Conflict and Performance in Channels: A Meta-Analysis

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Last Revision:
July 2020

NOTE:
An updated version of the paper is accepted for publication in the Journal of the Academy of Marketing Sciences (JAMS). The authenticated published version of the paper is available at http://dx.doi.org/10.1007/

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ABSTRACT

Channel conflict is a critical business concern and has long been of great interest to researchers. In this paper, we report a comprehensive meta-analysis of the empirical literature spread over more than five decades between 1960 and 2020, with "channel conflict" as the focal construct and investigate the conflict- performance link. We find, in the aggregate, the channel performance is negatively related to channel conflict, and that this result is true for both individual and joint channel outcomes. We observe that the conflict – performance link has evolved over time, roughly in keeping with the growth and maturing of e-commerce technologies. The negative conflict – performance link is moderated by several measurements, sampling, and channel characteristics. While channel conflict has been treated as a mediator in some models and as an outcome in others, it is negatively related to the relational constructs – satisfaction, trust, and commitment, regardless of the model. We base our conclusions on correlational analyses, two-stage meta-analytic structural equation modeling (TSSEM), and meta-analytic regression analyses (MARA). We conclude by identifying several areas of future research.

Keywords: Distribution Channels; Channel Conflict; Channel Performance; Meta-analysis

INTRODUCTION

Channel conflict can be broadly defined as a consequential disagreement between members of the marketing channel. When Apple teamed up with Cisco for its enterprise sales, disagreements broke out with its channel partners with one pointing out that "its revenue from Apple products and services shrunk from 100 percent to less than 10 percent of its overall business over the past five years.." (CRN, 2015). Disputes over who should bear the cost of weakening UK currency resulted in the retail giant Tesco removing some Unilever products from its website and shelves, further exacerbating the disputes between the two giant corporate channel partners (Financial Times, 2016). Disagreements over pricing prompted another retail operator Delhaize removing more than 300 of Unilever products much to its large vendor's chagrin (Financial Times, 2009). Such conflict between vertical channel members is not isolated, rather quite endemic to business relationships. In a recent IT industry survey, as much as sixty percent of respondents said that channel conflict increased in the preceding two years (CompTIA, 2013). Perhaps more importantly, in the same survey as much as thirty-six percent assessed channel conflict to have significantly eroded their business performance. Indeed this link between channel conflict and business performance finds repeated expression in several industry commentaries. One industry report assessed as much as £33 Billion is spent annually in dispute resolution between members of industrial channels (Sheffield Telegraph, 2009). Thus, not only is there a secular expectation that conflict will impact business performance, most companies devote significant resources to conflict management, whether it be by designing systems and policies, resolving disputes, or arbitration/ litigation.

This practical significance notwithstanding, the research literature is surprisingly ambiguous both in terms of conceptualization as well as the empirical evidence of the conflict-performance link. We conclude this from a close examination of over one hundred empirical papers since the 1960s that studied channel conflict. The ambiguities span a wide range, including definitions of

channel conflict, conceptualization of how conflict impacts business performance, measures of conflict and performance, even the empirical results pertaining to the conflict-performance links. These form the backdrop of our comprehensive meta-analysis of existing research, with "channel conflict" as the focal construct and investigating its effects on business outcomes. Indeed, this responds to several marketing scholars' calls for a deeper understanding of the role of conflict in distribution channels (Antia et al., 2013; Gilliland et al., 2010; Rosenbloom, 2007).

More specifically, (a) we estimate the aggregate evidence of the channel conflict's relationship with business performance, and if the results are robust across individual and joint channel outcomes, and across different nomological networks of relational constructs such as satisfaction, trust, commitment, and interdependence; (b) we examine if the conflict – performance relationship has evolved over the years; and (c) we check if the conflict – performance relationship is moderated by study-specific factors such as the nature of measurement scales, research sampling, and type of channels studied. For our empirical analyses, we adopt a multi-framework approach. Specifically, we adopt the Trust-Commitment (TC) and Interdependence (INT) models as our baseline theoretical frameworks (Kim & Hsieh, 2003; Kumar et al., 1995, 1998; Morgan & Hunt, 1994). We then draw upon Rosenberg and Stern's (1971) Intra-Channel Conflict (ICC) model to synthesize the available empirical evidence in customized models combining ICC with TC (ICC-TC) and ICC with INT (ICC-INT). Adopting these multiple frameworks has two advantages. One, it allows us to go beyond bivariate correlations and estimate the inter-construct relationships within different nomological networks. Two, it also serves as robustness checks of our key results.

To the best of our knowledge, ours is the first meta-analysis focused on channel conflict and performance.[1] A key objective of meta analysis studies is establishing empirical generalizations.

[1] Geyskens et al.`s (1999) meta-analysis of channel relationships is the closest in spirit to our work. However, unlike us they do not focus explicitly on channel conflict and performance, thereby limiting the conclusions they could draw in the domain.

Our key finding is that the aggregate empirical evidence broadly supports a negative conflict-performance link and that this result is invariant to individual or joint channel performance measures. Further, the negative relation is robust across models that incorporate the relational channel constructs – satisfaction, trust, commitment and interdependence in different nomological networks. Thus, despite variation in the literature, we find the negative link to be quite robust suggesting effective conflict management and associated resource commitments will have a bottom line impact for the channel. However, we also find the contextual factors of time of study, measurement, sampling, and channel characteristics matter – moderators which have not yet been reported in the literature. We find evidence that the conflict-performance relationship has evolved over time roughly in keeping with the growth and stabilization of the internet technologies from the 90s to the current times. Indeed, channels appear to have suffered the ravages of conflict increasingly over time till improvements in technology seem to have endowed channels with greater capability to handle conflict. In a literature with great heterogeneity in measures for performance, we offer the first empirical evidence that the estimated conflict-performance relationship is moderated by how performance is measured. While sampling issues dominate empirical design in several channels and strategy related reasearch, we also offer new evidence of how sampling characteristics impact the relationship. The significant role of whether the sample is multi-industry or North American, indicates the potential role of sample heterogeneity and business culture. Our evidence of the significant role of whether the study is focal firm based, or whether the channels are international or characterized by strong agency relationships, point to the potential role of governance and transaction costs in determining the conflict-performance results. To the best of our knowledge, these would be the first documentation of such impact on the conflict-performance link, in channels settings. Thus, our results identify some key boundary conditions for the channel conflict-performance results in the literature, offering a roadmap for future investigations on the

topic. In the rest of the paper, we first describe the motivation for this work, followed by the research design. Then, we present the data, empirical method, analyses, and results. We conclude by discussing the results, their managerial implications, future research, and limitations.

AMBIGUITIES IN THE LITERATURE MOTIVATING THE META-ANALYSIS

Despite common etymological roots, there are differences in how the construct channel conflict is defined in the literature – spanning both attitudinal as well as behavioral bases. Indeed, the construct has been seen through various lenses, such as, manifest versus perceived conflicts, cognitive versus emotional processing (Rose et al., 2007; Stern & Gorman, 1969), task-related (Lusch, 1976) versus affective outcomes (Jehn, 1995; Rose et al., 2007), behavioral versus psychological response (Duarte & Davies, 2003; Gaski & Nevin, 1985). We capture this variation in how channel conflict has been defined in the literature since the 1960s, in Table 1.

< TABLE 1 ABOUT HERE >

Our broad definition of channel conflict as a consequential disagreement between members of the marketing channel focuses on its role in business performance. As illustrated by the earlier examples, the consequential nature of such disagreements derives from interdependency among channel members. Interdependency ties individual channel members' economic well-being to each other, and thus, is a fundamental reason for disagreements when business incentives diverge (Gaski, 1984; Lusch, 1976). Substantively, our definition is similar to those used earlier in the literature but we keep it broad to give us greater degrees of freedom for the purposes of our study.

There are also big differences in how the conflict-performance link is interpreted and applied in the different research frameworks. These differences derive mainly from the separation presumed between conflict and the channel's economic performance. One view finds resonance in a synchronic notion of conflict, where conflict concurrently reduces channel performance. The other view finds resonance in an asynchronous notion where conflict and performance while

related, are separated from each other. For example, while some papers like Kumar et al. (1995, 1998), Palmatier et al. (2007), and Morgan & Hunt (1994) conceptualize conflict as an outcome concurrent with that of performance, others such as Pondy (1967), Frazier et al. (1989), and Rosenberg & Stern (1970, 1971), explicitly decouple it from performance by considering conflict as a mediator and process. The process view of inter-organizational conflict (Pondy, 1967) proposes five distinct episodes of conflict: latent conflict (underlying causes), perceived conflict (perception), felt conflict (affective and emotional), manifest conflict (behavioral), and conflict aftermath (its effect on channel performance). These differences are a key motivator of our paper and impact how we aggregate the empirical evidence linking conflict to business performance. Importantly, these differences also offer diverging approaches to assess firm objectives in addressing conflict, the nature of conflict itself, and of course, prescriptions on managing conflict. We summarize these differences between the synchronous and asynchronous views in Table 2.

< TABLE 2 ABOUT HERE >

Nevertheless, the literature also shows signs of ambivalence towards these characteristics. One of the areas where this ambivalence is pronounced across the conceptual as well as the empirical spectrums, is the matter of conflict as process versus outcome. For example, conflict is considered as both an outcome of the exchange processes as well as a process in itself, in Cordell (1989). Another locus of ambivalence exists in the conceptualization of conflict as a positive or negative phenomenon. Some papers that focus on the negative effect of conflict seem to position it as an anchor for mutual improvement via the conflict resolution resources deployed (*cf.* Assael 1968; Hunger & Stern 1976). The role of ex-ante design versus ex-post adjustments to manage conflict is yet another source of some ambivalence. For example, Lumineau and Malhotra (2011) offer rights versus interests based designs as an ex-ante approach to reducing conflict. However, they also propose a win-lose framing for the rights-based approach and a win-win framing for the

interests-based approach, besides asserting that ex-post cooperation and contextual factors will determine the functionality of conflict.

Not surprisingly, the different conceptualizations lead to different measures of channel conflict in the literature. The latent phase of conflict is generally measured with constructs such as incongruency of goals, domain dissensus, etc., while outcomes and aftermath are often measured in terms of manifest (task and behavioral) and/or affective (emotional) outcomes such as performance, satisfaction, and dissolution, etc. (Etgar, 1979).

Similar multiplicities exist even in the measures employed of business performance (Katsikeas et al., 2016). Some studies focus on objective measures of performance (e.g., Lusch, 1976; Winsor et al., 2012) while others focus on subjective measures of performance (Rosenberg & Stern, 1971; Webb & Hogan, 2002). In some studies, performance is conceptualized as a latent construct (e.g., LaBahn & Harich, 1997), while in others, it is conceptualized as a separate (e.g., Hibbard et al., 2001) or aggregate construct (e.g., Jap & Ganesan, 2000). Authors such as Luo, Liu, & Xue (2009), and Plank et al. (2006) focus on operational performance while others such as Ross et al. (1997), and Samaha et al. (2011) focus on organizational performance. Furthermore, the literature also diverges on the locus of performance measures. Some are focused on individual firm (channel member) performance (Brown et al., 1983; Lusch, 1976) while others focus on the joint (channel) performance (LaBahn & Harich, 1997; Webb & Hogan, 2002).

