Insights into Closeness of Relationship
as Determinant of Trust Within Marketing Channels

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ABSTRACT. This article explores the role of closeness of relationship between channel members. Closeness is put forward as a genuine variable in channel relationships, as part of the processes that take place in marketing channel dyad interactions. Advances in theory of channel relationships are proposed by a deeper theoretical development of the concept "closeness relationships" from a multidisciplinary approach by stressing its relevance and by proposing a definition of closeness of relationship. Several features and ideas about closeness are proposed, such as the link between closeness of relationship and type of marketing relationships. Content validity is assessed to

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distinguish closeness from related constructs before exploring and operationalizing such a concept. The relationship between closeness and trust is explored by proposing actions to increase trust and assessing it empirically. An exploratory research is performed in the Spanish computer sector, testing relationships between a set of closeness components and trust between channel members. Results show that there are two factors underlying the construct closeness: interdependence and communication. However, only communication variables are significantly related to trust. Several conclusions and research propositions relevant for marketing theory and practice are presented.

INTRODUCTION

One of the main tasks in marketing channels management is developing relationships between channels members (Haugland and Reve 1993). The importance of developing successful relationships between channel actors has been emphasized originally by relational contracting theory. But, also, others theories, besides marketing itself, have contributed to the development of relationships in marketing as social systems, interaction, transaction costs analysis (TCA), or inteororganizational theory. Nowadays, under a "reshaping of the field" (Webster 1992, p. 1) or paradigm shift (Grönroos 1994; Kotler 1991) study of issues and processes in channel relationships are needed.

In today's marketplace, companies are to manage channels relationships because they have to satisfy not only the requirements of end users, but also the requirements of all firms involved in marketing the product. More satisfaction results in better perfomance. The focus of channel relationship management practice and research is shifting away from vertical marketing systems and control toward examining relationships in conventional that involves several governance structures (Weitz and Jap 1995). Several empirical models of buyer-seller relationships have been developed in channel relationships considering a set of constructs that seem to define a relationship (Wilson 1995). One of these confirmed relationship variables is trust (Morgan and Hunt 1994).

Another key contribution to marketing relationship is the interaction approach, developed by the Industrial Marketing and Purchasing Group (IMP Group). This approach understands marketing exchanges as interactions between two parties that cooperate instead of rivaling each others.

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These theories and approaches have not pointed out the need of closeness to the counterpart as variable in buyer-seller relationships. Recently, Barnes (1994), under the relationships marketing paradigm and oriented to consumer markets, has addressed the need of exploring the nature of relationship to find out the conditions for a customer to feel involved in it. Also, Mollá and Sánchez (1997) justify the concept "closeness of relationship" as critical variable in a overall framework of channel relationships and as exogenous variable in explaining trust.

This study shows the rationality of considering closeness as key construct in buyer-seller relationship management in marketing channels. It also provides insights of the importance and incidence of trust and closeness, improving our knowledge about such constructs in channel relationships. The first section places and justifies both processes in a global model of behavioral interactions between channel actors. Then, closeness and trust are characterized by detailing actions that must be performed to make the exchange more relational. The penultimate section presents the results of an empirical research over the Spanish computer sector to explore the closeness factors affecting trust and the final section sets out conclusions and implications.

RELATIONAL EXCHANGE STRUCTURE

The relational contracting paradigm is one of the critical areas to understand relationships in marketing channels. This model was proposed by Macneil (1974; 1980), and it focuses on contractual exchange behavior. According to this, exchanges can be distinguished by the nature of the exchange relationship between parties -relational or discrete. Both exchanges can be viewed as a continuum. A "relational structure" comprises relationships toward the relational end of the continuum. A "discrete structure" includes exchanges toward the discrete end of the continuum. These exchange relationships are based on the following set of behavioral concepts (Macneil 1974): sources of contractual solidarity, expectations for relations, personal relations, cooperation, planning, power, division and sharing of benefits and burdens, transferability, timing of the exchange, obligations, number of parties, and measurement and transferability. This model was first introduced to the marketing literature in Dwyer, Schurr, and Oh (1987) and it is crucial for developing relationships between channels members.

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Other contributions to marketing literature is the conception of exchange of the IMP Group (Håkansson 1982). Originally oriented to industrial marketing, the marketing of industrial goods is seen as an interaction process between two parties that takes place in domesticated markets, where exchange tends to be conducted in a relational exchange framework (Dwyer *et al*. 1987). Anticipated conflicts of interest and future troubles are counterbalanced by trust and efforts in unison. Increased interdependence increases the importance of judicious application of power in the exchange. Relationships are based on confidence that affiliation will last, and willingness to make sacrifices to develop the alliance. The interaction between two exchange parties affects and is affected by the atmosphere of the relationship, described in terms of a set of behavioral processes.

