma büyüklüklerine göre farklılaştığını ortaya koymaktadır.

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Sonuçlara göre, küçük ölçekli firmalarda yalnızca bağlılık boyutu müşterinin algıladığı değer üzerinde anlamlı bir etkiye sahiptir. Orta ölçekli firmalarda, küçük firmalardan farklı olarak, güven ve tatmin de değer yaratan ilişki kalitesi boyutları olarak tespit edilmiştir. Etkili iletişim sadece büyük ölçekli firmalar için anlamlı bir değer yaratama unsuru iken, bilgi paylaşımının algılanan değer üzerinde anlamlı bir etkisi tespit edilmemiştir.

Anahtar Sözcükler: Müşterinin algıladığı değer, ilişki kalitesi, firma büyüklüğü, endüstriyel pazarlama.

INTRODUCTION

The study of the creating and delivering customer-perceived value has been a topic of great interest since last decade. Several researchers pointed out that business success lies in offering greater value than competitors do (Eggert and Ulaga, 2002; Ryssel, Rittel and Gemünden, 2004; Ndubisi, 2007). Today, with the effect of rapid technological development, economic globalization and increasing intense competition; developing and maintaining close buyer-supplier relationships have become one of the major points as suppliers and buyers are aware of value from high quality relationships (Barry and Terry, 2008). A high-quality relationship has value since it makes buyer-supplier exchange more predictable and comforting, as well as decreases transaction and monitoring costs of the customers (Lindgreen and Wynstra, 2005). Hence, it plays important role to gaining and keeping profitable customers through creating and delivering value for them (Anderson and Narus, 2004: 317).

Today, scholars agree on that value is a subjective construct which differs among customers with the effect of various factors (Woodruff, 1997; Eggert and Ulaga, 2002). The size of a firm is one of the distinguishing firm characteristics considered in dyadic relational models (Redondo and Fierro, 2007) and industrial buying models (Sheth, 1973). Since the needs, resources, structures, and characteristics of organizations change depending on their sizes (Redondo and Fierro, 2007); one can expect significant differences in value and relationship perceptions of small, medium, and big-sized firms. This kind of an insight may provide useful information for supplier firms while shaping their customer value management as well as relationship marketing activities.

Thus, the present study examines weather the effect of relationship quality on customer-perceived value differs depending on company size. The rest of the paper is organized as follows: First, literature on customer-perceived value and relationship quality is briefly reviewed, and the effect of company size will be discussed. Afterwards, methodology of the study and findings will be presented. The paper will conclude with discussion and suggestions for future researches.

1. LITERATURE

1.1.Customer-Perceived Value and Relationship Quality

Customer-perceived value is defined as customers' overall perceptions about the net worth of what is received (benefits) and what is given (sacrifices) during the trade-off with the supplier (Ulaga and Eggert 2006; Menon, Homburg and Beutin, 2005). Scholars agree on that creating and delivering superior customer-perceived value help companies to create sustainable competitive advantage by providing customer retention and greater firm performance (Eggert and Ulaga, 2002; Khalifa, 2004; Patterson and Spreng, 1997; Barry and Terry, 2008). It is seen one of the main tools of business marketing management by most academics and marketing managers (Ulaga and Eggert, 2006; Anderson and Narus, 1999).

In the context of relationship marketing, customer-perceived value is conceptualized as an outcome of a buyer-supplier relationship (Wilson and Jantrania, 1994; Walter, Ritter and Gemülden, 2001; Cannon and Homburg 2001; Menon et. al., 2005; Ulaga and Eggert, 2006). In other words, CPV includes not only functional benefits and monetary costs of a supplier offer, but also some social, and relational counterparts arising from inter-organizational relationships (Ulaga and Chacour, 2001; Barry and Terry, 2008). A buyer-supplier relationship provides some benefits and charges some sacrifices. Parties evaluate this benefit-sacrifice analysis and decide to continue the relationship. That is the underlying reason for the firms to seek to form long-term relationships and the scholars to suggest relationship marketing instead of transaction-based marketing (Sharma and Sheth, 1997; Haugland, 1999; Beverland, 2005).