The heterogeneity in perspectives and the resulting ambiguities carry over to the assessment of the relationship between channel conflict and business performance. While some studies show that conflict reduces performance (Jap & Ganesan, 2000; Kumar et al., 1992, 1995; Ross et al., 1997; Webb & Hogan, 2002), several others counter that result (Assael, 1969; Brown et al., 1983). Various explanations are proposed. Rosenbloom (1973) contends an inverted U-shaped curve, where conflict is functional at moderate levels and destructive at low or high levels. Brown (1980)

builds on Rosenbloom's work by proposing an additional layer of non-linearity where an upright U-shaped curve is followed by the inverse U-shaped curve. Others try to capture the relationship using one construct named functional (or dysfunctional) conflict to understand whether conflict affects performance positively or negatively (Morgan & Hunt, 1994). These add to the complexity and ambiguity in interpreting existing results of the channel conflict-performance link.

Additional concerns in interpreting these conflicting results and perspectives are the widespread internet and digitization influenced changes that continue to happen in the marketing ecosystem. The channel conflict literature dates back to the 1960s, and while the number of studies on channel conflict has dropped in recent years (Watson et al., 2015), the innovations in marketing channels continue unabated with growth in e-commerce, omni-channels and sharing platforms. These bring new structures, expectations, and transactional norms in place, forcing channel partners to adapt and calling into question whether the relation between channel conflict and business performance has also changed with time.

THE BASELINE THEORETICAL FRAMEWORKS

To estimate the aggregate evidence of the channel conflict – performance link, we need to identify a sufficiently large number of empirical papers that use channel conflict and performance, and also ensure enough overlap in the network of relationships to control for other factors. The existence of multiple theoretical frameworks compounds this challenge. The frameworks used to understand drivers of channel performance are primarily: (1) Trust-Commitment (TC), (2) Interdependence (INT), (3) Transaction Cost Economics, (TCE), and (4) Relational Norms (RN) (Heide & John, 1990; Hibbard et al., 2001; Morgan & Hunt, 1994; Palmatier et al., 2007; Siguaw et al., 1998). These focus on different drivers of channel performance. For example, Morgan and Hunt (1994) propose trust and commitment as primary drivers, while Hibbard et al. (2001) suggest interdependence among channel members. A comprehensive review of the literature leads us to

conclude that it is primarily the studies based on the TC and INT frameworks that include channel conflict as an explicit construct. Studies based on TCE and RN base much of their theory on channel conflict (e.g., transaction-specific investment and relational norms) but tend to not include channel conflict in explicit terms. Therefore, we focus on the TC and INT papers that have channel conflict as an outcome (Kumar et al., 1995; Morgan & Hunt, 1994; Palmatier et al., 2007).[2] TC proposes that channel performance is determined by the level of the buyer's trust in and/or commitment to a seller (Morgan & Hunt, 1994). INT proposes that interdependence provides motives for both cooperation and conflict in a channel (Kim & Hsieh, 2003; Kumar et al., 1995; 1998; Van De Ven & Walker, 1984). We identify the third framework by Rosenberg & Stern's (1970, 1971): the Intra-Channel Conflict (ICC). This framework draws inspiration from Pondy's (1967) classic paper that has motivated several studies in the domain. The ICC framework models conflict as a mediator, conceptualizing it as part of a process with three elements: sources, conflict level, and outcomes of conflict. Channel outcomes, in this view, are determined by the level of conflict and conflict management techniques.

All three frameworks have been empirically tested, and each offers results linking channel conflict to channel outcomes, albeit in different forms. While TC and INT link conflict to relational channel constructs such as satisfaction, trust, commitment, and interdependence, ICC sees conflict as a driver of business performance. So, any effort to estimate the aggregate evidence of the conflict–performance link in a meta-analysis must incorporate and compare these frameworks. We now briefly describe the three frameworks and in Table 3 summarize the role of conflict in each.

< TABLE 3 ABOUT HERE >

The Trust-Commitment (TC) Perspective

[2] Some TCE and RN papers incorporate channel conflict as an outcome, but there are not enough studies with relevant variables for our purpose.

This perspective proposes that relationship performance in a channel is determined by the level of the buyer's trust in and/or commitment to a seller (Morgan & Hunt, 1994). Conflict is seen as one of the key outcomes of inter-firm interactions. Trust is modeled as affecting relationship performance, including conflict, directly or indirectly through commitment. Initiating, maintaining, and avoiding conflicts in the relationships are considered key endeavors of channel members, with trust being key (Balliet & Van Lange, 2013). Trust is defined in multiple ways, with Morgan & Hunt's (1994) definition, "confidence in an exchange partner's reliability and integrity" (p. 316) being quite relevant to our context. However, despite the multiplicity of definitions, most definitions of trust revolve around expectations, predictability, and confidence in other's behavior (Balliet & Van Lange, 2013), which allows comparisons in our aggregate approach. Commitment, on the other hand, is more about expectations of relationship continuity. Moorman et al. (1992) define commitment as "an enduring desire to maintain a valued relationship" (p. 316). Dwyer et al.'s (1987) definition of relational continuity in inter-firm relationships is also similar.

The exchange outcomes, conflict and cooperation, are positively affected by trust and commitment if both parties act in a way that leads to the satisfaction of the exchange partners (Anderson & Weitz, 1992; Hibbard et al., 2001). Zaheer et al. (1998) also show that trust reduces the intensity of conflict in inter-firm interactions, encouraging both parties to initiate cooperation (Deutsch, 1958). Panel (a) of Figure 1 represents the traditional TC framework.

The Interdependence (INT) Perspective

This perspective derives from the inter-firm power and conflict paradigms. The key motivator is the interdependence of channel members in performing channel tasks (Kim & Hsieh, 2003; Kumar et al., 1995; 1998). Interdependence and drive for autonomy provide motives for both cooperation and conflict (Van De Ven & Walker, 1984). The more interdependent the parties, higher their motivations to resolve their problems and converge their interests. Thus,

interdependence mediates the effect of trust and commitment on the exchange outcomes (e.g., conflict). Therefore, conflict is seen as a consequence of interdependence (Zhou et al., 2007).

Jap and Ganesan (2000) show that (mutual or dyadic) interdependence plays a critical role in predicting inter-firm outcomes. Papers such as Frazier & Rody (1991); Kumar et al. (1995) investigate the role of interdependence in inter-firm performance outcomes and channel conflict. The broad findings of these studies show that interdependence positively affects the exchange outcomes because both parties are eager to maintain the relationship and resolve the conflict (Hibbard et al., 2001). Nevertheless, the empirical results are not unequivocal, for some other studies show that interdependence actually increases conflict (*cf.* Brown et al., 1983; Frazier et al., 1989). Panel (b) of Figure 1 shows the traditional Interdependence (INT) framework.

The Intra-Channel Conflict (ICC) Perspective

Rosenberg & Stern's (1971) ICC model presents conflict as a mediating variable, which is a counterpoint to both TC and INT, where channel conflict is primarily seen as an outcome of the channel process (Palmatier et al., 2007). Conflict in ICC is seen as part of a process with three elements: sources, level, and outcomes of conflict (see panel (a) of Figure 2). A number of these papers explore antecedents and outcomes (Brown, 1980; Etgar, 1979; Lusch, 1976). Typical antecedents investigated are goal incompatibility, drive for autonomy, and interdependence, while outcomes studied include satisfaction and financial performance. This overlapping set of variables with that of TC and INT offers an opportunity to compare the aggregate empirical results on the role of conflict and its relationship with channel outcomes.

To study the causal relationships between key drivers of performance, it is common to employ an overlapping set of constructs with different causal orderings in a focal framework (Ganesan, 1994; Palmatier et al., 2007). In similar spirit, we synthesize ICC, in which conflict is viewed as a key mediator to performance, with TC and INT where conflict is an outcome and trust,

commitment, and interdependence are key mediators or antecedents. The customized models, ICC-TC and ICC-INT are in Figure 2 panels (a) and (b), respectively. In ICC-TC, Trust, Commitment and Conflict are mediators. In ICC-INT, Interdependence, Commitment and Conflict are mediators. Outcomes in both models are satisfaction (attitudinal) and performance (economic). See Table 4 for a summary of the predicted relationships of conflict with the relational constructs. These models allow us to estimate the conflict-performance link and also test for robustness of the results across the different nomological networks.

< FIGURE 1 and FIGURE 2 ABOUT HERE >

< TABLE 4 ABOUT HERE >

RESEARCH HYPOTHESES

In this section, we provide our hypotheses about the aggregate conflict-performance link and how systematic differences in the research designs could impact the estimated link.

Channel Conflict-Performance Link

Several studies report that conflict decreases performance (*cf.* Crosno & Tong, 2018; Jap & Ganesan, 2000; Kumar et al., 1992, 1995; Ross et al., 1997). This derives from the common view that conflict is efficiency depleting. However, other studies call these results into question, finding that conflict does not negatively affect performance (*cf.* Brown et al., 1983). Yet other studies show a positive effect (Assael, 1969). There is also much ambivalence in the locus of performance studied. While some papers focus on individual firm outcomes (Cronin & Morris, 1989), others consider only joint channel outcomes (Chang & Gotcher, 2010; Webb & Hogan, 2002). Yet, the conceptual link between these two is not well developed in the literature, which is quite equivocal when it comes to identifying whether the impact of conflict is realized in individual firm outcomes or manifests itself only in joint channel outcomes. Since very few empirical studies investigate both individual and joint performance in the same model, sorting between the differences of their

impacts is difficult, especially if individual outcomes can come at the cost of the joint outcome or vice versa (Benton & Maloni, 2005). That said, with most previous studies reporting a negative conflict – performance relationship, we adopt the following as our research hypothesis:

H1: Channel conflict is negatively correlated to channel performance.

Moderating hypotheses

In a model where channel members are rational, they will use a cost-benefit calculus to decide their intra-channel behavior (Frazier & Rody, 1991; Meehan & Wright, 2001; Tanskanen, 2015). This calculus will naturally be affected by contextual factors such as time period, firm, industry etc. At the same time, research methodologies, such as measurement scales and data collection procedures, can also impact the estimated conflict-performance links due to variation in factors such as social construction of experience, perceptions and response biases. These moderating influences if they exist, can only be captured in a meta-analysis studying the aggregate relations (Kang et al., 2018; Karna et al., 2016). Here, we discuss some factors related to time measurement, sampling, and channel type that can moderate the relationship. To the best of our knowledge, these remain unexplored in the literature.

Time Period.

The advent of the Internet in the 90s has been accompanied by genuinely massive changes in marketing channels through the growth of e-commerce (Weis, 2010). In particular, the enhanced ability of manufacturers to disintermediate their resellers and sell directly to consumers imposed these channels with a potential for increasingly intense conflict as resellers faced an increasingly greater prospect of competing against their own suppliers (Frazier, 1999; Hulland et al., 2007). As channels dealt with this change, one would expect it would distract from the usual rhythm of business and negatively impact business performance. At the same time, technology also infused more capabilities into channel management by making information sharing, monitoring, and

conflict resolutions easier. Indeed, a value proposition of e-commerce has been to make the process of demand generation and procurement, to demand fulfillment more seamless (Kaplan & Sawhney, 2000). Once the channels developed their capabilities to deploy these resources appropriately, they would be better able to manage conflict and its negative impact. Using 1991 as the threshold year for the start of the internet and 2005 as the threshold year for maturing of the capabilities, we provide the following two hypotheses:

H2a: The negative conflict-performance link will be stronger post-1991 than in the pre-1991 era.

