



THE IMPORTANCE OF RELATIONSHIP MARKETING APPROACH IN ACHIEVING  
SERVICE DOMINANT LOGIC ORIENTATION: A CASE STUDY OF AIR ALGÉRIE

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Summary

The purpose of this paper is to analyse Relationship Marketing in the light of Service-Dominant (S-D) Logic to emphasise the role of relationship's marketing dimensions in developing value creation. This paper is one of the first to gather relationship marketing approach of value creation and categorize them in terms of service dominant logic. The main study results show a positive correlation between relationship's marketing dimensions such as Trust, Commitment, Resource Integration and Interaction on one side and value creation on the other.

Key words: Relationship Marketing, Service-Dominant (S-D) Logic, Value Creation.

JEL Classification: M31, L8, A13

المخلص

تهدف هذه الورقة البحثية إلى تحليل تسويق العلاقات في ضوء المنطق المهيمن في الخدمة من خلال التأكيد على دور أبعاد تسويق العلاقات في تطوير خلق القيمة. وتعد هذه الورقة البحثية من بين أولى الدراسات التي جمعت منهج تسويق العلاقات بمفهوم خلق القيمة وتصنيفها من حيث المنطق المهيمن في الخدمة.

كما توصلت نتائج الدراسة إلى وجود علاقة طردية موجبة بين أبعاد تسويق العلاقات مثل الثقة، الالتزام، تكامل الموارد والتفاعل من جهة؛ وبين خلق القيمة من جهة أخرى.

الكلمات المفتاحية: تسويق العلاقات، المنطق المهيمن في الخدمة، خلق القيمة

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The core subject as the services marketing field has developed -service quality- also has stimulated interest in relationship marketing. The object of improving service quality, is to engender value creation. Companies aspiring to practice relationship marketing should make formal efforts to identify those customers who are most likely to be loyal and develop their overall strategy around delivering superior value to these customers.

Today's marketing-oriented companies are actually 'market driven', in the sense that they are structured, organised and managed with the sole purpose of creating and delivering value.

S-D logic offers a synthesis of the best parts of earlier service research. It also joins forces with relationship marketing and its further developments.

The main problem that we attempt to tackle through this study is formulated as follows:

How can the company under study achieve the orientation towards Service-Dominant Logic from a Relationship Marketing-based approach?

The hypotheses of the study are proposed as follows:

H1: There is a positive correlation between Trust and Value Creation.

H2: There is a positive correlation between Commitment and Value Creation.

H3: There is a positive correlation between Resource Integration and Value Creation.

H4: There is a positive correlation between Interaction and Value Creation.

## **1. RELATIONSHIP MARKETING**

Today, relationship marketing is at the forefront of marketing practice and academic marketing research. The concept of marketing to existing customers to win their continuing patronage and loyalty is becoming well integrated into the various marketing disciplines as this special issue of the Journal of the Academy of Marketing Science attests (Berry, 1995).

Relationship marketing is an old idea but a new focus now at the forefront of services marketing practice and academic research. The impetus for its development has come from the maturing of services marketing with the emphasis on quality, increased recognition of potential benefits for the firm and the customer, and technological advances.

The phrase "relationship marketing" appeared in the services marketing literature for the first time in a 1983 paper by Berry (Berry, 1995).

A broad scholarly literature argues that repeated exchange between firms improves the efficiency of exchange by mitigating ex post opportunism and fostering value-creating adaptation (Elfenbein & Zenger, 2017).

Berry stressed that the attraction of new customers should be viewed only as an intermediate step in the marketing process.

A clear firstorder implication of the buildup of relationship value through repeated exchange is for buyers to focus their exchange, developing increasingly deep relationships with a limited set of capable suppliers, to maximize value creation (Elfenbein & Zenger, 2017).

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Berry defined relationship marketing as "attracting, maintaining and--in multi-service organizations--enhancing customer relationships" (Berry, 1995).

Repeated exchange develops trust, interorganizational routines, social connections between individuals in each firm, and heightened expectations of relationship continuity (Elfenbein & Zenger, 2017).