Yet, not every buyer-seller relationship creates value. As Ndubisi (2007) argues, only high-quality buyer-supplier relationships would create and deliver value by ensuring that the firm is close enough to its customer to correctly realize and provide effectively its needs and wants. Quality of a relationship stands for the overall depth and climate of a relationship (Johnson, 1999; DeWulf, Odekerken-Schröder, and iacobucci, 2001; Ndubisi, 2007). Like CPV, relationship quality is a subjective concept which gives the "…customer's perceptions of how well the whole relationship fulfils the expectations, predictions, goals, and desires concerning the whole relationship" (Jarvelin and Lehtinen, 1996:243).

In the literature, relationship quality is conceptualized as a higher-order construct with different dimensions (Tektaş, 2009). Trust, commitment, and satisfaction are the common main dimensions (Dorsch, Swanson and Kelley, 1998; Smith, 1998; Baker, Simpson and Siguaw, 1999; Walter, Müller, Gabrilel, and Ritter, 2003; Roberts, Varki, and Brodie, 2003; Van Bruggen, Kacker, Nieuwlaat, 2005; Hennig-Thurau, Gwinner, Gremier, 2002). In addition, we use communication and information sharing since relations develop based on these two important constructs (Lages, Lages and Lages, 2005).

Commitment to the relationship is defined as "the desire to develop a stable relationship, willingness to bear short term sacrifices in order to sustain the relationship and the belief that the relation is sustainable and strong" (Anderson and Weitz 1992: 20). Together with commitment, trust is the other important element of a high-quality relationship which is defined as the expectations that a party is honest and believable, would behave in favor of and in a way to protect the benefits of the other party, would fulfill its responsibilities and focus on the relationship (Dwyer and Oh, 1987; Crosby, Evans and Cowles, 1990; Palmer and Bejau, 1994; Jap Manolis and Weitz, 1999; Walter et. al., 2003; Athanasopoulou, 2009). The third RQ dimension, satisfaction from the relationship is the cognitive evaluations attributed to a relationship, in a way to cover all phases of the relationship process and based on past performances (Lages et. al., 2005). Dissatisfaction may lower the morale, prevent cooperation, increase legal conflicts, and attempts for protective legal regulations (Ruekert and Churchill, 1984; Dwyer and Oh, 1987; Naude´ and Buttle, 2000), all of which in turn decrease CPV.

As Walter and Ritter (2003) suggest, trust and commitment might have a significant effect on value creation, yet these constructs should be supported by other relationship management tools such as communication and information exchange. Communication creates value by helping parties to better understand each other and work more comfortably together with common goals (Jap et. al., 1999). The last relationship quality dimension is information sharing which shows the extent of the important and private information that will be useful for the relationship is openly shared and how long and frequent the buyer and the supplier clearly contact with each other (Lages et. al., 2005).

In the B-to-B literature, there is not a census about the inter-relations of consequences and antecedents of perceived value. That is, some studies (Ulaga and Eggert, 2006; Eggert and Ulaga, 2002) examine satisfaction, trust and commitment as the consequences of customer perceived value, while others conceptualize them as the antecedents of customer value (i.e. Lages et. al., 2005; Roberts et.al., 2003; Athanasopoulou, 2009). In this study, consistent with the second thought in the literature, satisfaction, commitment and trust are conceptualized as the antecedents of perceived value with two reasons: First, since perceived value is the perceived trade-off between benefits and sacrifices; being committed to the same supplier, trusting it and being satisfied from the existing long-term relationship play a role in favor of the customer firm by increasing the benefit side of the value equation. The second reason is that, we believe that these constructs, as the dimensions of relationship quality, have some different aspects than using them individually. For instance, satisfaction from a relationship includes expectancies related to relationship with the supplier. Otherwise, overall satisfaction is a more complicated and multi-dimensional concept which may include satisfaction from the products, after-sale services, working style, employees etc. of the supplier.

The effect of relationship quality on customer-perceived value is discussed in business marketing literature. For instance, Jap et. al. (1999) indicate that when the relationship quality is high, the parties act more like friends, ask fewer questions, spend less time for communication, and therefore minimize their sacrifices such as time and effort. Menon et. al. (2005) argues that the relational characteristics which depend on trust and joint working, is one of the main antecedents of CPV. Ryssel et. al. (2004), use direct and indirect relationship functions of Walter et. al. (2001). They found significant result for the connections among trust, commitment and perceived value. Tektaş (2009) concluded that the buyer-supplier relationship quality has a positive effect on perceived value for medium and big-sized companies operating in Turkey. Similarly Tektaş and Kavak (2010) revealed that for five-star hotels as industrial buyers, high-quality relationships with their suppliers lead high perceived value.