H2b: The negative conflict-performance link will be weaker post-2005 than in the 1991-2005 era.

Subjective vs. Objective Measures of Performance.

Many empirical papers deploy key informant surveys. Since these responses can be laden with implicit theories and socially constructed perceptions, collecting both dependent and independent variables from the same source could lead to common method bias (CMB). We expect that CMB will inflate the negative impact of conflict on performance, especially when subjective measures of performance are used (Kang et al., 2018; MacKenzie & Podsakoff, 2012). On the other hand, objective measures, which are often collected from independent archival sources, are less prone to CMB. Objective measures may also tap into other unobserved processes that generate the data, diluting the impact of conflict on such measures. Thus,

H3: The negative conflict-performance link will be weaker for objective performance measures than for subjective ones.

Relative vs. Absolute Measures of Performance.

Performance is measured in absolute terms in some papers (Webb & Hogan, 2002; Winsor et al., 2012), but in relative terms in others – comparing current to past outcomes, outputs to inputs (e.g., ROI), and to those of rivals or industry average (Katsikeas et al., 2016; Brown et al., 1983; Lusch, 1976). In line with Anderson & Narus (1984) that firms' expectations of their own channel

performance are based on that of other similar channel members, we expect relative measures are more likely to reflect the underlying impact of conflict compared to more absolute measures. Thus,

H4: The negative conflict-performance link will be stronger for relative measures of performance than for absolute one.

Latent vs. Separate vs. Aggregate Measures of Performance.

Three conceptual approaches outline measures of performance (Miller et al. 2013). (1) As a *latent* construct, it is an abstract, superordinate phenomenon, modeled as shared variance among its components (Katsikeas et al., 2016). (2) As a *separate* construct, it is conceptualized as composed of several components, with researchers usually picking one to measure. (3) As an *aggregate* construct it is modeled as a mathematically combined measure of various dimensions. We contend that a "separate" measure of performance could end up underestimating the true impact of conflict by missing a key component that is negatively impacted by conflict (Katsikeas et al., 2016). Conversely, the broader latent (shared variance) or aggregate approaches are more likely to incorporate dimensions that bear the impact of conflict. Hence,

H5: The negative conflict-performance link will be stronger for latent or aggregate compared to separate conceptualizations of performance.

Affective vs. Manifest Conflict.

Affective conflict reflects itself in emotions such as anger, antagonism, and personality clashes (Palmatier et al., 2007; Plank et al., 2006). Manifest conflict reflects in disagreements over channel activities or a combination of affective and manifest task-related dimensions (Brown et al., 1983; Lusch, 1976). In line with arguments that purely emotion-driven conflict is more damaging (Jehn, 1995; Rose et al., 2007; and van de Vliert & de Dreu, 1994), we hypothesize:

H6: The negative conflict-performance link will be stronger for affective than for manifest conflict.

Multi-Industry vs. Single Industry Studies.

Multi-industry studies incorporate higher levels of variability than single-industry studies. Further, more targeted measures apropos of the specific industry can be developed for single-industry studies (Wowak et al., 2013). We expect the conflict-performance link for multi-industry studies will be weaker due to this higher variability in the measures (Johnston et al., 2018).

H7: The negative conflict-performance link will be weaker for multiple-industry studies than for single-industry studies.

Focal Firm vs. Cross-Sectional Samples.

Studies that comprise data from a sample of independent channels hold greater variability in the conflict management practices compared to studies that comprise data from channel members of one focal firm (i.e., supplier, buyer, reseller, etc.). The relative homogeneity of conflict management practices in the latter sample portends a relatively higher level of effectiveness compared to a more heterogeneous sample. Thus,

H8: The negative conflict-performance link will be weaker for focal firm samples than for multi-firm ones.

North America vs. Other.

Differences in cultural dimensions such as individualism (vs. collectivism), high power distance (vs. low power distance), and short-term orientation (vs. long-term orientation) lead to different channel relationship management practices between North American firms and others (Palmer, 1994; Rajamma et al., 2011). In particular, compared to the North American culture, other cultures, such as Japanese and Chinese, put more emphasis on relationalism, harmonious interactions, and conflict avoidance (Yen et al., 2007). This conflict avoidance is dominated by a desire to limit the harm conflict can cause to the collective enterprise. Thus, with conflict avoidance being a relatively less dominant theme in North American cultures, we expect conflict to have a stronger negative impact there. Thus,

H9: The negative conflict-performance link will be stronger for North American channels than for non-North American channels.

Channel Types.

Vertical marketing channels are dominated by two distinct arrangements. The first type is a resale channel, where a manufacturer sells an end-product through resellers or dealers. On most occasions, they serve the same end customer segment. The second type is a value-added reseller (VAR) channel, where the buying firm will usually incorporate the product or service from the supplier in designing, manufacturing, or otherwise enhancing the product or service to be sold to its own end customer segment. The channel interdependencies are quite different. With both members serving and competing for the same end customer segment, the potential for conflict, its consequences and the resource commitments to manage it will likely be higher – presenting a greater drag on business performance. Thus, we propose that the negative impact hypothesized in H1 will be stronger for resale compared to VAR channels:

H10: The negative conflict-performance link will be stronger for resale channels than for VAR channels.

Agency Relationships.

Palmatier et al. (2006) show that conflict is more damaging when the level of dependence is high in the channel. In industrial channels, members usually have alternative suppliers and buyers, reducing their level of dependency on each other. On the other hand, channels such as franchises and dealerships are characterized by strong principal-agent relationships. These settings are typically characterized by high levels of dependency and power asymmetry. For example, Burger King franchisees depend on the corporate for daily outlet operations, procurement and advertising. Hunt and Nevin (1974) show that in such settings, more powerful channel members are more likely to use coercive powers. The use of more coercive powers leads to more intense conflict (Johnston

et al., 2018). On the other hand, when there is a symmetry of power, more non-coercive strategies would be used that could lead to less intense conflict (Johnston et al., 2018). Thus, the negative impact of conflict should be higher for channels characterized by higher dependencies.

H11: The negative conflict-performance link will be stronger for channels with stronger agency relationships.

International vs. Domestic Channels.

Channels that operate internationally have to deal with differences in language, legal systems, and organizational norms (Leonidou et al., 2006) that are largely homogenous for exclusively domestic operators. The differences of opinions, perceptions, and understandings due to such differences are compounded by geographical separation, fluctuations in exchange rates, and foreign government regulations as well as physical movement of the products across countries (Zhang et al., 2003; Katsikeas, 1992). The net effect of these is greater complexity and uncertainty. So, not only are there more possibilities of conflict, but managing conflict itself presents greater complexity compared to domestic channels and likely invite greater allocation of resources to their resolutions. Thus, we expect conflict to be more consequential for international channels.

H12: The negative conflict-performance link will be stronger for international channels than for domestic channels.

RESEARCH DESIGN

We proceed in two stages: (1) we identify the overlapping common constructs in the empirical studies that predominantly employ the TC or INT with conflict as an outcome, (2) we "customize" the two models by modeling conflict as a mediator to performance, matching Rosenberg & Stern's (1971) ICC framework. So, we have two pairs of related models: (a) TC and the customized TC model (ICC-TC); (b) INT and the customized ICC model (ICC-INT). While we do not need all the models to estimate the conflict-performance link per se, the overlapping

constructs across the three base frameworks allow us to estimate the link across different nomological networks, controlling for several related constructs. This provides greater robustness to the relationships we estimate. For example, we can test whether shifting the role of conflict from an outcome to a mediator would change the nature or valence of its relations with other key variables such as trust and interdependence. See Figures 1 and 2 for the different frameworks.

DATA

We conduct a detailed bibliographic search of all empirical studies appearing in the marketing and management literature between 1960 and 2020 that report relationships between channel conflict and other channel constructs. We search multiple search engines: *ABI/INFORM, Google Scholar, and Social Sciences Citation Index;* as well as the following journals: the *Academy of Management Journal*, *Journal of Marketing*, *Journal of Marketing Research*, *Journal of the Academy of Marketing Science*, *Journal of Retailing*, *Management Science*, *Marketing Science*, *Organization Science*, *Strategic Management Journal*, and *the Proceedings of the Academy of Management* and *American Marketing Association*. We look for terms such as conflict, dispute that convey conflict. Then we select papers that study conflict in vertical marketing channels. Typical examples of such channels will be Dealerships, Retailing, Franchise, Distribution, etc. We exclude cases of conflict in horizontal arrangements, e.g., product development joint ventures, etc.

We identify more studies by checking the references in the selected papers. To prevent the "file drawer problem" inherent in meta-analysis (Rosenthal, 1979), we search the *UMI Dissertation Abstract* for relevant doctoral dissertations.[3] We contact several authors with requests for correlation tables and other statistics not reported in their published studies and also seek unpublished papers by posting on *ELMAR*, a listserv dedicated to marketing scholars.[4]

[3] The "file drawer problem" refers to the bias induced in any meta-analyses due to over reliance on published studies. In general, papers where the key null hypotheses are not rejected; rarely get published.
[4] In particular, we contacted 35 authors, and of the 27 responses received, 23 provided the required information.

Sample

Our search generated 120 samples from 92 empirical papers[5]. We then record the data for 25 channel and inter-firm constructs, including conflict. This yielded a total of 371 correlations with a total aggregate *N* of 23,693. We further pare the sample for purposes of robustness. Specifically, we need *at least three* correlation coefficients for each pair of constructs for our structural equation modeling (Palmatier et al., 2006; Scheer et al., 2015). So, we exclude constructs (e.g., cooperation, interdependence asymmetry, etc.) with less than three correlations with other included constructs.[6] This resulted in retaining 219 out of the 371 correlation coefficients collected.

Variables

Following Geyskens et al. (1999), we cumulate similar constructs to generate variables for the meta-analysis. The final sample includes six usable constructs: *conflict*, *trust*, *commitment*, *interdependence*, *satisfaction*, and *performance*. In addition, we create several other variables for robustness checks, moderation analyses and controls, as described below.[7]

We separate performance into individual firm and *joint* channel performance for our causal model and categorize the performance measures into *objective* and subjective measures for moderation analysis. The objective measures of performance (coded 1) include accounting-based and capital market-related ones such as the percentage of profit, sales growth, and return on asset. The subjective measures (coded 0) include any perceptual measurement of performance (e.g., any measurement of performance using survey data on scales similar to Likert). Overall, we have 26 objective and 67 subjective measures of performance in the sample We also use the framework provided by Katsikeas et al. (2016) to classify studies based on how performance is modeled

[5] We list all studies that are used in this meta-analysis in Web Appendix B.
[6] Four studies were also excluded because the corresponding correlation matrices were not positive-definite.
[7] The full list of papers and details of the measures used in this study is reported in the Web Appendices A and B.

theoretically and empirically (*latent*, separate, or aggregate constructs) and the reference used to measure performance (*absolute* and relative – temporal, inputs, or competition)[8].

