University of Twente

School of Management and Governance

Chair of Technology Management

Dr. A.G. Sigurdardottir

Prof. Dr. Holger Schiele

Master Thesis Business Administration

Supplier satisfaction and negotiation behaviour

Marline Janssen S1600850

m.janssen-1@student.utwente.nl

Number of pages/words: 57 / 18.067

Bibliography programme used: Endnote

Abstract: Negotiation is a fundamental part of business relationships. Negotiation

strategies will have different effects on the relation between buyer and supplier. This

paper investigates the satisfaction of suppliers with their buyers in relation to their use

of negotiation styles and tactics. It shows that the accommodating and collaborating

negotiation styles are being used when a supplier is satisfied with the customer. It also

indicates that integrative negotiation tactics are used when the supplier is satisfied

with the customer. Furthermore, it was found that distributive tactics are used when

suppliers are not satisfied with customers. Nevertheless, no significant relationships

were found for the avoiding, competing and compromising negotiation styles.

Enschede, 6 March 2019

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1.1. Buyer/supplier negotiations have been described as one of the most demanding and sophisticated activities in business relationships

Nowadays, since businesses are operating in a highly uncertain and turbulent environment, businesses have to adjust and develop continually, not just to gain a competitive advantage, but simply to survive. This is known as the Red Queen Effect (Van Valen, 1973). Firms perceive the pressure to evolve more efficiently, to create a

resilient supply network and stay ahead of competition (Essig & Amann, 2009; Rice & Caniato, 2003). Buyer/supplier negotiations are a large part of today's management tasks in manufacturing and production firms and have been described as one of the "most demanding and sophisticated activities carried out by all purchasing functions in the management of competitive and cooperative buyer/supplier relationship alike. It is an essential element in the generation of all forms of sustainable competitive advantage flowing from the function" (Ramsay, 2007, p. 84). The quality of the buyer/supplier relationships is an important driver of effectiveness of the supply networks (Palmatier, 2008, p. 55) and both parties need to employ both knowledge and negotiation skills at a strategic level for the negotiation process to be effective (Carr & Pearson, 2002, p. 1034). For negotiations to be effective, a mutual trust is essential (Lewicki & Polin, 2013) to reach mutual satisfaction between parties. Moreover, competitive pressure is forcing companies to produce more innovative products where companies focus on their core competencies and outsource the rest of their activities, making negotiations between buyers and suppliers an essential activity (Atkin & Rinehart, 2006, p. 48). In order to be more effective and to utilise the relationship with the supplier to gain competitive advantage, customers are aiming to satisfy suppliers and endeavour to become a preferred customer (Hüttinger, Schiele, & Veldman, 2012; Nyaga, Whipple, & Lynch, 2010), which gradually provides them a competitive advantage. This notion indicates that trust between buyers and sellers might be considered increasingly important as not only the negotiation outcome affects the relationship, but also how they communicate as that has been found as one of the key element determining the outcome (Faes, Swinnen, & Snellinx, 2010; Saorín-Iborra, Redondo-Cano, Revuelto-Taboada, & Vogler, 2015). In negotiation, there are two main classifications of behaviours, namely, integrative and distributive behaviour, also known as cooperative and competitive behaviour (Lewicki & Robinson, 1998, p. 670). However, it is relatively rare that negotiators use solely integrative or distributive behaviour throughout the negotiations (Lax & Sebenius, 1987), but can be leaning more towards an integrative or distributive approach. However, despite the notion of the importance of negotiation behaviour and communication strategies, little is known about the actual behaviour during negotiations but one plausible explanation for that is that business negotiations, in particular information exchange, is considered by firms highly classified and very sensitive. Thus, reviling those kind of information might negatively influence the firm's competitive advantage.

Hence, due to the difficulties gaining access to information regarding actual buyer/supplier negotiation behaviour, asking buyers or suppliers about their behaviour and their level of satisfaction can provide valuable indications towards the reality.

Building on the existing literature and the notion of that the negotiation process can lead to (dis) satisfaction of both parties involved (Atkin & Rinehart, 2006, p. 48), the purpose of this paper is to understand better the relationship between satisfied suppliers and their customers by relating it to their negotiation behaviour. Thus, the following research question is proposed:

RQ1: How does supplier negotiation behaviour influence the degree of satisfaction perceived by suppliers?

Research in the area of negotiation behaviour and supplier satisfaction has increased recently. Most recent study focus on supplier negotiation behaviour and how it affects satisfaction from the customer perspective (Saorín-Iborra & Cubillo, 2018), while the supplier perspective still remains relatively unknown. This creates a gap in the literature and in order to fully understand the phenomenon, it is important to analyse it from all relevant angles.

To answer the research question, first a theoretical framework is presented with relevant concepts on supplier satisfaction, negotiation styles and tactics. Then the research methodology is described in section three. This section will explain the research methods and data collection. The fourth section will show the results of the research. Fifth, the results will be discussed and finally, a conclusion is given.

2. Previous research

2.1 The risk of not being a preferred customer does not affect all customers equally

The traditional supply chain is defined as "an integrated manufacturing process wherein raw materials are manufactured into final products, then delivered to customers" (Beamon, 1999, p. 9). The primary focus of a supply chain is on one key outcome (e.g. speed). These supply chains have been viewed as a process of moving materials (Ketchen Jr & Hult, 2007, p. 574). The bullwhip effect is present in traditional supply chains, because the actual demand is not visible, which could lead to dynamic distortions (Holweg, Disney, Holmström, & Småros, 2005, p. 11). Traditional supply chains are reactive, because they have a modest ability to respond to changes. They also have a limited adaptability (Ketchen Jr & Hult, 2007, p. 574).

Today, the industrial world is a global network of demand and supply linkages. The reason that this network is global is because the Internet has shortened the distance between companies. "This has created complex supply chain systems with multiple physical and virtual relationships, and multiple internal and external interfaces" (Asbjørnslett, 2009, p. 15). There are multiple important aspects of these supply chains (Asbjørnslett, 2009, p. 16). First, high demands are put on quality, regularity and dependability. Second, the product has to be available when it is needed and as promised. Third, there is less tolerance for failure. Supply chains are a strategic weapon, proactive and they have the ability to adapt to certain situations (Ketchen Jr & Hult, 2007, p. 574). In summary, supply chain systems are changing from a process of moving materials to long complex supply chains, which are reflecting the dynamic and global market place (Asbjørnslett, 2009, p. 16). Furthermore, high performance supply chain management is fundamental to sustain competitive in the current market (Nejma, Zair, Cherkaoui, & Fourka, 2019, p. 175). It is one of the most significant capabilities in today's complex markets (Jahani, Azmi Murad, bin Sulaiman, & Selamat, 2015, p. 180).

Second, there is a growing pressure on companies to sell competitive products and services. This pressure forces them to partner with stakeholders and create a competitive supply chain (Routroy, 2018, p. 2344). Managing supply chains in today's environment is very challenging. There are a lot of uncertainties in supply and demand, globalisation makes the supply chains more complex and the speed of the technology innovations shortens the product life cycles (Christopher & Lee, 2004, p. 3). Companies are also exposed to supply chain risks. The concept of supply chain risk has gained more attention, both in literature and practice. The reason for this increase of attention is because of amongst other things recent crises and globalization (Hoffmann, Schiele, & Krabbendam, 2013, p. 199). Supply

chain risk can be defined as "the chance of an undesired event associated with the inbound supply of goods and/or services, which has a detrimental effect on the purchasing firm and prevent it from meeting customers' demand within anticipated cost and time" (Hoffmann et al., 2013, p. 201). There are several types of supply chain risks. Jahani et al. explains several risks and states in this paper that "unsatisfied customers, information overload and high uncertainty are the main challenges that are faced by today's supply chains" (Jahani et al., 2015, p. 180). Harland et al. explain several forms in their research (Harland, Brenchley, & Walker, 2003, p. 53). First, financial risks can have devastating effects on a company's health. Second, legal risk exposes the company to litigation. Third, customer risk affects the demand that the customer the places. Finally, a novel type of risk will be explained below.

As has been mentioned before in the introduction of this thesis, the reverse marketing concept has the perspective that buyers are competing with other buyers for the resources of the supplier. Cordón and Vollmann explain the issue of finding suitable suppliers in their book. Furthermore, they observe that "really good" suppliers are in demand (Cordón & Vollmann, 2008, p. 55). The ability to establish and maintain relationships with these "really good" suppliers can lead to a competitive advantage (Gold, Seuring, & Beske, 2010, p. 230). The reason for that is because when one customer is treated better than the other customers of a supplier, that customer can get a competitive advantage over the other customers (e.g. better resource allocation). This, however, creates a new type of supply risk, in which a customer is treated less advantageously than other customers (Reichenbachs, Schiele, & Hoffmann, 2017, p. 352). This means that being a preferred customer is a risk management tool (Schlegel & Trent, 2016). The main difference between a strategic supply risk (e.g. not being a preferred customer) and other types of supply chain risk is that only some customers are affected by a strategic supply chain risks, while all customers are affected by other types of supply chain risks (e.g. bankruptcy) (Reichenbachs et al., 2017, p. 356). A second distinction of a strategic supply risk is that this type of risk is latently present, but it is probable to develop during an economic boom (Reichenbachs et al., 2017, p. 355). One way to deal with this supply chain risk is to collaborate with the supplier in such a way that mutual benefits are produced (Reichenbachs et al., 2017, p. 362).

In the next section the circle of preferred customership will be discussed. This will show some insights on the collaboration with the supplier. First, customer attractiveness will be discussed, since a buyer has to be attractive for the supplier if they want to collaborate.

Second, supplier satisfaction will be examined. A buyer want to satisfy the supplier in order to receive benefits. Third, preferred customer status is explained. Receiving this status will give the buyer certain benefits over other buyers.

2.2 The core assumption of "The Circle of Preferred Customership" is that there is no equal treatment of the customers

To better understand supplier satisfaction and preferred customer status, the relationship between these concepts has to be investigated. Several researchers have discussed that supplier satisfaction, customer attractiveness and preferred customer status influene whether the buying firms will gain a preferential treatment (Schiele, Veldman, & Hüttinger, 2012; Schiele, Veldman, Hüttinger, & Pulles, 2012).

Schiele recalls in his "Handbook of Operations" that two fundamental changes have occurred in the supply chain during the last two decades (Schiele, p. 40). First, the depth of production decreased due to a concentration on core competencies and outsourcing of remaining functions. This principle is based on the transaction cost economics theory, which states that each economic transaction incurs transaction costs. The firm has to make the make-or-buy decision based on these transaction costs (Williamson, 2008, p. 5). High transaction costs imply that the firms has to outsource the product or service and low transaction costs imply that the firm has to perform the product/service in-house.

Second, the trend dominated to reduce the supply base and focus on close relationships with suppliers (Christopher, 1999; Goffin, Szwejczewski, & New, 1997). This reduction of suppliers leads to an increase in the bargaining power of suppliers. This means that customers have to work harder to satisfy their suppliers (Schiele, p. 40). The management of the close relationship with the supplier is a fundamental task for firms, because a close relationship could lead to a competitive advantage and/or profitability (Lemke, Goffin, Szwejczewski, Pfeiffer, & Lohmüller, 2000, p. 1). The management of the relationship with the supplier is related to "organising the optimal flow of high-quality, value-for-money materials or components to manufacturing companies from a suitable set of innovative suppliers" (Goffin et al., 1997, p. 422). That is why firms are trying to become a preferred customer by satisfying the supplier.

Hüttinger et al. performed a literature review on preferred customer status and supplier satisfaction. In this review they created "The Circle of Preferred Customership" (Hüttinger et al., 2012). This process of achieving preferred customer status has three steps (Hüttinger et al., 2012). First, there is the assumption that no relationship has occurred before between the parties. Subsequently, in order to start a relationship, the supplier has to be appealed to the customer (Hüttinger et al., 2012, p. 1202). If the supplier wants to intensify the relationship, customer attractiveness is a necessary condition. The satisfaction of the supplier might increase over time. The expectations of the satisfaction level of the supplier have to be met in order for the customer to gain a preferred customer status (Hüttinger et al., 2012, p. 1194). This is the final step of the Circle. The core assumption is that there is no equal treatment of the customers, because suppliers cannot give the best resources to all of the customers (Schiele, p. 40). When the buyer has received a preferential status, the supplier can reward the buyer with preferential resource allocation (Schiele, p. 40). There are several examples of this: a supplier can give a preferential buyer better and faster service. Second, the supplier can reward a preferential buyer with cost advantages. Moreover, the supplier can allocate its best personnel to a joint product development team (Steinle & Schiele, 2008, p. 11). Finally, the supplier can customise the products according to the wishes of the customer. This preferential status increases the attractiveness of the customer. This will make the Circle start again (Hüttinger et al., 2012, p. 1203).

Social exchange theory can be applied on the third step of The Preferred Customership Circle, because this theory analyses the creation evolvement of a social relationship (Blau, 1964). Blau's paper highlights the fact that "attraction is a force which acts to get closer two distinctive parts, whether these are individuals, groups or companies, and it underlines how the concept of value is a core element in this construct" (Patrucco, Luzzini, Moretto, & Ronchi, 2018, p. 3). In the third step of the cycle, the supplier compares the level of satisfaction that a buyer offers the supplier to alternative offerings of satisfaction. The supplier then decides who gets a preferential status. This is where the social exchange theory adds the "comparison of alternatives" (Schiele, p. 41). In order for a customer to gain a preferential status, there are three aspects that have to be accomplished (Schiele, p. 41). First, the buyer has to be adequately attractive to the supplier. Second, the supplier has to be satisfied with the relation of the buyer. Third, the customer has to be more attractive than other buyers in order to gain a preferential status and get a better allocation of resources.

