BUYER-SELLER RELATIONSHIP QUALITY AND BRAND EQUITY IN THE THOROUGHBRED CONSIGNMENT INDUSTRY

by

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A DISSERTATION

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In the relationship marketing literature, our knowledge of business-to-business buyer-seller relationship quality and its role in influencing seller brand equity remains incomplete. This study develops a theory-grounded conceptual framework regarding the mediating role of buyer-seller relationship quality between buyer attitudes toward the seller's corporate and product brands, and seller brand equity in a business-to-business context. A mail survey was administered to buyers of Thoroughbred horses regarding the past purchase of a racing prospect (product brand) from a Thoroughbred consignor (seller brand), generating 249 buyer responses. Structural equation modeling was used to test the hypotheses. Results reveal that buyer-seller relationship quality fully mediates the positive direct path between buyer attitude toward the seller and seller brand equity, and partially mediates the negative direct path between buyer

attitude toward the product and seller brand equity. The finding that buyer attitude toward the product is inversely predictive of seller brand equity in this context is particularly interesting, because it implies that in spite of the expense and uncertainty attached to the purchase of a Thoroughbred racing prospect (product brand), the value the buyer ascribes to the consignor (seller) is marginalized when the buyer has a more favorable attitude toward the horse. The finding that buyer-seller relationship quality partially mediates this path is also very interesting, because it implies that as the buyer exhibits a less favorable attitude toward the racing prospect (product brand), the value attributed to the consignor (seller) increases. The results of this study have significant implications for sellers within speculative and competitive business climates.

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DEDICATION

This dissertation is dedicated to my parents Robert and Jill, and my siblings Valerie and Lucas. Thank you so much for your love, patience and support. You are my inspiration!

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CHAPTER I

INTRODUCTION

Firms that leverage resources in ways that create superior customer value are more likely to develop advantages relative to competitors (Barney 1996, 1991; Hunt 1997, Srivastava, Shervani and Fahey 1999; Wernerfelt 1984). Although firm resources have traditionally been thought of in a tangible sense, some of a firm's most important resources are intangible in nature (Barney 1996; Berry 2000; Hunt 1997; Keller 2003). Within this study the author explores the relationships among three firm-enabling resources that demonstrate significant levels of intangibility within business-to-business (B2B) contexts where products demonstrate aspects of both goods and services: 1) sellers' corporate brands, 2) sellers' product brands, and 3) sellers' customer relationships.

Existing literature supports the position that sellers' corporate and product brands are valuable, enabling resources that help to build and reinforce firm-level competitive advantages (Aaker 2004, 1996; Keller 2003). Corporate and product brands act as important signaling mechanisms that convey critical and differentiating information to current and prospective customers concerning a firm's good and service offerings (Keller 2003; Kirmani and Rao 2000; Park, Jun and Shocker 1996). Such differentiation serves

to reinforce brand positions, rewarding firms with performance, growth and profit (Aaker 2004, 1996; Keller 2003; Drucker 1954; Penrose 1959).

Existing research also supports the notion that firms' critical resources and sources of competitive advantage are not necessarily proprietary, but rather may span firm boundaries (Davis, Golicic and Marquardt 2007; Dyer and Singh 1998; Hunt 1997; Johnson and Selnes 2004). Consequently, buyer-seller relationships are recognized as valuable, enabling resources that facilitate positive customer response and superior performance outcomes (Dyer and Singh 1998; Hunt 1997; Subramani and Venkatraman 2003). These attributions of customer value refer to the concept of brand equity, which occurs when customers react more favorably to sellers' product offerings and the way they are marketed when the brands are identified than when they are not (Aaker 2004, 1996; Keller 2003, 1993).

Research Opportunity

Relationship marketing and customer relationship management (CRM) are proximal areas that, in spite of the increased attention they have received in recent years, remain compelling areas of research (Agrawal 2003; Eng 2004; Johnson and Selnes 2004; Zablah, Bellenger and Johnston 2004). In spite of widespread embracement regarding the role of different types of customer relationships (Garbarino and Johnson 1999; Hunt 1997; Stringefellow, Nie and Bowen 2004), there is no consensus on how best to organize and leverage a firm's relationships (Agrawal 2003; Ang and Taylor 2005; Hunt 1997; Johnson and Selnes 2004; Ryals 2003; Skaates and Seppanen 2005).

One of the key concepts that has drawn attention out of the relationship marketing and customer relationship management literatures is buyer-seller relationship quality (Garbarino and Johnson 1999, Huntley 2006; Johnson and Selnes 2004; Kim and Chan Olmsted 2005; Ulaga and Eggert 2006). Buyer-seller relationship quality describes the degree to which buyers are satisfied with the overall relationship with a seller, as manifested through the buyer's overall satisfaction, trust and commitment toward the seller (Johnson and Selnes 2004; Ulaga and Eggert 2006). Consequently, as buyer-seller relationship quality improves, firm-level competitive advantages are gained and strengthened over time, thereby improving firm performance outcomes and seller brand equity accrual (Huntley 2006; Johnson and Selnes 2004; Kim and Chan-Olmsted 2005; Ulaga and Eggert 2006).

In spite of the "preponderance" of firms selling in business-to-business contexts, "virtually all discussions of branding" have been framed in consumer goods contexts (Webster and Keller 2004, pg. 388). Consequently, although there are far more dollars spent in business-to-business (B2B) markets than in business-to-consumer (B2C) markets (Armstrong and Kotler 2005), industrial branding is far less developed and understood than is consumer branding (Webster and Keller 2004). By extension and not surprisingly, branding in business-to-business contexts where products demonstrate aspects of both goods and services (i.e., hybrid products) is also far less developed and understood than is branding in hybrid business-to-consumer contexts (Berry 2000; Keller 2003; McDonald, de Chernatony and Harris 2001; Webster and Keller 2004).

As a result, in spite of the growing attention that business-to-business branding and buyer-seller relationship quality have generated within the popular press and academic circles, their complementary roles in contributing to the building of seller brand equity remain a promising research area. This study seeks to address the prominent gap in the current relationship marketing literature concerning the concept of buyer-seller relationship quality. This study examines the concept of business-to-business buyer-seller relationship quality and its role in influencing seller brand equity. This study thereby serves to address the current need for conceptual and empirical studies of this important topic. Consequently, the research question that is asked within this study is:

"How does buyer-seller relationship quality mediate the relationships between buyer attitude toward sellers' corporate and product brands, and seller brand equity?"

Contributions

This research contributes to the existing body of knowledge in multiple ways. First, this study will help provide insight into how buyer-seller relationship quality influences the relationship between buyer brand attitudes and seller brand equity. Second, this research will help extend our knowledge of business-to-business branding, particularly as it relates to branding speculative products that exhibit aspects of both goods and services. This research thus helps to illuminate the opportunity to build brand equity in contexts exhibiting this dual nature, especially when the product offerings are highly uncertainty (for example, graduating Ph.D. candidates, college and professional

athletes, prospective university students, venture capital, real estate, high-end wine and artistic offerings).

A significant portion of the evaluation of these product offering examples is based on an envisioned future outcome associated with the product offering. For example, the evaluation and hiring of newly-minted Marketing Ph.D.s typically occurs following the candidates third or forth years, and usually six to twelve months ahead of when they will be granted their degrees. Additionally, most Ph.D. candidates (product offerings) have had only a limited chance to make their marks on the marketing field; consequently, the hiring of ABDs is speculative. The hiring institution is projecting aspects of the Marketing Ph.D. candidate into the future. These include issues related to current status (i.e., what does the candidate's academic and professional pedigree look like, has he/ she completed his/ her comprehensive/ qualifying exams, defended his/ her dissertation proposal, collected dissertation data) and long-range potential (i.e., how good is his/ her dissertation idea, who are his/ her committee members and chair, what else is he/ she working on, who else is he/ she working with, what type of teacher and/ or researcher will this candidate be). These evaluation criteria are subjective in nature, and hence the evaluation of candidates will vary based on what the prospective hiring institutions think of the Ph.D. candidate's potential to be successful at that institution. The same principles apply to the evaluation of numerous other product offerings, including the ones listed above, which also demonstrate the current evaluation of the product offering based on uncertain and speculative factors.

Third, this study is designed with the intent of theory elaboration – i.e., to apply and extend the existing theory within new settings or contexts (Lee 1999). The Thoroughbred industry is a new contextual area for business research, as the limited numbers of studies that have been published related to Thoroughbreds have almost universally involved gambling rationale and decision-making process research. The use of theory elaboration is thus an important contribution on three fronts. First, it encourages the application of existing branding and relationship quality theory in order to further our knowledge of a developing, but currently incomplete, concept. Second, theory elaboration opens the door for research in a novel and exciting contextual area, i.e., the Thoroughbred industry. Finally, the use of theory elaboration is an important contribution because it provides support for a valuable but relatively overlooked and underutilized research technique (Lee 1999). The approach was valuable within this study because it encouraged the application and extension of existing brand attitude, brand equity and relationship marketing concepts, in order to develop a theory-grounded conceptual framework that will enhance our future understanding of the buyer-seller relationship quality construct and how it influences the pathways between buyer attitudes toward the seller's corporate and product brands, and seller brand equity.

Finally, this research helps to provide both the impetus and the roadmap for B2B firms to understand better the mediating role of buyer-seller relationship quality between buyer attitudes toward sellers' corporate and product brands, and seller brand equity. This practical insight will help B2B firms, and particularly sellers within the Thoroughbred consignment industry, to understand better how the dimensions of buyer

seller relationship quality (satisfaction, trust and commitment) collectively contribute to enhancing seller brand equity. This research thus affords the opportunity to provide several theoretical and applied contributions.

Document Framework

The framework for the remainder of the document is as follows. Chapter II is entitled Building the Theory. Chapter II develops and presents a literature review that is designed to build the theory underlying the theory-grounded conceptual framework that is developed and presented within the chapter. The focus of Chapter II is on the four model constructs, buyer attitude toward the seller's corporate brand, buyer attitude toward the seller's product brand, buyer-seller relationship quality and seller brand equity, and how these constructs have been discussed in the existing relationship marketing and branding literatures. The relationships among the four constructs are laid out, paving the way to be able to test these relationships.

Chapter III is entitled Methodology and describes the methodological approach that was used in this study. The intent of the design was theory elaboration – i.e., to apply and extend existing theory into new settings or contexts (Lee 1999). This study utilized expert review as a pilot study pretest effort designed to develop an appropriate survey instrument by establishing survey question face validity and wording through expert opinion (Dillman 2000; Elsbach 1994). Following the development of the survey instrument, a mail survey approach was used to collect data from business-to-business buyers of Thoroughbred racing prospects (product brands). A review of the data-

collection steps and processes and a brief summary of the data collection effort are also presented.

Chapter IV is entitled Data Analysis and Results. Collected data are analyzed using conventional exploratory data analysis tools in SPSS (Version 13.0) and structural equation modeling tools in AMOS (Version 5.0). Results indicate significant direct positive relationships between buyer attitude toward the seller's corporate brand and buyer-seller relationship quality, buyer attitude toward the seller's product brand and buyer-seller relationship quality, and buyer-seller relationship quality and seller brand equity, as well as a direct negative relationship between buyer attitude toward the seller's product brand and seller brand equity. The results also indicate that buyer-seller relationship quality fully mediates the positive direct path between buyer attitude toward the seller and seller brand equity, and partially mediates the negative direct path between buyer attitude toward the product and seller brand equity. The finding that buyer attitude toward the product is inversely predictive of seller brand equity in this context is particularly interesting. This finding suggests that in spite of the expense and uncertainty attached to the purchase of a Thoroughbred racing prospect (product brand) the value the buyer ascribes to the consignor (seller) is marginalized when the buyer has a more favorable attitude toward the horse. The finding that buyer-seller relationship quality partially mediates this path is also very interesting. This finding implies that as the buyer demonstrates a less favorable attitude toward the racing prospect (product brand) the value attributed to the consignor (seller) increases.

Chapter V is entitled Conclusions and Contributions. This chapter explores the findings presented in Chapter IV in more detail. Specifically, this chapter serves to explore the theoretical and managerial implications of the findings of this research, discussing the role of buyer-seller relationship quality in business-to-business contexts where products demonstrate aspects of both goods and services. The findings from this research have significant implications for sellers within speculative and competitive business climates. Chapter V also presents and discusses the limitations associated with this research, as well presents recommendations for future research.

CHAPTER II

BUILDING THE THEORY

Chapter II begins with a literature review that is designed to build the theory-grounded framework that is developed and presented within this chapter. The presented literature review provides a discussion of the study's theoretical framework, and draws a variety of important concepts from both the marketing and management strategy literatures. The foundation for this research is resource-advantage theory. Resource-advantage theory focuses on the resources available to a firm (Hunt 1997; Hunt and Morgan 1995), and provides a theoretical grounding platform for three important firm resources: 1) sellers' corporate brands, 2) sellers' product brands, and 3) sellers' customer relationships.

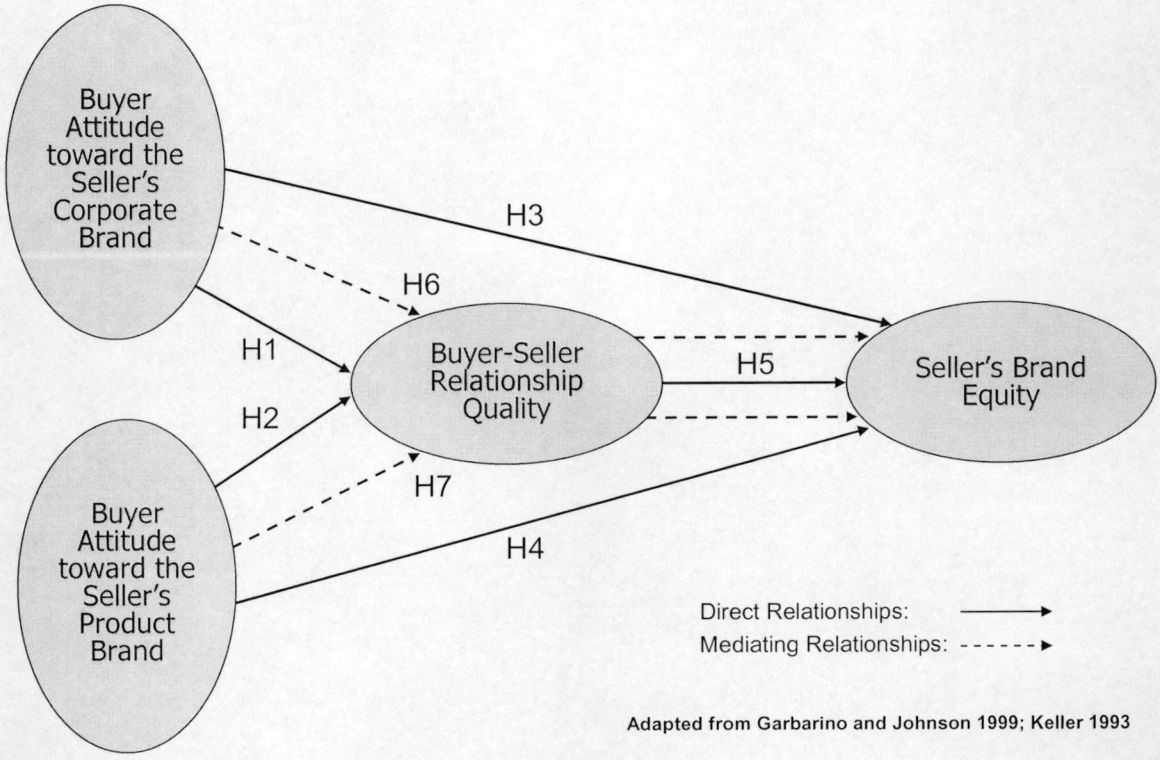
The approach that is adopted within the literature review begins with the introduction of the theoretical model used within this study. Next, this study's theoretical grounding platform, resource-advantage theory, is outlined and discussed. Following the discussion of resource-advantage theory, the model's three branding constructs: 1) buyer attitude toward the seller's corporate brand, 2) buyer attitude toward the seller's product brand, and 3) seller brand equity, are presented. The theoretical basis for each is provided, as well as the relationships that exist between and among these constructs. The review of the model's constructs is completed with a discussion of the model's fourth and

final construct, buyer-seller relationship quality. As was done with the three branding constructs, the theoretical basis of buyer-seller relationship quality is outlined and discussed, specifically focusing on the three dimensions that comprise the construct, satisfaction, trust and commitment. The literature review concludes with a discussion of the theoretical justification for the relationships that exist between the model's four constructs, thereby providing the rationale for the hypotheses that were posed for this research.

Theoretical Model

Existing literature affirms that buyer attitude toward sellers' corporate and product brands varies between and across customer relationships (Garbarino and Johnson; Nowak, Thach and Olsen 2006) and that the quality of buyer-seller relationships is an important determinant of a firm's brand performance outcomes (Garbarino and Johnson; Johnson and Selnes; Nowak, Thach and Olsen 2006; Ulaga and Eggert 2006). Consequently, buyer-seller relationship quality influences the relationship between buyer attitudes toward sellers' corporate and product brands, and seller brand equity. These sentiments are articulated within the postulated construct relationships depicted in the theory-grounded framework presented in Figure 2.1, and they are justified within the literature review that follows.

Figure 2.1: Theoretical Model and Postulated Hypotheses



Resource-Advantage Theory

Resource-advantage theory focuses on the resources available to the firm, thereby helping to explain from a resource perspective how brands are built and why one corporate or product brand is able to outperform another (Hunt 1997; Hunt and Morgan 1995). Brand performance is contingent upon and determined by the firm's use of available resources (Hunt and Morgan 1995; Penrose 1959; Wernerfelt 1984). Resources

that are difficult for competitors to imitate provide the firm with advantages relative to competitors (Barney 1996, 1991; Hunt 1997; Hunt and Arnett 2003; Johnson and Selnes 2004; Teece, Pisano and Shuen 1997). Sellers' corporate brands, product brands and customer relationships are three such enabling resources.

The cornerstone of resource-advantage theory is that "social structures and trust-based governance can be competition enhancing" (Hunt and Arnett 2003, p. 1). This tenet underlies the argument that "firms should develop a relationship portfolio that is comprised of relationships that constitute relational resources" in order to build and leverage their brand offerings (Hunt 1997, p. 431). Hunt suggests resource-advantage theory is a logical grounding platform because "it expands the view of resources to include all entities that have an enabling capacity" (1997, p. 441). Such a view encourages thinking beyond tangible resources, to include intangible entities such as corporate brands, product brands, and customer relationships. Such resources provide firms with competitive advantages, which foster superior performance levels (Hunt 1997; Hunt and Arnett 2003; Hunt and Morgan 1995).

Resource-advantage theory is in itself a relatively nascent theoretical platform (formally proposed in the mid-nineties), and its focus on resource heterogeneity and imperfect mobility across the financial, physical, legal, human, organizational, informational and relational areas of business has helped it gain support in both marketing and non-marketing circles (Hodgson 2000; Hunt and Arnett 2003; Savitt 2000; Schlegelmilch 2002). In utilizing resource-advantage theory as a grounding mechanism, sellers' corporate brands, product brands, and customer relationships are recognized as

important signaling resources that affect buyer assessment and behavior, and as a result firm performance (Garbarino and Johnson 1999; Hunt and Morgan 1995; Johnson and Selnes 2004; Park, Jun and Shocker 1996).

Resource-advantage theory is closely aligned with the idea that the goal of any firm should be to create superior value for its customers (Drucker 1954; Levitt 1960). Firms strive to create superior value for their customers by developing and employing the right combination of resources (Barney 1996, 1991; Kogut and Zander 1992; Penrose 1959). Sellers' corporate brands, product brands and customer relationships thus serve as valuable firm resources which help to create favorable positions in the minds of customers and superior differentiated positions relative to competitors.

Brand Attitudes

A brand attitude conveys the extent to which the seller has been able to create a level of connection with an actual or prospective buyer (Kim and Chan-Olmsted 2005; Keller 2003). A brand attitude essentially reflects the actual or prospective buyer's feelings toward a particular brand, and it is formally defined as a predisposition to respond in a consistently favorable or unfavorable manner towards a particular brand (Ajzen and Fishbein 1980; Kim and Chan-Olmsted 2005). A brand, in turn, is defined as "a name, term, sign, symbol, or design, or combination of them, which is intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competitors" (Armstrong and Kotler 2005, p. 234).

Buyer attitudes toward brands are generally arrived at as a function of their attitudes toward the brand's multiple attributes and benefits (Ajzen and Fishbein 1980; Keller 2003, 1993). These attributes and benefits differ in terms of their respective importance; however, in aggregate they help to form buyers' attitudes toward specific brands (Ajzen and Fishbein 1980; Myers 2003). Brand attitudes thus serve to reflect buyer evaluations of brand attributes and benefits, as well as their overall evaluations of the brand, thereby forming the basis for buyer appraisal and choice (Ajzen and Fishbein 1980; Keller 2003; Kim and Chan-Olmsted 2005; Wilkie 1980).

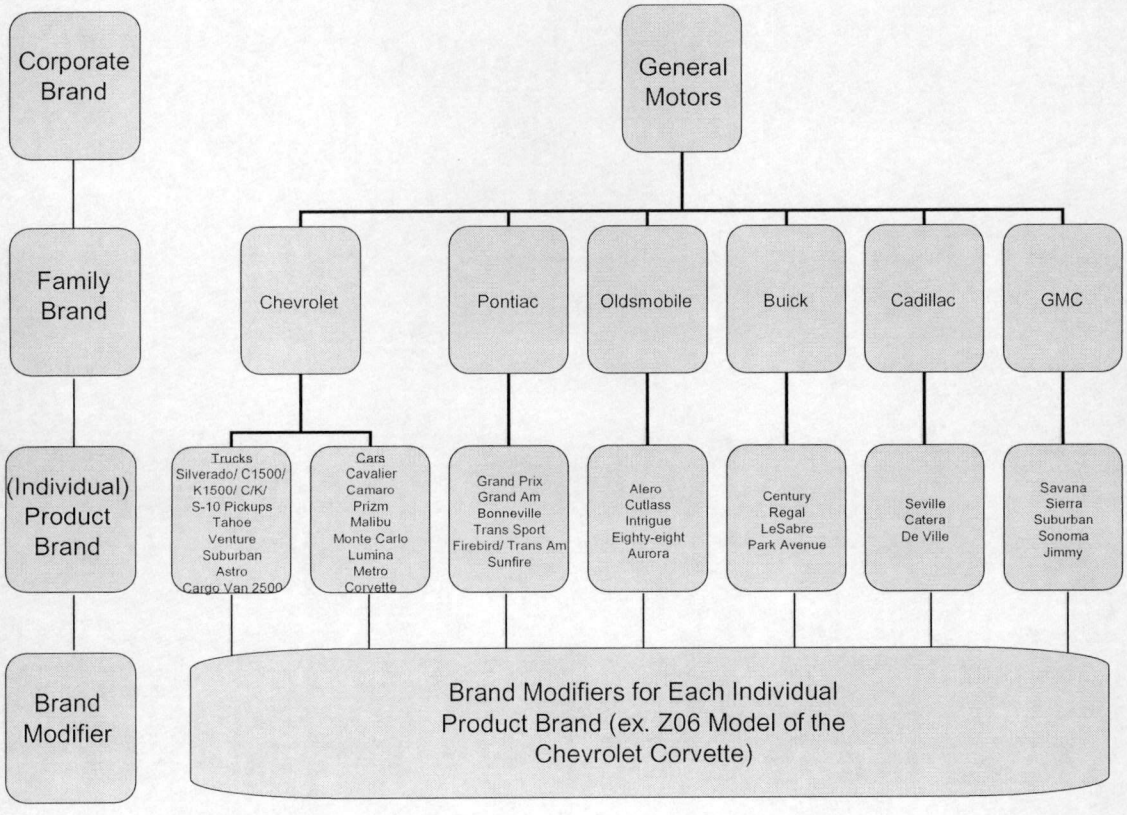
Communicating the brand's appeal to the right group of prospective customers (i.e., the firm's target market) is critical and is the essence of branding (Armstrong and Kotler 2005; Keller and Kotler 2005). Branding has received considerable attention in mature business-to-consumer contexts (Berry 2000; Keller 2003), and is now generating increased attention in business-to-business contexts (Marquardt, Golicic and Davis 2007; Webster and Keller 2004). In spite of this attention and the widespread acceptance of branding as a valuable source of competitive advantage (Aaker 1996; Berry 2000; Keller 2005), business-to-business corporate and product brand elaboration remains relatively underdeveloped in the literature (Aaker 2004; Gordon, Calantone and di Benedetto 1993; Webster and Keller 2004).

Corporate Brand

The seller's corporate brand is the highest level of brand within an organization's hierarchy of brands and serves to define the organization that will deliver and stand

behind the product (good and/ or service) offering (Aaker 2004, 1996; Keller 2003). In this sense the corporate brand serves in an umbrella capacity (Erdem 1998), conveying a brand promise for the more specifically-defined and targeted brands that occur in subsequent (lower) levels of the hierarchy. The brand hierarchy concept is visually depicted in the General Motors' hierarchy of brands illustration that follows in Figure 2.2.

Figure 2.2: General Motors' Hierarchy of Brands in 2001



Adapted from Keller 2003

Based on the illustration presented within Figure 2.2, the following General Motors' hierarchy of brands can be witnessed: 1) Corporate Brand - e.g., General Motors; 2) Family Brand – e.g., Chevrolet; 3) (Individual) Product Brand – e.g., Corvette; 4) Brand Modifier – e.g., Z06. This study focuses on two seller brands, corporate and product. As a result, the focus is on the first and third levels of the brand hierarchy - or in the case of the hierarchy of brands illustration described immediately above, the corporate brand is General Motors, while the product brand is the Corvette.

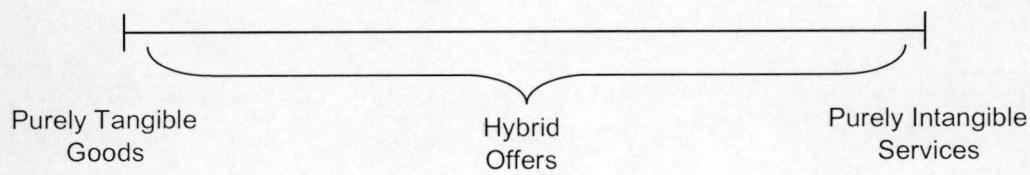
The definitive goal of the corporate brand is to signal important information and added value to current and prospective customers such that they look to purchase/ repurchase product offerings from the firm at future points of time (Aaker 2004; de Chernatony 2001; Harris and de Chernatony 2001). The corporate brand thus symbolizes the relational promise of what the firm will deliver and also by extension what the firm's offerings will deliver (Aaker 2004; de Chernatony 2001; Marquardt, Golicic and Davis 2007). Because the corporate brand communicates a commitment to provide a certain kind of experience, it is critical that the firm convey the right message to customers (Gombeski Jr., Kantor and Klein 2002).

The corporate brand "has access to organizational as well as product associations" (Aaker 2004 p. 6), thus it both drives and is driven by buyer attitudes toward the firm's product brands. Consequently, the corporate brand "explicitly and unambiguously represents an organization as well as a product" (Aaker 2004 p. 10). As a result, the corporate brand serves to facilitate and enhance the product brand-building process (Aaker 1996; Erdem 1998; Schreiber 2002; Wernerfelt 1989).

Product Brand

The product brand is a single good and/ or service, assigned its own individual name and accorded its own individual positioning (Kapferer 1992; Keller 2003). The product brand refers to "anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need" (Armstrong and Kotler 2005, p. 223). Product brands are therefore not constrained to being purely tangible, but can also exhibit high degrees of intangibility. In fact, while either extreme is possible, most product brands exhibit both tangible and intangible aspects, and as a result are really hybrid offers that may fall anywhere along the Brand Tangibility Continuum illustrated in Figure 2.3.

Figure 2.3: Brand Tangibility Continuum



Adapted from Armstrong and Kotler 2005

An additional factor that determines where a product falls along the brand tangibility continuum and that distinguishes how the product needs to be treated, relates to the product's brand attributes (Armstrong and Kotler 2005; Da Silva and Syed Alwi 2006; Hoffe, Lane and Nam 2003). Product brands possess both tangible attributes which are functional - for example, the fuel efficiency of a car, and intangible attributes, which are more perceptual in nature - for example, the perceived safety or reliability of a car (Da Silva and Syed Alwi 2006; Hoffe, Lane and Nam 2003). Product brands that exhibit high degrees of tangible attributes are usually perceived as less complex, risky and uncertain than are brands that exhibit high degrees of intangible attributes.

Existing literature supports the notion that product brands that are less tangible in nature, such as those possessing a significant service component, need to be handled differently than do brands that are highly tangible (Armstrong and Kotler 2005; Berry 2000; Gombeski, Kantor and Klein 2002; Harris 2002; Krishnan and Hartline 2001). Of central importance is the idea that the strength and the performance of these brands are largely driven by the people associated with the brands and by the quality of the buyer-seller relationships (Berry 2000; Gordon, Calantone and di Benedetto 1993; Marquardt, Golicic and Davis 2007; McDonald, de Chernatony and Harris 2001). This idea is particularly evident within B2B contexts (Davis, Golicic and Marquardt 2007; Subramani and Venkatraman 2003), where purchase expenditures tend to be larger, and where buyer involvement tends to be greater (Armstrong and Kotler 2005; Webster and Keller 2004). In these settings, customer relationships become an even more important resource,

developing critical competitive advantages for the firm (Aaker 2004; Hunt 1997; Keller 2003). These valuable competitive advantages, along with the competitive advantages derived via the seller's corporate brand, serve as the foundation for building brand equity (Keller 2005, 2003).

Brand Equity

When a seller's competitive advantages are effectively leveraged, brand equity is more likely to emerge (Beverland 2005; Dawar 2004; DelVecchio and Smith 2005; Keller 2005; Rao and Monroe 1996). Brand equity occurs when customers have a high level of awareness, familiarity and associations with a brand. Brand equity is formally defined as the differential effect that brand knowledge has on customer response to the marketing of that brand (Keller 2003). Brand equity is thus the differential effect arising from everything a customer takes into account when looking to purchase a good or service, including all the tangible and intangible attributes of the product offering.

Aaker (1996, 1991) suggests that brand equity is a multidimensional construct consisting of brand loyalty, brand awareness, perceived quality, brand associations, and other assets derived from the brand. Brand equity is generated over time (Nowak, Thach and Olsen 2006), and it provides the firm with competitive advantages based on both non-price factors (Aaker 1996, 1991; Keller 2003) and on the incremental monetary value that the brand provides the product (Farquhar 1989).

Brand equity is typically manifested through a buyer's willingness to pay a premium for the seller's product and/ or through the buyer's future intentions (Aaker

1996, 1991; Keller 2003, 1993). In a practical sense, brand equity can thus be thought of as the additional value endowed to a product above and beyond what the customer would pay for the same product from a neutral entity (Aaker 1996; Farquhar 1989; Hunt and Morgan 1995; Park, Jun and Shocker 1996), or that results in a more favorable customer response to that brand (Aaker 1996; Keller 2003).

