Exploring the Retailer’s Relational Satisfaction in a Non-western Context: Evidence From the Tunisian Post 2011’s Revolution Setting

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The current research aims to find out whether the model of the retailer’s relational satisfaction, developed in a western setting is relevant in a different economic and cultural field of investigation: the Tunisian post 2011 revolution’s emerging context, and in a different industry: the retail industry. It explores the distinctive economic and cultural features that affect the retailer’s relational satisfaction with its consumer goods manufacturers. The study employs a survey based on a face-to-face administered questionnaire. Two hundred and thirty four responses from a survey with Tunisian retailers as well as international retailers operating in Tunisia were obtained. All constructs are measured using five-point Likert type scales (1 = strongly disagree, 5 = strongly agree). Analyses are conducted using exploratory factor analysis and reliability analysis. The results support the original model with however some differences derived from the Tunisian economic setting as a whole, the characteristics of the Tunisian consumer goods industry as well as the clan characteristic feature of the Tunisian collectivistic culture. Thus, the amount of discounts obtained, does no longer contribute to the retailer’s economic satisfaction. Moreover, when it comes to social satisfaction, the respondents get uncomfortable, even to deal with a potential negative interaction with their suppliers. For retail companies involved in internationalization in the Maghreb Region, and especially in Tunisia, it seems that other competitive advantages than prices are to be developed, such as the development of private label or other services that create positive perceived value for the Tunisian customer. From a cultural standpoint, western managers have rather to go away from a formalized channel relationship management, while taking into account the importance of interpersonal influence. The study sheds light on the heterogeneity of the so-called Arab-Muslim world. This is highlighted in the management of channel relationship in Tunisia, that is influenced by: (1) The government’s price regulation and control, especially in many food products; (2) The relative weak importance of discounts in gaining retailer’s economic satisfaction; (3) The reshaping of the local retailing sector due to the arrival of international retail companies; (4) The clan feature of the Tunisian collectivistic culture that advocates putting priority on interpersonal influence in channel relationship’s management.

Keywords: channel relationship, relational satisfaction, retailer’s satisfaction, economic satisfaction, social satisfaction, emerging economy, Arab-Muslim context
Introduction

Since the liberalisation of its economy, Tunisia became a new attractive market for large foreign distributors, faced with mature domestic markets, structured protest movements towards mass-distribution and the growth of an individual culture of contestation. Emerging countries, where these features are largely absent, are becoming more and more attractive for the main actors in modern retailing, since they offer good prospects for growth, and return on investment. This is due to the enlargement of the middle class, especially in urban areas; the development of transport infrastructures and the improvement of per capita GDP (Amine & Hendaoui Ben Tanfous, 2012; Miotto & Parente, 2015). In this context, Tunisian distribution is to develop and modernise, by integrating contemporary techniques and responses to changing movements observed in industrialised countries (Prime, Abdelmajid, Obadia, & Dupuis, 2006).

Currently, due to or despite the revolution of January 14, 2011 which fixed the completion of certain Franco-Tunisian associations, Tunisia remains a destination that attracts some foreign investors, namely international retail stores as Auchan and Casino which took share in certain local distribution groups.

However, until the mid-90s, large retailers remained, nevertheless, represented by a small number of stakeholders and a low density of distribution channels. The business unit was characterised in the late 80s by the predominance of local shops. The second half of the 90s was marked by strong growth in supply, particularly in the Tunis region.

The number of supermarkets has continued to increase with the introduction of international stores as Carrefour in 2001, followed by Géant in 2005. Local channels have recognised the need and importance to develop their structures by improving practices, facilities, and spaces.

One of the major changes characterising the evolution of the distribution structure is the phenomenon of concentration. Many stores tend to acquire others as part of an expansion strategy. A merger between groups therefore reduces to three, the number of actors negotiating with the upstream sector. However, large retailers are able to negotiate more advantageously the product sale price from suppliers.

