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William Golden
Hanken - Swedish School of Economics and Business Administration

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Internet Communication in the Development of Business Relationships

Nataša Golik Klanac

Hanken - Swedish School of Economics and Business Administration, Finland
natasa.golik@hanken.fi

Abstract

Although numerous studies acknowledge the increasing importance of the Internet communication in business-to-business relationships, there is not any wide investigation on its characteristics in different stages of a business relationship development. Hence, this paper explores how Internet communication facets (frequency, direction, mode and content) vary throughout the process of the relationship development, and identifies possible gaps between characteristics of Internet communication and stages of a business relationship. The analysis performed here fortifies the opinion that different stages of the relationship call for such Internet communication which is guided by the characteristics of the specific stage. Hence, for the purpose of gathering generic information about products and a company, ornamental websites may be apt. However, in order to foster relationship evolution, more personal, individualized and interactive modes of the Internet communication should be employed.

1.   Introduction

Business relationships are of a great importance in industrial markets and this phenomenon has been studied extensively (e.g. Ford 1980; Dwyer et al. 1987; Håkansson and Johansson 1987; Turnbull et al. 1996; Andersen 2001; Boyd and Spekman 2001). As a crucial condition for an effective operation of business relationships, numerous studies stress out the importance of a good communication between actors, especially today in the age of globalization and internationalization of businesses (e.g. Håkansson 1982; Dwyer et al. 1987; Duncan and Moriarty 1998; Borghini and Rinallo 2002; Huhtinen and Virolainen 2002). All these studies emphasize that high quality communication, in terms of frequency and richness of information, is necessary for developing strong relationships between buyers and suppliers. For instance, Håkansson (1982) points out that the development of successful business relationships, which is very critical in business-to-business marketing, greatly depends on the quality and quantity of information exchange.

During the last decade, the Internet has gained attention in a number of studies due to its influence on organizations' communication and business (e.g. Boyle and Alwitt 1996; Boyle 2001; Osmonbekov et al. 2002, Leek et al. 2002; Deeter-Schmelz and Kennedy 2002; Rao et al. 2003; MacDonald and Smith 2004). These studies clearly indicate that the usage of the Internet in communication contributes to the enhancement of business

relationships. For instance, Boyle and Alwitt (1996) and Boyle (2001) found that the usage of the Internet in communication between suppliers and buyers resulted with increased overall communication in relationships. Furthermore, Osmonbekov et al. (2002), Rao et al. (2003) and Leek et al. (2002) claim that the usage of the Internet leads to improved quality of communication in a relationship. Hence, since quality of communication affects quality of a relationship (Lages et al. 2004), it can be argued that the usage of the Internet in communication enhances relationship quality. Moreover, increased communication between organizations strengthens their relationship and boosts efficiency (Anderson and Weitz 1992).

While a number of studies emphasize that, in business relationships, person-to-person communication is of vital importance (Dwyer et al. 1987; Håkansson 1982; Turnbull 1990; Geiger and Martin 1999; Leek et al. 2002), recent studies indicate that Internet-based channels are becoming the basis of many new relationships (Leek 2002). As a result, comparison of the Internet with face-to-face contacts has been discussed greatly concluding that the Internet is not a substitute for the face-to-face communication but rather a complement (Geiger and Martin 1999; Kelly et al. 2002; Rao et al. 2003). In addition, according to Kelly et al. (2002), face-to-face communication is a crucial prerequisite for the successful usage of the electronic communication media. However, although unquestionably the Internet is not a replacement for the face-to-face communication, its increased usage in a business communication calls for an additional scientific attention.

The area of the Internet has been studied extensively in the marketing literature and several groups of studies can be identified. One group of studies deals with an impact of the Internet on the marketing discipline in general (e.g. Hoffman and Novak 1996; Geller 1998). Also, an area of interest was Internet as a relationship-marketing tool (Geller 1998; Geiger and Martin 1999, Grönroos et al. 2000). Further, in the business-to-business setting specifically, a group of studies examines an impact of the Internet on business-to-business marketing (e.g. Klein and Quelch 1997; Avlonitis and Karayanni 2000; Rowley 2001) and categorization of business-to-business websites (e.g. Geiger and Martin 1999; Sinkovics and Penz 2003). Additionally, a group of studies focuses on the usefulness and the frequency of the usage of the Internet in the B-to-B context (e.g. Boyle 2001, Deeter-Schmelz and Kennedy 2002; Leek et al. 2002). Lately, an increasing number of studies deals with an impact of the Internet on business-to-business relationship components, such as trust, commitment and satisfaction (e.g. Boyd and Spekman 2001; Osmonbekov et al. 2002; Rao et al. 2003; MacDonald and Smith 2003). However, although the usage of the Internet in business has evidently stimulated many studies, certain gaps in the research can be identified. These gaps point towards a lack of the research that explores the characteristics of Internet communication throughout the relationship development process.