Relationship Quality

A wide assortment of customer relationship terminology has been broached within the relationship marketing literature, including relationship strength, closeness and quality. Bove and Johnson (2001) do an excellent job discussing and dissecting the subtleties of each. They conclude that strength is most appropriate when "describing the magnitude of a relationship between two individuals" (i.e., a customer and a salesperson or service employee), closeness is most appropriate when "describing romantic, friendly or family relationships," and quality is most appropriate when discussing "buyer-seller" relational dyads (Bove and Johnson, p. 195). Consequently, the use of buyer-seller relationship quality within this research both follows and supports Bove and Johnson's (2001) call for researchers to use the appropriate terminology when conducting studies relating to the classifications and characterizations of different types of customer relationships.

The management of different types of customer relationships continues to be a popular topic in the marketing and management strategy literatures. It has garnered considerable support as a means of creating superior competitive resource positions

(Boulding, Staelin, Ehret and Johnson 2005; Hunt 1997; Morgan and Hunt 1995). In spite of this increased attention, our knowledge of buyer-seller relationship quality is still far from complete (Huntley 2006; Johnson and Selnes 2004; Ulaga and Eggert 2006). Within this study, relationship quality is discussed from the buyer's perspective and is defined as the degree to which buyers are content with the relationship they have with the seller at a particular point of time, as manifested through the buyer's satisfaction, trust and commitment toward the seller (Johnson and Selnes 2004; Ulaga and Eggert 2006). As the mix of satisfaction, trust and commitment changes, the quality of the buyer-seller relationship changes, thereby influencing brand performance outcomes (Bae and Gargiulo 2004; Dyer and Singh 1998; Garbarino and Johnson 1999; Gimeno 2004; Leonidou, Barnes and Talias 2006). Consequently, firm-level competitive advantages are gained and strengthened over time by fostering higher quality customer relationships (Huntley 2006; Kim and Chan-Olmsted 2005).

The existing literature supports relationship quality as a second-order construct, with each dimension of relationship quality contributing to the rationale behind customer buying behavior (Bove and Johnson 2001; Dwyer and Oh 1987; Johnson and Selnes 2004; Kim and Chan-Olmsted 2005; Ulaga and Eggert 2006). This translates to the notion that satisfaction, trust and commitment individually and collectively contribute to informing buyer product evaluation and purchasing behavior. As a result, the integrity of relational resources is fortified as relationship quality improves (Hunt 1997; Johnson and Selnes 2004). This fortification process involves moving from highly transactional

activities in low quality relationships to highly collaborative activities in high quality relationships (Garbarino and Johnson 1999).

It is important to note that while the constituent components of relationship quality are closely correlated, satisfaction, trust and commitment are discreet dimensions. This observation means that it is not prerequisite to have high buyer evaluations on one of the dimensions (for example, trust), in order to have high buyer evaluations on another dimension (for example, commitment), and that relationship quality is the byproduct of an additive mix of the dimensions. These concepts are illustrated in Table 2.1 and in the subsections that follow the table.

Table 2.1: Relationship Quality Dimensions

Relationship Quality Dimension	Rationale for the Buying Activity
Satisfaction	Satisfaction facilitates and reinforces the buying activity, reducing the need to search for market information
+	+
Trust	Trust facilitates the buying activity in the absence of perfect information
+	+
Commitment	Commitment in the form of information sharing improves relationship performance outcomes

Adapted from Johnson and Selnes (2004)

Satisfaction

Satisfaction is defined as the buying firm's level of contentment based on its personal and tangential purchase and consumption experiences with a selling firm and the selling firm's products over time (Anderson, Fornell and Lehmann 1994; Garbarino and Johnson 1999). The rationale behind the satisfaction construct is to go beyond transaction-specific encounters to capture the buyer's overall level of satisfaction with the seller. This definition of satisfaction provides a more comprehensive view of the buyer-seller relationship than does buyer satisfaction toward a transaction-specific experience, because it accounts for buyer satisfaction across product offerings and/ or time.

The broad and encompassing nature of the satisfaction construct permits great latitude in determining what influences a particular buyer's evaluation. Satisfaction can extend beyond idiosyncratic buyer-seller relationship boundaries to be derived from not only the customer's personal experiences with the seller, but also his or her tangential experiences. As the buyer's satisfaction increases, the affective state he/ she feels toward the seller and expectations for the relationship also increase (De Wulf, Odekerken-Schröder and Iacobucci 2001; Hon and Grunig 1999). Consequently, as the level of the buying firm's satisfaction increases, the perceived risk and need to search for information both decrease (Johnson and Selnes 2004).

Trust

Trust is the second of the three constructs that constitute the higher order relationship quality construct (Dwyer and Oh 1987; Johnson and Selnes 2004; Kim and

Chan-Olmsted 2005; Ulaga and Eggert 2006). Two proximate, but slightly differing definitions of trust form the basis for a large number of marketing studies involving trust. The first of these was put forth by Moorman, Deshpandé and Zaltman, who define trust as "a willingness to rely on an exchange partner in whom one has confidence" (1993 p. 82). They add that seller trustworthiness results from the seller's reliability, intentionality and ability to perform (i.e., competence/expertise). The second commonly used definition of trust was put forth by Morgan and Hunt (1994 p. 23), who define trust as one party's "confidence in the exchange partner's reliability and integrity."

The basic separation between these two conceptualizations of trust deals with the behavioral intention of willingness utilized in Moorman, Deshpandé and Zaltman's definition (Morgan and Hunt 1994). Moorman, Deshpandé and Zaltman (1993) argue willingness is a critical facet of the trust conceptualization, while Morgan and Hunt (1994) argue willingness is implicit and therefore redundant when included in the definition. Having confidence in and expectations for the exchange partner is the key facet of the trust conceptualization (Dwyer and Oh 1987), and a willingness to rely on the exchange partner is a by-product of this confidence. This paper therefore utilizes Morgan and Hunt's (1994) definition of "confidence in the exchange partner's reliability and integrity" for the conceptualization of trust.

Trust thus refers to the level of expectation that the buyer feels towards the seller and their products (Dwyer and Oh 1987), helping to minimize the complexities inherent within the buyer's decision-making process by reducing their fear, uncertainty and doubt (Schreiber 2002). Trust signals added value such that customers look to continue their

buying activities without perfect information (Berry 2000; Johnson and Selnes 2004; Schreiber 2002) and is thus a valuable ingredient for building successful long-term relationships (Dwyer and Oh 1987; Moorman, Deshpandé and Zaltman's 1993; Morgan and Hunt 1994; Ulaga and Eggert 2006).

Commitment

Commitment is the third construct that constitutes the higher order relationship quality construct (Johnson and Selnes 2004; Ulaga and Eggert 2006). Following Moorman, Zaltman and Deshpandé (1992, pg. 316), commitment is defined as "an enduring desire to maintain a valued relationship" and describes the degree to which the buyer believes the relationship with a particular seller is worth committing resources to in order to maintain and promote the relationship (Hon and Grunig 1999; Morgan and Hunt 1994).

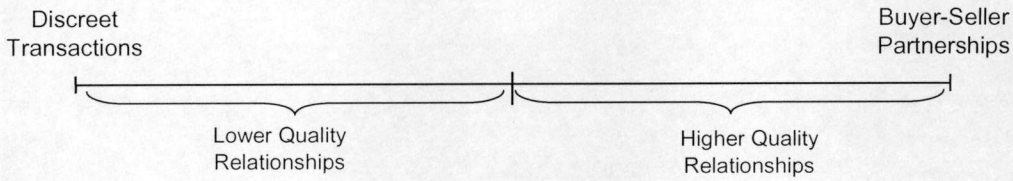
Commitment is made significantly easier when firms are satisfied with and trust each other (Bae and Gargiulo 2004; Dyer and Singh 1998; Garbarino and Johnson 1999; Johnson and Selnes 2004; Morgan and Hunt 1994); however, neither is prerequisite for commitment to exist. Commitment to the relationship elicits better informational exchanges between buyer and seller (Hunt 1997; Johnson and Selnes 2004; Selnes and Sallis 2003), thereby serving to facilitate better relationship performance outcomes. This consequence is particularly true as it relates to creating economies of scale and reducing buyer search and due diligence costs.

Commitment from the buyer firm's perspective is thus the implicit or explicit pledge of relationship continuity (Dwyer, Schurr and Oh 1987), and is most frequently demonstrated by committing resources to the relationship (Monczka, Petersen, Handfield, and Ragatz 1998). In order for commitment to occur, the buyer must perceive some level of intrinsic value related to their perceptions of involvement with the seller and/ or the seller's brands. Levels of commitment vary markedly across relationships, with better quality relationships typically reflecting higher levels of commitment (Johnson and Selnes 2004; Kim and Chan-Olmsted 2005; Ulaga and Eggert 2006).

Relational Resources

Firms that recognize the critical opportunities afforded by relational resources are more likely to benefit (Davis, Golicic and Marquardt 2007; Hunt 1997; Hunt and Arnett 2003; Marquardt, Golicic and Davis 2007). While the notion of relationships as resources is critical, not all customer relationships are equal. As a result buyer-seller relationships are thought to fall along a continuum (Garbarino and Johnson 1999; Webster 1992), with locations along the continuum representing differing levels of relationship quality (Dwyer, Schurr and Oh 1987; Garbarino and Johnson 1999; Johnson and Selnes 2004; Ulaga and Eggert). Higher points on the continuum represent higher quality relationships, while lower levels on the continuum represent lower quality relationships. This concept is illustrated immediately below in Figure 2.4.

Figure 2.4: Customer Relationship Continuum



Adapted from Garbarino and Johnson 1999; Johnson and Selnes 2004; Webster 1992

The quality of buyer-seller relationships is not static (Huntley 2006; Kim and Chan-Olmsted). This idea suggests that some buyer-seller relationships reflect discreet transactional convenience, while others reflect high-involvement relational bonds, and that buyers may move up or down the relational continuum (Garbarino and Johnson 1999; Johnson and Selnes 2004). As buyer-seller relationship quality improves, so does the opportunity for partner informational exchanges and relational learning (Anand and Khanna 2000; Johnson and Selnes 2004; Selnes and Sallis 2003; Stuart 2000). As a result, customer relationships differ in terms of their enabling capacity (Hunt 1997), serving as variable but valuable resources within the brand-building process (Davis, Golicic and Marquardt 2007; Selnes and Sallis 2003; Marquardt, Golicic and Davis 2007).

Building high quality, mutually beneficial relationships helps stimulate customer advocacy (Prahalad and Ramaswamy 2000) and is an effective branding strategy within competitive and complex industries (Keller 2005). High quality relationships are manifested through higher combinations of satisfaction, trust and commitment, which have been shown to be individually and collectively predictive of superior performance outcomes (Garbarino and Johnson 1999; Johnson and Selnes 2004; Kim and Chan-Olmsted 2005). Park and Russo (1996) posit that higher quality relationships expand the asset positions of each relational partner, promoting reciprocity and benefiting each. Anand and Khanna (2000) and Stuart (2000) reinforce this view through their respective discussions of the benefits associated with the transfer of tacit knowledge that occurs as relationship quality improves. However, in spite of the growing coverage that buyer-seller relationship quality has received in the relationship marketing and customer relationship management literatures, our knowledge of its role in influencing performance outcomes remains profoundly underdeveloped (Garbarino and Johnson 1999; Huntley 2006; Johnson and Selnes 2004; Kim and Chan-Olmsted 2005).

Research Hypotheses

Brands play an important signaling role (Aaker 1996; Berry 2000; Dawar 1998; Kirmani and Rao 2000), thereby influencing buyer attitudes toward sellers' corporate and product brands, buyer-seller relationship quality, and seller brand equity (Davis, Golicic and Marquardt 2007; Hunt and Morgan 1995; Huntley 2006; Keller 2003; Kim and Chan-Olmsted 2005). Existing research suggests that buyer-seller relationship quality

increases as buyer attitudes toward sellers' corporate and product brands increase (Johnson and Selnes 2004), and empirical research affirms the direct effects buyer attitudes have on the buyer-seller relationship quality dimensions of satisfaction, trust and commitment within the business-to-consumer Broadway theater context (Garbarino and Johnson 1999) and within business-to-business manufacturing contexts (Ulaga and Eggert 2006). Hypotheses H1 and H2 are offered as an extension of these previous studies, testing buyer-seller relationship quality as an aggregate construct within a new business-to-business context, i.e., the thoroughbred consignment industry.

H1) Buyer attitude toward the seller's corporate brand has a positive direct effect on buyer-seller relationship quality.

H2) Buyer attitude toward the seller's product brand has a positive direct effect on buyer-seller relationship quality.

Buyers' decision-making and choice processes are guided by their attitudes toward sellers' corporate and product brands (Aaker 2004, 1996; Keller 2003). Empirical research supports the notion that buyer attitudes toward sellers' corporate and product brands directly effect brand equity (Chaudhuri 1999; Netemeyer, Krishnan, Pullig, Wang, Yagci, Dean, Richs, Wirth 2004; Subrahmanyan 2004). This line of thinking provides the foundation for offering hypotheses H3 and H4 which test the concept of seller brand equity within a new business-to-business context, i.e., the thoroughbred consignment industry.

H3) Buyer attitude toward the seller's corporate brand has a positive direct effect on seller brand equity.

H4) Buyer attitude toward the seller's product brand has a positive direct effect on seller brand equity.

Buyer-seller relationship quality has a significant effect on firm performance (Johnson and Selnes 2004; Ulaga and Eggert 2006). The three dimensions of buyer-seller relationship quality, satisfaction, trust and commitment have been empirically demonstrated as important predictors of relational outcomes such as buyer behavior, buyer willingness to pay a premium for a product, future purchasing intentions, propensity to leave a relationship, and seller market share (Chaudhuri and Holbrook 2001; Garbarino and Johnson 1999; Johnson and Selnes 2004; Ulaga and Eggert 2006). Hypothesis H5 is offered as an extension of these previous studies, testing buyer-seller relationship quality and seller brand equity as aggregate constructs within a new business-to-business context, i.e., the thoroughbred consignment industry.

H5) Buyer-seller relationship quality has a positive direct effect on seller brand equity.

The three dimensions of buyer-seller relationship quality, satisfaction, trust and commitment have also been demonstrated to serve in a mediating capacity between

predictor and criterion variables (Garbarino and Johnson 1999; Johnson and Selnes 2004; Morgan and Hunt 1994; Ulaga and Eggert 2006). Predictor variables can include antecedents such as buyer attitudes toward the seller's corporate and product brands, and buyer perceptions of relationship benefits and costs, while criterion variables can include outcomes such as buyer behavior, buyer willingness to pay a premium for a product, buyer attributions of seller values, and future purchasing intentions (Garbarino and Johnson 1999; Johnson and Selnes 2004; Morgan and Hunt 1994; Ulaga and Eggert 2006). Hypotheses H6 and H7 are offered as extensions of these previous studies, testing the mediating role of buyer-seller relationship quality between buyer brand attitudes and seller brand equity in a new business-to-business context, i.e., the thoroughbred consignment industry.

H6) Buyer-seller relationship quality mediates the effect of buyer attitude toward the seller's corporate brand on seller brand equity.

H7) Buyer-seller relationship quality mediates the effect of buyer attitude toward the seller's product brand on seller brand equity.

Research Context, Description and Application

This research draws on the Thoroughbred industry as its business-to-business context. The Thoroughbred industry possesses its own jargon; consequently, a number of the terms used within this paper might be confusing to those readers from outside the

industry. Table 2.2 introduces and describes some of these terms. Also, note that the word Thoroughbred refers to a specific breed of horse and is thus a proper noun.

Table 2.2: Glossary of Thoroughbred Terminology

Thoroughbred Term	Conceptual Description
2-year-old-in-training	2-year-old horse that is in training to race. Typically sold between February and May of their freshman (2-year old) season
Breeding cross	The genetic lineage on both the sire and dam sides
Claiming Races	Classification of race where entered horses can be purchased by another party
Colt	Male offspring (up to 4-years old)
Conformation	The physical structure and alignment of a horse
Consignor	Business entity representing a for-sale horse
Dam	Mother horse
Family line	Historical lineage on the sire or dam sides
Filly	Female offspring (up to 4-years old)
Lineage	Prior generations of a horse's family on both the sire and dam sides
Mare-and-foal	Mother and a baby horse
Mare-in-foal	Pregnant female horse
Older horse	Horse that is 5-years old or older
Pinhooker	Specialty consignor that purchases racing prospects at one point of time with the intent of reselling them at another point of time
Progeny	A horse's offspring
Racing prospect	Horse that is targeted for or owned with the intent of racing
Sire	Father horse
Split	Time it takes a racing prospect to run a predetermined distance
Stud	Male horse that is in demand to produce future generations
Suckling	Baby horse that is too young to be separated from its mother
Weanling	Baby horse that has been separated from its mother
Yearling	1-year-old colt or filly that is typically sold between September and November of the year following the year it was born
* *It should be noted that regardless of the horse's actual date of birth, all Thoroughbreds share a January 1st birthday for sales and race classification purposes*	

The Thoroughbred industry provides a compelling research context because it is an academically novel and an informational-rich B2B context in which to study the interplay of buyer brand attitudes, buyer-seller relationship quality, and seller brand equity. Within the industry, there are a number of ways horses are bought and sold. These ways include sale through a wide array of targeted and inclusive auctions (Weanling, Yearling 2-Year-Old-in-Training, Racing Horses, Broodmare, Broodmare-in-Foal, Broodmare-and-Foal), private contract, and claiming races. This study focuses on Thoroughbred racing prospects (product brands) sold through sales auctions by a selling entity that has consigned them to the sale. These selling entities are in business to sell their own racing prospects (product brands), the racing prospects (product brands) of others, or some combination or the two, and are referred to as consignors (sellers).

The Thoroughbred consignment industry is an excellent environment in which to study business-to-business relationships involving the sale of products exhibiting aspects of both goods and services. While it may be intuitive to think of Thoroughbred racing prospects (product brands) as being highly tangible, Thoroughbred racing prospects (product brands) also demonstrate a high degree of intangibility, due in large part to the speculative, future-based nature of the racing business. Consequently, there are numerous specialists within the Thoroughbred industry, who offer their own toolkit of distinctive capabilities. Consignors (sellers) are one such group of industry specialists.

The level of distinctive capabilities varies widely among consignors (sellers), ranging from trivial involvement where the consignor (seller) is simply a listing agent or storefront with no-to-minimal knowledge of the consigned racing prospect (product

brand), to full involvement where the consignor (seller) has extensive familiarity with, and tacit knowledge of, the racing prospect (product brand). As a result, there is a widely varying service component inherent within the sale of Thoroughbred racing prospects (product brands), and these racing prospects (product brands) exhibit aspects of both goods and services.

The second reason the Thoroughbred consignment industry is such an intriguing area is that outside of a trivial amount of research dealing with pari-mutuel gambling rationale and decision-making processes, there have been no known marketing studies done in the Thoroughbred context. The Thoroughbred industry as a whole is a microcosm of business-to-business service activity. It has a rich history not only within the United States where it was once the country's most popular sport, but also around the world. This pervasiveness makes it a compelling context to explore a wide range of topic areas in an international business-to-business context possessing some of the world's greatest business minds.

The third reason this context is such an appealing one deals with the inherently complex, risky and speculative nature of the Thoroughbred industry. The gestational horizon for a racing prospect (product brand) is often substantially distant, and the temporal and capital investments substantially high. As a result, racing prospect (product brand) evaluation is a critical antecedent to success in the Thoroughbred racing industry. Racing prospects (product brands) are also complex in that they possess a number of attributes, which may or may not be important to each individual evaluator. As a result, the dynamics between buyers and sellers in the form of the relationship quality that exists

between them is particularly compelling, especially as relates to the building of consignor (seller) brand equity.

Thoroughbred Consignment

Thoroughbred consignment is the process of offering horses (product brands) for sale at auction with the intent of generating the best price possible. Consignors (sellers) can offer for sale horses they own, that others own, or some combination of the two. The vast majority of horses that are offered for sale at auction are racing prospects (product brands), meaning that they are being sold with the intent that they will at some point in time race for the new owner. Thus, for the purposes of this research, consignors (sellers) are service-based business entities who perform a variety of selling activities, such as preparing a racing prospect (product brand) for an auction and marketing the racing prospect to prospective buyers.

Although it is possible for the sales of racing prospects (product brands) to occur through private contract and claiming races, this study focuses on racing prospects that were purchased through Thoroughbred sales auctions. Consequently, this study focuses on the business-to-business buyer-seller relationships involving Thoroughbred racing prospects (product brands) that were purchased via a Thoroughbred sales auction distribution channel.

The United States Thoroughbred consignment industry provides the benefit of having a finite number of consignors (sellers → roughly 80-120 national and 250-300 predominantly regional), which represent racing prospects (product brands) at auction.

This characteristic facilitates the opportunity to delve into the theoretically-important topic area concerning the mediating role of buyer-seller relationship quality between buyer attitude toward sellers' corporate and product brands, and sellers' brand equity. In spite of the relatively limited number of consignors (sellers), Thoroughbred consignment is an extremely competitive, highly uncertain activity; therefore, brand development at both of these levels is critical. Thoroughbred buyers help to shape, evolve and reinforce consignors' (sellers') corporate and product brands through the attitudes they hold toward these brands and the equity that accrues to consignors' (sellers') brands within buyers' minds; consequently these brands will not be assessed and evaluated equally by buyers.

Consignor's (Seller's) Corporate Brand

The definitive goal of the consignor's (seller's) corporate brand is to signal important information and added value such that prospective buyers value the consignor's involvement and look to purchase the consignor's racing prospect (product brand) offerings. The researcher's experience in the industry paired with qualitative interviews with the industry experts who helped evaluate and shape the survey instrument, suggest that consignors' (sellers') corporate brands play a valuable signaling role to potential Thoroughbred racing prospect (product brand) buyers. As is the case with many corporate brands (Aaker 2004, 1996; Armstrong and Kotler 2005; Keller 2003), the Thoroughbred consignor (seller) brand demonstrates a high degree of intangibility, and similar to most service brands (Blankson and Kalafatis 1999; Krishnan

and Hartline 2001), the attributes that make up the consignors' (sellers') corporate brands are largely experiential and/ or credential in nature.

An important attribute of the consignor's (seller's) corporate brand is the consignor's (seller's) reputation, which is analogous to status. The number of actors/ participants in the Thoroughbred industry is relatively small, and word travels quickly. One of the key aspects of consignor (seller) reputation relates to historical aspects of buyer/ consignor (seller) relationship outcomes. These potentially relationship-specific outcomes, however, can also extend beyond the idiosyncratic relationship boundaries to include performance outcomes from external relational dyads, such as consignor (seller) success with racing prospects (product brands) sold to other buyers. These personal and tangential performance outcomes serve as signals of the consignor's (seller's) dynamic capabilities (i.e., skill set and abilities).

Racing Prospect (Product) Brand

The racing prospects (product brands) that Thoroughbred consignors (sellers) sell are complex offerings that are significantly intangible in nature. Thoroughbred racing prospects (product brands) are significantly intangible because of their long gestational horizon (e.g., the wait until a weanling or yearling makes the races can be years) and extremely speculative nature because one can never be certain what one will get out of an individual racing prospect (product brand). Consequently, although it may be natural to think of a Thoroughbred racing prospect (product brand) as a highly tangible entity, the racing prospect is actually substantially intangible in nature.

Several attributes of the racing prospect (product brand) contribute to how buyers receive the horse (product brand). The first of these is the racing prospect's (product brand's) lineage or pedigree (e.g., family lines on both the sire and dam sides, and how these breeding lines cross). This attribute is slightly different from the other four subsequently presented attributes of the racing prospect (product brand), because the lineage information on each racing prospect (product brand) is directly measurable, relates highly to both family lines' past performance, and is immediately available to all prospective buyers.

The remaining four attributes of the racing prospect (product brand) are much more subjective in nature and carry a future orientation (i.e., tend to be projected attributes). The second attribute of the racing prospect (product brand) is the horse's (product brand's) physical size and muscularity. Depending in large part on what the buyer's goal for the purchased racing prospect (product brand) is, the physical aspects of the horse convey different merit in different circumstances. For example, in general, smaller and lighter horses (product brands) tend to be preferred to very large, heavily muscled horses at shorter race distances, on the grass, and/ or on racecourses where it rains a great deal. Conversely, in general, large heavily muscled horses (product brands) tend to be preferred for races run on the dirt and at longer distances.

The racing prospect's (product brand's) conformation is the third attribute and refers to how well formed the racing prospect is. Conformation deals with the formation and alignment of the racing prospect's (product brand's) body. When a Thoroughbred horse runs, his/ her entire body will leave the ground and all of his/ her weight will come

down on a single front leg before the other three touch the ground. Consequently, the conformation of the horse (product brand) is very important, because a poorly conformed horse is at substantially higher risk of injury than is a well conformed horse.

The racing prospect's (product brand's) disposition is the fourth attribute and refers to the racing prospect's attitude, temperament and competitiveness. Thoroughbred racing prospects (product brands) display the same competitive spirit and temperament characteristics demonstrated by other world-class athletes. The horse's (racing prospect's) disposition reveals characteristics of the horse's attitude and competitiveness, which can foreshadow future performance. Consequently, the disposition of the racing prospect (product brand) can be a very useful evaluation attribute.

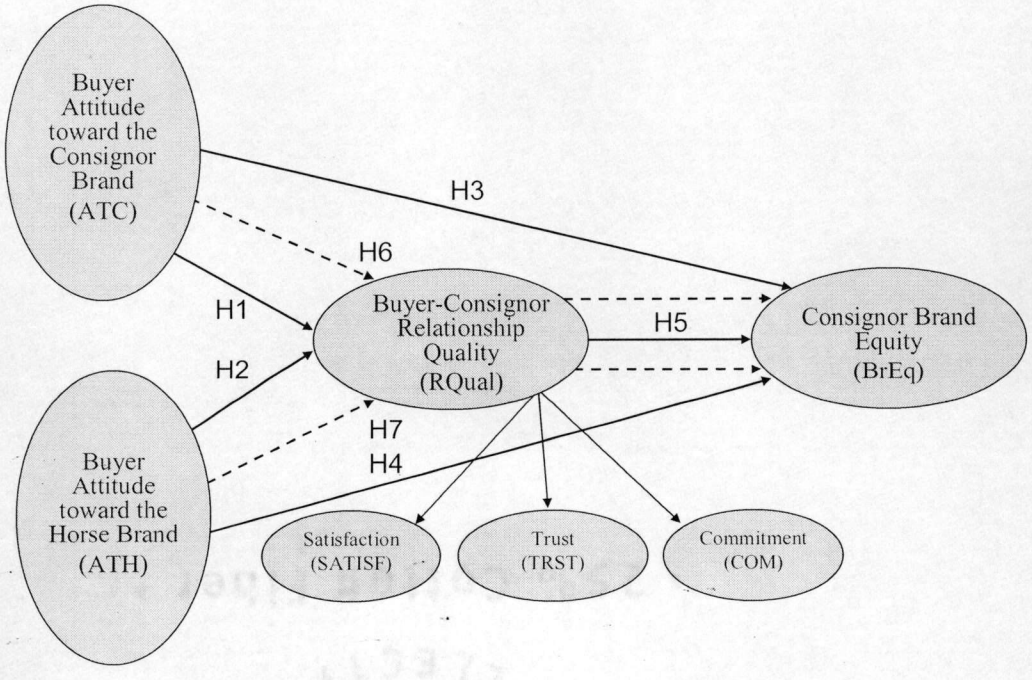
The final attribute relates to the racing prospect's (product brand's) athletic potential. Racing prospect athletic potential refers to how the buyer envisions the racing prospect will be able to perform in the future, and is both highly subjective and buyer-specific in nature. It is also critical because this attribute underlies the rationale for most Thoroughbred purchases. For most Thoroughbred buyers, their perception of the horse's athletic potential is the most important racing prospect (product brand) attribute.

Converting Brand Attitudes into Brand Equity

The evaluation of racing prospect (product brand) talent is an extremely challenging task, because no one knows or is able to evaluate the racing prospect with any degree of certainty. The consignors (sellers) that consign these racing prospects (product brands) to the sales auctions may have intimate or tacit knowledge related to the

racing prospect that the prospective buyer desires; consequently, the involvement of, or recommendation from certain consignors (sellers) could influence the buyer's evaluations. The value that buyers ascribe to the involvement of, or recommendation from, a consignor (seller) reflects seller brand equity. Each of these ideas is articulated in the scale measures (see Chapter III) for the latent constructs captured in the theory-grounded contextual model depicted in Figure 2.5.

Figure 2.5: Thoroughbred Consignment Conceptual Model



CHAPTER III

METHODOLOGY

This study is designed to fill gaps in the relationship marketing and branding literatures by looking at a valuable strategic branding tool, the seller's customer relationships (Aaker 1996; Aaker 1997; Fournier 1998; Keller 2003; McAlexander, Schouten and Koenig 2002). Chapter III outlines and discusses the research methodology that is used to test the theory conceptualized and developed within this study. The goal of this research is to develop a more complete understanding of the buyer-seller relationship quality construct and to explore its role as a mediator between buyer attitudes toward the seller's corporate and product brands, and seller brand equity in a business-to-business context.

This chapter discusses the methodology that is used to investigate the integrity of the theory-grounded framework developed and presented in Chapter II, through the testing of the postulated hypotheses and model subsequently performed in Chapter IV. Due to the high degree of intercorrelation between the model's six latent constructs, as well as its prominent use and acceptance within other relationship marketing studies (Garbarino and Johnson 1999; Morgan and Hunt 1994), structural equation modeling is deemed the appropriate analysis technique to test the main study survey responses. The following sections discuss aspects of the research methodology in more detail.

Structural Model

This section reintroduces the postulated hypotheses and discusses the conceptual framework that was developed in Chapter II in the form of a structural equations model. The structural model consists of two exogenous constructs, buyer attitude toward the seller's corporate brand (ATC) and buyer attitude toward the seller's product brand (ATH), as well as four endogenous constructs, satisfaction (SATISF), trust (TRST), commitment (COM) and seller brand equity (BrEq). Buyer-seller relationship quality (RQual) is a second-order construct composed of three endogenous constructs, satisfaction (SATISF), trust (TRST), and commitment (COM). The research hypotheses are presented immediately below, followed by the theory-grounded structural model in Figure 3.1.

Research Hypotheses:

H1) Buyer attitude toward the seller's corporate brand (ATC) has a positive direct effect on buyer-seller relationship quality (RQual).

H2) Buyer attitude toward the seller's product brand (ATH) has a positive direct effect on buyer-seller relationship quality (RQual).

H3) Buyer attitude toward the seller's corporate brand (ATC) has a positive direct effect on seller brand equity (BrEq).