The arrival, on the Tunisian market, of these international brands, not only contributed to the increase in supply, but forced stores of the great local areas to adopt international standards in terms of offers, product quality, and marketing strategies, not to mention the impact these hypermarkets were able to have on falling prices. Their implementation has contributed to the change in the relationship between retailers and manufacturers, including the exercise of power in the relationship. Indeed, being asked to weigh increasingly heavily in retail, new distribution players are changing the balance of power in their favour, while the configuration of yesterday was the benefit of producers and importers used to deal with fragmented and small-sized retailers.

In this evolving context, Tunisian suppliers have to move forwards, while adopting a new channel relationship management, incorporating retailer’s relational satisfaction as a cornerstone of lasting and profitable channel relationships.

In the following development, the authors review the relevant literature and focus on the evolution that led to an operationalization of the distributor’s satisfaction in accordance with the relational perspective. Meanwhile, the authors present some works from the non-western developing, although remaining scarce, literature, depicting findings coming from emerging contexts, developing contexts, and Arab-Muslim settings. The authors then present the research method used in this study. Subsequently, the exploratory results are
explained, followed by their contextual analysis, relying on the specific Tunisian economic and cultural features that were found to affect local retailer’s relational satisfaction.

**Literature Review**

**The Distributor Relational Satisfaction**

**From the transactional perspective to the relational perspective.** From a historical point of view, producers and distributors are considered in the marketing literature as opponents, respectively, as cost centres and customers in the 80s and as partners from the 90s.

The classical concepts of conflict, power, and influence strategies were superimposed to more modern concepts such as the win-win cooperation, and the integrative rather than distributive negotiation.

These new concepts are manifested by a new vision of negotiations between producers and distributors, who now recognise as summarized (Debabi, 2003), the complexity of their interdependencies and the necessity to transform this complexity away from the traditional interface: “buying and selling without more” to switch to a long-term relationship with a new interface: “purchase and sale with maintaining the relationship.” This last type of collaboration is also essential, in obtaining the final consumer’s satisfaction (Debabi, 2003). In North-African emerging context, due to the massive arrival of international retailers, this final consumer is in turn changing. Amine and Lazzaoui (2011) highlight some of these changing features in the Moroccan setting, where shoppers are going through a transformational process characterised by the emergence of a hybridisation purchasing behaviour. This new behaviour “reflects the need for nesting modernity and entertainment offered by the modern sales network and commitment to cultural habits and values related to traditional commerce” (Amine & Lazzaoui 2011, p. 576). That puts forth the challenge of local shoppers’ satisfaction that international retailers face.

In addition, the supplier company has an interest in pursuing activities aiming at the development of lasting relationships with its customers, based on the results it can hope to withdraw in terms of competitiveness. Lasting and profitable relationships resume (Akrout & Samet, 2003), can generate new competitive advantages, distinguishing companies working for their development in an environment where the differentiation by the price and the product becomes very difficult. Dwyer, Schurr, and Oh (1987) are interested in the relationship between the supplier company and the buyer company, showing benefits for the parties involved in exchange to enrol in a relational perspective rather than transactional perspective. They materialise these benefits into the costs and benefits incurred and earned by each of the parties. Also, each of the buyer and seller benefits from a reduction in uncertainty, a better dependence managing, an effectiveness of the exchange, a satisfaction with the association, as substantial gains in terms of cost, made possible through an effective communication and close cooperation for the achievement of the respective goals of each partner. From the buyer perspective, later non-western studies showed that retailer’s satisfaction, one key component of relationship quality, has demonstrated a direct positive effect on both retailers’ trust on his supplier and his behavioural intention to increase the trading amount with him (Choo, Yung, & Chung, 2009). Some authors introduced, however, the moderating effect of culture differences and called for future research taking into account the role of these differences in generating different levels of trust and commitment within business-to-business relationships (Caceres & Paparoidamis, 2007). Furthermore, in a study providing insight on how cultural differences are embedded in distribution channel relationships, Chung, Sternquist, and Chen (2008) found that Japanese retailers’ long-term orientation with their supplier is an antecedent of their trust and
dependence on this supplier, rather than an outcome of these constructs, as in the case of the western channel relationships.

The development of a relationship between buyer and seller follows a four-step process. It starts with an awareness phase, to which succeeds an exploration phase, followed in its turn by an expansion phase, leading to the ultimate relational phase, namely the commitment. But this commitment, as has been demonstrated by Dwyer et al. (1987) remains subordinated to the client satisfaction.