The next sections will go deeper into the different steps of The Preferred Customer Circle. There will be started with the concept of customer attractiveness. Subsequently the concept of supplier satisfaction will be discussed and finally, preferred customer status will be described.

2.3 "Customer attractiveness is the strategy of the buyer that focuses on improving supplier dedication to itself in relation to competitors"

The recent increase of popularity of the concept of customer attractiveness in literature can be traced back to the two fundamental changes in the supply chain. Many scholars have researched the concept of reverse marketing (Blenkhorn & Banting, 1991; Leenders & Blenkhorn, 1988; Plank & Francis, 2001). A scenario in which buyers are competing with each other for the suppliers instead of the scenario of traditional marketing, in which suppliers are competing over buyers (Blenkhorn & Banting, 1991, p. 186). Buyers want to obtain the best resources from the supplier and in order to get that, they are trying to become more attractive then other buyers.

Many researchers have looked into customer attractiveness (Hüttinger et al., 2012; La Rocca, Caruana, & Snehota, 2012; Schiele, Calvi, & Gibbert, 2012). In 2006, Ellegaard and Ritter (2006) developed a definition and conceptualization of customer attractiveness. In 2008, Hovmøller Mortensen, Vagn Freytag, and Stentoft Arlbjørn (2008) proposed a maturity model for customer attractiveness in the supply chain. In 2012, Schiele, Calvi, et al. (2012) proposed in a model in which they link customer attractiveness to supplier satisfaction and preferred customer status. Furthermore in 2012, Hüttinger et al. (2012)created a literature review of the drivers and antecedents of customer attractiveness. In 2016, Pulles, Schiele, Veldman, and Hüttinger (2016) discuss the impact of customer attractiveness and supplier satisfaction on becoming a preferred customer. The first stream of literature on customer attractiveness focused on the role of the human factors, while the second stream of literature focused on relational embeddedness of the relationship. The third stream focused on relationship characteristics (Patrucco et al., 2018, p. 2).

Studies on customer attractiveness describe it as "the strategy of the buyer that focuses on improving supplier dedication to itself in relation to competitors" (Hald, Cordón, & Vollmann, 2009; Schiele, Calvi, et al., 2012; Tóth, Thiesbrummel, Henneberg, & Naudé, 2015). "The idea behind attractiveness is that highly-skilled and innovative suppliers are rare

and so they may not dedicate their resources equally to all customers, thus becoming highly selective" (Patrucco et al., 2018, p. 2). The research on customer attractiveness is linked many times to supplier satisfaction and preferred customer status (Hüttinger et al., 2012; Pulles et al., 2016; Schiele, Calvi, et al., 2012). The research focuses on the buyer, the supplier, and their relationship, consequences of the relationship, the alternative relationships and the alternative outcomes of these relationships (Schiele, Calvi, et al., 2012). Customer attractiveness is also often linked to social exchange theory (Schiele, p. 41), as has been mentioned before in the last chapter. Customers have to be more attractive than alternatives in order to become a preferred customer. This means that customer attractiveness and supplier satisfaction are also depended on external factors, such as the attractiveness of competitors (Makkonen, Vuori, & Puranen, 2016, p. 164). Moreover, customer attractiveness has also been linked to trust, commitment and value (Harris, O'malley, & Patterson, 2003, p. 12).

Customer attractiveness can be defined as: "the extent to which relational partners perceive past, current, future or potential partners as professionally appealing in terms of their ability to provide superior economic benefits, access to important resources and social compatibility" (Harris et al., 2003, p. 12). It has been argued that attractiveness is a fundamental aspect in the development of inter-personal relationships (Byrne, 1971). Furthermore, it has been agreed upon in literature that the attractiveness of a partner in a business relationship is a matter of economic outcomes for the parties (Halinen, 2012, p. 59). Moreover, customer attractiveness is assumed to be the expected economic and social reward-cost consequences of the relationship (Halinen, 2012, p. 59). Customer attractiveness has also been linked to collaboration and satisfaction (La Rocca et al., 2012, p. 1242).

Understanding the factors that have an impact on attractiveness can provide one with useful observations. Several scholars have looked into the drivers of customer attractiveness. Fiocca (1982, p. 57) created an overview of factors that make a customer attractive to supplier. First, market factors are fundamental in determining the attractiveness of a customer. Examples of market factors are: size and growth rate. Second, the competitive position of the customer drives its attractiveness. Third, financial and economic factors are an important determinant of customer attractiveness. Furthermore, Fiocca (1982) argues that technology factors play an important role in determining the attractiveness of a customer. Finally, socio-political factors are a fundamental determinant of customer attractiveness.

Ellegaard, Johansen, and Drejer (2003, p. 354) conducted a case study on customer attractiveness and argued that human relationships are a fundamental factor in determining customer attractiveness. Moreover, Harris et al. (2003, pp. 14-18) found that customers who enjoy geographical proximity, functional proximity and repeated exposure are more attractive. Finally, Ellegaard and Ritter (2006, p. 1) argue that attractiveness is determined by three areas: value creation, the interaction process and emotions.

Drivers of customer attractiveness	Reference
Market factors	
Size (dollars)	Fioca (1982)
Size of key segments	Fioca (1982)
Growth rate	Fioca (1982)
	Hald et al. (2009)
	Ramsey and Wagner (2009)
Price sensitivity	Fioca (1982)
Access to new markets	Christansen and Maltz (2002)
	Ellegaard and Ritter (2007)
	Hald et al. (2009)
Competition factors	
Types of competitors	Fioca (1982)
Degree of concentration	Fioca (1982)
Changes in type and mix	Fioca (1982)
Substitution by new technology	Fioca (1982)
Degrees and types of integration	Fioca (1982)
Financial and economic factors	
Contribution margins	Fioca (1982)
	Ellegaard and Ritter (2007)
	Ramsay and Wagner (2009)
Leveraging factors	Fioca (1982)
Entry barriers	Fioca (1982)
Capacity utilization	Fioca (1982)
Price/volume	Ellegaard and Ritter (2007)
	Hald et al. (2009)
	Ramsay and Wagner (2009)
Cost elements	Ramsay and Wagner (2009)
Value creation	Ellegaard and Ritter (2006) (2007)
	Hald et al. (2009)

Negotiation pressure	Ramsay and Wagner (2009)
Technology factors	
Maturity and frequency of changes	Fioca (1982)
Complexity	Fioca (1982)
Differentiation	Fioca (1982)
Patents and copy right	Fioca (1982)
Customer's ability to cope with changes	Fiocca (1982)
	Ramsay and Wagner (2009)
Depth of Skill	Fiocca (1982)
	Ramsay and Wagner (2009)
Types of technological skill	Fiocca (1982)
Commitment to innovation	Christianses and Maltz (2002)
	Ellegaard and Ritter (2007)
Knowledge transfer	Christianses and Maltz (2002)
Supplier trainings and visits	Christianses and Maltz (2002)
	Ramsay and wagner (2009)
Early R&D involvement and joint improvement	Ramsay and Wagner (2009)
	Cordon and Vollman (2008)
Socio-political factors	
Geographical proximity	Harris et al. (2003)
Functional proximity	Harris et al. (2003)
Changes in the environment	Fioca (1982)
Risk factors	
Risk sharing	Christianses and Maltz (2002)
	Ramsey and Wagner (2009)
Standardisation of product	Christiansen and Maltz (2002)
Dependence	Christiansen and Maltz (2002)
	Harris et al. (2003)
	Hald et al. (2009)
	Ramsay and Wagner (2009)
Level of transaction-specific assets	Hald et al. (2009)
Demand stability	Ramsay and Wager (2009)
Repeated exposure	Harris et al. (2003)
Social factors	
Possibilities for extensive face-to-face contact	Christiansen and Maltz (2002)
	Ramsay and Wagner (2009)
Supplier participation in internal teams	Ramsay and Wagner (2009)
Tight personal relations	Ellegaard et al. (2003)
	Ramsay and Wagner (2009)

Familiarity	Harris et al. (2003)
Similarity	Harris et al. (2003)
	Hald et al. (2009)
Compatibility	Harris et al. (2003)
	Ramsay and Wagner (2009)
Behaviour	Ellegaard and Ritter (2006)
Communication	Hald et al. (2009)
	Ramsay and Wagner (2009)
Information exchange	Christiansen and Maltz (2002)
	Cordon and Vollman (2008)
Output factors (trust, commitment, adaption, long-	Fiocca (1982)
term interactions/loyalty, reliability)	Christiansen and Maltz (2002)
	Ellegaard et al. (2003)
	Ellegaard and Ritter (2007)
	Hald et al. (2009)
	Ramsay and Wagner (2009)
Human relationships	Ellegaard et al. (2003)

Table 1: the drivers of customer attractiveness – adapted from Hüttinger et al. (2012).

In the next section, the second step of the preferred customer circle will be described, namely the construct of supplier satisfaction. There will be started with an introduction into supplier satisfaction. Next, the antecedents and benefits will be described. Finally, dependency and power will be considered.

2.4 Supplier satisfaction

2.4.1. Supplier satisfaction is a fundamental aspect of buyer supplier relationships

The satisfaction of the supplier is the second step of the circle of preferred customership. The buyer's goal is to satisfy the suppliers more than other buyers, so the supplier will invest in the relationship with the buyer, which will create benefits for the buyer (Pulles et al., 2016; Vos, Schiele, & Hüttinger, 2016). The concept of supplier satisfaction has become a more popular topic recently (Essig & Amann, 2009; Hüttinger et al., 2012; Schiele, Calvi, et al., 2012). The first researchers that recognized the significance of supplier satisfaction were (Leenders & Blenkhorn, 1988). They found that suppliers are not only competing over buyers, but that buyers are also competing over suppliers. In 2000 Wong (2000) recognized that supplier satisfaction was a fundamental aspect of buyer supplier relationships. He stated that business excellence cannot be accomplished if buyer and supplier satisfaction are not

merged into the daily activities (Wong, 2000, p. 1). In 2003, (Maunu) found the first possible antecedents of supplier satisfaction. These included: profitability, agreements, early supplier involvement, business continuity, forecasting/planning, roles and responsibilities, openness and trust, feedback, and value of the buying company (Maunu, 2002, p. 97).

In 2010, Nyaga et al. (2010) investigated how collaborative activities of the buyer and supplier affect supplier satisfaction and performance. They implicated that the actions that buyers and suppliers take to advance trust and commitment will increase the relationship benefits (Nyaga et al., 2010, p. 111). In 2012, Schiele, Calvi, et al. (2012) discussed the preferred customer circle and connected the concepts of customer attractiveness, supplier satisfaction and preferred customer status. In 2014, Hüttinger, Schiele, and Schröer (2014) made an overview of the antecedents of customer attractiveness, supplier satisfaction and preferred customer status. They concluded that growth opportunity, reliability, and relational behaviour have a positive influence on supplier satisfaction (Hüttinger et al., 2014, p. 697). In 2016, Vos et al. (2016) expanded the study of Hüttinger (2014). They found that profitability is also an antecedent of supplier satisfaction. Hence, over the years, scholars have looked into many different aspects of supplier satisfaction. In 2017, Caniëls, Vos, Schiele, and Pulles (2017)investigated whether asymmetric relationships between buyer and suppliers can lead to the satisfaction of the supplier.

Supplier satisfaction can be defined as "a suppliers feeling of fairness with regard to buyer's incentives and supplier's contributions within an industrial buyer-seller relationship as relates to the supplier's need fulfilment"(Essig & Amann, 2009, p. 104). The relationship between buyer and seller influences the satisfaction of the supplier (Forker & Stannack, 2000, p. 35). When supplier satisfaction is achieved, the quality of the relation between buyer and seller is in accordance with the expectations of the supplier (Schiele, Calvi, et al., 2012, p. 1181). While the satisfaction of suppliers has a positive effect on buyer performance (Baxter, 2012; Ghijsen, Semeijn, & Ernstson, 2010), dissatisfied suppliers may commit to relationship with other buyers. This could lead to a deterioration of the performance of the buyer (Caniëls et al., 2017, p. 2).

Buyers need the benefits from their suppliers in order to stay ahead of competition. That is why they want to establish good relationships with their key good suppliers (Routroy, 2018, p. 2344). Buyers need to award their key suppliers with a preferred supplier status, which is

also called "fit for purpose" relationship (Routroy, 2018, p. 2344). These agreements are made with key suppliers that the buyer wants to collaborate deeply with and have a future perspective (Routroy, 2018, p. 2345). The buyer needs the best suppliers in order to create the best supply chain. However, this is difficult in reality, because good suppliers are scarce. This means that the buyer has to practice the preferred supplier concept (Routroy, 2018, p. 2345). There are several reasons why buyers are pushed to exercise the preferred supplier concept, e.g., buyers have to compete with other buyers for the allocation of the best resources; the reduction of the supply base size with a small group of key suppliers; the recognition and rewarding of preferred suppliers; and the protect itself from a scarcity of supply (Routroy, 2018, p. 2345).