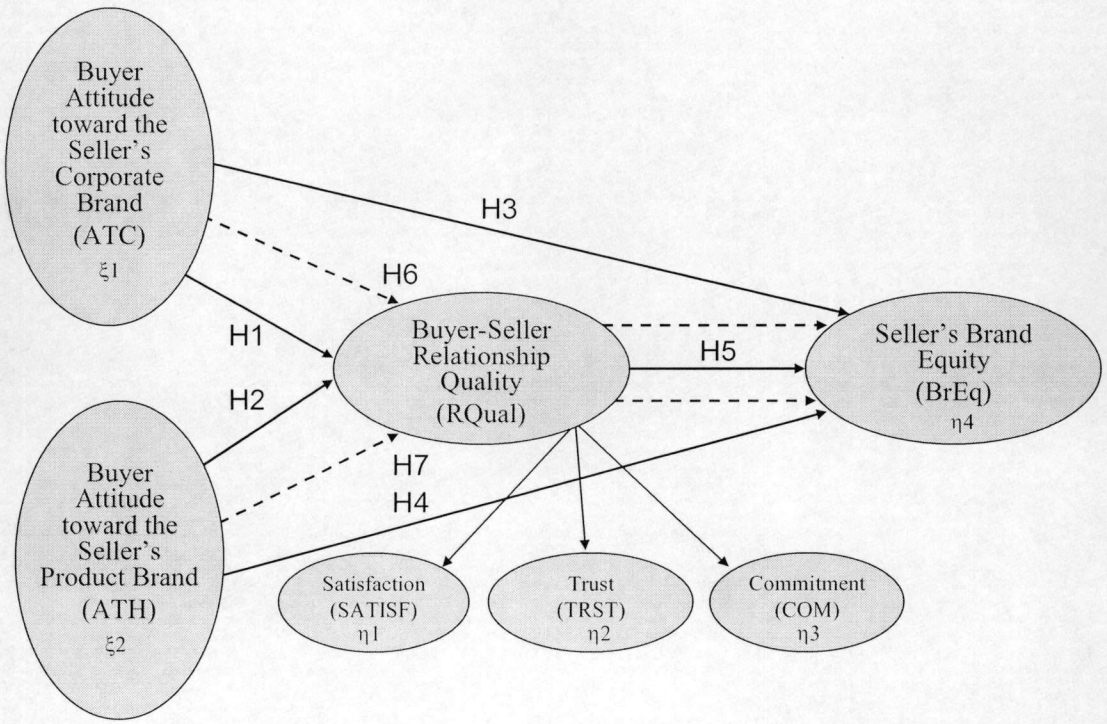
H4) Buyer attitude toward the seller's product brand (ATH) has a positive direct effect on seller brand equity (BrEq).

H5) Buyer-seller relationship quality (RQual) has a positive direct effect on seller brand equity (BrEq).

H6) Buyer-seller relationship quality mediates the effect of buyer attitude toward the seller's corporate brand on seller brand equity.

H7) *Buyer-seller relationship quality mediates the effect of buyer attitude toward the seller's corporate brand on seller brand equity.*

Figure 3.1: Theory-Grounded Structural Model



Research Method

This study utilized a survey methodology designed with the intent of theory elaboration, to apply and extend existing theory into new settings or contexts (Lee 1999). Theory elaboration was the appropriate choice for this research because, although the basis for relationship quality has been discussed within the relationship marketing literature, our knowledge of the relationship quality construct is still far from complete (Huntley 2006; Ulaga and Eggert 2006). The methodological technique used in approaching the application and extension of the existing theory is a mail survey.

Following Dillman (2000) and Malhotra (1993), the mail survey research design provides several benefits that make it the appropriate choice for this research. First, mail questionnaires are relatively quick and easy to administer. The method is an effective way to reach a large number of potential respondents in a relatively short period of time, while also yielding economic advantages in terms of the cost efficiencies associated with reaching the targeted respondents. Second, the collected data tend to be reliable because of the availability of valid and reliable existing scale measures, as well as the limited number of stated alternatives, which serve to reduce researcher-induced response variability. Third, data coding, analysis and interpretation are relatively simple and straightforward, in addition to aligning well with the use of structural equation modeling. Finally, survey research is a particularly effective technique to utilize when collecting perceptual data from respondents.

While the mail survey methodology provides benefits, there are also limitations (Dillman 2000; Malhotra 1993). One of the primary limitations concerns measure validity and reliability, which is why scale measurement purification is a highly recommended pursuit (Churchill 1979; Garver and Mentzer 1999; Peter and Churchill 1986; Netemeyer, Bearden and Sharma 2003). A second limitation of the mail survey method relates to potential response bias. In survey research we try to address potential bias issues in order to make sure our data are truly representative of the sample population. Two common forms of response bias are non-response and false reporting bias (Dillman 2000; Kahle and Page 1976; Page and Kahle 1976).

Non-response bias is the idea that informants who respond at different intervals, or potential informants who did not respond at all, would respond differently than those responding at time 1. There are common methods utilized to address the issue of non-response bias (Armstrong and Overton 1977; Mentzer and Flint 1997). First, data collected from different survey waves can be compared against each, in order test whether significant differences exist. A second check that can be performed to assure the consistency of the data involves comparing randomly drawn subsets of survey response data against other randomly drawn subsets of the response data. A third response bias check involves asking non-respondents to complete a subset of the survey items and then comparing the responses on these items back to the original data.

False reporting bias, which is also known as social desirability or demand characteristics, is the idea that respondents are not telling the truth in their responses, whether intentionally or unintentionally (Dillman 2000; Kahle and Page 1976; Page and

Kahle 1976). Although test questions can be integrated into the survey instrument to explore the existence of false reporting bias, there is no failsafe method with which to use to evaluate its existence, particularly as it relates to perceptual issues. A discussion of this issue with committee members and industry experts suggested that the incorporation of extra questions would serve as a deterrent to potential respondents, while there would be only a minimal likelihood of false reporting bias occurring in this industry with this relatively benign topic; hence embedded false reporting bias control questions were not integrated into the survey. Response bias issues in the context of this study are discussed in more detail in Chapter IV.

Unit of Analysis

Because this study investigated the mediating role of buyer-seller relationship quality between buyer attitudes toward a consignor's (seller's) corporate and product brands, and consignor (seller) brand equity, the unit of analysis for this research was the buyer-consignor (seller) relationship at the time of a specific racing prospect (product brand) purchase from the buyer's perspective.

Sample

Potential respondents were chosen through the random selection of roughly one-third of the 2700 names contained within the 2006-07 Thoroughbred Owners and Breeders Association (TOBA) Membership Directory (n = 942). This total was chosen for several reasons. First, budgetary constraints prevented the acquisition of an electronic

mailing list; consequently the mailing information for the potential respondents needed to be manually entered from a hardcopy of the TOBA Membership Directory. The time available for this process allowed for the entry of roughly one-third of the names and addresses. Second, this study is designed to develop and test the theory-grounded framework presented in Chapter II. In order to do so, a minimum of one hundred returned and usable surveys were necessary. It was estimated that a response rate of 10%-15% would be realistic for this study, thereby providing sufficient data with which to test the hypothesized model. Third, this study is part of an ongoing stream of research. The remaining two-thirds of the initial population of TOBA members will be targeted in follow-up studies.

TOBA's mission is to improve the economics, integrity and pleasure of the sport on behalf of Thoroughbred owners and breeders. The association manages a wide range of programs that support its mission, including the Sales Integrity Program, The Greatest Game Campaign, as well as a variety of other ownership support initiatives (Message from the President - TOBA Membership Directory 2006-07). Per TOBA management, and as a broad categorization, roughly half of the membership is involved in the purchase and ownership of Thoroughbreds (i.e., individual ownership, partnerships/ syndications, pedigree research/ consultants, bloodstock agents representing the buyer, etc.), and roughly half is involved in the breeding and/ or sale of Thoroughbreds (i.e., Thoroughbred breeders and breeding farms, bloodstock sales agents, sales preparation agents, stallion syndicates, etc.). One challenge associated with using TOBA's membership directory is that it does not discern between Thoroughbred owners and

breeders. Due to temporal and fiscal constraints, there was not ample opportunity to prescreen TOBA members to ensure their relevance for this study; consequently, it was expected that approximately half of the 942 members the initial survey packets were mailed to would not be appropriate respondents for the discussed topic.

Pilot Study: Developing and Screening Scale Measures

A pilot study was conducted in order to arrive at and refine the scale measures utilized in this research. Following the work of Elsbach (1994), who used a similar approach in pilot testing instruments with California cattle industry experts, this design utilized review by knowledgeable colleagues, and review and cognitive interviews with Thoroughbred (product brand) buyers, as a pilot study effort designed to establish survey question face validity and wording through expert opinion (Dillman 2000; Elsbach 1994). Pretesting in this manner is effective at establishing the legitimacy and real-to-life nature of the survey instrument (Elsbach 1994). Thus, utilizing cognitive interviews with industry experts in order to develop and screen the survey instrument in cases where traditional survey development is not possible serves as a useful supplemental method to addressing the issue of measurement scale validity and reliability.

The sampling frame for the pilot study was arrived at through theoretical and opportunistic sampling (Eisenhardt 1989; Yin 1994) and consisted of industry and academic experts. The industry expert group consisted of eight purposefully selected Thoroughbred (product brand) buyers, while the academic expert group consisted of four purposefully selected scholars who were all well-versed in survey methodology.

Purposeful selection is the recommended sampling technique to utilize when facing sampling constraints (Dillman 2000; Eisenhardt 1989; Yin 1994) and an in-depth interview sample of eight is considered sufficiently large to provide the required expertise (Eisenhardt 1989; McCracken 1988).

This sample was used to screen the face validity and readability of the survey instrument, making sure the survey instrument was comprised of the right questions, which in turn were worded using the proper terminology (Churchill 1979). The findings from this pilot study were then used to reword confusing items and/ or restructure the survey as required. Following the rewording of the confusing survey items, the survey was finalized for use in the principal survey mailing. The subsequent subsections provide an overview and discussion of the list of measurement items developed in the pilot study and included in the main study survey instrument.

Scale Development & Measurement

Existing scales and item measures were used as the foundation for variable measurement whenever possible. All of the utilized scales and their item measures are relevant within this study, as the respective intent of each is proximal to the purposes discussed in this research design; however, because the intent is not identical, each needed to be modified, in order to be relevant within the Thoroughbred consignment context. Each of the dimensions is measured using multiple scale measures, in order to maximize the validity and reliability of the results (Churchill 1979).

The scale measures used within this study were arrived at through the interplay of two processes. The first process involved scanning the existing literature for measurement items appropriate to this study. The context-specific terminology associated with the Thoroughbred consignment industry and the Thoroughbred racing prospect (product brand) made it impossible to directly adopt these measures; consequently, all the item measures utilized within this study were adapted from their original form to fit this context.

This adaptation serves an important purpose in ensuring that the survey instrument is not only readable (i.e., possesses face validity), but also that it comes across as "legitimate" and seems "real-life" (Elsbach 1994). Existing measures that were easily adaptable to the context (i.e., required only minor wording changes such as changing the *seller* term to *consignor*) were available for items utilized in three of the six latent constructs; consequently, existing measures are adapted with relatively minor modification for satisfaction, trust and commitment. However, although the wording in these items are consistent with the wording of the original scale item measures, the experts indicated that questions coming from several different scales were a better reflection of the industry, and, as a result, items measuring satisfaction and trust came from multiple scales.

The remaining three constructs, buyer attitude toward the horse (product brand), buyer attitude toward the consignor (seller), and consignor (seller) brand equity, require more extensive levels of modification. The existing brand attitude and brand equity literatures provided frameworks with which to approach these constructs; however, the

idiosyncrasies of the Thoroughbred consignment industry make qualitative interviews essential for developing and refining the items that will aptly tap these constructs and make them real-to-life (Elsbach 1994). Scale measure development for these constructs follows Churchill (1979), Peter and Churchill (1986) and Netemeyer, Bearden and Sharma (2003), supplementing the existing literature with qualitative interviews in order to develop the scales measuring buyer attitude toward the horse (product brand), buyer attitude toward the consignor (seller), and consignor (seller) brand equity.

All of the scale items measuring buyer attitude toward the horse (product brand) are measured using a seven-point scale anchored at 1 (Favorable) and 7 (Very Favorable). The rationale behind the anchors chosen for the brand attitude toward the horse construct is that Thoroughbred racing prospect (product brand) buyers are making purchases ranging from thousands of dollars, to in some cases millions of dollars. Discussions with industry and academic experts suggested that inclusion of unfavorable scale items on this construct would not provide any additional information, as respondents would only purchase horses toward which they hold favorable attitudes. It was concluded that the inclusion of these items would generate "ceiling effects" where variance would be restricted to a range of 5 (Slightly Favorable) to 7 (Very Favorable), with the most pronounced restricted range clustering occurring at 6 (Moderately Favorable) and 7 (Very Favorable). This logic follows the justification and protocol used in other perceptual measurement research, such as values research, where scales are developed to capture respondent sentiment at the point variance exists (Kahle, Beatty and Homer 1983; Kahle and Homer 1984).

All the scale items for buyer attitude toward the consignor (seller), satisfaction, trust, commitment, and for three of the five consignor (seller) brand equity measures are measured using a seven-point scale anchored at 1 (Strongly Disagree) and 7 (Strongly Agree). In addition to utilizing seven-point scales, two perceptual questions that relate to the effects associated with a consignor's (seller's) recommendation, also contained a "0" (Non Applicable) option. The first of these perceptual questions deals with the strength of a consignor's (seller's) recommendation and is anchored by 1 (Very Weakly) and 7 (Very Strongly). The second of these perceptual questions is the fourth consignor (seller) brand equity measure and deals with the impact this recommendation had on the buyer's decision to purchase the racing prospect (product brand). In addition to containing a "0" (Non Applicable) option, the scale is anchored by 1 (No Affect) and 7 (Strong Affect). The final consignor (seller) brand equity measure asks about the buyer's intention to consider this consignor's (seller's) racing prospect (product brand) offerings in the future, and originally utilized a seven-point scale anchored by 1 (Strongly Disagree) and 7 (Strongly Agree). This item was however subsequently modified to also include a "0" option, after one respondent indicated that the consignor (seller) that he was responding about had passed away and another respondent indicated that the consignor (seller) that he was responding about had left the industry. The comprehensive list of scale items used to tap and measure each of the six conceptual latent constructs follows in the descriptions and summaries appearing below.

Buyer Attitude toward the Horse (Product Brand)

The first independent variable utilized in this research design draws on the attitude toward the product brand scales of Kim and Chan-Olmsted (2005) in order to frame the item structure, and then industry expert opinion in order to arrive at the items and wording utilized within the multidimensional buyer attitude toward the horse (product brand) scale. Buyer attitude toward the horse (product brand) reflects the buyer's attitude toward the consignor's (seller's) product brand offering. The buyer's attitude is based on the characteristics and traits the buyer sees within the offered racing prospect (product brand) that project into future performance outcomes. The author's experience in the industry, coupled with feedback from industry experts, suggests that the following five measurement items aptly tap the construct. The original survey item measures follow immediately below in Table 3.1.

Table 3.1: Items Measuring Buyer Attitude toward the Horse (Product Brand)

Adapted Based On:	**Five Scale Items:** Seven-Point Scale Ranging from 1 (Favorable) to 7 (Very Favorable)
Kim and Chan-Olmsted (2005) and Qualitative Interviews	At the time of purchase, how favorable were your perceptions of the racing prospect's breeding cross/ pedigree?
Kim and Chan-Olmsted (2005) and Qualitative Interviews	At the time of purchase, how favorable were your perceptions of the racing prospect's physical appearance (size and muscularity)?
Kim and Chan-Olmsted (2005) and Qualitative Interviews	At the time of purchase, how favorable were your perceptions of the racing prospect's conformation?

Kim and Chan-Olmsted (2005) and Qualitative Interviews	At the time of purchase, how favorable were your perceptions of the racing prospect's disposition (attitude, temperament and competitiveness)?
Kim and Chan-Olmsted (2005) and Qualitative Interviews	At the time of purchase, how favorable were your perceptions of the racing prospect's athletic potential?

Buyer Attitude toward the Consignor (Seller Brand)

The second independent variable utilized in this research design focuses on the multidimensional nature of buyer attitude toward the consignor (seller) and draws on the predictive variable attitudinal measurement items utilized by Garbarino and Johnson (1999). Buyer attitude toward the consignor (seller) reflects the buyer's attitude toward the consignor's (seller's) corporate brand. It is derived from the buyer's attitude toward various attributes of the seller's corporate brand. In speculative environments such as the Thoroughbred consignment industry, where product variation is high and no two products are ever the same, the seller's corporate brand can be viewed as being significantly more stable and predictable than are his/ her product brand offerings. The initial item measures follow immediately below in Table 3.2.

Table 3.2: Items Measuring Buyer Attitude toward the Consignor (Seller Brand)

Adapted Based On:	**Three Scale Items:** Seven-Point Scale Ranging from 1 (Strongly Disagree) to 7 (Strongly Agree)
Garbarino and Johnson (1999) and Qualitative Interviews	At the time of purchase this consignor had a good reputation within the industry.
Garbarino and Johnson (1999) and Qualitative Interviews	At the time of purchase, I felt good about this consignor's abilities.
Garbarino and Johnson (1999) and Qualitative Interviews	At the time of purchase, I felt good about the involvement of this consignor with this racing prospect.

Buyer-Consignor (Seller) Relationship Quality

The mediating variable utilized in this research design focuses on the multidimensional nature of buyer-seller relationship quality and draws on the item measures of several different researchers. Relationships are not equal, and relationship quality varies markedly across buyer-consignor (seller) relationships. Buyer-consignor (seller) relationship quality is a higher-order construct driven by different combinations of satisfaction, trust and commitment (Garbarino and Johnson 1999; Johnson and Selnes 2004; Ulaga and Eggert 2006). As a result, we must draw upon existing theory to provide us with scales to measure the variables that constitute relationship quality – i.e.,

satisfaction, trust and commitment (Garbarino and Johnson 1999; Johnson and Selnes 2004; Ulaga and Eggert 2006).

Satisfaction

Satisfaction is an endogenous construct that refers to the buyer's level of contentment based on his/ her personal and tangential purchase and consumption experiences with a consignor's (seller's) racing prospect (product brand) offerings over time (Anderson, Fornell and Lehmann 1994; Garbarino and Johnson 1999). Satisfaction can thus extend beyond idiosyncratic buyer-seller relationship boundaries also to include buyer satisfaction with how the consignor (seller) conducts business on an ongoing basis. Based on the feedback from the cognitive interviews with industry experts, individual scale items were selected from three different measurement scales. The initial item measures follow immediately below in Table 3.3.

Table 3.3: Items Measuring Satisfaction

Adapted Based On:	**Five Scale Items:** Seven-Point Scale Ranging from 1 (Strongly Disagree) to 7 (Strongly Agree)
Garbarino and Johnson (1999) and Qualitative Interviews	At the time I purchased this racing prospect, I was satisfied with the quality of racing prospects this consignor offered.
Garbarino and Johnson (1999) and Qualitative Interviews	At the time I purchased this racing prospect, I was satisfied with the quality of service this consignor provided.
Maddox (1982) and Qualitative Interviews	At the time I purchased this racing prospect, I was satisfied that this consignor's offerings were a good value for the price paid.

Kim and Chan-Olmsted (2005) and Qualitative Interviews	At the time I purchased this racing prospect, I was satisfied with my working relationship with this consignor.
Kim and Chan-Olmsted (2005) and Qualitative Interviews	At the time I purchased this racing prospect, I was satisfied that this consignor was a good seller with which to do business.

Trust

Following the work of Dwyer and Oh (1987) and Morgan and Hunt (1994), trust is an endogenous construct that occurs when the buyer has confidence in the consignor's (seller's) reliability and integrity. Trust is a critical concept in most business contexts, but it is heightened in high-risk, speculative climates such as the one that exists within the Thoroughbred industry. Issues of trust within the Thoroughbred industry have come to light over the past couple of years, drawing both trade and national attention with a handful of lawsuits alleging consignor (seller) impropriety by taking kickbacks on racing prospects (product brands) they have consigned to auction. Following Johnson and Selnes (2004), trust in the consignor (seller) is thus made even more poignant as it refers to the level of confidence that the buyer feels towards the consignor (seller) and his/ her racing prospect (product brand) offerings in the absence of perfect information, which will always be the case within uncertain and speculative contexts. The initial item measures follow immediately below in Table 3.4.

Table 3.4: Items Measuring Trust

Adapted Based On:	**Five Scale Items:** Seven-Point Scale Ranging from 1 (Strongly Disagree) to 7 (Strongly Agree)
Dwyer and Oh (1987) and Qualitative Interviews	At the time I purchased this racing prospect, I could count on this consignor to be sincere.
Dwyer and Oh (1987) and Qualitative Interviews	At the time I purchased this racing prospect, I was suspicious of this consignor's recommendations. (reverse scored)
Dwyer and Oh (1987) and Qualitative Interviews	At the time I purchased this racing prospect, I questioned the integrity of this consignor. (reverse scored)
Dwyer and Oh (1987) and Qualitative Interviews	At the time I purchased this racing prospect, this consignor and I worked together to ensure the best outcomes for both of us.
Morgan and Hunt (1994) and Qualitative Interviews	At the time I purchased this racing prospect, this consignor was a relational partner I trusted completely.

Commitment

Following Moorman, Zaltman and Deshpandé (1992) and Morgan and Hunt (1994), commitment is conceptualized as an enduring desire to maintain a valued relationship, and describes the degree to which the buyer believes the relationship with the consignor (seller) is worth investing resources. Commitment to the relationship is envisioned to elicit better informational exchanges between buyer and seller, thereby reducing buyer search and due diligence costs (Hunt 1997; Johnson and Selnes 2004; Selnes and Sallis 2003). In order for commitment to occur, the buyer must perceive a

higher level of intrinsic value and motivation because of the consignor's (seller's) involvement; otherwise, there would be no reason for the buyer to feel committed to the consignor (seller). The initial item measures follow immediately below in Table 3.5.

Table 3.5: Items Measuring Commitment

Adapted Based On:	**Four Scale Items:** Seven-Point Scale Ranging from 1 (Strongly Disagree) to 7 (Strongly Agree)
Morgan and Hunt (1994) and Qualitative Interviews	At the time I purchased this racing prospect, the relationship I had with this consignor was something to which I was very committed.
Morgan and Hunt (1994) and Qualitative Interviews	At the time I purchased this racing prospect, the relationship I had with this consignor was something I planned to maintain indefinitely.
Morgan and Hunt (1994) and Qualitative Interviews	At the time I purchased this racing prospect, the relationship I had with this consignor deserved my maximum effort to maintain.
Morgan and Hunt (1994) and Qualitative Interviews	At the time I purchased this racing prospect, the relationship I had with this consignor was something I cared a great deal about long-term.

Consignor (Seller) Brand Equity

The criterion variable utilized in this research design focuses on the multidimensional nature of consignor (seller) brand equity. Consignor (seller) brand equity is the differential effect that the consignor's (seller's) corporate brand has on buyer evaluations of his or her racing prospect offerings (product brands) verses those

evaluations of the average consignor (Aaker 1996; Keller 2005). Consignor (seller) brand equity is derived from everything the buyer takes into account when considering the consignor's (seller's) racing prospect (product brand) offerings and can be positive or negative (Keller 2003, 1993).

Positive consignor (seller) brand equity occurs when buyers have a high level of positive associations with the consignor's (seller's) corporate brand, thereby resulting in a more favorable buyer response to that consignor's (seller's) racing prospect (product brand) offerings (Aaker 1996, 1991; Agarwal and Rao 1996; Mackay 2001). Consignor (seller) brand equity therefore captures the differential effect that the consignor's (seller's) corporate brand has on buyer response to the marketing of that consignor's racing prospect (product brand) offerings, and can be thought of as the additional value endowed to the racing prospect (product brand) above and beyond what the buyer would pay for the same horse from the average consignor (seller) (Aaker 1996; Agarwal and Rao 1996; Farquhar 1989; Keller 2003).

Scale measures draw on Agarwal and Rao (1996) and Mackay (2001) in order to frame the item structure and then industry expert opinion in order to arrive at the items and wording utilized within the multidimensional consignor (seller) brand equity scale. The author's experience in the industry, coupled with feedback from industry experts, suggest that the following five measurement items aptly tap the consignor (seller) brand equity construct. The initial survey item measures follow immediately below in Table 3.6.

Table 3.6: Items Measuring Consignor (Seller) Brand Equity

Adapted Based On:	**Five Scale Items:** Seven-Point Scale Ranging from 1 to 7 (Multiple Scales)
Agarwal and Rao (1996), Mackay (2001) and Qualitative Interviews	Had this prospect been offered by the average consignor instead of the consignor I purchased from, I would have been willing to pay the same amount for this horse.
Agarwal and Rao (1996), Mackay (2001) and Qualitative Interviews	At the time of purchase, I would have been willing to pay more for a racing prospect sold by this consignor than for the same horse sold by the average consignor, because of what it meant to have this consignor's involvement (endorsement).
Agarwal and Rao (1996), Mackay (2001) and Qualitative Interviews	I intend to consider racing prospects offered by this consignor again in the future.
Agarwal and Rao (1996), Mackay (2001) and Qualitative Interviews	How much did this (consignor's) recommendation affect your decision to purchase this prospect?
Agarwal and Rao (1996), Mackay (2001) and Qualitative Interviews	At the time of purchase, the involvement of this consignor helped in my decision to purchase this prospect.

Following Elsbach (1994), who had pilot tested her instruments with California cattle industry experts, it was determined that using Thoroughbred industry experts to determine which measurement items to include and discard within the final survey instrument provided the best opportunity to ensure the legitimacy and real-to-life nature of the survey instrument to be used in the main study. The final survey instrument is presented in Appendix A.

Main Study

The research design for the main study consisted of mailing the survey instrument that was developed in the pilot study to 942 Thoroughbred racing prospect (product brand) buyers who had purchased racing prospects (product brands) from consignors (sellers) at auction in the past. There are approximately two dozen national auctions where more than 7,500 Thoroughbred racing prospects (product brands) are sold annually by approximately 80-120 national consignors (sellers) and 250-300 predominantly regional consignors (sellers).

Potential respondents were mailed a cover letter (refer to Appendix B) asking for their participation in the study provided they had previously been involved in the purchase of Thoroughbred racing prospects (product brands), two categorical versions of the survey, and a postage-guaranteed return envelope. The first version of the survey asked the potential respondent (buyer) to think about a strong (stronger) relationship he/ she had with a consignor (seller) at the time of a specific Thoroughbred (product brand) purchase. The second version asked the potential respondent to think about a weak (weaker) relationship he/ she had with a consignor (seller) at the time of a specific Thoroughbred (product brand) purchase. Potential respondents were offered an incentive to complete the survey in the form of a $25 charitable donation that would be made to the Thoroughbred Retirement Foundation (TRF) for each completed questionnaire, up to a maximum donation of $1,000 for all responses. The mail survey was administered in a manner consistent with Dillman (2000), except Dillman's first two steps were combined into a single step within this study. The utilized protocol is as follows.

1. Initial contact and distribution of the survey packets
2. Follow up postcard reminder of the survey due date (refer to Appendix C)
3. Second distribution of the survey packets to non-respondents (refer to Appendix D)
4. Follow-up telephone calls

In the survey, respondents were asked a variety of questions related to study's six latent constructs. Respondents were asked questions regarding their attitudes toward a specific consignor's (seller's) corporate and racing prospect (product) brands and the attributes that constitute each, questions specific to the buyer-seller relationship quality dimensions of satisfaction, trust and commitment, and questions that reflected the buyer's perceptions of various aspects reflective of the seller's brand equity. Additional questions were also asked in regard to several other areas. Respondents were asked how many years they had been involved in the Thoroughbred industry, what the age category of the purchased horse (product brand) was at the time of purchase, and how strongly the consignor (seller) had recommended the racing prospect (product brand) to the buyer, in order to ascertain if there were any differences and to use in future studies. Respondents were also asked to provide any comments they thought were important, as well as the lineage of the purchased horse, for use in follow-up studies. Finally, respondents were asked if they would like a summary of the findings sent to them at the completion of the study. In all, 138 usable strong relationship surveys and 111 usable weak relationship surveys were completed and returned, for a total of 249 usable surveys.

The initial contact and distribution of the survey packets occurred April 5th, 2007. This timeframe was chosen because the early season yearling sales had all been completed. Roughly 85% of the racing prospects (product brands) that are sold at auction in a given year are yearlings; hence, this buyer group was considered the most likely to respond to this research request. Additionally, although the 2-year-old-in-training sales season was underway at time the survey was mailed, there was a nearly two week lag that coincided with the mailing of the initial survey packets. It was believed that by timing the survey mailing around this lag, that there would be an increased opportunity to generate responses from buyers considering 2-year-old-in-training racing prospects (product brands) at the spring 2007 sales. Finally, choosing the first week of April as the time period for the initial mailing allowed for the second distribution of the survey packets to occur at the beginning of May. Similar to the rationale used with the initial mailing in April, the time period around the second mailing wave was also a slower period of the 2-year-old-in-training auction season, thereby again increasing the likelihood of generating responses from this group of buyers.

Survey Response Rate

Of the 1884 surveys that were initially mailed, 68 were returned as undeliverable due to bad addresses, 10 more were returned as undeliverable due to the passing of the targeted individual, 36 were returned after the data analysis cutoff point, and 63 were returned with only one of the two surveys completed. In support of TOBA's belief that a significant portion of their membership roster would not be relevant for this study,

another 256 surveys were returned because respondents stated the content of the surveys were not relevant or applicable for them. Table 3.7 highlights the rational provided by these respondents, followed by a descriptive summary of the study's response rate. The full response rate calculations, which were based on the most conservative estimates, appear in Appendix E.

Table 3.7: Non-Applicability Rationale Provided by Potential Respondents

Provided Rationale	Number
Thoroughbred Breeder/ Race Only Homebreds	210
Questions about Consignors do not Reflect how Thoroughbred Purchases are Actually Made	20
Part of a Partnership/ Syndicate where Someone Else Evaluates	16
Conflicts with the Pinhooking Sales/ No Time for Surveys	10
Total	256

A total of 255 completed surveys were returned. In addition to the adjustments discussed above, adjustment were also conducted related to invalid survey responses and the respondent's indication of survey non-applicability, thereby reducing the sample size estimates to 1445, and the number of responses to 249, for a final response rate of 17.2%. It is important to note that while this response rate is respectable within B2B contexts where response rates are typically lower than they are in B2C contexts, that this response

rate was calculated based on the most conservative estimates. For example, while the actual population in this study is unknown because the initial mailing list contained numerous names that were not eligible for this study (TOBA estimates suggest approximately 470 mailing recipients and 940 mailed surveys were not eligible), all potential respondents were retained in the in the response rate calculations unless an unsolicited admission of respondent inapplicability for this study was received. Consequently, the actual response rate may actually be substantially greater than 17.2%; however, there is no way to be sure to what degree.

Data Analysis Approach: Structural Equation Modeling (SEM)

Structural equation modeling (SEM) was deemed the appropriate technique to analyze the data collected through the 249 usable surveys collected within this study. Structural equation modeling provides valuable capabilities when analyzing latent variable relationships demonstrating significant degrees of shared variance (Bollen and Long 1992; Fornell and Larcker 1981, 1981) and affords several benefits over other statistical options. First, SEM provides the benefit of allowing for the simultaneous estimation of multiple latent variable paths (Hair, Anderson, Tatham and Black 1998; Garbarino and Johnson 1999; Morgan and Hunt 1994). Second SEM allows for the accounting of measurement error in latent variables (Hair, Anderson, Tatham and Black 1998; Fornell and Larcker 1981, 1981). Third, structural equation modeling provides the ability to compare and contrast the hypothesized model and construct paths verses rival models, thereby allowing the researcher to observe the effects of specific variables and to

adjust his/ her model accordingly (Bollen and Long 1992; Garbarino and Johnson 1999; Garver and Mentzer 1999; Morgan and Hunt 1994).

