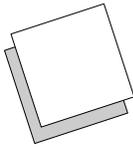


An executive summary for managers and executive readers can be found at the end of this article



Relationship development and marketing communication: an integrative model

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Keywords *Relationship marketing, Marketing communications, Channel relationships, Industrial marketing*

Abstract *Develops a model which integrates the development of marketing relationships with marketing communication practice. Especially within the realm of relationship marketing thinking, communication may be understood as an act of persuasion. Using three classical rhetorical elements, we may see this process as developing an understanding of the communicator's intentions and qualities (ethos) and the communication climate (pathos), both of which are necessary for engaging in constructive dialogues with customers (logos). On this basis, the paper outlines a model for integrating practices of marketing communication with relationship building and illustrates the model using a case study from a Danish bank as a reflective device.*

Introduction

In part, the world has shifted towards a view of the benefit of collaborative as opposed to competitive buyer-seller relationships (Ford, 1990, p. 542).

The above quotation is from the concluding chapter of a well-known book on relationship marketing. Indeed, from a relatively modest start, buyer-supplier collaboration and relationship marketing have come to rank high on the industrial marketing agenda in business schools as well as in business practice. After the past four decades, during which the marketing mix perspective was dominant in almost every aspect of the marketing literature, the relationship marketing perspective has gradually established itself as an alternative view of, mainly, industrial marketing (Blois, 1996).

Marketing practitioners and scholars are abandoning the marketing mix approach as it does not justify the complex interaction and information exchange processes between organizational buyers and sellers. The marketing mix approach prescribes a standardized approach towards customers, based on average response curve considerations without taking into account the heterogeneity of customer needs (Håkansson *et al.*, 1976). The Procrustes bed, where victims were fitted to a standard-size bed by either being stretched or having excessive body parts cut off, has been used as a basic metaphor for stereotyping this marketing approach. Therefore, a large part of the literature on relationship marketing begins with a ritual killing of the marketing parameter mix and uses this as a stepping stone for justifying a relational approach to marketing. However, despite the criticism levelled by relationship marketing scholars against the normatively oriented and "archaic" parameter mix, relationship marketing has yet to develop the level of technical sophistication which characterises the latter approach. The operational consequences of following the relationship marketing practice

Marketing mix approach

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Buyer-seller relationships

are still unclear (Gummesson, 1994; Halinen, 1995). Most field trips into the world of relationship marketing are descriptive, offering few normative guidelines for managers. There is a need for models which seek to synthesize the rather scattered and eclectic body of research in the field of relationship marketing (Wren and Simpson, 1996).

The purpose of this paper is to develop a preliminary guideline in the area of marketing communication. The ambitious aim is to integrate the relationship marketing model of evolving buyer-seller relationships with marketing communication aspects. This may allow some synthesis between elements of the highly operational marketing mix approach and the approach of relationship marketing. Hence, the idea pursued here is rather pragmatic in that it is based on the assumption that, on an operational level, some compatibility may be found between the two approaches as they both aim at serving customer needs.

The specific focus on marketing communication involving relationship marketing is well justified. There are indications that communication has a direct impact on central aspects of relationship marketing such as trust (Mohr and Nevin, 1990), coordination (McQuarrie, 1993) and commitment (Håkansson *et al.*, 1976). New landmarks in information technology make the potential contribution of applying and using communication strategies in the relationship marketing process greater than ever (Honeycutt *et al.*, 1998; Duncan and Moriarty, 1998). However, despite its assumed prevalence in the relationship marketing process, this issue has been given only scant attention in the literature. Few studies of marketing relationships have explicitly included aspects of communication (Wren and Simpson, 1996). Not even the marketing channel literature, which in many ways is adjunct to that of relationship marketing, has paid much attention to this aspect of marketing management (Mohr and Nevin, 1990).