In general, the field of Internet communication demands more research, especially since it is characterized by great changes and developments. Next, majority of studies on the Internet in business-to-business context focuses merely on a process of purchasing (e.g. Berthon et al. 1998; Deeter-Schmelz and Kennedy 2002), but not on a process of a relationship development and on stages through which this process evolves.

Furthermore, main focus of the studies is an impact of Internet on a business relationship and on important relationship variables, such as trust, commitment, and satisfaction. However, none of the studies applies a reverse perspective, though many, e.g. Boyd and Spekman (2001) and MacDonald and Smith (2003), call for it. Boyd and Spekman (2001) argue that a stage of the relationship moulds the usage of Internet. In addition, Andersen (2001) argues that marketing communication requirements change through the relationship-building process. To conclude, studies tend to overlook a manifestation of

the stage of a business relationship in the required characteristics of Internet communication, and fail to notice that consequently, with the development of a relationship, Internet communication changes.

Triggered by indicated research gaps, this study focuses on business-to-business relationships, and on a process of Internet communication in such a setting. The purpose is to explore and increase the understanding of changes in Internet communication that take place throughout the development of business relationships. The premise is to apply dynamic perspective on relationship marketing (Andersen 2001) and take into consideration that the type and purpose of Internet communication change with stages of a relationship development. Based on literature streams of the interaction approach, mechanistic perspective of communication theory, and Internet marketing in the relationship marketing context, the paper aims to increase the understanding of required Internet communication characteristics in each stage of a relationship, and to identify possible gaps between characteristics of Internet communication and stages of a business relationship. Understanding of these allows companies to improve design of the used Internet communication tools (Boyle and Alwitt 1999) and adjust them according to the needs of each business relationship. The paper is limited to buyers' perspective of the Internet communication hence, the perspective of other stakeholders, such as investors, is not covered.

The main concepts of the study are Internet communication, business relationship between buyers and sellers and a process of the relationship development. Internet communication can be defined as sharing of information between companies through the Internet as the medium. Main forms of Internet communication are e.g. email, websites, and extranets. Business relationships are processes of continuous interaction and exchange between buyers and sellers in the setting of the industrial market (Håkansson and Johansson 1987; Holmlund 1997). The process of the relationship development embraces the stages through which relationships evolve. However, although studies (e.g. Dwyer et al. 1987, Ford 1980) argue that a relationship changes and develops over time through stages, the concept of stages still remains difficult one to employ since it is impossible to specify an exact number, duration, beginning and ending of the stages.

This paper is organized as follows. After the introduction, the main characteristics of Internet communication are explained based on the model of the four communication facets (Mohr and Nevin 1990). Thereafter, process of the development of relationships and its stages are briefly introduced. Next, Internet communication characteristics are explored in a relation to a stage of a relationship. At the end, conclusions and propositions for future research are made.

2.   Characteristics of Internet Communication

Mohr and Nevin's (1990) analysis of four communication facets: frequency, direction, content and modality, assists in portraying main characteristics of Internet communication.

2.1   Frequency

Frequency refers to the amount of communication and/or duration of the contact between companies. In connection, research clearly imply that the Internet increases frequency of communication between organizations. Consequently, the Internet increases the amount of exchanged information (Leek et al 2002; Rao et al 2003; Osmonbekov et al 2002) due to enabling actors to (1) interact regardless a major physical distance (Geiger and Martin 1999), (2) communicate in a real time (Björk 1999; Geiger and Martin 1999), and (3) 24

hours a day (Rowley 2001). Rao et al. (2003) find that communication flow on the Internet is much easier and speed of transmission is increased, compared to other means of communication, which results with time effectiveness. In addition, Eng (2004) asserts that Internet communication is characterized by efficient exchange of information.