Summary

The goal of this research is to enhance our knowledge and understanding of buyer-seller relationship quality and to explore its role as a mediator between buyer attitudes toward the seller's corporate and product brands, and seller brand equity in a business-to-business context. Chapter III outlines and discusses the research methodology adopted in order to test the theory-grounded framework that is conceptualized and developed in Chapter II. Chapter III presents a comprehensive list of scale measures that, following the work of Elsbach (1994), was developed via the Pilot Study through the interplay of existing scale measures and cognitive interviews with industry experts. This technique is used in order to establish the "legitimacy" and real-to-life nature of the survey instrument (Elsbach 1994). The byproduct is a list of multiple scale items that can be used in measuring each of the survey's six latent constructs. Structural equation modeling was deemed the appropriate analysis technique to test the data collected from 249 survey responses. The data analysis process and results are presented in Chapter IV, followed by the conclusions and contributions of these findings in Chapter V.

CHAPTER IV

DATA ANALYSIS AND RESULTS

Chapter IV discusses the process utilized to test the measurement model, as well as presents the survey results. Data analysis was conducted using both SPSS (Version 13.0) and AMOS (Version 5.0). The result was a measurement model that provided good fit statistics, as well as construct validity and reliability.

The structural equations model shows that 1) buyer attitude toward the seller (i.e., the consignor's corporate brand), 2) buyer attitude toward the product (i.e., the consignor's racing prospect offering), and 3) buyer-seller relationship quality (i.e., the buyer-consignor relationship, all have a significant direct effect on seller brand equity (i.e., the consignor's brand equity). The model also reveals that buyer-seller relationship quality fully mediates the positive direct effect of buyer attitude toward the seller on seller brand equity, and it partially mediates the negative direct path between buyer attitude toward the product and seller brand equity.

The balance of Chapter IV delves into the process and data used to investigate the research hypotheses and to arrive at the study findings. Chapter V then discusses the implications of these finding and provides recommendations for future research.

Developing and Refining the Measurement Model

Running exploratory data analyses prior to running the final measurement model helps to produce a model with acceptable fit statistics. AMOS and SPSS are used in conjunction to perform a number of exploratory analyses designed with the intent of developing the best possible test of the model. These analyses include calculating descriptive statistics, conducting factor analyses, and conducting construct validity and reliability assessments.

Descriptive Statistics

The first step in the process of developing an acceptable measurement model involves analyzing the collected data for normality. The results suggest the data can be considered normally distributed. The survey contains three negatively-worded items (suspicious of the consignor's recommendations, questioned the consignor's integrity, and would have paid the same regardless of the consignor), which are analyzed in their raw form for most of the analyses. These items are, however, reverse-scored for use within construct indices, prior to analyzing the data. Missing values in the data set (8 out of more than 4,250 responses) are replaced using the average of the remaining construct item measures. One respondent left multiple items blank and that individual's responses are omitted from the final analysis.

The means of the scale items range from 2.63 to 5.65, with standard deviations ranging from 1.401 to 2.279. All items received the full range of responses. Six items have kurtosis values above one, with buyer attitude toward the racing prospect's (horse's

→ product brand's) athletic potential exhibiting a positive kurtosis value of 1.805, and impact of the consignor's (seller's) involvement (-1.352), cared about the relationship long-term (-1.096), trusted the consignor (seller) completely (-1.093), planned to maintain the relationship indefinitely (-1.050), and worked together with the consignor (seller) (-1.009) exhibiting slightly negative kurtosis values. While none of these values are thought to be problematic, additional tests of normality showed statistics for both the Shapiro-Wilk test of normality (typically recommended for small and medium samples) and the Kolmogorov-Smirnov test of normality (typically used for larger samples) both affirmed the normal distribution of the data for all measurement items. Complete descriptive statistics for the survey data are provided in Appendix F.

Response Bias Checks

The utilized protocol for this study involved two waves of survey mailings. In order to address non-response bias issues, data collected from the two survey waves are compared against each other, in order to test for significant differences in responses between the waves (Armstrong and Overton 1977). An independent samples t-test comparing the means of the two survey waves reveals no significant differences between the response waves. A second check is then conducted in which randomly drawn subsets of the survey response data are compared against other randomly drawn subsets of the response data. Again no significant differences in response data are found. As a final response bias check, thirty non-respondents were telephoned and asked to complete a subset of the original survey items (Mentzer and Flint 1997). The contacted individuals

were asked to answer six questions, with each representing one of the six first-order model constructs. Their responses are then compared to sample data, and again no significant response differences were found. The independent sample t-test results for these response bias checks appear in Appendix F.

There is no failsafe method with which to evaluate false reporting bias (also known as social desirability or demand characteristics), particularly as it relates to perceptual issues. One strategy to avoid false reporting bias is to target appropriate respondents. False reporting bias is not thought to be an issue in this study as the perceptions of the respondents seems to be appropriate for this study's conceptual framework. However, the data were screened for outlier responses as a step to address any additional bias. Additionally, many respondents took the time to provide extensive comments related to their purchase of racing prospects (product brands) and of the Thoroughbred industry as a whole. As a result, false-reporting bias was not thought to be a major concern in this study.

Preliminary Factor Analyses

The next step involves conducting exploratory and confirmatory factor analyses using SPSS. Factor analyses reveal when measurement items load at acceptable or unacceptable levels on the factors in the model. Based on the existing theory, we would expect the twenty-seven original scale items to load onto six separate first-order constructs: 1) buyer attitude toward the product (racing prospect/ horse) → ATH, 2)

attitude toward the seller (consignor) → ATC, 3) satisfaction → SATIS, 4) trust → TRST, 5) commitment → COM, and 6) seller (consignor) brand equity → BrEq.

An exploratory factor analysis allows the measurement items to freely load on an undetermined and unconstrained number of constructs. The number of constructs is reached by retaining the principal components that demonstrate an eigenvalue over a certain threshold, which is typically set at 1.0. In running an exploratory factor analysis for the data in question, several of the scale items fail to load cleanly on the expected construct, meaning that these items correlate highly with constructs beyond the construct that theory supports. Further, although theory suggests that six first-order constructs should emerge when conducting an exploratory factor analysis (four if satisfaction, trust and commitment are to collapse into the second-order relationship quality construct), only three constructs achieved eigenvalues greater than one. Confirmatory factor analyses affirmed factor cross-loading issues; consequently, it became necessary to eliminate bad scale items (i.e., scale items demonstrating high degrees of factor cross-loading) in order to refine the construct measures.

Refining the Construct Measures

In order to refine the construct measures, it is necessary to adopt criteria to guide the process. The decision criteria used to evaluate the retention or rejection of the measurement items involves an iterative process using both the modification indices (MI) feature in AMOS and the confirmatory factor analysis feature in SPSS. The decision criteria involved first looking at the AMOS modification indices report to determine

which items are most problematic. The AMOS modification indices feature produces a report that highlights measurement issues such as scale measures cross-loading on multiple constructs and correlating highly with other non-related scale items. The modification indices feature is therefore an effective tool in arriving at the best fitting and most parsimonious construct measures.

Measurement items appearing in the modification indices multiple times and/ or displaying high MI scores were considered for removal. The initial modification indices which served as the starting point for measurement item removal to arrive at the final model are depicted in Appendix G. These items were then subjected to three additional criteria tests. First, considered items were investigated using the SPSS confirmatory factor analysis feature. Using this criterion, considered items were expected to display factor loadings of greater than 0.60 on the theoretically-expected construct, and display factor loadings of less than 0.50 on all the other constructs. Second, the standardized regression weights for the considered items were also considered. Item standardized regression weights were expected to be equal to or greater than 0.60. Finally, and most importantly, the theoretical domain of the item was considered. Constituent items that failed to add substantial explanatory capacity to the parent constructs were also dropped, while items that are theoretically important but fail to meet the other two criteria could be retained. The following section discusses the building of the measurement model through the refinement of the measurement model constructs.

Building the Measurement Model

As previously mentioned, AMOS and SPSS are used in conjunction to refine the scale measures used to build a measurement model to test the relationships between 1) buyer attitude toward the product (racing prospect/ horse) → ATH, 2) buyer attitude toward the seller (consignor) → ATC, buyer-seller (consignor) relationship quality → RQual, and 4) seller (consignor) brand equity → BrEq. In order to develop the best fitting measurement model, several model refinement iterations are performed, where poorly fitting scale measures and/ or excess items related to the constructs of interest are removed. The removal of these items followed the decision criteria outlined above.

Following Anderson and Gerbing (1988) and Hair, Anderson, Tatham and Black (1998), the process uses the maximum likelihood estimation procedure for model testing. The first step involves examining the results for theoretical inconsistencies - i.e., offending estimates (Hair, Anderson, Tatham and Black 1998). Next, several key components of structural equation modeling (SEM) output are utilized to evaluate overall model fit. In addition to considering standardized regression weights, error terms, and outlier effects, Hair, Anderson, Tatham and Black (1998) suggest the use of key indicators, including the comparative fit index (CFI), goodness of fit index (GFI), root mean square error of approximation (RMSEA), and normed chi-square (CMIN/DF). Although there are no steadfast requirements for these values, there are general guidelines (Hair, Anderson, Tatham and Black 1998). The general acceptance level for the comparative fit index (CFI), which is both a baseline and a parsimonious fit measure, is 0.90. Similarly, the general acceptance level for the goodness of fit index (GFI), which

is an absolute fit measure, is 0.90. The general acceptance levels for the root mean error of approximation (RMSEA), another measure of absolute fit, is between 0.05 and 0.08. Finally, the general guideline for the normed chi-square (CMIN/DF), which is a calculated measure of overall model goodness of fit, is a value of under 3.0.

The initial base model contained all twenty-seven original endogenous scale measures, and all six latent constructs. In the base model, all latent variables are allowed to freely correlate. In addition to the full base model, a comparison model is also run. This model is a specified modification of the base model, in which all the latent variable covariances are set equal to one. The goal of this model is to provide a basis of comparison. We would expect that our predicted model(s) should outperform the constrained comparison model.

Base and Comparison Measurement Models

The comparison model demonstrates significantly weaker key fit indicator values than does the base model. The comparison model CFI (0.737) and GFI (0.619) are significantly below the targeted thresholds, while the RMSEA (.143) and CMIN/DF (6.069) are significantly above targeted thresholds. The unconstrained base model displays key fit indicator values that are better than the comparison model, but still well outside the targets for each. The key fit measures for the base model are: CFI (0.772), GFI (0.685), RMSEA (.136), and CMIN/DF (5.616). The results of a Mahalanobis d-squared test, which is an analysis tool used to observe cases farthest from the centroid, show there to be a single outlier. This outlier has a Mahalanobis distance of 129.673,

which is significantly higher than the next highest value of 69.755. The measurement model was rerun without the outlier data; however, deletion of the outlier had only trivial impact on the model results, so the outlier data is retained.

The coding for the measurement items utilized within the statistical analyses that follow appears immediately below in Table 4.1.

Table 4.1: Measurement Item Coding Summary

Coding Term	Conceptual Description
HORSE1***	Buyer attitude toward the horse's breeding cross/ pedigree
HORSE2	Buyer attitude toward the horse's physical appearance (size and muscularity)
HORSE3	Buyer attitude toward the horse's conformation
HORSE4*	Buyer attitude toward the horse's disposition (attitude, temperament and competitiveness)
HORSE5	Buyer attitude toward the horse's athletic potential
CON1	Buyer felt the consignor had a good reputation in the industry
CON2	Buyer felt confident in this consignor's abilities
CON3**	Buyer felt good about the involvement of the consignor with this horse
SAT1	Buyer was satisfied with the quality of the consignor's horses
SAT2	Buyer was satisfied with the quality of the consignor's service
SAT3	Buyer was satisfied this consignor's horses were a good value for the money
SAT4*	Buyer was satisfied with his/ her working relationship with the consignor
SAT5***	Buyer was satisfied this was a good seller with which to do business
TRUST1*	Buyer could count on the consignor to be sincere
TRUST2	Buyer was suspicious of this consignor's recommendations (reverse coded)
TRUST3	Buyer questioned this consignor's integrity (reverse coded)
TRUST4*	Buyer worked together with the consignor to ensure the best outcomes for both
TRUST5**	Buyer trusted the consignor completely
COMMIT1	Buyer was very committed to the relationship with this consignor

COMMIT2	Buyer planned to maintain the relationship with this consignor indefinitely
COMMIT3	Buyer felt the relationship deserved his/ her maximum effort to maintain
COMMIT4	The relationship was something the buyer cared a great deal about long-term
PAYSAME*	Buyer would have been willing to pay the same price had this horse instead been offered by the average consignor
PAYMORE	Buyer would have been willing to pay more for a horse sold by this consignor than for the same horse sold by the average consignor
FI*	Buyer intends to consider horses offered by this consignor again in the future
AFFECT	Effect of the consignor's recommendation on the buyer's decision to purchase this horse
CONIMPAC	The involvement of this consignor helped in the buyer's decision to purchase this horse

* Dropped in Measurement Model Revision 1
** Dropped in Measurement Model Revision 2
*** Dropped in Measurement Model Revision 3

Measurement Model Revision 1

The base model modification indices reveal that FI, PAYSAME, TRUST1, TRUST2, TRUST3, TRUST4, SAT4 and HORSE4 are all loading with other constructs and measurement items. A review of the data under the decision criteria guidelines suggests that two brand equity measures (FI and PAYSAME), two trust measures (TRUST1 and TRUST4), and one satisfaction measure (SAT4) are also demonstrating high factor cross-loadings in SPSS, while a review of the attitude toward the horse construct with industry experts suggests that the HORSE4 item, which deals with the horse's disposition, is not important to the integrity of the construct and should be

removed; hence HORSE4 is dropped. Additionally, the theoretical domain and the integrity of the other constructs are also considered, should their respective constituent measurement items be deleted.

Brand equity is typically manifested through a buyer's willingness to pay a premium for the seller's product and/ or through the buyer's future intentions (Aaker 1996, 1991; Keller 2003, 1993). While typically an indicator of brand equity accrual, FI fails to load with any of the other brand equity measures. The failure of FI to load on the brand equity construct likely occurs because Thoroughbred racing prospects (product brands) are usually purchased in an auction environment. The nature of this practice creates an environment in which the focus is predominantly on the racing prospect (product brand), and the consignor (seller) brand simply serves to reinforce this product brand. PAYSAME is a negatively worded item that is constructed to delve into buyers' willingness to pay a premium for the involvement of a particular consignor (seller). It becomes clear in reviewing survey responses that the PAYSAME question is not clear to a number of respondents, while PAYMORE is a much better worded and understood item that asks for the same information in a more direct manner. Consequently, the PAYMORE item is retained while both the FI and PAYSAME items are removed.

The modification indices and SPSS tests of convergent and discriminant validity show that TRUST1 cross-loads with the items measuring satisfaction, while TRUST4 cross-loads with the items measuring commitment, and that both cross-load with the attitude toward the consignor (seller) items. Similarly, SAT4 also cross-loads with the items measuring trust, commitment and attitude toward the consignor (seller). A review

of the remaining items suggests that deletion of these items does not compromise the integrity of the relevant latent construct, and these items are also deleted.

The model is then rerun, and the test of this modified model significantly improves the CFI (0.934), GFI (0.838), RMSEA (0.090) and CMIN/DF (2.996) model fit statistics. While these statistics are either acceptable (CFI or CMIN/DF), or approaching general acceptance thresholds (GFI and RMSEA), the modification indices indicate that TRUST5 and CON3 are now disrupting the model.

Measurement Model Revision 2

The Revision 1 modification indices reveal that TRUST5 and CON3 are tending to load with other constructs and measurement items. The modification indices and SPSS tests of convergent and discriminant validity show that TRUST5 cross-loads with attitude toward the consignor (seller), satisfaction, commitment and consignor (seller) brand equity, while CON3 cross-loads with consignor (seller) brand equity. The trust and consignor (seller) brand equity constructs are reexamined to determine if the respective deletions of TRUST5 and CON3 will compromise the integrity of either, and it is determined that they will not. Both items are deleted and the model rerun.

The test of this modified model once again significantly improves the CFI (0.968), GFI (0.896), RMSEA (0.061) and CMIN/DF (1.925) model fit statistics. Although these statistics are well in line with general acceptance thresholds, two measurement items, HORSE1 and SAT5, are still demonstrating problematic tendencies.

Measurement Model Revision 3

Although the second revision of the measurement model results in a model with good fit statistics, two items continue to be problematic. The first item, HORSE1, asks about the lineage of the horse. In spite of being an important aspect in a prospective buyer's initial evaluation of a racing prospect (product), the scale item continuously exhibits substantially lower factor loadings than the other buyer attitude toward the horse measures (Revision 2 loadings: HORSE1 = 0.571, HORSE2 = 0.905, HORSE3 = 0.866, HORSE5 = 0.895). The large discrepancy between these regression weights is at first perplexing; however, after speaking with several buyers, it becomes apparent that the horse's lineage only serves as an initial evaluation criterion for many buyers, and once the horse makes their consideration list, the buyers' evaluation is predicated on the horse's appearance, conformation and athletic potential (HORSE2, HORSE3 and HORSE5). As a result of this finding, HORSE1 is dropped.

SPSS factor analyses show that SAT5 cross-loads with buyer attitude toward the consignor (seller), in fact, demonstrating a significantly higher loading on the buyer attitude toward the consignor (seller) construct, than on the satisfaction construct. The wording of this item aligns well with the other buyer attitude toward the consignor (seller) measures; consequently, several tests of convergent and discriminant validity are conducted to determine whether to 1) leave the SAT5 scale item with satisfaction, 2) reassign the item to buyer attitude toward the consignor (seller), or 3) to remove the item from the analysis. Ultimately these tests suggest that the best course of action is to remove the item, so SAT5 is also dropped.

The third iteration results in the final measurement model. This revision once again significantly improves the CFI (0.979), GFI (0.920), RMSEA (0.053) and CMIN/DF (1.706) model fit statistics. These key indicators reflect a parsimonious model with good fit statistics. The construct factor loadings and measurement properties for the final measurement model appear immediately below in Table 4.2. The complete AMOS output related to the final model appears in Appendix H.

Table 4.2: Construct Factor Loadings and Measurement Properties

	Factor Loading	t-Value	Coefficient Alpha	Calculated Reliability	Variance Extracted	Average R^2
ATH			0.919	0.919	0.791	0.027
HORSE2	0.913	20.221				
HORSE3	0.861	18.543				
HORSE5	0.893	20.223				
ATC				0.916	0.846	0.363
CON1	0.885	21.010				
CON2	0.953	21.029				
SATISFACTION			0.880	0.878	0.706	0.354
SAT1	0.823	14.363				
SAT2	0.893	16.498				
SAT3	0.802	14.372				
TRUST				0.930	0.869	0.225
TRUST2	0.947	19.853				
TRUST3	0.917	28.467				
COMMITMENT			0.955	0.956	0.845	0.295

COMMIT1	0.917	29.174				
COMMIT2	0.958	30.317				
COMMIT3	0.857	28.467				
COMMIT4	0.942	28.472				
BRAND EQUITY			0.759	0.759	0.515	0.265
PAYMORE	0.663	10.084				
AFFECT	0.655	8.657				
CONIMPAC	0.822	10.081				

Construct Reliability and Validity

In order to ensure that the tested constructs are separate, distinct and measuring what they are supposed to be measuring, additional tests of construct reliability and validity reliability are conducted. Construct reliabilities can be calculated in several different manners to ensure the measure is free from random error (Hoyle, Harris and Judd 2002). Proving measures reliable is a necessary precursor to establishing construct validity which is the extent to which the construct measures only the construct of interest (Hoyle, Harris and Judd 2002). Two common approaches that are recommended in this pursuit are establishing discriminant and convergent validity (Fornell and Larcker 1981; Hoyle, Harris and Judd 2002; Peter and Churchill 1986). Discriminant validity refers to the degree to which scale measures are distinct from, and fail to correlate with, the scale

items measuring other constructs. Convergent validity refers to the degree to which different scale items measuring the same construct converge on that construct.

Construct Reliability

Construct reliability is assessed in three ways. The first way construct reliability is assessed is by calculating coefficient alpha values for all constructs with three or more items (buyer attitude toward the horse, satisfaction, commitment, and seller brand equity). The coefficient alpha values for all these constructs are greater than the recommended 0.70 threshold, ranging from 0.759 to 0.955. Reliability values were also calculated using the formulae recommended by Garver and Mentzer (1999). Their formulae permits testing two-item constructs, as well as provide a more accurate adjusted measure of reliability than does Cronbach's Alpha. Calculated reliabilities range from 0.759 to 0.956, once again exceeding the 0.70 threshold for all constructs. Finally, reliabilities are assessed through the variance extracted for each construct. The variance extracted ranges from 0.515 to 0.869, all exceeding the recommended threshold value of 0.50 (Garver and Mentzer 1999). A summary of these values appears above in Table 4.2. The complete summary of reliability measures appears in Appendix I.

Discriminant Validity

The first step in testing for discriminant validity is to run a six-factor confirmatory factor analysis with the revised set of measures. The appropriate items load onto the six latent constructs, with all the items exhibiting factor loadings greater than 0.60. These

lambda values appear in the reliability summary presented in Appendix I. The second step involves running factor analyses on paired tests of measurement items representing all possible combinations of the six latent constructs. In all instances the appropriate items load on the appropriate constructs (refer to Appendix I). The final step in testing for discriminant validity is to compare and contrast each construct's variance extracted verses its average shared variance with each of the other constructs. In all cases, the variance extracted is significantly higher than is the average shared variance. A summary of the variance extracted and average variance shared statistics appears above in Table 4.2. The complete discriminant validity statistical output appears in Appendix J.

Convergent Validity

The first step in testing for convergent validity is to look at the regression weights of the measurement items on the six latent variables. All the regression weights are greater than 0.60, in the appropriate direction, and demonstrate statistical significance. The next step in testing for convergent validity involves comparing and contrasting the average inter-factor correlations (shared variance) with the variance extracted for each of the constructs (Fornell and Larcker 1981). The average shared variance ranges from 0.027 to 0.354, while the variance extracted ranged from 0.515 to 0.869, thereby again supporting the unidimensionality of the constructs. The results from the convergent validity tests appear in both Table 4.2 and in Appendix J.

Arriving at the Final Measurement Model

Although analysis results show higher-than-desired degrees of inter-factor correlation between buyer-seller relationship quality and buyer attitude toward the consignor, $r^2 = 0.551$, and between buyer-seller relationship quality and seller brand equity, $r^2 = 0.361$, (refer to Appendix K for the factor correlations), these values are not high enough to be problematic; consequently, valuable insight and explanatory capacity can still be derived. A summary of the key fit statistics for each of the model iterations appears immediately below in Table 4.3, while the final measurement model and the complete test results for the model appear in Appendix H.

Table 4.3: Comparison of Key Measurement Model Fit Statistics

	CFI	GFI	RMSEA	CMIN/DF
Comparison Model	0.726	0.602	0.142	5.986
Base (Full) Model	0.760	0.663	0.136	5.578
Revision 1 (Dropped FI, PAYSAME, TRUST1, TRUST4, SAT4, HORSE4)	0.924	0.838	0.090	2.996
Revision 2 (Also Dropped TRUST5, CON3)	0.968	0.896	0.061	1.925
Revision 3 (Also Dropped SAT5, HORSE1)	0.979	0.920	0.053	1.706

Confirming the Measurement Model

Once the information elicited from the structural equation measurement model is defined and utilized, a confirmatory factor analysis is rerun in SPSS, specifying six factors and utilizing a Principal Component Analysis - Varimax with Kaiser Normalization Rotation Method. The previously discussed decision criteria are utilized, and the remaining seventeen endogenous item measures meet these criteria, and therefore are retained.

The six expected constructs of buyer attitude toward the horse (product brand), buyer attitude toward the consignor (seller), satisfaction, trust, commitment, and consignor (seller) brand equity appear as expected, with each of the item measures loading on the appropriate factor and demonstrating low factor loadings on the other constructs. The six latent constructs and their respective item measures follow immediately below.

Buyer Attitude toward the Horse - three item measures for ATH:

- HORSE2 – Buyer Attitude toward the Physical Appearance of the Horse
- HORSE3 – Buyer Attitude toward the Conformation of the Horse
- HORSE5 – Buyer Attitude toward the Athletic Potential of the Horse

Buyer Attitude toward the Consignor (Seller) – two item measures for ATC:

- CON1 – Buyer Attitude toward the Consignor's (Seller's) Reputation
- CON2 – Buyer Attitude toward the Consignor's (Seller's) Abilities

Satisfaction - three item measures for SATIS:

- SAT1 – Satisfaction with the Quality of the Consignor's (Seller's) Prospect (Product) Offerings
- SAT2 – Satisfaction with the Quality of the Consignor's (Seller's) Provided Service
- SAT3 – Satisfaction that this Consignor's Prospect (Product) Offerings were a Good Value for the Price

Trust - two item measures for TRST:

- TRUST2 – Suspicious of this Consignor's Recommendations (reverse scored)
- TRUST3 – Questioned this Consignor's Integrity (reverse scored)

Commitment - four item measures for COM:

- COMMIT1 – Committed to the Relationship
- COMMIT2 – Planned to Maintain the Relationship Indefinitely
- COMMIT3 – Relationship Deserved the Maximum Effort to Maintain
- COMMIT4 - Cared about the Relationship Long-Term

Relationship Quality - nine item measures for RQual:

- SAT1 – Satisfaction with the Quality of the Consignor's (Seller's) Prospect (Product) Offerings

- SAT2 – Satisfaction with the Quality of the Consignor's (Seller's) Provided Service
- SAT3 – Satisfaction that this Consignor's Prospect (Product) Offerings were a Good Value for the Price
- TRUST2 – Suspicious of this Consignor's Recommendations (reverse scored)
- TRUST3 – Questioned this Consignor's Integrity (reverse scored)
- COMMIT1 – Committed to the Relationship
- COMMIT2 – Planned to Maintain the Relationship Indefinitely
- COMMIT3 – Relationship Deserved the Maximum Effort to Maintain
- COMMIT4 - Cared about the Relationship Long-Term

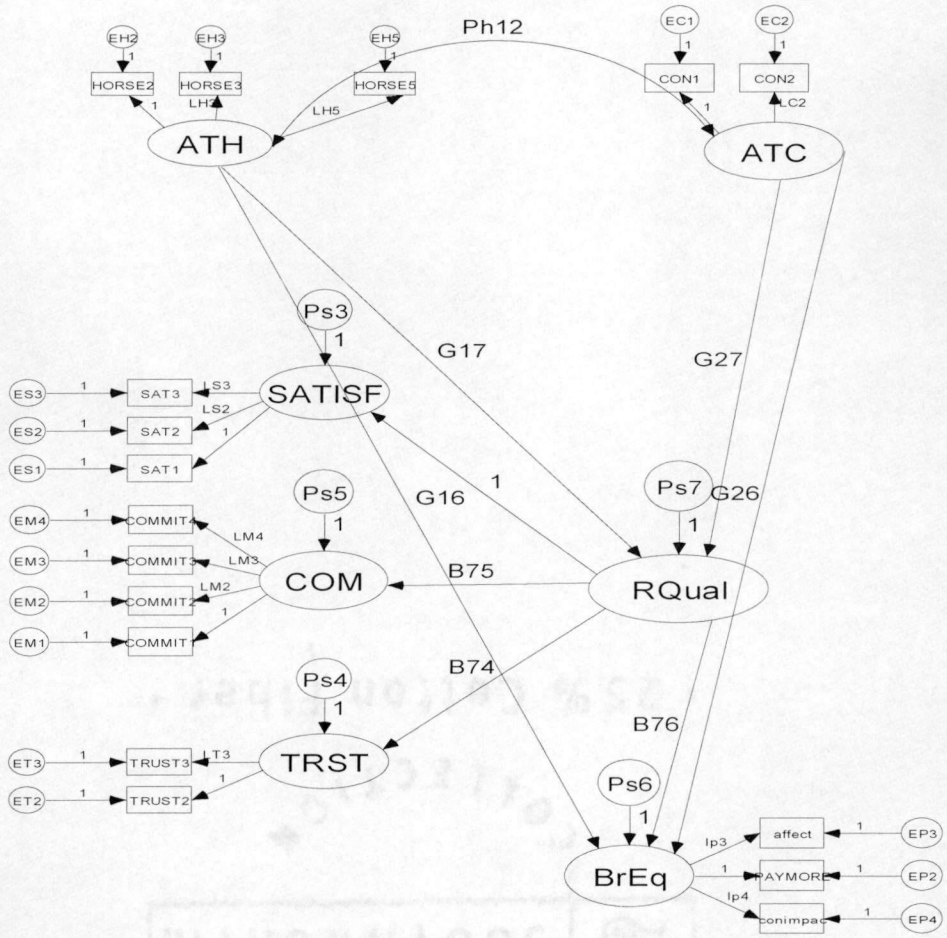
Consignor (Seller) Brand Equity - three item measures BrEq:

- PAYMORE – Willing to Pay More for this Consignor's (Seller's) Prospect (Product) Offerings
- AFFECT – Impact of this Consignor's Recommendation
- CONIMPAC – Impact of this Consignor's (Seller's) Involvement

Hypothesis Testing

Once the process to arrive at the final measurement model (i.e., the measurement model which demonstrates the best fit, validity and reliability statistics) is complete, the next step is to test the hypotheses using the full structural model. Figure 4.1 follows immediately below and presents the full structural model.

Figure 4.1: Full Structural Model



Utilized variations of the structural model include a direct effects (unmediated) model, a full mediation model, and a partial (base) mediation model. In the direct effects model, the pathways between ATH and RQual (G17), between ATC and RQual (G27), and between RQual and BrEq (B76) are set to zero. Setting these pathways equal to zero

allows us to see how significant the direct effects of ATH and ATC on BrEq are. In the full mediation variation, the pathways between ATH and BrEq (G16) and between ATC and BrEq (G26) are set to zero. Setting these pathways equal to zero allows us to see how significant the indirect effects of ATH and ATC on BrEq through RQual are. In the partial mediation model, none of the latent construct pathways are constrained.

The unmediated model provides poor fit statistics, while the partially and fully mediated models provide acceptable and comparable fit statistics. Within the fully mediated model, the path from ATH to RQual is insignificant ($p = 0.233$), while the paths from ATC to RQual ($p < 0.001$) and from RQual to BrEq ($p < 0.001$) are highly significant. Within the partially mediated model, the path from ATC to BrEq is insignificant ($p = 0.465$), while the paths from ATC to RQual ($p < 0.001$), ATH to BrEq ($p = 0.003$), RQual to BrEq ($p = 0.004$) are all significant at the 0.01 level, and ATH to BrEq ($p = 0.05$) was significant at the 0.05 level. Hair, Anderson, Tatham and Black (1998) have recommend using a more conservative significance level than 0.05 when using the maximum likelihood estimate (for example, 0.025 or 0.01); however, the critical ratio for the ATH to BrEq pathway meets the acceptable threshold of 1.96, thereby suggesting the significance of the ATH to BrEq path.