The relationship marketing process

Communication and relationship marketing: a literature review

The relationship marketing process is usually described as one of establishing, developing and maintaining successful relational exchanges (Morgan and Hunt, 1994). The essence of these activities is to decrease exchange uncertainty and to create customer collaboration and commitment through gradual development and ongoing adjustment of mutual norms and shared routines. If customers are retained over several transactions, both buyers and sellers may profit from the experience gained through previous transactions. The basic aim is to increase profits by attaining a rising proportion of specific customers' lifetime spending rather than to maximise profits from individual transactions (Palmer, 1994). Thus, the development of customer-supplier relationships may be described as a set of cumulative phases during which the trustworthiness of suppliers and buyers is tested and mutual norms governing exchange activities are developed.

Several relationship marketing scholars agree that communication is a fundamental aspect of relationship development. Communication is the quintessence of coordinating behaviour in any organizational setting, and marketing relationships are no exception (Cummings, 1984; Hutt and Speh, 1995). Communication is said to be the glue that holds together an inter-organizational channel of distribution (Mohr and Nevin, 1990). In the present paper, communication is defined as the human act of transferring a message to others and making it understood in a meaningful way. This definition focuses on the efficacy of communication in producing the desired effect rather than on the frequency or modality of information exchange.

In marketing relationships, communication plays a central role in providing an understanding of the exchange partners' intentions and capabilities, thus forming the groundwork for relationship development. Communication is a prerequisite for building trust among exchange partners (Anderson and Narus, 1990). The quality and sharing of information influence the success of relationships (Mohr and Spekman, 1994) and are a central part of the relationship atmosphere (Hallén and Sandström, 1991). Moreover, communication informs the exchange actors when they develop their conception of the prospective partner's exchange intentions (Andersen and Sørensen, 1999). Hence, careful design of communication means and forms may play a decisive role in the relationship marketing process.

Traditional parameter mix

Marketing communication in the traditional parameter mix approach has been identified as persuasion, which entails a primarily one-way communication mode (Waterschoot and Van den Bulte, 1992). In marketing relationships, however, communication serves roles other than persuasion, viz. such roles as informing, listening and answering, which require interaction and two-way communication forms (Duncan and Moriarty, 1998). In addition, the communication task is no longer confined to a small group of marketing persons. Essentially, all supplier personnel having dealings with customer personnel serve as part-time marketeers fulfilling roles in the overall relationship marketing communication scheme (Gummesson, 1991). This is one reason why the traditional modelling of marketing communication as a one-way information transfer process involving an active sender and a passive recipient are seen as obsolete in the relationship marketing literature. The willingness to commit resources depends on the formation of trust (in terms of buyer and seller expectations), and communicative actions are central to this process. In order to meet individual demands, expectation building requires interaction and dialogue. Moreover, as regards the forming of expectations, only overly rational models of decision makers see communication as the exchange of purely factual information. In incomplete information settings, the development of expectations also involves affective elements such as the judgement of character. This is in harmony with the basic beliefs of classical rhetorical philosophy. Rhetorical philosophy deals with the art of persuading or influencing people through the use of language. Argumentation (*logos*) requires the prior understanding of the conversation partner's personality (*ethos*) as well as an understanding of the dialogue partner's intentions and feelings (*pathos*). Together these form a context which allows the target person to be persuaded. In relationship marketing, the creation and maintenance of a context which enables trust building and the development of credibility has been discussed as the building of a collaborative atmosphere (Hallén and Sandström, 1991).

Supplier-initiated marketing communication

Although the relationship marketing approach emphasizes communication in terms of information exchange, conversation, and customized dialogue in the development and management of market relationships, it tends to play down the role of supplier-initiated marketing communication in the pre-relationship phase and in the phase in which customer relations are established. Moreover, the contributions are, with a few exceptions, of a descriptive or proposition-testing nature, offering little advice to the marketing practitioner. In most cases, communication is seen as an independent or mediating variable for the development of partnership success (Mohr and Spekman, 1994), for establishing trust (Anderson and Narus, 1990) or for mediating a relationship atmosphere (Hallén and Sandström, 1991).

Multiple communication objectives

Finally, the contributions usually neglect the dynamic aspects of relationship marketing and the manner in which communication strategies are adopted to various phases of the relationship marketing process. Some normative contributions are also available which address specific aspects of relationship management (Håkansson *et al.*, 1976; Mohr and Nevin, 1990). However, none of these contributions takes into account the fact that relationship marketing is a process. One reason for this may be that relationship marketing scholars see the marketing communication parameter, along with the other elements of the marketing mix, as part of an entirely different marketing paradigm: one with active suppliers, passive customers and little, if any, interaction. From this perspective, discussing the role of mass marketing or other one-way marketing communication practices in the relationship development process is less relevant for the relationship marketing process.