Hunt and Morgan (1994), inspired by the work of Grönroos (1990), broaden the scope of relationship marketing to include all forms of relational exchange, not sole customer relationships: "Relationship marketing refers to all marketing activities directed at establishing, developing, and maintaining successful relational exchanges in . . . supplier, lateral, buyer, and internal partnerships (Berry, 1995).

Although relationship marketing terminology in the services literature can be traced back to 1983, recognition of the need to formally market to existing customers appeared earlier.

Berry outlined five strategy elements for practicing relationship marketing: developing a core service around which to build a customer relationship, customizing the relationship to the individual customer, augmenting the core service with extra benefits, pricing services to encourage customer loyalty, and marketing to employees so that they, in turn, will perform well for customers (Berry, 1995).

### 1.1- TRUST AND VALUE CREATION

Relationship marketing is built on the foundation of trust, as accumulating research demonstrates (e.g., Crosby, Evans, and Cowles 1990; Parasuraman, Berry, and Zeithaml 1991; Morgan and Hunt 1994).

Macneil (1980) differentiates transactional orientations from relational orientations in that relational orientations emphasize long-term endurance, are based on the assumptions of trust and commitment and consider non-economic satisfaction (Luczak, Mohan-Neill & Hills, 2010).

Reichheld (1993) argues that the longer employees stay with a company, the better they are able to serve their customers. Long-term employees know more about the business and have had more opportunity to develop bonds of trust and familiarity with customers (Berry, 1995).

Reichheld writes, "Just as it is important to select the right kinds of customers before trying to keep them, a company must find the right kind of employees before enticing them to stay" (Berry, 1995).

Morgan and Hunt theorize that successful relationship marketing requires relationship commitment and trust (Morgan & Hunt, 1994).

Trust is defined as "a willingness to rely on an exchange partner in whom one has confidence" (Moorman, Zaltman, Deshpande, 1992).

Morgan and Hunt define trust as the perception of "confidence in the exchange partners reliability and integrity" (Morgan & Hunt, 1994).

Therefore trust is so important to relational exchange that Spekman postulates it to be "the cornerstone of the strategic partnership." Why? Because relationships characterized by trust are so highly valued that parties will desire to commit themselves to such relationships. Indeed, because commitment entail vulnerability, parties will seek only trustworthy partner (Luczak, Mohan-Neill & Hills, 2010).

### 1.2- COMMITMENT AND VALUE CREATION

Morgan and Hunt (1994) propose that relationship commitment is central to relationship marketing, and defined relationship commitment as an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship is worth working on to ensure that it endures indefinitely (Morgan & Hunt, 1994).

Moorman, Zaltman and Deshpande (1992) describe commitment as an “enduring desire to maintain a valued relationship” (Moorman, Zaltman, Deshpande, 1992).

Morgan and Hunt Theorizing that commitment and trust are key variables that mediate successful relationship marketing. Because relationships characterized by trust are so highly valued that parties will desire to commit themselves to such relationships. Indeed, because commitment entail vulnerability, parties will seek only trustworthy partner (Morgan & Hunt, 1994).

Dwyer, Schurr, and Oh (1987) theorize that shared values contribute to the development of commitment and trust (Dwyer, Schurr & Oh, 1987).

Shared values has become a variable of great interest to organizational researchers, especially in the organizational commitment literature (Morgan & Hunt, 1994).

Shared values, the only concept that we posit as being a direct precursor of both relationship commitment and trust, is the extent to which partners have beliefs in common about what behaviors, goals, and policies are important or unimportant, appropriate or inappropriate, and right or wrong (Morgan & Hunt, 1994).

### 1.3- RESOURCE INTEGRATION AND VALUE CREATION

Good marketing companies know that they cannot serve all customers in every way. Instead, they need to focus their resources on the customers they can serve best and most profitably. The resource heterogeneity and the specialization performed by organizations spur providers to search partners to exchange, integrate and develop resources. This process is called resourcing (Gummesson & Mele, 2010).

Resource integration is thus a key mechanism in value creation. Each actor contributes to value creation by integrating available resources through which they get benefits (Mele & Polese, 2010). In this sense, resources do not have an intrinsic value but need application and integration to become valuable for an actor who is to enjoy their benefits.