In addition, the distributor relational satisfaction appears capital for more than one reason:
- It determines among other factors, the continuation of the relationship between the distributor and the supplier, prompting the first to include collaboration in the long term, by the positive relationship quality provided (Ganesan, 1994; Choo et al., 2009),
- It deters the retailer from turning to other suppliers, through its commitment (Ganesan, 1994; Barry & Terry, 2008),
- It provides in conjunction with other factors, the competitiveness of the supplier, in addition with profitability (Akrout & Samet, 2003),
- It contributes to the satisfaction of the final customer (Nagati, Rebolledo, & Jobin, 2008).

The double aspect of the distributor relational satisfaction: economic satisfaction and social satisfaction. The satisfaction of the members of the distribution channel is defined as a positive affective state resulting from a company’s assessment of its whole relationship with another company of the channel. It is, according to Dwyer et al. (1987), a relevant criterion for evaluating relationships within distribution channels, since it incorporates all aspects of the relationship between two members of the same channel. These aspects are generally divided into economic satisfaction and non-economic satisfaction (Gassenheimer, Calantone, Schmitz, & Robicheaux, 1994; Bigné & Blesa, 2003).

Substantially, all research on distributor satisfaction approached it as a one-dimensional construct, defined as the distributor’s assessment of economic and social results of its relationship with its supplier. This is still observable in more recent studies in B to B setting, where authors usually end up their work by emphasising the major limitation of the single-item measurement used (Caceres & Paparoidamis, 2007).

The works of Geyskens, Steenkamp, and Kumar (1999) give a new direction to this research stream by separating distributor economic satisfaction from his social satisfaction.

Thus, the concept of one-dimensionality is refuted, leaving place to a bi-dimensional conception, in which the distributor’s satisfaction is composed of an economic satisfaction, based on the evaluation of the economic gains associated with the product/service, and a social satisfaction based on the evaluation of the relationship itself, related to the individual/company. Schellhase, Hardock, and Ohlwein (2000), also support this distinction by showing that two categories of factors affect a channel member’s relationship satisfaction: instrumental and interpersonal factors. Instrumental factors encompass variables responsible for the performance of a business partner in its core business: product/service offering, pricing, and logistics management. Interpersonal factors, on the other hand, encompass variables responsible for the type of interpersonal relationships among key actors from the partner firm: integrity, benevolence, credibility, and opportunistic behaviour, etc.

According to researchers, ignoring this distinction would generate contradictions in the research results and reduce the company’s ability to control and effectively manage its relationship with its customers. Better yet, economic satisfaction and social satisfaction generate different consequences. The control of these differential effects can emphasise the role of satisfaction in managing effective relationships in the long term.
In addition, economic satisfaction is defined as the assessment made by the distributor of its economic performance resulting from his relationship with his partner—supplier. These results include the achievements in terms of sales volume, margins, and discounts. Geyskens et al. (1999) present the economically satisfied distributor, as one who considers that the relationship has enabled him to achieve his goals. He is satisfied by both the overall efficiency and productivity of his relationship with his supplier, as by the financial results associated. By referring to the seminal research that has retained an economic vision of the distributor’s satisfaction, Geyskens and Steenkamp (2000) defined it as:

- The channel member’s response to perceived gap between the expectations in terms of profit and the profits actually realised,
- The degree of achievement in the relationship, of channel member’s financial and behavioural expectations,
- The degree of approval or disapproval with regard to the performance of the dyadic partner.

These drivers of economic satisfaction are supported by non-western research. In India, one of the largest emerging markets, Ali and Dubey (2014) found that distributor’s/retailer’s economic satisfaction is the result of four weighted parameters: process (product/service quality), retailer’s expectations (retailer’s anticipation of the product/service quality, credit policy, promotional schemes, and free offers), retailer’s perceived value (quality for price paid), information (flow of complete information about the various products and services) and services provided by the supplier.