Namely, studies show that the usage of Internet in communication results with higher overall communication between suppliers and buyers, which improves overall communication in a relationship (Boyle 2001). Similarly, Rao et al. (2003) point out that the Internet increases frequency of contacts in relationships, which facilitates communication (Eng 2004) and consequently, according to Osmonbekov et al. (2002), increases communication.

2.2 Direction

Direction of communication focuses on the patterns of contacts between organizations and can be unidirectional and bidirectional (Mohr and Nevin 1990). In case of the Internet, Hoffman and Novak (1996) emphasize that communication can also be multidirectional, since the Internet is a medium in which all parties can interact with each other. Other studies support that as well. For instance, Eng (2004) finds that, due to open exchange and sharing of information, the Internet provides seamless linkage between companies and allows multiple user participation. Therefore, it enables customers to initiate communication (Geiger and Martin 1999). Moreover, it makes one-to-one interactive communication possible (Sinkovics and Penz 2003; Rowley 2001). Likewise, it gives companies the ability to customize communication and interact with each single customer on a one-to-one basis (Geller 1998). Duncan and Moriarty (1998) emphasize the idea that information sharing strengthens relationships and supports integration of organizations. Also, due to easier communication flow, the Internet increases a number of businesses able to communicate with and achieve efficient and effective exchange (Rao et al. 2003; Boyle 2001 and Eng 2004).

2.3 Modality

Modality or medium of communication refers to the method used to transmit information. Langel and Daft (1985, in Mohr and Nevin 1990) find information richness, as an ability of information to clarify ambiguous issues by supporting verbal, symbolic, and relational communication, to be an inherent characteristic of a mode. They consider face-to-face to be the richest mode of communication, while formal documents are the least rich. Boyd and Spekman (2001) find videoconferencing as an example of Internet usage supporting rich communication, since both verbal and symbolic information can be communicated. On the other hand, they find email to be an example of lean communication, due to its primarily textual orientation. Interestingly, that is not in alignment with Mohr and Nevin's (1990) viewpoints of email being characterized by medium level of richness.

Moriarity and Spekman (1984) classify modes of communication as commercial or noncommercial, and personal or impersonal. Commercial modes are controlled by an organization, unlike non-commercial ones that are controlled by a third party. Personal modes support one-to-one whereas impersonal ones support mass communication. According to Deeter-Schmelz and Kennedy (2002), Internet communication can take all four combinations of modes. They categorize interactional websites and email as personal/commercial. Mohammed et al. (2003) add to this group an online customer service. Informational websites and mass email (spam) belong to impersonal/commercial modes. Further, e-mail and chat rooms are personal/non-commercial, and Internet newsletters, list servers and bulletin boards are impersonal/non-commercial.

Hoffman and Novak (1996) categorize Internet communication in four modes, based on number of parties involved: one-to-one (e-mail, voice mail and talk program), one-to-few (email list), few-to-few (multiparty chat), and many-to-many (mailing lists, newsgroups, World Wide Web).

Mode can also be formal, which is more structured and connected to organization, and informal, which is more personalized, spontaneous and nonregularized. Osmonbekov et al. (2002) and Eng (2004) suggest that e.g. e-mail and website reduce formality in business relationship and therefore can be classified as more informal modes of communication.

2.4 Content

Content of communication relates to the message or type of information that is transmitted (Mohr and Nevin 1990). Studies indicate that information exchanged through Internet communication are more detailed, accurate and transparent. Leek et al. (2002) find that the Internet increases the depth of information exchanged. Also, the Internet enables to all involved parties an access to significant information, and therefore makes communication in relationship more transparent (Osmonbekov et al. 2002; Rowley 2001; Eng 2004). In addition, according to Osmonbekov et al. (2002) and Rao et al. (2003) Internet communication is characterized by increased data accuracy.

Gross (1968) classified the types of marketing information exchanged between parties into those regarding the physical inventory, promotional activities, product characteristics, pricing structures, and market conditions. A study by Deeter-Schmelz and Kennedy (2002), which deals with the use of the Internet, sustains that Internet is used to obtain all these types of information.

Boyle's (2001) study shows that the most common issue in Internet communication was providing and receiving information, both in communication with customers or suppliers. Apart from Gross' types of information, Boyle adds to the study issues of problem and conflict solving but the study shows that this topic seems not to be a frequent theme of Internet communication. Interestingly, the study also shows that placing and asking for an order was one of the least frequent issues of Internet communication. However, it has to be noted that it has passed almost five years since this study has been done, what is a substantially long period in case of the Internet assimilation into businesses, and situation today might greatly differ.