We categorize studies on whether they measured *manifest* task conflict or affective (emotional) conflict, or both. Unfortunately, the sample did not yield enough correlations for the types of conflict for use in the causal model.

To capture the evolution of the conflict – performance link, we look at three variables: (1) *Year* – the year in which the study was published. If there were a specific impact of time on the relationship, this would capture it. (2) *Year-1991* – a dummy variable, 0 if the study is before 1991, 1 if it is after. 1991 is when the World Wide Web (www) project, the precursor to the emergence of the e-commerce platforms, went public (Weis, 2010). This would enable us to check if there was a difference in the conflict-performance relations before and after 1991. (3) A categorical variable that tracked if the research was published before 1991 (*Pre-1991*), between 1991-2005, or after 2005 (*Post-2005*). The fifteen years between 1991 and 2005 were taken as a long enough time for industries to have appropriately deployed the evolving capabilities of digitization.

For sample characteristics, we code the following: (1) *Multi-industry* (1 if the study sample is multi-industry context, 0 if single); (2) *North America* (1 if study context is North America, 0 otherwise); (3) *Focal* (1 if data is from channel members of one focal firm, often the firm sponsoring the study, 0 otherwise, i.e., data from independent firms).

For channel characteristics, we code the following: (1) *Reseller* (1 if the product is sold to another party for reselling, 0 if the product is sold to the final user); (2) *International* (1 if the channel is international, e.g., export-import; 0 otherwise, i.e., domestic). (3) *Agency* (1 if there exists a clear principal-agent dependency relation common in many channels such as franchising,

[8] Thanks to AE for suggesting this framework.

resellers, and dealers; 0 if that dependency is absent). The level of dependency in the first group is high (the agents – franchisees, dealers, resellers, etc. often cannot make decisions independently from the principal), compared to other channels where the level of dependency is less stark (e.g., VAR channels of industrial buyers and customers).

To control for data collection procedures, we code whether the data collection is *self-administered* (coded 1) or it is collected directly from managers (coded 0). If the data collection is conducted directly, managers may be driven by desirability bias to exaggerate performance and discount conflict. We also use two dummy variables to record if the study data is from *upstream* (seller, supplier, manufacturer, etc.), *downstream* (buyer, dealer, reseller, etc.) or both sides.

METHOD

Our key methodological tools for this study are pair-wise correlation analyses, Two-Stage Meta-Analytic Structural Equation Modeling (TSSEM), and Meta-Analytic Regression Analysis (MARA), a specific type of weighted least squares regression technique. The TSSEM technique (Cheung & Chan, 2005) combines traditional meta-analysis with structural equation modeling (SEM) techniques and allows us to compare different frameworks. One of the more popular such combined methods is the Meta-Analytic SEM (MASEM) method of Viswesvaran and Ones (1995). Our choice of Cheung and Chan's (2005; 2009) TSSEM method for the analyses is largely motivated by their discussions of the advantages of TSSEM over MASEM[9]. We use a mixed effect MARA (Lipsey & Wilson, 2001) to conduct our moderation analyses.

ANALYSES AND RESULTS

The main objective of the analyses is to estimate the aggregate empirical relationships between the key constructs. We start by recording the sample sizes and calculating the correlation

[9] As Landis (2013) indicates, combining meta-analysis and SEM has the limitations and advantages of both methods.

coefficients and reliability of constructs in the studies. However, meta-analysis comes with myriad data and measurement challenges. We address these briefly next, before moving to the analyses.

Data Integrity and Study Precision

To test for publication bias in our study, we follow the "failsafe *N*" tests of Rosenthal (1979) and Orwin (1983), as well as the "funnel plot" test of Rothstein et al. (2006). These tests failed to reject the null hypothesis of no bias. In some cases, we contacted authors for missing information. Following Hunter and Schmidt (1990), we convert Student's *t* and *F* ratios to correlation coefficients. We examine the independence of studies (i.e., when multiple studies use the same sample) following Wood's (2008) method. To identify outliers, we calculate the sample-adjusted meta-analytic deviancy statistic (SAMD) (Huffcutt & Arthur, 1995).

Following Hunter and Schmidt (1990), we compute correlations corrected for reliabilites, and computed z-values (Fisher's Z score), "transformed-back correlation *r*," and the Q-statistic. We also calculate the I^2 heterogeneity index that indicates the proportion of total variation in the pooled effect sizes due to heterogeneity among primary studies (Higgins & Thompson, 2002). To check whether the correlations vary systematically across studies, we check and model the variation using a use a random-effects (RE) parameter. See Table 5 for most of the relevant statistics. To save space, we provide more details of the procedures and statistics in Web Appendix A.

< TABLE 5 ABOUT HERE >

We present the results in three parts. First, we report the results relating conflict to performance and the relational channel constructs. We combine individual and joint performance and use subjective measures of performance for this (we did not have enough correlations to run similar analyses with the objective measure). Next, we separate individual and joint performance. We then conduct the moderation analyses, first by collating both subjective and objective measures of performance, and then checking for robustness using only the subjective measures.

Correlation Analysis

Table 5 reports the different observed and calculated correlations, along with relevant meta-analytic statistics. The inferences here are drawn from the significance and sign of the correlations. The correlation between conflict and performance is significantly *negative*. The correlations of conflict and other relational constructs – satisfaction, interdependence, trust, and commitment are also significantly *negative*. While we use subjective measures of performance for the bulk of our analyses, to check the robustness of the results, we created an overarching measure of performance combining available objective measures (Performance(c)). We find this overarching measure is also significantly *negatively* correlated with conflict.[10] This provides preliminary support for H1.

Two-Stage SEM (TSSEM)

The pairwise correlation analyses do not allow us to infer how these constructs are related within a nomological network. Therefore, we used the TSSEM procedure as applied in Cheung (2014) to analyze the associations in more detail. The first stage of this analysis draws upon the data integrity checks (in particular, whether to use an RE or FE model) to estimate an asymptotic covariance matrix (ACM) from the pooled correlation matrix (Cheung & Chan, 2005). The second stage uses this ACM and the aggregated sample size of all studies to conduct the SEM analysis. While our primary motivation is to assess the conflict-performance relation, the SEM analysis allows us to compute path coefficients for the other inter-construct relationships as well. In the following, we first report model fit statistics, and then the detailed findings relevant to the relationships of conflict with performance and other relational constructs. In assessing the empirical results, note that we are agnostic to any specific directional hypotheses. Nevertheless, for

[10] It is important to note that this result is based on correlational analysis that did not take into account the sample characteristics, measurements scales, time variables and type of channel.

comparison and robustness checks, we draw upon the different theoretical perspectives and report the canonical directional hypotheses in Table 6.

< TABLE 6 ABOUT HERE >

Model Fit: There are five key models we estimate (see Table 6). Models 1 and 3 are the original Trust Commitment (TC) and Interdependence (INT) models, respectively. Models, 2, 4, and 5 are the customized Intra-Channel Conflict (ICC) frameworks that are key to our analyses for this section. Model 2 is the customized ICC- Trust Commitment model (ICC-TC). Models 4 and 5 are the customized ICC-Interdependence models (ICC-INT) with *full* and *partial* mediation, respectively. We compute the goodness-of-fit indices (TLI, CFI, and RMSEA) and the path coefficients using Cheung's (2014) procedure. TLI measures parsimony of the model; CFI measures relative fit; RMSEA measures absolute fit. Models with RMSEA values less than 0.05, and CFI and TLI of at least 0.90 indicate a very good fit with the data (Hu & Bentler, 1999). For model estimation, we use the Weighted Least Squares (WLS) method.

The fit indices of all the three models (2, 4, and 5) exhibit very good fit to the related meta-analytic data (Model 2, ICC-TC: TLI =.774; CFI =.955; RMSEA = .010; Model 4, ICC-INT, full mediation: TLI = .707; CFI = .863; RMSEA = .011; Model 5, ICC-INT, partial mediation: TLI = .700; CFI = .900; RMSEA = .012). While the TLI and CFI fit indices of Model 2 (ICC-TC) are higher than those of Models 4 and 5 (ICC-INT), the RMSEA of the three models are close to each other. Note that goodness-of-fit indices (e.g., TLI) for SEM methods such as WLS tend to be lower than SEM methods such as maximum likelihood (Cheung & Chan, 2005). We use the OpenMx and metaSEM packages of R (version 3.1.3) for the SEM analyses (see Cheung, 2014).

Conflict and Performance

Our key observation is that conflict and performance are *negatively* related, just as in the correlational analysis. From Table 6, in Model 2 (ICC-TC), the conflict-performance coefficient is

negative and significant (β = -.120, p <.05). The result is robust to alternate model specifications since in both Models 4 and 5 (ICC-INT, full and partial mediation), the relevant coefficients are significantly negative (β = -.135 and β = -.134 respectively, p <.05). These results support H1.

Different nomological networks: As in the correlational analysis, we find conflict is *negatively* related to the relational variables of satisfaction, trust, and commitment. These results are robust across Models 2 (ICC-TC) as well as 4 and 5 (ICC-INT). The signs are consistent with the canonical hypotheses, thus, attesting to the nomological validity of our frameworks. For example, the conflict-satisfaction coefficient is negative for Model 2 (ICC-TC) (β = -.183, p <.05) as well as for both Models 4 and 5 (ICC-INT, Full and Partial) (β = -.203, and -.201 p <.05). The results for other interrelationships are mixed. Trust and commitment are positively related in all the three models (Models 2, 4, and 5: β = -.607, p <.05). Trust and commitment are also positively related to satisfaction and performance in most models.

Individual vs. Joint Channel Performance: In the correlational and TSSEM analyses above, we had pooled both individual and joint performances together. So, after meticulously separating individual from joint performances, we ran the analyses separately for each measure.[11] The results of the pairwise correlational analyses are in Web Appendix D (Table D1). Conflict is correlated significantly *negatively* to both individual and joint performance. Correlations of Satisfaction, Interdependence, and Trust are all significantly *positive* with both performances. Correlation of Commitment is significantly *positive* only with individual performance (not enough data to check joint performance). Overall, the results mirror the earlier ones, attesting to their robustness.

Following the correlational analyses, we run the TSSEM estimations separately for individual and joint performances. While we lose some variables (e.g., we had to drop commitment

[11] We lose some variables and degrees of freedom when parsing individual and joint performances, unfortunately.

for the models with joint performance) in the process, all models exhibit a very good level of fit in the meta-analytic context (see Table D5 and Table D6 in the Web Appendix D).

The path coefficients for conflict- individual performance (see panel [a] of Table D2 in Web Appendix D), are *negative* and significant for Model 2, ICC-TC (β = -.081, p <.05), Model 4, ICC-INT, Full mediation (β = -.092, p <.05), and Model 5, ICC-INT, Partial mediation (β = -.092, p <.05). Similarly, the corresponding path coefficients for conflict- "joint" performance (Table D2 panel [b]) are also all *negative* and significant (β = -.088, -.095, and -.095, p <.05). With minor changes and omissions due to missing data, the directional results relating to the different relational variables also remain largely unchanged to the consideration of individual versus joint performance.

This relative invariance of the results between individual and joint performances suggest the aggregate relationships, in particular, the *negative* conflict – performance link, observed in empirical studies, is robust to consideration of these two types of performance. Moreover, the relative invariance of the results between the TC and the INT models, even under this more granular test, suggests further robustness of our key empirical results.