Satisfaction is directly linked to value creation and the quality of the relation (Vos et al., 2016). Pulles et al. (2016, p. 131) argue that supplier satisfaction stands on the relationship's perceived value. Buying firms create value and fulfil the relationship investments of the supplier (Essig & Amann, 2009, p. 107). Caniëls et al. (2017, p. 2). argue that supplier satisfaction has strategic value for buyers. It has been argued that it has a positive effect on buyer performance, because buyers can receive resources from supplier that they could not have obtained otherwise (Baxter, 2012; Ghijsen et al., 2010). This is in line with the findings of Pulles et al. (2016, p. 136), who concluded that supplier satisfaction has a positive effect on supplier's resource allocation. These resources are able to give a firm a competitive advantage (Koufteros, Vickery, & Dröge, 2012, p. 96).

Furthermore, it is important to take the perspectives of the buyer and seller into account. Nyaga et al. (2010, p. 109) tested whether supplier and buyer perspectives regarding relationship construct differ from each other. They found that dedicated investment, information sharing and trust have a significant effect on commitment for both perspectives (Nyaga et al., 2010, p. 109). Furthermore, they concluded that information sharing and joint relationship effort significantly affect trust. However, for a certain construct, the buyer's and seller's perspective differ (Nyaga et al., 2010, p. 109). Commitment has a significant effect on performance according to the buyer. Nevertheless, this is not true for the supplier. Nyaga et al. (2010, p. 111) concluded that the perspectives of the buyer and the seller are more identical than distinct in general.

2.4.2. Growth opportunity; relational behaviour and profitability have a positive effect on supplier satisfaction

Several authors have defined antecedents of supplier satisfaction. Examples of these antecedents are: early supplier involvement, joint relationship effort, bargaining position and supplier development (Essig & Amann, 2009; Ghijsen et al., 2010; Nyaga et al., 2010). As has been mentioned before, in 2003, Maunu (2002, p. 97) found the first possible antecedents of supplier satisfaction: profitability, agreements, early supplier involvement, business continuity, forecasting/planning, roles and responsibilities, openness and trust, feedback, and value of the buying company. Subsequently, in 2005, Leeders, Johnson, Flynn, and Fearon (2006) found the following antecedents of supplier satisfaction: response to supplier requests, ordering substantial volumes, long-term time horizons, cooperative relationships, communication, and information. Benton and Maloni (2005, p. 15) investigated the influence of power in buyer-supplier relationships in 2005. They found that cooperative relationships, reward-mediated power sources, and non-mediated power sources are antecedents of supplier satisfaction.

In 2009, Essig and Amann (2009) conducted a survey in which they distinguished the antecedents of supplier satisfaction into strategic, operative and accompanying levels. They found the following antecedents: early supplier involvement, technical competence, bargaining position, adherence to agreements, cooperative relationships, communication, order process, time scheduling, billing, payment habits, required effort needed for delivery, support, and business competence (Essig & Amann, 2009, p. 111). In 2014, Hüttinger et al. (2014, p. 712). tested a new model with eight relational antecedents. They concluded that growth opportunity; reliability and relational behaviour have an influence on supplier satisfaction. These results are in accordance with previous studies that concluded that relational behaviour and atmosphere are fundamental in the relationship between buyer and seller (Benton & Maloni, 2005; Forker & Stannack, 2000). Growth opportunity however is a new antecedent that (Hüttinger et al., 2014) introduced. In 2016, Vos et al. (2016, p. 4618)replicate and extends the previous research on antecedents of supplier satisfaction. They found that growth opportunity; relational behaviour and profitability have a positive effect on supplier satisfaction.

Drivers of supplier satisfaction	Reference

R&D	
Early supplier involvement	Maunu (2003)
,	Essig and Amann (2009)
Technical competence	Essig and Amann (2009)
Supplier development	Ghijsen et al. (2010)
Response to supplier request and suggestions for	Leenders et al. (2005)
improvement	Essig and Amann (2009)
Joint relationship effort	Nyaga et al. (2010)
Supply value	
Profitability	Maunu (2003)
Bargaining position	Essig and Amann (2009)
Substantial volumes	Leenders et al. (2005)
Long-term time horizons	Maunu (2003)
	Leenders et al. (2005)
Adherence to agreements	Maunu (2003)
	Essig and Amann (2009)
Cooperative Relationships	Wong (2000)
	Forker and Stannack (2000)
	Benton and Maloni (2005)
	Leenders et al. (2005)
	Essig and Amann (2009)
Commitment to supplier satisfaction	Wong (2000)
Dedicated investment	Nyaga et al. (2010)
Reward mediated power sources	Benton and Maloni (2005)
Non mediated power sources	Benton and Maloni (2005)
Recommendations	Ghijsen et al. (2010)
Growth opportunity	Hüttinger et al. (2014)
Reliability	Hüttinger et al. (2014)
Relational behaviour	Hüttinger et al. (2014)
Mode of interaction	
Communication	Maunu (2003)
	Leenders et al. (2005)
	Essig and Amann (2009)
Structure	Essig and Amann (2009)
	Maunu (2003)
Reaction	Forker and Stannack (2000)
	Wong (2000)
	Maunu (2003)
	Essig and Amann (2009)

	Nyaga et al. (2010)
Information	Whipple et al. (2002)
	Leenders et al. (2005)
	Essig and Amann (2009)
	Nyaga et al. (2010)
	Ghijsen et al. (2010)
Operational excellence	
Forecasting/planning	Maunu (2003)
Order process	Essig and Amann (2009)
Time scheduling	Essig and Amann (2009)
Billing/delivery	Essig and Amann (2009)
Payment habits	Essig and Amann (2009)
Required effort needed for delivery	Essig and Amann (2009)
Support	Essig and Amann (2009)
Business competence	Essig and Amann (2009)

Table 2: the drivers of supplier satisfaction – adapted from Hüttinger et al. (2012)

Not only the drivers of supplier satisfaction can provide useful insight into the concept of supplier satisfaction, but also the benefits are important. The construct of supplier satisfaction can award a buyer a preferred customer status (C. S. Kumar & Routroy, 2017, p. 96). This could lead to several benefits for the buyer. There are several categories of benefits discussed in the literature. Hennig-Thurau, Gwinner, and Gremler (2002, p. 236) discuss relational benefits in their paper. They state that relational benefits are a consequence of long-term relationships or mutual trust. Lapierre (2000) discusses the product, service and relationship benefits categories. Finally, Li (2011) distinguished benefits into special treatment benefits, value-added benefits and collaborative benefits.

Nyaga et al. (2010, p. 101) argue that buyers are building relationships with supplier to achieve efficiency, flexibility and to gain a competitive advantage. Koufteros et al. (2012, p. 96) found that ideas, capabilities and materials that could create a competitive advantage. Other examples of benefits include: attention, affection, receiving the best resources, unexpected delivery, information, loyalty, redesign of a product, ideas and capabilities (Börekçi, Say, Kabasakal, & Rofcanin, 2014; Koufteros et al., 2012). Börekçi et al. (2014, p. 811) concluded that benefits from the buyer-supplier relationship construct the commitment and satisfaction from the supplier.

Benefits of supplier satisfaction	Reference
Confidence benefits	Barnes (1994)
	Bendapudi and Berry (1997)
	Berry (1995)
	Gwinner, Gremler and Bitner (1998)
Social benefits	Barnes (1994)
	Bendapudi and Berry (1997)
	Berry (1995)
	Gwinner, Gremler and Bitner (1998)
Special treatment benefits	Barnes (1994)
	Bendapudi and Berry (1997)
	Berry (1995)
	Gwinner, Gremler and Bitner (1998)
Commitment	Hennig-Thurau et al. (2002)
Economic savings	Hennig-Thurau et al. (2002)
Customized service	Hennig-Thurau et al. (2002)
Relationship efficiency	Hennig-Thurau et al. (2002)
	Nyaga et al. (2010)
Flexibility	Nyaga et al. (2010)
Resource allocation	Steinle and Schiele (2011)
Unexpected delivery	Börekçi et al. (2014)
Loyalty	Börekçi et al. (2014)
Trust	Börekçi et al. (2014)
Redesign of a product	Börekçi et al. (2014)
Cost decline	Krause et al. (2007)
Investment encouragement	Van de Ven (1992)
Uncertainty reduction	Van de Ven (1992)

Table 3: The benefits of supplier satisfaction

Furthermore, there are many examples of studies that showed that firm performance could be advanced by colluding with suppliers (Krause, Handfield, & Tyler, 2007; Nyaga et al., 2010). Nyaga et al. (2010) implicate that the actions that buyers and suppliers take to advance trust and commitment will increase the relationship benefits. Furthermore, Carter and Narasimhan (1996, p. 20) argue that the purchasing function of a firm has a considerable effect on its competitive position. Schiele (2007, p. 283) argues that as the purchasing function is more advanced, the contribution to the performance of the firm will increase. A highly mature purchasing function is able to assist a company with issues, because it can

supply a firm with crucial information that can prevent a problem from turning into a conflict (Pearson & Gritzmacher, 1990, p. 94).

2.5 Trust in relation to supplier satisfaction

Since firms frequently negotiate relationships that last a long time (Sharland, 2001), the issue of trust is particularly important. In general, trust matters for the ultimate satisfaction (Zaheer, McEvily, & Perrone, 1998). Trust is commonly viewed as a multi-dimensional construct including the dimensions of affect, cognition, intent and behaviour (Moorman, Deshpande, & Zaltman, 1993). Trust has been defined by many scholars(N. Kumar, 1996), from different angles and seen from the view of benevolence, integrity, competence, predictability and openness. In this paper trust is defined in buyer-supplier relationship as "a willingness to rely on an exchange partner in whom one has confidence".

Trust can exist on only one dimension, e.g. trust between two firms can be only behavioural (trusting that the other will behave according to an agreed contract) while there is no cognitive trust that the other will necessarily tell the truth. Trust can also be multi-dimensional, and one might say that the more dimensions of trust that are in evidence, the greater the level of overall trust. According to since each party involved in the negotiation is not able to question everything that the other party is saying, claiming or stating, they need to create trust in order to be satisfied. Thus, ultimately, if parties trust each other they can reduce transaction cost when finalising an agreement. Hence, drawn from the literature, a trustworthy negotiator that has established trust through communication is able to maintaine the credibility by using the same communication strategies (Lewicki & Polin, 2013, p. 30). If a negotiator violates the other parties trust, it is hard to re-establish it. However, a negotiator which appolagises after violating his counterparts trust can re-establish the trust and therefore their satisfaction to some extend, but the sooner after the violation occurs and the appologies is offered, the more satisfied the counterpart will be (Tomlinson, Dineen, & Lewicki, 2004). To sum up, negotiation behaviour has a great impact on the outcome of the negotiation and therefore the satisfaction of parties involved.

The subsequent section will discuss the third step of the preferred customer circle, namely the concept of preferred customer status. When the supplier is satisfied the customer can gain a preferred customer status. In order to gain better insights into preferred customer status, one has to investigate how it is related to supplier satisfaction. There will be started with an introduction of preferred customer status. Next, the antecedents, benefits and enablers will be examined.

2.6. Preferred customer status

2.6.1. Preferred Customer Status: "A buyer to whom the supplier allocates better resources than less preferred buyers"

Being more satisfactory than other buyers and receiving the preferred customer status is the third step of the preferred customer circle. Buyers long for a preferential treatment from the supplier over other competitors (Hüttinger et al., 2014, p. 1194). The reason for this is because this preferential treatment can give them benefits that could lead to a competitive advantage (Hunt & Davis, 2008; Petersen, Handfield, Lawson, & Cousins, 2008). In order for firms to gain a competitive advantage they should obtain better resources than their competitors (Hult, Ketchen, & Arrfelt, 2007; Insead & Chatain, 2008). Buyers can gain these benefits by becoming a preferred customer. Companies need this preferred customer status to stay ahead of the competition. They need to work together as one competent supply chain in order to defeat the competition (Routroy, 2018, p. 2344). Every firm in this supply chain has an effect on the total supply chain. This effect can either be positive or negative. So in order for a firm to gain a competitive advantage, its suppliers should also bring value to the supply chain (Routroy, 2018, p. 2344). The fact that most discrepancies in the supply chain come from the supplier's side, made firms realise that they either have to develop the supplier or accept the negative consequences (Routroy, 2018, p. 2344). Schiele et al. argue that buying firms should consider suppliers as a source of competitive advantage and should attempt to become a preferred customer (Schiele, Veldman, & Hüttinger, 2011). Pulles et al. (2016, p. 412) states that preferred customer status has a positive effect on buyer-supplier innovation.

A preferred customer can be defined as "a buyer to whom the supplier allocates better resources than less preferred buyers" (Pulles et al., 2016, p. 129). There has been an increase into the research of preferred customer recently (Christiansen & Maltz, 2002; Hüttinger et

al., 2012; Pulles et al., 2016). The beginning of this research can be traced back to 1970, when Brokaw and Davisson (1976) found that suppliers rank their customers on the basis of certain aspects and factors. In 1988, Leenders and Blenkhorn (1988) build on the work of Brokaw and Davisson and stated that buying firms should engage in reverse marketing and become attractive for suppliers. Subsequently, in 1992, Moody (1992) discovered the characteristics of best buyers. In 2007, Bew (2007) published a paper with the benefits of preferred customership. Next, in 2012, (Hüttinger et al., 2012; Schiele, Veldman, & Hüttinger, 2012) created the circle of preferred customership. In 2016, Pulles et al. (2016) found that preferential resource allocation is connected to gaining a competitive advantage.