Figure 1 summarizes the main characteristics of Internet communication and their significance for the overall communication in a relationship.

3. Internet Communication through the Development of a Business Relationship

Business-to-business (B-to-B) relationships can be placed on a wide continuum (Boyd and Spekman 2001). On the one side are placed discrete (Dwyer et al. 1987), or transactional relationships, where parties do not aim at developing a strong relationship. As a result, communication in such relationships is very limited and of a narrow content (Dwyer et al. 1987). In such relationships an exchange relies very much on a price, and parties easily switch partners since there is no sense of commitment (Boyd and Spekman 2001). On the other end of the continuum positioned are relationships characterized by commitment and long-term perspective (Ford 1980) where parties engage in social exchange (Dwyer et al. 1987). A relationship development process refers to the change of stages from the one side of that continuum to another.
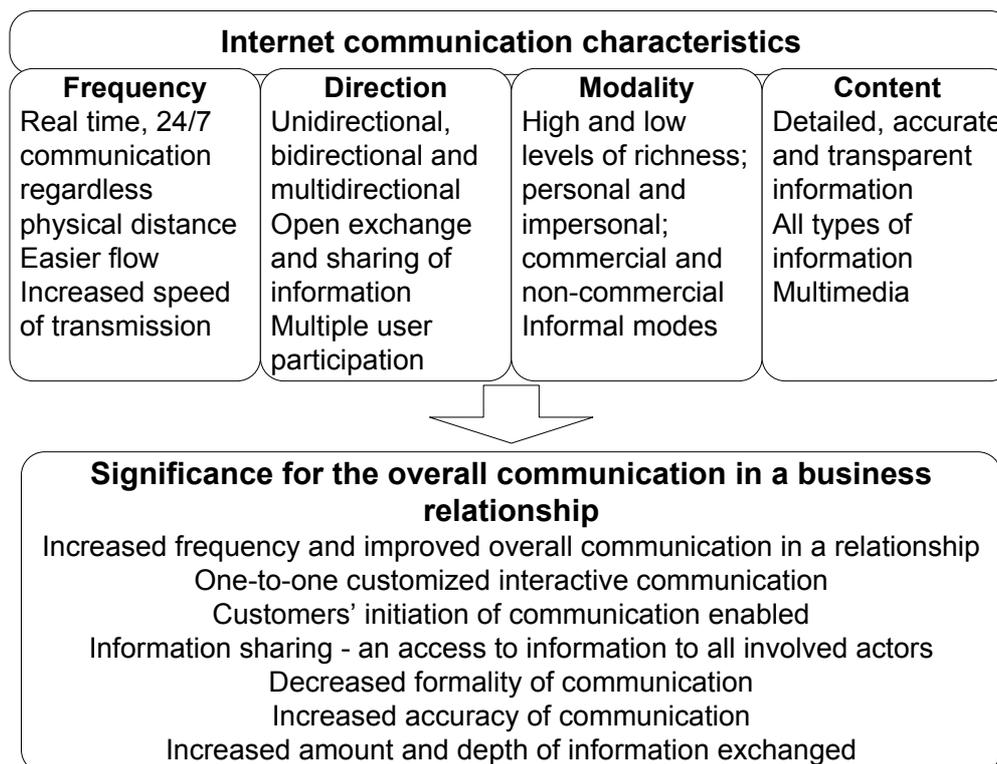
Internet communication characteristics			
Frequency	**Direction**	**Modality**	**Content**
Real time, 24/7 communication regardless physical distance Easier flow Increased speed of transmission	Unidirectional, bidirectional and multidirectional Open exchange and sharing of information Multiple user participation	High and low levels of richness; personal and impersonal; commercial and non-commercial Informal modes	Detailed, accurate and transparent information All types of information Multimedia

Significance for the overall communication in a business relationship

Increased frequency and improved overall communication in a relationship
One-to-one customized interactive communication
Customers' initiation of communication enabled
Information sharing - an access to information to all involved actors
Decreased formality of communication
Increased accuracy of communication
Increased amount and depth of information exchanged

Figure 1: Characteristics of Internet communication and their significance for overall communication

The literature on business relationships points at the different stages of a relationship development. Several studies categorize those stages (e.g. Ford 1980 and Dwyer et al. 1987). Ford (1980) suggests five stages through which business relationships develop over time - pre-relationship stage, early stage, stage of development, long-term stage, and final stage. He analyses the process through the change of variables of experience, uncertainty, distance, commitment, and adaptation. According to Ford (1980), the process of relationship development is characterized by: (1) the increasing experience of both parties in the relationship, (2) the reduction in their uncertainty, (3) the reduction of social, geographical, cultural, technical, and time distance, (4) the growth of commitment, and (5) the increase of adaptations.