Moderation Analyses

We now investigate whether the estimated conflict – performance link is moderated by different factors, starting with the impact of time and then considering measurement, sampling, and channel characteristics. In Table 5, the significant Q statistics for both the conflict – performance(s) link (Q = 3,404.7441, df = 66) as well as the conflict –performance(c) link (Q = 4,058.872, df = 92); suggest heterogeneity in the estimated links, attesting to the appropriateness of moderation analyses. For estimation, we use the mixed effect meta-analytic regression analysis (MARA) (Lipsey & Wilson, 2001) – first with the combined (subjective and objective) measure of performance and then with just the subjective measure to check the robustness of our results.

The results of our moderation analysis are in Table 7 (combined performance measure – the subjective measure results are in the Web Appendix E [models B-Table E1]). We begin by running the benchmark, constant only models separately for the combined and subjective performance (Models A1 and B1). Both models show a negative (significant) effect for the intercept (conflict-performance link), providing support for H1. We then run different models with variables pertaining to time, measurement, sample, and channel characteristics. Other than the two performance-related variables (latent and aggregate), two time-related variables (*Pre-1991* and *Post-2005)*, two conflict-related variables (manifest and combined), the interpretation of the other coefficients are fairly straightforward. A positive (negative) coefficient suggests weakening (strengthening) of the estimated negative conflict – performance link.

< TABLE 7 ABOUT HERE >

Evolution of the Conflict-Performance link over time

We run several models to check if the aggregate conflict-performance link changes over time. First, we only use the variable *Year* in models A6, A9, B5, and B8. The coefficients are significantly negative in all, showing that the conflict-performance link has become *more negative over time* – indicating a worsening impact of channel conflict on performance. To check if the advent of the internet-based commerce has a bearing on this, we run a second set of models (A7, A11, B6, and B10) with the dummy variable *Year-1991*. The coefficients of this variable were *significant and negative* in all models, indicating that the conflict-performance link in the post-1991 period is more negative than pre-1991 and that conflict has a more negative impact on performance after the advent of the internet-based commerce. These results support H2a.

In the last set of models, we investigate if part of the worsening conflict-performance link could be due to the newness of internet-based commerce and the inability of firms to properly deploy the evolving technologies to generate and capture value in their channel relationships. In

that case, one would expect the worsening impact would be slowed, if not reversed, once a sufficiently long time has passed, allowing firms to learn and adapt. For this, we include two dummy variables in the model – *Pre-1991* and *Post-2005* (models A8, A10, B7, and B9). The coefficients are to be interpreted with respect to the base period 1991-2005. The significant and positive coefficients of *Pre-1991* in all models suggest that the conflict-performance link in the pre-1991 period is less negative compared to the period in 1991-2005. This is consistent with the earlier results that suggest the link is more negative post-1991 than pre-1991. The coefficient of *Post-2005* is significantly positive in models A8 and B7. This offers partial support for H2b that the conflict-performance link is *less negative in the post-2005 period compared to the 1991-2005 period* and is consistent with the notion that emerging industry-wide capabilities to deploy internet technologies can blunt some of the sharp negative consequences of conflict in channels.

Other moderators: Performance Measure. Conflict Type, Sampling, Channel Type

Performance Measurement: To check if difference in how performance is measured in the studies is a key moderator, we use several dummy variables. The coefficient for the dummy variable *Objective* is positive in model A2, consistent with H3 that CMB inflates the negative impact of conflict for subjective measures more than objective ones. However, the evidence is weak since it is not significant in the other models. The variable *Referent* indicates when performance is measured against some criteria (such as past performance or competitors' performance, as opposed to an absolute measure). We find no significant effect (models A4, A9-11, B3, and B8-10) – thus, H4 was not supported. For the dummy variables, *Latent* and *Aggregate* we find significant and negative effects in all models except A3 and B4 (for *Latent*) and B2 (for *Aggregate*). So, overall, when performance is measured as either *Latent* or *Aggregate* constructs, the estimated conflict-performance link is *more negative* than when performance is measured based on the "separate" approach (base). This is consistent with H5.

Conflict Type: To check if manifest or affective dimensions of conflict affect the conflict-performance link, we use the dummy variables *Manifest* and *Combined*. None of the coefficients were significant (models A5, A9-A11, B4, and B8-B10). Thus, we find no support for H6.

Sampling: Coefficients of *Multi-industry* are positive and significant in all models (except B10), indicating the conflict-performance link is weaker for study samples that include multiple industries (strong support for H7). With multiple industries in the sample, there is more heterogeneity, possibly diluting the strength of the relationship between conflict and performance. The coefficients of *Focal* are also largely significant and positive (models A9-A11), indicating studies with a focal firm report weaker conflict-performance relation (support for H8). This is consistent with the idea that the relative homogeneity of conflict management practices in a sample comprising a focal firm (as opposed to multiple independent channels) may accentuate the effectiveness of these practices in the estimated results, weakening the conflict-performance link. The coefficients of *North America* are largely negative (models A9, A11, B8, and B10), i.e. the conflict-performance link is stronger for studies based on US/Canadian samples, offering support for H9. This is consistent with the idea that non-North American firms such as Asians who put more emphasis on relationalism, may blunt the negative impact of conflict.

Channel Type: The moderating role of channel type returns mixed results. The coefficients for *Reseller* are not significant (so, no support for H10). On the other hand, the significantly negative coefficients of *Agency* (models A9-A11, B8, B10) suggest channels with greater dependency such as franchisor-franchisee, exhibit stronger negative conflict-performance links, supporting H11. This is in line with the idea that conflict is more damaging when such dependence is high in the channel (Palmatier et al., 2006). The coefficients of *International* are all negative (models A9-A11, and B8-B10), i.e. channels with international transactions such as export-import exhibit a stronger negative conflict-performance link compared to domestic operations, supporting

H12. This is in line with the idea that greater governance challenges of international operations inflate transaction costs of any channel conflict, thereby depressing performance.

Among the control variables pertaining to data collection procedures, we do not find any support for self-administration as well as if the constructs are measured from seller's (or buyer's) perspectives. However, we observed that the coefficient of the dummy variable *Dyadic* is positive and significant (at $p<.1$) in models A10 and A11, indicating that dyadic studies return a weaker negative conflict-performance link than studies with one-sided data (e.g., buyer). Since dyadic measures are more appropriate for dyadic constructs like conflict or performance, this might suggest these measurement errors overestimate the negative conflict performance link.

Post-hoc analysis: Channel Conflict as Mediator vs. Outcome: To compare the two different roles of conflict – as a mediator vs. as an outcome, we use the TSSEM results in Table 6. There are two key comparisons: (a) between the original TC model where conflicts is an outcome (TC, Model 1) vs. the customized TC model where conflict is a mediator (ICC-TC, Model 2), and (b) between the original INT model where conflict is an outcome (INT, Model 3) vs. the customized INT model where conflict is a mediator (ICC-INT – Full and Partial mediation, Models 4 and 5). Further, we compare the models first with a combined performance measure and then check the robustness of the results by conducting the comparisons separately for individual and joint performance. In addition to TLI, CFI, and RMSEA statistics, we used the Akaike Information Criterion (AIC) for our comparisons. Lower AIC indicates higher parsimony and fit. In all the comparisons, models with conflict as a mediator (ICC-TC and ICC-INT) exhibit a better fit than the corresponding original (TC and INT) models. Please see Web Appendices C and D for more details.

To conclude this section on results, we find the aggregate conflict-performance relationship is *negative* in our causal models; and that this result is robust to different analyses, model specifications, and locus of performance measures (individual or joint). However, when we ran the

MARA, in which we control for sample, measurement scales, and channel characteristics, this significant effect fades away in some models. We also find that conflict is *negatively* related to the relational variables of trust, commitment, and satisfaction – results that are robust across different analyses and model specifications, and which, in their consistency with the canonical hypotheses, attest to the nomological validity of our frameworks. We observe models with conflict as a mediator fit the data better than models with conflict as an outcome. We find strong evidence of the evolution of the conflict-performance link in keeping with the evolution and maturing of internet technology – initially getting more negative over time, but later less so. We find some evidence that the conflict-performance relationship is moderated by – (a) whether the measure of performance is objective or subjective, (b) the nature of the performance construct (Latent, Aggregate, or Separate), (c) whether the study sample comprises multiple industries, (d) whether the study sample is North American, (e) whether the study sample comprises channel members of one focal firm, (f) whether the channel is international, (g) whether the channel is characterized by strong agency dependency, and (h) whether the constructs in model are collected and measured from both sides of the dyadic relationship. We summarize the results of all hypotheses in Table 8.

< TABLE 8 ABOUT HERE >

DISCUSSION

Channel conflict is one of the most consequential business concerns, and not surprisingly, in the course of this research, we found more than 100 studies since 1960 that use the construct. Yet, the literature is also characterized by inconsistencies and ambiguities surrounding its relationships with business performance and other key relational variables, as well as some important gaps. With these as our underlying motivation, we conduct a comprehensive meta-analysis of the existing empirical results to estimate the aggregate empirical evidence.

Our key result is that the channel conflict-performance link is negative, a result that is robust to individual or joint channels performance. The robustness of the result is further evidenced in its invariance across multiple models. However, channel characteristics, sample characteristics, time, and measurement scales moderate this result. While we find models with channel conflict as a mediator exhibit a greater fit with the data than models with channel conflict as an outcome, the general results linking channel conflict to other relational variables are consistent with the canonical hypotheses and invariant across the different nomological networks. In particular, channel conflict is negatively related to the key relational variables – satisfaction, trust, and commitment.

Another key observation is that the conflict-performance link seems to have evolved over time. In particular, we find that it has become more negative, suggesting the growth of a more unforgiving business climate in some sense. We can only speculate as to what processes have driven these specific results, but several authors have argued that the growth of the internet technologies and the spurt in e-commerce have changed marketing channels in significant ways (Frazier, 1999; Hulland et al., 2009). The emergence of the e-commerce ecosystem has fostered myriad multi-channel formats where sellers more easily disintermediate their resellers by going direct. At the same time, it has consolidated the power of resellers in certain domains. Thus, there has not only been more competition for demand downstream but also for supply upstream. We find that the year 1991, a coming to the age of the internet, served as somewhat of a breakpoint. Yet, we also find that with time, the strength of this negative relationship has mellowed. Specifically, post-2005, we find that the link is less strong than pre-2005. It is unlikely that the degree of competition has reduced. However, we speculate that with time, digitization technology may have matured to the point of realizing greater value from channel coordination. Further, companies may also have developed competencies to better adapt to the changing technology, gaining better control over the

processes that lead to deadweight performance loss or costly conflict (*cf*. Kaplan & Sawhney, 2000). To the best of our knowledge, we are the first to report this result.

We identify several moderators of the negative conflict-performance link not yet reported in the literature. While weak, we find some evidence that the link is weaker for objective measures of performance – potentially due to common method bias in subjective measures. We find the link is weaker for studies that use data from multiple industries – possibly due to heterogeneity that dilutes strong results (Geyskens et al., 1998). Studies that sample multiple channel members of a focal firm also exhibit a weaker link, compared to a cross-sectional sample – possibly due to efficiencies of shared conflict management practices. We also find the link is more negative for North American samples, suggesting that business outcomes in North America are more tightly hinged to intra-channel conflict. International channels also exhibit a stronger negative link than domestic channels – probably an indication of the higher transaction costs inflating the impact on performance attrition. Last but not least, channels characterized by stronger dependency exhibit a stronger negative link – a reminder of the consequential impact of such dependency.

