Exit, voice, loyalty, neglect, and… retaliation:
The impact of different maintenance motivations on customers' responses to dissatisfaction

Abstract
Because failure and breakdown are part of social life, the operations of every organization are punctuated by customers’ dissatisfaction, annoyance and discontent. Consequently, managers are often confronted with deterioration or break-down of their business relationships. Therefore it becomes increasingly important to not only understand how to acquire and maintain ongoing relationships but also how to prevent them from dissolution. The main objective of this paper is to analyze the impact of relationship maintenance motivations on customers' responses to dissatisfaction. A PLS causal model is presented and empirically tested in an industrial context. The results suggest that constraint-based and dedication-based motivations for maintaining a relationship have different impacts on customers' reactions to dissatisfaction.

Keywords: EVLN model; retaliation; dissatisfaction; relationship; maintenance

Track: Business-to-Business Marketing & Networks
1. Introduction

Because failure and breakdown are part of social life, the operations of every organization are punctuated by customers' dissatisfaction, annoyance and discontent. Consequently, managers are often confronted with deterioration or break-down of their business relationships. Therefore, it becomes increasingly important to not only understand how to acquire and maintain ongoing relationships, but also how to prevent them from dissolution. The main objective of this paper is to analyze the implications of relationship structure on customers' responses to dissatisfaction. How do these different motivations explain customers' reactions in the face of a relational incident? The first section presents the conceptual framework and the research hypothesis (2). The methodological modalities are then presented (3). Finally, results are exposed (4), discussed (5) and limitations analyzed (5).

2. Conceptual framework and research hypothesis

By combining the reactions derived from the EVL framework (1.1) and the propositions concerning customers' motivations for maintaining a relationship (1.2), it is possible to develop an integrative model explaining customers' reactions to dissatisfying incidents.

![Figure 1: A theoretical model of customers' reactions to dissatisfaction](image)

2.1. A typology of customers' reactions to dissatisfaction based on the EVL framework

Initially developed by Hirschman (1970), the EVL model states that customers faced with dissatisfaction can either exit (withdraw from the relationship) or voice their discontent, the decision being essentially moderated by the degree of attachment (loyalty) to the firm. The most notable extension of this framework can be attributed to Rusbult, Zembrodt and Gunn (1982) who integrated a fourth option, called neglect (pessimistically waiting for relationship dissolution). However, another line of research (Huefner & Hunt, 2000; Huefner et al., 2002) focuses on retaliation as a possible alternative. The first reference to retaliation can be attributed to Axelrod (1984). Based on this work, some scholars (Grégoire & Fisher, 2006; Huefner & Hunt, 2000; Huefner et al., 2002; Kumar, Scheer, & Steenkamp, 1998) applied these conclusions in a commercial context and define retaliation as "a customer's effort to punish and make a firm pay for the damages it has caused".

2.2. The different impacts of constraint-based and dedication-based maintenance on customers' reactions to dissatisfaction

Although recognizing the cumulative effect of different maintenance motivations on relationship dynamics, few scholars integrate these aspects into a unifying framework (for
notable exceptions see Bendapudi & Berry, 1997; Ganesan, 1994; Morgan & Hunt, 1994). The theoretical model developed here relies on one fundamental conjecture based on Bendapudi and Berries' propositions: while constraint-based motivations (CBM) determines relationship stability and is mainly associated with destructive reactions (exit and neglect), dedication-based maintenance (DBM) promotes relationship development and appears as a sole determinant of constructive modalities (retaliation, voice and loyalty).

2.2.1. The impact of constraint-based maintenance

Derived from an economic perspective, CBM explains continuance of a relationship in terms of the costs and benefits associated with a relationship (Bendapudi & Berry, 1997). In this research, CBM is thought of as a meta-variable, consisting of two interrelated constructs: economic satisfaction and calculative commitment.

**Economic satisfaction** is defined as a "member's positive affective response to the economic rewards that flow from the relationship with its partner" (Geyskens, Steenkamp, & Kumar, 1999). It has been associated with instrumental motivations for maintenance and is, consequently, presented as a determinant of calculative commitment (Palmantier, Dant, Grewal, & Evans, 2006). At the same time, economic satisfaction is also considered as an antecedent of trust (Geyskens, Steenkamp, Scheer, & Kumar, 1996; Gilliland & Bello, 2002).

**Hypothesis 1:** Economic satisfaction is positively associated with (a) calculative commitment and (b) trust.

Rooted in the Gesellschaft strain of relationships, **calculative commitment** is defined as the degree to which a member perceives the need to maintain a relationship given the significant anticipated termination or switching costs associated with leaving (Allen & Meyer, 1990; Anderson & Weitz, 1992; Dwyer, Schurr, & Oh, 1987; Geyskens et al., 1996). In the case of high dependence, exit would appear too difficult to accomplish (Luchak, 2003; Ping, 1993, 1995) and neglect would then represent the best alternative (Bendapudi & Berry, 1997; Ping, 1993; Ping & Dwyer, 1992).