Figure 1. Scheme of processes and relationships in a marketing channel dyad
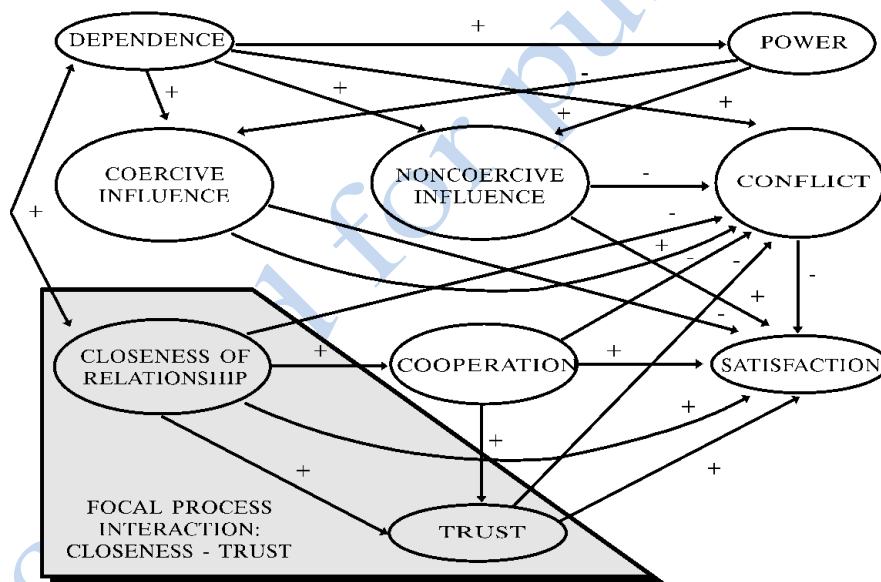
Source: Sánchez (1997, p. 198)

Pursuing to establish a comprehensive conceptual framework that guides relationship management in marketing channels, several models and frameworks have been proposed to understand working relationships between firms (Anderson and Narus 1990; Anderson and Weitz 1989; Dwyer *et al*. 1987; Frazier 1983a; Hallén, Johanson, and Seyed-Mohamed 1991; Wilson

1995 for review). Let us consider the overall scheme of relationships within a channel dyad in the model built by Sánchez (1997) that is shown in Figure 1.

One distinctive feature of this model is the inclusion of the concept "closeness of relationship" as a key construct in marketing channel relationships. In particular, we consider this construct is critical in promoting and enhancing trust in exchange relationships between channel actors. We try to achieve several aims: understanding what is closeness of relationships, what factors can be considered as components of closeness, and how trust is increased through a close relationship. In Figure 1 we can see the focal area of interest (in shadow within the polygon).

TRUST

Relationships between buyer and seller are a source of risk for both parties. To reduce these risks, the parties try to create an atmosphere of trust. Trus is based on positive experiences, where the parties have demostrated their trustworthiness and integrity to each other. In the context of a working relationship, trust is a construct that mediates successful relationship marketing between buyer and seller (Morgan and Hunt 1994).

Trust leads to adopt coordinative behaviors (Clopton 1984), and it is the reason because sometimes exchanges are fulfilled without contract (Macaulay 1963). However, as Williamson (1975) states, although trust is important and businessmen rely on it much more extensively than is commonly realized, firms could avoid bargaining costs if firm integrated their exchanges.

Several definition of trust have been proposed. For Schurr and Ozanne (1985, p. 940) trust is "the belief that a party's word or promise is reliable and that a party will fulfill his/her obligations in a exchange relationships". Anderson and Weitz (1989, p. 312) define trust as "the belief that a party has about his/her needs will be satisfied in the future by the actions performed by the other party". Anderson and Narus (1990, p. 45) define trust as "the firm's belief that another company will perform actions that will result in positive outcomes for the firm, as well as not take unexpected actions that would result in negative outcomes for the firm".

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Moorman, Zaltman and Deshpandé (1992, p. 315) define trust as "a willingness to rely on an exchange partner in whom one has confidence". This definition spans previous definitions that views trust a belief, confidence, or expectation that reflects a reliance on a partner and involves uncertainty on the truster. These authors extend the concept of trust suggesting that without vulnerability trust is unnecessary since outcomes have no implications for the truster. We can consider that trust has two main implications: actions that result in positive outcomes and a predictable behaviour.

Trust in social systems interactions

Trust is a typical component of relationships in social systems. The role of trust in such systems is different depending on the type of social episode. Starting from theory of power, Bonoma (1976) distinguishes three social systems. In an unilateral power systems trust is considered as the credibility of influence use. A mixed bargaining power system includes in the concept of trust "norm maintenance and adherence" (social credibility). Finally, trust in a bilateral power system is conceived as social altruism, that is, the belief that each party's belief that alter holds a positive concern toward not only his own but other's satisfaction as well.