However, the point made here is that such an approach ignores the possible benefits of setting multiple communication objectives and using a number of communication practices in the relationship-building process. As pointed out in most of modern marketing communication theory, dialogue with customers is context-bound and depends on the intentions and prior beliefs of those engaging in conversation (Usunier, 1996).

The following section first offers a case study of communication practices in a relationship marketing strategy. The section then outlines an integrative model gathering, in the marketing relationship development model, some of the normative contributions to relationship marketing as well as traits from traditional marketing communication practice.

Towards an integrative relationship marketing communication model *Methodology and data*

Communication practices

In what follows, a model is introduced which seeks to organise supplier-initiated communication practices in relation to their role in the development of customer relationships. This will also involve integrating elements from the parameter marketing theory on communication with communication practices which have been associated with the relationship marketing literature. In order to facilitate our understanding and improve further development, we use a case study as a reflective device aimed at illustrating and further extending the modelling efforts by reconstructing the theory (Burawoy, 1991). This is an explorative methodology, which is between inductive and deductive research methodology. Generalising findings into predictions about a population is not the purpose of this approach. Instead, it attempts to ground theory development in empirical observations and to refine it further through the test of reality (Orton, 1997; Strauss and Corbin, 1990; Mills, 1959; Yin, 1991). In contrast to the traditional procedures of grounded theory (Glaser and Strauss, 1967), which picture a bipolar research world composed of inductive and deductive research, our approach lies between these stances. This is consistent with the methodological position known as iterative grounded theory (Orton, 1997). Iteration occurs when researchers continue to move back and forth between theoretical concepts and field observation, seeking to enhance their understanding of both theory and data during this process. Hence, instead of suppressing the existence of theoretical pre-understanding, it allows it to play an active role in the researcher's mind. The case study concerns Jyske Bank, which is the largest savings bank in Denmark with more than 500,000 accounts. The data has been collected from interviews with marketing managers and bank personnel, through observations and from other types of sources such as brochures, reports and internal memoranda.

Marketing of banks

The next section briefly introduces the background for and context of the relationship marketing efforts at Jyske Bank. Subsequently, the model is presented and then follows an outline of the communication tasks in relationship building.

The context: relationship marketing at Jyske Bank

In the marketing of banks, relationship marketing has gained a remarkably strong position (Holland, 1994; Stone *et al.*, 1996). In parallel with these recent trends in the marketing strategy of banks, Jyske Bank has sought to develop and retain customer relationships, expanding their share of business with the individual customer rather than developing their volume of customer accounts. Having thus raised their five-year customer retention rate from 70 per cent to almost 90 per cent, they have succeeded in increasing customer loyalty. Over the same period Jyske Bank has, in addition, been able to increase its earnings without increasing its market share. For the purpose of achieving this aim, Jyske Bank has followed a relationship marketing strategy of initiating and developing relationships with customers, a strategy in which different communication practices have played and still play an important role in the relationship-building process.

Jyske Bank is the fourth largest retail bank in Denmark. Located in the heartland of Jutland, it carefully nurtures an image of being a provincial bank rooted in the farmland, and it actively seeks to be associated with the traditional values of that society. The values have also been incorporated into the organisational culture of Jyske Bank. Therefore, the bank seeks to maintain a decentralised and flat structure with as few organisational layers as possible. As a result, even mid-level managers have direct customer contact.

Relation-building process

The relationship communication model

Several models offer an overview of the relation-building process (e.g. Ford, 1980; Dwyer *et al.*, 1987; Frazier, 1983; Heide, 1994). In these models, a variety of relationship stages and of triggering factors moving the relationship from one stage to the next has been proposed. Instead of choosing one model at the expense of another, we suggest a compound model which captures three phases of the relationship marketing development process which are essential for structuring the present discussion in a clear-cut way:

- (1) a pre-relationship phase;
- (2) a negotiation phase; and
- (3) a relationship development phase.