The social satisfaction, for its part, is defined as the evaluation of the psychological aspects of the relationship. More specifically, the distributor bears here its attention on the interactions in the exchange, which he expects to find satisfying, rewarding, and easy. Geyskens et al. (1999) present the socially satisfied distributor as one who appreciates the contact with his partner, and on a more personal plan, enjoys working with him because he perceives him as involved, respectful, and willing to exchange ideas. By referring to the seminal research that has retained a social vision of the distributor’s satisfaction, Geyskens and Steenkamp (2000) defined it as:

- An evaluation of interaction experiences,
- The extent to which social interactions are gratifying,
- The reflection of psychosocial well-being of the company.

A complete lighting requires the evaluation of both the economic and social satisfaction. In fact, they are conceptually different, generated through different practices and carrying differentiated consequences on vertical relationships that bind the members of the distribution channel. Indeed, a channel member, facing relationship’s problems will act differently; depending on whether he is mostly economically or socially satisfied with his partner’s relationship.

The Outcomes of Economic and Social Satisfaction

When facing relationship problems, a channel member can respond in four major ways, along a continuum of constructive/destructive and active/passive responses in regard to the future of the current relationship:

- Exit: ending the relationship (destructive, active),
- Voice: actively and constructively expressing and discussing one’s problems with the intent of trying to improve conditions (active),
- Loyalty: remaining silent, confident that the problematic relationship conditions will get better by “giving things some time” (passive),
Neglect: passively allowing the relationship to deteriorate by “letting things fall apart” (destructive, passive).

Ping (1993) conducted a research on the effect of retailer’s satisfaction on its reactions to relationship problems. His results showed no significant impact of the retailer’s overall satisfaction on loyalty. This suggests that each of the two components of the retailer’s satisfaction may have a differentiated effect on the retailer’s reaction to relationship problems. That is what revealed the Geyskens and Stennkamp’s (2000) study. In fact, the authors’ results showed:

- An opposite effect of economic and social satisfaction on loyalty. When enhanced by economic satisfaction, loyalty seemed to be reduced by social satisfaction. A relationship that gives high economic rewards gives sense to a passive stance, which seems not acceptable when the relation is socially satisfying, calling for more active and constructive responses.
- A unique effect of social satisfaction on voice. The economic satisfaction, however did not affect this kind of retailer’s attitude. Discussing problems in order to circumvent them is rather encouraged by social than by economic satisfaction.
- A positive impact of both economic and social satisfaction on the likelihood of destructive responses strategies (exit and neglect). Moreover, social satisfaction becomes more important in discouraging destructive response strategies in the face of lower economic satisfaction.

Furthermore, depending on the economic satisfaction’s level, the relationship will be impacted by the interplay between economic and social satisfaction. Indeed, Geyskens and Steenkamp (2000) showed that under circumstances characterized by a high level of economic satisfaction, an increase in the social satisfaction’s level would weakly discourage reseller’s destructive responses. However, when economic satisfaction is low, the increasing of social outcomes becomes a real importance in discouraging neglect and exit, thus enhancing an ongoing channel relationship.

This entails that suppliers should foremost monitor and enhance their resellers’ economic satisfaction, when necessary and possible. However, when this is difficult to achieve in the short run, they may concentrate on social satisfaction as an alternative to overcome current resellers’ economic dissatisfaction.

The most important ways to enhance reseller’s economic satisfaction, as suggested by Geyskens and Steenkamp (2000), are as follows:

- High quality products,
- Attractive discounts,
- High quality marketing and selling support.

Among the scarce researches conducting in a non-western setting, Abdul-Muhmin’s (2002) supported partly these results by showing that Saudi industrial buyers’ economic satisfaction is enhanced by foreign suppliers’ marketing programs, namely product policy—suitability of products to local Saudi market, quality of product, warranties—and pricing policy—prices, discounts, terms of payment, and credit policy. In the Indian FMCG (fast moving consumer goods) sector, Ali and Dubey (2014) demonstrated the largest effect, amongst others, of supplier’s product quality on the enhancement of retailer’s economic satisfaction.

Even though there are many ways to enhance social satisfaction, Geyskens and Steenkamp (2000) focus on power use as a matter of policy. They suggest that a higher level of reseller’s social satisfaction can be generated by:
A shift from contingent to non-contingent, non-coercive power use,

An avoidance as much as possible of coercive power.