The theory-grounded framework developed in Chapter II and supported through higher statistical values in regard to model fit, coefficient values and variance explained warrants the assessment of the posed hypotheses in regard to the partial mediation model. A review and discussion of the hypotheses findings derived from these assessments follows the summary of the results from the direct effects, full mediation and partial

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mediation model tests that appear in Table 4.4. The complete statistical output related to the hypotheses testing appears in Appendix L.

Table 4.4: Comparison of Mediation Results

	Direct Effects			Full Mediation			*Hypothesized Model* Partial Mediation		
CFI	0.892			0.957			0.960		
GFI	0.845			0.883			0.886		
RMSEA	0.117			0.074			0.072		
CMIN/DF	4.401			2.354			2.299		
Path	Est.	C.R.	Sig.	Est.	C.R.	Sig.	Est.	C.R.	Sig.
ATC→RQual				**.895**	**12.407**	**.000**	**.894**	**12.40**	**.000**
ATH→RQual				.055	1.192	.233	**.093**	**1.960**	**.050**
ATC→BrEq	**.602**	**6.732**	**.000**				-.212	-.730	.465
ATH→BrEq	**-.137**	**-2.20**	**.028**				**-.224**	**-3.01**	**.003**
RQual→BrEq				**.671**	**6.911**	**.000**	**.942**	**2.868**	**.004**
R^2	.191			.361			.370		

Note: Critical Ratio (should be $\geq \pm 1.96$)

Hypothesis 1: Supported

Hypothesis 1 states that there is a positive direct effect between buyer attitude toward the seller (ATC) and buyer-seller relationship quality (RQual). The results support this hypothesis at the 0.01 level.

Hypothesis 2: Supported

Hypothesis 2 states that there is a positive direct effect between buyer attitude toward the product (ATH) and buyer-seller relationship quality (RQual). The results support this hypothesis at the 0.05 level.

Hypothesis 3: Not Supported

Hypothesis 3 states that there is a positive direct effect between buyer attitude toward the seller (ATC) and seller brand equity (BrEq). The results do not support this hypothesis ($p = 0.465$).

Hypothesis 4: Not Supported

Hypothesis 4 states that there is a positive direct effect between buyer attitude toward the product (ATH) and seller brand equity (BrEq). The results do not support the positive direct effect between buyer attitude toward the product (ATH) and seller brand equity (BrEq), but rather a significant negative direct effect between buyer attitude toward the product (ATH) and seller brand equity (BrEq) at the 0.01 level.

Hypothesis 5: Supported

Hypothesis 5 states that there is a positive direct effect between buyer-seller relationship quality (RQual) and seller brand equity (BrEq). The results strongly support this hypothesis at the 0.01 level.

Hypothesis 6: Supported

Hypothesis 6 states that buyer-seller relationship quality (RQual) mediates the effect of buyer attitude toward the seller (ATC) on seller brand equity (BrEq). The results strongly support this hypothesis at the 0.01 level; with buyer-seller relationship quality (RQual) fully mediating the path between buyer attitude toward the seller (ATC) and seller brand equity (BrEq).

Hypothesis 7: Supported

Hypothesis 7 states that buyer-seller relationship quality (RQual) mediates the effect of buyer attitude toward the product (ATH) on seller brand equity (BrEq). The results support this hypothesis at the 0.05 level; with buyer-seller relationship quality (RQual) partially mediating the negative direct path between buyer attitude toward the product (ATH) and seller brand equity (BrEq).

Summary

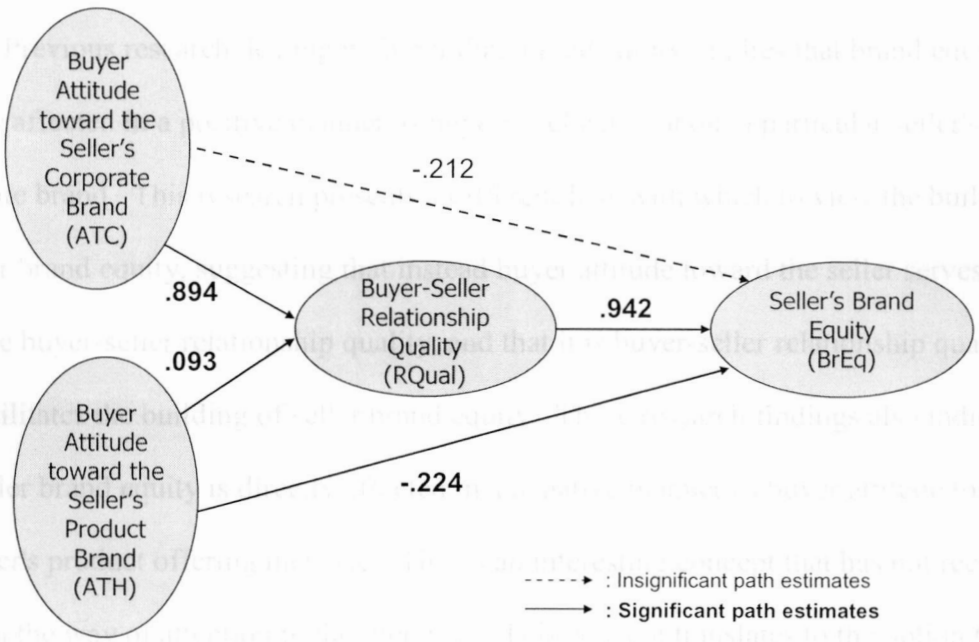
Chapter IV discusses the process utilized to arrive at the best possible measurement model, as well as presents the data analysis and results. An iterative

process is utilized, resulting in the removal of ten of the original twenty-seven scale items (HORSE1, HORSE4, CON3, SAT4, SAT5, TRUST1, TRUST4, TRUST5, FI and PAYSAME). The result is a measurement model that provides good fit statistics, as well as construct validity and reliability. The next step is to test three competing model alternatives, a direct effect (unmediated) model, a fully mediated model, and a partial mediation model. The hypothesized partial mediation model provided the best model fit statistics (CFI = 0.979, GFI = 0.920, RMSEA = 0.053 and CMIN/DF = 1.706), coefficient values and variance explained.

Structural analysis results fail to support the positive direct effect relationships of buyer attitudes toward the seller's corporate and product brands on seller brand equity. Hypothesis 3 states that buyer attitude toward the seller (ATC) would have a positive direct effect on seller brand equity (BrEq). Structural analysis results failed to support this hypothesis. The analyses reveal that the reason the path is not significant, is that buyer-seller relationship quality fully mediates the path between buyer attitude toward the seller (ATC) and seller brand equity (BrEq) in support of Hypothesis 6. Hypothesis 4 states that buyer attitude toward the product (ATH) would have a positive direct effect on seller brand equity (BrEq). Structural analysis results also fail to support this hypothesis. The analysis reveals that the reason this hypothesis is not supported is because this path demonstrates a significant *negative* rather than positive relationship. This finding suggests that as the buyer feels better about the product offering, as reflected through his/her attitude toward the attributes of product brand, buyer perceptions concerning the importance of the seller's involvement become less important (i.e., the seller brand carries

correspondingly less value to the buyer - thereby lessening the effect of seller brand equity within this dyad). The results do however show that buyer-seller relationship quality (RQual) partially mediates the path between buyer attitude toward the product (ATH) and seller brand equity (BrEq) in support of Hypothesis 7. The final model depicting the theoretical constructs and path weights appears immediately below in Figure 4.2.

Figure: 4.2: Final Model



Chapter V next discusses the conclusions and contributions of these findings and provides recommendations for future research.

CHAPTER V

CONCLUSIONS AND CONTRIBUTIONS

The intangible nature of certain speculative offerings (for example, graduating Ph.D. candidates, college and professional athletes, prospective university students, venture capital, real estate, high-end wine and artistic offerings) makes it difficult to determine outcome quality until some future point of time – if at all. This research examines one such industry from the business-to-business context.

Previous research dealing with building brand equity implies that brand equity is directly affected in a positive manner as buyers feel better about a particular seller's corporate brand. This research presents a different lens with which to view the building of seller brand equity, suggesting that instead buyer attitude toward the seller serves to improve buyer-seller relationship quality, and that it is buyer-seller relationship quality that facilitates the building of seller brand equity. These research findings also indicate that seller brand equity is directly affected in a negative manner as buyer attitude toward the seller's product offering increases. This is an interesting concept that has not received much in the way of attention in the literature. This concept translates to the notion that as the seller does a more effective job offering the products that prospective buyers desire, that his or her buyer-attributed value within the exchange is marginalized, thereby diminishing seller brand equity. It also translates to the notion that as the buyer feels less

confident about the product offering, that the value attributed to the role of the seller is enhanced, thereby increasing seller brand equity. This concept could have great significance across a wide range of B2B and B2C business situations.

These research findings also indicate that buyer-seller relationship quality not only directly influences seller brand equity, but that it also serves a facilitating function. Buyer-seller relationship quality fully mediates the positive direct path between buyer attitude toward the seller and seller brand equity. Buyer-seller relationship quality also partially mediates the negative relationship between buyer attitude toward the product and seller brand equity.

Conclusions

Existing relationship marketing research suggests that buyer-seller relationships constitute an important enabling resource which improves performance outcomes. Although relationship marketing theories discuss the importance of developing quality customer relationships, our knowledge of buyer-seller relationship quality is still far from complete (Huntley 2006; Johnson and Selnes 2004; Ulaga and Eggert 2006). This is particularly evident when discussing buyer-seller relationship quality in business-to-business settings. The motivation behind this study was to fill gaps in the existing relationship marketing and branding literatures regarding buyer-seller relationship quality and its role in influencing seller brand equity in a business-to-business context. This study contributes to the existing relationship marketing and brand management discussions by developing a theory-grounded conceptual framework concerning the

mediating role of buyer-seller relationship quality between buyer attitudes toward sellers' corporate and product brands, and seller brand equity in a business-to-business setting.

The Thoroughbred consignment industry was chosen as the business-to-business context for this study. Buyers of Thoroughbred horses were surveyed regarding the previous purchase of a racing prospect (product brand) from a Thoroughbred consignor (seller brand). Respondents were asked to rate scale items related to this encounter that measured buyer attitude toward the seller (ATC), buyer attitude toward the product (ATH), buyer-seller relationship quality (RQual), and seller brand equity (BrEq). Hypotheses of the relationships between these constructs were tested using structural equation modeling (SEM) to analyze data collected from 249 usable surveys.

Structural equation modeling results reveal that buyer-seller relationship quality fully mediates the positive direct path between buyer attitude toward the seller and seller brand equity, and partially mediates the negative direct path between buyer attitude toward the product and seller brand equity. The results of this study therefore suggest that within speculative and competitive business climates, the role of buyer-seller relationship quality in mediating the relationship between buyer attitudes toward the seller's corporate and product brands, and seller brand equity is important, but that it varies significantly depending upon which brand attitude is being studied.

Study results imply that buyer attitude toward the seller's corporate brand is important in generating seller brand equity, but that it is the quality of the buyer-seller relationship that facilitates that occurrence. The results also support the notion that buyer attention is largely on the product within this uncertain context. This concept is critical

and conveys two important ideas. First, in uncertain contexts as exemplified by the Thoroughbred industry, that the seller's corporate brand is highly valued by buyers whose attitudes toward the product brand are less certain in nature and/ or that are shaped in large part because of the involvement of the particular seller. Second, this suggests that as the buyer's attitude toward the product improves (i.e., the buyer feels more confident about the product), the value attributed to the role of the seller diminishes. These findings are discussed in more detail in the following section, along with a discussion of the other study findings and the implications of each. A discussion of the contributions this study provides follows in the next section, followed by this study's limitations and a discussion of future research opportunities.

Findings and Implications

This study's findings were derived from the analysis of seven hypotheses that were elicited from a theory-grounded conceptual framework concerning the mediating role of buyer-seller relationship quality between buyer attitudes toward the seller's corporate and product brands, and seller brand equity in a business-to-business context. The following subsections present a brief discussion of the postulated hypotheses, findings and implications.

Hypothesis 1

H1) Buyer attitude toward the seller's corporate brand has a positive direct effect on buyer-seller relationship quality. ***Supported***

Hypothesis 1 stated that there would be a positive direct effect between buyer attitude toward the seller (ATC) and buyer-seller relationship quality (RQual). The results strongly support this hypothesis at the 0.01 level.

Buyer attitude toward the seller consisted of two measurement items, 1) buyer attitude toward the consignor's (seller's) reputation (CON1), and 2) buyer attitude toward the consignor's (seller's) abilities (CON2). These two items deal with buyer evaluation of the seller's corporate brand. The author's experience in the industry and feedback from industry experts suggests that buyer attitude toward the seller is an important factor for many buyers. Empirical results supported this position, as buyer attitude toward the seller was highly predictive of buyer-seller relationship quality. Even when buyers indicated that relationships were not important to them, many indicated that their attitude toward certain consignors (sellers) would preclude them from considering those consignors' racing prospect (product brand) offerings. These findings suggest that within speculative and competitive business-to-business environments that sellers should focus on presenting favorable corporate brand messages to current and prospective buyers (i.e., convey a favorable corporate brand image) if they want to develop higher quality relationships with these entities.

Hypothesis 2

H2) Buyer attitude toward the seller's product brand has a positive direct effect on buyer-seller relationship quality. ***Supported***

Hypothesis 2 stated that there would be a positive direct effect between buyer attitude toward the product (ATH) and buyer-seller relationship quality (RQual). The results supported this hypothesis at the 0.05 level.

Hypothesis testing provided support for the direct effect relationship; however the support for this hypothesis was only achieved at the 0.05 level. The author's experience in the industry and feedback from industry experts suggests that a reason that the strength of the support for this hypothesis was not stronger is that the Thoroughbred consignment industry represents a situation where the seller's image is more constant and predictable than are the products he or she offers. In essence, Thoroughbred consignors (sellers) offer a heterogeneous array of products, where no two products are ever the same.

The Thoroughbred racing prospect product category is markedly different from the product brands that have been studied within the consumer goods context (for example, soft drinks) as well as the industrial goods context (for example, lighting fixtures) where product variability is trivial to non-existent. This product category is even substantially more variant and uncertain than are the intangible, experiential and credential brands that have been studied within B2C and B2B services contexts (for example banking, medical and logistics services) where consistency is both desired and rewarded. However, in spite of this being a variable product class, the context is very representative of other speculative contexts where product brands demonstrate a great deal of heterogeneity, for example, the Ph.D. student market, college and professional

athletics, university admissions, venture capital markets, real estate markets, the wine, art, music and entertainment industries.

The results support this hypothesis through the positive direct effect between buyer attitude toward the product (ATH) and buyer-seller relationship quality (RQual) at the 0.05 level. This suggests that as the buyer feels better about the product offering that they are considering, they also feel better about the relationship they have with the seller. With that said the 0.05 support for this hypothesis indicates that while buyers may seek to develop higher quality relationships with some of the consignors they purchase from; they are sparing in doing so.

Hypothesis 3

H3) Buyer attitude toward the seller's corporate brand has a positive direct effect on brand equity. ***Not Supported***

Hypothesis 3 stated that there would be a positive direct effect between buyer attitude toward the seller (ATC) and seller brand equity (BrEq). The results do not support this hypothesis ($p = 0.465$).

Existing brand attitude and equity literature supports the direct effect of buyer brand attitudes on the generation of seller brand equity. It was hypothesized in this study that there would be both a positive direct effect of buyer attitude toward the seller's corporate brand on seller brand equity (H3), and a positive indirect effect of buyer attitude toward the seller's corporate brand on seller brand equity through buyer-seller

relationship quality (H6). The mediating effect that will be discussed in detail in the H6 subsection over-road the direct effect that was hypothesized in H3. This means that buyer attitude toward the seller is not sufficient on its own to explain the generation of seller brand equity.

Branding theory suggests that the attitudes buyers hold toward the seller help to predict a variety of criterion variables, including the accrual of brand equity. This research suggests that the direct relationship between buyer attitude toward the seller and seller brand equity is not optimal, and that buyer-seller relationship quality enhances this process. This means that within uncertain business-to-business contexts such as the Thoroughbred consignment industry, that buyer-seller relationship quality (and perhaps other mediating variables) can enhance the building of seller brand equity.

Hypothesis 4

H4) Buyer attitude toward the seller's product brand has a positive direct effect on brand equity. ***Not Supported***

Hypothesis 4 stated that there would be a positive direct effect between buyer attitude toward the product (ATH) and seller brand equity (BrEq). Data analysis results do not support a positive direct effect between buyer attitude toward the product (ATH) and seller brand equity (BrEq), but rather strongly support the negative direct effect between buyer attitude toward the product (ATH) and seller brand equity (BrEq) at the 0.01 level.

Although the existing branding literature provides support for the positive direct effect relationship between buyer attitude toward the product (ATH) and brand equity (BrEq), the results from this research did not support this hypothesis. In fact, and quite to the contrary, the results provide support for the negative direct effect relationship between buyer attitude toward the product (ATH) and seller brand equity (BrEq). The directional discrepancy between the hypothesis and actual finding is at first confusing, however, a review of the branding literature suggests that the author's use of the specific seller brand equity construct was the underlying cause for this inconsistency. The common brand equity language would justify the positive direct relationship hypothesis; however, this study investigates brand equity accrual at the corporate brand level. Consequently, the study findings make sense. This translates to the notion that the seller adds more to the perceived value of product offerings the buyer is uncertain about, than they do to product offerings about which the buyer is confident.

Feedback from industry experts also suggests that the reason a negative direct effect was found was because if the buyer feels confident about the product he or she is purchasing, which tends to be the case more often than not when making a purchase commitment of this magnitude, that the buyer will rely predominantly on their own judgment when making the purchase decision. What this means in the Thoroughbred consignment industry is that buyers that have more positive attitudes towards the racing prospects (product brands) they are considering, don't look for reinforcement from the consignor (seller). It further means that they don't attribute successful racing prospect (product brand) purchases to anything the consignor (seller) has done, but rather their

own "horsemanship" skills. This once again is logical and intuitive. If the buyer feels very confident about the racing prospect (product offering), it doesn't matter who is selling the horse. This further suggests that consignors (sellers) not interested in committing resources to building better quality customer relationships should instead focus on offering racing prospects (product brands) that possess the attributes most desired by their target customers.

Hypothesis 5

H5) Buyer-seller relationship quality has a positive direct effect on brand equity.

Supported

Hypothesis 5 stated that there would be a positive direct effect between buyer-seller relationship quality (RQual) and seller brand equity (BrEq). The results strongly support this hypothesis at the 0.01 level.

Buyer-seller relationship quality consisted of nine measurement items that were pulled from the three dimensions that constitute relationship quality, satisfaction, trust and commitment. These nine measurement items are: 1) satisfaction with the quality of the consignor's (seller's) prospect (product brand) offerings - SAT1, satisfaction with the quality of the consignor's (seller's) provided service - SAT2, satisfaction that this consignor's prospect (product brand) offerings were a good value for the price - SAT3, suspicious of this consignor's recommendations (reverse scored) - TRUST2, questioned this consignor's integrity (reverse scored) - TRUST3, committed to the relationship -

COMMIT1, planned to maintain the relationship indefinitely - COMMIT2, relationship deserved the maximum effort to maintain - COMMIT3, and cared about the relationship long-term - COMMIT4. These nine items deal with buyer perceptions of the quality of the relationship the buyer has with the consignor (seller) as reflected by his or her overall satisfaction, trust and commitment.

The role of these buyer-seller relationship quality dimensions are well supported in the literature as facilitators of buyer value perceptions. The author's experience and feedback with industry experts suggest the same holds true in the Thoroughbred industry. In spite of the large dollar volume spent on the purchase of racing prospects (product brands) every year, the Thoroughbred industry is not a large industry in terms of the number of buyers and sellers. Consequently, the potential for buyers and sellers to perform more than an isolated transaction always exists. Further, the limited number of actors in the industry also facilitates the dissemination of information beyond a specific relational dyad. Consequently, the individual and collective attainment of buyer satisfaction, trust and commitment in the seller can be important relational resources for the consignor (seller) to build brand equity at the corporate brand level. This suggests that in speculative and competitive business-to-business contexts, that buyer-seller relationship quality is an important factor in building seller brand equity.

Hypothesis 6

H6) Buyer-seller relationship quality mediates the effect of buyer attitude toward the seller's corporate brand on seller brand equity. ***Supported***

Hypothesis 6 stated that buyer-seller relationship quality would mediate the relationship between buyer attitude toward the seller (ATC) and seller brand equity (BrEq). The results strongly support this hypothesis at the 0.001 level.

This suggests that buyer attitude toward the seller not only helps to shape the buyer-seller relationship, as was discussed in H1, but that the relationship actually facilitates the generation of seller brand equity that occurs as the result of the buyer's attitude toward the seller. Within the Thoroughbred consignment industry, this means that while the buyer's attitude toward the consignor's (seller's) capabilities is important, that it actually serves to build higher quality buyer-seller relationships, which in turn serve to build seller brand equity. This is an important concept as it suggests a definitive brand development strategy that business-to-business sellers can use to build brand equity at their corporate brand level. This further suggests that within speculative and competitive B2B contexts, sellers should look to focus on developing high quality relationships with current and prospective buyers if they want to generate brand equity at the corporate brand level.

Hypothesis 7

H7) Buyer-seller relationship quality mediates the effect of buyer attitude toward the seller's product brand on seller brand equity. ***Supported***

Hypothesis 7 stated that buyer-seller relationship quality would mediate the relationship between buyer attitude toward the product (ATH) and seller brand equity (BrEq). The results support this hypothesis at the 0.05 level.

This suggests that buyer attitude toward the seller's product brand not only helps to shape the buyer-seller relationship, as was discussed in H2, but that the relationship can actually change the negative direct effect that buyer attitude toward the product has on generating seller brand equity. This is an interesting finding as it suggests that buyer-seller relationship quality can add value to buyers, even when they feel confident about the product offering they are evaluating. It is further interesting because it implies that as the buyer exhibits a less favorable attitude toward the racing prospect (product brand), that the value attributed to the consignor (seller) increases. This suggests that while buyers in this context exhibiting positive attitudes toward the product offerings they are considering are hesitant to place value on the role of the seller, they do tend to attribute value to a seller with which they have a good relationship. This means that while the buyer's attitude toward the product is important in generating sales, that building high quality buyer-seller relationships is important for generating seller brand equity.

Findings and Implications Summary

The final structural equations model shows that buyer attitude toward the seller (ATC) and buyer attitude toward the product (ATH) both have positive direct effects on buyer-seller relationship quality (RQual), while neither has positive direct effects on seller brand equity (BrEq) - although the rationale for the absence of positive direct

effects is considerably different for the two. The reason a positive direct path between buyer attitude toward the seller (ATC) and seller brand equity (BrEq) does not exist is likely because buyer attitude toward the seller is not sufficient on its own to explain the generation of seller brand equity. The reason a positive direct path between buyer attitude toward the product (ATH) and seller brand equity (BrEq) does not exist is because an inverse relationship actually exists.

Hypothesis testing supports that buyer-seller relationship quality (RQual) has a positive direct effect on seller brand equity (BrEq). The structural model also reveals that buyer-seller relationship quality (RQual) fully mediates the positive direct effect of buyer attitude toward the seller (ATC) on seller brand equity (BrEq), and partially mediates the negative direct path between buyer attitude toward the product (ATH) and seller brand equity (BrEq). As a result, three of the five paths that were hypothesized were supported, and five of the seven hypotheses were supported.

The results of this study have significant implications for sellers within speculative and uncertain business environments where product brands demonstrate variability. The results suggest that buyer attitude toward the seller significantly contributes to generating seller brand equity through buyer-seller relationship quality, while buyer attitude toward the product also contributes to the building of seller brand equity through the quality of the buyer-seller relationship, though to a significantly lesser extent when buyer attitude toward the product is high.

The finding that buyer attitude toward the product is inversely predictive of seller brand equity in this context is particularly interesting, because it suggests that in spite of

the expense and uncertainty attached to the purchase of Thoroughbred racing prospects (product brands), the role of the seller is of little consequence within buyer purchasing decisions when the seller's attitude toward the racing prospect (product brand) is good. It further suggests that the role of the seller is of consequence within buyer purchasing decisions when the seller's attitude toward the racing prospect (product brand) is less favorable. This is discussed in more depth within the sections that follow.

Theoretical Contributions

The objective within this research agenda is to further our understanding of buyer-seller relationship quality and to fill gaps within the existing theory by contributing to our overall understanding of the role buyer-seller relationship quality plays in influencing the paths between buyer attitudes toward the seller's corporate and product brands, and seller brand equity in a business-to-business context. The theoretical and practical implications of this research are significant, as this study serves to fill gaps within the relationship marketing and branding literatures, while also contributing to our overall body of knowledge concerning buyer-seller relationships.

First, this study provides insight into how buyer-seller relationship quality influences the relationship between buyer brand attitudes and seller brand equity, by empirically examining the interactions between and among these important determinants of customer buying behavior. Structural equation modeling results show that buyer-seller relationship quality fully mediates the positive direct path between buyer attitude toward the seller and seller brand equity, and partially mediates the negative direct path between

buyer attitude toward the product and seller brand equity. This research thus serves to validate the role of business-to-business buyer-seller relationship quality in influencing the direct paths between buyer attitudes toward sellers' corporate and product brands, and seller brand equity. Such contributions are essential to establishing a theory's external validity and generalizability (Aaker 1997; Calder, Phillips and Tybout 1982; McGrath and Brinberg 1983).

Second, this research extends our knowledge of business-to-business branding, particularly as it relates to the corporate branding efforts of sellers that offer products exhibiting aspects of both goods and services, i.e., hybrid products (Armstrong and Kotler 2005). Such a pursuit is a valuable contribution because virtually all discussions of branding have been framed in consumer goods contexts, and consequently our knowledge of B2B branding is far less developed and understood than is our knowledge of B2C branding (Webster and Keller 2004). This research thus helps illuminate the process of building seller brand equity in B2B contexts, as well as in contexts exhibiting this dual nature. This is intriguing, especially when product offerings demonstrate high degrees of speculation and uncertainty (for example, the Ph.D. student market, college and professional athletics, university admissions, venture capital markets, real estate markets, the wine, art, music and entertainment industries, etc.).

Finally, this study is designed with the intent of theory elaboration – i.e., to apply and extend existing theory into new settings or contexts (Lee 1999). This technique provides the dual benefits of supporting the development of a conceptual framework that furthers our knowledge of buyer-seller relationship quality, while also introducing a new

research context. The Thoroughbred industry is a new contextual area for business research, as the limited studies that have been published related to Thoroughbreds have almost universally involved gambling rationale and decision-making processes. The use of theory elaboration is thus an important contribution as it supports the development of a theory-grounded buyer-seller relationship framework, as well as research in a novel and exciting contextual area, i.e., the Thoroughbred industry. A positive byproduct is that this study will also serve to provide support for a valuable but relatively overlooked and underutilized research technique, i.e., theory elaboration (Lee 1999).

Managerial Contributions

In addition to the theoretical contributions this research provides, this research also affords several applied contributions. In terms of practical contributions, this research will help business-to-business firms, and more specifically Thoroughbred consignment firms, by empirically establishing the role of buyer-seller relationship quality as a mediator of the relationship between buyer attitudes toward sellers' corporate and product brands, and seller brand equity. This research thus serves to inform B2B firms by affirming the role that business-to-business buyer-seller relationship quality has as a facilitator in converting buyer attitudes toward sellers' corporate and product brands into seller brand equity. What this means within the Thoroughbred consignment industry is that building high quality buyer-consignor (seller) relationships can help consignors (sellers) to generate higher levels of brand equity, while also helping buyers in their decision making processes.

Another valuable managerial contribution that comes out of this study is that this research suggests that if sellers (consignors) elect not to build high quality customer relationships, they should focus on offering the products that demonstrate the attributes and qualities that their target customers will value the most. The rationale behind this logic is for the buyers who have the most positive attitudes toward the product brand offering (this would be the racing prospect in the Thoroughbred consignment industry), that the seller (consignor) themselves does not add enough additional value to develop a differential effect.

Finally, this research provides both the impetus and the roadmap for business-to-business firms to understand the role buyer-seller relationship quality plays or can play, within their marketing and branding strategies. This practical insight will help these firms, and particularly sellers within the Thoroughbred consignment industry, to understand how to best structure their customer relationship portfolios.

Study Limitations

There are several limitations concerning the design of this study. First, there are study design concerns as this study relied on review by knowledgeable colleagues and cognitive interviews with industry experts in order to inform the survey instrument. This technique essentially used expert opinion in place of conventional pretesting methods. While this technique improves the perceived "legitimacy" of the questionnaire and makes it seem more "real-life" (Elsbach 1994), it does lose the benefits associated with utilizing whole scales and grouped item measures that have previously proven valid and reliable.

As the result of these choices, a number of measurement issues and limitations exist. First, the choice of measurement items is a concern. The final survey questions were assembled in a patchwork fashion. While this strategy helped to enhance the perceived legitimacy and real-to-life nature of the survey instrument, it also introduced significant item and factor correlation issues. These correlation issues reduced the number of survey measures from an initial count of twenty-seven, to a final count of seventeen. Additionally, high degrees of inter-factor correlation still existed between buyer attitude toward the consignor (seller), satisfaction and trust, as well as between commitment and seller brand equity. There are also directionality concerns. This study developed a theory-grounded framework utilizing buyer-seller relationship quality as a mediating construct between buyer attitudes toward the seller's corporate and product brands, and seller brand equity. While this framework fit the data well, so do did the first order model where satisfaction, trust and commitment were independent mediating variables, as well as the alternate model that utilized buyer-seller relationship quality as the predictor variable, and buyer attitude toward the seller and buyer attitude toward the product as mediating variables. A final measurement limitation that exists is that this study investigated four constructs; consequently, omitted variable concerns also exist.

Limitations also exist related to the chosen sampling frame and methodological approach. The utilized sample drew on the comprehensive Thoroughbred Owners and Breeders Association (TOBA) Membership Directory. Per TOBA management, roughly half of the members listed in the directory would not be appropriate for this study. Consequently, sampling concerns do exist. Survey limitations also exist, particularly in

regard to survey response biases, such as nonresponse bias, false reporting bias and potential dependency issues which could arise as a result of asking respondents to complete surveys on both a strong and weak relationship. Potential response bias issues were addressed as best as possible within the study, however it is impossible to be sure they do not exist.

Another potential limitation of this research design is that this study relies on buyer perceptions to investigate buyer-seller relationship dyads. This single source approach introduces limitations associated with having one-way perceptual measures for two-way relational exchanges. Finally, this study focuses solely on the thoroughbred consignment industry. While it is suggested that the findings of this study are generalizable beyond this industry, particularly within speculative and competitive business environments, the unique aspects of the Thoroughbred consignment industry may cast doubt regarding the extendibility of the findings.