A possible fourth phase, the termination phase, will not be included here even though marketing communication also plays an important role in the strategic management of relationship dissolutions (Miller and Parks, 1982).

From a marketing communication perspective, each of these phases involves a number of challenges in terms of the design of communication means and strategies. Figure 1 outlines the basic model structuring the discussion.

The top section of Figure 1 illustrates the degree of mutual relationship adaptation over time as well as the three phases of relationship development presented earlier. The bottom section outlines three aspects of marketing communication in relation to the three phases:

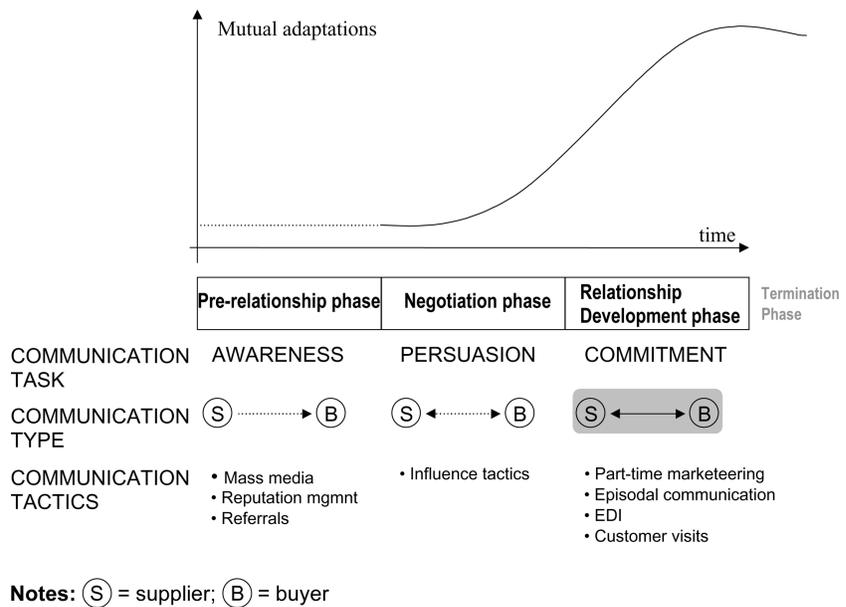


Figure 1. Design of communication means and strategies

- (1) the communication task, which concerns the objective of the communication activities;
- (2) the type of communication, which relates to whether the communication activity is bidirectional or unidirectional; and
- (3) the communication tactics, which address the operational issues of relationship marketing communication.

In the remaining part of this paper, each of these phases and its implications for marketing communication strategy is presented in detail, and, using the case study of Jyske Bank, we also exemplify the communication activities within each phase.

The pre-relationship phase

For the decision maker in the buying company, the formation of a business relationship with a new supplier usually involves an event which has triggered dissatisfaction with the present supply situation. The solution to this perceived dissatisfaction may be a change of a supply source or the addition of another supplier (Ford, 1980; Frazier, 1983). This involves the process of evaluating the utility of new potential suppliers and comparing these against the present alternatives (CL-CL_{alt}) (Wilson and Mummalaneni, 1986). As knowledge of the benefits and costs of prospective suppliers is a scarce commodity, decision makers resort to information search procedures in order to establish informed guesses when narrowing and ranking a set of potential suppliers (Frazier, 1983; Andersen and Sørensen, 1999). The information needed for this purpose is of a general nature and its scope is relatively broad. Information received from trusted friends and business colleagues on the reputation of prospective suppliers may often form the basis of the initial ranking, along with other sources of information and the general image, if any, as perceived by the buying firm.

From a marketing communication perspective, the principal communication task consists in developing decision-making awareness. The development of some understanding of the qualities of the supplier involves the three classical elements of rhetoric from classical rhetorical philosophy. Rhetorical

New potential suppliers

philosophy concerns the art of convincing an audience on a certain subject matter. For this purpose, arguments alone are seldom sufficient as the audience will not only evaluate the content of the information provided but also consider the sender's ability to present the arguments and their image of the sender who attempts to convince them.