Individual characteristics of trust

Attitudes and behaviors can play an important role in configuring trust. So, there are several individual characteristics in interorganizational relations positively related to trust: sincerity, integrity, dependability, collective orientation, tactfulness, timeliness, confidentiality, or congeniality.

Organizational characteristics of trust

Perceived organizational bureaucratization. It describes the organizational coordination system, through a formalization of operative procedures, centralization of authority and control (John 1984). Formalization is the degree in which rules define organizational functions, authority relationships, communication and procedures. From Dwyer and Oh (1987), we can assume that it has a positive effect on trust. Centralization is the degree of delegation on authority of organizational decision making. According to Dwyer and Oh (1987), centralization damages trust. It is not the lack of trust rather than the existence of mistrust. Control is the process performed to

make agree actual outcomes with desired ones. Participation in decision making is another factor that yields trust. There are two types of effects of bureaucracy on trust: (1) organizational bureaucratization that produces trust through operative and control procedures (Moorman, Deshpandé and Zaltman 1993); (2) organizational bureaucratization to secure efficiency reduces trust and increases opportunism (John 1984).

Perceived organizational complexity. It is the degree of formal structural differentiation within an organization. Complexity is found in differentiation of functions, authority and sites. This organizational complexity threats trust by obstructing physically close relationships.

Interorganizational characteristics of trust

Level of power. Following to Moorman *et al*. (1993), we predict that if power is achived mainly through an expert basis, perceived level of power will produce trust. The underlying reasoning is that when power is achieved because of specialized business skills, organizations will be more confident to interact with this recognized expert firm.

Interfirm influence strategies. In exchange relationships, one should distinguish between the mere possesion of power and the use of power bases, that is, influence strategies (Frazier and Summers 1984). It is important to realize that firms switch the way they use power in exchanges due to factors such as competence or the relational structure. Influence attempts take place in the implementation process, according to Frazier's framework of interorganizational exchange behavior (Frazier 1983b). We can hypothesize that noncoercive strategies breeds trust. However, the use of coercive influence strategies creates mistrust of the powerful parties' intentions.

Level of conflict. Conflict is always present in interorganizational exchanges. However, depending on the type and intensity of conflict, the level of trust will be different. Particularly, pathological conflicts must be avoided because they destroy trust. This kind of conflict is opponent-centered behavior, and it can degenerate in actions to damage another parties in a interdepent relationship (Rosenbloom 1991; Stern and El-Ansary 1992).

CLOSENESS OF RELATIONSHIP

Several detailed and extensive lists of relationship variables have been provided by researchers, as Wilson (1995) among others. However, the concept of closeness or relationship has not been included. We will try to justify the need of such a concept to understand and manage marketing relationships. A multidisciplinary approach is required, since marketing channels relationships are quite complex, with different perspectives and implications for all marketing levels and institutions.

Closeness of relationship is central to understanding relationships in marketing channels. This argument is based on two facts: (1) the social episodes that take place within marketing channel dyads; and (2) its relevance in creating value for partners.

A distinctive feature of exchange relationships is the existence of social exchange episodes that are far-reaching in constructing lasting relationships. In these social episodes the "human factor" is essential. The way the relationships are performed by humans is different according to the intensity of dyad interaction. In terms of the social psychology, this intensity can be considered as closeness, having been proposed the existence of a continuum of closeness from very close in one end to less close in the other end (Berscheid, Snyder and Omoto 1989). These social episodes lead to build long term relationships. But relationships can be also improved by information exchange, and if the information exchange is a routine inside the dyads, positive expectations will be create within firms.

Communication or information exchange is one the exchanged elements of the interaction process (Håkansson 1982), and it has become a relational norm (Heide and John 1992). In fact, the information exchange builds up interorganizational contact patterns that can consist of individuals and/or groups of people transmitting different nature information (technical, commercial, financial). Information exchange between both parts of dyad can exist without there being an exchange of product and money. In this context we could consider the existence of *closeness of relationship as the availability and the accessibility of each dyad member, not the physical distance*. Closeness should be distinguished from other close-related concepts, in

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particular, intensity of relationship. The former regards the atmosphere or climate of the relationship, and the latter refers to the level or volume of interaction.

Closeness of relationship is a continuum reflecting the set of links between buyers and sellers implying many different interfirm arrangements and organizational boundaries. At one extreme are discrete transactions with no involvement nor coordination. At the other end, almost total involvement of one party in the exchange partner's life. Then, different forms of relationships (Webster 1992) corresponds to different levels of closeness (see figure 2).