Despite the support for the direct effect of relationship quality on customer-perceived value, the empirical result for how this effect differs across small, medium and big-sized firms is scarce, whereas company size has been conceptualized as one of the organizational characteristics effecting buying decisions of customers (i.e., Webster and Wind, 1972; Sheth, 1973) in major industrial buying models. It is also frequently used as a macro-level segmentation tool as an identifier of basic differences among companies (Wind and Cardozo 1974).

1.2. Company Size

In the business marketing literature the effect of company size has been studied as one of the main influencers of buying decision (Bellizzi, 1981); competitive advantages and performances of B-to-B firms (Moen, 1999); supplier selection criteria (Kavak 2000a); adaptation of innovations (McDade, Oliva and Pirsch, 2002); satisfaction and repurchase behavior (Paulssen and

Birk, 2007); long-term orientations of the customers (Redondo and Fierro, 2007); and complaint behavior of buyer firms (Henneberg, Gruber, Reppel, Ashnai, and Naude, 2009). The basic assumption has been that the nature of small and medium-sized enterprises (SMEs) is different from larger companies and these differences must be accounted for when analyzing strategic relations (Harris, McDowell, Gibson, Mick, 2010).

The main differences are that, smaller firms have limited financial and organizational resources (Moen, 1999); different market objectives; are less institutionalized than larger firms; and they usually have owner-managers (Weinrauch, Mann, Pharr, Robinson, 1991). Further, they have centralized decision making, focus on stability, and flexibility (Harris et.al., 2010), and they usually are niche market oriented. Larger firms, on the other hand, have more resources and power, as well as more opportunities, different priorities such as adoption of supplier products to their own needs, expanding foreign markets, network creation…etc. Because of these distinctive characteristics, the needs, wants and priorities of smaller and larger firms may be different. As a result, different relationship functions might have different importance for them (Walter et.al. 2001), and they also perceive different benefits and sacrifices from the relationship with their suppliers, which in turn may effect their value perceptions. Considering these background, we suggest in this study that the effect of aforementioned relationship quality dimensions on CPV can differ across small, medium, and large-sized firms.

For instance, *commitment to the existing relationship* may create more value for smaller firms than for larger firms. Relationship development is a lengthy and costly process (Walter and Ritter, 2003). Moreover, they might not have enough power and resources to switch to another supplier. Therefore, smaller firms may not be able to assume this cost easily and tend to stay committed to existing supplier relationships. As a result, smaller firms become more dependent to other party since an unreliable supplier could ruin all business; in contrast, larger firms may reduce the level of dependency since they will be more powerful (Walter et.al. 2001; Henneberg et.al., 2009). As Sengun and Wasti (2009) mention, continuing, long-term supplier relationships provide some benefits for SMEs. For example, since the purchasing power of the SMEs is lower and they do not have the advantages of economies of scale like larger firms have (Moen, 1999), their input costs usually higher than larger firms. Staying committed to a supplier may lower the cost by providing long-time customer discounts as well as by benefiting from the experience, consulting and training services of the supplier.

In addition to commitment, *trust to the other party* effects positively the value perceptions of the firms (Walter and Ritter 2003; Tektaş 2009). This effect can be more powerful for SMEs. As Sengün and Wasti (2009) point out, SMEs usually do not rely upon formal contracts in interfirm relationships since it express a message of distrust, instead they rely on the less costly structure, and monitoring system, trust. Further, as a consequence of SMEs' limited resource, they are less willing to risk taking in the market than larger firms. Therefore, they use the benefits of trustworthy relationships to protect themselves from risky situations.

Trust and commitment to the business relationships obviously have some benefits and are critical for larger firms, too. Yet, the point here is that, larger firms have more expertise on the market, have extensive networks and lots of business contacts (Moen, 1999) which increase the need for more formal relationships. Moreover, they have more negotiation and financial power than smaller firms which decrease the dependence level to their suppliers. Hence, larger firms may analyze in detail and actively respond to the problems with suppliers, while smaller firms prefer to stay passive, as a result of the perception of relational bonding.