In rhetorical philosophy these three dimensions parallel the development of *ethos*, which concerns the beliefs of the receivers of the communication as regards the personality they are communicating with, and *pathos*, which addresses the audience's perceptions of the sender's true intentions. Developing this image of another person's intentions is a necessity for establishing *logos*, the process of persuasive communication through argumentation. As phrased by Holberg (1751, p. 139) in the poem of the hawk and the stork which are each trying to impress an audience with their eloquence:

Even if their speeches were equally admirable, they could not be deemed equally convincing, as one was held by an innocent stork whereas the other was held by a bird of prey.

Social distance

In a pre-relationship phase, the social distance is large as both partners are unfamiliar with each other's ways of working, both at the individual and the organizational level (Ford, 1980). There may be positioning and posturing by the parties to enhance their own attractiveness to a specific (or general) other (Dwyer *et al.*, 1987). Reducing this distance requires a mix of one-way as well as two-way oriented marketing communication tools. However, bidirectional communication surrounding relationship formation does not necessarily imply direct dialogue between the potential buyer and supplier. In order to obtain information about the nature of the selling firm, the buying firm in question may very well engage in conversation with informants from other customers of the potential supplier and with the supplier's distributors, suppliers and even competitors. Both processes may be influenced by the communication strategy of the supplying firm, without involving the firm in any form of direct information exchange. Hence, even if, from the buyer's point of view, the communication may seem bidirectional, awareness building, as seen from the perspective of the supplying firm, requires an *ex ante* planned and unidirectional communication strategy in which information flows from the supplier to the buyer. Any type of bilateral interaction introduces the beginning of a new phase – the negotiation process in our case (Dwyer *et al.*, 1987). This is illustrated in Figure 1 in the pre-relationship phase where, as in the classic communication model, the supplier (S) is the sender of information to the buyer (B), as indicated by the unidirectional arrow.

One-way oriented communication

One-way oriented communication, such as advertising, branding and other traditional tools, may help the supplier develop an attractive personality profile. This may be done either, as in the case of one Jyske Bank marketing campaign, by appearing to be a cooperation-oriented partner willing to work for mutual benefits or, as in the case of other marketing campaigns from Jyske Bank, by communicating the good deeds done for customers in improving their business performance. Hence, if a supplier has developed an attractive image in the mind of the prospective buyer, this may cause the decision maker to look for information on this particular supplier first (a top-of-the-mind effect). Therefore, brand development plays a role in the marketplace as part of identity development (Thompson *et al.*, 1998).

As decision makers have limited information processing capabilities, they will not look through the entire haystack of decision alternatives to uncover the sharpest needle. Instead, they will search until they have a range of needles of which one is likely to be sharp enough to be useful for sewing (March and Simon, 1958). This leaves suppliers which do not immediately spring to the customer's mind with even more unfavourable odds of being selected for thorough consideration. Avoiding those odds is the aim of the image-building activities of Jyske Bank, which seeks to build a profile as an honest and informal bank which sees eye-to-eye with its customers. In the case of Jyske Bank, the pre-relationship activities involve attracting customers to a "financial checkup": through a direct mail campaign Jyske Bank offers potential customers a free checkup of their finances and an outline of the possible benefits and savings to be gained from switching to Jyske Bank. New customers commit themselves to a financial checkup, using a preprinted and pre-stamped response slip. Potential customers opting for a financial checkup at Jyske Bank are offered a gift (a bottle of wine) if Jyske Bank is unable to increase their savings by at least \$780 a year.

Active information retrieval

However, one-way communication is not enough to be on the short list of decision alternatives. Active information retrieval also causes decision makers to look for personal sources. Therefore, reputational management and the management of referrals are some of the relevant tools for complementing one-way communication practices (Salminen, 1996; Helm and Schlei, 1998). Reputational management has proved effective when subcontractors are considered as suppliers to the automobile industry. For instance, Rao (1994) convincingly shows that the number of cumulative victories in product certification tenders strengthens a firm's propensity to survive fierce market competition. Moreover, the use of referrals in the marketing process has been documented, as regards customers, in the case of service companies in the financial and telecommunications sectors (Helm and Schlei, 1998). Jyske Bank has also formulated programmes for managing referrals. Internally at Jyske Bank, this is known as the Tupperware concept: a satisfied customer is encouraged to invite her friends over to a small evening snack (Jyske Bank covers the expenses of the evening) and invite a representative from the bank to give a talk on the benefits enjoyed by this customer. In addition, Jyske Bank seeks to establish a presence in the local community by encouraging employees to hold administrative jobs in local sport clubs, etc., allowing them to spend part of their working hours on these obligations. Such activities help Jyske Bank establish trustworthiness and integrity through the behaviour of their personnel.