In order to become a preferred customer, the relationship between buyer and seller has to be satisfying. Schiele, Calvi, et al. (2012) argue that when the supplier perceives a positive assumption towards the relationship, the customer is seen as attractive. Hüttinger et al. (2012, p. 1195) argue that the buyers that satisfy the suppliers the most can collect the best resources and can eventually receive a preferred status over other buyers. The process of allocating resources between customers is a selective process (Mitsuhashi & Greve, 2009, p. 20). The best resources are not divided equally. As has been mentioned before customers are competing with each other over suppliers (Leenders & Blenkhorn, 1988, p. 2). Pulles et al. (2016, p. 130) concluded that satisfied suppliers have a higher tendency to award buyers with a preferential status. This finding was also confirmed by (Vos et al., 2016). Supplier satisfaction could be necessary condition for gaining preferential customer status (Hüttinger et al., 2012; Schiele, Calvi, et al., 2012). Ulaga and Eggert (2006) found that buyers could increase their value by improving buying conditions in terms of price and volume and knowhow, reputation, innovation and access to new markets

Bew (2007) conducted a survey among suppliers and found the following three things: (1) 75% of the suppliers offer rare products or services to preferred customers. (2) 82% of the suppliers display that preferred customers are the first ones to have access to new products and technologies and (3) 87% of the suppliers offer better prices to their preferred customers.

Ellis, Henke Jr, and Kull (2012, p. 1259) argue that firms are looking to suppliers for technological innovations to improve their competitive position. When buyers are relying on externally driven innovations, they can focus on their core competencies. Hence, buyers are looking to influence the innovative capabilities of the suppliers. By satisfying the

supplier and becoming a preferred customer, firms are more likely to obtain these benefits from the supplier. Moreover, they propose a model for the process of the development of a new product with 3 stages. In stage 1, there are three inducements, the share of sales, supplier involvement and relational reliability. These inducements affect the attractiveness of the buyer. In stage 2, the supplier decided whether the buyer is rewarded with preferential buyer status. If the buyer becomes a preferred customer, it will gain access to new technological innovations, stage 3.

2.6.2. Customers could gain better quality, service and prices when they have a preferred customer status

Several scholars have looked into the benefits of preferred customer status. (Bew, 2007) conducted a survey among suppliers and found the following benefits of preferred customer status: preferential treatment of material allocation, first access to new ideas, and opportunities of cost reduction. Furthermore, (Moody, 1992) conducted a survey to describe a "best customer". She argues that customers could gain better quality, service and prices when they have a preferred customer status. Additionally, (Hüttinger et al., 2012) found that the allocation of the best engineers to a project and offering a new idea to the preferred customer first are benefits of being a preferred customer. Moreover, (Wagner, Hennig-Thurau, & Rudolph, 2009, p. 69) argues that suppliers can also award buyers a preferential customer status for motivational reasons. This could increase future sales for example. (Ellis et al., 2012, p. 1259) conducted a survey describing 233 buying situations and found that access to innovations and new technologies are benefits of being a preferred customer.

Benefits preferred customer status	Reference
Resource allocation	Bew (2007)
Access to new ideas	Bew (2007)
	Ellis et al. (2012)
Access to new technologies	Ellis et al. (2012)
Access to innovations	Ellis et al. (2012)
Cost reduction	Bew (2007)
Better quality	Moody (2002)
Better service	Moody (2002)
Better prices	Moody (2002)
Allocation of the best engineers	Hüttinger et al (2014)

Table 4: the benefits of preferred customer status

(Moody, 1992) looked into the antecedents of a preferred customer status. She conducted a survey and asked suppliers to rank the importance of 24 characteristics in the relationship with the customer. She found that early supplier involvement, mutual trust, involvement in product design, quality initiatives, profitability, schedule sharing, response to cost reduction ideas, communication and feedback, crisis management and commitment were characteristics of a 'best customer' (Moody, 1992, p. 52). She also found that negotiation; award process, schedule stability, technology sharing, and training and education were not rated very high. Furthermore, (Bew, 2007, p. 3) found that strategic fit, predictable decisions processes and cost to serve a customer are possible drivers of preferred customer status.

(Brokaw & Davisson, 1976) found that high purchasing volumes, business opportunities, loyalty, and satisfaction are drivers of preferred customer status. Additionally, (Williamson, 2008, p. 9) found that high purchase volumes and loyalty are antecedents of preferred customer status. However, Williamson also found that preferred customers pay higher prices, because these prices are linked to a premium that is paid to suppliers to gain a preferential status. This finding is in contrast with (Moody, 1992, p. 57), who found that preferred customers get better prices. (Steinle & Schiele, 2008, p. 11) found that high purchasing volumes, geographical proximity and cluster membership are antecedents of preferred customer status. Moreover, (Blonska, 2010, pp. 26-40) found that trust, commitment, strong bonds, supplier development and shared future are antecedents of preferred customer status. (Hüttinger et al., 2014, p. 712)argues that growth opportunity, operative excellence, relational behaviour and reliability influence preferred customer status positively. Finally, (Vos et al., 2016) found that supplier satisfaction has a positive impact on preferred customer status.

Drivers of preferred customer status	Reference
Early supplier involvement	Moody (2002)
Mutual trust	Moody (2002)
	Blonksa (2010)
Involvement in product design	Moody (2002)
Quality initiatives	Moody (2002)
Profitability	Moody (2002)
Schedule sharing	Moody (2002)
Response to cost reduction	Moody (2002)

	Moody (2002)
· · · · · · · · · · · · · · · · · · ·	
ommunication	Moody (2002)
eedback N	Moody (2002)
risis management N	Moody (2002)
Tommitment N	Moody (2002)
В	Blonska (2010)
legotiation N	Moody (2002)
ward process N	Moody (2002)
chedule stability N	Moody (2002)
echnology sharing N	Moody (2002)
raining and education N	Moody (2002)
trategic fit B	Bew (2007)
redictable decision processes B	Bew (2007)
ligh purchasing volumes B	Brokaw and Davisson (1976)
V	Williamson (2008)
S	Steine and Schiele (2008)
susiness opportunities B	Brokaw and Davisson (1976)
oyalty B	Brokaw and Davisson (1976)
W	Williamson (2008)
atisfaction B	Brokaw and Davisson (1976)
eographical proximity S	Steine and Schiele (2008)
Cluster membership S	Steine and Schiele (2008)
trong bonds, B	Blonska (2010)
upplier development B	Blonska (2010)
hared future B	Blonska (2010)
browth opportunity H	Hüttinger et al. (2014)
perative excellence H	Hüttinger et al. (2014)
elational behaviour H	Hüttinger et al. (2014)
eliability H	Hüttinger et al. (2014)

Table 5: the antecedents of preferred customer status – adapted from Hüttinger et al. (2014)

C. S. Kumar and Routroy (2017, p. 8) researched preferred customer enablers. Preferred customer enablers can be defined as: "those which make the manufacturer to be treated preferably by its key suppliers". They identified a list of PCE and conducted a survey to find out what PCEs are ranked the highest. According to (C. S. Kumar & Routroy, 2017)cost savings and value addition, top management commitment, buyer-supplier coordination and buyer-supplier compatibility are the most promising preferred customer enablers to satisfy

the supplier, while mutual visits by competent personnel, buyer-supplier coordination, buyer-supplier compliance, trust, buyer-supplier communication and buyer-supplier cooperation are the most promising preferred customer enablers to dissatisfy the supplier (C. S. Kumar & Routroy, 2017, p. 10).

The following section will discuss negotiation. Companies have to negotiate about certain cases, that is why understanding the concept is important. First the subject of negotiation will be introduced. Subsequently, different negotiation styles will be discussed. Next, there will be further looked into the negotiation tactics. Finally, the antecedents and consequences will be described.

2.7. The concept of negotiation

2.71. Negotiation: "A discussion in which the interested parties exchange information and come to an agreement"

As has been mentioned before in the introduction of this thesis, negotiation behaviour might have an effect on supplier satisfaction. Interest conflicts are a common phenomenon in business relationships. (Mohr & Spekman, 1994, p. 144) discuss this in their paper and present several conflict resolution techniques. They found that higher levels of commitment and trust are positively related to success partnerships. (Thomas, 1992, p. 271) presents five different conflict-handling modes that a person can use during a conflict. They found that these styles have different effects on the situation. When interests conflicts occur, negotiation is crucial to create a mutual agreement (Nejma et al., 2019, p. 175), which means that negotiations are a fundamental part of business. Negotiation theory and research have become popular over the years (Jennings et al., 2001; Kraus, 2001; Pruitt, 2013). Researchers have looked into various fields of negotiation: the definitions of negotiation; they looked into negotiation tactic and styles; and they looked into cyber negotiation and automated negotiation (Epstein, 2000; Faratin, Sierra, & Jennings, 2002; Kilmann & Thomas, 1975). Nicolau (2009) stated that certain factors, e.g. emotional and cognitive, will influence negotiation behaviour, which will affect the satisfaction of the parties. Several studies have shown that the attractiveness of a negotiator is positively related to the satisfaction of the partner. The essential characteristic of B2B negotiations is that parties hope to create longterm relations that satisfy all sides.

There are many definitions given for negotiation over the years. First, negotiation can be defined as "a discussion in which the interested parties exchange information and come to an agreement" (Davis, Smith, & Erman, 1988, p. 10). According to (Davis et al., 1988, p. 10) a negotiation has three fundamental components: (1) the information is exchanged in two ways, (2) both parties that negotiate evaluate the information from their own perspective, and (3) the final agreement is reached by mutual selection. Second, (Pruitt, 2013, p. 1) defines negotiation as "a process by which a joint decision is made by two or more parties. The parties first verbalise contradictory demands and then move towards agreement by a process of concession making or search for new alternatives. Subsequently, (Beer et al., 1999, p. 2) define negotiation as any communicative process that results in mutually acceptable agreements. Fourthly, (Anastakis, 2003, p. 74) define it as "a strategy to resolve a divergence of interests, be they real or perceived, where common interests also exists". The definition of Davis et al is chosen in this thesis, since it is the most elaborated one and matches the best with the context of this thesis.

The literature on negotiation can be divided into speculative and empirical research. Speculative theory was the earlier tradition and can be split into two forms: formal models and looser set of ideas (Pruitt, 2013, p. 10). The formal models were developed by economist and game theorists, while the looser set of ideas are built on unsystematic observations. Empirical research is more popular nowadays. This type of research can be divided into field studies and experiments. (Pruitt, 2013, p. 9) provides one with two advantages of studying negotiation. Firstly, when one understands the micro processes that are associated with negotiation, one can assist in recognizing the macro conditions that affect social phenomena. Secondly, the theory of micro processes can help disclosing remedies for difficulties when the basic sources cannot be affected.

According to (Adler, Brahm, & Graham, 1992, p. 451) negotiators should and usually will try to maximize their own profits, while trying to keep the opponent satisfied. This means that negotiators are balancing their own needs and the opponent's satisfaction. Kilmann and Thomas (1977, p. 1) present five different negotiation styles that a negotiator can use during negotiation. These styles can be classified along two dimensions: assertiveness and cooperation. These different styles have different effects on the outcome of the negotiation (Weingart, Hyder, & Prietula, 1996). A distinction can also be made between several negotiation tactics. This thesis will go in depth into the integrative and distributive tactics.

These tactics have differences in orientation and will lead to different outcomes (Lee, 2009, p. 14). Since the negotiator wants to maximize its profit, it is fundamental to choose the negotiation strategy including the right combination of negotiation tactic and negotiation style. These differences in tactics and styles could also have effects on other types of negotiation: e.g., mail negotiation, online negotiation and negotiation over the phone. This will be interesting to investigate because negotiators can see non-verbal cues in face-to-face negotiation that cannot be seen in these other types of negotiations. An additional important aspect of face-to-face negotiation is the presence of non-verbal cues, such as posture, body language. Several studies have stated, that humans look at non-verbal cues to check whether they match with the verbal ones (Ekman & Friesen, 1974; Ekman, Friesen, O'sullivan, & Scherer, 1980). Moreover, humans also rely on verbal cues to determine the personality of another person (Isbister & Nass, 2000, p. 253).

A fundamental aspect of negotiations is the attractiveness of the negotiator. Several studies have shown that the attractiveness of a negotiator is positively related to the satisfaction of the partner (Adler et al., 1992; Graham, 1986; Rubin & Brown, 2013). A second aspect of negotiation is the role of the negotiator (i.e. buyer or seller). This role of the negotiator has different outcomes in different cultures, e.g. Japanese buyers get higher profits than Japanese sellers, while there are no differences in the US between buyer and seller (Graham, Kim, Lin, & Robinson, 1988). The reason for this is that in the past buyers were considered honoured guests in Japan, while sellers were considered little more than beggars (Schmidt, 1979, p. 2). Furthermore, (Hall, 1976, p. 129) concludes that communication, as a dimension of culture has to be a very important factor of negotiation. Moreover, (Schmidt, 1979) states that status has a fundamental influence on negotiations, e.g. in China and Taiwan.