**Hypothesis 2:** Calculative commitment is (a) negatively associated with exit and (b) is positively associated with neglect.

2.2.2. The effects of dedication-based maintenance

DBM focuses on the affective responses and explains maintenance based on an active desire of the parties (Bendapudi & Berry, 1997). DBM is also considered as a supra-construct composed of three interrelated variables: social satisfaction, trust and affective commitment.

**Social satisfaction** is defined as a "member's positive affective response to the noneconomic, psychological aspects of its relationship, in that interactions with its exchange partner are fulfilling, gratifying and easy" (1998). Although social satisfaction gave rise to few studies, it can be considered as the main determinant of affective commitment. At the same time, social satisfaction has also been validated as an antecedent of trust (Geyskens et al., 1999).

**Hypothesis 3:** Social satisfaction is positively associated with (a) affective commitment and (b) trust.

**Trust**, defined as a willingness to rely on an exchange partner in whom one has confidence, has been validated as the principal determinant of commitment (Anderson & Weitz, 1989;}

---

1 Given that the main objective of retaliation is to restore cooperation, it is considered as a constructive reaction to dissatisfaction. In fact, a customer resorting to this strategy does not wish to dissolve its partnership. He just tries to return to a fair level of cooperation by applying some sort of revenge action to its partner.
Blois, 1999; Mayer, Davis, & Schoorman, 1995; 1993; Moorman, Zaltman, & Deshpande, 1992; Morgan & Hunt, 1994). But recent findings show that while trust appears to influence affective commitment positively (de Ruyter & Wetzels, 1999; Geyskens et al., 1996; Gilliland & Bello, 2002; N’Goala, 2006; 1998), it seems to have a negative impact on calculative commitment (de Ruyter & Wetzels, 1999; Geyskens et al., 1996; Wetzels et al., 1998).

**Hypothesis 4:** Trust is (a) positively associated with affective commitment and (b) negatively associated with calculative commitment.

Finally, affective commitment is solely related to constructive reactions. The key argument supporting this conjecture rests on the idea that a customer deliberately maintaining a relationship will tend to resort to positive strategies in the face of relational problems. As a result, he will be very likely to opt for loyalty or voice (Luchak, 2003; Roloff, Soule, & Carey, 2001; Withey & Cooper, 1989) and refuse retaliation (Grégoire & Fisher, 2006).

**Hypothesis 5:** Affective commitment is positively associated with (a) loyalty and (b) voice and (c) is negatively associated with retaliation.

3. Study method

3.1. Research context, data collection and sample

An industrial distribution context was chosen to empirically test the research hypothesis. The relationships between a manufacturer (FabIndus²) of industrial materials and its distributors operating in the aeronautic, automotive and industrial markets were studied. The sampling frame was a customized list of 775 independent distributors affiliated with FabIndus. Key informants were carefully selected through a telephone identification process. Of the 775 potential targets, 400 were ultimately contacted and invited to answer the web survey. 174 usable questionnaires were electronically returned, for a response rate of 43.5 percent.

3.2. Measurement modalities

All the constructs used in our research were based on prior studies and measured using multiple-items scales. Economic and social satisfaction were measured with the ten-items scale developed by Geyskens and Steenkamp (2000). Trust was measured by the five indicators composing Morgan and Hunt's scale (1994). Calculative commitment was operationalized based on the scale developed by Ganesan (1994) and affective commitment was measured using Bloemer and Odekerken-Schröder's five-items scale (2003). Exit and neglect were each derived using two-four items scales borrowed from Ping (1993). Voice and loyalty were measured using Hibbard, Kumar and Stern's three-items scales (2001). The operationalization of retaliation was based on, and adapted from, Grégoire and Fisher (2006).

3.3. Model estimation

The structural equation model presented in figure 1 was estimated using a partial least square (PLS) procedure. PLS is a non-parametric estimation procedure (Chin, 1998; Lohmöller, 1984; 1966; Wold, 1973; 1975, 1982) that can accommodate small samples and avoids some of the restrictive assumptions imposed by maximum likelihood estimation. Bootstrapping and jackknifing procedures were used to evaluate statistical validity of parameters and model fit.