In the pre-relationship phase, all elements of communicative persuasion clearly play a role. The identity-building aspects relating to *ethos* and *pathos* have their strongest merits in this phase, where they contribute to establishing an image of the intentions of the bank as ones favourable to the customer. These elements are necessary in order to enable the sender to formulate an argument (*logos*).

Negotiation phase

Matching and negotiation phase

Once the buyer decides on a specific supplier, this triggers a phase of discussion and bargaining. This is usually described as a matching and negotiation phase, during which wants, issues, inputs and priorities are exchanged (Frazier, 1983; Ford, 1980; Dwyer *et al.*, 1987). In the development of negotiations, partners often evade issues, hinting at their own preferences, while evidencing interest in the exchange partner's goals. During this phase of buyer and supplier alignment, the partners may still be

Bidirectional communications

incompatible, which may lead to the break down of the negotiations. Attraction and the communication of power, norms and expectation structures have been mentioned as central activities in this phase of relationship development (Dwyer *et al.*, 1987). Therefore, as indicated in Figure 1 by means of the bidirectional arrow between the seller and the buyer, communication between the buyer and the seller is dialogue-oriented during the negotiation phase.

Against this background, a range of influence tactics has been developed which seeks to affect decision-making uncertainty to the benefit of one of the alternatives. Influencing the perceived uncertainty of the buyer allows the selling firm to bring about various types of behaviour effect (Håkansson *et al.*, 1976).

The type of communication taking place in this phase is primarily bidirectional, taking the form of conversation between multiple persons from both the buying and the selling firms. In terms of rhetorical philosophy, this process parallels the *logos* concept in rhetorical thinking: persuasion through reasoning. Customers who accept the offer of personal consultancy are contacted by the bank over the telephone and an arrangement is made with a local bank, which leads the potential customer into a dialogue and a negotiation situation. The financial checkup provides the bank with personal information about the prospective customer and forms the basis for making a proposal and developing a dialogue which is suited to convince customers that they should hand over to the bank as much as possible of their financial business. Using the personal contact, avoiding hard-selling techniques and providing the customer with some room for consideration, Jyske Bank seeks to signal fairness and honesty to customers. From a supplier's marketing communication perspective, the principal task is to persuade the buying partly of the attractiveness of what the supplier has to offer. This may be communicated either with arguments aimed at reinforcing one's own attractiveness as compared to that of any alternatives ($\Delta CL - CL_{alt}$), or with arguments intended to weaken the attractiveness of any alternatives ($CL - \Delta CL_{alt}$). Håkansson *et al.* (1976) suggests that arguments may be developed around three generic attributes of perceived demand uncertainty among industrial buyers:

- (1) *Need uncertainty*, which relates to decision makers' difficulties interpreting the exact nature of their needs and how they link to specific wants.
- (2) *Market uncertainty*, which concerns decision makers' interest in developing commitments with one particular buyer, given the dynamics and heterogeneity of the market solution available.
- (3) *Transaction uncertainty*, which involves problems of compatibility between buyers' and suppliers' business processes with regard to technology, delivery ability, etc.

Perceived decision-making uncertainty

With all three basic types of reasoning, communication may aim at decreasing or increasing perceived decision-making uncertainty, depending on what best serves the supplier's interests in the negotiation phase. The primary aim of the manipulative tactics is that of persuading the buyer.

In the case of the communication practices of Jyske Bank, the personal dialogue opens up the possibility of making direct comparisons with the services of the customer's present bank (need uncertainty), stressing the functionality and strong security measures of the Internet banking possibilities at Jyske Bank (transaction uncertainty) or showing the bank's

ability to engage in every aspect of the financial services relevant for the private customer (market uncertainty).