In practice one relationship does not necessarily pass through all the stages, and identification and classification of each phase is very difficult, if not impossible, specifically due to inexistence of the universally defined criteria for their classification. Moreover, the borderline between stages is very blurry. For that reason, and in order to structure the discussion more precisely, Internet communication is analyzed in this paper mainly through three stages of the relationship development (Andersen 2001) – namely, pre-relationship, early and development stage. Also, with such a categorization differences in communication can be more clearly presented. The stage of relationship dissolution is not discussed, although it is considered as relevant. Given that borders between these stages are dense, communication is perceived as a continuum. That is, Internet communication is taken as a process that changes in character gradually or in very slight stages without any clear dividing points.

Figure 2 presents the framework for the study of the facets of Internet communication through the development of business relationships.
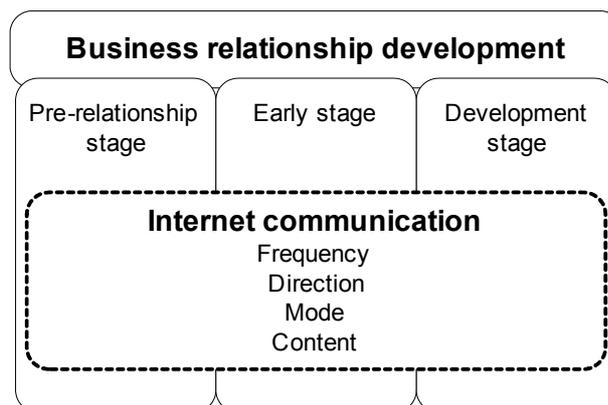
Figure 2: The framework of the study

Next, based on the literature review, Internet communication through the stages of the development of the business relationship is explored.

3.1   The Pre-Relationship Stage

In the pre-relationship stage (or awareness stage, as named by Dwyer et al. 1987), no contact between parties exists (Ford 1980). This stage is characterized by great distance perceived to exist between parties (Ford 1980). However, since the Internet enables parties to interact regardless their major physical distance (Geiger and Martin 1999), in case of geographical distance, parties may be more prone or even forced to use Internet communication.

The main task of overall communication in this stage is to raise awareness (Andersen 2001). Internet communication serves here the same purpose. Deeter-Schmelz and Kennedy (2002) have identified the main purposes of the usage of Internet in a purchasing process. At this stage, the main purpose is to gather information about products and current suppliers.

At this level Internet communication is very much impersonal and mass-oriented, where level of individualization and interactivity is very low and no response is expected from the customers (Mohammed et al. 2004). Companies often send out mass emails to a list of potential customers or use websites without any degree of interactivity, which can be characterized as online brochures. Primary function of such websites is to provide generic information (Rowley 2001).

Martin and Geiger (1999) discuss ornamental websites, which offer formal information about a company and present merely company and product brochures. Sadly, both Leek et al. (2002) and Evans and King (1999) report that websites in business-to-business market are very often used only as promotional tool or only as virtual brochures. Martin and Geiger (1999) argue that such websites do not encourage any interaction and therefore do not enable and support the evolution of a relationship to the next stage. Yet, important is to acknowledge that not all customers want stronger relationship (Mohammed et al. 2003) thus, such websites may be satisfactory for transaction-oriented companies that do not intend to develop a stronger relationship.

In this stage, the social distance between parties is significant (Ford 1980), therefore, in order to form and deepen a relationship, there is a need for bilateral communication (Dwyer et al. 1987), and a mix of one-way and two-way communication tools can be used to reduce that distance (Andersen 2001). Rowley (2001) brought forth that mere web presence is not effective in impacting on attitudes. In relation, Ghose and Dou (1998) indicate that websites, which encourage interaction and offer the opportunity for a two-way relationship, might have more potential for doing so.