Future Research

There is a wide array of future research opportunities that are derived by addressing the limitations listed immediately above. First refining and extending the theory-grounded framework developed in this paper through the incorporation and testing of other measurement items offers significant opportunity. There are significant opportunities to address the measurement issues articulated in the previous section, and to refine the buyer-seller relationship quality measurement scale. Additionally, the testing of the framework in other contexts would also be very interesting. Interesting areas with

which to test the framework include both other contexts where the product offerings exhibit aspects of goods and services, as well as traditional business-to-business and business-to-consumer contexts. Proximate expansion of the sample would also be very interesting. Consignors are not restricted to acting as sellers. It would be very interesting to investigate the developed framework in regard to their supply-side relationships.

This research utilizes an interdisciplinary lens and draws upon several marketing and management strategy literatures to suggest that buyer-seller relationship quality is an important factor when looking to translate buyer attitudes toward sellers' corporate and product brands into seller brand equity. In exploring the role of buyer-seller relationship quality, this study utilized three theory-derived buyer-seller relationship quality dimensions - satisfaction, trust and commitment (Garbarino and Johnson 1999; Johnson and Selnes 2004; Ulaga and Eggert 2006). However, it is possible that the independent dimensions of buyer-seller relationship quality, satisfaction, trust and commitment are better observed as separate variables than they are as an aggregate construct. On the flip side, it is also plausible that buyer-seller relationship quality as a second-order construct is the more effective mediating variable choice and that other variables might also be relevant constituent dimensions of buyer-seller relationship quality. As a result, future research could draw upon measures used in other contexts to see if they would add explanatory or predictive capacity. For example, social exchange theory suggests that reciprocity can serve as an important variable under certain conditions. From the buyer's standpoint, overall satisfaction, trust and commitment are outwardly focused. It is conceivable that in order for buyers' to feel higher levels of relationship quality, that they

must also perceive reciprocity in the form of certain seller behaviors (Sawhney and Zabin 2002). Consequently, additional or alternative sources of buyer-seller relationship quality might be an interesting direction for future research.

Additionally, this study utilized a unique perspective to investigate the effects of buyer-seller relationship quality on brand equity. This study used the concept of seller brand equity. It would also be very interesting to explore other aspects and variable combinations of brand equity. The investigation of brand equity effects on the actual sales, race and breeding performance of the purchased horse (product brand) would be particularly interesting. Further, the finding that buyer attitude toward the product is inversely predictive of seller brand equity in this context is a compelling finding. Future research could further explore this concept by investigating the inverse relationship that was demonstrated in this context between buyer attitude toward the seller's product brand and seller brand equity. This finding could have enormous implications for the allocation of marketing and branding resources.

Thoroughbred consignment is but one business-to-business context, and at that is speculative and uncertain in nature. Consequently, studying the role buyer-seller relationship quality plays in other industries and contexts would be highly informative. It would also be interesting to explore the role buyer-seller relationship quality plays in influencing the paths between buyer attitude toward the seller's corporate and product brands, and seller brand equity accrual within traditional tangible good contexts, where product variability is low and intangible factors are largely external to the actual product

offering. Consequently, testing the generalizability of the theory and dissertation model in other contexts, both B2B and B2C, and tangible and intangible, would be interesting.

Lastly, thoroughbred consignors can find themselves in the interesting position of acting as both buyers and sellers (i.e., Thoroughbred pinhooking). While both sides of the equation are important, this study focused on just the downstream side of the value chain, with consignors behaving as sellers. Consequently, a valuable extension of this study would be to explore specialty consignors' (pinhookers') supply-side relationships to determine the impact of buyer-seller relationship quality when the consignor (pinhooker) behaves as the buyer, rather than as the seller.

APPENDICES

APPENDIX A

SURVEY INSTRUMENT

LUNDQUIST
COLLEGE OF
BUSINESS
University of Oregon

Survey of Thoroughbred Racing Prospect Buyers

The two parts of this survey have been designed to take approximately 10 minutes to complete. Please check, circle or provide the responses that best reflect your opinion and level of agreement with the following questions and statements.

1. Approximately how many years have you been involved in the Thoroughbred industry (please check only one)?

   ____ Years

For questions 2-15, think about a strong relationship you had with a consignor (selling agent/ pinhooker) at the time of a specific Thoroughbred purchase. The term consignor will be used throughout the survey to represent this individual. Base your responses for the following questions on this purchase (to the best of your recollection). ALL RESPONSES WILL BE KEPT COMPLETELY CONFIDENTIAL AND REPORTED ONLY IN AGGREGATE.

2. What was the age category of this horse at the time of purchase (please check only one).

   ____ Weanling
   ____ Yearling
   ____ 2-Year-Old
   ____ 3-Year-Old
   ____ Older Horse

3. What is the lineage of the purchased Thoroughbred racing prospect?

Sire: _____
Dam: _____

Please answer each of the items in Question 4 using the following scale:

Favorable						Very Favorable
1	2	3	4	5	6	7

4. Most people perceive attributes of their purchases favorably, but not always to the same degree. At the time of purchase, how favorable were your perceptions of the following attributes of this racing prospect?
   a) Breeding cross/ pedigree
   b) Physical appearance (size and muscularity)
   c) Conformation
   d) Disposition (attitude, temperament and competitiveness)
   e) Athletic potential

Please answer each of the items in Questions 5-12 using the following scale:

Strongly Disagree						Strongly Agree
1	2	3	4	5	6	7

5. At the time of purchase, …
   a) this consignor had a good reputation within the industry.
   b) I felt good about this consignor's abilities.
   c) I felt good about the involvement of this consignor with this racing prospect.

6. At the time I purchased this racing prospect, I was satisfied …
   a) with the quality of the racing prospects this consignor offered.
   b) with the quality of the service this consignor offered.
   c) that this consignor's offerings were a good value for the price paid.
   d) with my working relationship with this consignor.
   e) that this consignor was a good seller with which to do business.

7. At the time I purchased this racing prospect, …
   a) I could count on this consignor to be sincere.
   b) I was suspicious of this consignor's recommendations. (reverse coded)
   c) I questioned the integrity of this consignor. (reverse coded)
   d) this consignor and I worked together to ensure the best outcomes for both of us.
   e) this consignor was a relationship partner I trusted completely.

8. At the time I purchased this Thoroughbred racing prospect, the relationship I had with this consignor, …
   a) was something to which I was very committed.
   b) was something I planned to maintain indefinitely.
   c) deserved my maximum effort to maintain.
   d) was something I cared a great deal about long-term.

9. Had this Thoroughbred racing prospect been offered by the average consignor instead of the consignor I purchased from, I would have been willing to pay the same amount for this horse. (reverse coded)

10. At the time of purchase, I would have been willing to pay more for a racing prospect sold by this consignor than for the same horse sold by the average consignor because of what it meant to have this consignor's involvement (endorsement).

11. At the time of purchase, the involvement of this consignor helped in my decision to purchase this racing prospect.

12. I intend to consider Thoroughbred racing prospects offered by this consignor again in the future.

Please answer Question 13 using the following scale:

Not Applicable	Very Weakly						Very Strongly
0	1	2	3	4	5	6	7

13. How strongly did the consignor recommend this racing prospect to you?

Please answer Question 14 using the following scale:

Not Applicable	No Affect						Strong Affect
0	1	2	3	4	5	6	7

14. How much did this recommendation affect your decision to purchase this racing prospect?

Please provide any comments you think are important.

For questions 15-27, think about a weak relationship you had with a consignor (selling agent/ pinhooker) at the time of a specific Thoroughbred purchase. The term consignor will be used throughout the survey to represent this individual. Base your responses for the following questions on this purchase (to the best of your recollection). ALL RESPONSES WILL BE KEPT COMPLETELY CONFIDENTIAL AND REPORTED ONLY IN AGGREGATE.

15. What was the age category of this horse at the time of purchase (please check only one).

____ Weanling
____ Yearling
____ 2-Year-Old
____ 3-Year-Old
____ Older Horse

16. What is the lineage of the purchased Thoroughbred racing prospect?

Sire: _____
Dam: _____

Please answer each of the items in Question 4 using the following scale:

Favorable						Very Favorable
1	2	3	4	5	6	7

17. Most people perceive attributes of their purchases favorably, but not always to the same degree. At the time of purchase, how favorable were your perceptions of the following attributes of this racing prospect?
    f) Breeding cross/ pedigree
    g) Physical appearance (size and muscularity)
    h) Conformation
    i) Disposition (attitude, temperament and competitiveness)
    j) Athletic potential

Please answer each of the items in Questions 18-25 using the following scale:

Strongly Disagree						Strongly Agree
1	2	3	4	5	6	7

18. At the time of purchase, …
    a) this consignor had a good reputation within the industry.
    b) I felt good about this consignor's abilities.
    c) I felt good about the involvement of this consignor with this racing prospect.

19. At the time I purchased this racing prospect, I was satisfied …
    a) with the quality of the racing prospects this consignor offered.
    b) with the quality of the service this consignor offered.
    c) that this consignor's offerings were a good value for the price paid.
    d) with my working relationship with this consignor.
    e) that this consignor was a good seller with which to do business.

20. At the time I purchased this racing prospect, …
    a) I could count on this consignor to be sincere.
    b) I was suspicious of this consignor's recommendations. (reverse coded)
    c) I questioned the integrity of this consignor. (reverse coded)
    d) this consignor and I worked together to ensure the best outcomes for both of us.
    e) this consignor was a relationship partner I trusted completely.

21. At the time I purchased this Thoroughbred racing prospect, the relationship I had with this consignor, …
    a) was something to which I was very committed.
    b) was something I planned to maintain indefinitely.
    c) deserved my maximum effort to maintain.
    d) was something I cared a great deal about long-term.

22. Had this Thoroughbred racing prospect been offered by the average consignor instead of the consignor I purchased from, I would have been willing to pay the same amount for this horse. (reverse coded)

23. At the time of purchase, I would have been willing to pay more for a racing prospect sold by this consignor than for the same horse sold by the average consignor because of what it meant to have this consignor's involvement (endorsement).

24. At the time of purchase, the involvement of this consignor helped in my decision to purchase this racing prospect.

25. I intend to consider Thoroughbred racing prospects offered by this consignor again in the future.

Please answer Question 26 using the following scale:

Not Applicable	Very Weakly						Very Strongly
0	1	2	3	4	5	6	7

26. How strongly did the consignor recommend this racing prospect to you?

Please answer Question 27 using the following scale:

Not Applicable	No Affect						Strong Affect
0	1	2	3	4	5	6	7

27. How much did this recommendation affect your decision to purchase this racing prospect?

Please provide any comments you think are important.

Please complete Question 28 if you'd like a summary of the findings sent to you at the completion of this study.

28. Please send me a summary of the findings at the completion of this study ...
    a) by e-mail at the following address: _____
    b) by U.S. Mail at the following address: _____
    _____
    _____

THANK YOU FOR YOUR VALUABLE INPUT!

APPENDIX B

COVER LETTER FOR SURVEY MAILING

<<Date>>

<<First_Name>> <<Middle_Initial>> <<Last_Name>>
<<Stable_Name>>
<<Address>>
<<City>>, <<State>> <<Zip>>

Dear <<Greeting>>,

I am a Ph.D. Candidate in Marketing at the University of Oregon and am writing to ask your help with my dissertation research. You were selected as a possible participant because of your previous purchase of thoroughbred racing prospects. This survey will take approximately 10 minutes to complete and is part of an effort to learn more about buyer-consignor relationships and the factors that affect purchasing decisions in the thoroughbred industry.

Your answers are ***completely confidential*** and will be released only in aggregate, where your answers cannot be identified with you or the consignors with which you do business**.** Additionally, in order to address any potential risks, all individuals' names will be replaced with ID numbers and the list of names will be destroyed once the data collection is complete. Your completion of this survey will serve as your consent, so please retain a copy of this letter for your records. ***Please return your completed survey in the accompanying postage-paid envelope at your earliest convenience.*** The target return date is <<two weeks hence>>; however if you are not able to meet this date, please do still complete and return the survey as soon as you're able. This survey is voluntary and there is no penalty for refusing to complete it, though your assistance is greatly appreciated. As a token of appreciation for your participation, a $25 donation will be made to the Thoroughbred Retirement Foundation for each completed questionnaire (up to $1,000), and you will have the option of receiving a summary of the research findings. To receive a summary, simply indicate your desire to receive a copy in the final question of your completed survey.

If you have any questions about this study, I would be happy to talk with you. Please contact me by phone at (541) 515-0169 or by e-mail at amarquar@uoregon.edu, or my dissertation advisor Lynn Kahle by phone at (541) 346-3373 or by e-mail at lkahle@uoregon.edu. If you have any questions regarding your rights as a research participant, please contact the Office of Human Subjects Compliance at the University of Oregon at (541) 346-2510. Thank you for your help!

Sincerely,

Adam Marquardt
Ph.D. Candidate in Marketing

APPENDIX C

REMINDER AND THANK YOU POSTCARD

REMINDER & THANK YOU POSTCARD

Last week, you were sent a questionnaire asking your opinions about buyer/ seller relationships in the thoroughbred industry. If you have already returned the questionnaire, please accept my sincere thanks. If not, please complete and return it at your earliest convenience. I am especially grateful for your help because it not only assists in my dissertation research, but it also benefits the Thoroughbred Retirement Foundation, a very important and worthwhile cause.

If you did not receive the questionnaire, or if it was misplaced, please contact me at (541) 515-0169 or at amarquar@uoregon.edu, and I will send a replacement copy immediately. Thank you very much for your help and best wishes for a fantastic 2007 season!

Adam Marquardt
Ph.D. Candidate in Marketing

APPENDIX D

FOLLOW UP LETTER FOR SURVEY MAILING

<<Date>>

<<First Name>> <<Middle Initial>> <<Last Name>>
<<Stable Name>>
<<Address>>
<<City>>, <<State>> <<Zip>>

Dear <<Greeting>>,

A few weeks ago I sent you a brief questionnaire asking your opinions concerning aspects of buyer/ consignor (selling agent) relationships in the thoroughbred industry. If you've returned the completed questionnaire, please accept my deepest thanks. However, to the best of my knowledge it's not yet been received, and I am following up because of the importance that your answers have in helping me to arrive at accurate and representative results within this study.

Your answers are ***completely confidential*** and will be released only in aggregate, where your answers cannot be identified with you or your consignor (selling agent) counterpart. Protecting the confidentiality of your answers is very important to me, as well as to the University of Oregon. Your completion of this survey will serve as your consent, so please retain a copy of this letter for your records.

I would be most appreciative if you would fill out and return the questionnaire in the provided envelope at your earliest convenience. As a token of appreciation, a $25 donation will be made to the Thoroughbred Retirement Foundation (up to a total contribution of $1,000). Thank you very much for helping me with my dissertation research, and best wishes for a fantastic 2007 season!

Kind regards,

Adam Marquardt
Ph.D. Candidate in Marketing

1208 University of Oregon
Lundquist College of Business
Eugene, OR 97403
(541) 346-1452
amarquar@uoregon.edu

APPENDIX E

RESPONSE RATE CALCULATIONS

Survey Response Rates

Surveys Mailed Initially - (942 Packets * 2 Surveys)	1884
Undeliverable Due to Flawed Addresses (34 * 2)	68
Undeliverable Due to the Passing of the Individual (5 * 2)	10
Not Applicable or Relevant (128 * 2) - Thoroughbred Breeder/ Race Only Homebreds (105) - Questions about Consignors do not Reflect how Thoroughbreds Purchases are Actually Made (10) - Part of a Partnership/ Syndicate where Someone Else Evaluates (8) - Conflicts with the Pinhooking Sales/ No Time for Surveys (5)	256
Completed Only One of the Two Surveys (63 * 1)	63
Returned Survey Instrument Contained too many Missing Values (1 * 2)	2
Returned Survey Instrument Contained Invariant Responses (2 * 2)	4
Returned Survey/ Response After the Data Analysis Cutoff Point (18 * 2)	36
Adjusted Total Sample Size	1445

Adjusted Total Sample Size	1445
Respondent Surveys Complying with the Utilized Protocol	249
Effective Response Rate	17.2%

APPENDIX F

DESCRIPTIVE STATISTICS

Independent Samples T-Test for Survey Waves

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Attitude toward Prospect's Lineage	Equal variances assumed	1.614	.205	1.069	247	.286	.235	.220	-.198	.669
	Equal variances not assumed			1.109	184.689	.269	.235	.212	-.183	.654
Attitude toward Prospect's Appearance	Equal variances assumed	.652	.420	1.196	247	.233	.246	.206	-.159	.651
	Equal variances not assumed			1.164	155.519	.246	.246	.211	-.171	.664
Attitude toward Prospect's Conformation	Equal variances assumed	.101	.751	.090	247	.928	.018	.200	-.375	.411
	Equal variances not assumed			.090	166.857	.928	.018	.200	-.376	.412
Attitude toward Prospect's Disposition	Equal variances assumed	.505	.478	.866	247	.387	.182	.210	-.232	.596
	Equal variances not assumed			.870	168.707	.386	.182	.209	-.231	.595
Attitude toward Prospect's Athletic Potential	Equal variances assumed	6.504	.011	1.734	247	.084	.347	.200	-.047	.741
	Equal variances not assumed			1.615	138.674	.109	.347	.215	-.078	.772
Attitude toward Consignor's Reputation	Equal variances assumed	.681	.410	.921	247	.358	.186	.202	-.212	.584
	Equal variances not assumed			.895	154.779	.372	.186	.208	-.225	.597
Attitude toward Consignor's Abilities	Equal variances assumed	.009	.923	-.125	247	.900	-.026	.211	-.442	.389
	Equal variances not assumed			-.124	163.533	.901	-.026	.213	-.446	.393
Attitude toward Consignor's Involvement	Equal variances assumed	.637	.426	-.585	247	.559	-.133	.228	-.582	.315
	Equal variances not assumed			-.590	170.716	.556	-.133	.226	-.579	.313
Satisfaction with Consignor's Prospect Offerings	Equal variances assumed	2.096	.149	.807	247	.420	.152	.188	-.218	.522
	Equal variances not assumed			.823	175.825	.412	.152	.184	-.212	.516
Satisfaction with Consignor's Service Quality	Equal variances assumed	2.441	.119	-.148	247	.883	-.031	.208	-.440	.379
	Equal variances not assumed			-.154	185.355	.878	-.031	.200	-.426	.364
Satisfaction that Prospects were a Good Value for the Price	Equal variances assumed	.003	.954	.383	247	.702	.077	.202	-.321	.476
	Equal variances not assumed			.381	164.472	.704	.077	.203	-.324	.479
Satisfaction with Working Relationship with Consignor	Equal variances assumed	1.247	.265	-.908	247	.365	-.215	.237	-.682	.252
	Equal variances not assumed			-.933	179.947	.352	-.215	.231	-.670	.240
Belief this Consignor was a Good Seller to do Business with	Equal variances assumed	.678	.411	.354	247	.724	.082	.232	-.374	.538
	Equal variances not assumed			.360	175.102	.719	.082	.228	-.367	.532
Count on the Consignor to be Sincere	Equal variances assumed	1.966	.162	-.093	247	.926	-.022	.236	-.488	.443
	Equal variances not assumed			-.096	179.023	.924	-.022	.230	-.477	.433
Suspicious of Consignor's Recommendations (reverse coded)	Equal variances assumed	1.363	.244	-.086	247	.932	-.021	.247	-.507	.465
	Equal variances not assumed			-.085	162.304	.932	-.021	.249	-.514	.471
Questioned Consignor's Integrity (reverse coded)	Equal variances assumed	.303	.582	.414	247	.679	.102	.246	-.383	.586
	Equal variances not assumed			.413	165.354	.680	.102	.247	-.386	.590
Worked Together with the Consignor	Equal variances assumed	.000	.991	-.126	247	.899	-.033	.260	-.545	.479
	Equal variances not assumed			-.125	163.026	.900	-.033	.262	-.551	.485
Trusted the Consignor Completely	Equal variances assumed	.983	.323	-1.772	247	.078	-.469	.264	-.989	.052
	Equal variances not assumed			-1.815	178.171	.071	-.469	.258	-.978	.041
Committed to the Relationship with this Consignor	Equal variances assumed	.705	.402	-.911	247	.363	-.241	.265	-.762	.280
	Equal variances not assumed			-.923	173.144	.358	-.241	.261	-.756	.274
Planned to Maintain the Relationship Indefinitely	Equal variances assumed	1.481	.225	-.581	247	.562	-.156	.268	-.684	.372
	Equal variances not assumed			-.593	176.954	.554	-.156	.263	-.674	.363
Relationship Deserved Maximum Effort to Maintain	Equal variances assumed	2.354	.126	-.781	247	.436	-.197	.252	-.693	.300
	Equal variances not assumed			-.803	180.611	.423	-.197	.245	-.680	.287
Cared about the Relationship Long-Term	Equal variances assumed	.642	.424	-.325	247	.746	-.089	.275	-.631	.453
	Equal variances not assumed			-.328	171.447	.743	-.089	.273	-.627	.449
Would have Paid the Same Regardless of the Consignor (reverse coded)	Equal variances assumed	.168	.682	.479	247	.632	.117	.243	-.363	.596
	Equal variances not assumed			.483	171.008	.629	.117	.241	-.360	.593
Would have been Willing to Pay a Premium for the Involvement of this Consignor	Equal variances assumed	.129	.719	-.421	247	.674	-.105	.250	-.598	.388
	Equal variances not assumed			-.422	167.829	.674	-.105	.250	-.599	.388
Future Intention to Consider Prospect Offerings from this Consignor	Equal variances assumed	.173	.678	-.145	247	.885	-.037	.256	-.542	.467
	Equal variances not assumed			-.147	171.348	.884	-.037	.254	-.538	.464
Impact of Consignor Recommendation	Equal variances assumed	3.188	.075	-.061	247	.952	-.019	.306	-.621	.584
	Equal variances			-.063	183.808	.950	-.019	.296	-.602	.564
Impact of Consignor's Involvement	Equal variances assumed	.247	.619	-.206	247	.837	-.059	.287	-.624	.505
	Equal variances not assumed			-.205	163.543	.838	-.059	.289	-.629	.511

Independent Samples T-Test for Randomly Drawn Sample Group 1

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Attitude toward Prospect's Lineage	Equal variances assumed	1.248	.266	-1.150	164	.252	-.301	.262	-.818	.216
	Equal variances not assumed			-1.150	159.352	.252	-.301	.262	-.818	.216
Attitude toward Prospect's Appearance	Equal variances assumed	.172	.679	-.888	164	.376	-.217	.244	-.699	.265
	Equal variances not assumed			-.888	163.310	.376	-.217	.244	-.699	.266
Attitude toward Prospect's Conformation	Equal variances assumed	.002	.967	-.557	164	.578	-.133	.238	-.602	.337
	Equal variances not assumed			-.557	163.778	.578	-.133	.238	-.602	.337
Attitude toward Prospect's Disposition	Equal variances assumed	.657	.419	-1.440	164	.152	-.349	.243	-.829	.130
	Equal variances not assumed			-1.440	163.549	.152	-.349	.243	-.829	.130
Attitude toward Prospect's Athletic Potential	Equal variances assumed	.671	.414	-1.469	164	.144	-.361	.246	-.847	.124
	Equal variances not assumed			-1.469	163.816	.144	-.361	.246	-.847	.124
Attitude toward Consignor's Reputation	Equal variances assumed	.357	.551	.361	164	.718	.084	.233	-.377	.545
	Equal variances not assumed			.361	162.607	.718	.084	.233	-.377	.545
Attitude toward Consignor's Abilities	Equal variances assumed	.362	.548	.000	164	1.000	.000	.247	-.488	.488
	Equal variances not assumed			.000	163.362	1.000	.000	.247	-.488	.488
Attitude toward Consignor's Involvement	Equal variances assumed	.411	.522	.632	164	.528	.169	.267	-.358	.695
	Equal variances not assumed			.632	163.758	.528	.169	.267	-.358	.695
Satisfaction with Consignor's Prospect Offerings	Equal variances assumed	2.763	.098	-.804	164	.422	-.181	.225	-.624	.263
	Equal variances not assumed			-.804	160.802	.422	-.181	.225	-.624	.263
Satisfaction with Consignor's Service Quality	Equal variances assumed	.153	.696	-.648	164	.518	-.157	.242	-.634	.320
	Equal variances not assumed			-.648	163.555	.518	-.157	.242	-.634	.320
Satisfaction that Prospects were a Good Value for the Price	Equal variances assumed	.132	.717	.000	164	1.000	.000	.234	-.463	.463
	Equal variances not assumed			.000	163.210	1.000	.000	.234	-.463	.463
Satisfaction with Working Relationship with Consignor	Equal variances assumed	1.926	.167	-.566	164	.572	-.157	.277	-.703	.390
	Equal variances not assumed			-.566	162.286	.572	-.157	.277	-.703	.390
Belief this Consignor was a Good Seller to do Business with	Equal variances assumed	.909	.342	-.937	164	.350	-.253	.270	-.786	.280
	Equal variances not assumed			-.937	163.637	.350	-.253	.270	-.786	.280
Count on the Consignor to be Sincere	Equal variances assumed	.016	.901	-.451	164	.653	-.120	.267	-.648	.408
	Equal variances not assumed			-.451	163.979	.653	-.120	.267	-.648	.408
Suspicious of Consignor's Recommendations (reverse coded)	Equal variances assumed	.433	.511	.477	164	.634	.133	.278	-.416	.681
	Equal variances not assumed			.477	163.070	.634	.133	.278	-.416	.681
Questioned Consignor's Integrity (reverse coded)	Equal variances assumed	.146	.702	.920	164	.359	.253	.275	-.290	.796
	Equal variances not assumed			.920	163.729	.359	.253	.275	-.290	.796
Worked Together with the Consignor	Equal variances assumed	.128	.721	-.446	164	.656	-.133	.297	-.719	.454
	Equal variances not assumed			-.446	163.994	.656	-.133	.297	-.719	.454
Trusted the Consignor Completely	Equal variances assumed	.748	.389	-1.009	164	.314	-.301	.298	-.890	.288
	Equal variances not assumed			-1.009	162.094	.314	-.301	.298	-.891	.288
Committed to the Relationship with this Consignor	Equal variances assumed	.077	.782	-.391	164	.696	-.120	.308	-.728	.487
	Equal variances not assumed			-.391	163.990	.696	-.120	.308	-.728	.487
Planned to Maintain the Relationship Indefinitely	Equal variances assumed	.262	.609	-1.097	164	.274	-.337	.308	-.945	.270
	Equal variances not assumed			-1.097	163.884	.274	-.337	.308	-.945	.270
Relationship Deserved Maximum Effort to Maintain	Equal variances assumed	.566	.453	-.641	164	.523	-.193	.301	-.787	.401
	Equal variances not assumed			-.641	163.665	.523	-.193	.301	-.787	.401
Cared about the Relationship Long-Term	Equal variances assumed	.035	.852	-.862	164	.390	-.277	.321	-.912	.358
	Equal variances not assumed			-.862	163.934	.390	-.277	.321	-.912	.358
Would have Paid the Same Regardless of the Consignor (reverse coded)	Equal variances assumed	.940	.334	-1.117	164	.266	-.313	.280	-.867	.241
	Equal variances not assumed			-1.117	162.517	.266	-.313	.280	-.867	.241
Would have been Willing to Pay a Premium for the Involvement of this Consignor	Equal variances assumed	.147	.701	-.250	164	.803	-.072	.289	-.643	.498
	Equal variances not assumed			-.250	163.648	.803	-.072	.289	-.643	.498
Future Intention to Consider Prospect Offerings from this Consignor	Equal variances assumed	.003	.955	-1.012	164	.313	-.289	.286	-.853	.275
	Equal variances not assumed			-1.012	163.998	.313	-.289	.286	-.853	.275
Impact of Consignor Recommendation	Equal variances assumed	.000	.988	.270	164	.788	.096	.358	-.610	.803
	Equal variances			.270	163.884	.788	.096	.358	-.610	.803
Impact of Consignor's Involvement	Equal variances assumed	.036	.850	.656	164	.513	.217	.331	-.436	.870
	Equal variances not assumed			.656	163.922	.513	.217	.331	-.436	.870

Independent Samples T-Test for Phone Survey Participants

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Attitude toward Prospe Athletic Potential	Equal variance assumed	1.578	.210	.047	277	.963	.013	.282	-.543	.569
	Equal variance not assumed			.060	43.220	.953	.013	.222	-.434	.461
Attitude toward Consignor's Abilities	Equal variance assumed	1.082	.299	-.567	277	.571	-.170	.300	-.760	.420
	Equal variance not assumed			-.628	38.689	.533	-.170	.270	-.717	.377
Satisfaction that Prospects were a Gooc Value for the Price	Equal variance assumed	1.824	.178	-.768	277	.443	-.220	.287	-.785	.344
	Equal variance not assumed			-.877	39.528	.386	-.220	.251	-.727	.287
Suspicious of Consignor's Recommendations (reverse coded)	Equal variance assumed	.612	.435	-.697	277	.486	-.247	.355	-.946	.451
	Equal variance not assumed			-.697	36.347	.490	-.247	.355	-.967	.472
Committed to the Relationship with this Consignor	Equal variance assumed	2.485	.116	-1.443	277	.150	-.543	.376	-1.284	.198
	Equal variance not assumed			-1.614	38.933	.115	-.543	.336	-1.223	.137
Would have been Willi to Pay a Premium for t Involvement of this Consignor	Equal variance assumed	.000	.996	-.828	277	.408	-.301	.363	-1.016	.414
	Equal variance not assumed			-.782	35.305	.440	-.301	.385	-1.082	.480

Means, Standard Deviations, Skewness and Kurtosis - All Items

Descriptive Statistics

	N	Mean	Std.	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Attitude toward Prospect's Lineage	249	5.11	1.644	-.735	.154	-.231	.307
Attitude toward Prospect's Appearance	249	5.37	1.537	-.960	.154	.301	.307
Attitude toward Prospect's Conformation	249	5.33	1.486	-.974	.154	.348	.307
Attitude toward Prospect's Disposition	249	5.13	1.567	-.786	.154	-.061	.307
Attitude toward Prospect's Athletic Potential	249	5.65	1.499	-1.460	.154	1.805	.307
Attitude toward Consignor's Reputation	249	5.36	1.507	-.839	.154	.273	.307
Attitude toward Consignor's Abilities	249	5.20	1.570	-.619	.154	-.324	.307
Attitude toward Consignor's Involvement	249	4.91	1.697	-.614	.154	-.429	.307
Satisfaction with Consignor's Prospect Offerings	249	5.11	1.401	-.512	.154	.150	.307
Satisfaction with Consignor's Service Quality	249	4.96	1.548	-.471	.154	-.331	.307
Satisfaction that Prospects were a Good Value for the Price	249	4.98	1.507	-.415	.154	-.348	.307
Satisfaction with Working Relationship with Consignor	249	4.69	1.768	-.405	.154	-.720	.307
Belief this Consignor was a Good Seller to do Business with	249	4.90	1.726	-.489	.154	-.636	.307
Count on the Consignor to be Sincere	249	4.77	1.760	-.475	.154	-.652	.307
Suspicious of Consignor's Recommendations (reverse coded)	249	2.82	1.837	.729	.154	-.578	.307
Questioned Consignor's Integrity (reverse coded)	249	2.67	1.832	.897	.154	-.224	.307
Worked Together with the Consignor	249	3.84	1.937	.040	.154	-1.009	.307
Trusted the Consignor Completely	249	3.92	1.981	.036	.154	-1.093	.307
Committed to the Relationship with this Consignor	249	3.26	1.973	.457	.154	-.957	.307
Planned to Maintain the Relationship Indefinitely	249	3.33	1.999	.406	.154	-1.050	.307
Relationship Deserved Maximum Effort to Maintain	249	3.05	1.879	.562	.154	-.684	.307
Cared about the Relationship Long-Term	249	3.36	2.049	.380	.154	-1.096	.307
Would have Paid the Same Regardless of the Consignor (reverse coded)	249	5.16	1.813	-.626	.154	-.712	.307
Would have been Willing to Pay a Premium for the Involvement of this Consignor	249	2.80	1.864	.747	.154	-.562	.307
Future Intention to Consider Prospect Offerings from this Consignor	249	4.59	1.907	-.524	.154	-.493	.307
Impact of Consignor Recommendation	249	2.63	2.279	.508	.154	-.989	.307
Impact of Consignor's Involvement	249	3.71	2.134	.156	.154	-1.352	.307
Valid N (listwise)	249						