2.7.2. The effectiveness of the negotiation style depends on the situation and on the ability with which the style is used

Given the fact that many firms encounter with negotiation, an understanding of the negotiation styles is important. (Blake & Mouton, 1964) first introduced a model for categorizing negotiation styles. This model was adjusted by Kenneth Thomas, who classified the conflict resolution techniques across two dimensions, cooperation and assertiveness. Because of the validity issues of these models, (Kilmann & Thomas, 1977) tried to develop a model, which would determine the five styles more validly. These five styles together are

called the negotiation strategy, which refers to as" interaction patterns used by parties in conflict to achieve resolution (Ganesan, 1993, p. 184). The five negotiation styles are: competing, collaborating, compromising, avoiding and accommodating (Kilmann & Thomas, 1977, p. 14).

First, competing (assertive and uncooperative) is a method in which a person puts its own concerns before another persons concerns. Power is an important factor in this method (Thomas & Kilmann, 1974, p. 8). (Emerson, 1962, p. 32) defines it as "the power of actor A over actor B is the amount of resistance on the part of B which can be potentially overcome by A. Power is important, because negotiators that use the competing style use whatever power necessary to win at the other party's expense (Thomas, 2008, p. 3). Second, accommodating (unassertive and cooperative) is a technique in which one puts the concerns of another person before its own concerns. The concept of self-sacrifice is present in this technique (Thomas & Kilmann, 1974, p. 8). Furthermore, avoiding (unassertive and uncooperative) means that the person does not address the conflict. Fourth, collaborating (assertive and cooperative) is a method in which persons work together to a find a solution, which satisfies them all (Thomas & Kilmann, 1974, p. 8). Finally, compromising (intermediate assertive and cooperative) is a technique, which aims to discover a mutually satisfying solution for both parties. It is placed in the middle between competing and accommodating (Thomas & Kilmann, 1974, p. 9). There is no right method for negotiation. The effectiveness of the method depends on aspects of the situation and on the ability with which the techniques are used (Thomas & Kilmann, 1974, p. 9). These styles will be explained more in depth below.

First, "competing behaviour is both assertive and uncooperative. It has been associated with forcing behaviour and win-lose arguing" (P. Greeff, 2000, p. 323). The basic principle of the competing style is based on the competitor and it does not take the other's interest into consideration (Ma, 2007, p. 105). The competing style "uses whatever power seems appropriate – one's ability to argue, one's rank, or economic sanctions – to win one's position" (Ma, 2007, p. 105). (Ma, 2007, p. 105) states that the results of the competing style are high individual profits and high satisfaction for outcomes and for the process of conflict resolution. Behaviour that is typical for the competing style is: standing up for your rights, defending your position and trying to win the negotiation (Thomas, 2008, p. 3).

Second, negotiators that use the accommodating style sacrifice their own needs to satisfy the other party (Ma, 2007, p. 105). Accommodating can be defined as "an attempt to sooth the other person and seek harmony (Kilmann & Thomas, 1975; P. Greeff, 2000; Thomas & Kilmann, 1978). The accommodating style is unassertive and cooperative. This style has a self-sacrificing nature (Ma, 2007, p. 105). Furthermore, this accommodating leads to low individual profits and low satisfaction levels (Ma, 2007, p. 105). (Zhang, Harwood, & Hummert, 2005, p. 5) state that the accommodating style stresses the harmony in the relationship. There are several typical behaviours for this style: identifying the wishes of the other party; asserting the position of the other party, putting the blame of the problem on itself; and apologizing. Finally, several studies have shown that men favour the avoiding style, while women prefer the accommodating style (Haferkamp, 1991; Mackey & O'Brien, 1998; P. Greeff, 2000).

Third, (Wall Jr & Nolan, 1987, p. 191) define the avoidance style as "tactics that minimize explicit discussion of conflicts. This could vary between total avoidance and indirect references of the situation. A person that uses this style is not able to satisfy both its own and the other party's needs (Lee, 2009, p. 14). Furthermore, people that use this style have "low concern for self and others style, which has been associated with withdrawal, buckpassing or sidestepping situations" (Lee, 2009, p. 14). (Sillars, Coletti, Parry, & Rogers, 1982)state that "avoidance includes those tactics that minimize explicit discussion of conflicts". The avoidance style can be beneficial in two situations (Lee, 2009, p. 14). First, in trivial situations and second, when the negative effects of the confrontation of the other party are larger than the benefits. Finally, (Wall Jr & Nolan, 1987, p. 188)states that less satisfaction is linked to the avoidance style than to integrative styles.

Fourth, "collaborating involves an attempt to work with others to find solutions that fully satisfy both parties' needs" (Thomas & Kilmann, 1974). The collaborating style is assertive and cooperative (Thomas, 2008, p. 3). This style includes getting a lot of information about the problem and finding the underlying concerns that create a solution for both parties (Thomas, 2008, p. 3). People that use the collaborating style are willing to change their position, however they also want to reach a win-win solution by meeting the needs of both parties. Negotiators that use the collaborating style displays empathy for the other party, however he/she does want to reach a mutually satisfying solution (Zhang et al., 2005, p. 105).

Finally, the compromising style lies between the competing and accommodating style (Ma, 2007, p. 105). This style is assertive and cooperative (Thomas & Kilmann, 1978, p. 1139). "Compromising is a zero-sum approach with a distributive intent, having a flavour of giving to keep the peace" (Ma, 2007, p. 106). Negotiators that use the compromising style give up something the reach a decision that is mutually acceptable. This style is appropriate when the parties have mutually exclusive goals or when two equal parties have reached a stalemate in their negotiations (Lee, 2009, p. 14). However, when a negotiator leans heavily on this style it could be dysfunctional, because when a negotiator uses this style repeatedly, he/she will keep giving up certain interests to make a compromise.

2.7.3 The different negotiation tactics have differences in orientation and these differences lead to different goals

A distinction can be made between different negotiation tactics. "Negotiation tactics are functions that define the actions or moves to be made at each point of the negotiation process" (Lopes, Mamede, Novais, & Coelho, 2001, p. 3). The different tactics have differences in orientation and these differences lead to different goals (Olekalns, Smith, & Walsh, 1996, p. 68). Moreover, there is support in the literature that these differences lead to different negotiation outcomes. This thesis will look further into the integrative and the distributive negotiation tactic. The integrative tactic can be viewed as a win-win negotiation, while the distributive tactic can be viewed as a win-lose negotiation (Barry & Friedman, 1998, p. 346). However, (Weingart et al., 1996, p. 1207)state that both groups of tactics are necessary to reach a satisfying outcome. According to (Bazerman & Lewicki, 1985, p. 1985), the choice between the integrative and the distributive technique can create some tension when one wants to increase either the distributive or the integrative size. The next sections will look further into the two groups of tactics.

Distributive tactics, also called competitive tactics can be seen as appropriate for matters have an equal value for both parties (Weingart et al., 1996, p. 1207). Multiple definitions have been created for these tactics. First, (Barry & Friedman, 1998, p. 346) refer to it as: "Distributive bargaining situations are those in which the issues at stake involve fixed sums of goods or resources to be allocated among the negotiating parties". Second, (Wall Jr & Nolan, 1987, p. 191) describe distributive tactics as "verbally competitive or individualistic

behaviours". In this thesis, the definition of Wall and Nolan will be followed, because it matches with the context of this thesis. In the distributive dimension, one party wins at the expense of the other party. One could say that it could lead to a win-lose situation (Wall Jr & Nolan, 1987, p. 1987). One could assume that the party that loses something will see this as a destructive conflict. The interests of the parties involved are negatively correlated in these situations (Barry & Friedman, 1998#348).

Integrative, also known as collaborative, negotiation tactics have a problem solving orientation. These tactics focus on the identification of the common goals (Olekalns et al., 1996, p. 68). Many definitions of integrative tactics have been described over the years. First, (Barry & Friedman, 1998, p. 346)refer to it as "non-zero-sum encounters in which there is the possibility for joint gain from the negotiation". Second, integrative tactics are described by (Sillars et al., 1982, p. 83) as "verbally cooperative behaviours or statements that pursue mutually favourable resolutions of conflicts". Finally, (Bolman Pullins, Haugtvedt, Dickson, Fine, & Lewicki, 2000, p. 468). describe integrative negotiation as "a process of discussion to reach an agreement that meets the objectives of both parties". The definition of Barry and Friedman is followed in this thesis, since it is the best match with the context of this thesis. There is no conflict between the parties in this type of negotiation situation. Moreover, (Pruitt, 1983) states that integrative tactics not only focus on the accomplishment of its own goals, but also of the goals of the other party. Furthermore, the exchange of information is fundamental for integrative tactics. The use of integrative tactics is more likely to lead to mutually satisfying and productive relationships(Bolman Pullins et al., 2000, p. 468). The integrative dimension can be seen as a win-win situation, in which negotiators will see conflict as something productive (Wall Jr & Nolan, 1987, p. 191). Additionally, the integrative dimension is correlated with higher degrees of satisfaction.

While negotiation strategy describes the five negotiation styles, negotiation tactics describe particular behaviour in negotiations. The five negotiation styles can be divided into two categories of negotiation tactics. First, integrative tactics/cooperative tactics consider the fulfilment of the other party's needs and second, distributive tactics/competitive tactics focus on the maximization of the personal gain (Olekalns et al., 1996; Walton & McKersie, 1965; Weingart et al., 1996). Integrative tactics consist of the following two negotiation styles: collaborating and accommodating. The reason for this is because both styles want to satisfy the other party. The distributive style consists of the competing and the avoiding style. The

reason for this is because the competing style is power oriented and the avoiding style does not want to address the issue. The compromising style can be seen as in-between both categories, because it consists of elements from both of the categories. It is fundamental to choose the right negotiation strategy, which includes the right combination of negotiation tactics with the right negotiation style. The right combination of tactics and style will maximize shareholder value.

2.7.4 Negotiation techniques: "a series of steps, methods and rules that are applied by two or more people trying to reach an agreement that minimizes the differences in their points of view"

(Song, Xie, & Dyer, 2000)looked into the antecedents of negotiation techniques. Negotiation techniques can be defined as "a series of steps, methods and rules that are applied by two or more people trying to reach an agreement that minimizes the differences in their points of view" (Tito, Estebanez, Magdaleno, de Oliveira, & Kalinowski, p. 518). The difference between negotiation tactics and negotiation techniques is that negotiation techniques specify a set of series, methods and rules of negotiation, while negotiation tactics focus on the actions and movements of negotiation. (Song et al., 2000, p. 61) found that goal incongruity increases avoiding behaviour, while it decreases collaborating behaviour. Further, they found that management support for integration decreases avoiding behaviour, whereas it increasing collaborating behaviour. Moreover, (Song et al., 2000, p. 61) argue that participative management decreased avoiding behaviour, while it increases collaborating behaviour. Additionally, early involvement decreases avoiding behaviour, while it increases collaborating behaviour.

(Song et al., 2000) also looked into the consequences of negotiation techniques. They found that there is a positive effect of management support for cross-functional integration on the use of collaborating behaviour. Furthermore, they found that avoiding behaviour lowers cross-functional integration. Additionally, collaborating behaviour increases cross-functional integration (Song et al., 2000, p. 61)

Research has shown that different negotiation styles are more preferred in different countries (Ma, 2007; Pan, Song, Goldschmidt, & French, 2010; Salacuse, 1999). This fact makes it challenging to negotiate with different countries. Many studies have already linked the concepts of supplier satisfaction and preferred customer status together, e.g. (Hüttinger et al., 2012). This thesis has also established a link between these concepts and negotiation.

Negotiation is a fundamental activity for companies. The different negotiation styles and tactics will affect the outcome, which affect the satisfaction of the supplier. The next section is going to describe the hypotheses of this thesis and it is going deeper in to the research methodology of this research. It starts with the explanations of the hypotheses that are going to be tested and subsequently the research model will be discussed.

3. Hypotheses

3.1. Supplier satisfaction affects negotiation tactics and negotiation styles

One can expect that satisfied suppliers will use integrative tactics during negotiations with customers. This can be explained by the fact that suppliers trust this customer and want to create a mutually beneficial situation. Integrative tactics want to reach an agreement that satisfies the wishes of all parties. (De Dreu, Weingart, & Kwon, 2000, p. 890)state that integrative negotiation tactics will reach higher outcomes than negotiations that have a 50/50 outcome. Integrative outcomes can lead to more profitability for both parties, which is an antecedent of supplier satisfaction (Maunu, 2002, p. 97) That is why the following hypothesis is formed:

H1: Suppliers that are satisfied with a customer will use integrative tactics during negotiations.

Based on previous research, one can expect that dissatisfied suppliers will use distributive tactics during negotiations with their buyers. When using distributive tactics, one wants to divide the resources competitively, which will lead to a win-lose outcome (Bolman Pullins et al., 2000; Wall Jr & Nolan, 1987). A reason for the competitive distribution of resources can be that the supplier does not trust the customer and wants to gain the most profit possible. (Beersma & De Dreu, 2002, p. 227) state that distributive negotiations lead to lower joint outcomes and have a less positive group climate. One could expect that when there are lower joint outcomes, the supplier will be less satisfied. The following hypothesis has been formed:

H2: Suppliers that are not satisfied with their customer will use distributive tactics during negotiations.

It is also important to understand negotiation styles. These different types of styles show what is seen as normal behaviour in certain cultures. This is important to understand when one is negotiation with people from different cultures. Negotiation styles can be categorized into different negotiation tactics. This paper will investigate the effects of the negotiation styles on supplier satisfaction.