Managerial Implications

From a managerial perspective, our key result is the robust evidence that conflict and channel performance are negatively related. Meta-analysis studies estimate the aggregate effects in the published literature. So, this suggests a pervasiveness of the negative association between conflict and performance. The practical significance of this derives in part from the notion that efforts at managing conflicts involve the allocation of significant managerial and monetary resources. To this end, our results show that conflict management efforts can have a clear bottom-line impact for the channel partners. So, channel managers considering investing in conflict management efforts should feel encouraged. We also find the negative conflict – performance link

has strengthened over time. So, it is fair to say that managers will find these investments increasingly valuable in current times.

However, how should managers sort and prioritize between different situations as they consider such deployment of conflict management resources? Also, what should be the nature of such a deployment? While our ability to draw fine-grained causal inferences for these questions is somewhat limited given the correlation nature of meta-analysis studies, some of our results offer interesting insights for practitioners. We point out some that we find particularly compelling.

One potential challenge for channel conflict management is agreeing to a joint commitment of relevant resources. To this end, we find the negative relation between conflict and joint channel performance, instructive. Clearly, this result challenges the notion of conflict as a zero-sum, where one party wins and the other loses. Rather it points to conflict as a more universal deadweight loss for the channel. Therefore, managers should commit to such joint efforts within the channel.

Another challenge, rooted in conflict as a spectrum between potential to manifest, is recognizing appropriate key performance indicators (KPI) for deploying conflict management resources. To this end, conflict's negative relations to satisfaction, trust, and commitment indicate managers could identify these relational channel constructs as appropriate intermediate KPIs.

Yet, another challenge is governance costs that impose boundary conditions on the effectiveness of conflict management. We find the negative impact of conflict is higher in channels with greater interdependence, e.g., in resale franchises, compared to value-added resellers (VARs). These resale franchises tend to be governed by more formal mechanisms with greater franchisor oversight. Franchise Disclosure Documents (FDD-s) are an example. These are key information sources for potential franchisees and often include detailed guidelines to deal with conflict. However, these documents are costly to write, and their details sets expectations of monitoring and compliance costs for potential franchisees. This makes some franchisors wary of publishing them

in a highly detailed form when they have a choice. Indeed, FDD-s are not mandatory for all jurisdictions (e.g., in Canada). In light of our results, franchisors should not shy away from incurring the transaction costs associated with these conflict management guidelines, for these costs may well be worth it in measurable bottom-line terms.

The post-2005 dip in the negative conflict-performance link is a provocative result in the backdrop of generally increasing competition. This may be due to increasingly effective technology to manage conflict, including easier analyses and sharing of data among channel members. Therefore, in assessing the ROI of new technology for their channel operations, managers should explicitly assess the resulting capabilities to deal with channel conflict.

Our results around differences in the conflict-performance link across different geographies and samples are more nuanced in terms of direct managerial implications. For example, while the stronger negative conflict-performance link in north American samples suggest international firms be mindful to develop resources for effective conflict management as they plan for North American operations, it does not suggest conflict is less important outside of American shores. Similarly, the tighter negative coupling between conflict and performance for international channels and channels with greater dependencies suggest a need for greater attention to those contexts but not that conflict is less important in their counterparts. We summarize some of these insights in Table 8. Our more granular results around different samples and measures seem less compelling in terms of direct managerial implications. Nevertheless, true to meta-analytic studies, all of these indicate promising areas of further research, which we describe next.

Future Research

Episodic Nature of Conflict: Despite the fact that several papers drawing upon conflict as a process, very little empirical work is devoted to the episodic nature of conflict. In this view, conflict comprises interlocking episodes: latent, perceived, felt, manifest conflict, and conflict

aftermath (Pondy, 1967). Lengers et al. (2015) investigate how formal and relational governance mechanisms affect the transition between different episodes of conflict. Another paper by Rose et al. (2007) documents a positive relationship between task conflict and emotional conflict. We call for more such studies to elaborate on the channel conflict-performance relationship.

Individual and Joint Performance: We find the impact of channel conflict is invariant across individual or joint performance. This highlights a big gap in the literature. While some researchers use joint performance (e.g., Chang & Gotcher, 2010; Webb & Hogan, 2002), and others use measures based on only one channel member (Cronin & Morris, 1989), few empirical studies use both individual and joint performance in the same model (Benton & Maloni, 2005 is an exception). Thus, both the theory and empirical bases in the domain are underdeveloped. We feel this individual versus joint performance is an important area of study for channels research.

The Conflict-Performance link is a moving target: While our results pertaining to the evolution of the conflict-performance link are unequivocal, it is unclear what firm/channel capabilities might be implicated. As new technologies populate our channel ecosystems (e.g., sharing platforms), understanding their impact on channel conflict and performance will become increasingly more important. To the best of our knowledge, we are the first to document this evolution and will hope other researchers will explore this further.

Metrics for Channel Performance: One of our clear takeaways is that the metric makes a difference. We find objective measures such as return on asset, profits and sales metrics such as success, level and growth, exhibit different relationship strength than subjective and perceptual measures such as level of satisfaction with performance and expected performance. However, several other variations remain unaccounted for. For example, the difference between long-term measures (e.g., firm survival) and short-term impacts (e.g., return on investment). The discipline is alive to the need for more robust metrics for marketing performance with different approaches –

Kumar et al., (1992) customize their measures to the research question and context, while Katsikeas et al. (2016) propose a theory-based framework. We feel these will continue to be important and fruitful areas of study, in channels research.

Channel Conflict as a Functional Phenomenon: While the aggregate evidence says conflict is dysfunctional, the potential functional role of conflict is understudied, prompting calls for more research in the domain (Koza & Dant, 2007). Some papers (Hunt, 1996; Dant and Schul, 1992; Mohr and Spekman. 1994) point to conflict type, channel interdependency, and particularly, conflict resolution techniques, as sources of variation in outcomes. Yet, most studies in the domain are cross-sectional in design and have been criticized as unsuited for the purpose (Frazier, 1999). Thus we call for more longitudinal designs to study channel conflict.

CONCLUSIONS

To summarize, this study contributes to the marketing channels literature in multiple ways. To the best of our knowledge, ours is the most current, and also the first meta-analysis focused on channel conflict and performance. Our key results show that channel conflict and performance are negatively linked in terms of both individual or joint outcomes. The result is robust across different nomological networks of various relational channel constructs. We find conflict is negatively related to the relational constructs, satisfaction, trust, and commitment regardless of the theoretical models used and models with conflict as a mediator show a better fit than models where it is an outcome. We observe that the conflict – performance link has evolved over time, roughly in keeping with the growth and maturing of e-commerce technologies. The ravages of conflict seem to have increased with time for channels till continuing technology improvements appear to bring in greater capability to manage conflict and its impact. We also identify some key boundary conditions for the empirical results by finding the contextual factors of measurement, sampling, and channel characteristics that moderate the conflict-performance link. In particular, the relationship is

moderated by whether the measure of performance is objective or subjective, or as a latent, aggregate or separate measure, whether the sample is a multi-industry one, whether the study sample is North American, whether the study sample comprises one focal firm, whether the channel is international, and whether the channel is characterized by strong agency relationship.

As with any study, ours has limitations. Our efforts at rigor come at the cost of some completeness. The number of constructs that are included in our model is limited because we could not find enough correlation coefficients for important inter-firm constructs such as opportunism and interdependence asymmetry. We could not include firm-level constructs such as goal incompatibility, drive for autonomy, and miscommunication in our model for the same lack of enough correlations. We hope our effort will serve to motivate other researchers to contribute more to this important area in marketing.

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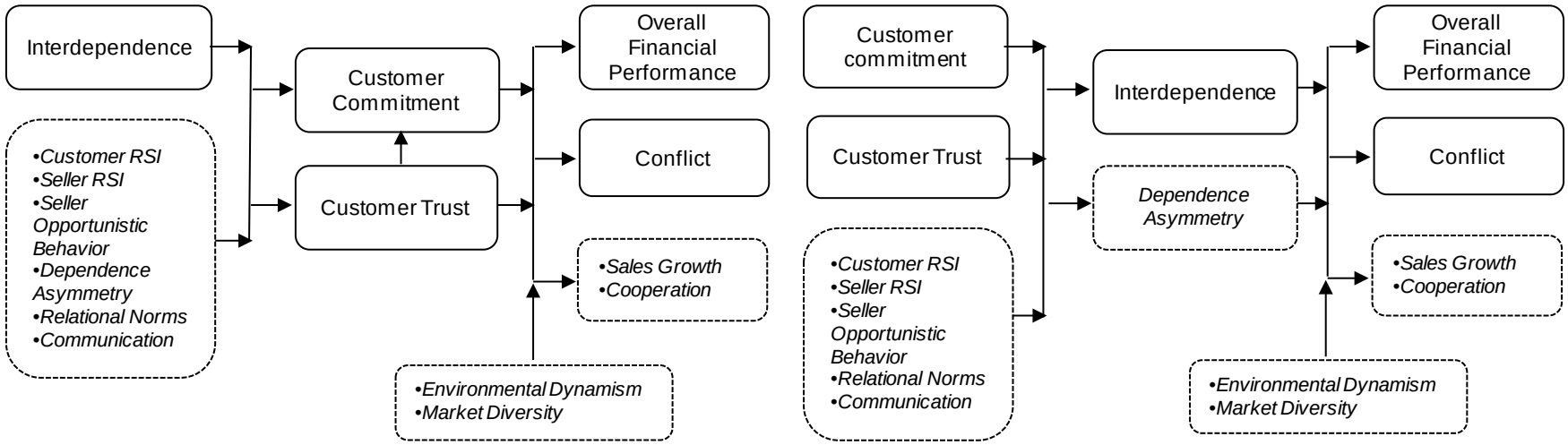
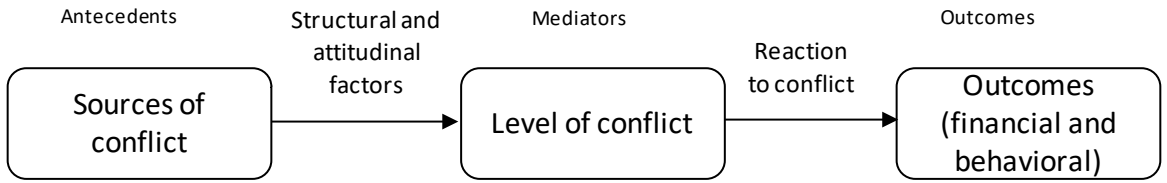