Furthermore, researches carried out in other settings showed additional results. In Asian countries, where developing and sustaining relationships is crucial and is a form of social investment, Chung, Huang, Jin, and Sternquist (2011) found that retailer’s social satisfaction was significantly related to retailer’s economic satisfaction. Consistently with Western literature (Geyskens & Steenkamp, 2000), they found out that a high level of retailers’ economic satisfaction with suppliers led to constructive and favourable retailers’ responses to a particular challenging circumstance. This in turn, results in increasing retailers’ social satisfaction with their suppliers.

Within the Maghreb region, and in the specific tourism sector, characterized by the interplay between local and foreign partners, BenHalima and Belhsen (2013) found out that the European tour operators’ satisfaction towards Moroccan hotelkeepers was exclusively economic. A deeper investigation revealed that these same European tour operators deal with both economic and social satisfaction, when it comes to other markets. According to them, their relationship satisfaction’s nature depends on the status of their exchange partner, namely the hotelkeeper. Thus, European tour operators claim that Moroccan hotelkeepers are themselves transactional, which does not encourage their partners to involve in a relational exchange. This, one more time, raises the issue of the universality of the distributor’s relational satisfaction model, within different national and industrial settings.

Research Methods

To test dimensionality of Geyskens and Steenkamp’s (2000) model, within the Tunisian retail industry, and in order to propose a revised measurement scale for the operationalisation of retailer’s relational satisfaction in this specific context, the authors ran a quantitative exploratory study. A factor analysis of type PCA (Principal Component Analysis) with the SPSS 16.0 software, was performed to verify the validity of the scale and thus confirm the sought of factors.

The Sampling Frame

The study employed a survey based on a face-to-face administered questionnaire. The sampling unit was the purchasing managers of the main consumer goods chains in Tunisia. Each purchasing manager responsible for a primary supplier relationship was asked to focus on a key supplier of a brand in its main product line, among the FMCG. The data focused on the buyer’s relationship with a supplier of a critical product. Here “critical” refers to brands that contribute the greatest to the retailer turnover. The survey required the manager to answer a set of questions regarding his supplier performance in providing and enhancing his economic and social satisfaction. Given that the researchers had already worked with these chains within other themes, they had the opportunity to go beyond the questionnaire, while asking some additional questions in order to obtain deeper comments.

A sample of 26 purchasing managers was obtained, with nine suppliers evaluated by each interviewee (234 buyer-seller dyads assessed). This sample included buyers from Tunisian as well as joint-venture Franco-Tunisian chains.

All constructs were measured using five-point Likert type scales (1 = strongly disagree, 5 = strongly agree).
The Measure

The authors adopted the Geyskens and Steenkamp’s (2000) measure. This scale was developed by the authors according to the relational perspective in the research stream on retailer satisfaction. It is structured as follows:

<table>
<thead>
<tr>
<th>Economic satisfaction</th>
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</thead>
<tbody>
<tr>
<td>1. My relationship with this supplier has provided me with a dominant and profitable market position in my sales area.</td>
</tr>
<tr>
<td>2. My relationship with this supplier is very attractive with respect to discounts.</td>
</tr>
<tr>
<td>3. I am very pleased with my decision to distribute the supplier’s products since their high quality increases customer traffic.</td>
</tr>
<tr>
<td>4. The marketing policy of this supplier helps me to get my work done effectively.</td>
</tr>
<tr>
<td>5. This supplier provides me with marketing and selling support of high quality.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The working relationship of my firm with this supplier is characterized by feelings of hostility.</td>
</tr>
<tr>
<td>2. This supplier expresses criticism tactfully.</td>
</tr>
<tr>
<td>3. Interactions between my firm and this supplier are characterised by mutual respect.</td>
</tr>
<tr>
<td>4. This supplier leaves me in the dark about things I ought to know.</td>
</tr>
<tr>
<td>5. This supplier refuses to explain the reasons for its policies.</td>
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</table>


Translational Equivalence

Since the questionnaire was administered in French, we followed a translational procedure aiming at maintaining the items’ meaning. Indeed, transnational equivalence is a fundamental issue in establishing measurement equivalence. To ensure translational equivalence, we adopted the translation-back translation process recommended in comparative cross-national research, as adopted by Besson and Haddadj (2005). These authors followed a three-step procedure:

- Translation from American into French,
- Checking by several translators,
- Back-translation from French to American to ensure the stability of the original items.