---

² For confidentiality reasons, the names of the manufacturer and its distributors cannot be divulged here. Consequently, an assumed name (FabIndus) is used to refer to this supplier.
4. Analysis and results

4.1. Measurement model

EFA was first used to evaluate the psychometric qualities of each construct of the study. This procedure suggested the elimination of four items (SocSat1, CalcCom4, CalcCom6, Retal3) presenting non-significant loading (< 0.5). After deletion, all remaining constructs had satisfactory results and were integrated in the final measurement model (Table 1).

<table>
<thead>
<tr>
<th>Constructs</th>
<th>RELIABILITY</th>
<th>CONVERGENT VALIDITY</th>
<th>DISCRIMINANT VALIDITY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cronbach's</td>
<td>Communality</td>
<td>Cv-communality(3)</td>
</tr>
<tr>
<td></td>
<td>alpha</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Economic satisfaction</td>
<td>0.855</td>
<td>0.635</td>
<td>0.635</td>
</tr>
<tr>
<td>Social satisfaction</td>
<td>0.734</td>
<td>0.555</td>
<td>0.555</td>
</tr>
<tr>
<td>Trust</td>
<td>0.901</td>
<td>0.717</td>
<td>0.717</td>
</tr>
<tr>
<td>Calculative commitment</td>
<td>0.874</td>
<td>0.725</td>
<td>0.725</td>
</tr>
<tr>
<td>Affective commitment</td>
<td>0.904</td>
<td>0.723</td>
<td>0.723</td>
</tr>
<tr>
<td>Exit</td>
<td>0.949</td>
<td>0.868</td>
<td>0.868</td>
</tr>
<tr>
<td>Neglect</td>
<td>0.906</td>
<td>0.777</td>
<td>0.777</td>
</tr>
<tr>
<td>Retaliation</td>
<td>0.870</td>
<td>0.790</td>
<td>0.790</td>
</tr>
<tr>
<td>Loyalty</td>
<td>0.826</td>
<td>0.737</td>
<td>0.736</td>
</tr>
<tr>
<td>Voice</td>
<td>0.890</td>
<td>0.809</td>
<td>0.809</td>
</tr>
</tbody>
</table>

Table 1: Psychometric qualities of the measurement model

Reliability of the constructs is confirmed as the Cronbach's alpha and composite reliability indices are well above the 0.70 threshold. The communality and AVE indexes are also above this 0.70 threshold (except for economic and social satisfaction) demonstrating convergent validity. Discriminant validity is established since the correlations of each construct with its indicators (root AVE) exceed the squared correlation between the construct and any other construct (Fornell & Lacker, 1981).

4.2. Structural model

The proposed model demonstrated a relatively weak predictive power (Table 2) as the average variance explained (average R²) was 0.186. This score was essentially explained by the relative inability of the model to predict loyalty and voice. Redundancy indexes confirmed these results. Finally, the GoF index demonstrated a relatively medium fit (0.369).

<table>
<thead>
<tr>
<th>Constructs</th>
<th>R²</th>
<th>Redundancy(4)</th>
<th>Cv-redundancy(5)</th>
<th>GoF(6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust</td>
<td>0.380</td>
<td>0.272</td>
<td>0.260</td>
<td>-</td>
</tr>
<tr>
<td>Aff.Com.</td>
<td>0.290</td>
<td>0.210</td>
<td>0.206</td>
<td>-</td>
</tr>
<tr>
<td>Calc.Com.</td>
<td>0.147</td>
<td>0.107</td>
<td>0.093</td>
<td>-</td>
</tr>
<tr>
<td>Exit</td>
<td>0.239</td>
<td>0.207</td>
<td>0.202</td>
<td>-</td>
</tr>
<tr>
<td>Neglect</td>
<td>0.146</td>
<td>0.114</td>
<td>0.102</td>
<td>-</td>
</tr>
<tr>
<td>Retaliation</td>
<td>0.106</td>
<td>0.084</td>
<td>0.081</td>
<td>-</td>
</tr>
<tr>
<td>Loyalty</td>
<td>0.024</td>
<td>0.018</td>
<td>0.017</td>
<td>-</td>
</tr>
<tr>
<td>Voice</td>
<td>0.078</td>
<td>0.063</td>
<td>0.056</td>
<td>-</td>
</tr>
<tr>
<td>Average</td>
<td>0.186</td>
<td>0.134</td>
<td>0.127</td>
<td>0.369</td>
</tr>
</tbody>
</table>

Table 2: PLS model predictive power and goodness-of-fit

Concerning hypothesis validity, results show a strong support (Table 3). Indeed, all but two of the research conjectures (H2b and H4b) are confirmed by the bootstrap simulation.