Figure 2. Relationship between closeness of relationship and type of marketing relationship
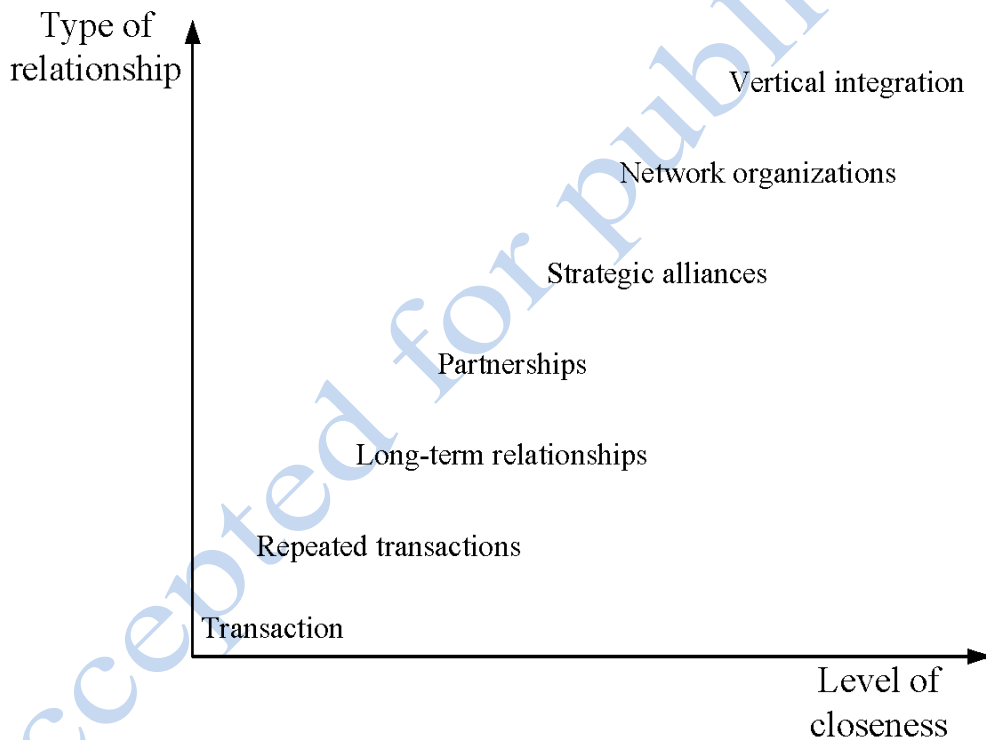
From *economic theory*, closeness of relationship corresponds to the continuum from a market-based exchange to a bilateral governance where the autonomy of the parties can be maintained (Williamson 1985).

An important amount of the recent marketing literature focuses on the *relationship marketing*. Although this conception has not been yet defined in terms of scope and meaning, it is

to recognize that it is in fashion among scholars and practitioners. Relationship marketing has directed channel management towards coordinated and cooperative approaches (Weitz and Jap 1995). This orientation was already advocated by channel researchers during the 1970s. Recognition of potentiality of efficient channel relationships management to compete successfully and avoid inefficiencies of vertical integration are arguments for a relationalism conception in marketing channels. In this context, closeness of relationship arises as a concept that gives light about how important are social episodes, communication and contacts within channel dyad to create value.

From *organizational sociology*, Oliver (1990) identifies six determinants of relationship formation: necessity, asymmetry, reciprocity, efficiency, stability, and legitimacy. In particular, reciprocity plays a decisive role because of the quasimoral implications for channel members that lead them to adopt an integrative and collaborative orientation: mutual support, equity, and balance. Nevin (1995) emphasizes that substantial body of interorganizational literature assumes that relationship formation is based on reciprocity, and successful relationship development requires two conditions: mutual dependence and trust. Also, relationship development requires certain levels of availability and accessibility for an efficient exchange. Do a distributor think of availability as key factor to decide among several manufacturers? Is resolution of problems easier with the closer firms?

Interorganizational researchers have provided valuable concepts to understand exchange relationships examining the interaction between organizations, like the ones linked in a marketing channel. First, channel dimensions must be assessed. Warren (1972) propones several structural dimensions of marketing channel relationships. Drawing on pioneering Warren´s (1972) work, John and Reve (1982) propone the scope of channel interactions as one of the structural dimensions of interorganizational relationships. This dimension is conceived as the degree of intended coordination in the marketing dyad. Likewise, behavioural dimensions are the origin of dyadic feelings and involves the climate of the relationships. Although all these dimensions come to reflect the existence of certain elements and norms within marketing channel interactions, it does not take into account each party´s availability level to interact.

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From a *network perspective*, one of the key variables used to describe the interorganizational interaction is density of the interaction. This variable can be operationalized precisely as the distance between organizations (Aldrich and Whetten 1981). This concept indicates the strength or weakness of coordinated actions between channels members.