According to Besson and Haddadj (2005), we firstly, with the support of an English teacher, a marketing teacher and a senior executive using English in his day-to-day professional activity, translated the original scale into French. These four translations were done separately. The definitive French version was obtained by a consensus among the four translators. Secondly, the French scale was submitted to two business English teachers. They were asked to back-translate it into English. This back-translation gave the same items’ formulation as in the original English scale.

Research Results

As previously noted, an exploratory factor analysis (principal component analysis) was conducted to assess the underlying factor structure of the items. The data appeared to be adequate for factor analysis (KMO
Based on scree test and eigenvalues, two dimensions were retained. We performed the analysis without the items having communalities lower than the accepted value of 0.4, namely the second and the sixth items. The analysis was satisfactory from a statistical standpoint with 69% of explained variance for the first two factors. Consistent with Kaiser (1996), all the items’ loadings were > 0.5 with a loadings’ difference between factors > 0.3 for each item. A reliability analysis using Cronbach’s alpha was then conducted. According to Nunnally (1978), the value of Cronbach’s alpha should be at least > 0.5 and the most ideal value is more than 0.7. Our Cronbach’s alphas were respectively 0.85 for the first factor and 0.67 for the second factor, suggesting that the results measured from the questionnaires had an acceptable stability and consistency.

**Discussion**

Our results reflect the dual nature of a transitional economy. They show apparent consistency with the Western literature, while revealing deep differences in retailer’s relational satisfaction perception and understanding. Indeed, when duplicated in the Tunisian setting, the retailer’s relational satisfaction maintains its two dimensional structure, supporting the Geyskens and Steenkamp’s (2000) model. However, we observe a difference in the perception of both construct’s components by Tunisian purchasing managers, wherever they work, either in an international or in a local retailing company. Thus, when assessing their level of economic satisfaction with their suppliers, Tunisian retailers do not take into account the amount of discounts obtained. However, as mentioned above, Western as well as some non-Western authors classify attractive discounts, amongst the best ways to enhance reseller’s satisfaction (Geyskens & Steenkamp, 2000; Ali & Dubey, 2014). On the other hand, the purchasers interviewed show some discomfort to deal with hypothetical bad interaction experiences, and consider the existence of feelings of hostility, even at a weak level, as a motive of relationship’s break-off.

Even if classified as an emerging economy with an Arab-Muslim culture, the Tunisian setting looks like having some specificity that affects retailer-supplier relationship quality.

1. Retailer’s economic satisfaction and the Tunisian economic setting

Retailers interviewed do not consider the commercial conditions as a dimension of economic satisfaction. Two main reasons explain this result:

   (1) Relationship development: from Transactional to Relational Paradigm

The evolution of retailing had an important effect on retailer-supplier relationships related to various logistics and marketing areas, as supermarkets develop.

Transactional and relational exchanges should not be seen as mutually exclusive. They are observed simultaneously in the economic universe (Lepers, 2003).

Although two partners focus on commercial negotiations, which can sometimes lead to conflict, they can, however work on optimising the service to improve economic result and create a common economic value. Channel actors must work together to improve the supplier-retailer-customer value chain. They can cooperate downstream in logistics and marketing, where they work together as a team on the shelves, innovation and products, optimisation of merchandising and promotional performance and reduced cost sharing. This will allow them to build a competitive advantage and create greater social satisfaction (Abbad, Paché, & Fernandez, 2013).
EXPLORING THE RETAILER’S RELATIONAL SATISFACTION

The retailing industry shows an ongoing growth. Many brand stores hold a very strong negotiation power thanks to the purchase centre implementation. Moreover, the retailing industry has moved, during the last decade toward a concentration structure. In fact, with international brand stores arrival, Tunisian industry retailing has seen many changes. Cooperation through the value creation shows retailers’ willingness to strengthen their competitive position through better coordination at all levels of channel retailing (Machat, 2005; 2009; Trabelsi & Rached, 2011).

