Understanding attractiveness in business relationships – A complete literature review

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A R T I C L E  I N F O

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A B S T R A C T

The concept of attraction has received surprisingly little attention within business relationship research. Yet, recently, more and more authors have argued that attraction may contribute to the motivation and willingness of a buyer and supplier to engage in and develop a business relationship. However, the concept of attraction is relatively new and there have been diverse interpretations of it. This literature review collates those interpretations with the aim of enhancing current understanding and creating fundamental knowledge of the current streams of literature on the concept. In examining how the concept has been investigated, the paper aims to establish the direction that the understanding and use of the concept of attractiveness may take in the future in the context of business research. The literature review indicates that attraction has been used in three research areas to explain or resolve a particular construct: 1) attraction in the development of buyer–supplier relationships, 2) customer attractiveness to suppliers, and 3) attractiveness in portfolio and key account management. This literature review contributes to the understanding of how knowledge of the power of attraction could enrich the theory and practice of business relationships.

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1. Introduction

Firms do not survive solely because of their individual characteristics. Every firm depends on other firms, and business relationships are important for competition and for strengthening a firm’s position in the market (Håkansson & Snehota, 1989; Wilkinson, Freytag, & Young, 2005). The establishment and development of relationships between companies have been dominant themes in business research for over 25 years (Webster & Wind, 1972; Wilkinson et al., 2005). Establishing and developing business relationships involve both choosing others to collaborate with and being chosen by others (Halinen, 1997; Wilkinson et al., 2005). Surprisingly, little knowledge exists on how business relationships are initiated and developed between buyer and supplier, and the processes of and motivations behind business relationship building are still relatively unexplored (Halinen, 1997; Harris, O’Malley, & Patterson, 2003; Morgan, 2000; Wilkinson et al., 2005). This paper examines the concept of attraction as a phenomenon that can help explain the initiation of, motivation for, and further development of business relationships between suppliers and buyers. The concept of attraction comes from social psychology, where it is viewed as a force that not only brings parties together but also fosters voluntarism in the relationship (Blau, 1964; Thibaut & Kelley, 1959). Social psychology theories have, over time, influenced and inspired business relationship research that seeks to explain relationships between companies. Accordingly, the literature now includes studies of attractiveness, which is used here to encapsulate the qualities of a party that give rise to the force of attraction. Although the concept of attraction is acknowledged to be helpful for analyzing relationships in social psychology (Dwyer, Schurr, & Oh, 1987; Hald, Cordón, & Vollmann, 2009; Harris et al., 2003; Wilkinson et al., 2005), it has rarely been employed in explanations of the initiation, motivation, and development of business relationships. This paper argues that a deeper understanding of the concept of attraction would benefit business relationship research, and the theory and practice of both industrial marketing and supply chain management.

The focus on the force of attraction in business relationship research is relatively new (Harris et al., 2003; Ramsay & Wagner, 2009; Schiele & Krummaker, 2011). The few contributions, moreover, diverge in their explanation and understanding of the concept in a business relationship context (Hald, 2010). Schiele and Krummaker (2011) opine that the scarcity of research on attraction may be due to the difficulty of grasping the concept. The limited theoretical foundation, scarcity of literature, and the diversity of explanations underline the importance of creating an overview of current knowledge on the concept of attraction with a literature review, which can also indicate the direction in which the application of a concept may be heading. It could also be argued that understanding attraction is supported...
by understanding the characteristics of the parties to a relationship that contribute to that attraction, in other words, what constitutes their attractiveness.

The paper also strives to demonstrate how knowledge of attraction can bolster business relationship theory, particularly within industrial marketing and supply chain management theory, and how companies can benefit practically from a deeper understanding of the concept. Attraction is important because the concept can be applied to highlight the parties’ future expectations of their business relationship.

The paper discusses and reflects on the current literature on attraction and argues for the positioning of attraction as an independent concept in future business relationship and supply chain management research. This valuable contribution is necessary because the terms have been used in a variety of ways in the past, and because the explanations of those uses have not always been clear.

2. Background

Attraction has been mentioned sporadically in business relationship research since the late 1980s (e.g., Dwyer et al., 1987; Halinen, 1997), but the search for a fundamental understanding of attraction within a business relationship context started in the early 2000s with authors such as Ellegaard, Johansen, and Drejer (2003), Ellegaard and Ritter (2007), Harris et al. (2003), and Hald et al. (2009). In November 2010, the first conference focusing purely on attraction was held at Twente University in the Netherlands, with 41 researchers participating. The event, dubbed the International IPSERA Workshop on Customer Attractiveness, Supplier Satisfaction and Customer Value, aimed to gather global researchers focusing on attraction in business relationship research and to highlight the importance of attraction for business relationship and supply chain management research. During the conference, it became clear that attraction was still perceived in different ways due to the scarcity of existing literature. This limited theoretical foundation, together with the diversity in the understanding of attraction, highlights the importance of creating an overview of the concept’s current status.

The fact that little research has been done on a particular topic is not, in itself, a strong argument for doing further research; therefore this paper will shortly outline the motivation for and relevance of focusing on attraction.

Many authors have argued the importance of attraction at different times. Halinen (1997) emphasizes the importance of including attraction in future research because it adds a forward-looking orientation to the relationship by focusing on each party’s expectations, which influence their actions. This is underlined by Harris et al. (2003), who emphasize the need to focus on attraction in the explanation of dyadic relationship initiation and development. Harris et al. (2003) refer to Morgan (2000), who argues that commitment–trust theory should be expanded into a framework that can shed more light on the processes and motivations of relationship building. Hald et al. (2009) highlight the importance of acknowledging attraction in future business relationship research, and argue that attraction is a force that fosters voluntarism in marketing exchange, supply chain management, and purchasing. They focus on the potential of the attraction concept to inform the choice of the management approach taken to suppliers. A customer that can make itself appeal to suppliers by developing its customer attractiveness could discover an alternative way to motivate suppliers to favor it over its competitors without employing the less controllable traditional approaches of using financial leverage or other coercive methods.

Although, in recent years, both Ellegaard and Ritter (2007) and Schiele and Krummaker (2011) have focused on customer attractiveness as a motivational approach, this literature review outlines a possible gap within the current business relationship literature that makes the further exploration of attractiveness particularly relevant. The next section reviews conference papers and current contributions to peer-reviewed journals that focus particularly on the broader concept of attraction.

3. The literature review of attraction: methodology

As stressed by Hart (1998), a literature review can illustrate the ways in which the topic of interest has been previously investigated and used, but it can also indicate where the topic may be heading. This literature review may also be helpful to other authors who want to explore the role of attraction within business relationships.

In order to identify the relevant literature, this paper has followed the recommendations of Webster and Watson (2002). As attraction is still considered a new concept within business relationships, the extent of the literature is limited. Accordingly, this review was built up in several steps. The first was to locate relevant papers using search criteria in database searches at EBSCO (Business Source Complete) and Science Direct. The search terms used were a) “attraction” in the abstract or title combined with either “supplier” or “customer” in all text, and b) “attractiveness” in the abstract or title combined with either “supplier” or “customer” in all text. The motivation for combining “attraction” or “attractiveness” with either “customer” or “supplier” was to limit the search to an industrial context and to exclude the extensive literature on attraction within psychological, social psychological, social exchange, and science literature. As Blau (1964) underlines in his book, the words attraction or attractiveness are often used in their generic sense without referring specifically to a business relationship context.

In its second step, the current research adopted Miles and Huberman’s (1994) snowball method to identify additional material on the concept of attraction within business relationships from the reference lists of the studies identified in step one. As the focus on attraction is growing, and has done so especially since 2004, the paper includes all conference presentations found on attraction and attractiveness.

The above steps help to identify current contributions about attraction and the different roles and purposes of the concepts within a business theory (Webster & Watson, 2002). A literature review is normally structured according to prior findings within the theoretical field, which are used to classify or group the review’s results (Hart, 1998). However, the author is not aware of any contributions attempting to classify or identify material on attraction or attractiveness in an industrial context.

The review and subsequent analysis revealed that attraction and/or attractiveness have been used in three different research areas to explain a particular construct. The first research area is that of covering dyadic business relationships, where the concept of attraction has been used to explain their initiation and development. The second research area is that of supply chain management, where the role of attraction in extending the buyer/seller relationship has been investigated and the concept of nurturing customer attractiveness as a potential motivational management approach to suppliers is increasingly establishing itself. Lastly, attractiveness has been used in research on portfolio and key account management as a measurement of the total package of current and future potential business seen from the suppliers’ or customers’ perspective. This paper proposes, then, that mentions of attraction and attractiveness in research be categorized into the three areas mentioned above.

The literature review is structured in relation to these areas and presented in Table 1 below. Following the table, the literature review is presented and discussed in relation to these three areas.

