

ERODING BUSINESS RELATIONSHIPS – THE SERPENTINE METAPHOR

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ABSTRACT

This paper focuses on business relationship dissolution as the consequence of several subsequent incidents. Previous dissolution research has described single incidents and the present state of the relationship as decisive for relationship ending. This paper instead describes the “state” of the relationship as dynamically affected by previous incidents. These incidents may in themselves not be severe enough for the relationship to dissolve, but impact future dissolution decisions and together with later, interconnected incidents finally end up in the dissolution of the business relationship. The paper uses the serpentine metaphor of erosion to illustrate how several incidents amplify one another to eventually cause the relationship to end. Empirically, this is illustrated by how customers to a repeatedly acquired company experience incidents that made them increasingly questioning to the relationship. The paper contributes to research on business relationship dynamics through its focus on repeated incidents leading to dissolution, and through pointing to how organisational memory may make certain incidents look more severe based on how they repeat previous incidents.

Keywords: business relationship; customer; dissolution; erosion; sedimentation