3.2   The Early Stage

The next, early stage (Ford 1980), or exploration stage (Dwyer 1987), begins when parties engage in any type of bilateral interaction (Dwyer et al. 1987). Since, parties make minimal investments into a relationship, the interdependence between parties is insignificant (Dwyer et al. 1987). That is, at this point there are possibly no major investments in Internet communication technologies, which could create dependence. In addition, uncertainty is high at this level. Andersen (2001) finds that in such a situation personal contact is required in communication in order to decrease uncertainty. Hence, at this instant, personal forms of Internet communication can have a great role. As mentioned, Deeter-Schmelz and Kennedy (2002) categorize email, interactive websites and chat rooms as personal Internet communication.

Berthon et al. (2003) suggest that in the stage of evaluation of proposals and selection of suppliers, the effectiveness of websites decreases, compared to personal selling. But, they suggest also that later in the stages of selection of order routine and in obtaining performance feedback and evaluation, its importance raises to the high level of effectiveness.

Purpose of the usage of the Internet (Deeter-Schmelz and Kennedy 2000), in this stage, is providing information, such as specifications and order policies. Also, a possibility is to offer online ordering, online order status check and online payment. Since customers need a personal contact and reassurance, an option is to enable online chats and discussions with other customers.

The level of interactivity of websites used in this stage needs to be increased in order to develop a relationship. Any kind of interactive applications enhances information exchange with parties, and website should offer proper links in order to initiate communication (Rowley 2001). Also, companies have an option to use the strength of Internet communication of reducing formality between parties, what was indicated in Eng (2004) and Osmonbekov et al. (2002).

As mentioned, the level of uncertainty between parties is still very high in this stage. Duncan and Moriarty (1998) claim "information is something that makes decision making easier by reducing uncertainty". Following the logic of that premise, companies might focus on providing proper and timely information. Great benefit of Internet communication for this stage is in the ability to increase the amount of shared information and its transparency and accessibility. An immense number of studies emphasize an information exchange role of the Internet in business relationships (Boyle 2001; Osmonbekov et al. 2002; Deeter-Schmelz and Kennedy 2002; Rao et al. 2003) emphasizing its suitability for sharing increased amount of specific information among the relevant parties. Moreover, Eng (2004) stresses out that the Internet plays important role in enabling not only information but also knowledge exchange and sharing between firms.

3.3   The Development Stage

The development stage occurs when companies continuously interact and a number of purchases has increased (Ford 1980). Range and depth of mutual dependence between parties increases as well (Dwyer et al. 1987). Increased dependence and uncertainty in relationship lead to deeper communication (Ford 1980; Dwyer et al. 1987). Since the level of commitment in this stage is rather high, companies may be more prone to invest in Internet communication that will enable and support efficient exchange of information and products, such as extranet and highly interactive and individualized websites.

Geiger and Martin (1999) categorize websites in this stage as "relational" with the high level of interactivity where both sides play an active role. A function of the website at this level is to create community (Rowley 2001), namely, feeling of mutual commitment. Thus, these kinds of websites encourage customer feedback, recognize visitors and personalize the interface (Geiger and Martin 1999). Furthermore, they enable two-way customer relationship, full integration of Internet capabilities into the business, and service interface integrated with delivery and other business operations (Rowley 2001). Websites enabling interactivity stand for an integral part of long-term relationship marketing (Srirojanant and Thirkell 1998). For instance, websites in this stage may offer customers a constant access to news and information regarding business, manufacturing facilities, corporate operations, financial reports and product technical data. Further, a websites offering may be broadened by e-mail marketing, online customer surveys and feedback, and virtual tradeshows (Mohan Chandran and Gupta 2004).

Another layer of Internet communication common at this stage is extranet. Extranet, as a network that links business partners to one another over the Internet, offers, for instance, a possibility to access corporate data, check inventory, place orders, and receive shipment status (Vlosky et al. 2000). Additionally, extranet can offer e.g. online access to order entry, order status, placing multiple orders, accounts history, online payment information, safety data sheets, reporting, online collaboration, electronic certificate or analyses, product details, and technical data, supplier documents, such as blueprints, layouts and specifications (Deeter-Schmelz and Kennedy 2000; Mohan Chandran and Gupta 2004). Hence, buyers and other partners may have access to significant information about valuable products (Rowley 2001). According to Vlosky et al. (2000), such a tool enables companies to timely and efficiently share information, reduce costs, enhance ordering process and improve customer service.