Table 1 also illustrates the analysis level (micro, meso or macro) on which the different contributions have exploited the concept. The micro level is where one actor interacts with another, that is, a dyad of individuals. The meso level refers to several individual actors acting as one. The macro level refers to focusing on entire markets or networks (Wilke & Ritter, 2006).
4. Presentation of the literature review

The literature review reveals that the attraction concept has been employed to serve different purposes in different theoretical contexts. The review of attraction in business relationships revealed seven peer-reviewed journal papers, five conference papers, and two books. There were fourteen peer-reviewed journal papers and five conference papers focusing on attraction or customer attractiveness, and five peer-reviewed journal papers on attractiveness in portfolio management. This paper will discuss these findings in relation to the three sub-streams identified above, and then briefly reflect on the findings on attractiveness within business relationship theory.

4.1. The role of attraction in buyer–supplier relationships

This section highlights the important contributions to the theory of attractiveness in buyer–supplier relationships. Dwyer was one of the first to mention the importance of attraction in business relationships, and, in Dwyer et al. (1987), the authors use attraction as an explanatory element in the initiation and development of a dyadic business relationship. Dwyer proposes five phases directly built on the social exchange theory that explains dyadic relationship development (Scanzoni, 1979). In Dwyer et al. (1987), the relationship development phase begins with awareness, even before there is any interaction between the parties, there is some degree of attraction, because that is what makes them aware of each other. Either party may also be making a deliberate effort to enhance its attractiveness to the other during this phase. The second phase is exploration, the search for a suitable business partner and a trial relationship. Dwyer et al. adopt the five subprocesses of Scanzoni (1979), which offer attraction as the first because it initiates the exploration phase. To proceed beyond that initial attraction, the parties must recognize each other as feasible exchange partners. Attraction must be present throughout the subprocesses (Scanzoni, 1979) of the exploration phase and is fostered when buyer and seller achieve a satisfactory reward–cost outcome, with the measures being built upon Thibaut and Kelley’s (1959) theory of social exchange. The third of the five phases of Dwyer et al.’s (1987) relationship development process model is expansion. It is based upon the parties achieving at least satisfactory performance outcomes in the preceding exploratory phase. Satisfactory performance will maintain the level of attraction that underpins the relationship, and it will proceed smoothly into the expansion phase if one party exceeds its exchange obligations in some way, and thereby increases its attractiveness to the other (Thibaut & Kelley, 1959).

It is interesting that Dwyer et al. (1987) view attraction as a developing mechanism operating until the parties have mutual trust in each other and have a high level of satisfaction, which leads to mutual commitment, and so they define attraction as the result of “the degree to which buyer and seller achieve – in their interaction with each other – a reward–cost outcome in excess of some minimum level of (Clait). Rewards are derived from the tangible and intangible gratifications of association; cost includes economic (money, inconvenience) or social deterrents” (Dwyer et al., 1987, p. 16). This perspective is supported by a number of contributions that appear some years later.

Halinen (1997), Harris et al. (2003), and Hald et al. (2009) are all inspired by Dwyer et al. (1987), but view dyadic business relationship development from a more dynamic perspective. Halinen (1997) focuses on attraction and views it as part of building up a relational bond. She argues that relational bonds incorporate the continuity dimension of business relationships between dyadic parties, and identifies three evolving bonds: attraction, trust, and commitment. These are seen as affecting each other, and can either strengthen or weaken the relationship depending on the perceived outcomes of the interaction process. Halinen sees attraction as a “future-oriented bond” that incorporates the conscious and unconscious expectations held by the business relationship, and argues that attraction is the concept that draws and keeps the relationship together (p. 241). Halinen (1997) defines attraction as “a company’s interest in exchanging with another, based on the economic and social reward–cost outcome expected from the relationship over time” (p. 59).

Harris et al. (2003) also explore the role of attraction within dyadic industrial relationships, explaining the components of attraction by setting up a general theoretical framework including the predictors of perceptions of attractiveness. That paper adds to and builds upon Dwyer’s and Halinen’s frameworks along with knowledge from the social exchange theory, and argues that the concept of attraction is important in the initiation, development, and maintenance of a dyadic relationship. Harris et al. further propose that attraction incorporates past, current, and future economic, resource-based, and social rewards. These three elements also represent antecedents of the development of the relationship, the emergence of commitment and trust, and cooperation and relationship development between the parties (Harris et al., 2003; Morgan, 2000). Harris et al. (2003) define attraction as “the extent to which relational partners perceive past, current, future or potential partners as professionally appealing in terms of their ability to provide superior or economic benefits, access to important resources and social compatibility” (p. 12).

Hald et al. (2009) are also inspired by the social exchange theory explanation of attraction in relation to examining the mechanisms that encourage a buyer and a supplier to voluntarily and jointly improve their relationship. The authors view attraction as a function consisting of three major components. The first is the stage during which the attracted party “perceives expected value” from being associated with the other party. The component is the attracted party’s “perceived trust” in the other, and the third is the attracted party’s perceived dependency on the other party. Hald et al. propose on page 962 that a party’s attraction, (or its attractiveness), can be seen as a function of: P[Expected value]; P[Trust]; and P[Dependence]. They define attraction as “the force fostering voluntarism in purchasing and marketing exchange, and further pushing a buyer and supplier closer together in a mutually advantageous relationship” (p. 968).

Wilkinson et al. (2005) focus on attraction in terms of a business relationship development, which they refer to as “business mating”. Expected value is seen as at the core of attraction, and the authors find that attraction provides the initial spark that ignites and then develops the relationship. Wilkinson et al. find that attraction is perceived by individuals and is most likely to arise between people who share similar backgrounds, morals, styles of working, codes of conduct, complementary skills, and reputations. Unless each individual understands the created value and can put this into his or her own context and, furthermore, believes that the other party can deliver the expected value, the parties will not experience attraction or form a relationship, unless they are forced to do so (Wilkinson et al., 2005).

Ellegaard and Ritter (2007) note that the concept of attractiveness is not well-defined or conceptualized, but propose that it is central to explaining a business relationship. They argue that in any given dyad, there are two perspectives on the attraction perceived by individuals within the company. The attractiveness of the customer as perceived by the supplier is called “customer attractiveness, and the attractiveness of the supplier as perceived by the customer is called ‘supplier attractiveness’. The authors also point out that perceived attractiveness is determined by three main factors: value creation (potential value), interaction processes (trust and commitment), and emotion. Emotion is seen as being important in relation to attractiveness, and the authors define it as the element of attraction that covers the irrational part of decision-making. Ellegaard and Ritter emphasize that the role of attraction needs to be empirically tested to add new aspects to the theory. They define attraction as “a mutual construct which describes the strength of the mutual interest of the two actors in each other. As such, it is determined by the lower of the two levels of attraction” (p. 3).
Table 1