Therefore, for larger firms, continue to work with a supplier that will provide greater value for the firm probably will be the result of a systematic and analytical evaluation of the supplier, which consist mostly cognitive evaluations, such as *satisfaction from the relationship*. They usually do not leave anything to the chance, or trust (Redondo and Fierro, 2007) and they behave more utilitarian (Henneberg et.al., 2009). A smaller firm may not have the necessary resources to make this evaluation. That is why SMEs may perceive relational-switching cost (Henneberg et.al., 2009) even they do not totally satisfy from the existing supplier relationships. Although relationship satisfaction is seemed to be key element for any sized firms, it can be more important for larger firms (Redondo and Fierro, 2007) since they have the capacity of switching to another supplier easier than smaller firms.

The next dimension of RQ, *information sharing* may create more value for larger firms. Probably the most important advantage of smaller firms over larger firms is that they are more flexible than larger firms (Sengün and Wasti, 2009). So, to be able to response to the changes or challenges in the market on time, larger firms need more strategic information from their supply channels. Further, information is one of the main tools for decision making and problem solving in the firms. The decision making process and mechanism of larger firms are more complicated than smaller firms due to their complex structure. Therefore, information sharing may be strategically more valuable for them.

Similar to information sharing, *effective communication* may create more perceived value for larger firms. Because of the complex structure of big-sized organizations, effective communication may be valuable to provide coordination and cooperation inside the company as well as inter-company relationships. Further, they usually face more uncertainty, asymmetric information, and conflict in their transactions. Smaller firms, on the other hand, rely mostly on informal and individual communications. So, they may perceive relationships depending on trust and commitment instead of communication and information more valuable. Therefore, one can suppose that larger firms may need and benefit from effective communication than smaller firms. Based on above discussion, we propose following research question:

Research Question: Whether the company size leads some variations on the effect of relationship quality on customer-perceived value.

2. METHODOLOGY

2.1. Sample and Sampling Procedure

The participants of the study are the purchasing managers or staff responsible from purchasing in small, medium and big-sized firms operating in Turkey. Specific measures of company size are total sales, number of employees, and number of establishments (Anderson and Narus, 2004:46). We used employee number to decide the size of the firms that is, firms that have employees between 1 and 49 are small, between 50 and 250 employees are medium, and firms that have more than 250 employees are big-sized firms[1]. Since a complete list of the firms are not available, convenience sampling technique was used for choosing the firms. Data was collected through self-administered questionnaire technique via internet and e-mail. The total sample size after eliminating questionnaires with high levels of missing data and outliers is 373 with a response rate of 46%. Among them, 191 are big-sized, 120 are medium-sized and 62 are small-sized firms.

2.2 Measurement

The research instrument of the study is a three-part self-administered questionnaire. The first part includes customer-perceived value measurement items which were measured with three items of benefits, sacrifices and general evaluation of value. The measure is adapted from Hansen, Samuelsen, and Silseth (2008). The second part measures relationship quality. Consistent with our theoretical perspective, relationship quality was measured by five dimensions of trust, commitment, satisfaction, communication and information sharing in total with 11 items. Commitment measures were related to long-term

[1] http://www.usakgundem.com/yorum/9/t%C3%BCrkiyede-kobi-tanimlari.html

orientation, willingness to invest the relationship, short-term sacrifices, and willingness to continue the relationship. Trust was measured by dimensions of concerning welfare, honesty, confidence, and support. The measurement items of these constructs are adopted from Walter et. al. (2003). Satisfaction measures adapted from Crosby et. al. (1990) and Ping (1993); and communication and information sharing measurements adopted from Lages et. al. (2005). Appendix A provides examples for constructs measurements. All of the measurement items measured by five point scale. Items were translated into Turkish and forward-backward translation is done by two different academics. To clarify their evaluations, participants were asked to answer the questions by considering the biggest and the most important supplier that they work together. A pre-test was conducted with 50 firms and it is assessed that the questions were clear enough. Mean and standard deviations of the scales are presented in Table 1.