An issue to deal in this stage onwards is connected to actively maintaining social bonds since Dwyer et al. (1987) are warning that otherwise they may weaken and dissolve. Regarding that, Muhammed et al. (2003) argue that individualized websites, which offer personalized content and real-time interaction with the company and other customers, can help building social bonds.

Figure 3 summarizes the characteristics of Internet communication responding to the stages of a business relationship.

Business relationship			
		Pre-relationship stage	**Early stage**	**Development stage**
Communication facet	**Content**	Generic info about company and products	Information related to a purchasing process	Customized relationship-related information
	Direction	One-way	Two-way Multi-way	Multi-user participation
	Mode	Low level of individualization and interactivity Mass emails Ornamental websites	More interactive and individualized Transactional websites	Highly interactive and individualized Relational websites Extranet

Figure 3: Internet communication through the development of a business relationship

4.   Discussions and Conclusions

As seen, business-to-business relationships can be placed on a continuum and categorized in different stages. A different level of commitment, dependence, experience and uncertainty characterizes each stage of a relationship. Therefore, each stage demands different relationship stage-guided communication.

Nevertheless, in the reality relationships rarely continuously evolve through all the stages and seldom follow the model elaborated in this paper. However, the adoption of the stage perspective may stimulate companies to take into consideration that their relationships with buyers are not all in the same stage and therefore the same Internet communication tools cannot suit all the buyers. Rather, adopted Internet communication may reflect the needs of a particular relationship and its readiness for that kind of communication.

Consequently, companies need to understand that the same type of Internet communication cannot be implemented with all the customers. Rather, they ought to consider what the relationship with the customer is like, and what is needed in order to foster the relationship to the next stage. That is, Internet communication should be adjusted according to the stage in which the relationship in question is. If the relationship is in the early stage, Internet communication should be oriented towards providing relevant information to the customers and towards initiating bilateral communication. However, in the stage when commitment between parties is increased, a relationship demands a more advanced forms of Internet communication such as extranet and highly interactive, individualized, password-protected websites.

To simplify, two rather contrary situations may occur. One is a situation with a buyer in pre-relationship stage and a company investing into highly interactive and individualized Internet communication. However, since the buyer's needs respond to the basic information-gathering level this buyer has almost no use of such an advanced level of communication. For that reason, company's investments face to stay unexploited to its full capacity.

Another situation, more severe one, is a situation of a mature buyer-seller relationship where the company's Internet communication offering is merely an ornamental website, with a low level of interactivity and individualization. In such a situation there is a significant gap between buyer and relationship's needs of Internet communication, and a company's offering. Hence, a company faces a risk that buyer might turn to a competitor to obtain a relevant, timely, and accurate information. Figure 4 presents combinations of relationship stages and the characteristics of Internet communication. Also, the figure indicates possible gaps between buyer and relationship's needs of Internet communication, and a company's offering (darker fields), and displays potential outcomes of each combination for a buyer, a seller and the progress of a relationship.

| | | **A stage of a relationship** | | |
		Pre-relationship stage	Early stage	Development stage
Internet communication (IC) characteristics	**Ornamental IC**	IC responding to buyer and relationship's needs Relationship progress encouraged	IC not responding to buyer and relationship's needs Relationship progress not encouraged	IC not responding to buyer and relationship's needs Relationship progress not encouraged
	Transactional IC	IC not fully utilized Relationship progress encouraged	IC responding to buyer and relationship's needs Relationship progress encouraged	IC not responding to buyer and relationship's needs Relationship progress not encouraged
	Relational IC	IC not fully utilized Relationship progress encouraged	IC not fully utilized Relationship progress encouraged	IC responding to buyer and relationship's needs Relationship progress encouraged

Figure 4: A matrix of relationship stages and the characteristics of Internet communication

Finally, this paper illustrates that companies have available a variety of Internet communication tools, which differ in the level of interactivity and individualization. In addition, analysis encourages that these tools should not be employed only as a reaction to a current situation but preferably proactively, thus helping a relationship to develop.

It can be concluded that designers of Internet communication should take into consideration a stage of a business relationship as well, and that the stage of a relationship influences the mode, frequency, direction and content of communication. In the end, these Internet communication facets may encourage or hinder the evolution of the relationship. However, since literature does not offer a comprehensive answer to the

research question of this study, and in order to develop study's framework further and test these findings, an empirical investigation of this problem is required.

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