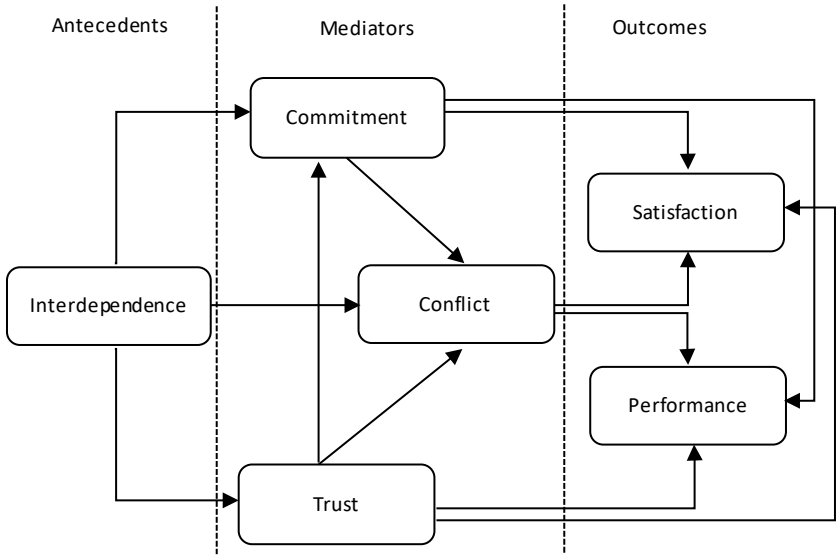
(a) Original Trust-Commitment perspective *(b) Original Interdependence perspective*

Figure 1– Trust-Commitment and Interdependence perspectives

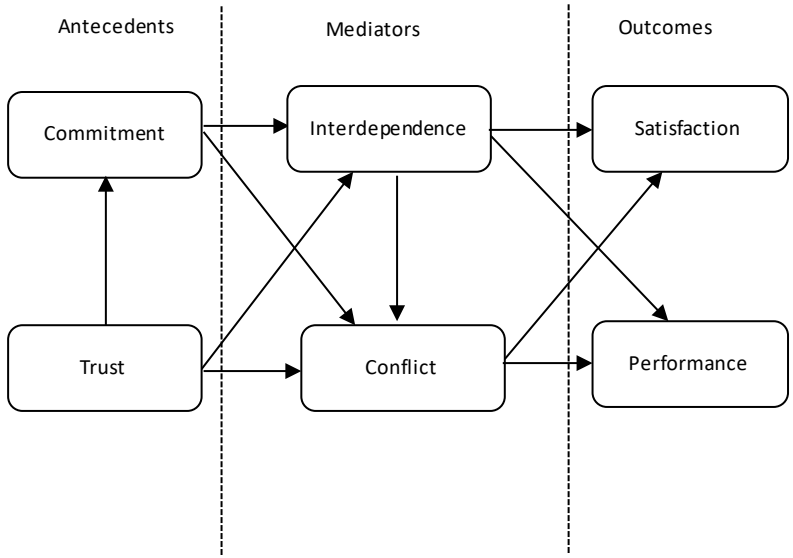
(Notes: Dashed constructs are deleted from the model because of lack of enough data; RSI = Relationship-Specific Investments)



(a) The Intra-Channel Conflict Process (Rosenberg & Stern, 1971, p. 438)



(b) Customized model – synthesizing Trust-Commitment perspective into the Intra-Channel perspective



(c) Customized model – synthesizing Interdependence perspective into the Intra-Channel perspective

Figure 2: Channel Conflict – the original Intra-Channel and the estimated customized models

Table 1: Different definitions of Channel Conflict

Study	Definition	Focus
Stern and Brown (1969)	"the opposition to goals, ideas, or performance behavior that occurs among the managements of institutions that make up the marketing channel" (p.155).	Not only behavior but also differences in ideas are important.
Lusch (1976)	"operationally define as the frequency of disagreement between manufacturer and dealer.." (p. 8)	Manifest conflict in forms of verbal and written disagreements.
Emerson (1962)	Emerson used his Power-Dependency model (1962) and states that channel conflict arises when channel members compare what they can do within the relationship with what they do outside of it.	Manifest conflict in terms of objectives.
Stern and Gorman (1969)	"A change occurs in the task environment or within a channel member's organization that eventually has implications for the channel members…. When the other affected member perceives the change as being potentially frustrating to their goals and attempts to remove the cause of frustration, a conflict situation emerges."	The focus is on both sides of the conflict (manifest task and emotional conflict)
Gaski and Nevin (1985)	"…conflict in a marketing channel to be the perception on the part of a channel member that his goal attainment is being impeded, or blocked, by another channel member." (p. 131)	Mostly focus on perceived and manifest conflict (behavior)
Rose et al. (2007)	"Task conflict centers on disagreements about the means of achieving specific ends ……. while emotional conflict results from interpersonal disagreements and personality incompatibilities." (p. 297)	Task (cognitive and manifest) conflict and emotional conflict are related but are different aspects of conflict
Schmidt and Kochan (1972)	"as overt behavior rising out of a process in which one unit seeks the advancement of its own interests in its relationship with the others" (p. 363).	Mostly focus on perceived and manifest conflict (behavior)
Jehn (1995)	"Conflict has been broadly defined as perceived incompatibilities…. Or perceptions by the parties involved that they hold discrepant views or have interpersonal incompatibilities". (p. 257)	Both sides of conflict (manifest task and emotional)

(Note: To conserve space, we list the references in this table in the Web Appendix F)

Table 2: Synchronous and Asynchronous Views of Channel Conflict

Synchronous View	**Channel Objectives**	Minimizing and eliminating conflict.	Reve & Stern 1979; Stern et al. 1973; Thompson 1960.
		Maximization of own performance via conflict reduction.	Jeuland & Shugan 1983.
	Conflict Characteristics	Negative phenomenon; Dysfunctional.	Brown & Frazier 1978; Dixon & Layton 1971; Geyskens et al.1999; Mohr et al. 1996; Vosgerau et al.2008.
		Conflict is a lack of coordination.	Jeuland & Shugan 1983; Pearson, 1973; Pearson & Monoky 1976.
		Conflict is viewed mostly as an outcome, not a dynamic process.	Geyskens et al.1999; Palmatier, Dant, & Grewal 2007.
	Managerial Approach	Governance- and design-oriented.	Ghosh & John 2012; Levy & Grant 1980; Robbins et al.1982; Schul et al.1983; Thompson 1960.
		Forward-looking orientation; No real-time intervention.	Kaufmann & Rangan 1990; Schul et al.1983.
		Dominated by legal ordering approaches to conflict resolution such as litigation and arbitration; Mostly focused on hierarchical governance.	Weigand & Wasson 1974; Winsor et al. 2012.
Asynchronous View	**Channel Objectives**	Maximizing joint performance; Mutual satisfying results.	Anderson & Narus 1990; Haitao Cui et al.2007; Dommermuth, 1976; Frazier et al. 1989; Litterer 1966; Mallen 1967; Rosenberg 1974.
		A win-win outcome is a focus.	Dommermuth 1976; Rose & Shoham 2004; Rosenberg 1974.
	Conflict Characteristics	Positive or negative phenomenon; Functional and dysfunctional.	Cadotte and Stern 1979; Dommermuth, 1976; Eliashberg & Mitchie 1984; Etgar 1979; Koza & Dant 2007; Lucas & Gresham 1985; Menon et al.1996; Rosenbloom 1973; Van der Maelen et al.2016.
		Conflict and cooperation are distinct constructs.	Alter 1990; Etgar 1979; Frazier 1999; Skinner et al.1992; Stern & Heskett 1969.
		Conflict is viewed mostly as a process and mediator.	Dwyer et al.1987; Lengers, Dant, & Meiseberg 2015; Pondy 1967; Rosenberg & Stern 1971; Runyan et al.2010; Thomas 1976.
	Managerial Approach	Sense and respond; Based on learning and evolution.	Chang & Gotcher, 2010; Hunt 1996.
		Retrospective oriented; Real-time intervention is allowed.	Hunt 1996; Rosenberg 1974.
		Use of bilaterally oriented conflict resolution strategies such as problem-solving and negotiation; Mostly focused on relational governance.	Angelmar & Stern 1978; Chang & Gotcher 2010; Ganesan, 1993; Mohr & Spekman 1994; Roering 1977; Rosenberg 1974; Walker 1971.

(Note: To conserve space, we list the references in this table in the Web Appendix F)

Table 3: Different Theories used to study Channel Conflict

Key Theories or models	**Derived from**	**Details and role of conflict**	**Example studies**
Trust-Commitment (TC)	Social Exchange Theory (Cook & Emerson, 1978)	Trust and Commitment are the main drivers of interorganizational performance. Conflict is mostly seen as an outcome variable that could be affected by the level of trust and commitment in the channel. These two constructs prevent channel members from only focus on pursuing their own interests. Therefore, they can mitigate the negative effect of conflict.	Morgan & Hunt 1994; Palmatier et al. 2007; Terawatanavong et al.2007; Leonidou et al.2006.
Interdependence (INT)	Social exchange theory (Cook & Emerson 1978), sociology (Emerson 1962)	Dependence is the key to interorganiational performance. Dependence makes the channel members work together while interdependence asymmetry may lead to decrease in the level of prformance due to use of coerceive power.	Kumar et al.1995; Palmatier et al. 2007; Samaha et al. 2011; Van Bruggen et al.2005
Intrachannel conflict (ICC)	Organizational conflict (Pondy, 1967)	Intrachannel conflict can be viewed as a process or state (Rosenberg & Stern, 1970). In the process view, conflict is seen as a mediator that is affected by causes of conflict and in turn, affects the channel outcomes. (Rosenberg & Stern, 1971).	Rosenberg & Stern 1971; Dwyer et al. 1987; Lengers et al.2015.

(Note: To conserve space, we list the references in this table in the Web Appendix F)

Table 4: Relationship between conflict and other constructs

Construct 1	**Construct 2…**	**Arguments**	**Representative Empirical Findings**
Trust	Conflict (-) 27 negative 3 positive	Trust of channel member to other channel members is the key to have a healthy relationship. When channel members have trust in each other, it will lead to an increase in the level of cooperation and reduction of conflict (Palmatier et al., 2007).	Palmatier et al. 2007 negative (sig) Zaheer et al. 1998 negative (sig) Ren et al.2010 negative (sig)
Commitment	Conflict (-) 15 negative 2 positive	The commitment of one channel member to another channel member is crucial in channel relationships (Morgan & Hunt, 1995). When one channel member is committed to another one, it will behave in the best interest of other channel members, which will lead to a decrease in the intensity of conflict (Morgan & Hunt, 1995; Palmatier et al., 2007)	Palmatier et al. 2007 negative (sig) Ross et al.1997 negative (sig)
Interdependence	Conflict (-) 9 Conflict (+) 6	The more interdependent the parties, the more likely they are motivated to resolve their problems and converge their interests. Therefore, interdependence positively affects the exchange outcomes with both parties driven to resolve the conflict (Hibbard et al., 2001). However, sometimes the asymmetry of interdependence could lead to more conflict (Zhou et al., 2007).	Frazier & Rody 1991 positive (sig) Kumar et al. 1995 positive (sig) Palmatier et al. 2007 negative (sig)
Conflict	Satisfaction (-) 54 negative 6 positive	Disagreement between channel members increases the level of frustration, tension and, thereby causing dissatisfaction about the relationship (Anderson & Narus, 1990; Kumar et al., 1999).	Kumar et al. 1999 negative (sig) Brown et al.1995 negative (sig) Mohr et al.1996 negative (sig)
Conflict	Performance (+/-) 55 negative 12 positive Inverted U-shape (three studies)	There is ambiguity about the relationship between conflict and performance (Duarte & Davies, 2003; Rosenbloom, 1973). Conflict lead channel members focus on other channel members as opponents. Therefore, it can obstruct another party or destroy the relationship as a whole. On the other hand, lack of conflict is seen as being passive and lack of innovativeness. Conflict is seen as a leeway to creativity and finding solutions to problems. Rosenbloom (1973) tries to address this inconsistency by asserting that the conflict - performance relationship follows an inverted-U curve, where conflict is constructive at a moderate level and destructive at very low or high levels.	Jap & Ganesan, 2000 negative (sig) Kumar et al., 1992, 1995 negative (sig) Ross et al., 1997 negative (sig) Webb & Hogan, 2002 negative (sig) Assael 1969 positive (sig) Cronin & Baker 1993 positive (sig) Pearson 1973 (not sig) Lusch (1976) inverted-U, (not sig)