<table>
<thead>
<tr>
<th>Source</th>
<th>Type</th>
<th>Contribution</th>
<th>Main Method</th>
<th>Analysis level</th>
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<tbody>
<tr>
<td>Harris et al. (2003)</td>
<td>International peer-reviewed journal</td>
<td>Harris et al. (2003) explore the role of attraction in the initiation, development, and maintenance of industrial relationships. The authors split attraction into a function of three determinants (economic, resource, and social-based factors). Attraction is used to explain the creation of trust, commitment, and relationship development and adaptation.</td>
<td>Theoretical paper. Built on social exchange, reinforcement theory, and social-based factors.</td>
<td>Meso and micro</td>
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<tr>
<td>Anderson et al. (1994)</td>
<td>International peer-reviewed journal</td>
<td>The authors underline that firms can develop network identities within which dyadic business relationships take place. Network identity and a firm’s attractiveness refer to how firms see themselves in the network and how they are seen by other network actors.</td>
<td>Case study. Built on social exchange theory and uses Thibaut and Kelley (1959).</td>
<td>Macro</td>
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<tr>
<td>Halinen (1997)</td>
<td>Book</td>
<td>The author views attraction as important in initiating the relationship and also for the development of the relationship over time. The author discusses attraction in relation to value, trust, commitment, and satisfaction and views the concepts as inter-linked.</td>
<td>Case study of advertising relationships. Built on social psychology.</td>
<td>Meso</td>
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<tr>
<td>Harris et al. (1987)</td>
<td>International peer-reviewed journal</td>
<td>Harris et al. (1987) use attraction to explain the different stages in relationship development in a five-phase model. “Attraction is seen as important in a) the preliminary phase of the relationship, b) in the second phase attraction is seen as important because of the high level of testing and evaluation by each of the parties, c) in the third phase, “expansion”, attraction is still judged by experience from the exploration phase.”</td>
<td>Theoretical paper. Built on social exchange theory (Scanzoni, 1979; Thibaut &amp; Kelley, 1959).</td>
<td>Meso</td>
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<td>Wilkinson et al. (2005)</td>
<td>International peer-reviewed journal</td>
<td>The authors view attractiveness as based on expected value related to the perceived benefits and costs to each party participating in the relationship. Attractiveness is mentioned as important elements in relationship built up and development.</td>
<td>Theoretical paper. Built on social exchange (Blau, 1964; Kelley and Thibaut, 1978; Thibaut &amp; Kelley, 1959).</td>
<td>Meso and micro</td>
</tr>
<tr>
<td>Moon and Bonney (2007)</td>
<td>International peer-reviewed journal</td>
<td>The paper focuses on interpersonal attraction as one of several endogenous variables influencing transaction outcomes. He hypothesizes that the greater the level of attraction, the greater the subjective expected utility and, consequently, the higher probability of an exchange.</td>
<td>Theoretical paper. Built on social exchange.</td>
<td>Micro</td>
</tr>
<tr>
<td>Ellegaard and Ritter (2007)</td>
<td>Conference paper</td>
<td>The author argues that in any given dyad there are two perspectives on attraction: the supplier view (customer attractiveness) and the customer view (supplier attractiveness). The authors conceptualize the perceived attractiveness by value creation, interaction process, and emotions.</td>
<td>Theoretical paper. Built on social exchange theory (Blau, 1964; Thibaut &amp; Kelley, 1959).</td>
<td>Meso and micro</td>
</tr>
<tr>
<td>Cordón and Vollmann (2008)</td>
<td>Book</td>
<td>The authors view attraction as important in future relationship theory and argue that both the customer and the supplier must have and develop an attraction philosophy. The most attractive customer will be attractive alternatives (CL in relation to C/L) and also refers to the importance of interpersonal attractiveness between the buyer and seller.</td>
<td>Theoretical paper. Built on social exchange (Blau, 1964; Thibaut &amp; Kelley, 1959).</td>
<td>Meso and micro</td>
</tr>
<tr>
<td>Mortensen et al. (2008b)</td>
<td>International peer-reviewed journal</td>
<td>Mortensen et al. (2008b) discuss interpersonal attraction within social psychology and industrial marketing literature. The paper explores the attractiveness of a market offering, which is also seen as the value of the offering. The authors aim to identify the various tangible and intangible value elements requested by the business customer and find that manufacturers should focus on distinctive product, service, and supplier-related value elements and that the particular elements depend on the different decision-influencers.</td>
<td>Theoretical paper based on literature review on attraction within social psychology and industrial marketing.</td>
<td>Meso and micro</td>
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<tr>
<td>Salo, Tähtinen, and Ukkonenemi (2008)</td>
<td>Conference paper</td>
<td>The paper uses a single case study to focus on the recovery of a triad business relationship. The paper mentions attraction, trust, and commitment as being a part of normalizing the relationship and restoring it. Attraction is seen as connected to future motivation in relationships.</td>
<td>Single case study. Built on social exchange (Thibaut &amp; Kelley, 1959).</td>
<td>Meso</td>
</tr>
<tr>
<td>Cordón and Vollmann (2006)</td>
<td>Book</td>
<td>The authors view attraction as important in future relationship theory and argue that both the customer and the supplier must have and develop an attraction philosophy. The most attractive customer will be able to attract the best suppliers — those who will devote their brainpower to solving the customer’s problems, happily engaging in joint projects to improve value/cost and vice versa.</td>
<td>Theoretical with illustrative cases. The book is written for practitioners and academics</td>
<td>Meso</td>
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<tr>
<td>Mortensen and Freytag (2009a)</td>
<td>Conference paper</td>
<td>The paper focuses both on supplier attractiveness and customer attractiveness as well as understanding the drivers of attraction within the current marketing theory and, moreover, analyzes when industrial parties are most likely to perceive attraction occurring between them.</td>
<td>Illustrative case study of an OEM supplier</td>
<td>Meso</td>
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<td>Mortensen and Freytag (2009b)</td>
<td>Conference paper</td>
<td>The paper suggests a conceptualization of attraction based on a literature review within social exchange and industrial marketing literature.</td>
<td>Theoretical paper based on literature review on attraction within social psychology and industrial marketing.</td>
<td>Meso and micro</td>
</tr>
<tr>
<td>Lindgreen, Anttoci, Palmer, and Heesch (2009)</td>
<td>International peer-reviewed journal</td>
<td>The paper explores the attractiveness of a market offering, which is also seen as the value of the offering. The authors aim to identify the various tangible and intangible value elements requested by the business customer and find that manufacturers should focus on distinctive product, service, and supplier-related value elements and that the particular elements depend on the different decision-influencers.</td>
<td>Qualitative in-depth interview with one firm within high-tech, innovative medical systems.</td>
<td>Meso</td>
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| **Attraction in buyer-supplier relationship development**
Hald et al. (2009) | International peer-reviewed journal | The paper explores the role of attraction in buyer–supplier relationships. The authors argue that the mechanisms creating attraction are constructed by three major components: a) perceived expected value, b) perceived trust, and c) perceived dependence, which individually have a range of sub-dimensions. | Theoretical paper. Builds on social exchange theory using (Homans, 1961; Thibaut & Kelley, 1959; Blau, 1964). | Meso |
| Mortensen (2010) | Conference paper | The purpose of this paper is to investigate the concept of attraction in the initial phase of a new buyer–supplier relationship. The paper is inspired by social psychology and Dywer et al. (1987) who argue that attraction is seen as the essential element for a relationship to start up and develop. The paper finds that the perception of attraction follows the individual manager’s position, surroundings, and prior history and is perceived differently within the organization. | Case study with Vestas and a supplier. Interview was carried out on different management levels | Meso |
| **Customer attractiveness to suppliers**
Galt and Dale (1991) | International peer-reviewed journal | The paper focuses on supplier development and argues that the buyer must make itself attractive to do business with to improve the resource allocation from the supplier. | Case study: British case study. | Meso |
| Ping (1994) | International peer-reviewed journal | The paper focuses on a study of associations between the response of the supplier to the actions of the buyer, when there are problems with their suppliers, and their antecedents. The paper focuses on satisfaction, alternative attractiveness, investment, switching costs, loyalty, opportunism, and neglect. | Survey studying 220 hardware retailers. Theoretical framework built on social exchange theory. | Meso |
| Anderson and Naran (1990) | International peer-reviewed journal | The paper presents a model of distributor–manufacturer working relationships from a distributor’s perspective. Anderson and Naran use the Thibaut and Kelley (1959) outcome matrix to explain the relationship between the distributor–manufacturer. The outcome of a relationship compared with the alternatives determines the attractiveness of the relationship. | Survey. A questionnaire distributed to 437 electronics distributors with 153 responses analyzed. | Meso |
| Ramsay (1994) | International peer-reviewed journal | The paper focuses on purchasing power in buyer–supplier relations. It asserts that the extent of a buyer's potential power is a function of the attributes of attractiveness and availability of the resources offered by both suppliers and buyers. | Theoretical paper. Built on social exchange using Blau (1964) and Emerson (1962) | Meso |
| MacKenzie and Kenneth (1996) | International peer-reviewed journal | The authors' study partnering relationships and partnering attractiveness in relation to determining what makes a supplier attractive for partnering relationships before customers seek these relationships. MacKenzie and Hardy define partnering attractiveness as the extent to which the customer would keep the distributor as a source of supply if the customer were reducing its vendor base. | Survey among customers of industrial distributors for suppliers in Ontario. | Meso |
| Cordón and Vollmann (2002) | International management journal | The authors focus on the benefits of being perceived as an attractive customer by a supplier. The authors argue that attractiveness cannot be achieved solely by providing better prices to the supplier. Building attractiveness can also consist of having attractive technology, process management, learning, having trust and commitment. | Theoretical paper originating from authors’ joint work with Chris Ellegaard. | Meso |
| Ellegaard et al. (2003) | International peer-reviewed journal | The authors explore a new way to view attraction – as a way to attract the best qualified suppliers in competition with other customers. The paper concentrates on managing and coordinating a dyadic relationship between buyer and supplier to work towards a common goal, value creation and social closeness. | Theoretical discussion and case study. | Meso |
| Ellegaard (2004) | Conference paper | The paper focuses on customer attraction – becoming attractive to attract the attention of suppliers. The authors argue that customer attractiveness is a complicated phenomenon and employs sense making to investigate two suppliers’ relationships with a customer. | Case study: two cases studies of suppliers’ sense making structure for a customer. | Micro |
| Ellegaard and Ritter (2006) | Conference paper | The paper focuses on customer attraction. The authors discuss attractiveness in relation to trust/commitment and value, which are key concepts within the relationship literature. The authors argue that an attractive customer is better at mobilizing supplier resources, leading to increased value added from these relationships. | Theoretical Paper. Built on social psychology/exchange theory referring to Blau (1964), Homans, (1961), and Scanloni (1979). | Meso and micro |
| Ramsay (2005) | International peer-reviewed journal | The paper discusses the usage of the term “value” in economics and marketing, and discusses value before and after exchange. Ramsay uses the word attractive in relation to value perceived before exchange. The author argues that companies with a reputation for prompt payment will appear attractive, and customers who display generosity and/or wealth and/or competence, and are thus prepared to offer suppliers unusually large profit margins, will be particularly attractive. | Conceptual paper | Meso |
| Mortensen et al. (2008a) | Danish peer-reviewed journal | The paper focuses on the issue that customers can be far smaller than international suppliers and proposes customer attractiveness as a main method of attracting resource allocation from such suppliers. A case study from China leads to building a model including parameters for increasing customer attractiveness to suppliers within the determinants (economic, resource, and social based) inspired by Harris et al. (2003). | Case study with a smaller Danish customer and six larger Chinese suppliers. | Meso |
| Ramsay and Wagner (2009) | International peer-reviewed journal | Focuses on the purchasing and supply chain literature to explore supplier needs, wants, and preferences. The authors view increasing customer attractiveness as one approach to improving the performance of suppliers. | Literature review and case study with 14 SMEs supplying UK supermarket buyer. | Meso |
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<th>Contribution</th>
<th>Main Method</th>
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<tbody>
<tr>
<td>Eggert, Ulaga, &amp; Hollmann (2009)</td>
<td>International peer-reviewed journal</td>
<td>The authors argue for working with fewer suppliers to allow the customer to concentrate on order volumes and gain more influence over vendors by “attractiveness of sourcing”. Focus on selected suppliers allows the customer firm to reduce total cost of ownership and gives the suppliers greater volume.</td>
<td>Survey among US purchasing managers 421 VP, director of global sourcing.</td>
<td>Meso</td>
</tr>
<tr>
<td>Schiele et al. (2010)</td>
<td>Conference paper</td>
<td>The paper presents a theoretical framework which links customer attractiveness to supplier satisfaction, preferred customer status, and the relationships between the concepts. Schiele et al. (2010) find that attraction leads to satisfaction, which leads to preferred status which again influences attraction.</td>
<td>Theoretical paper. Built on 3 literature reviews within customer attractiveness, supplier satisfaction, and preferred customer status.</td>
<td>Meso</td>
</tr>
<tr>
<td>Schiele et al. (2011)</td>
<td>International peer-reviewed journal</td>
<td>The authors study the antecedents of supplier innovativeness and supplier pricing. The paper hypothesizes that ‘technical’ antecedents, which include the capabilities of suppliers to innovate and ‘behavioral’ antecedents, which focus on the positions of the buyer as supplier’s preferred customer influence supplier innovativeness in a positive way.</td>
<td>Case study</td>
<td>Meso</td>
</tr>
<tr>
<td>Hüttlinger (2010)</td>
<td>Conference paper</td>
<td>The paper argues that most publications in relationship marketing focus solely on the suppliers as the engaging party and argues that there is a gap in the literature focusing on securing and attracting the strategic supplier. The author mentions that literature on attracting or motivating the supplier is limited and presents a model which links attraction to satisfaction which leads to preferred customer status.</td>
<td>Theoretical paper built on social exchange. Blau (1964) and Thibaut and Kelley (1959).</td>
<td>Meso</td>
</tr>
<tr>
<td>Schiele and Krummacker (2011)</td>
<td>International peer-reviewed journal</td>
<td>This paper focuses on how the customer can secure innovation support from capable suppliers. The paper presents an idea of being perceived as a “preferred customer” by the suppliers. The authors find that this idea identifies a significant gap in the literature. However, they discovered that the preferred customer concept leads to a few studies that deal at least partially with the topic of customer attractiveness.</td>
<td>A case study benchmarking consortia</td>
<td>Meso</td>
</tr>
<tr>
<td>Hald (2010)</td>
<td>Conference paper</td>
<td>Focuses on customer attractiveness and argues for the importance of including attraction in industrial marketing. Hald (2010) focuses on the perception of attraction within an organization and analyze micro dyads. The authors find that the perception of attraction is perceived differently by different employees who are further influenced by their function within the organization.</td>
<td>Case study. Built on organizational theory.</td>
<td>Micro</td>
</tr>
<tr>
<td>Mortensen and Arbiørn (2012)</td>
<td>International peer-reviewed journal</td>
<td>Focusing on the current literature of supplier development programs, the paper argues the importance of considering the suppliers’ interest and future motivation from an inter-organizational perspective. Customer attractiveness is presented as an inter-organizational approach taking the suppliers’ view and motivation into consideration when implementing supplier development programs.</td>
<td>Case study and literature review.</td>
<td>Meso</td>
</tr>
<tr>
<td>Schiele (2012)</td>
<td>International peer-reviewed journal</td>
<td>Firms increasingly rely on the collaboration of suppliers in their innovation. However not all competent suppliers are willing to collaborate with all buyers, which is why achieving preferred customer status with key suppliers becomes important.</td>
<td>Case study</td>
<td>Meso</td>
</tr>
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**Attraction in portfolio management or key account management**