Several strategies for successful channel management have been introduced in the literature by authors such as Narus, Anderson or Rosenbloom, among others (see Hanmer-Lloyd (1996) for a review). In particular, for a satisfactory planning of channel management, actions such as "good communication", "keeping promises", "partnerships" or "distributor conferences" are key. Development of links or sharing of information are ideas underlying such strategy. In fact, literature about behavioural aspects of relationships stresses that cooperation is the strategy that better works in the long term (Carlisle and Parker 1989). These authors, starting from the Japanese management style, maintain that "if customer and supplier firms can recognize their common ground in a shared interest in capturing the consumer sale which actually nourishes them both, it should be possible for them work creatively and effectively together to capture that sale for "their" product" (p. 5).

This relationalism (in Macneil's (1980) typology) implies significant satisfactions, not only economic ones, due to dyad members wish that relationships last, but also arising an interdependence between exchange members. Starting from Resource Dependende Theory and Transactions Cost Analysis, coordinative bahaviour and cooperation generate interdependence because of capacities and ties generated. Buyer and seller share information, performe joint actions and adapt their resources to each other's business organization, giving rise to an increasing interdependence. In this context, we analyze three differents dimensions of the closeness of relationships: need of adaptation, communication, and interdependence.

Closeness of relationship as stimulus for adaptation

Adaptation is a natural concept between living systems. It influences on business strategy, being a significant feature in the dynamics of business relationships. The parties may make adaptations to bring about initial fit between their needs and capabilities, but adaptation is also necessary in an ongoing relationship (Hallén *et al*. 1991).

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Influence strategies are key actions to get partner adapted. Specifically, strategies based on altering perceptions can be considered, that is, information exchange and recommendations (Frazier and Summers 1984). Thus, "information exchange" (source firm uses discussions on general business issues and operating procedures to try to alter the target's general perceptions about how to operate). "Recommendations" is also an interesting strategy to use (the source firm predicts that the target firm will be more profitable if the target follows the source's suggestions). Anyway, if source's image is quite good, a non-altering perceptions strategy as "request" may be used (the source merely informs the target of the action(s) it would like the target to take without mentioning any specific consequences of the target's subsequent compliance or noncompliance).

Adaptation can provide important benefits. One can expect that suppliers adapt to needs of clients (customization of products by means of qualities, technology, etc.) as well as that customers adapt to the capabilities of suppliers (customers' changes in planning or assortment). Although adaptation can take place consciously or unconsciously, but the closer the relationship, the greater the adaptation. In short, closeness of relationship becomes acquainted with each counterpart's needs and requirements.

Closeness of relationship as a way to improve communication in marketing channel dyads

"Communication" is the flow of information between two organizations. This information must be judged by its accuracy, timeliness and relevancy (Jain 1990). Inappropiate information can lead to waste resources and become a cause of conflict. So, communication is a prerequisite for efective channel coordination. Those channel members who perform an adequate communication, they are likely to improve in efficiency and to secure market competitive position. Communication can be described as "the glue that holds together a channel of distribution" (Mohr and Nevin 1990), turning out to increase cooperation and trust (Anderson and Narus 1990).

Information content can be technical, economical, organizational or commercial. It can be transmitted by personal and impersonal means. Impersonal communication is usually used as a mean to provide technical data. However, organizational or politic data are transmitted by personal means. Structure, climate and power relations are the extent channel conditions interacting with each communication facet (frequency, direction, modality and content). When factors match,

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outcome levels will be enhanced (Mohr and Nevin 1990). The relevancy of communication for channel coordination is vital, since "a relationship seems unlike to form without bilateral communication of wants, issues, inputs, and priorities" (Dwyer *et al*. 1987, p. 17). This context of communication implies "frecuent contacts", becoming part of direct management of customer base as conceived by Grönroos (1995).

Closeness as a way to increase interdependence between firms

Besides aforementioned closeness factors, we must consider "dependence" between firms as a facet of closeness. According to TCA, a coordinated behaviour generates bilateral governance that produces dependence. However this dependence should be considered as the result of 'competing through cooperating' (Carlisle and Parker 1989, p. 9). This orientation consists of replacing specialism and fragmentation by collaboration and partnership. Sensitivity to each other's needs, and an active dedication to seeing that both parties' needs are met so far as that relationship can meet them is a key element of closeness between firms. This vision of competing stressed interdependence and promote trust (Carlisle and Parker 1989).

Also, firms which want to increase the level of interdependence with their counterparts will probably be promoting trust. Several approaches may be considered in order to create a trusty atmosphere. First, the perfomance approach (Frazier 1983b) can explain the reliance on partner's operative capabilities. So, suppliers should devote time and efforts to help customers to commercialize their products (availability and accesibility). Another approach is the TCA (Williamson 1975), where transaction specific assets are considered key elements to carry out exchanges. This approach implies to develop strong links between buyers and suppliers (contracts, alliances, ...) that increases dependence.