During negotiations, the personal dialogue with a customer allows benchmarking with the customer's present bank as well as the presentation of any financial benefits of switching to Jyske Bank. The communication medium is the personal consultant who, if an agreement is reached, will later become the customer's contact at the bank.

If potential customers agree to open accounts with Jyske Bank, the next aim is to match customer expectations so as to avoid customer defection. Again, marketing communication is at the heart of this activity. Consequently, the personal consultant is charged with monitoring the customer's activities with the bank and suggesting to the customer any adjustments which may enhance satisfaction with the services provided. Moreover, as customers may discuss their financial affairs with other bank personnel than those directly involved with the customer in the first place, the latter need to share information so as to ensure that the customer will experience communication consistency, i.e. the successful development of the rhetorical stance is to be maintained. Communication via e-mail constitutes an efficient vehicle increasingly used for enhancing this type of customer dialogue.

Marketing expectations

In the negotiation phase, the importance of the *logos* element of the persuasive dialogue increases. However, as communication with dialogue partners builds on expectations concerning their intentions and identity, as developed through *ethos* and *pathos* arguments, any inconsistency in this phase is fatal. This would correspond to a critical moment as discussed on the interaction approach (Hallén and Sandström, 1991). This means that the person representing the bank in the negotiation phase needs a large degree of latitude as the customer will expect this person not only to reflect the bank's intentions and personality (as perceived by the consumer) but also to represent a conversation partner with the ability to adjust and reflect on the basis of the customer's intentions, desires and arguments as revealed through negotiations.

Relationship development phase

The third phase of the interorganizational development process is the expansion phase. Dwyer *et al.* (1987, p. 18) state that this phase is characterized by the continued increase in benefits obtained by the exchange partners and their increasing interdependence. They also stress that the critical distinction between the phases is that the rudiments of trust and joint satisfaction established in the exploration phase now lead to increased risk taking within the dyad. Consequently, the range and depth of mutual dependence increase. Ford (1980) calls this stage the development stage and stresses that it is characterized by the increasing experience of the two partners, which reduces the uncertainty and distance between them.

Information exchange

From a communication perspective, the evolving episodes of information exchange lead to the gradual development of a context, or atmosphere of exchange, encompassing the actual and perceived feelings, intentions and interests of both parties (Hallén and Sandström, 1991). As a result, continued communication leads to the development of communication norms:

- rules for guiding conversation in the relationship;
- expressed in a shared technical language which reflects similarities in the relationship members' interpretation; and
- understanding and response to information (Duncan and Moriarty, 1998).

Along with the communication activities employed by the partners, Figure 1 illustrates this context as a shaded area combining the selling and the buying firm. Rhetorical philosophy treats the affective aspects of communication in terms of *pathos*, which concerns the role of emotional persuasion. As favourable affective responses support the development of both *logos* and *ethos*, evoking such responses is a central part of the relationship communication process. If this part is omitted, attempts to communicate and develop a dialogue may be disturbed or even hindered by “irrational” responses caused by emotional discrepancy. The role of affect in business negotiations has been discussed in substantial detail (Kumar, 1997). Moreover, there is an abundance of anecdotal evidence of the crucial role of interpersonal “chemistry” in the various phases of handling customer relationships.

The importance of handling communication episodes was addressed by Ford (1980). A relationship may break up because of a single exchange event perceived as problematic by the participating actors. Hence, developing and maintaining a broad range of communication activities is a vital aspect of relationship marketing management and development (Mohr and Nevin, 1990). Communication in established marketing relationships not only involves persuasion but also informing, listening and answering activities (Duncan and Moriarty, 1998). In this sense, all supplier personnel with customer contact are engaged in some aspect of marketing communication as part-time marketeers (Gummesson, 1991).