<table>
<thead>
<tr>
<th>Source</th>
<th>Type</th>
<th>Contribution</th>
<th>Main Method</th>
<th>Analysis level</th>
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<tbody>
<tr>
<td>Fiocca (1982)</td>
<td>International peer-reviewed journal</td>
<td>Fiocca (1982) refers to attraction, which is used in relation to portfolio management. Attraction is one of several elements in evaluating each customer account. Attractiveness is measured on a customer's market factors, competition, financial, technological, and social–political factors. The paper develops a portfolio model of supplier accounts. Supplier attractiveness describes the factors that make a company choose a specific supplier. A supplier's relative attractiveness consists of a) financial and economic factors, b) performance factors, c) organizational, cultural, and strategic factors, and d) other factors.</td>
<td>Theoretical paper</td>
<td>Meso</td>
</tr>
<tr>
<td>Olsen and Ellram (1997)</td>
<td>International peer-reviewed journal</td>
<td>Focuses on portfolio models within the field of purchasing. The paper analyzes the current portfolio models and emphasizes that supplier attractiveness, featured by Fiocca (1982) and Olsen and Ellram (1997), is important.</td>
<td>Theoretical paper</td>
<td>Meso</td>
</tr>
<tr>
<td>Nellore and Söderquist (2000)</td>
<td>International peer-reviewed journal</td>
<td>The authors focus on the attractiveness of an account (customer) in relation to its future potential. Attractiveness is dependent on volume, growth potential, and market or technical leadership. Attractiveness is seen as a future potential customer value. The authors find that the suppliers also judge customer attractiveness in relation to volume, potential for profit, and status.</td>
<td>Case study with two automotive OEMs and two suppliers and interview from Toyota.</td>
<td>Meso</td>
</tr>
<tr>
<td>McDonald et al. (1997)</td>
<td>International peer-reviewed journal</td>
<td>Qualitative study. In-depth interviews with key account managers, their managers, and managers in the organization.</td>
<td>Qualitative study</td>
<td>Meso</td>
</tr>
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</table>

Anderson, Håkansson, and Johanson (1994) view attraction on a company level in relation to its connection to a network. They use the term “network identity”, which refers to the perceived attractiveness of a firm as an exchange partner due to its unique set of connected relationships with other firms and links to their resources. A firm’s attractiveness and network identity refer to how firms see themselves within the network and how they are seen by other actors. Anderson et al. use Thibaut and Kelley’s (1959) comparison level and comparison level of alternative framework to judge attraction in relation to network identity.

Bagozzi (1974) and Caballero and Resnik (1986) emphasize the importance of attraction in marketing and focus on interpersonal attraction between the individual salesperson and the customer. These authors note that interpersonal attraction in particular is an endogenous variable that may have a positive effect on the expectation of utility and trustworthiness of the other party’s promises.
Moon and Bonney (2007), inspired directly by social psychology, support the importance of interpersonal attraction, and argue that an interpersonal attraction between buyer and supplier can explain the development of a buyer–seller relationship.

Mortensen, Freytag, and Aribjørn (2008a) propose that attractiveness should be seen as an individual concept, which they explore in the light of current business relationship theory. The authors suggest that the literature on attractiveness is diverse in its understanding of the concept, which will be challenging for future research, and explain attractiveness on different levels: on an individual level, within groups, and between companies.

### 4.1.1. Reflections on attractiveness in buyer–supplier relationships

The above literature review reveals interesting findings on how attraction has been viewed in relation to business relationships. Attraction is seen as important in explaining business relationships start up and development between companies. It is also seen as an antecedent of the development of trust and commitment (Dwyer et al., 1987; Ellegaard & Ritter, 2007; Hald et al., 2009; Halinen, 1997; Harris et al., 2003; Wilkinson et al., 2005).