---

3 Cv-communality = cross-validated communality (calculated by a blindfolding procedure)
4 Redundancy = R² x communality
5 Cv-redundancy = cross-validated redundancy (calculated by a blindfolding procedure)
6 GoF = \sqrt((average R²) x (average communality))
Table 3: Parameter estimation of the PLS Model by the Bootstrap procedure

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Original Sample</th>
<th>Bootstrapped Sample</th>
<th>Standard Error</th>
<th>t</th>
<th>p</th>
<th>Validity</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1a Eco.Sat $\rightarrow$ Calc.Com.</td>
<td>0.309</td>
<td>0.311</td>
<td>0.077</td>
<td>4.025</td>
<td>***</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H1b Eco.Sat $\rightarrow$ Trust</td>
<td>0.386</td>
<td>0.377</td>
<td>0.086</td>
<td>4.502</td>
<td>***</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H2a Calc.Com. $\rightarrow$ Exit</td>
<td>-0.489</td>
<td>-0.495</td>
<td>0.060</td>
<td>8.155</td>
<td>***</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H2b Calc.Com. $\rightarrow$ Neglect</td>
<td>-0.382</td>
<td>-0.394</td>
<td>0.069</td>
<td>5.522</td>
<td>***</td>
<td>Rejected</td>
</tr>
<tr>
<td>H3a Soc.Sat $\rightarrow$ Aff.Com.</td>
<td>0.219</td>
<td>0.224</td>
<td>0.093</td>
<td>2.352</td>
<td>0.019</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H3b Soc.Sat. $\rightarrow$ Trust</td>
<td>0.345</td>
<td>0.363</td>
<td>0.087</td>
<td>3.958</td>
<td>***</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H4a Trust $\rightarrow$ Aff.Com.</td>
<td>0.393</td>
<td>0.395</td>
<td>0.087</td>
<td>4.510</td>
<td>***</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H4b Trust $\rightarrow$ Calc.Com.</td>
<td>0.117</td>
<td>0.120</td>
<td>0.073</td>
<td>1.593</td>
<td>0.111</td>
<td>Rejected</td>
</tr>
<tr>
<td>H5a Aff.Com. $\rightarrow$ Loyalty</td>
<td>0.155</td>
<td>0.168</td>
<td>0.063</td>
<td>2.458</td>
<td>0.014</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H5b Aff.Com. $\rightarrow$ Voice</td>
<td>0.280</td>
<td>0.289</td>
<td>0.064</td>
<td>4.410</td>
<td>***</td>
<td>Confirmed</td>
</tr>
<tr>
<td>H5c Aff.Com. $\rightarrow$ Retaliation</td>
<td>-0.326</td>
<td>-0.335</td>
<td>0.069</td>
<td>4.746</td>
<td>***</td>
<td>Confirmed</td>
</tr>
</tbody>
</table>

5. Discussion

As a whole, the results confirm the proposition of a differential effect of maintenance motivations on reactions to dissatisfaction. In fact, while CBM explains relationship stability by inhibiting destructive reactions, DBM encourages relationship development by promoting constructive ones. However some contradictory results deserve an explanation.

Although calculative commitment was postulated to promote neglect (H2b), a positive association was found between these two constructs. In other words, just as calculative commitment discourages exit, it also inhibits neglect. Consequently, neglect has to be thought of as an alternative form of exit, rather than a mere alternative modality of reaction used in the case of high dependence. In this respect, neglect should be characterized as a manifestation of silent exit (Alajoutsijärvi, Möller, & Tähtinen, 2000; Baxter, 1984, 1985; Freeman, 2001; Freeman & Browne, 2004). This perspective would explain the negative association between calculative commitment and neglect, e.g., a distributor being forced to maintain its relationship due to dependency factors, at least for a period of time.

Another surprising result is the non-significant association revealed between trust and calculative commitment (H4b). This result suggests that although trust promotes affective commitment, it has no effect on the level of calculative commitment in the relationship. This conclusion implies that DBM and CBM have independent determinants, trust being exclusively related to the former. As a result, this outcome does not contradict our hypothesis. It just underlines the specific nature of DBM and its sole impact on relationship quality.

6. Limitations and directions for future research

This study has several limitations. First, it is restricted to a single industry, limiting its external validity. Hence, cross-validation in other contexts is required. Second, the sample is relatively small. Consequently, a non-parametric method of estimation has been employed. As a consequence, the results deserve a more robust method to be fully validated. Third, the cross-sectional nature of this study should be considered with caution, since dynamic phenomena are under analysis. A longitudinal design would be more appropriate.

Future research on this topic can follow different paths of investigation. The first one would concentrate on reactions to dissatisfaction. Although numerous studies have been undertaken, there is still a lot of work to be devoted to the analysis of each mode of response. Notably, retaliation deserves greater attention. Another direction can be followed to incorporate other determinants in the actual framework. In this perspective, the propositions of Bendapudi & Berry (1997) represent a good starting point.
References