Communication tactics

A number of communication tactics are available for maintaining and managing the broad spectrum of ongoing marketing communication activities between suppliers and customers. Such tactics include episodic communication, which involves suppliers and, sometimes, buyers, recording and keeping customer encounters in databases in order to store, distribute and retrieve updated information on customer business to the benefit of relevant personnel and, thus, maintaining an updated information level enabling the staff to speak with “one voice” (Spekman and Johnston, 1986). The communication options offered by e-mail and Internet applications, made available by the new information technology, have made it possible to routinize communication in business operation areas such as ordering, shipment, payment and delivery. All these procedures are part of the day-to-day communication between buyers and sellers in industrial markets. Web sites supporting customer interactivity have been shown to serve as an integral aspect of long-term relationship marketing (Srirojanant and Thirkell, 1998). Moreover, integrating relationships via the Internet is believed to support closer integration of buyers and sellers (Lancioni *et al.*, 2000).

Face-to-face communication

Another communication tactic available to selling firms is that of customer visits, which allow interactive face-to-face communication. The benefits of customer visit programmes in relationship marketing communication were investigated by McQuarrie (1993). Personal encounters have been characterized as the richest and most complete medium of communication (Daft and Lengel, 1987). If such encounters take place at the customer’s premises, this allows suppliers to gain a deeper understanding of the customer’s problems than that gained through other forms of communication. Through visits to customers at their own premises, customers’ needs and wants are experienced in their natural environment, which reinforces the suppliers’ ability to interpret the customers’ present needs.

In the case of Jyske Bank, the ongoing dialogue is important in order to avoid customer defection. This communication practice is illustrated by the

role of e-mail and the personal consultants' job of monitoring the early patterns of the customers' use of the financial services provided. Similarly, Jyske Bank is establishing formalised patterns of communication including a meeting scheme and personalised letters to customers outlining the general state of their finances.

Concluding remarks

The message communicated in this contribution is a simple one: because communication needs change during the relationship-building process, relationship marketing management has to adjust its communication strategy accordingly. This paper outlines a model for doing so which is based on the distinction between and interrelatedness of *ethos* and *logos*, concepts found in classical rhetorical theory. A range of communication tactics has been reviewed in connection with the framework presented. By providing an overview and a more systematic approach to the task of marketing communication, this model can, hopefully, inspire relationship marketing practitioners who are developing their game plan for attracting new customer relationships.

This discussion also has a somewhat more implicit message: rather than following the ritual abandoning of the evils of mass marketing communication, marketing management should take a more pragmatic approach to mixing their communication strategy and matching it to their relationship marketing procedures. This may be one way for relationship marketing to proceed towards the development of more operational guidelines.

Academic implications

From an academic viewpoint, the model presented requires further discussion and empirical investigation. Little is known about the marketing communication preferences of relationship marketing firms. The model presented may be used as an outline for developing and testing a set of propositions. What is more important, however, is that the present contribution points to the need for a research agenda investigating the role of rhetoric in the development of customer trust and commitment, a role which has been neglected in relationship marketing although it has been noted and accepted by practitioners who have fruitfully added to their knowledge of how to convince and influence customers through communication in a relationship marketing setting. More specifically, propositions may be developed on the role of rhetorical communication. In the argument presented here the notion is implicit that rhetorical abilities are linked to performance in relationships. Hence, consistency between the *logos*, *ethos* and *pathos* elements of the communication strategy affects a firm's ability to develop and maintain relationships with its customers.

Implications for management

The model outlined in this paper suggests that management aiming at implementing a relationship marketing strategy has to design its marketing communication efforts carefully in order to achieve the desired outcome. In a relationship marketing regime, marketing communication becomes interactive and the dialogue with the customer takes centre stage in the trust-building process which spurs commitment and adaptation of activities and resources in the relationship dyad. The communication objective of this marketing paradigm is essentially different from the one found in traditional marketing, and it rests on an entirely different understanding of the roles of

An academic viewpoint

The model

producers and consumers in the marketing exchange process. However, the implementation of targeted interactive dialogue also benefits the design of marketing communication. Marketing managers need to determine very carefully which communication devices are relevant and in which phase of the relationship marketing process they are relevant. The suggestion here is that managers basically face a rhetorical problem and may benefit from analyzing and designing their marketing communication policies following the principles of *ethos*, *pathos* and *logos* in their communication process. Moreover, they should pay attention to the internal consistency among these objectives and decide which of these elements should be emphasized in specific phases of the relationship-building process.

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