Dwyer et al. (1987) are the first researchers to mention attraction as a vital part of dyadic business relationships, and they view it as a phenomenon central to starting up and further developing the business relationship. They also consider that a relationship exists between the concepts of attraction, trust, and commitment, and thus see attraction as an independent concept useful for explaining business relationships according to the social psychology theory. Dwyer’s approach is certainly very close to that of Thibaut and Kelley’s (1959) and Scanzoni’s (1979) work on social exchange, without being critical of transferring social exchange theory directly to an industrial context without considering the differences between social and business relationships. It is a difference also discussed by Harris et al. (2003).

Halinen’s (1997) approach adds further interesting knowledge to the phenomenon as she presents attraction as a future-oriented bond, and argues that it consists of both “conscious” and “unconscious” expectations of a relationship. In addition, Halinen argues that attraction must be seen from a dynamic rather than a static perspective. She asserts that attraction should be seen as an independent concept linked to and affecting the concepts of trust and commitment, and vice versa. This is interesting in relation to the purpose of this paper, which argues that attraction must be seen as an independent concept linked to other important relationship concepts. Unfortunately, Halinen does not elaborate on the drivers or determinants of attraction, nor does she explain the concept in more detail.

Harris et al. (2003) explore attraction as a component that “initiates”, “maintains”, and “develops” a dyadic relationship. Curiously, these authors are the first to explore the drivers or determinants of attraction and to emphasize the importance of the pre-determinants of attraction. It is unfortunate that Harris et al. do not elaborate on the economical, resource, and social determinants of attraction. A deeper explanation would clarify how attraction can be made more tangible. Harris et al. build their framework on social psychology, but argue that it is essential to directly transfer social psychology theories to business relationships because the individuals within a company are influenced by company culture.

Hald et al.’s (2009) research is interesting because they view attraction as the force fostering a “voluntary drawing together” of the buyer and supplier. A challenging feature of the approach is the author’s view of attraction as consisting of expected value, trust, and dependency. This paper argues for the importance of trying to separate attraction from other concepts in order to explore it as an independent concept, similar to attraction in social psychology. In Hald et al.’s (2009) approach the line between attraction, expected value, trust, and dependency is unclear.

The view of Wilkinson et al. (2005) is important because the authors view attraction as the initial spark of a relationship – without attraction nothing will happen – and consider the phenomenon to be vital in future business relationships. Ellegaard and Ritter’s (2007) contribution is also interesting because they are the first authors to mention the importance of emotions in relation to attraction, but their approach is merely a proposal which, they emphasize, needs further research. Ellegaard and Ritter also argue that attraction consists of value, the interaction process (trust and commitment), and emotions, meaning they do not see attraction as a fully independent concept, contrary to the view advanced in the current research.

Bagozzi (1974), Caballero and Resnik (1986), and Moon and Bonney (2007) emphasize the importance of interpersonal attraction between the buyer and the seller on an individual level. Currently, there is limited research available on interpersonal attraction, but it is surely a valid topic for future research. Many of the contributions mentioned above focus indirectly on interpersonal attraction because they are inspired by social psychology.

### 4.2. Customer attractiveness to suppliers

The second stream of literature focuses on customer attractiveness to suppliers in order to motivate and attract capable suppliers. Customer attractiveness is a new concept within business relationship and supply chain management research (Ellegaard & Ritter, 2006; Mortensen et al., 2008a; Ramsay & Wagner, 2009; Schiele & Krummaker, 2011). It is gaining influence because the relationship between buyers and suppliers is gradually becoming more important, as suppliers come to play an increasingly crucial role in the competitiveness of the buying firm (Narasimhan & Talluri, 2000; Schiele & Krummaker, 2011). This is further affected by the fact that buying companies have for years focused on decreasing their supplier portfolio, a course of action that increases the importance of collaborating with the most capable suppliers (Ramsay & Wagner, 2009; Schiele & Krummaker, 2011). However, many of the above-named authors point out that supplier management and supplier development are typically only seen from the buying firm’s perspective (Ellegaard et al., 2003). The theory of supplier management being dominated by buyer perspectives, it is assumed that the supplier is willing to adapt to the buying company’s needs (Ellegaard, 2004; Ellegaard & Ritter, 2006; Hüttinger, 2010; Ramsay & Wagner, 2009; Schiele, Veldman, & Hüttinger, 2011). The literature review reveals a number of contributions arguing that it is also important to consider the supplier perspective and to focus on what qualities suppliers find attractive in a buyer, that motivate them to maintain a strong relationship with that buyer.

Galt and Dale (1991) were among the first to argue that it is important for the buyer to make itself attractive for suppliers to do business with and to make the supplying organization feel part of the team, with a vested interest in its well-being (p. 21). This idea was further developed by Cordón and Vollmann (2002) and Ellegaard et al. (2003), who were the first to use the term customer attractiveness and who emphasized that there are always two perspectives on a business relationship: that of the buyer and that of the supplier.

Ellegaard et al. (2003) and Cordón and Vollmann (2002) see customer attractiveness as an alternative approach for managing supplier relations, in contrast to the traditional management approach that often implicitly includes using power and coercion (Cox, 1999; Ramsay, 1994; Ramsay & Wagner, 2009), Ellegaard and Ritter (2006) argue that customer attractiveness can be observed to affect supplier motivation as well as the commitment and trust in the relationship.

Ramsay (1994) argues that a buyer’s potential power in a business relationship is a function of its attractiveness and the availability of the resources it can offer. He further develops this idea in Ramsay and Wagner (2009), wherein the authors argue that it is important to enhance understanding in purchasing and supply chain management and to recognize suppliers’ needs, wants, and preferences. Ramsay and Wagner emphasize that it is important to contribute to the
knowledge of how the buying company influences and motivates the behavior of suppliers in ways that match buyers’ future preferences and avoid “hard-hitting” negotiation or using power or threats of withdrawal of business in order to lead and manage suppliers. The authors found few studies in the extant literature that focused on motivating and attracting suppliers. However, they identified new concepts with that same emphasis: Ellegaard et al. (2003) and Ellegaard and Ritter (2006)’s customer attractiveness. Ramsay and Wagner (2009) state that the limited body of publications on customer attractiveness and related concepts have no shared vocabulary to facilitate wider communication of the relevant concepts, and lack a clear articulation of the underlying constructs (Ramsay & Wagner, 2009).

Schiele and Krummaker (2011) and Schiele (2012) present similar findings in a case study benchmarking consortia. The authors interviewed staff from the global procurement and logistics departments of major international firms about what they saw as future challenges in innovation and joint R&D collaboration with suppliers. The consortium members all agreed on the increasing importance of being perceived as a preferred customer by suppliers because the number of capable suppliers was limited. Based on the consortium’s conclusions, the authors developed a new idea, the preferred customer, which still awaits further commentary by scholars of buyer–seller relationships. Having a preferred customer status elicits preferential treatment by suppliers. Schiele and Krummaker (2011) emphasize that the idea of motivating and attracting suppliers can also be identified as a “significant hole…which receives only limited attention in the literature” (p. 5).

Nevertheless, the authors mention that the idea of being a preferred customer appears in a few studies that concentrate on the same objective. Schiele and Krummaker view the concept of customer attractiveness as covering some of the same aspects as that of a preferred customer, and refer to Ellegaard et al. (2003). They argue that the paucity of research on the issue may also be due to the conceptual difficulties of capturing this strategic phenomenon, but that the ability to attract and motivate suppliers will be important in future, both theoretically and in practice.

Schiele, Veldman, and Hüttinger (2010) explore the role of a preferred customer further in another paper, and argue for an interrelationship between customer attractiveness, supplier satisfaction, and preferred customer as presented in Schiele and Krummaker (2011). Schiele et al. (2010) argue that customer attractiveness is the first element of becoming a preferred customer and refer to Ellegaard et al. (2003), Ellegaard and Ritter (2006), Mortensen, Freytag, and Hansen (2008b), and Hald et al. (2009) as contributing to the theory of customer attractiveness. Schiele et al. (2010) argue that customer attractiveness may lead to supplier satisfaction based on an initial customer attraction. Supplier satisfaction will, over time, lead to a preferred customer status, which again, will reinforce customer attractiveness (Hüttinger, 2010; Schiele et al., 2010, 2011). In this way, an ongoing dynamic cycle is created which can be affected both positively and negatively.

Schiele (2012) proposes to incorporate additional sourcing criteria to identify innovative suppliers and introduces a supplier portfolio model based on buyer’s status with suppliers and competitiveness of suppliers. Schiele (2012) mentions that it is important that firms understand whether they are a preferred customer to their suppliers and assess their own customer attractiveness. Hald (2010) also focuses on customer attractiveness and argues that it is important to view the perception of attraction in relationship micro dyads as a unit of analysis. In his case study, Hald finds that the perception of attraction seems to flow from the department and its functional area. He argues that it is important to be aware that the perception of attraction can be affected by both the functional area and the individual. The individual element increases the complexity of exploring attraction.