Table 1: Summary Statistics for the Variables by Sample

Scale by Samples	**M[a]**	**SD[b]**	**V[c] (%)**	**SE[d]**
Small firms				
Perceived Value	*2,33*	*0,66*	*0,28*	*0,011*
Relationship Quality	*2,58*	*0,45*	*0,18*	*0,007*
Trust	2,62	0,51	0,19	0,008
Satisfaction	2,32	0,67	0,29	0,011
Commitment	2,71	0,68	0,25	0,011
Communication	2,41	0,53	0,22	0,009
Information Sharing	2,82	1,18	0,42	0,019
Medium Firms				
Perceived Value	*4,00*	*0,72*	*0,18*	*0,006*
Relationship Quality	*3,82*	*0,58*	*0,15*	*0,004*
Trust	3,91	0,71	0,18	0,005
Satisfaction	3,73	0,84	0,22	0,007
Commitment	3,89	0,79	0,20	0,006
Communication	3,81	0,75	0,19	0,006
Information Sharing	3,75	0,91	0,24	0,007
Big firms				
Perceived Value	*3,65*	*0,77*	*0,20*	*0,004*
Relationship Quality	*3,59*	*0,52*	*0,14*	*0,002*
Trust	3,73	0,63	0,16	0,003
Satisfaction	3,65	0,72	0,19	0,003
Commitment	3,61	0,73	0,20	0,003
Communication	3,66	0,73	0,19	0,003
Information Sharing	3,30	0,93	0,28	0,004
a: Mean; b: Standard Deviation; c: Coefficient of Variation; d: Standard Error				

2.3. Data Screening

Priori to testing the research question of the study, data were checked for randomness, validity and reliability. The results showed that all Cronbach's α values exceed the threshold value of 70% (Hair, Anderson, Tatham and Black, 1995: 353), and Runs test provided the result that the data is random (Kavak, 2009: 230). Since the measurement items were adapted from different studies, confirmatory factor analysis was conducted to test the model fit. The fit indices suggested by Jöreskog and Sörbom (1996) were used to assess the model adequacy. The estimates generated by LISREL 8.3 provided evidence of a good model fit ($\chi^2_{(89)}$ = 362.59, $p<0.05$; GFI=0.88, CFI=0.91; RMSEA=0.079) (Schreiber, Amaury, Stage, Barlow, and King, 2006). Appendix B provides correlation coefficients between items of both independent (i.e. Relationship Quality Dimensions) and dependent variable (i.e. Customer Perceived Value). Results show that there are high correlations between individual items of each variable (inter-variable items) which provide support for convergent validity (Correlation coefficients are between 0.45 and 0.79). At the same time, results show that there are low correlations (Correlation coefficients are between 0.12 and 0.39) between items of different variables which provide support for discriminant validity indicating that independent variables are not related. Also, all the measurement factor loadings (t-values) were between 6.11 and 15.4 ($p<0.001$).

Table 1 summarizes coefficient of variation and standard errors of the related scales for small, medium, and big-sized firms. It should be noted that all coefficient of variations are less than 50% and all standard errors are less than 2. So, it can be accepted that the distribution of samples for three different sizes of firms are comparable even though the sample sizes are different (Kavak 2000b).

Table 2: ANOVA Results for Means Differences of Small, Medium, and Big-Sized Firms

Scales	Mean Square	F value	p-value
Perceived Value	59,48	110,30	0,00
Relationship Quality	33,24	118,29	0,00
Trust	37,22	90,87	0,00
Satisfaction	48,19	84,83	0,00
Commitment	29,05	52,98	0,00
Communication	44,88	89,89	0,00
Information Share	18,43	19,51	0,00

Moreover, in the studies comparing different sample groups, it is recommended that there should be mean differences between groups (Brett et.al., 1997:115; cf Kavak, 2000). As shown in Table 2, analysis of variance (ANOVA) results reveal that there are significant differences between all means of scales.

3. FINDINGS

A series of Regression Analyses were performed to test the research question of the study. First, we conduct linear regression analysis to test the overall effect of relationship quality on customer-perceived value for overall sample and for 3 different sample groups of company size. All of the regression analyses results indicate that relationship quality has a significant ($p<0.001$) and positive effect on customer-perceived value.