(2) Economic context and state intervention

Several aspects can characterise Tunisian retailing industry. A first feature is related to state intervention that subsidises several food products (essential goods) where there is no real competition. In second part, government puts in place regulatory mechanisms and price control that limit the margin of hypermarkets and supermarkets on certain products in order to reduce their scope and protect suppliers and customers.

Furthermore, Tunisia is an emerging country experiencing, since the 2011 revolution—a transitional period. The contextual economic recession affects the commercial feature within the channel relationship. Thus, invoice discounts and rebates have become an economic tradition in supplier-retailer relationship. All suppliers, regardless of size (large enterprise or SME) and their status (national enterprise, multinational or importing), give the same discounts and promotions which can be organised at different times.

2. Retailer’s social satisfaction and the Tunisian cultural setting

As mentioned earlier, the influence of culture on channel relationships has already been questioned (Caceres & Paparoidamis, 2007; Chung et al., 2008). Even in their seminal research, Geyskens and Steenkamp (2000) recognised that their theory, hypotheses, and results are the reflection of the Western, individualistic culture, and may therefore not be applicable to more collectivistic settings. Our empirical results support this assumption. In fact, the sales managers interviewed felt, somewhat uncomfortable to talk about “hostility” in their relationship with their suppliers. More than that, during the interview, they begun to express their misunderstanding of this item and then, expressed their surprise to be asked to consider it as an aspect of social satisfaction.

The Hofstede’s cultural dimensions model classifies the Arab World as a collectivistic, hierarchical, masculine culture, exhibiting high uncertainty avoidance. Based on this model, later researches (Solberg, 2002; El Louadi, 2004), showed that there is neither only one Arab World, nor only one emerging world. Supporting the absence of a homogeneous Arab culture, as often depicted in the Western literature, Koubaa (2010) showed that North African Arabs and Middle East Arabs present different national culture scores. Indeed, power distance, collectivism, uncertainty avoidance, and masculinity values are much stronger in the latter than in the former. In the Tunisian cultural context, some authors shed light on specific cultural values that affect professional relationship. Thus, Soyah and Magroun (2004) found out that the “clan culture” was more relevant to depict the Tunisian culture than the traditional individualistic/collectivistic dimension of the Hofstede’s original model. So, individuals belonging to the same family, the same birthplace or hometown, the same professional corporation, show solidarity and cooperate together, whereas the interactions between individuals from different “clans” are based on a rational aspect. In other words, membership to a group, a clan, is a fundamental characteristic of the Tunisian collectivism. This leads to some behavioural aspects that our findings support, such as: conflict avoidance, importance of social relations, and above all of interpersonal influence in managing channel conflict. Some other factors—among those explaining our results on the economic dimension of the relational satisfaction—may also complete this result. First, the Tunisian industrial
landscape is characterised by a relatively weak number of brands. Second, the traditional retailing sector (convenience stores and traditional corner shops) remains very attractive for the customers, thus putting further competitive pressure on the retail industry. Amine and Hendoui Ben Tanfous (2012), consistently with Izberk-Bilgin (2008), highlighted this “Tunisian paradox”. They put forward the idea that beside the perceived culture distance between the retailers’ original country and the host country, as well as the common motives identified in Western economies, post-colonial and anti-globalisation movements motive local consumers to reject the modern retail format, though they are attracted by western products and the values associated with modernity. In such specific context, the purchasers interviewed all agreed that the only alternative for managing channel relationship in Tunisia is still cooperation.

The findings of this work offer international retailers a competitive understanding of contextual channel relationship management, enabling them to better identify sources of competitive advantage within intra-format, as well as inter-format competition.

In the present context, price negotiations are a sticking point that can result in a bitter struggle and permanent interest conflict. While this context decidedly exists, it should not ignore the fact that a new way of considering the exchange between retailers and manufacturers is currently emerging that is far more oriented towards the long term. Of course, price negotiations remain a key aspect of retailer-supplier relationship, but it no longer excludes the will to collaborate in order to find ways to develop closer relationships and improve the introduction of products in stores, merchandising, the efficiency of logistics systems, and the optimisation of promotional sales operations. In other words, some retailers appear to show a preference for greater commitment to selected suppliers, probably because they gain significant economic advantages in terms of value creation.