STRATEGIES AND ACTIONS OF CLOSENESS OF RELATIONSHIPS TO PROMOTE TRUST

Personal contact, frecuent communication, or closeness are different ways to express a latent concept: building relationships that last. Different aims to achive by closeness have been hinted by Sanghavi (1993): (1) risk reduction; using personal contacts and exchanging information aligned with trust will lead to risk reduction; (2) negotiation; by using personal contacts and

creating and a pleasant atmosphere, negotiations can be successfully concluded; (3) crisis insurance through good contacts to be able to reach 'friendly' solutions. Others can be added: (4) promoting a collaborating or problem solving style; (5) exchange information to strengthen competitive position; (6) customization of products; (7) reducing some communication expenses (advertising). In short, it implies a 'win-win' situation.

Table 1. Strategies and actions to increase closeness of relationships between dyad members

STRATEGY	ACTIONS
Use of information exchange strategies	Provide customer with operative and economic information for a better decision making
Use of recommendations	Use expert knoledge to help each other
Use of an expert power base	Stimulate affinity between dyad members
Dependence strategies (increasing interdependence)	Devote time and efforts to commercialize supplier's products (availability and accesibility) Develop strong links between buyers and suppliers (contracts, alliances, ...)
Communication strategies	Increase the frecuency of contacts Higher informality of communication More bidirectional communication

One the primary objectives of closeness may be to create trust. Several strategies and actions can be performed in order to create an atmosphere of trust. Table 1 contains several strategies, and their respective actions to be put in practice to improve the closeness of relationship.

EMPIRICAL RESEARCH

Data collection

An empirical research was performed to explore the relationship between closeness and trust. A detailed questionnaire was used to pick up data. The computer selling sector in Spain was the setting for the empirical study. The group of selected manufacturers on a turnover basis is the

following: IBM, Hewlett-Packard, Fujitsu, Siemens-Nixdorf, Olivetti, Inves, and Apple. These companies and their retailers make up conventional and administered systems where most manufacturers are multinationals having a channelwide perspective. Retailers are small firms, successful and with high level of technical knowledge. These firms must fulfill several requirements to be allowed to market these brands.

The list of their retailers was prepared through a national representative computer panel. Each retailer answered questions about his/her major supplier manufacturer. Only 250 retailers dealt directly with manufacturers. A total of 55 valid questionnaires were returned, representing a 21% response rate. Key informant method was used.

Operational variables

Most of the actions of closeness proposed in Table 1 are considered. Variables considered are: trust, degree of resources devoted to marketing products, development of links between parties, use of information exchange strategies, use of recommendation strategies, use of request strategies, and frecuency of contacts.

The retailer's perception of the degree to which the manufacturer performed different actions of closeness to increase trust was measure by six items, each one corresponding to each type of the closeness dimension. Trust was measured by one item as a measure of overall trust on supplier. All questions were measured by responses on a 5-point scale (1 = strongly disagree to 5 = strongly agree). Also, for better understanding of responses, retailers were asked about other concepts such as satisfaction, or level of cooperation.

The responses to the various statements on closeness of relationship and trust have been paraphrased in Table 2 to give the sense of their responses. Percentage of each response on the 5 point-scale used are also shown.

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Table 2. Overall responses to questions of closeness of relationships (%) and means

CLOSENESS DIMENSION	QUESTION	(1)	(2)	(3)	(4)	(5)	Mean (μ)
Trust	We trust our major supplier to any business issue (Y)	-	9.1	18.2	30.9	41.8	4.05
Resources devoted	Our major supplier devotes us resources and time to marketing their products (X_1)	1.8	9.1	20.0	23.6	45.5	4.02
Development of links	Our major supplier try to develop strong links between parties (X_2)	-	5.5	16.4	25.5	52.7	4.25
Information exchange strategies	Our major supplier provides us information on market conditions and/or business strategy (X_3)	7.3	16.4	27.3	25.5	23.6	3.42
Recommendation strategies	We follow manufacturer's recommendations and business suggestions (X_4)	9.1	25.5	20.0	32.7	12.7	3.15
Request strategies	Our major supplier asks us compliance to their request without mentioning effects they will have on our business (X_5)	10.9	14.5	40.0	21.8	12.7	3.11
Frecuent contacts	We have frecuent contacts with our major supplier (X_6)	21.8	14.5	25.5	21.8	16.4	2.96

ANALYSIS

We hypothesize a significant and positive effect of all closeness dimensions on trust. First, an exploratory factor analysis was carried out on closeness raw data, obtaining two factors with eigenvalues greater than 1.0 (eigenvalue$_{F1}$ = 2.29159 and eigenvalue$_{F2}$ = 1.39006). Results of exploratory factor analysis are shown in table 3.