It can be expected that suppliers will use the competing negotiation style when negotiating with buyers that do not satisfy them. This can be explained by the fact that the supplier does not trust the buyer. The supplier will use the competing style to protect his resources and gain as much profit that s/he can. (Perdue, 1992) found that buyers using the competing negotiation style employ competitive and aggressive actions during purchase negotiations. It can be assumed that being competitive and aggressive will have negative effects on the buyer-supplier relationship, as people do not like aggressive behaviour. Hence, the following hypothesis has been formed:

H3: Suppliers use the competing negotiation style when they are negotiating with customers that do not reach their level of satisfaction.

When a person uses the avoiding style, s/he does not want to face problems or issues. This means that this person is not able to satisfy its own needs and the needs of the other party, because the issue will stay unaddressed (Lee, 2009, p. 14). (Alberts & Driscoll, 1992) found that avoiding conflict is dysfunctional to a relationship. One can argue that suppliers will use this style when they are not satisfied with they buyer. A reason for this could be that they are negotiating with a new customer. The supplier does not know whether they can trust the customer yet. Hence, the following hypothesis is formed.

H4: Suppliers use the avoiding negotiation style when they are negotiating with customers that do not reach their level of satisfaction.

Users of the accommodating style neglect their own needs and want to satisfy the needs of the other party. This style has a self-sacrificing nature (Ma, 2007, p. 105).

When a supplier uses this style, it will give larger concessions to satisfy the buyer. This can be explained by the fact that the supplier trusts the customer. An example of this is that the supplier wants to become a supplier of a large or important customer. The supplier trusts that they will gain benefits from the relationships in the future. Therefore, it is assumed that satisfied suppliers will use this style, because the supplier puts it own needs aside to satisfy the buyer.

H5: Suppliers use the accommodating negotiation style when they are negotiating with customers that reach their level of satisfaction.

The compromising style fits between the avoiding and collaborating styles and between the accommodating and competing styles. (Van De Vliert & Hordijk, 1989) found that compromising is closer related to collaborating and accommodating than to avoiding and competing. Several studies found that the compromising style shows consistent results in satisfaction (Burke, 1970; Rahim & Buntzman, 1989). Negotiators that use the compromising style give up some value to reach a decision that is mutually acceptable. It can be assumed that suppliers will use this style when they do not trust their customer completely. The supplier does want to give up some value to create a 50/50 outcome to give the customer the benefit of the doubt. Hence, the following hypothesis has been formed:

H6: Suppliers use the compromising negotiation style when they are negotiating with customers that reach a moderate level of satisfaction.

People who use the collaboration style confront issues and try to solve problems to find solutions (P. Greeff, 2000, p. 323). (Tseng, Ku, Wang, & Sun, 2009, p. 291) found that collaboration factors are positively correlated with satisfaction. Moreover, people that use the collaborating style are willing to change their position, however they also want to reach a win-win solution by meeting the needs of both parties (Ma, 2007, p. 105). This can be explained by the fact the supplier trusts the customer enough to put effort into the relationship and collaborate closely to gain mutually beneficial outcomes. Thus, in this paper it is assumed that collaboration also positively affects supplier satisfaction.

H7: Suppliers use the collaborating negotiation style when they are negotiating with customers that reach their level of satisfaction.

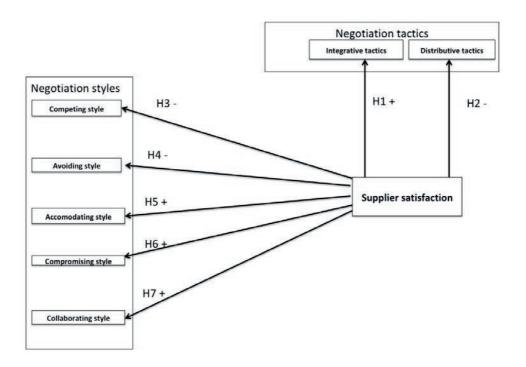


Figure 1: The research model

3.3 A quantitative research design in the form of an online survey was used to conduct the research

In order to perform this research, several databases, such as, Scopus, Web of Science and Google Scholar, will be used to find articles. Key words such as, "supplier satisfaction", "preferred customer", "negotiation" and "buyer-supplier relations" will be used to find articles. The articles that seem useful for this paper will be read completely in order to gain information on the subjects. Based on the literature, field research in the form of a questionnaire is chosen as the research method.

In order to examine the effect of the different negotiation strategies, a deductive research approach is applied. Multiple theories will be tested in this research. A quantitative research design was chosen over a qualitative research design, because a large number of people can be included and the large sample size makes the research more generalizable. Furthermore, the results are reliable, because of the use of statistical methods (Matveev, 2002, p. 1). In

order to draw valid and reliable conclusions from the research, a minimum of 100 respondents is needed. Since the questionnaire is given to different people with different job positions from different industries, the unit of analysis can be defined as people that work at/own a company and have contact with customers. The people from the same industry will be grouped together in order to investigate whether there are differences between the industries.

The quantitative research in this thesis was conducted in the form of a survey. (Babbie, 2010) defines a survey as "a document containing questions designed to solicit information appropriate for analysis. This survey was conducted online. The reason for this is because it is easy to reach people online. Furthermore, online surveys have relatively low costs and great access. A disadvantage of an online survey is that it is impersonal. This could have the effect that people will not complete the survey or will not fill it in appropriately (Babbie, 2010). The risk of incomplete surveys was narrowed by making all of the survey questions mandatory.

Qualtrics was used as the survey distribution programme. The survey was anonymous. The advantage of this, is that people are more likely to be honest in their answers because people know that their survey cannot be traced back to them (De Vaus & de Vaus, 2001, p. 11). The survey was sent to several companies in different industries and posted on LinkedIn. The survey consisted of four parts: supplier satisfaction, preferred customer, communication and negotiation. The survey existed of 20 questions. The survey questions were based on several valid surveys: Thomas & Killman (1977) Walton and Mckersie (1993), Olekalns et al (1996), Rahim (2001), Pulles et al. (2014), Hüttinger et al. (2014), Praas (2016), Vos et al. (2016), Pulles (2017), Sigurdardottir et al. (2017).

The questions in the survey are close-ended questions. The advantage of close-ended questions is that they can generate a higher uniformity of the responses. However, the disadvantage is that respondents cannot fill in their own answer (Babbie, 2010). A five point Likert scale was used. The five point Likert scale is the most frequently used scale and fast and easy to construct. In order to answer the questions of survey, the respondents had to think of one of their customers, BuyingFirmXY, and base their answers on this customer. To express their ideas, respondents have to choose to what extent they agreed with several statements: 1) totally disagree, 2) disagree, 3) neither disagree nor agree, 4) agree 5) totally agree. At the end of the survey a few open control questions had to be answered. The

respondent had to fill in how long they know BuyingFirmXY, how long their worked for their company, what their job position is and whether they know BuyingFirmXY well enough to answer all of the questions. The advantage of open questions is that people can fill in their own answer. However, the disadvantage is that, there are risks for the researcher in terms of data processing.

The survey was distributed by email in the period from September 25th to 18th October via de survey tool Qualtrics. The survey was posted on LinkedIn and was shared by several people with large networks. 103 respondents filled in the survey. Once the data were collected, they were imported into SPSS. The irrelevant data were removed from the data set, which also included the data of 3 surveys, which were not filled in appropriately. This means that a sample size of 100 responses was used for the analysis. There were no missing values in the data set, due to the fact that all of the questions in the survey were mandatory. The respondents were asked what their job position is. The results were analysed and the job positions were categorized into 5 categories: 1) owner/director, 2) sales agent, 3) office employee, 4) manager, 5) engineer. The industries in which the respondent operate were divided into 16 different industries: Trade, Electrical, Construction, Metal, Care, Textile, Plastic, Recreation, Technical, Food and Drink, Financial, IT, Catering, Interior, Environment, and Medical.

To guarantee that valid and reliable measurement tools were used, the factor analysis and the reliability analysis were applied. Factor analysis and the reliability analysis have shown that several questions had to be removed from the data set. Subsequently, in order to test hypothesis 1 to 5 a regression analysis with a moderator variable was used. To test hypothesis 6 to 10, the simple regression test was used. In order to see whether there are any differences between the different industries cross tabs were used.

4. Analysis

This section will discuss the results of the tests performed in SPSS. Firstly, an examination of the sample characteristics will be provided. Secondly, it will outline the descriptive statics of all of the constructs. Thirdly, the differences between the industries, years of employment and job positions will be discussed. Fourthly it will explain whether the hypotheses are supported or rejected.

4.1 The sample characteristics show that the survey was filled in by a very different group of people

The demographics of the sample (N=100) are as follows: The number of years that BuyingFirmXY has been a customer of the respondents ranged from: 4 months to 30 years. 7 per cent of the sample has BuyingFirmXY as a customer for less than 1 year, 40 per cent of the sample is based in the 2 to 5 years group. 28 per cent of the group knows BuyingFirmXY between 5 and 10 years. Additionally, 10 per cent of the sample has done business with BuyingFirmXY for 11 to 15 years. Finally, 15 per cent of the sample has had BuyingFirmXY as a customer for more than 16 years. This means that the largest group knows BuyingFirmXY between 2 and 5 years and the smallest group knows BuyingFirmXY less than a year.

The number of years that the respondents have worked for their current employer ranged from 3 months to 32 years. 13 per cent of the respondents have less than 2 years of experience in their current company. 30 per cent has been an employee of their company ranging between 2 and 5 years. This is the largest group of the sample. 21 per cent of the sample has been an employee ranging between 6 and 10 years. 14 per cent of the sample has worked for their company ranging between 11 and 15 years. This group is about the same size as the first group. Finally, 22 per cent of the respondents have worked for their current employer for over 16 years. The smallest group knows BuyingFirmXY for less than 2 years, while the largest group knows BuyingFirmXY between 2 and 5 years.

The respondents operate in several industries. The largest group of the sample (15 per cent) is operating in the technical industry. Furthermore, 13 per cent operates in the commercial trade industry. Additionally, another large group (11 per cent) is active in the metal industry. 9 per cent of the sample works in the electrical industry and another 9 per cent works in the IT industry. 8 per cent of the sample represents the construction industry and another 8 per cent represent the food and drink industry. The rest of the sample represents several different small industries.

The survey was filled in by people with different job positions. 17 per cent of the respondents is a director/owner of a company. 16 per cent of the respondents have a sales function. The largest group of the respondents (29 per cent) has a management function. 22 per cent of the sample consist of office employees. Finally, 16 per cent of the respondents have an engineering function at their company.

5.1 Suppliers use the collaborating and accommodating style during negotiations with customers that satisfy them.

There is a statistically significant positive significant relationship between supplier satisfaction and integrative negotiation tactics (B = 0.282, p = 0.004). This means that suppliers will use integrative tactics during negotiations with buyers that satisfy them. There is also a negative relationship between supplier satisfaction and distributive negotiation tactics and supplier satisfaction (B = -0.447, p = 0.003), which means that suppliers will use distributive tactics when they are not satisfied with their customer. One can conclude from this that H1 and H2 are supported. The next sections will discuss the negotiation styles.

Firstly, there is no significant relationship between supplier satisfaction and the competing negotiation style, which means that H3 is rejected. Secondly, the results of the regression test indicate no significant relationship between supplier satisfaction and the avoiding negotiation style (B = 0.217, p = 0.143). This means that H4 is also rejected. Thirdly, the regression test shows that there is a significant positive relationship between supplier satisfaction and the accommodating negotiation style (B = 0.209, p = 0.008). Therefore, a supplier will use this style when he is satisfied with the buyer. One could conclude that H5 is supported. Fourthly, the regression test in SPSS indicates that no relationship can be established between supplier satisfaction and the compromising negotiation style (B = 0.161, p = 0.065). This means that H6 is rejected. Finally, the results of the regression analysis indicate that there is a significant positive relationship between supplier satisfaction and the collaborating negotiation style (B = 0.195, p = 0.008). This means that the supplier will more likely use the collaborating style when he is satisfied with the buyer. One can say that H7 is supported. In the next section, the results of the regression test will be discussed and compared with other literature.

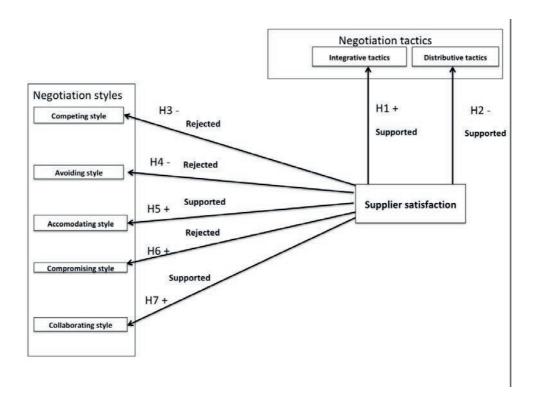


Figure 2: The research model with the findings

6.1 Satisfaction of the supplier leads to the use of integrative tactics by the supplier

The regression test has shown that there is a positive relationship between supplier satisfaction and integrative tactics. This means that if a buyer satisfies the supplier, then the supplier is more likely to use integrative tactics during negotiations, which can be traced back to the fact that the supplier trusts the customer. The use of integrative tactics can then have a positive effect on the relationship since negotiators that use these tactics want to satisfy the wishes of the all of the parties involved and create higher outcomes than 50/50 outcomes. Many scholars have looked into the two-sided relationship between supplier satisfaction and integrative tactics. First, (Wall Jr & Nolan, 1986, p. 1033) found that greater satisfaction was associated with integrative tactics. A reason for this is that integrative tactics enhance the strength of the relationship, use assets in an optimal way and decrease the likelihood of future conflicts (De Dreu et al., 2000; Rubin, Pruitt, & Kim, 1994). This indicates that a supplier uses these tactics when the buyer meets its level of satisfaction. Second, (Spitzberg,

Canary, & Cupach, 1994, p. 191)stated that integrative tactics influence relational satisfaction positively. For example, (Margolin & Wampold, 1981)have found that non-stressed partners use more positive and problem-solving behaviour than stressed partners. One can assume that non-stressed partners trusts their partners, while stressed partners do not trusts their partners. This can influence their negotiation behaviour, because they are using more integrative tactics when there is trust. Additionally, multiple other studies have found that integrative tactics are positively associated with satisfaction e.g. (Belk & Snell Jr, 1988; Fitzpatrick, Fallis, & Vance, 1982; Sillars, 1980) Hence, the finding is in accordance with the literature.