Table 3: The Effect of Relationship Quality and Its Dimensions on Perceived Value, Regression Analyses Results

	Overall Sample		**Small Firms**		**Medium Firms**		**Big Firms**	
	β	***T***	***β***	***T***	***β***	***t***	***β***	***t***
Model 1								
(Constant)	0,18	1,17	0,31	1,64*	0,87	2,57**	0,42	1,38*
Relationship Quality	0,78	24,06*	0,76	9,25*	0,65	9,35*	0,61	10,73*
Model 2								
(Constant)	0,27	1,75**	0,31	1,21	0,88	2,54	0,20	0,65
Trust	0,27	6,19*	0,13	1,51	0,14	1,68**	0,30	4,47*
Satisfaction	0,14	3,58*	0,05	0,82	0,18	2,30*	0,11	1,81**
Commitment	0,36	7,70*	0,71	6,32*	0,40	4,48*	0,29	4,04*
Communication	0,14	3,54*	0,03	0,44	0,09	1,24	0,11	1,83**
Information Sharing	0,05	1,46	0,08	0,84	0,04	0,54	0,02	0,41
*Dependent Variable: Perceived Value; *p<0.01; **p<0.10*								

Afterwards, in order to test the individual effects of relationship quality, multiple regression analyses were preformed. Referring to overall sample (Model 2 at Table 3), results indicate that commitment (β=0.36) has the strongest effect on perceived value following by trust (β=0.362). Further, satisfaction and communication have the same significant effect (β=0.14) on perceived value, while information sharing has not a significant effect on perceived value. When we look at the company size effect, results confirm that the effects of relationship quality dimensions on perceived value differ between small, medium, and big-sized firms. More specifically, commitment to the relationship is the only relationship quality dimension that has a positive, strong and significant effect on CPV on perceived value for small firms. One unit increase in commitment leads 71% increase in customer-perceived value in small firms. The effect of commitment is decreasing when the size of the firms getting bigger. That is, the effect of commitment is decreasing to 40% for medium firms and to 29% for big firms since other relationship quality dimensions also explain perceived value. For medium-sized companies, in addition to commitment (β=0.40; $p<0.01$), satisfaction from the relationship (β=0.18; $p<0.05$) and trust to the supplier (β=0.14; $p<0.10$) dimensions have positive and significant effects on customer-perceived value. Effective communication is significant only for big-sized firms (β=0.11; $p<0.10$), while information sharing has no effect on perceived value for all sample groups. Besides communication, trust (β=0.30; $p<0.01$), commitment (β=0.29; $p<0.01$), and satisfaction (β=0.40; $p<0.10$) dimensions also have significant effect on value perceptions of big-sized firms.

4. DISCUSSION AND CONCLUSION

This study examines whether the effect of relationship quality on customer-perceived value vary across small, medium and big-sized companies. The results of regression analyses indicate that, overall, a high-quality buyer-supplier relationship leads higher customer-perceived value for all size of companies. Further, relationship quality dimensions which have significant effects on customer-perceived value differ depending on company size. For small firms, commitment to the relationship is the only significant predictor of perceived value. Medium-sized companies perceive, in addition to commitment, trust to the supplier and satisfaction from the relationship as significant predictors of perceived value. Different from medium-sized firms, for big-sized companies, communication is also found to be a significant antecedent of perceived value.

Smaller firms usually have limited resources; and they need the benefits coming from outside relations or networks in order to compensate for resource limitations and inadequate infrastructures (Harris et.al., 2010). Therefore, staying committed to a particular supplier creates value for them by both increasing benefits and decreasing their costs. Further, this finding is very consistent when we think about the relatively simple structures of small businesses in the market: Small firms are usually family businesses and they have owner-managers who prefer to stay committed to the business relationships that they took over from their family. Thus, personal relationships play important role on their supplier commitments.

As an unexpected finding, trust did not emerge as an antecedent of perceived value for small-sized firms. One possible explanation can be that, as Henneberg et. al. (2009) point out, when other relational norms dominated, such as dependence, reliance or commitment, trust may play subordinate role in the expectations. Another possible explanation may be that due to their financial limitations, commitment to the source might create most cost-oriented benefits without considering trust.

For medium-sized firms, commitment, trust, and satisfaction are the relationship quality dimensions effecting their value perceptions. Although it is difficult to make the clear distinctions in terms of their organization structure between small and medium-sized or medium and big-sized firms, medium-sized firms usually have more institutionalized and complex structure than small-sized firms. That is why in addition to commitment, they tend to rely upon their suppliers' honest and less opportunistic (i.e. trust) behaviors, as well as the level of meeting their expectancies (i.e., satisfaction). As the size of the customer company getting bigger, in addition to trust and satisfaction, effective communication also plays significant role for value creation.