Mortensen et al. (2008a) also focus on customer attractiveness and explore how smaller customers can influence larger suppliers by focusing on their attractiveness as an alternative management approach. That paper builds on a case study of a Danish customer and six of its suppliers. The paper identifies 26 criteria that the six suppliers find attractive. The criteria are divided into three determinants of attraction and are used to build three “tool boxes” (economical, resources, and social) that include parameters that can be used to work with and increase customer attractiveness in practice.

Mortensen and Arlbjørn (2012) focus on the current literature on supplier development programs and argue for the importance of considering suppliers’ interests and motivations from an inter-organizational perspective. Customer attractiveness is presented as an inter-organizational approach taking suppliers’ views and motivations into consideration when implementing supplier development programs.

4.2.1. Reflections on customer attractiveness to suppliers

The above contributions on customer attractiveness are interesting because customer attractiveness is seen as a new idea. The later contributions on customer attractiveness refer back to Ellegaard (2004) or to Cordón and Vollmann (2002), a paper inspired by Ellegaard’s PhD thesis. All the above contributions consider customer attractiveness as an alternative management approach that can be used to attract and motivate strategic suppliers. Schiele and Krummaker (2011) and Ramsay and Wagner (2009) emphasize the gap relating to attraction and the motivation of suppliers in the current literature on supplier relationship management.

Customer attractiveness, alongside similar concepts like preferred customer and customer of choice that concentrate on the same objective, could fill this gap. The fact that there are three closely related concepts in circulation to explain the same phenomenon indicates that there is a demand for an answer. Many of the above contributions on customer attractiveness do not attempt to explain customer attraction, but the authors mention customer attractiveness as a phenomenon that can resolve the issue of motivating suppliers and can instigate voluntary actions from them. Ellegaard et al. (2003), Ellegaard and Ritter (2006), and Mortensen et al. (2008) are the only contributors who attempt to explain customer attraction as a construct. This paper argues that customers enhancing their attractiveness to suppliers can be seen as a sub-stream of attraction within the dyadic business relationship development described by Dwyer et al. (1987), Halinen (1997), Harris et al. (2003), and Ellegaard and Ritter (2007), all of whom mention the future-oriented and motivational aspects of attraction. This will be discussed further in the conclusion of this paper.

4.3. Attractiveness in portfolio and key account management

The last stream found in the literature review relates to the association between attraction and portfolio and key account management. In this context, attractiveness has been used in relation to customer accounts or in relation to suppliers’ relative attractiveness as perceived by the customer (see e.g., Fiocca, 1982; McDonald, Millman, & Rogers, 1997; Nellore & Söderquist, 2000; Olsen & Ellram, 1997).

Fiocca (1982) and Olsen and Ellram (1997) both refer to attraction in relation to portfolio management; however, Fiocca focuses on the customer side whereas Olsen and Ellram focus on the supplier side. Fiocca analyzes a customer’s attractiveness and refers to it as the “customer’s business attraction.” The paper includes a nine-celled matrix that places a customer’s business attractiveness on the vertical axis and the relative buyer/seller relationship on the horizontal axis. Each matrix graphically represents a single account. Fiocca refers to customer attractiveness as “the attractiveness of the customer’s market and the status/position of the customer’s business” (p. 57). Attraction is seen in relation to the “total business package” and is used as one of several elements in evaluating each account.
Olsen and Ellram (1997) view attractiveness in a similar way, as a measure customers apply to prioritize suppliers. They also include a nine-celled matrix that places “relative supplier attractiveness” on the vertical axis and the “strength of the relationship” on the horizontal axis. The factors on both vertical and horizontal axes can be assessed as high, medium, or low. Olsen and Ellram (1997) in common with Fiocca (1982), consider attraction as part of the total business package of supplier attractiveness in a business context, and also evaluate supplier-related attractiveness in the same way. Similar contributions refer to the term attraction in relation to key account management. McDonald et al. (1997), for example, focus on portfolio management and especially on key account management.

McDonald et al. build on Fiocca’s (1982) earlier work and argue that key account management should be a long-term activity. Specifying the “attractiveness of an account” means companies can exploit the full potential of a relationship over a long period of time and takes the account to a higher level. McDonald et al. argue that the supplier can evaluate the customer as more or less attractive to them depending on volume, growth potential, and market or technical leadership, and also view attraction in relation to a total business perspective. The authors argue that companies often do not consider the implication and complexity of implementing a portfolio model. The authors analyzed available portfolio models (Fiocca, 1982; Olsen & Ellram, 1997), all of which argue that a supplier or customer should be dropped if it (and its account) scores low on attractiveness. Nellore and Söderquist (2000) suggest combining the frameworks of Fiocca (1982) and Kraljic (1983) and adding the words “component level” to the different types of purchases in a 3×3 matrix, wherein “market attractiveness” is on the y-axis and the strength of the relationship is on the x-axis.

4.3.1. Attractiveness in portfolio management and key accounts

It is noteworthy that the contributions within the portfolio and key account management mentioned above use attractiveness as a dimension of measurement in their analysis of the “total package” of current and future potential businesses, as seen from the supplier’s or customer’s perspective. However, the above contributions do not cite the attractiveness of a buyer or supplier as an element in relationship development, and one cannot conclude that the understanding of attraction specifically within the portfolio and key account management does not include some of the same attributes as the general understanding of attraction, which derives from the social exchange theory. These contributions view attraction from a different perspective than that applied in business relationship research and it is also dissimilar from the concept of customer attractiveness mentioned above that focuses on attracting a counterpart. This is important to note when discussing the word attraction and its generic definition as opposed to attraction as a phenomenon explaining the initiation of a relationship, in developing motivation in the other party, or in explaining the development of relationships (Blau, 1964).

This paper does not argue for the use of the concept of attractiveness in the portfolio and key account management. Portfolio and key account management do not define attraction nor refer to other theoretical areas in relation to attraction, and they could equally use a word other than attraction, such as one related to value or importance in relation to the total value of an account. Without a common application of the attraction concept, there can be no shared ground on attractiveness. Alternatively, future portfolio models could be built based on the social psychology theories’ understanding of attraction or might include an attractiveness matrix.

4.4. Discussion

The above literature review reveals that the concept of attraction has been used within different theoretical contexts, for example a business relationship approach, industrial marketing management, supply chain management, purchasing, key account management, and portfolio management. The concept of attraction has also been used for different purposes. Attraction has been used to explain the initial spark of the relationship (e.g., Dwyer et al., 1987; Wilkinson et al., 2005), and parties’ attractiveness has also been seen as contributing to the developing or ‘motivating element in existing business relationships (e.g., Dwyer et al., 1987; Hald et al., 2009; Halinen, 1997; Harris et al., 2003). Some authors also see attraction as an independent concept that is an antecedent to the development of trust and commitment in the relationship (Halinen, 1997; Harris et al., 2003). Others see attraction as being a part of value, trust, commitment, and dependency (Ellegaard & Ritter, 2007; Hald et al., 2009). Satisfaction and attraction are also said to be interlinked (e.g., Dwyer et al., 1987; Schiele et al., 2010). There has also been some discussion of the qualities of relationships between attraction, dependency and power especially within the literature focusing on customer attractiveness (Hald et al., 2009; Ramsay & Wagner, 2009). Nurturing attractiveness has been proposed as a way to motivate other parties to behave in a certain way or to draw them into a certain behavior, so influencing what are seemingly voluntary actions (e.g., Ellegaard & Ritter, 2006; Schiele et al., 2010, 2011). Furthermore, the concept has been seen as an alternative to using coercion in the management of suppliers (e.g., Ellegaard et al., 2003; Ramsay & Wagner, 2009; Schiele & Krummker, 2011).

To date, the number of exact definitions of attraction and attractiveness in business relationship theory is limited. This literature review has identified five, which will be discussed below. Attraction has also been examined at different levels of analysis (Mortensen et al., 2008b; Wilke & Ritter, 2006), encompassing the micro level (e.g., Ellegaard & Ritter, 2007; Hald, 2010) and at a meso level (e.g., Hald et al., 2009; Harris et al., 2003; Mortensen & Areland, 2012; Mortensen et al., 2008a) and also at the macro level focusing on networks (e.g., Anderson et al., 1994). In future research it is important to clarify different levels of analysis in current research and to discuss the possible independence of these levels.

The various roles and purposes identified above and the perspectives of the different authors are summarized below in Table 2.

The above analysis has illustrated that the understanding of attraction is diverse. There does not seem to be any generally accepted treatment of the concept in the field of study or acceptance standards that might be considered the norm. This makes it challenging to establish a scientifically acceptable independent concept (Kuhn, 1996) of attraction or of what constitutes attractiveness. It is important to discuss how the concept can be positioned more strongly in the future, and what attraction might explain in business relationships and supply chain management and what it cannot. There is a need to establish the link between attractiveness and other central concepts within business relationship research. The next section pinpoints the different views on attraction, addresses how the phenomenon can be applied and how it might be more robustly positioned in future research.