The regression test also indicates that there is a significant negative relationship between supplier satisfaction and distributive negotiation tactics. A reason for this is that when using distributive tactics, one wants to divide the resources competitively, which will lead to a win-lose outcome (Bolman Pullins et al., 2000; Wall Jr & Nolan, 1987). A supplier will use these tactics when the buyer does not meet its level of satisfaction. Another reason can be that the supplier does not trust the buyer. When there is no trust between the buyer and the supplier, the supplier wants to gain as much profit as possible. (Wall Jr & Nolan, 1986, p. 1033) stated that distributive tactics are associated with less satisfaction. Other studies, e.g. (Belk & Snell Jr, 1988; Fitzpatrick et al., 1982; Sillars, 1980) report that the level of satisfaction is high for integrative tactics and low for distributive tactics. However, (Stöckli & Tanner, 2014, p. 207) found that distributive tactics have a positive effect on satisfaction. They found that distributive tactics have a positive effect on satisfaction in value-based negotiations. Moreover, they found that people prefer 50/50 outcomes in value-based negotiations, because they consider integrative trade-offs as unacceptable. A reason for this could be that "this would undercut their self-images and social identities as moral beings" (Fiske & Tetlock, 1997, p. 256). Second, studies have shown that people that face "tragic trade-offs" encounter with a lot of stress when they have to protect their own value (Stöckli & Tanner, 2014; Tetlock, Kristel, Elson, Green, & Lerner, 2000). This shows that there are mixed results in the literature. During negotiations, a negotiator can use a combination of integrative and distributive tactics, since a negotiator is not relying solely on one type of tactic. It is interesting for future research to investigate what ratio of integrative and distributive tactics will use when he is either satisfied or dissatisfied. In conclusion, the findings of this study are in line with (Belk & Snell Jr, 1988; Fitzpatrick et al., 1982; Sillars, 1980; Wall Jr & Galanes, 1986) and in contrast with (Stöckli & Tanner, 2014). The next sections will discuss the negotiation styles.

According to this research, there is no significant relationship between supplier satisfaction and the competing negotiation style. Meaning that using competitive style does not lead to dissatisfaction as this research did not find a link between these concepts. This finding is in line with (Ganesan, 1993, p. 195), who concluded that the competitive style does not affect satisfaction significantly and to (Saorín-Iborra & Cubillo, 2018, p. 12) that found that competitive behaviour does not automatically lead to dissatisfaction. This can be explained by the fact that the styles and tactics can be used complementary. Moreover, they also state that competitive behaviours are not always linked to dissatisfaction, even when these actions are dominating. However, this finding is in contrast with (Guttman & Maes, 1998, p. 8), who state that competitive negotiation protocols lead to dissatisfaction. Many other researchers have found that competitive negotiation does not lead to a mutually satisfactory outcome e.g. (Hadjikhani, Ghauri, & Johanson, 2005; Rubin & Brown, 2013; Saorín, 2008).

The regression analysis indicates that there is no significant relationship between supplier satisfaction and the compromising style. This indicates that the supplier does not trust the customer completely. The supplier wants to make a compromise, however, s/he does not trust the customer enough to use the collaborating or accommodating style. When a supplier uses the compromising style during negotiations with a buyer, it will result in a 50/50 outcome. This outcome is usually less than the expectations of both parties. This means that both parties are not completely satisfied. One can assume that using the compromising negotiation style for a longer period of time will results in a decrease in the satisfaction of the parties over time and will thus have negative effects on the buyer/supplier relationship. The finding that there is no significant relationship between supplier satisfaction and the compromising style is in line with the findings of (Ganesan, 1993, p. 195), who found that the use of the compromising strategy does not affect satisfaction significantly. However, (Druckman, 1994, p. 3) states that compromising in negotiations makes them more successful. This can be explained by the fact that showing flexibility and willingness to compromise will increase the likelihood of successful mutually beneficial outcomes (Druckman, 1994, p. 3). Several other studies have also linked the satisfaction with the compromising style in a positive manner e.g. (Korabik, Baril, & Watson, 1993; Tutzauer & Roloff, 1988; Vigil-King, 1999; Wall Jr & Galanes, 1986). However (Pruitt & Carnevale, 1993), and (Nalis, Schütz, & Pastukhov, 2018) state that even though, a compromise is seen as an acceptable strategy during a negotiation, it will create an effect that is below the individual goals. This will also affect the degree of satisfaction of the buyer in a way that when a supplier uses the compromising style, the satisfaction of the buyer will also be affected, which means that the buyer could also put less effort into the relationship and reduce the satisfaction of the supplier even more.

Subsequently, it was found that there is a significant positive relationship between supplier satisfaction and the accommodating negotiation style. This means that suppliers that are satisfied with their buyers will use the accommodating style during negotiations. This finding can also be linked to the concept of trust. In this case, the supplier trusts the customer enough to put the buyers needs in front of its own needs. An example of this is when a supplier wants to become the supplier of an important customer. Mutual trust between the buyer and supplier enables the supplier to puts the buyers needs in front of its own needs, because he is confident to earn back its investment in the future. This is known in the literature as the principle of reciprocity. When one compares this to the literature, one can see that there are several studies that find a positive link between the satisfaction and the accommodating style. First, (Amanatullah, Morris, & Curhan, 2008) and (Ma, 2007) link relational accommodation to satisfaction. (Ma, 2007, p. 111) states that accommodating leads to a satisfied negotiator, but this style is not capable of predicting the negotiation behaviour that is actually used in the process. (De Dreu et al., 2000, p. 902) also state that the accommodating negotiation strategy can strengthen the relationship between the two parties and reduce potential conflict in the future. Moreover, (Kilmann & Thomas, 1975, p. 1) state that the cooperative dimension, which the accommodating style is part of, intends to satisfy the other party. The reason for this is because negotiators that use this style want to have good relationships and be liked by the other party (Mnookin, Peppet, & Tulumello, 1996, p. 224).

According to the regression analysis on SPSS, there is a significant positive relationship between supplier satisfaction and the collaborating negotiation style. This means that when a buyer satisfies the supplier, the supplier is more willing to collaborate with the buyer. Close collaboration between the customer and the supplier will lead to more benefits for both parties. One can assume that by collaborating closely, both parties will be more satisfied over time. One can also assume that the buyer trust the customer enough of share ideas and collaborate closely together. The finding of this research is in line with the literature. First, (Ganesan, 1993, p. 195) found that the collaborating strategy has a positive effect on satisfaction. This finding suggests that the buyer wants to use the collaborating style at the start of the negotiation; for example, by creating mutually beneficial ideas in order to please the supplier (Ganesan, 1993, p. 197). Second, (Attapum & Thumawongsa, 2016, p. 137) found that the collaborating style has a positive effect on satisfaction. An explanation for this might be that negotiators that use this style are willing to change their position as long as they reach a win-win solution (Ma, 2007, p. 105). Hence, the finding is in line with the literature.

The regression test on SPSS shows no significant relationship between the supplier satisfaction and the avoiding style. This means that suppliers do not use this style during negotiations when they are satisfied. One can assume that satisfied suppliers do not want to postpone issues, but want to solve them. One can also expect that if the supplier keeps using the avoiding style the relationship between customer and supplier will deteriorate in the long term, because they are not trying to solve their issues. When one compares the findings with the literature one can see mixed results. On the one hand the avoiding style is negatively related to satisfaction. (Attapum & Thumawongsa, 2016, p. 136) state that the avoiding negotiation style does not satisfy the needs of the other party, and (Alberts & Driscoll, 1992) found that avoiding conflict is dysfunctional to a relationship. A reason for this is that avoiding the problem will not solve the problem. This will have a negative effect on the parties involved in the long run. On the other hand, the avoiding style is positively related to satisfaction. (Gottman, 1993) and (Noller & Fitzpatrick, 1988) link the avoiding style to satisfaction in a positive way. Furthermore, (Ma, 2007, p. 103) also found a positive relationship between avoiding and satisfaction. A reason for this could be that the avoiding style is

beneficial in certain situations, for example, when the negative effects of the confrontation of the other party are larger than the benefits (Lee, 2009, p. 14).

7.1 The use of the negotiation behaviour of the supplier depends on the level of satisfaction

This research focuses on the negotiation styles and tactics that suppliers use during negotiations with buyer. An important aspect is that the use of these styles and tactics depend on the satisfaction of the supplier. This research was performed for multiple reasons. There have been a lot of studies performed on the concepts of supplier satisfaction. However, there is a gap in the literature regarding the different styles and tactics that suppliers use during negotiation. This research has found that suppliers use integrative tactics, the accommodating style and the collaborating style during negotiations when they are satisfied. This research also found that suppliers use distributive tactics during negotiations with buyers when they are dissatisfied. The theoretical contribution of this paper is an increased understanding on the relationship between the use of negotiation tactics and styles and supplier satisfaction in buyersupplier relationships while the practical implications is to provide managers deeper understanding of supplier satisfaction, which they can apply in their daily work. Moreover, managers can gain better understanding on the link between their preferred behaviour in buyer-supplier negotiations and their level of satisfaction with their customers.

This research also has practical contributions. Managers and negotiators will gain a deeper understanding of the different negotiation styles and their effects during negotiations. Customers can see from their supplier's negotiation behaviour, whether they are satisfying the supplier. Customers can understand that when suppliers use the collaborating or accommodating style that the supplier is satisfied. Furthermore, the customer will understand that the buyer is satisfied when they are using integrative tactics and dissatisfied when they use distributive tactics. Furthermore, the survey was filled in by Dutch suppliers, which provides a better picture of the Dutch negotiation behaviour.

7.2 Significant positive relationships were found for integrative tactics, and accommodating and collaborating styles

The goal of this research was to investigate what negotiation styles and tactics suppliers' use during negotiation and to answer the research question: How does supplier negotiation behaviour influence the degree of satisfaction perceived by suppliers?

The concept of negotiation behaviour consists of two elements: negotiation tactics and negotiation styles. Satisfied suppliers use integrative negotiation tactics, the collaborating and accommodating style during negotiations. Second, dissatisfied suppliers use distributive tactics during negotiations. One can assume that the tactic or style that the supplier uses will have an effect on the future relationship between customer and supplier. This effect can either be positive or negative.

7.3 This research can be replicated in combination with Hofstede's cultural model or with other types of negotiation

First, the limitation of this research was the sample size. This research has a sample size of 100 respondents. Research with a larger sample size, e.g. 300 will have led to more reliable data. Second, the limitation of this research was the limited sample size of the different industries. If this study had a minimum of 100 respondents per industry, the results will be more valid and reliable. This would lead to a better comparison of the different industries.

This research can be replicated in different countries to see whether there are differences in different countries. This research can be combined with Hofstede's cultural model to see whether the different cultures have effects the negotiation styles that suppliers use. Furthermore, this research can be replicated in different industries. This will create a larger sample size per industry and will increase the reliability and validity. Then the different industries can be compared in order to find any differences.

These differences in tactics and styles could also have effects on other types of negotiation: e.g., mail negotiation, online negotiation and negotiation over the phone. This will be interesting to investigate because negotiators can see non-verbal cues in

face-to-face negotiation that cannot be seen in these other types of negotiations and need to rely more on their selection of words used in the communication.

One can also investigate the negotiation styles in combination with the Dominance, Influence, Steadiness and Conscientiousness profiles (DISC-profiles). There are four different DISC profiles that have an effect on how a person is. It is interesting to find out whether certain DISC profiles prefer a certain negotiation style and whether certain negotiation styles affect their satisfaction.

7. Bibliography

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A. Appendices

A.1 Survey

Q22 Supplier SatisfactionQ1 Growth Potential

The relationship with BuyingFirmXY \dots

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
Provides us with a dominant position in our sales area (1)	0	0	0	0	0
Is very important for us with respect to growth rates (2)	0	0	0	0	0
enables us to exploit new customers (3)	0	\circ	\circ	\circ	0
enables us to exploit new market opportunities (4)	0	0	0	0	0

Q2 Innovation potential

To answer the following questions, I ask you to think about a random buyer and apply

the questions on this buyer. you can give point from 1 to 5. 1 means "strongly disagree" and 5 means "strongly agree" $^{\prime\prime}$

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
In collaborating with BuyingFirmXY, our firm developed a very high number of new products/services. (1)	0	0	0	0	0
In collaborating with BuyingFirmXY, our firm was able to bring to market a very high number of new products/services. (2)	0	0	0	0	0
The speed with which new products/services are developed and brought to market with BuyingFirmXY is very high. (3)	0	0	0	0	0

Q3 Customer reliability

and 5 means "strongly agree"
In working with our company, BuyingFirmXY...