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Table 3. Results of exploratory factor analysis

VARIABLE	LOADINGS	
	Factor 1	Factor 2
Resources devoted to marketing products (X_1)	.50001	.63851
Development of links (X_2)	.41619	.72861
Information exchange strategies (X_3)	.84527	-.33997
Recommendation strategies (X_4)	.74450	-.46410
Request strategies (X_5)	.55704	-.23132
Frecuent contacts (X_6)	.53789	.25886
Variance explained	38.2% + 23.2% = 61.4%	

The interpretation of factor matrix reveals that there are two factors. Variables X_3, X_4, X_5, and X_6 load significantly on factor 1 that includes to variables about communication strategies and contacts. This factor could be named "communication". Variables X_1 and X_2 load significantly on factor 2, and it refers to variables that create or promote interdependence. So, this factor of closeness of relationship can be named "interdependence".

To assess the trust-closeness relationship, regression analysis was utilized. Examination of the regression equation can reveal the strength of relationships and the validity of each dimension. The equations tested were:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6$$

For this equation, R^2 equals .38. Analysis of variance shows a linear relationship between X and Y, since the significant of calculated F is .0006 (p<.01) being R^2 greater than zero. Durbin Watson test equals 1.68, indicating that residuals are uncorrelated. The calculated t-values are shown in Table 4.

Table 4. Regression results

Variable	Parameter	Estimation	t
Resources devoted to marketing products	β_1	.166	1.408
Development of links	β_2	-.145	-1.040
Information exchange strategies	β_3	-.387	-2.590*
Recommendation strategies	β_4	.379	2.683*
Request strategies	β_5	.359	3.395**
Frecuent contacts	β_6	.226	2.527*

$R^2 = .38$ $\alpha = .66$

* $p < .05$ ** $p < .01$

In order to support regression results, collinearity analysis was performed to explore dependence between independent variables. Several measures were used to diagnose collinearity (see table 5). Tolerance of variables are high enough to discard collinearity. Variance inflation factors (VIF) are also quite normal. Condition indexes, probably the best procedure to detect collinearity (Judg, Griffiths, Hill, Lütkepohl and Lee 1985) are within acceptable limits, that is, smaller than 20 according to Belsley (1982). Furthermore, there is not any variable with high proportions for the same eigenvalue, indicating that dependence between variables is not high. So, we can conclude that collinearity is not a problem.

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Tabla 5. Collinearity diagnostic

Variable	Tolerance	VIF	Eigenv.	Cond. Ind.	Proportions					
					X_1	X_2	X_3	X_4	X_5	X_6
X_1	.752	1.330	6.552	1.000	.001	.001	.001	.001	.002	.003
X_2	.759	1.317	.151	6.570	.011	.008	.029	.096	.048	.465
X_3	.376	2.655	.125	7.235	.063	.040	.045	.048	.024	.393
X_4	.433	2.308	.088	8.647	.046	.012	.011	.058	.849	.047
X_5	.854	1.170	.035	13.615	.784	.136	.051	.030	.028	.002
X_6	.825	1.212	.027	15.471	.073	.076	.836	.671	.018	.089
Constant			.020	18.090	.019	.724	.027	.094	.030	.001

Figure 3. Confirmed variables of closeness related with trust
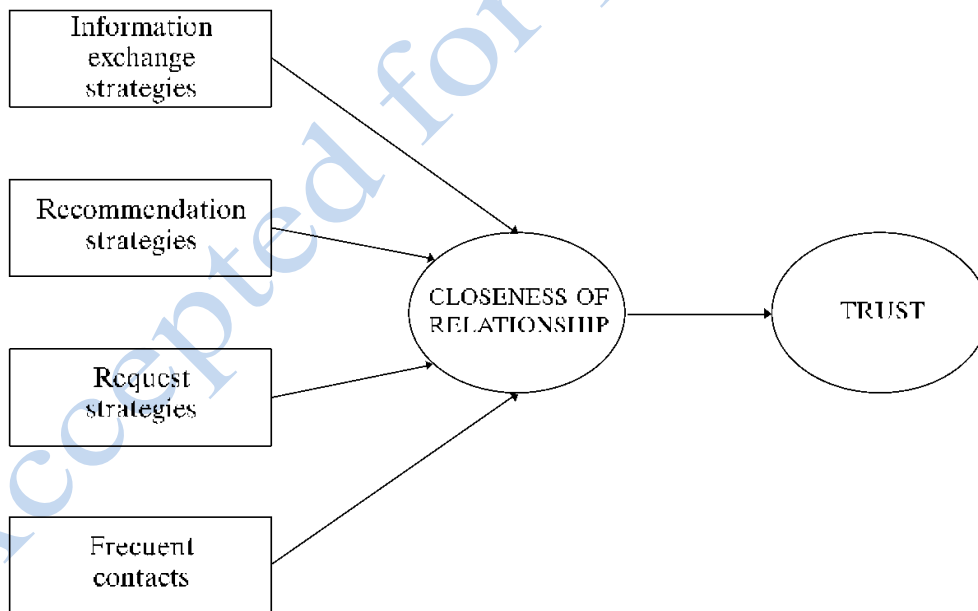
Examination of t-values for β-parameters suggests that X1 and X2 (interdependence factor, F2) do not relate with trust and should be discarded from the model because they do not contribute to explain trust. Interdependence variables have not a significant impact on the trust of dyad.