Considering this aspect, the international retailers who plan to settle in Tunisia should seek other competitive advantages—besides price competitiveness—to be able to share market with their competitors. In effect, some Tunisian manufacturers are incapable of ensuring large production, so as to provide substantial discounts to retailers—due to the fragility of their industry. International brand stores are required to review their competition strategies and focus on other areas of cooperation as the development of private label or other services that create value perceived by the Tunisian customer. An effective and yet unexplored path to value creation could be the co-development of Halal products, between international retailers and Tunisian manufacturers. By emphasizing that Halal is an opportunity to increase sales and acquire competitive advantage, Yeo, Mohamed, and Muda (2016) state that, in the Malaysian context, the development of innovative Halal cosmetic and personal care products enhances brand value, leading thus to higher levels of customer satisfaction and customer perceived value.

In the specific economic and cultural Tunisian setting, interpersonal influence is a corner stone of channel relationship quality. French brand retailers already implemented in Tunisia can build on this characteristic to develop entry barriers in front of other multinational brand retailers aiming at expanding into the Tunisian market. This also holds for other European brand retailers involved in international expansion (Metro, Tesco). It should be noted that the German Metro is already implemented in the Maghreb region and is well positioned in Morocco. Even though, Tesco, the UK’s largest retailer is still absent from the Maghreb region, a successful entry to the nearby Tunisian market will very likely enable him to make inroads into the whole Maghreb region. This implies to consider the purchasers’ staff as a source of competitive advantage, since they have the cultural capabilities to manage channel relationship conflict by informal and often unfamiliar ways for the western
top-management. In a trivial sense, a Tunisian purchaser from Carrefour or Géant faced with a conflict with a supplier’s seller will usually look for and find “a friend of the neighbour of the cousin of this seller” who will accept to intervene as a mediator. However, we assume that purchasers’ motivation and top-management implication are organisational antecedents to the purchasers’ degree of involvement in satisfying and lasting channel relationships. The extent on which the purchaser will turn to his clan relational network for the benefit of the retail brand will depend on the:

1. Awareness and emphasis of top-management on employees’ cultural capabilities. Western and even Tunisian top-managers of brand retails have to pick up on this opportunity, while sending clear signals to the purchasing department staff about the importance of using interpersonal influence on managing channel relationship.

2. Reward system in place. Measurement/reward systems are instrumental in shaping the behaviours of employees. Evaluating and gratifying sales managers and purchasing teams on the basis of their turning to clan relational network to rapidly solve problems with channel’s members will encourage them to regularly adopt this informal and successful attitude.

Finally, for new multinational retailers’ entry, this cultural feature raises the issue of how to actually compete in such environments. As recalled by Miotto and Parente (2015), the retail industry is characterised by competition between different store formats (inter-format). Now, therefore, which competitive advantage has to be developed by international retailers, against the local traditional corner shops? Often, especially in urban working-class and rural areas, the corner shop’s owner belongs to the so-called customer’s widened “clan”. For multinational retailers operating or aiming to operate in such environments, the personal/service controllable variable of the retailing mix takes all its importance as a strategic source of competitive advantage.

Conclusions

Even in an emerging context, cross-national studies on distributor’s/retailer’s relational satisfaction show different results. Indeed, BenHalima and Belhsen (2013) showed that distributor’s relational satisfaction is predominantly economic in the Moroccan context, whereas it maintains its both economic and social aspects in the Tunisian context, consistently with the major Western studies. This is also supported by our results in a different channel relationship setting. From the cultural standpoint, the universality of the retailer’s relational satisfaction concept, even within a visibly homogenous region, should be addressed with caution, given the existence of between-country differences. Indeed, our findings support the heterogeneity of the so-called Arab World, since they are not consistent with those of Abdul-Muhmin (2002) in Saudi Arabia. Blindly transporting the retailer satisfaction concept across international borders is thus seldom recipe for success. Nevertheless, for retail multinationals, the Tunisian market can be approached as a test market, a bridge into the largest countries of the Maghreb region, namely, Algeria and Morocco.

References