Means, Standard Deviations, Skewness and Kurtosis - Final Items

Descriptive Statistics

	N	Mean	Std.	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Attitude toward Prospect's Appearance	249	5.37	1.537	-.960	.154	.301	.307
Attitude toward Prospect's Conformation	249	5.33	1.486	-.974	.154	.348	.307
Attitude toward Prospect's Athletic Potential	249	5.65	1.499	-1.460	.154	1.805	.307
Attitude toward Consignor's Reputation	249	5.36	1.507	-.839	.154	.273	.307
Attitude toward Consignor's Abilities	249	5.20	1.570	-.619	.154	-.324	.307
Satisfaction with Consignor's Prospect Offerings	249	5.11	1.401	-.512	.154	.150	.307
Satisfaction with Consignor's Service Quality	249	4.96	1.548	-.471	.154	-.331	.307
Satisfaction that Prospects were a Good Value for the Price	249	4.98	1.507	-.415	.154	-.348	.307
Suspicious of Consignor's Recommendations (reverse coded)	249	2.82	1.837	.729	.154	-.578	.307
Questioned Consignor's Integrity (reverse coded)	249	2.67	1.832	.897	.154	-.224	.307
Committed to the Relationship with this Consignor	249	3.26	1.973	.457	.154	-.957	.307
Planned to Maintain the Relationship Indefinitely	249	3.33	1.999	.406	.154	-1.050	.307
Relationship Deserved Maximum Effort to Maintain	249	3.05	1.879	.562	.154	-.684	.307
Cared about the Relationship Long-Term	249	3.36	2.049	.380	.154	-1.096	.307
Would have been Willing to Pay a Premium for the Involvement of this Consignor	249	2.80	1.864	.747	.154	-.562	.307
Impact of Consignor Recommendation	249	2.63	2.279	.508	.154	-.989	.307
Impact of Consignor's Involvement	249	3.71	2.134	.156	.154	-1.352	.307
Valid N (listwise)	249						

Range - All Items

Descriptive Statistics

	N	Minimum	Maximum	Mean
Attitude toward Prospect's Lineage	249	1	7	5.11
Attitude toward Prospect's Appearance	249	1	7	5.37
Attitude toward Prospect's Conformation	249	1	7	5.33
Attitude toward Prospect's Disposition	249	1	7	5.13
Attitude toward Prospect's Athletic Potential	249	1	7	5.65
Attitude toward Consignor's Reputation	249	1	7	5.36
Attitude toward Consignor's Abilities	249	1	7	5.20
Attitude toward Consignor's Involvement	249	1	7	4.91
Satisfaction with Consignor's Prospect Offerings	249	1	7	5.11
Satisfaction with Consignor's Service Quality	249	1	7	4.96
Satisfaction that Prospects were a Good Value for the Price	249	1	7	4.98
Satisfaction with Working Relationship with Consignor	249	1	7	4.69
Belief this Consignor was a Good Seller to do Business with	249	1	7	4.90
Count on the Consignor to be Sincere	249	1	7	4.77
Suspicious of Consignor's Recommendations (reverse coded)	249	1	7	2.82
Questioned Consignor's Integrity (reverse coded)	249	1	7	2.67
Worked Together with the Consignor	249	1	7	3.84
Trusted the Consignor Completely	249	1	7	3.92
Committed to the Relationship with this Consignor	249	1	7	3.26
Planned to Maintain the Relationship Indefinitely	249	1	7	3.33
Relationship Deserved Maximum Effort to Maintain	249	1	7	3.05
Cared about the Relationship Long-Term	249	1	7	3.36
Would have Paid the Same Regardless of the Consignor (reverse coded)	249	1	7	5.16
Would have been Willing to Pay a Premium for the Involvement of this Consignor	249	1	7	2.80
Future Intention to Consider Prospect Offerings from this Consignor	249	0	7	4.59
Impact of Consignor Recommendation	249	0	7	2.63
Impact of Consignor's Involvement	249	1	7	3.71
Valid N (listwise)	249			

Range - Final Items

Descriptive Statistics

	N	Minimum	Maximum	Mean
Attitude toward Prospect's Appearance	249	1	7	5.37
Attitude toward Prospect's Conformation	249	1	7	5.33
Attitude toward Prospect's Athletic Potential	249	1	7	5.65
Attitude toward Consignor's Reputation	249	1	7	5.36
Attitude toward Consignor's Abilities	249	1	7	5.20
Satisfaction with Consignor's Prospect Offerings	249	1	7	5.11
Satisfaction with Consignor's Service Quality	249	1	7	4.96
Satisfaction that Prospects were a Good Value for the Price	249	1	7	4.98
Suspicious of Consignor's Recommendations (reverse coded)	249	1	7	2.82
Questioned Consignor's Integrity (reverse coded)	249	1	7	2.67
Committed to the Relationship with this Consignor	249	1	7	3.26
Planned to Maintain the Relationship Indefinitely	249	1	7	3.33
Relationship Deserved Maximum Effort to Maintain	249	1	7	3.05
Cared about the Relationship Long-Term	249	1	7	3.36
Would have been Willing to Pay a Premium for the Involvement of this Consignor	249	1	7	2.80
Impact of Consignor Recommendation	249	0	7	2.63
Impact of Consignor's Involvement	249	1	7	3.71
Valid N (listwise)	249			

Tests of Normality

Tests of Normality

	Kolmogorov-Smirnov [a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Attitude toward Prospect's Lineage	.196	249	.000	.895	249	.000
Attitude toward Prospect's Appearance	.214	249	.000	.869	249	.000
Attitude toward Prospect's Conformation	.239	249	.000	.871	249	.000
Attitude toward Prospect's Disposition	.208	249	.000	.896	249	.000
Attitude toward Prospect's Athletic Potential	.268	249	.000	.799	249	.000
Attitude toward Consignor's Reputation	.198	249	.000	.877	249	.000
Attitude toward Consignor's Abilities	.177	249	.000	.897	249	.000
Attitude toward Consignor's Involvement	.193	249	.000	.904	249	.000
Satisfaction with Consignor's Prospect Offerings	.167	249	.000	.903	249	.000
Satisfaction with Consignor's Service Quality	.152	249	.000	.922	249	.000
Satisfaction that Prospects were a Good Value for the Price	.168	249	.000	.916	249	.000
Satisfaction with Working Relationship with Consignor	.156	249	.000	.919	249	.000
Belief this Consignor was a Good Seller to do Business with	.168	249	.000	.910	249	.000
Count on the Consignor to be Sincere	.155	249	.000	.915	249	.000
Suspicious of Consignor's Recommendations (reverse coded)	.210	249	.000	.858	249	.000
Questioned Consignor's Integrity (reverse coded)	.217	249	.000	.833	249	.000
Worked Together with the Consignor	.144	249	.000	.917	249	.000
Trusted the Consignor Completely	.138	249	.000	.915	249	.000
Committed to the Relationship with this Consignor	.168	249	.000	.890	249	.000
Planned to Maintain the Relationship Indefinitely	.152	249	.000	.893	249	.000
Relationship Deserved Maximum Effort to Maintain	.175	249	.000	.880	249	.000
Cared about the Relationship Long-Term	.160	249	.000	.885	249	.000
Would have Paid the Same Regardless of the Consignor (reverse coded)	.198	249	.000	.865	249	.000
Would have been Willing to Pay a Premium for the Involvement of this Consignor	.204	249	.000	.849	249	.000
Impact of Consignor Recommendation	.185	249	.000	.892	249	.000
Impact of Consignor's Involvement	.146	249	.000	.891	249	.000

a. Lilliefors Significance Correction

APPENDIX G

INITIAL MEASUREMENT MODEL MODIFICATION INDICES

Initial Modification Indices (MI) - Covariances: (Group number 1 - Default model)

Regression Weights: (Group number 1 - Default model)

			M.I.	Par Change
FI	<---	ATH	14.966	.485
FI	<---	SATISF	38.655	.715
FI	<---	TRST	18.440	.437
FI	<---	ATC	30.661	.498
FI	<---	PAYSAME	26.430	.325
FI	<---	SAT5	37.609	.408
FI	<---	SAT4	30.175	.356
FI	<---	SAT3	24.856	.379
FI	<---	SAT2	30.052	.406
FI	<---	SAT1	26.428	.421
FI	<---	TRUST5	11.030	.192
FI	<---	TRUST4	13.398	.246
FI	<---	TRUST3	12.504	-.161
FI	<---	TRUST2	15.348	-.158
FI	<---	TRUST1	26.476	.380
FI	<---	CON3	20.393	.305
FI	<---	CON2	25.010	.365
FI	<---	CON1	34.308	.446
FI	<---	HORSE5	11.742	.262
FI	<---	HORSE4	14.300	.277
FI	<---	HORSE2	11.450	.252
CONIMPAC	<---	CON3	20.257	.250
AFFECT	<---	FI	11.295	-.206
PAYSAME	<---	ATH	11.275	.394
PAYSAME	<---	SATISF	21.664	.502
PAYSAME	<---	ATC	24.581	.417
PAYSAME	<---	FI	27.553	.296
PAYSAME	<---	SAT5	18.947	.271
PAYSAME	<---	SAT3	20.245	.321
PAYSAME	<---	SAT2	20.600	.315
PAYSAME	<---	SAT1	12.982	.276
PAYSAME	<---	TRUST1	18.815	.300
PAYSAME	<---	CON3	16.273	.255
PAYSAME	<---	CON2	24.563	.339

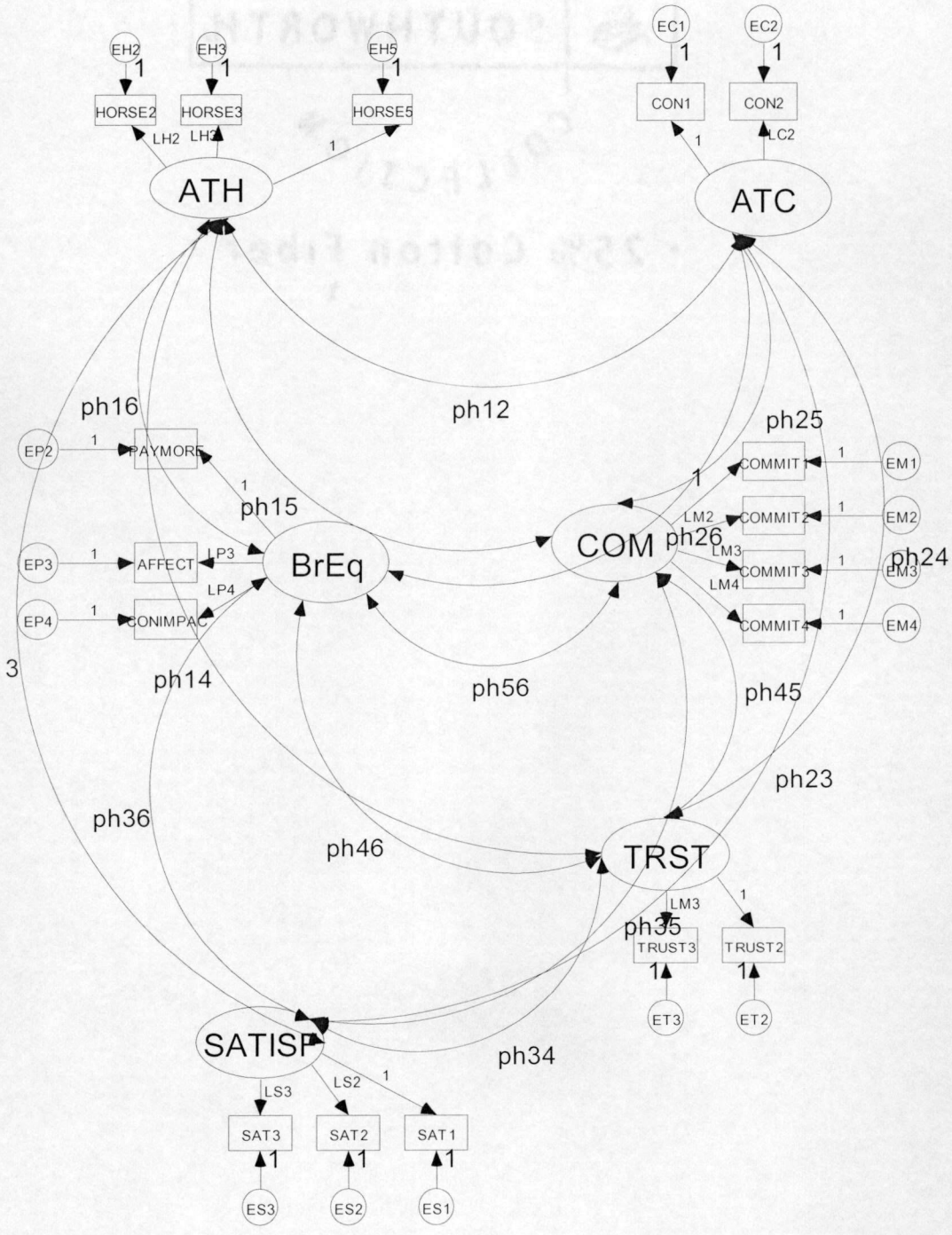
			M.I.	Par Change
PAYSAME	<---	CON1	23.808	.348
PAYSAME	<---	HORSE1	11.053	.217
SAT4	<---	COM	10.615	.111
SAT4	<---	COMMIT3	13.825	.139
SAT4	<---	COMMIT2	10.396	.107
SAT4	<---	COMMIT1	11.692	.107
SAT3	<---	SAT1	17.946	.202
SAT2	<---	SAT1	10.466	.126
SAT1	<---	SAT3	17.523	.174
TRUST4	<---	BrEq	25.010	.334
TRUST4	<---	SATISF	14.369	.300
TRUST4	<---	TRST	22.569	.332
TRUST4	<---	COM	23.813	.204
TRUST4	<---	AFFECT	18.404	.149
TRUST4	<---	PAYMORE	18.815	.184
TRUST4	<---	SAT5	14.865	.176
TRUST4	<---	SAT4	11.380	.151
TRUST4	<---	SAT2	11.462	.173
TRUST4	<---	TRUST5	28.446	.213
TRUST4	<---	TRUST1	17.870	.215
TRUST4	<---	COMMIT4	18.906	.163
TRUST4	<---	COMMIT3	25.380	.231
TRUST4	<---	COMMIT2	21.283	.189
TRUST4	<---	COMMIT1	20.446	.173
TRUST4	<---	CON3	12.186	.162
TRUST3	<---	BrEq	88.070	-1.207
TRUST3	<---	SATISF	162.309	-1.943
TRUST3	<---	TRST	155.102	-1.681
TRUST3	<---	COM	89.811	-.763
TRUST3	<---	ATC	148.092	-1.450
TRUST3	<---	FI	61.587	-.626
TRUST3	<---	CONIMPAC	49.903	-.503
TRUST3	<---	AFFECT	15.931	-.266
TRUST3	<---	PAYMORE	26.913	-.423
TRUST3	<---	SAT5	135.994	-1.027
TRUST3	<---	SAT4	98.675	-.854
TRUST3	<---	SAT3	97.768	-.998
TRUST3	<---	SAT2	124.934	-1.097

			M.I.	Par Change
TRUST3	<---	SAT1	83.209	-.990
TRUST3	<---	TRUST5	127.850	-.868
TRUST3	<---	TRUST4	116.836	-.962
TRUST3	<---	TRUST2	77.454	.472
TRUST3	<---	TRUST1	192.042	-1.357
TRUST3	<---	COMMIT4	82.089	-.653
TRUST3	<---	COMMIT3	61.102	-.691
TRUST3	<---	COMMIT2	78.249	-.697
TRUST3	<---	COMMIT1	64.693	-.593
TRUST3	<---	CON3	119.280	-.978
TRUST3	<---	CON2	125.182	-1.083
TRUST3	<---	CON1	116.587	-1.089
TRUST3	<---	HORSE4	14.567	-.370
TRUST2	<---	BrEq	101.759	-1.422
TRUST2	<---	SATISF	177.668	-2.229
TRUST2	<---	TRST	173.980	-1.952
TRUST2	<---	COM	102.344	-.893
TRUST2	<---	ATC	156.944	-1.637
TRUST2	<---	FI	78.358	-.774
TRUST2	<---	CONIMPAC	55.983	-.585
TRUST2	<---	AFFECT	20.582	-.332
TRUST2	<---	PAYMORE	32.826	-.512
TRUST2	<---	SAT5	153.648	-1.197
TRUST2	<---	SAT4	115.327	-1.013
TRUST2	<---	SAT3	97.897	-1.095
TRUST2	<---	SAT2	128.115	-1.219
TRUST2	<---	SAT1	88.709	-1.121
TRUST2	<---	TRUST5	138.201	-.989
TRUST2	<---	TRUST4	142.149	-1.164
TRUST2	<---	TRUST3	93.714	.639
TRUST2	<---	TRUST1	207.719	-1.548
TRUST2	<---	COMMIT4	93.518	-.764
TRUST2	<---	COMMIT3	66.167	-.789
TRUST2	<---	COMMIT2	89.352	-.816
TRUST2	<---	COMMIT1	74.218	-.696
TRUST2	<---	CON3	121.466	-1.083
TRUST2	<---	CON2	131.465	-1.217
TRUST2	<---	CON1	125.330	-1.238

			M.I.	Par Change
TRUST2	<---	HORSE4	13.702	-.394
TRUST1	<---	SATISF	44.395	.454
TRUST1	<---	TRST	23.040	.289
TRUST1	<---	ATC	43.904	.353
TRUST1	<---	FI	13.065	.129
TRUST1	<---	SAT5	46.042	.267
TRUST1	<---	SAT4	26.837	.199
TRUST1	<---	SAT3	32.171	.256
TRUST1	<---	SAT2	40.410	.279
TRUST1	<---	SAT1	22.431	.230
TRUST1	<---	TRUST5	26.207	.176
TRUST1	<---	TRUST4	17.092	.165
TRUST1	<---	TRUST3	30.643	-.149
TRUST1	<---	TRUST2	25.889	-.122
TRUST1	<---	CON3	28.815	.215
TRUST1	<---	CON2	40.377	.275
TRUST1	<---	CON1	40.728	.288
COMMIT4	<---	AFFECT	16.010	-.090
COMMIT3	<---	COM	11.087	.120
COMMIT3	<---	AFFECT	10.008	.095
COMMIT3	<---	COMMIT2	13.517	.130
COMMIT3	<---	COMMIT1	10.078	.105
CON3	<---	BrEq	12.491	.175
CON3	<---	CONIMPAC	23.701	.133
CON3	<---	TRUST4	10.054	.108
HORSE4	<---	SATISF	17.372	.292
HORSE4	<---	TRST	13.396	.227
HORSE4	<---	ATC	20.230	.246
HORSE4	<---	SAT5	11.331	.136
HORSE4	<---	SAT4	14.728	.152
HORSE4	<---	SAT3	15.021	.180
HORSE4	<---	SAT2	17.821	.190
HORSE4	<---	TRUST1	13.695	.167
HORSE4	<---	CON3	11.426	.139
HORSE4	<---	CON2	18.221	.190
HORSE4	<---	CON1	23.864	.226

APPENDIX H

FINAL MEASUREMENT MODEL AND RESULTS


EH2
EH3
EH5
HORSE2
HORSE3
HORSE5
LH2
LH3
ATH
EC1
EC2
CON1
CON2
LC2
ATC
ph16
ph12
ph25
EP2
PAYMORE
ph15
EP3
AFFECT
LP3
BrEq
COM
ph26
ph24
EP4
CONIMPAC
LP4
COMMIT1
COMMIT2
COMMIT3
COMMIT4
EM1
EM2
EM3
EM4
LM2
LM3
LM4
3
ph14
ph56
ph45
ph23
ph36
ph46
TRST
ph35
TRUST3
TRUST2
ET3
ET2
SATISP
ph34
LS3
LS2
SAT3
SAT2
SAT1
ES3
ES2
ES1

Variable Summary (Group number 1)

Your model contains the following variables (Group number 1)

Observed, endogenous variables
HORSE2
HORSE3
HORSE5
CON1
CON2
COMMIT1
COMMIT2
COMMIT3
COMMIT4
TRUST2
TRUST3
SAT1
SAT2
SAT3
PAYMORE
AFFECT
CONIMPAC
Unobserved, exogenous variables
EH2
EH3
EH5
ATC
EC1
EC2
COM
EM1
EM2
EM3
EM4
TRST
ET2
ET3
SATISF
ES1
ES2
ES3
BrEq
EP2
ATH

EP3
EP4

Variable counts (Group number 1)

Number of variables in your model:	40
Number of observed variables:	17
Number of unobserved variables:	23
Number of exogenous variables:	23
Number of endogenous variables:	17

Parameter summary (Group number 1)

	Weights	Covariances	Variances	Means	Intercepts	Total
Fixed	23	0	0	0	0	23
Labeled	11	15	0	0	0	26
Unlabeled	0	0	23	0	0	23
Total	34	15	23	0	0	72

Assessment of normality (Group number 1)

Variable	min	max	skew	c.r.	kurtosis	c.r.
CONIMPAC	1.000	7.000	.155	1.001	-1.349	-4.345
AFFECT	.000	7.000	.505	3.255	-.993	-3.199
PAYMORE	1.000	7.000	.743	4.785	-.575	-1.852
SAT3	1.000	7.000	-.412	-2.657	-.365	-1.174
SAT2	1.000	7.000	-.468	-3.017	-.348	-1.122
SAT1	1.000	7.000	-.509	-3.280	.123	.397
TRUST3	1.000	7.000	.892	5.746	-.244	-.785
TRUST2	1.000	7.000	.725	4.670	-.591	-1.902
COMMIT4	1.000	7.000	.377	2.430	-1.099	-3.538
COMMIT3	1.000	7.000	.559	3.600	-.695	-2.238
COMMIT2	1.000	7.000	.404	2.600	-1.053	-3.390
COMMIT1	1.000	7.000	.454	2.925	-.962	-3.099
CON2	1.000	7.000	-.616	-3.966	-.341	-1.099
CON1	1.000	7.000	-.834	-5.371	.244	.785
HORSE5	1.000	7.000	-1.451	-9.348	1.745	5.621

Variable	min	max	skew	c.r.	kurtosis	c.r.
HORSE3	1.000	7.000	-.968	-6.236	.317	1.020
HORSE2	1.000	7.000	-.954	-6.148	.271	.871
Multivariate					75.365	23.395

Observations farthest from the centroid (Mahalanobis distance) (Group number 1)

Observation number	Mahalanobis d-squared	p1	p2
235	84.521	.000	.000
67	65.981	.000	.000
28	56.045	.000	.000
162	43.171	.000	.000
193	42.979	.000	.000
114	41.249	.001	.000
33	40.775	.001	.000
98	39.624	.001	.000
223	39.000	.002	.000
207	37.746	.003	.000
116	37.644	.003	.000
50	37.516	.003	.000
188	37.242	.003	.000
246	36.535	.004	.000
159	36.530	.004	.000
57	36.452	.004	.000
21	35.756	.005	.000
144	34.621	.007	.000
125	33.719	.009	.000
47	32.373	.014	.000
210	31.637	.017	.000
4	30.945	.020	.000
211	30.443	.023	.000
151	30.194	.025	.000
58	29.670	.029	.000
228	29.520	.030	.000
1	28.926	.035	.000
82	28.484	.040	.000
79	28.151	.043	.000
226	27.125	.056	.000

Observation number	Mahalanobis d-squared	p1	p2
171	27.117	.056	.000
132	27.025	.058	.000
217	26.869	.060	.000
62	26.812	.061	.000
70	26.633	.064	.000
192	26.025	.074	.000
65	25.993	.075	.000
91	25.556	.083	.000
198	25.549	.083	.000
154	25.058	.093	.001
61	25.055	.093	.000
15	24.917	.097	.000
78	24.915	.097	.000
147	24.414	.109	.001
111	24.391	.109	.001
13	23.830	.124	.004
31	23.793	.125	.003
205	23.660	.129	.003
179	23.566	.132	.003
187	23.538	.133	.002
245	23.399	.137	.002
39	23.014	.149	.007
170	22.736	.158	.013
131	22.305	.173	.044
56	21.865	.190	.124
32	21.709	.196	.145
191	21.596	.201	.152
23	20.996	.226	.428
208	20.954	.228	.398
242	20.708	.240	.505
156	20.318	.258	.707
74	20.258	.261	.692
231	20.176	.265	.693
22	19.844	.282	.830
89	19.809	.284	.809
166	19.808	.284	.768
19	19.767	.286	.747
241	19.672	.291	.758

Observation number	Mahalanobis d-squared	p1	p2
239	19.626	.294	.740
236	19.424	.305	.810
134	19.253	.314	.855
216	19.171	.319	.858
9	19.062	.325	.873
150	18.909	.334	.903
224	18.856	.337	.897
155	18.734	.344	.913
127	18.698	.346	.902
69	18.663	.348	.890
202	18.515	.357	.917
76	18.489	.359	.903
141	18.432	.362	.899
18	18.253	.373	.933
136	18.104	.382	.952
161	18.033	.387	.953
212	18.009	.388	.944
14	17.878	.397	.958
145	17.876	.397	.945
80	17.418	.426	.992
221	17.413	.427	.989
17	17.348	.431	.989
119	17.145	.445	.995
215	17.141	.445	.993
87	17.096	.448	.993
30	17.008	.454	.994
86	16.883	.462	.996
90	16.876	.463	.994
35	16.836	.466	.993
120	16.741	.472	.995
103	16.583	.483	.997
240	16.533	.486	.997

Estimates (Group number 1 - Default model)

Scalar Estimates (Group number 1 - Default model)

Maximum Likelihood Estimates

Regression Weights: (Group number 1 - Default model)

		Estimate	S.E.	C.R.	P	Label
CON1	<--- ATC	1.000				
CON2	<--- ATC	1.121	.053	21.029	***	LC2
COMMIT1	<--- COM	1.000				
COMMIT2	<--- COM	1.078	.036	30.317	***	LM2
COMMIT3	<--- COM	.937	.033	28.467	***	LM3
COMMIT4	<--- COM	1.087	.038	28.472	***	LM4
TRUST2	<--- TRST	1.000				
TRUST3	<--- TRST	.937	.033	28.467	***	LM3
SAT1	<--- SATISF	1.000				
SAT2	<--- SATISF	1.198	.073	16.498	***	LS2
SAT3	<--- SATISF	1.047	.073	14.372	***	LS3
PAYMORE	<--- BrEq	1.000				
HORSE5	<--- ATH	1.000				
HORSE3	<--- ATH	.956	.052	18.543	***	LH3
HORSE2	<--- ATH	1.048	.052	20.223	***	LH2
AFFECT	<--- BrEq	1.208	.140	8.657	***	LP3
CONIMPAC	<--- BrEq	1.420	.141	10.081	***	LP4

Standardized Regression Weights: (Group number 1 - Default model)

		Estimate
CON1	<--- ATC	.885
CON2	<--- ATC	.953
COMMIT1	<--- COM	.917
COMMIT2	<--- COM	.958
COMMIT3	<--- COM	.857
COMMIT4	<--- COM	.942
TRUST2	<--- TRST	.947
TRUST3	<--- TRST	.917
SAT1	<--- SATISF	.823
SAT2	<--- SATISF	.893
SAT3	<--- SATISF	.802
PAYMORE	<--- BrEq	.663
HORSE5	<--- ATH	.893
HORSE3	<--- ATH	.861
HORSE2	<--- ATH	.913
AFFECT	<--- BrEq	.655

	Estimate
CONIMPAC <--- BrEq	.822

Covariances: (Group number 1 - Default model)

		Estimate	S.E.	C.R.	P	Label
ATC	<--> COM	1.441	.192	7.491	***	ph25
ATC	<--> TRST	-1.537	.196	-7.860	***	ph24
ATC	<--> SATISF	1.215	.147	8.242	***	ph23
ATC	<--> BrEq	.973	.158	6.154	***	ph26
COM	<--> TRST	-1.236	.226	-5.465	***	ph45
COM	<--> SATISF	1.189	.169	7.045	***	ph35
COM	<--> BrEq	1.678	.231	7.253	***	ph56
TRST	<--> SATISF	-1.328	.174	-7.622	***	ph34
TRST	<--> BrEq	-.669	.174	-3.850	***	ph46
SATISF	<--> BrEq	.762	.135	5.654	***	ph36
ATC	<--> ATH	.316	.124	2.544	.011	ph12
COM	<--> ATH	.277	.161	1.727	.084	ph15
TRST	<--> ATH	-.220	.161	-1.363	.173	ph14
BrEq	<--> ATH	-.013	.123	-.108	.914	ph16
SATISF	<--> ATH	.442	.114	3.883	***	ph13

Correlations: (Group number 1 - Default model)

		Estimate
ATC	<--> COM	.610
ATC	<--> TRST	-.657
ATC	<--> SATISF	.792
ATC	<--> BrEq	.592
COM	<--> TRST	-.397
COM	<--> SATISF	.583
COM	<--> BrEq	.768
TRST	<--> SATISF	-.657
TRST	<--> BrEq	-.309
SATISF	<--> BrEq	.537
ATC	<--> ATH	.178
COM	<--> ATH	.117
TRST	<--> ATH	-.094
BrEq	<--> ATH	-.008
SATISF	<--> ATH	.287

Variances: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
ATC	1.774	.205	8.649	***	
COM	3.139	.326	9.638	***	
TRST	3.088	.314	9.843	***	
SATISF	1.325	.172	7.683	***	
BrEq	1.520	.280	5.428	***	
ATH	1.784	.203	8.779	***	
EH2	.393	.066	5.938	***	
EH3	.569	.069	8.211	***	
EH5	.453	.065	6.939	***	
EC1	.489	.068	7.198	***	
EC2	.225	.068	3.289	.001	
EM1	.597	.067	8.964	***	
EM2	.328	.051	6.465	***	
EM3	.997	.099	10.030	***	
EM4	.474	.061	7.782	***	
ET2	.358	.107	3.353	***	
ET3	.514	.101	5.114	***	
ES1	.630	.073	8.633	***	
ES2	.485	.075	6.494	***	
ES3	.807	.090	9.012	***	
EP2	1.941	.206	9.405	***	
EP3	2.955	.312	9.481	***	
EP4	1.470	.231	6.367	***	