In other words, communication is the relationship quality dimension effects perceived value only for big-sized firms. Big-sized firms have more power in business relationships than SMEs, their business volume and intensity are greater, they are more institutionalized, they have more connections on the market, therefore, their decision making mechanism also more complicated. Thus, they need effective communication to provide coordination and corporation with other firms, as well as to decide what need to be changed or maintained the same. That is why their need for staying committed and trusting the supplier are not enough for creating value. In addition, they also tend to give importance to the satisfaction and communication while evaluating the quality of their relationships with suppliers. Staying committed to their supplier might be important value source in today's business conditions for all size companies. Yet, larger firms need effective communication and satisfaction to handle with their big markets and complex structures.

Thus, we can conclude that marketing managers of supplier firms should be aware of that first, the high quality relationships create customer-perceived value for all size firms. Second, despite this overall effect, the relationship dimensions creating perceived value for customers change according to company size. When building relationship quality is the goal, creating commitment should be their starting point since it is the only common dimension effecting perceived value. Yet, they should consider that the effect of commitment is decreasing as the firm getting larger, instead, more cognitive evaluation constructs such as satisfaction and effective communication becoming important in value perception.

5. LIMITATIONS AND FUTURE RESEARCH DIRECTIONS

Like every study, this study has some limitations: First, the sample sizes for small, medium, and big-sized firms were different in this study. Although we had tested the comparability of the samples by coefficient of variations and standard errors, equal sample size might give different results. Second, since either relationship quality and perceived value are complex and multi-dimensional constructs, other firm-specific in addition to company size might have effects. For example other suppliers' situation at the market, and some industry or sector (i.e., service vs. manufacture firms) effects may alter the relationship quality-perceived value link. Third, for the future researches, in addition to relationship quality, investigating other possible antecedents and consequences of customer-perceived value, such as firm performance or customer retention might provide additional insights.

Appendix A

Measurement Items

A. Perceived Value

V1: Our relationship to supplier is beneficial to us.

V2: We bear sacrifices to continue our relationship with our supplier.

V3: Sacrifices we bear to continue our relationship with this supplier were worth to benefits we gained.

B. Relationship Quality

B.1.Trust

T1: When making important decisions, the supplier is concerned about our welfare.

T2: The supplier is not always honest to us.

T3: We believe that our supplier keeps secret critical information about our firm.

T4: We trust the support of our supplier when we have an important need.

B.2: Commitment

C1: We focus on long-term goals in this relationship.

C2: We are willing to invest time and other resources into the relationship with this supplier.

C3: We give priority to long-term cooperation with our supplier rather than short-term profits.

C4: We will continue to work with our supplier in the future.

B.3: Satisfaction

SAT: In general, our relationship with this supplier satisfies us very much.

B.4. Communication

COM: The parties involved have informal (i.e., friendly) interaction during the business.

B.5. Information Sharing

INFO: This supplier openly shares confidential information with us.

Appendix B

Correlation Coefficients of Measurement Items

Items	V1	V2	V3	T1	T2	T3	T4	C1	C2	C3	C4	INFO	SAT	COM
V1	1.00													
V2	0.53	1.00												
V3	0.56	0.45	1.00											
T1	0.41	0.43	0.51	1.00										
T2	0.38	0.49	0.47	0.55	1.00									
T3	0.44	0.40	0.40	0.51	0.48	1.00								
T4	0.50	0.25	0.37	0.53	0.53	0.67	1.00							
C1	0.40	0.40	0.42	0.32	0.25	0.29	0.27	1.00						
C2	0.45	0.44	0.55	0.31	0.14	0.36	0.28	0.79	1.00					
C3	0.43	0.40	0.39	0.25	0.24	0.33	0.16	0.54	0.47	1.00				
C4	0.42	0.51	0.44	0.23	0.25	0.33	0.31	0.54	0.53	0.54	1.00			
INFO	0.25	0.38	0.41	0.39	0.21	0.25	0.28	0.36	0.28	0.35	0.35	1.00		
SAT	0.42	0.37	0.38	0.23	0.31	0.35	0.32	0.32	0.30	0.30	0.23	0.26	1.00	
COM	0.27	0.25	0.28	0.13	0.18	0.23	0.12	0.26	0.22	0.30	0.34	0.19	0.12	1.00

*V: Perceived Value; T: Trust; C: Commitment; INFO: Information Sharing; SAT: Satisfaction; COM: Communication
**All correlation coefficients are significant at the 0.01 level (2-tailed)

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