5. The concept of attraction and its role in future business research

The previous section illustrated how attraction has been used in many different ways, and further exploration of the concept requires an awareness of how those uses may be differentiated. The paper proceeds to outline a current perspective on the role of attractiveness in an attempt to position it more precisely, and then to indicate how that perspective might evolve in the future.

First, in this paper attraction is viewed as a phenomenon that can shed light on what draws, motivates, influences, and attracts the attention or resource allocation of the other party in a business relationship. Attraction can be seen as a future-oriented bond that incorporates expectations of the business relationship and contributes to the motivation for a relationship between the parties and its development (Dwyer et al., 1987; Ellegaard & Ritter, 2007; Halinen, 1997; Harris et al., 2003; Mortensen et al., 2008b).
Either supplier or customer may strive to make itself attractive in an attempt to motivate the other party to voluntarily undertake certain behavior. Research on neither industrial marketing nor supply chain management and purchasing pays much attention to a motivational management approach that incorporates customer attractiveness.

Second, the investigation of the concept of attractiveness in this paper has the potential to contribute to the knowledge on the initiation of business relationships and, furthermore, on the development of relationships. It is a view similar to those found in the field of social psychology, where attractiveness is discussed alongside social concepts like value, trust, commitment, power, and dependency that have already been adopted in business relationship research. The potential of social psychology research to complement business research has been acknowledged by leading researchers in business relationships. Business research, having adopted many of its fundamental constructs (including those above) from social psychology, uses them to explain the nature of business relationships (Håkansson & Snehota, 1995, 2002; Harris et al., 2003).

In order to position attraction in relation to existing business relationship theory, it is important to discuss it in relation to value, trust, commitment, satisfaction, power, and dependency. Doing so can illustrate the difference between the constructs and how they relate. Linking attraction to other central concepts also bolsters the argument for viewing attraction as an independent concept. Value, trust, commitment, satisfaction, dependency, and power have been chosen because they are identified as vital constructs within business relationship and purchasing literature (Ford, 2002; Håkansson et al., 2009). Additionally, these constructs have been mentioned in relation to attraction in the above literature review.

### Table 2

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<tr>
<th>Roles identified and purposes of attraction found in the literature review</th>
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<td><strong>Identified roles and purposes of attraction</strong></td>
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<tr>
<td>Attraction as the initial spark at the start of a business relationship</td>
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<td>Attraction as a development factor in business relationships</td>
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<td>Attraction as an antecedent of the development of trust and commitment</td>
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<td>Supplier attractiveness to customers</td>
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<td>Customer attractiveness to suppliers</td>
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<td>Customer attractiveness leading to satisfaction and preferred customer status</td>
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<tr>
<td>Attraction as a motivational management approach</td>
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<td>Attractiveness used as a measure against alternative suppliers or buyers</td>
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<tr>
<td>Attraction in relationship network identity</td>
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<tr>
<td>Attraction used as a measurement of the total package of an account</td>
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Value and value creation are key areas of interest in business relationship research (Ulaga, 2003). Although value is considered important, the extant theoretical knowledge on it is currently somewhat fragmented and obviously still developing (Ulaga, 2003). Value creation is still a difficult phenomenon to conceptualize, and that contributes to the fragmented state of the literature (Gounaris, Tzempliklos, & Chatzipanagioti, 2007). Moreover, the existing research often approaches value as a static concept defined by the difference between gains and sacrifices relative to the competition, producing realized values (Anderson & Narus, 1990; Ulaga, 2003). In recent years, discussion of the concept of value has used “expected value” to explain the motivational aspect of relationship development (Komulainen, Mainela, Tähtinen, & Parhi, 2005). Viewing attraction as connected to expected value, in that it is focused on future value creation, challenges the static view of the concept of value based on past experience and outcome (Halinen, 1997; Harris et al., 2003). The current research argues that it is the expected value dimension that differentiates the concept of attraction from the general static definition of value. The concept of attraction in business relationships focuses on the creation of future value, and so has a real potential to explain future motivation. That is a quality clearly absent from the static view of the concept of value based and evaluated as it is on past experience and outcomes.

Similar points can be made in relation to attraction versus satisfaction. Satisfaction evolves over time, similar to commitment, due to the experience a buyer or supplier gains from a relationship and how they perceive it to be progressing (Halinen, 1997). The current research views satisfaction as something created based on past performance, and that clearly differentiates satisfaction from attraction. Satisfaction must be based on past and current value creation whereas attraction also focuses on the future expected value creation. Satisfaction is an outcome similar to value (Halinen, 1997; Morrissey & Pittaway, 2006).

It is also important to discuss attraction in relation to trust and commitment. Trust and commitment are today seen as fundamental to explaining why some business relationships are more collaborative and integrated than others (Young, 2006). A commonly used definition views trust within business relationships to exist when “one party has confidence in an exchange partner’s reliability and integrity” (Morgan & Hunt, 1994). Commitment within business relationships is typified by “an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum effort at maintaining it” (Morgan & Hunt, 1994). Commitment reflects a desire to sustain and continue a relationship of perceived value.

This paper adopts the views on the relationship between attraction, trust, and commitment of Halinen (1997). Halinen argues that trust, commitment, and attraction are interrelated and affect each other positively or negatively over time in relation to the outcome received from the relationship (Halinen, 1997). Halinen also argues that it is important to see attraction, trust, and commitment in relation to each other in the different stages of a business relationship. Similar to Hald et al. (2009), Halinen argues that a relationship with a trustworthy partner is considered more attractive because the partner’s word is reliable, and there is trust that expected exchange obligations will be fulfilled (Halinen, 1997). As attraction is based on expectation, trust constitutes one party’s belief that the other will fulfill the promise of the attractiveness they perceive (Hald et al., 2009; Halinen, 1997; Harris et al., 2003). Halinen distinguishes between two types of trust: the general trust and specific trust suggested by Young and Wilkinson (1989). In the initial relationship phase, the expectations of trust are built on general trust, which is built on general knowledge of reputation. As the relationship develops, trust comes to be based on specific trust acquired through the actual reward–cost outcome. Halinen (1997, p. 250) argues that: “general trust is necessary in the initiation of a new relationship, when the parties are unfamiliar with each other. Specific trust is crucial to the further development of a business relationship”. Over time, the trust deepens and satisfaction emerges that eventually builds the commitment between the
two parties (Halinen, 1997; Harris et al., 2003). Commitment increases slowly as both parties make incremental investments in the relationship based on past experience (Halinen, 1997; Harris et al., 2003).

Attractiveness is seen as being strongly influenced by future expectations and being little influenced by past experiences. Commitment, on the other hand, is seen as being strongly influenced by past experiences and influenced little by future expectations. Attraction is logically the bond that develops first. However, trust is seen as occurring simultaneously and attraction is seen as creating trust and vice versa (Halinen, 1997).

Few papers have discussed the relationship between the concept of attraction and power. Nevertheless, power is an important aspect of a business relationship (Cox, 1999). A definition of power is provided by Emerson (1962, p. 32): “The power of actor A over actor B is the amount of resistance on the part of B which can be potentially overcome by A.” It is interesting to note that power can thus be seen as the ability of one party to force another to initiate an action that the first wants to happen, and the attractiveness of a party can be seen to prompt a voluntary action or enhance an existing one on the part of the other party. Although attraction and power are seen as using opposing mechanisms, the relationship between them is not simplistic. Some authors argue that the same attributes may either attract a party or make it dependent (Blau, 1964). This may make one party reluctant to acknowledge its attraction to another. This paper argues that the difference between power and attraction is a party’s perception of the ability to choose alternatives, and whether the action is voluntary or imposed by another.

The above discussion on the relation of attraction to value, satisfaction, trust, commitment, power, and dependency supports the argument that it is the future time dimension and future expectations that differentiate attractiveness from other central concepts in business relationship theory. Being aware of the role of these same two factors also enhances the understanding of the dynamics in business relationships and supply chain management theory.

Third, this research has identified five definitions of attraction or attractiveness in its literature review. Each definition is different and the differences represent the maturing of the concept within business relationships. This paper’s overall understanding and working definition of attraction correspond to that of Harris et al. (2003). That definition corresponds to the well-established concepts within business relationship theory in relation to the importance of value, trust, and commitment.

Fourth, the literature review identified examples of synonymous concepts related to attractiveness, such as, that of the preferred customer. The preferred customer logic adds a strategic dimension to the relationship when evaluated vis-a-vis other potential relationships (Schiele et al., 2010). The concept of a preferred customer as used by Schiele et al. (2010) shares some elements with that of attractiveness, but while a party’s attractiveness is based upon the other’s future expectations of value, a preferred customer status is based upon prior performance. Nevertheless, it is important to discuss related concepts in order to strengthen the position of attractiveness in business relationship theory.