(Note: To conserve space, we list the references in this table in the Web Appendix F)

Table 5: Analyses - Descriptive statistics and results of pairwise analyses, Correlational

Construct 1	Construct 2	Sample avg *r*	Avg *r* adjusted for reliability	*Z*	Sample weighted *Z* adjusted for reliability	Trans-formed back *r*	95% CI LB	95% CI UB	Total no. of raw effects	Total *N*	File drawer *N* (2-tailed)	*Q*-statistic of homogeneity (df)
Conflict	Performance(s) [1]	-.164	-.189	-.222	-.370**	-.350	-.389	-.350	67	13,086	372	3,404.744 (66)**
Conflict	Performance(c)[2]	-.127	-.145	-.168	-.272**	-.270	-.289	-.255	93	16,602	378	4,058.872(92)**
Conflict	Satisfaction	-.360	-.430	-.521	-.647**	-.570	-.669	-.625	60	11,228	805	1,589.637(59)**
Conflict	Interdependence	-.067	-.074	-.077	-.093**	-.090	-.121	-.064	15	6,250	25	118.969(14)**
Conflict	Trust	-.361	-.429	-.506	-.486**	-.450	-.510	-.462	30	8,263	403	1,198.716(29)**
Conflict	Commitment	-.282	-.340	-.391	-.349**	-.335	-.378	-.319	17	5,644	174	894.528(16)**
Performance	Satisfaction	.388	.460	.647	1.067**	.788	1.032	1.101	20	4,539	290	2,554.012(19)**
Performance	Interdependence	.183	.209	.222	.184**	.182	.153	.216	10	4,790	63	231.541(9)**
Performance	Trust	.335	.394	.430	.368**	.350	.326	.409	13	3,106	161	66.147(12)**
Performance	Commitment	.326	.357	.417	.475**	.443	.435	.517	9	2,693	108	357.491(8)**
Satisfaction	Interdependence	.275	.305	.325	.315**	.305	.258	.373	5	1,445	50	40.861(4)**
Satisfaction	Trust	.516	.604	.718	.783**	.654	.745	.818	14	4,168	275	327.194(13)**
Satisfaction	Commitment	.380	.475	.538	.508**	.469	.455	.562	7	1,773	99	48.061(6)**
Interdependence	Trust	.119	.143	.147	.191**	.189	.140	.243	7	2,136	46	23.975(6)**
Interdependence	Commitment	.194	.206	.212	.200**	.198	.151	.249	5	1,895	35	13.658(4)**
Trust	Commitment	.597	.691	.877	.825**	.678	.790	.859	13	4,134	297	130.126(12)**

** Sig at $p < .05$

[1] This row provides information on the correlation between channel conflict and subjective measures of performance.

[2] This row provides information on the correlation between channel conflict and combined measurement of performance (subjective + objective).

Table 6: Construct inter-relationships: Path coefficients, TSSEM

Construct 1 → Construct2	Canonical Hypotheses[#] TC.	INT.	ICC	Model 1 (TC)	Model 2 (ICC-TC)	Model 3 (INT)	Model 4 (ICC-INT) Full mediation	Model 5 (ICC-INT) Part mediation
Conflict → Performance			-/+	-	-0.120**	-	-.135**	-.134**
Conflict → Satisfaction			-	-	-0.183**	-	-.203**	-.201**
Interdependence → Conflict		-/+	-	-	-0.013	-0.014	-0.013	-0.012
Trust → Conflict	-		-	-.081**	-0.079**	-	-.101**	-.100**
Commitment → Conflict	-		-	-.054**	-0.054**	-	-.059**	-.059**
Interdependence → Performance		+		-	-	0.022**	-	0.020
Trust → Performance	+			.039**	0.029**	-	-	-
Commitment → Performance	+		+	0.029**	0.023	-	-	-
Interdependence → Satisfaction		+		-	-	0.026**	-	0.023**
Trust → Satisfaction	+			.063**	0.048**	-	-	-
Commitment → Satisfaction	+	+	+	0.021**	0.011	-	-	-
Interdependence → Trust or Trust → Interdependence	+	+		0.013	0.013	0.012	0.011	0.012
Interdependence → Commitment or Commitment → Interdependence	+	+		0.013	0.013	0.013	0.013	0.013
Trust → Commitment	+	+		.076**	.076**	.072**	.076**	.076**

[#] Note that some relationships are not hypothesized, often because of their indirect relations. We identify only the direct hypotheses reported in the literature.
** Sig at $p < .05$

Table 7: Results of Moderation Analysis, MARA

	Combined (Subjective + Objective) Measure of Performance										
	Model A1	**Model A2**	**Model A3**	**Model A4**	**Model A5**	**Model A6**	**Model A7**	**Model A8**	**Model A9**	**Model A10**	**Model A11**
Moderators	**β (std err)**	**β (std err)**	**β (std err)**	**β (std err)**	**β (std err)**	**β (std err)**	**β (std err)**	**β (std err)**	**β (std err)**	**β (std err)**	**β (std err)**
α	-.149*** (04)	-.197*** (.04)	-.042 (.06)	-.174**(.06)	-.245**(.10)	11.59*(4.72)	-.051 (.06)	-.326***(.07)	13.177**(5.48)	-.168 (.19)	.163(.20)
Year						-.006* (.00)			-.007** (.00)		
Year-1991							-.164* (.07)				-.166** (.08)
Pre-1991[1]								.336*** (.09)		.293***(.09)	
Post-2005[1]								.146* (.09)		.125 (.09)	
Objective		.164* (.08)							.106 (.09)	.130 (.09)	.127 (.09)
Latent			-.096 (.09)						-.332***(.11)	-.261** (.11)	-.328*** (.11)
Aggregate			-214* (.08)						-.377***(.09)	-.303**(.09)	-.369***(.09)
Referent				.043 (.07)					.087 (.07)	.106 (.07)	.088 (.07)
Manifest					.110 (.11)				.035 (.10)	-.039 (.11)	.015 (.11)
Combined					.110 (.17)				.181 (.16)	.014 (.17)	.137 (.16)
Multi industry									.318*** (.09)	.383*** (.09)	.331*** (.09)
N_ America									-.208** (.09)	-.146 (.09)	-.197** (.09)
Focal									.234*** (.09)	.189** (.08)	.217** (.08)
Self									-.089 (.09)	-.125 (.09)	-.113 (.09)
Seller side									.104 (.09)	.075 (.09)	.102 (.09)
Dyadic									.149 (.11)	.186* (.10)	.209* (.11)
Reseller									.088 (.09)	.109 (.09)	.089 (.09)
International									-.192** (.09)	-.197** (.09)	-.221** (.09)
Agency									-.215***(.08)	-.145*(.08)	-.191** (.08)
R-Squared [2]	0	0.041	.052	0	.0	.049	.043	.129	.327	.361	.318
Tau [3]	0.118	0.113	.112	.119	.119	.112	.113	.102	.079	.075	.080
I-Squared_re [4]	99.99%	99.99%	.99.98%	.99.99%	.99.99%	.99.99%	.99.99%	.99.98	99.94	.99.93%	.99.94%
N	93	93	93	93	93	93	93	93	93	93	93

* $p<.1$, ** $p<.05$, and *** $p<.01$ (two-tailed). α is random effect intercept while β is random effect coefficient meta-regression.
[1] The base period is 1991-2005
[2] Proportion of between-study variance explained
[3] Estimate of between-study variance
[4] % residual variation due to heterogeneity

Table 8: Summary of hypotheses and related empirical findings

Variable Relations [Hyp]	**Support?**	**Comments**
H1: Channel Conflict-Business Performance **[-]**	√	The negative conflict-performance link is robust to individual or joint channel performance and different research frameworks. Suggests conflict management efforts and (joint) resource commitments can have a clear bottom line impact.
Moderators of Conflict-Performance link		
H2a: Time **[-]**	√	More recent studies show a stronger negative conflict-performance link. The negative impact becomes stronger post 1991 (after the advent of the internet). Suggestive that the addition of new types of channels and internet-based commerce have spawned more unforgiving channel relationships.
H2b: Time (post-2005) **[+]**	√	The negative link becomes weaker post-2005 compared to 1991-2005. Indication of the maturing of digital technology in handling channel conflict and suggests ROI from new technologies includes improvement in the bottom line impact of conflict.
H3: Objective (vs. subjective measure of performance) **[+]**	√	Common method bias (CMB) associated with subjective performance measures may inflate the negative conflict-performance link compared to objective measures (some evidence).
H4: Relative (vs. absolute performance measures) **[-]**	n.s.	No evidence of any impact of whether performance is measured in relative or absolute terms.
H5: Latent/ Aggregate (vs. "separate" measures of performance) **[-]**	√	Latent or aggregate measures show a stronger negative effect for the conflict-performance link than separate measures, suggesting that separate measures might underestimate the consequential nature of conflict by missing specific components.
H6: Affective (vs. Manifest conflict) **[-]**	n.s.	No evidence of any impact of whether type of conflict measured is affective or manifest.
H7: Multi-industry (vs. single-industry study) **[+]**	√	The conflict-performance link is weaker for multi-industry studies, suggesting that sample heterogeneity might dilute the link.
H8: Focal firm (vs. multi-firm sample) **[+]**	√	Studies with a focal firm show a weaker negative link than studies with a cross-sectional sample, suggesting shared conflict management practices help in mitigating negative impact of conflict.
H9: North America (vs. non-North America) **[-]**	√	Conflict more consequential for North American channels. Justifies a greater commitment to conflict management protocols.
H10: Resale (vs. VAR channels) **[-]**	n.s.	No evidence of any difference between resale and VAR channels in impact on conflict-performance-link.
H11: Agency **[-]**	√	Conflict is more consequential for channels with stronger dependency. Formal conflict management protocols welcome despite greater transaction costs.
H12: International (vs. domestic channels) **[-]**	√	The negative impact of conflict on performance is likely inflated by the higher transaction costs of international channels.
Controls for data collection procedures		
Self-administered (vs. from managers)	n.s.	No evidence of any impact of whether data collection is self-administered or directly from managers.
Dyadic (vs. Single sided data collection)	(+)	Data collected from both sides of the channel show a weaker conflict-performance link, suggesting measurement errors associated with single sided measures may overestimate the consequence of conflict.