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'Resources devoted to market products' is positive as it follows to a cooperative relationship, but it is not sufficiently significant (p=.165). However, 'Development of links' is negative. This dimension represents the undesirable side of dependence: lack of freedom and anxiety. These results reveal that actions oriented to increase closeness but perceived as dependence source are not effective to create a trusty and close atmosphere. The resulting relationship between closeness of relationship and trust is depicted in Figure 3, showing the confirmed variables related with trust.

Therefore, we can accept that the use of recommendations and request strategies of influence, and a frecuent contact with the counterpart, are variables positively related with trust. The use of information exchange strategies has a significant but, surprisingly, negative effect. The reason can be found in a low level of information exchange between suppliers (manufacturers) and buyers (retailers). In fact, there are 23.7% retailers that consider the computer manufacturers exchange holds a low or very low level of information. That is, Spanish computer retailers rely on computer manufacturers due to several factors (perfomance, recommendations, contact), but not because a high level of information about general business and economy, although it could be a desirable way to improve relationship. Dependence ways are not conceived as alternatives to create closeness. Thus, results show that closeness in mainly determined by communication, the first factor identified in previous exploratory factor analysis (F_1).

The computer sector is one of the most dynamic industries in the world. Most manufacturers (IBM, Hewlett-Packard, Apple, Siemens-Nixdorf, Olivetti or Fujitsu) are multinational companies competing hard among them. Also, clonik computers are a very serious source of competition for these multinationals. These companies inspire confidence to computer dealers according to their perceptions of trust ($\mu = 4.05$). Computer sellers play an important role in helping end consumer to buy; so, manufacturers try to develop bonds with their retailers and viceversa, because small retailers like to feel as *protégés* of big companies. In fact, retailers' satisfaction level is quite high (mean of satisfactions questions is 3.64 in a range from 1 to 5).

DISCUSSION AND CONCLUSIONS

Present study explores the role of closeness in relationships between channel members, in particular, in a manufacturer-dealer context. Considering that no prior rearch has been developed about closeness in marketing channels, this work aims to contribute to develop the concept of closeness of relationships as key construct in management of marketing channels, stressing the relationship marketing as the paradigm in marketing. Empirical evidence is obtained from the computer sector in conventional and administered channels where one partner dominate the other.

Relationships between channels members are an important and complex issue. There are many relevant factors of interest, and several processes to take into account. Also, channel dyads with umbalanced power can be highly unstable. Drawing on organizational behavior, social exchange theory, and from a relationship marketing conception, we provide a model of working exchange relationships that aims to comprise the whole of exchange behavioral processes. From a relationship marketing conception, one of these key processes is closeness of relationships, and it is necessary to build and maintein a relationship. After examinig relevante literature, the concept of closeness of relationship is proposed from a multidisplinary view. Its content validity is assessed to distinguish it from related constructs before exploring and operationalizing the concept of closeness.

We present here an exploratory research oriented for a better understanding of this phenomenon. So, after a theoretical exposition about closeness and trust, several strategies and actions to promote trust are proposed and an empirical research is performed. Closeness is defined in terms of some components, which affect significantly on trust. Results obtained from empirical research can help us to explain trust. Results shown that there are two factors underlying the concept of closeness of relationship: interdependence and communication. However, only communication variables are significantly and positively related to trust. The use of recommendations and request strategies behave as expected. Information exchange strategy has

an unexpected sign of relationship (negative) because retailers do no perceive manufacturers use this strategy intensively.

Variables causing dependence do not produce a feeling of closeness and trust on retailers, unless important incentives were provided. This result is congruent with the social resource dependence theory, that considers that firms strive to minimize dependence from other organizations (Pfeffer and Salancik 1978). Also, the lack of relation of the interdependence variables with closeness and trust is supported by Ganesan (1994) research. In an exchange relationship where dependence exists, if enough level of incentives is not provided, a negative effect rises between long-term orientation and dependence.

Consistent with Anderson and Weitz (1989), channel ties can be solidified improving the level of trust by offering sales support, or cultivating similar goals. This may also be done by adopting appropriate communication strategies to increase accessibility and availability

There are some limitations in our research. Channel relationships offer some methodological problems that make difficult empirical research (Weitz and Jap 1995). This study is an exploratory research trying to throws some light on the nature of the concept closeness of relationship. We present these conclusions tentatively, in the hope, as we intend to pursue it, that this is a research direction of reputational asset potencial. More research is needed for a full specification of closeness of relationship as marketing construct. Also, only one industry is represented (computers).

Finally, this study is can be considered a proxy to further research about closeness and related issues of management of channel relationships. Hence, future research can be developed to build a scale of closeness of relationship and estimate relationships with other channel management issues.

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