Fifth, the majority of the papers discovered in the literature review consider attraction from a meso perspective. Some authors argue that attraction should be addressed on a micro level because attraction is perceived by individuals (Wilkinson et al., 2005), and that is a view generally taken in this research. Social exchange theory can strengthen the approach by contributing knowledge of an individual’s perception of attractiveness that can be transferred to business relationships. Even so, exploring attraction on a micro level is complex, and there are benefits to developing our knowledge of how the state of attraction matures in a business relationship at a meso level, that will in turn help establish a generally acceptable treatment of the concept.

Lastly, the paper proposes that the influence of attraction should be acknowledged in the following ways: 1) in its role in relation to the initiation and development of a dyadic relationship between buyer and supplier, 2) in the form of supplier attractiveness when describing the attractive qualities perceived by a customer, and 3) in the form of customer attractiveness when describing the attractive qualities perceived by a supplier.

The discussion above can be utilized by future researchers focusing on attraction. It strives to position attraction as an independent concept in business relationship research and supply chain management theory.

6. Conclusions and further research

The main purpose of this paper has been to present a review of the current literature referencing attraction and analyze how the concept has been investigated. The value of this overview exists in the fundamental knowledge it creates, which can be used to support assertions of the possible directions the concept might take in the future, some of which will be discussed below. The paper contributes to the understanding of how being aware of attraction and what contributes to attractiveness can enrich and broaden the understanding of business relationships going forward and how companies can benefit from a deeper understanding of attraction.

The conclusions drawn from the literature review and the above discussion are as follows. First, the paper finds that attraction has been used in three areas to explain or resolve a particular construct. The three areas are: attraction in the development of buyer–supplier relationships; customer attractiveness to suppliers; and attraction in portfolio and key account management. The three streams of literature use the concept of attraction or reference attractiveness for different purposes. Attraction in buyer–supplier relationship development is seen as contributing to the voluntary actions taken by each party in the course of the initiation and development of a business relationship. The concept of attraction is seen as having the potential to explain why relationships between a buyer and supplier commence and develop, something that is not well explained in the extant relationship literature. Understanding how the attractiveness of the respective parties affects their motivation to engage in and develop a dyadic relationship adds a future orientation to business relationship theory. The fact that attraction is so essential to the establishment and development of relationships has caused some authors to reflect that the concept may be overlooked because it is so basic, or because it is explained by fundamental relationship concepts. In the literature review, concepts such as value, trust, commitment, power, dependency, and satisfaction were mentioned as constituents of the explanation of attraction. This paper makes a strong case for attraction to be viewed as an independent concept influencing and influenced by value, trust, commitment, satisfaction, power, and dependency. Until attraction is positioned as an independent concept it cannot be developed further to explain the initiation and development aspects of business relationships.

The second stream of literature focuses on customer attractiveness nurtured as a means to motivate suppliers. A customer enhancing its attractiveness to a supplier will have an alternative motivational management approach to try on its suppliers and a route into affecting the suppliers’ voluntary actions. The idea of a motivational approach towards attracting and motivating suppliers to act voluntarily in certain ways is seen by many authors (Ellegaard & Ritter, 2006; Mortensen et al., 2008a; Ramsay & Wagner, 2009) as filling a research gap. However, there is to date little research within the business and supply chain management fields on adopting a motivational management approach to suppliers. As buying companies reduce the number of suppliers they deal with and attempt to optimize supplier portfolios, they will need to consider approaches to managing suppliers other than the more or less coercive forms often used in the past. The voluntary management approach, or the ability to motivate suppliers to adapt operational behavior and allocate resources in favor of the buying company,
could offer an effective alternative. More importantly, this approach acknowledges that suppliers have their own strategic agendas that influence their perception of which customers they find most attractive.

The last stream of literature relates to attractiveness in the portfolio and key account management wherein attractiveness is used to measure the total or potential value of an account from either the customer or supplier perspective. This is a different view of attractiveness than that found in studies on buyer–supplier relationship development and customer attractiveness. Portfolio and key account management research does not define attractiveness or refer to other theoretical areas in relation to it. Consequently, it is arguable that the concept of attraction and its associated concept of attractiveness as conceived in this research are not essential to a discussion of the holistic value of an account in the portfolio and key account management research, and therefore the concept of attraction should not be considered a construct within that field.

The second contribution of this paper is to propose using attractiveness in a business relationship context: customer attractiveness describes a state cultivated by the customer and directed towards the supplier, and supplier attractiveness is a state cultivated by the supplier and directed towards the customer. The paper’s overarching understanding and working definition of attraction correspond to that of Harris et al. (2003). Harris et al. (2003) define attraction as “the extent to which relational partners perceive past, current, future or potential partners as professionally appealing in terms of their ability to provide superior economic benefits, access to important resources and social compatibil- ity” (p. 12).

The third contribution is to create an overview of the current literature on attraction and attractiveness. This overview will help other authors to develop the concept. Attraction in the business research context is still a novel concept, and research on attraction in general and on the role of attractiveness in particular is still limited. The literature review illustrates the development of the business research on attraction and its diversity. Each individual contribution has added a piece to the overall puzzle of creating a theoretical foundation of attraction that can be used as a base from which to drive the concept forward both theoretically and in practice. Lastly, the paper has discussed attractiveness in relation to value, satisfaction, trust, commitment, dependence, and power in order to position attractiveness as an independent concept. The findings indicate that it is the future time dimension and future expectations that differentiate attractiveness from other central concepts in business relationship theory. It is those same elements that add new knowledge and understanding of the dynamics in business relationships.

6.1. Further research

This paper is the first to conduct an extensive review of literature focusing on the concept of attraction. The review has also revealed that what makes a party attractive, that is, its attractiveness, is an integral part of the concept. The analysis has generated the following opportunities for further research. First, if attraction is to be treated as an independent concept within business relationship theory, it is important to discuss it in relation to value, trust, commitment, power, and dependency and the links between them. The next step might be to explore the concept of value in relation to attraction in more depth. Much of the extant research suggests that value is an important part of explaining attraction (Ellegaard & Ritter, 2006; Hald et al., 2009). However, the fact that the literature on value is evidently still developing makes improving the understanding of attraction problematic. Despite the growing literature on value research, more knowledge of the construct and its operationalization in the field of business relationship research is needed. This challenge is discussed by Uлага (2003) and Komulainen et al. (2005). The findings of this paper suggest that expected value is one of the most vital factors to explore further in relation to attraction, but limited understanding and research on expected value are currently hindering the progress of that exploration.

This paper illustrates the value of exploring social psychology in relation to attraction because social psychology literature can provide a basic understanding of the associated concepts. However, the knowledge acquired from social psychology cannot be applied directly to business relationships. This is because, while social exchange theory can provide information on how to explore attraction in business relationships at the micro level, individuals within a company work within an industrial environment that inevitably affects their perceptions.

Lastly, this paper advocates future studies on business relationships that span initiation to dissolution. Exploring attraction within and across companies over time could shed more light on the creation and perception of attraction, in a way similar to Halinen’s (1997) study.

The above future research will further strengthen the position of attraction as a concept making it easier to incorporate in applicable management tools.

6.2. Managerial implications

The main benefit to companies of focusing on attraction is to secure voluntary action from a partner. An understanding of the role of attraction in business relationships assists strategic management by helping establish relations with other companies, facilitating the development of a relationship and can justify resource allocation and investments in existing relationships. Nurturing attractiveness can strengthen bonds across a company’s network, making it easier to manage. It would also offer a route into the voluntary management approach if companies understand how potential suppliers or customers perceive attractiveness. It is an approach that will be particularly useful to firms adopting value chain management, relationship management, and supply chain management perspectives and which see themselves as being a part of a larger network.

Many firms operate in fields and markets where it is important to appear to be an attractive customer to attract the best suppliers, who will inevitably have preferred customers. Buyers investing in supplier development should be aware of the influence of customer attractiveness and particularly how it can affect supplier motivation, resource allocation and the adaptation of supplier operations to favor the attractive customer. A firm that understands how to generate attractiveness can improve the effect of investing in joint product development, supplier development initiatives, and risk sharing. Nevertheless, buying companies must take care to evaluate how much they should invest in their own attractiveness to suppliers in order to remain competitive. Logically, if a buyer invests its resources in becoming more attractive, the supplier might be expected to increase resource allocation to that buyer firm. However, if the supplier is dependent on the buyer, the buyer needs not invest heavily in developing customer attractiveness. Management must balance fostering customer attractiveness and exploiting dependence or power. Customer attractiveness becomes far more important when the suppliers are strategic or the supplier has many alternatives.

References