S	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
provided a completely truthful picture when negotiating.	0	0	0	0	0
always negotiated from a good faith bargaining perspective. (2)	0	0	0	0	
never breached formal or informal agreements to benefit themselves. (3)	0	0	0	0	
never altered facts in order to meet its own goals and objectives. (4)	0	0		0	0

Q4 Customer's relational behavior

To answer the following questions, I ask you to think about a random buyer and apply

the questions on this buyer. you can give point from 1 to 5. 1 means "strongly disagree" and 5 means "strongly agree" $\,$

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
Problems that arise in the course of the relationship are treated by BuyingFirmXY as joint rather than individual responsibilities. (1)	0	0	0	0	0
BuyingFirmXY is committed to improvements that may benefit our relationship as a whole and not only themselves. (2)	0	0	0	0	0
We each benefit and earn in proportion to the efforts we put in. (3)	0	0	0	0	0
Our firm usually gets at least a fair share of the rewards and cost savings from our relationship with BuyingFirmXY. (4)	0	0	0	0	
BuyingFirmXY would willingly make adjustments to help us out if special problems/needs arise. (5)	0	0	0	0	0
BuyingFirmXY is flexible when dealing with our firm. (6)	0	0	0	0	\circ

Q5 Economic reasons

To answer the following questions, I ask you to think about a random buyer and apply the questions on this buyer. you can give point from 1 to 5. 1 means "strongly disagree" and 5 means "strongly agree"

The relationship with BuyingfirmXY...

The relationship with BuyingfirmXY							
	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)		
provides us with large sales volumes. (1)	0	0	0	0	0		
helps us to achieve good profits. (2)	0	\circ	\circ	\circ	\circ		
allows us to gain high margins. (3)	0	\circ	0	\circ	\circ		
has a positive influence on the profitability of our firm. (4)	0	0		0	0		
enables us to raise our profitability together. (5)	0	0	0	0	\circ		

Q30 Customer satisfaction

	Strongly disagree (8)	Somewhat disagree (9)	Neither agree nor disagree (10)	Somewhat agree (11)	Strongly agree (12)
Overal our company is satisfied with the relationship with BuyingfirmXY	0	0	0	0	
In general our company is satisfied with BuyingfirmXY as a business partner (3)	0	0	0	0	0
If we have to do it all over again we would still choose BuyingfirmXY as our customer (4)	0		0	0	0
Our company does not regret the decision to do business with BuyingfirmXY (5)	0		0	0	

Q6 **Atmosphere**To answer the following questions, I ask you to think about a random buyer and apply

the questions on this buyer. you can give point from 1 to 5. 1 means "strongly disagree" and 5 means "strongly agree" $^{\prime\prime}$

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
Our relationship with the buyer can be best described as tense. (1)	0	0	0	0	0
We have often disagreements in our working relationship with BuyingFirmXY. (2)	0	0	0	0	0
We frequently clash with BuyingFirmXY on issues relating to how we should conduct our business. (3)	0	0		0	0
Q28 Preferred	Customer				

Q23 Preferred Customer Status

and 5 means "strongly agree"

Compared to other customers in our firm's customer base...

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
BuyingFirmXY is our preferred customer. (1)	0	0	0	0	0
we care more for BuyingFirmXY. (2)	0	\circ	\circ	0	\circ
BuyingFirmXY receives preferential treatment. (3)	0	0	\circ	0	\circ
we go out on a limb for BuyingFirmXY. (4)	0	0	0	0	0
our firm's employees prefer collaborating with BuyingFirmXY to collaborating with other customers. (5)	0			0	0

Q27 Customer attractiveness

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
We consider BuyingFirmXY to be an attractive partner for future collaborations. (1)	0	0	0	0	0
We expect positive outcomes from the relationship with BuyingFirmXY.	0	0	0	0	
Our firm has positive expectations about the value of the relationship with BuyingFirmXY. (3)	0	0			

Q25 Preferential resource allocation (physical)

Compared to our other customers \dots

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
we grant BuyingFirmXY better utilization of our production/service facilities. (1)	0	0	0	0	0
we would choose to give BuyingFirmXY priority in the allocation of our products in the case of extreme events (e.g., natural disasters).	0	0	0	0	
we allocate our scarce materials to BuyingFirmXY in case of capacity bottlenecks. (3)	0	0	0	0	0

Q26

Preferential resource allocation

Compared to our other customers ...

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
we are more willing to share key technological information with BuyingFirmXY.	0	0	0	0	0
we share our best ideas with BuyingFirmXY first. (2)	0	0	0	0	0
we dedicate more innovation resources to the relationship with BuyingFirmXY.	0	0		0	

Q24 Preferential treatment

BuyingfirmXY					
	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
allocates our best employees (e.g. most experienced, trained, intelligent) to the relationship with BuyingFirmXY.	0	0	0	0	0
allocates more financial resources (e.g. capital, cash) to the relationship with BuyingFirmXY.	0	0	0	0	
grants BuyingFirmXY the best utilization of our physical resources (e.g. equipment capacity, scarce materials). (3)	0	0	0	0	
shares more of our capabilities (e.g. skills, know- how, expertise) with BuyingFirmXY. (4)	0	0			0
Q29 Communicatio	n				

Q7 Communication
Our communication with BuyingFirmXY is always...

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
Accurate (1)	0	\circ	\circ	\circ	\circ
complete (2)	0	\circ	\circ	\circ	\circ
credible (3)	0	\circ	\circ	\circ	\circ
adequate (4)	0	\circ	\circ	\circ	\circ
timely (5)	0	\circ	\circ	\circ	\circ
honest (6)	0	\circ	\circ	\circ	\circ

Q8 Communication

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
I like communication via the telephone (1)	0	0	0	0	0
I like communication via e-mail (2)	0	0	0	0	\circ
I like face-to- face communication (3)	0	0	0	0	0
I like formal communication (4)	0	\circ	0	0	\circ
I like informal communication (5)	0	0	\circ	0	\circ
I am satisfied with the communication between me and my supplier (6)	0	0		0	0
I am satisfied with the amount of communication between me and my supplier (7)	0	0	0	0	0
The communication between me and my supplier is clear (8)	0	0	0	0	0
I am satisfied with my supplier's communication (9)	0	0	0	0	0

I am satisfied with my own communication (10)	0	0	0	0	\circ
I have the feeling the message that I send always gets through properly (11)	0	0	0	0	0
I always respond to the messages of my supplier (12)	0	\circ	0	0	0
the communication between me and my supplier is appropiate (13)	0	0	0	0	0
the communication between me and my supplier is inappropiate (14)	0	0	0	0	0
my supplier lets me know when changes are coming (15)	0	\circ	0	0	0
my supplier lets me know what needs to be done (16)	0	\circ	0	0	0
my supplier lets me know how I can improve my work (17)	0	0	0	0	0

Q9 Communication styles

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
I want to get my message across without hurting others (1)	0	0	0	0	0
I am protective over my own rights and I respect other people's rights (2)	0	0	0	0	0
I always speak on a calm tone (3)	0	0	0	0	0
Sometimes, I can get my message across aggressively (4)	0	0	0	0	0
I always try to win a discussion (5)	0	0	0	0	0
I can be very demanding (6)	0	\circ	0	0	0
I can be very intimidating (7)	0	0	0	0	0
I can be sarcastic in a discussion (8)	0	0	0	0	\circ
I can complain a lot (9)	0	0	0	0	\circ
I can admit very fast in a discussion (10)	0	0	0	0	0

it is hard to say no for me (11)	0	\circ	0	\circ	\circ
I try to avoid a confrontation (12)	0	0	0	0	0
I cannot take a compliment (13)	0	0	0	0	\circ
I am trying to manipulate my supplier into getting what I want (14)	0	0	0	0	0
I try often to ask my supplier indirectly to help me reaching my goals (15)	0	0	0	0	0

Q10 Negotiation

If you imagine that you were negotiating with another company (represented by a person or persons referred to below as the "opponent") about something that matters a

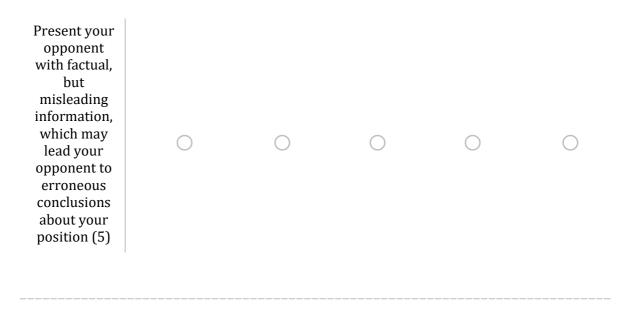
lot for your company, how likely or unlikely is it that you would use the following tactics to negotiate a solution?

Ü	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
Try to integrate my ideas with those of my opponents to come up with a decision jointly (1)	0	0	0	0	0
Ask which issues are more or less important to other party (2)	0	0	0	0	0
Try to work with the opponent for a proper understanding of a problem (3)	0	0		0	0
Give some to get some (4)	0	\circ	0	\circ	0
Exchange information (5)	0	\circ	\circ	\circ	0

Q11 **Negotiation** If you imagine that you were negotiating with another company (represented by a person or persons referred to below as the "opponent") about

something that matters a lot for your company, how likely or unlikely is it that you would use the following tactics to negotiate a solution?

	Extremely likely (1)	Somewhat likely (2)	Neither likely nor unlikely (3)	Somewhat unlikely (4)	Extremely unlikely (5)
Intentionally provide incorrect information to your opponent in order to support your position (1)	0	0	0	0	0
Acquire negative personal information about your opponent and use that information to force them to give you what you want (2)		0	0		
Guarantee that your constituency will uphold the settlement reached, although you know that they will likely break the agreement later (3)		0			
Threaten to leave the negotiations entirely unless your opponent offers some concessions, when in fact you are not at liberty to leave entirely (4)			0		



Q12 Thomas Kilmann Instrument

If you imagine that you were negotiating with another company (represented by a person or persons referred to below as the "opponent") about something that matters a

lot for your company, how likely or unlikely is it that you would use the following styles to negotiate a solution?

	Strongly disagree (1)	Somewhat disagree (2)	Neither agree nor disagree (3)	Somewhat agree (4)	Strongly agree (5)
There are times when I let others take responsibility for solving the problem (1)	0	0	0	0	0
Rather than negotiate the things on which we disagree, I try to stress those things upon which we both agree (2)	0	0		0	0
I try to compromise to reach a solution (3)	0	0	0	0	0
I attempt to address all parties concerns (4)	0	0	0	0	0
i am usually firm in pursuing my goals (5)	0	0	0	0	0
i might try to soothe the other's feelings and preserve our relationship (6)	0	0	0	0	0
i sometimes sacrifice my own wishes for the wishes of the other person (7)	0	0	0	0	0
i consistently seek the other's help in working out a solution (8)	0	0	0	0	0

i try to do what is necessary to avoid unnecessary tensions (9)	0	0	0	0	0
I try to avoid creating unpleasantness for myself (10)	0	0	0	0	0
i try to win the negotiations (11)	0	\circ	\circ	0	0
i try to postpone issues until i have had some time to think about it (12)	0	0	0	0	0
I gave up some values in exchange for other values (13)	0	0	0	0	0
i attempt to get all concerns and issues immediately out in the open (14)	0	0	0	0	0
i feel that differences are not always worrying about (15)	0	0	0	0	0
i make some effort to get my way (16)	0	0	0	0	0
I sometimes avoid taking positions which would create controversy (17)	0	0	0	0	0

I will alow others to have some of their demands if they do the same for me (18)	0	0	0	0	0
i propose middle ground (19)	0	0	0	0	0
I share my ideas with my opponents and ask them to share theres (20)	0	0	0	0	0
i try to show my opponent the logic and benefits of my standpoint (21)	0	0	0	0	0
i try not to hurt the other's feelings (22)	0	0	0	\circ	0
in approaching negotiations, i try to be considerate of the other parties' feelings (23)	0	0	0	0	0
i always lwan toward a direct discussion of the problem (24)	0	0	0	0	0
i try to find a middle way between my wishes and the other party's wishes (25)	0	0	0	0	0
i assert my needs (26)	0	\circ	\circ	\circ	0

i am often concerned with satisfying all my needs (27)	0	\circ	0	0	0				
if the other's position seems important to them, i would try to meet their wishes (28)	0	0	0	0	0				
i try to get the other person to settle for a compromise (29)	0	0	0	0	0				
i try to show the other person the logic and benefits of my positions (30)	0	0	0	0	0				
i am nearly always concerned with satisying all my wishes (31)	0	0	0	0	0				
i always share the problem with the other person so that we can work it out (32)	0	0	0	0	0				
Q13 Control Questions How long has your company been a supplier of BuyingFirmXY?									
Q18 How long ha	ave you already	been acting a	s a sales repre	sentative for y	our .				

Q19 In what industry would you place your company?
Q20 What is your position in the company?
Q21 I know BuyingFirmXY good enough to answer all the questions in this questionnaire
End of Block: Default Question Block