Modification Indices (Group number 1 - Default model)

Covariances: (Group number 1 - Default model)

	M.I.	Par Change

Variances: (Group number 1 - Default model)

	M.I.	Par Change

Regression Weights: (Group number 1 - Default model)

	M.I.	Par Change
COMMIT1 <--- AFFECT	13.112	.086

Minimization History (Default model)

Iteration		Negative eigenvalues	Condition #	Smallest eigenvalue	Diameter	F	NTries	Ratio
0	e	18		-.809	9999.000	3761.292	0	9999.000
1	e	23		-.628	2.483	2282.346	19	.530
2	e	17		-.892	.766	1597.608	5	.989
3	e*	11		-.518	.497	1188.835	4	.877
4	e*	3		-.332	.771	656.383	5	.904
5	e	0	300.693		.612	341.643	5	.907
6	e	0	395.659		.973	261.793	2	.000
7	e	0	284.046		.313	190.122	1	1.153
8	e	0	289.292		.126	179.759	1	1.135
9	e	0	292.761		.032	179.140	1	1.049
10	e	0	304.300		.003	179.136	1	1.005
11	e	0	306.643		.000	179.136	1	1.000

Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	48	179.136	105	.000	1.706
Meas Test Model	33	595.032	120	.000	4.959

Model	NPAR	CMIN	DF	P	CMIN/DF
Saturated model	153	.000	0		
Independence model	17	3680.981	136	.000	27.066

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.144	.920	.884	.632
Meas Test Model	1.176	.805	.751	.631
Saturated model	.000	1.000		
Independence model	1.340	.245	.151	.218

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.951	.937	.979	.973	.979
Meas Test Model	.838	.817	.867	.848	.866
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.772	.734	.756
Meas Test Model	.882	.740	.764
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Default model	74.136	40.998	115.150
Meas Test Model	475.032	402.662	554.926
Saturated model	.000	.000	.000
Independence model	3544.981	3350.815	3746.440

FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	.722	.299	.165	.464

Model	FMIN	F0	LO 90	HI 90
Meas Test Model	2.399	1.915	1.624	2.238
Saturated model	.000	.000	.000	.000
Independence model	14.843	14.294	13.511	15.107

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.053	.040	.066	.327
Meas Test Model	.126	.116	.137	.000
Independence model	.324	.315	.333	.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	275.136	282.649	443.974	491.974
Meas Test Model	661.032	666.197	777.108	810.108
Saturated model	306.000	329.948	844.170	997.170
Independence model	3714.981	3717.642	3774.778	3791.778

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	1.109	.976	1.275	1.140
Meas Test Model	2.665	2.374	2.988	2.686
Saturated model	1.234	1.234	1.234	1.330
Independence model	14.980	14.197	15.792	14.990

HOELTER

Model	HOELTER .05	HOELTER .01
Default model	180	197
Meas Test Model	62	67
Independence model	12	12

Nested Model Comparisons: Assuming model Default model to be correct:

Model	DF	CMIN	P	NFI Delta-1	IFI Delta-2	RFI rho-1	TLI rho2
Meas Test Model	15	415.895	.000	.113	.116	.120	.125

APPENDIX I

RELIABILITY TESTS

Calculated Reliabilities Using Cronbach's Alpha

Buyer Attitude toward the Horse

Reliability Statistics

Cronbach's Alpha	N of Items
.919	3

Buyer Attitude toward the Consignor (N/A - 2 Items)

Satisfaction

Reliability Statistics

Cronbach's Alpha	N of Items
.880	3

Trust (N/A - 2 Items)

Commitment

Reliability Statistics

Cronbach's Alpha	N of Items
.955	4

Relationship Quality

Reliability Statistics

Cronbach's Alpha	N of Items
.909	9

Brand Equity

Reliability Statistics

Cronbach's Alpha	N of Items
.759	3

Calculated Reliabilities Using Garver and Mentzer Formulae

Item	Lambda (ABS)	Lambda squared	Meas Error	Construct Reliability	Variance Extracted
HORSE2	0.913	0.834	0.166		
HORSE3	0.861	0.741	0.259		
HORSE5	0.893	0.797	0.203		
ATH	2.667	2.372	0.628	0.919	0.791
CON1	0.885	0.783	0.217		
CON2	0.953	0.908	0.092		
ATC	1.838	1.691	0.309	0.916	0.846
SAT1	0.823	0.677	0.323		
SAT2	0.893	0.797	0.203		
SAT3	0.802	0.643	0.357		
SATIS	2.518	2.118	0.882	0.878	0.706
TRUST2	0.947	0.897	0.103		
TRUST3	0.917	0.841	0.159		
TRST	1.864	1.738	0.262	0.930	0.869
COMMIT1	0.917	0.841	0.159		
COMMIT2	0.958	0.918	0.082		
COMMIT3	0.857	0.734	0.266		
COMMIT4	0.942	0.887	0.113		
COM	3.674	3.380	0.620	0.956	0.845
PAYMORE	0.663	0.440	0.560		
AFFECT	0.655	0.429	0.571		
CONIMPAC	0.822	0.676	0.324		
BREQ	2.140	1.544	1.456	0.759	0.515

APPENDIX J

DISCRIMINANT AND CONVERGENT VALIDITY TESTS

Total Variance Explained

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.437	43.748	43.748	3.682	21.657	21.657
2	2.697	15.863	59.611	2.641	15.537	37.194
3	2.075	12.206	71.817	2.458	14.461	51.655
4	.855	5.027	76.844	2.113	12.429	64.084
5	.816	4.803	81.646	1.905	11.205	75.288
6	.632	3.719	85.366	1.713	10.077	85.366
7	.511	3.008	88.374			
8	.337	1.980	90.354			
9	.299	1.757	92.111			
10	.256	1.507	93.618			
11	.239	1.406	95.024			
12	.201	1.183	96.207			
13	.173	1.017	97.224			
14	.146	.859	98.083			
15	.130	.765	98.848			
16	.112	.660	99.509			
17	.084	.491	100.000			

Extraction Method: Principal Component Analysis.

Rotated Component Matrix[a]

	Component					
	1	2	3	4	5	6
Attitude toward Prospect's Appearance		.925				
Attitude toward Prospect's Conformation		.915				
Attitude toward Prospect's Athletic Potential		.922				
Attitude toward Consignor's Reputation						.751
Attitude toward Consignor's Abilities						.732
Satisfaction with Consignor's Prospect Offerings			.839			
Satisfaction with Consignor's Service Quality			.678			
Satisfaction that Prospects were a Good Value for the Price			.821			
Suspicious of Consignor's Recommendations (reverse coded)				-.895		
Questioned Consignor's Integrity (reverse coded)				-.888		
Committed to the Relationship with this Consignor	.836					
Planned to Maintain the Relationship Indefinitely	.875					
Relationship Deserved Maximum Effort to Maintain	.854					
Cared about the Relationship Long-Term	.874					
Would have been Willing to Pay a Premium for the Involvement of this Consignor					.684	
Impact of Consignor Recommendation					.839	
Impact of Consignor's Involvement					.626	

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 7 iterations.

Paired Construct Validity Check

Rotated Component Matrix[a]

	Component	
	1	2
Attitude toward Prospect's Appearance	.932	
Attitude toward Prospect's Conformation	.912	
Attitude toward Prospect's Athletic Potential	.929	
Attitude toward Consignor's Reputation		.960
Attitude toward Consignor's Abilities		.955

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Attitude toward Prospect's Appearance	.924	
Attitude toward Prospect's Conformation	.912	
Attitude toward Prospect's Athletic Potential	.923	
Satisfaction with Consignor's Prospect Offerings		.896
Satisfaction with Consignor's Service Quality		.887
Satisfaction that Prospects were a Good Value for the Price		.891

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Attitude toward Prospect's Appearance	.935	
Attitude toward Prospect's Conformation	.917	
Attitude toward Prospect's Athletic Potential	.927	
Suspicious of Consignor's Recommendations (reverse coded)		.966
Questioned Consignor's Integrity (reverse coded)		.966

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Attitude toward Prospect's Appearance		.934
Attitude toward Prospect's Conformation		.916
Attitude toward Prospect's Athletic Potential		.929
Committed to the Relationship with this Consignor	.942	
Planned to Maintain the Relationship Indefinitely	.956	
Relationship Deserved Maximum Effort to Maintain	.901	
Cared about the Relationship Long-Term	.948	

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Attitude toward Prospect's Appearance	.934	
Attitude toward Prospect's Conformation	.917	
Attitude toward Prospect's Athletic Potential	.929	
Would have been Willing to Pay a Premium for the Involvement of this Consignor		.800
Impact of Consignor Recommendation		.827
Impact of Consignor's Involvement		.840

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Attitude toward Consignor's Reputation		.898
Attitude toward Consignor's Abilities		.889
Satisfaction with Consignor's Prospect Offerings	.858	
Satisfaction with Consignor's Service Quality	.734	
Satisfaction that Prospects were a Good Value for the Price	.864	

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Attitude toward Consignor's Reputation		.904
Attitude toward Consignor's Abilities		.910
Suspicious of Consignor's Recommendations (reverse coded)	.913	
Questioned Consignor's Integrity (reverse coded)	.914	

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Attitude toward Consignor's Reputation		.939
Attitude toward Consignor's Abilities		.901
Committed to the Relationship with this Consignor	.893	
Planned to Maintain the Relationship Indefinitely	.906	
Relationship Deserved Maximum Effort to Maintain	.900	
Cared about the Relationship Long-Term	.889	

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Attitude toward Consignor's Reputation	.951	
Attitude toward Consignor's Abilities	.927	
Would have been Willing to Pay a Premium for the Involvement of this Consignor		.799
Impact of Consignor Recommendation		.862
Impact of Consignor's Involvement		.706

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Satisfaction with Consignor's Prospect Offerings	.893	
Satisfaction with Consignor's Service Quality	.819	
Satisfaction that Prospects were a Good Value for the Price	.854	
Suspicious of Consignor's Recommendations (reverse coded)		.919
Questioned Consignor's Integrity (reverse coded)		.919

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Satisfaction with Consignor's Prospect Offerings		.897
Satisfaction with Consignor's Service Quality		.833
Satisfaction that Prospects were a Good Value for the Price		.862
Committed to the Relationship with this Consignor	.907	
Planned to Maintain the Relationship Indefinitely	.920	
Relationship Deserved Maximum Effort to Maintain	.881	
Cared about the Relationship Long-Term	.905	

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Satisfaction with Consignor's Prospect Offerings	.902	
Satisfaction with Consignor's Service Quality	.849	
Satisfaction that Prospects were a Good Value for the Price	.891	
Would have been Willing to Pay a Premium for the Involvement of this Consignor		.795
Impact of Consignor Recommendation		.853
Impact of Consignor's Involvement		.758

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Suspicious of Consignor's Recommendations (reverse coded)		.946
Questioned Consignor's Integrity (reverse coded)		.949
Committed to the Relationship with this Consignor	.926	
Planned to Maintain the Relationship Indefinitely	.943	
Relationship Deserved Maximum Effort to Maintain	.903	
Cared about the Relationship Long-Term	.919	

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Rotated Component Matrix[a]

	Component	
	1	2
Suspicious of Consignor's Recommendations (reverse coded)		.953
Questioned Consignor's Integrity (reverse coded)		.958
Would have been Willing to Pay a Premium for the Involvement of this Consignor	.804	
Impact of Consignor Recommendation	.834	
Impact of Consignor's Involvement	.813	

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Shared Variance vs. Explained Variance

Construct	Covariate	Correlation	Variance Extracted	(Highest) R^2	Average R^2
ATH			0.791		0.027
	ATC	0.178		0.032	
	S	0.287		0.082	
	T	-0.094		0.009	
	C	0.117		0.014	
	BE	-0.008		0.000	
ATC			0.846		0.363
	ATH	0.178		0.032	
	S	0.792		0.627	
	T	-0.657		0.432	
	C	0.61		0.372	
	BE	0.592		0.350	
S			0.706		0.354
	ATH	0.287		0.082	
	ATC	0.792		0.627	
	T	-0.657		0.432	
	C	0.583		0.340	
	BE	0.537		0.288	
T			0.869		0.225
	ATH	-0.094		0.009	
	ATC	-0.657		0.432	
	S	-0.657		0.432	
	C	-0.397		0.158	
	BE	-0.309		0.095	
C			0.845		0.295
	ATH	0.117		0.014	
	ATC	0.61		0.372	
	S	0.583		0.340	
	T	-0.397		0.158	
	BE	0.768		0.590	
BE			0.515		0.265
	ATH	-0.008		0.000	
	ATC	0.592		0.350	
	S	0.537		0.288	
	T	-0.309		0.095	
	C	0.768		0.590	

APPENDIX K

FACTOR CORRELATIONS

Factor Correlations

Correlations

		ATHORSE	ATCONSIG	RQUALITY	BRANDEQU
ATHORSE	Pearson Correlation	1	.157*	.171**	.015
	Sig. (2-tailed)		.013	.007	.813
	N	249	249	249	249
ATCONSIG	Pearson Correlation	.157*	1	.742**	.434**
	Sig. (2-tailed)	.013		.000	.000
	N	249	249	249	249
RQUALITY	Pearson Correlation	.171**	.742**	1	.601**
	Sig. (2-tailed)	.007	.000		.000
	N	249	249	249	249
BRANDEQU	Pearson Correlation	.015	.434**	.601**	1
	Sig. (2-tailed)	.813	.000	.000	
	N	249	249	249	249

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

APPENDIX L

MEDIATION TEST RESULTS

Direct (Unmediated) Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Direct Effects on RQual Model	40	497.308	113	.000	4.401
Saturated model	153	.000	0		
Independence model	17	3680.981	136	.000	27.066

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Direct Effects on RQual Model	.857	.845	.791	.624
Saturated model	.000	1.000		
Independence model	1.340	.245	.151	.218

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Direct Effects on RQual Model	.865	.837	.892	.870	.892
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Direct Effects on RQual Model	.831	.719	.741
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Direct Effects on RQual Model	384.308	318.970	457.190
Saturated model	.000	.000	.000
Independence model	3544.981	3350.815	3746.440

FMIN

Model	FMIN	F0	LO 90	HI 90

Model	FMIN	F0	LO 90	HI 90
Direct Effects on RQual Model	2.005	1.550	1.286	1.844
Saturated model	.000	.000	.000	.000
Independence model	14.843	14.294	13.511	15.107

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Direct Effects on RQual Model	.117	.107	.128	.000
Independence model	.324	.315	.333	.000

AIC

Model	AIC	BCC	BIC	CAIC
Direct Effects on RQual Model	577.308	583.568	718.006	758.006
Saturated model	306.000	329.948	844.170	997.170
Independence model	3714.981	3717.642	3774.778	3791.778

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Direct Effects on RQual Model	2.328	2.064	2.622	2.353
Saturated model	1.234	1.234	1.234	1.330
Independence model	14.980	14.197	15.792	14.990

HOELTER

Model	HOELTER .05	HOELTER .01
Direct Effects on RQual Model	70	76
Independence model	12	12

Estimates (Group number 1 - Direct Effects on RQual Model)

Scalar Estimates (Group number 1 - Direct Effects on RQual Model)

Maximum Likelihood Estimates

Regression Weights: (Group number 1 - Direct Effects on RQual Model)

		Estimate	S.E.	C.R.	P	Label
RQual	<--- ATH	.000				
RQual	<--- ATC	.000				
BrEq	<--- RQual	.000				
SATISF	<--- RQual	1.000				
COM	<--- RQual	.945	.142	6.657	***	B75
TRST	<--- RQual	-1.003	.146	-6.884	***	B74
BrEq	<--- ATH	-.110	.050	-2.198	.028	G16
BrEq	<--- ATC	.526	.078	6.732	***	G26
CON1	<--- ATC	1.000				
CON2	<--- ATC	1.312	.097	13.552	***	LC2
COMMIT1	<--- COM	1.000				
COMMIT2	<--- COM	1.056	.037	28.613	***	LM2
COMMIT3	<--- COM	.877	.044	20.068	***	LM3
COMMIT4	<--- COM	1.070	.039	27.482	***	LM4
SAT1	<--- SATISF	1.000				
SAT2	<--- SATISF	1.165	.074	15.778	***	LS2
SAT3	<--- SATISF	1.066	.072	14.707	***	LS3
affect	<--- BrEq	1.290	.171	7.562	***	lp3
PAYMORE	<--- BrEq	1.000				
HORSE5	<--- ATH	1.000				
HORSE3	<--- ATH	.957	.051	18.606	***	LH3
HORSE2	<--- ATH	1.044	.052	20.138	***	LH2
conimpac	<--- BrEq	1.805	.217	8.322	***	lp4
TRUST3	<--- TRST	1.024	.057	17.954	***	LT3
TRUST2	<--- TRST	1.000				

Standardized Regression Weights: (Group number 1 - Direct Effects on RQual Model)

		Estimate
RQual	<--- ATH	.000
RQual	<--- ATC	.000
BrEq	<--- RQual	.000
SATISF	<--- RQual	.978
COM	<--- RQual	.593
TRST	<--- RQual	-.674
BrEq	<--- ATH	-.137
BrEq	<--- ATC	.602
CON1	<--- ATC	.819
CON2	<--- ATC	1.031

			Estimate
COMMIT1	<---	COM	.918
COMMIT2	<---	COM	.957
COMMIT3	<---	COM	.845
COMMIT4	<---	COM	.945
SAT1	<---	SATISF	.829
SAT2	<---	SATISF	.874
SAT3	<---	SATISF	.822
affect	<---	BrEq	.610
PAYMORE	<---	BrEq	.578
HORSE5	<---	ATH	.894
HORSE3	<---	ATH	.863
HORSE2	<---	ATH	.910
conimpac	<---	BrEq	.912
TRUST3	<---	TRST	.945
TRUST2	<---	TRST	.921

Covariances: (Group number 1 - Direct Effects on RQual Model)

	Estimate	S.E.	C.R.	P	Label
ATC <--> ATH	.296	.110	2.688	.007	Ph12

Correlations: (Group number 1 - Direct Effects on RQual Model)

	Estimate
ATC <--> ATH	.180

Variances: (Group number 1 - Direct Effects on RQual Model)

	Estimate	S.E.	C.R.	P	Label
ATC	1.517	.212	7.146	***	
ATH	1.788	.203	8.789	***	
Ps7	1.287	.225	5.706	***	
Ps6	.750	.166	4.516	***	
Ps3	.058	.149	.388	.698	
Ps5	2.117	.263	8.044	***	
Ps4	1.555	.234	6.648	***	
EH2	.402	.067	6.029	***	
EH3	.563	.069	8.135	***	
EH5	.449	.065	6.866	***	

	Estimate	S.E.	C.R.	P	Label
EC1	.746	.113	6.615	***	
EC2	-.154	.157	-.980	.327	
EM1	.612	.069	8.851	***	
EM2	.334	.052	6.382	***	
EM3	1.004	.099	10.099	***	
EM4	.445	.060	7.402	***	
ES1	.611	.075	8.107	***	
ES2	.562	.084	6.697	***	
ES3	.733	.089	8.278	***	
EP3	3.245	.336	9.662	***	
EP2	2.304	.232	9.950	***	
EP4	.764	.303	2.522	.012	
ET3	.357	.137	2.610	.009	
ET2	.512	.135	3.795	***	

Fully Mediated Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Full Mediation Model	41	263.613	112	.000	2.354
Saturated model	153	.000	0		
Independence model	17	3680.981	136	.000	27.066

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Full Mediation Model	.312	.883	.840	.646
Saturated model	.000	1.000		
Independence model	1.340	.245	.151	.218

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Full Mediation Model	.928	.913	.958	.948	.957

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Full Mediation Model	.824	.765	.788
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Full Mediation Model	151.613	108.018	202.919
Saturated model	.000	.000	.000
Independence model	3544.981	3350.815	3746.440

FMIN

Model	FMIN	F0	LO 90	HI 90
Full Mediation Model	1.063	.611	.436	.818
Saturated model	.000	.000	.000	.000
Independence model	14.843	14.294	13.511	15.107

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Full Mediation Model	.074	.062	.085	.001
Independence model	.324	.315	.333	.000

AIC

Model	AIC	BCC	BIC	CAIC
Full Mediation Model	345.613	352.030	489.828	530.828
Saturated model	306.000	329.948	844.170	997.170
Independence model	3714.981	3717.642	3774.778	3791.778

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Full Mediation Model	1.394	1.218	1.600	1.419
Saturated model	1.234	1.234	1.234	1.330
Independence model	14.980	14.197	15.792	14.990

HOELTER

Model	HOELTER .05	HOELTER .01
Full Mediation Model	130	141
Independence model	12	12

Estimates (Group number 1 - Full Mediation Model)

Scalar Estimates (Group number 1 - Full Mediation Model)

Maximum Likelihood Estimates

Regression Weights: (Group number 1 - Full Mediation Model)

		Estimate	S.E.	C.R.	P	Label
RQual	<--- ATH	.040	.033	1.192	.233	G17
RQual	<--- ATC	.682	.055	12.407	***	G27
BrEq	<--- RQual	.757	.110	6.911	***	B76
SATISF	<--- RQual	1.000				
COM	<--- RQual	1.246	.126	9.930	***	B75
TRST	<--- RQual	-1.161	.121	-9.579	***	B74
BrEq	<--- ATH	.000				
BrEq	<--- ATC	.000				
CON1	<--- ATC	1.000				
CON2	<--- ATC	1.134	.054	20.903	***	LC2
COMMIT1	<--- COM	1.000				
COMMIT2	<--- COM	1.057	.037	28.716	***	LM2
COMMIT3	<--- COM	.875	.044	20.004	***	LM3
COMMIT4	<--- COM	1.069	.039	27.543	***	LM4
SAT1	<--- SATISF	1.000				
SAT2	<--- SATISF	1.200	.073	16.395	***	LS2
SAT3	<--- SATISF	1.047	.073	14.300	***	LS3

			Estimate	S.E.	C.R.	P	Label
affect	<---	BrEq	1.273	.161	7.916	***	lp3
PAYMORE	<---	BrEq	1.000				
HORSE5	<---	ATH	.955	.047	20.115	***	LH5
HORSE3	<---	ATH	.914	.048	19.020	***	LH3
HORSE2	<---	ATH	1.000				
conimpac	<---	BrEq	1.631	.186	8.757	***	lp4
TRUST3	<---	TRST	1.012	.054	18.597	***	LT3
TRUST2	<---	TRST	1.000				

Standardized Regression Weights: (Group number 1 - Full Mediation Model)

			Estimate
RQual	<---	ATH	.055
RQual	<---	ATC	.895
BrEq	<---	RQual	.671
SATISF	<---	RQual	.877
COM	<---	RQual	.696
TRST	<---	RQual	-.690
BrEq	<---	ATH	.000
BrEq	<---	ATC	.000
CON1	<---	ATC	.880
CON2	<---	ATC	.959
COMMIT1	<---	COM	.918
COMMIT2	<---	COM	.957
COMMIT3	<---	COM	.844
COMMIT4	<---	COM	.945
SAT1	<---	SATISF	.823
SAT2	<---	SATISF	.894
SAT3	<---	SATISF	.801
affect	<---	BrEq	.637
PAYMORE	<---	BrEq	.612
HORSE5	<---	ATH	.893
HORSE3	<---	ATH	.862
HORSE2	<---	ATH	.912
conimpac	<---	BrEq	.872
TRUST3	<---	TRST	.939
TRUST2	<---	TRST	.926

Covariances: (Group number 1 - Full Mediation Model)

	Estimate	S.E.	C.R.	P	Label
ATC<--> ATH	.332	.129	2.568	.010	Ph12

Correlations: (Group number 1 - Full Mediation Model)

	Estimate
ATC<--> ATH	.179

Variances: (Group number 1 - Full Mediation Model)

	Estimate	S.E.	C.R.	P	Label
ATC	1.754	.205	8.571	***	
ATH	1.955	.216	9.063	***	
Ps7	.183	.052	3.529	***	
Ps6	.712	.157	4.546	***	
Ps3	.304	.067	4.531	***	
Ps5	1.685	.203	8.318	***	
Ps4	1.510	.192	7.866	***	
EH2	.397	.067	5.948	***	
EH3	.563	.069	8.133	***	
EH5	.453	.066	6.905	***	
EC1	.509	.069	7.387	***	
EC2	.199	.069	2.897	.004	
EM1	.610	.069	8.880	***	
EM2	.331	.052	6.422	***	
EM3	1.013	.100	10.128	***	
EM4	.444	.060	7.461	***	
ES1	.632	.074	8.574	***	
ES2	.481	.076	6.341	***	
ES3	.810	.090	8.967	***	
EP3	3.073	.330	9.315	***	
EP2	2.166	.226	9.582	***	
EP4	1.089	.282	3.869	***	
ET3	.392	.129	3.036	.002	
ET2	.478	.129	3.708	***	

Partially Mediated Model Fit Summary

Model Fit Summary

CMIN

Model	NPAR	CMIN	DF	P	CMIN/DF
Partial Mediation Model	43	252.871	110	.000	2.299
Saturated model	153	.000	0		
Independence model	17	3680.981	136	.000	27.066

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Partial Mediation Model	.299	.886	.841	.637
Saturated model	.000	1.000		
Independence model	1.340	.245	.151	.218

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Partial Mediation Model	.931	.915	.960	.950	.960
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Partial Mediation Model	.809	.753	.776
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Partial Mediation Model	142.871	100.407	193.057
Saturated model	.000	.000	.000
Independence model	3544.981	3350.815	3746.440

FMIN

Model	FMIN	F0	LO 90	HI 90
Partial Mediation Model	1.020	.576	.405	.778
Saturated model	.000	.000	.000	.000
Independence model	14.843	14.294	13.511	15.107

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Partial Mediation Model	.072	.061	.084	.001
Independence model	.324	.315	.333	.000

AIC

Model	AIC	BCC	BIC	CAIC
Partial Mediation Model	338.871	345.602	490.122	533.122
Saturated model	306.000	329.948	844.170	997.170
Independence model	3714.981	3717.642	3774.778	3791.778

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Partial Mediation Model	1.366	1.195	1.569	1.394
Saturated model	1.234	1.234	1.234	1.330
Independence model	14.980	14.197	15.792	14.990

HOELTER

Model	HOELTER .05	HOELTER .01
Partial Mediation Model	133	145
Independence model	12	12

Estimates (Group number 1 - Partial Mediation Model)

Scalar Estimates (Group number 1 - Partial Mediation Model)

Maximum Likelihood Estimates

Regression Weights: (Group number 1 - Partial Mediation Model)

		Estimate	S.E.	C.R.	P	Label
RQual	<--- ATH	.067	.034	1.960	.050	G17
RQual	<--- ATC	.676	.055	12.395	***	G27
BrEq	<--- RQual	1.054	.368	2.868	.004	B76
SATISF	<--- RQual	1.000				
COM	<--- RQual	1.268	.126	10.062	***	B75
TRST	<--- RQual	-1.141	.122	-9.376	***	B74
BrEq	<--- ATH	-.180	.060	-3.011	.003	G16
BrEq	<--- ATC	-.179	.245	-.730	.465	G26
CON1	<--- ATC	1.000				
CON2	<--- ATC	1.134	.054	20.908	***	LC2
COMMIT1	<--- COM	1.000				
COMMIT2	<--- COM	1.057	.037	28.744	***	LM2
COMMIT3	<--- COM	.875	.044	20.003	***	LM3
COMMIT4	<--- COM	1.069	.039	27.529	***	LM4
SAT1	<--- SATISF	1.000				
SAT2	<--- SATISF	1.201	.073	16.434	***	LS2
SAT3	<--- SATISF	1.045	.073	14.283	***	LS3
affect	<--- BrEq	1.264	.162	7.802	***	lp3
PAYMORE	<--- BrEq	1.000				
HORSE5	<--- ATH	.960	.047	20.213	***	LH5
HORSE3	<--- ATH	.914	.048	18.955	***	LH3
HORSE2	<--- ATH	1.000				
conimpac	<--- BrEq	1.684	.191	8.812	***	lp4
TRUST3	<--- TRST	1.012	.055	18.262	***	LT3
TRUST2	<--- TRST	1.000				

Standardized Regression Weights: (Group number 1 - Partial Mediation Model)

		Estimate
RQual	<--- ATH	.093
RQual	<--- ATC	.894
BrEq	<--- RQual	.942
SATISF	<--- RQual	.871
COM	<--- RQual	.703
TRST	<--- RQual	-.673
BrEq	<--- ATH	-.224
BrEq	<--- ATC	-.212

EP3	3.165	.330	9.579	***
EP2	2.204	.226	9.767	***
EP4	.968	.276	3.507	***
ET3	.391	.133	2.944	.003
ET2	.479	.132	3.623	***

			Estimate
CON1	<---	ATC	.880
CON2	<---	ATC	.959
COMMIT1	<---	COM	.918
COMMIT2	<---	COM	.958
COMMIT3	<---	COM	.844
COMMIT4	<---	COM	.945
SAT1	<---	SATISF	.823
SAT2	<---	SATISF	.894
SAT3	<---	SATISF	.800
affect	<---	BrEq	.623
PAYMORE	<---	BrEq	.603
HORSE5	<---	ATH	.896
HORSE3	<---	ATH	.861
HORSE2	<---	ATH	.910
conimpac	<---	BrEq	.887
TRUST3	<---	TRST	.940
TRUST2	<---	TRST	.926

Covariances: (Group number 1 - Partial Mediation Model)

	Estimate	S.E.	C.R.	P	Label
ATC <--> ATH	.330	.129	2.561	.010	Ph12

Correlations: (Group number 1 - Partial Mediation Model)

	Estimate
ATC <--> ATH	.179

Variances: (Group number 1 - Partial Mediation Model)

	Estimate	S.E.	C.R.	P	Label
ATC	1.754	.205	8.571	***	
ATH	1.948	.215	9.042	***	
Ps7	.163	.054	3.003	.003	
Ps6	.592	.149	3.971	***	
Ps3	.321	.070	4.607	***	
Ps5	1.653	.199	8.301	***	
Ps4	1.575	.198	7.969	***	
EH2	.404	.067	6.066	***	

	Estimate	S.E.	C.R.	P	Label
EH3	.569	.069	8.198	***	
EH5	.442	.065	6.795	***	
EC1	.509	.069	7.390	***	
EC2	.199	.069	2.898	.004	
EM1	.610	.069	8.884	***	
EM2	.330	.051	6.412	***	
EM3	1.013	.100	10.130	***	
EM4	.446	.060	7.485	***	
ES1	.631	.074	8.576	***	
ES2	.479	.076	6.329	***	
ES3	.815	.091	8.997	***	
EP3	3.163	.330	9.579	***	
EP2	2.204	.226	9.767	***	
EP4	.968	.276	3.507	***	
ET3	.391	.133	2.944	.003	
ET2	.479	.132	3.623	***	

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