The importance of resources in value co-creation is highlighted e.g. in the S-D logic, which states that the application of operant resources, i.e. service, is the fundamental basis of exchange, and that all social and economic actors are resource integrators (Vargo & Lusch, 2008). The S-D logic proposes that value is co-created as actors interact to apply resources (Gummesson, Mele, Polese, Nenonen, & Storbacka, 2010).

S-D logic concludes that as no one has adequate resources to create value, we need “a network-to-network conceptualization of relationships that converge on value creation through a web of resource integration” (Vargo & Akaka, 2008). In this view resource integration is a multidirectional network- oriented process with “all parties uniquely integrating multiple resources for their own benefit and for the benefit of others” (Gummesson & Mele, 2010).

In this perspective, effective resource integration is characterized by the “configurational fit” of the resources, activities, processes that see the matching both in terms of internal configuration— within an actor—and external configuration for the whole network or a subgroup within it (Gummesson & Mele, 2010). And in a market context, the business model construct can be seen as the interface through which

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various actors' resources and capabilities are orchestrated for value co-creation (Gummesson, Mele, Polese, Nenonen, & Storbacka, 2010).

### 1.4- INTERACTION AND VALUE CREATION

Interaction in service builds on relationships that have sometimes been contested in pursuit of productivity: this is the purpose of the service industrialization strategies advocated decades ago by authors like Levitt (1976), and that manifest today by the rise of formulas for efficiency in diverse service sectors. However, service relationships are needed for value creation (Rajala, Gallouj, & Toivonen, 2016).

Interactions have been studied mostly in the context of buyer-seller relationships and in interaction and network models (Grönroos & Voima, 2013). Interaction as a key in conventional services marketing has been most obviously defined in the concept of the service encounter (see e.g. Lovelock and Wirtz 2010) and the role of the part-time marketer (Gummesson & Mele, 2010). Furthermore, the interaction concept offers a key construct in service marketing associated with buyer-seller interactions (Grönroos & Voima, 2013).

The customer is the value creator in direct interaction, but when inviting the provider into this process (a merged dialogical process), value is co-created with the provider (Grönroos & Voima, 2013).

Prahalad and Ramaswamy (2004) proposed a new frame of reference for value creation as a co-creation, noting that: "The use of interactions as a basis for co-creation is at the crux of our emerging reality." Ramaswamy & Ozcan, 2018).

Customer cocreation denotes a customer's perceived value arising from interactive, joint, collaborative, or personalized brand-related activities for or with stakeholders in service systems (Hollebeek, Srivastava & Chen, 2019)

The importance of the joint and customer spheres in understanding value creation and co-creation emphasizes the need to study customers' reactions and behaviors from a service logic point of view.

Service providers' opportunities to co-create value with customers during direct interactions influence not only customers' value creation but also their future purchasing and consumption behavior. Through the different levels of interaction a service provider aligns "its resources, competencies and processes with the customers' value-generating processes" and value is created in an on-going relationship (Gummesson & Mele, 2010).

By emphasizing the double side of the value creation process with the customer and supplier Grönroos and Ravald notice that "during interactions with customers, the supplier gets opportunities to influence the process of value creation, in the best case enhancing the level of value the customers create out of a service activity or a good." (Grönroos & Ravald, 2011).

In the S-D logic approach, the value is therefore determined by the consumer at the time of use, favoured by constant interaction with other actors in the service ecosystem (Vargo & Lusch, 2008).

## 2. S-D LOGIC AS AN EMERGING SERVICE THEORY

S-D logic is a theoretical proposal which was originally focused on marketing but is being generalized to the functioning of markets, to general management and all its subdisciplines, as well as to economics and society in general. It highlights a paradigm shift away from the goods-dominant (G-D) logic which lingers in mainstream management thinking since the advent of the industrial era.

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The emerging SDL of marketing “implies value is defined by and co-created with the customer rather than embedded in output.” (Paunonen, 2019, p 9).

S-D logic is founded on the co-creation of value and service and resource integration based on interaction and networked relationships (Gummesson, Mele, Polese, Barile & Polese, 2010).

S-D logic is based on ten foundational premises (FPs). According to these, service should be understood as an application of skills through activities, processes and performances designed to produce benefits for suppliers and customers and for all third parties that are directly or indirectly involved in a network of relationships.

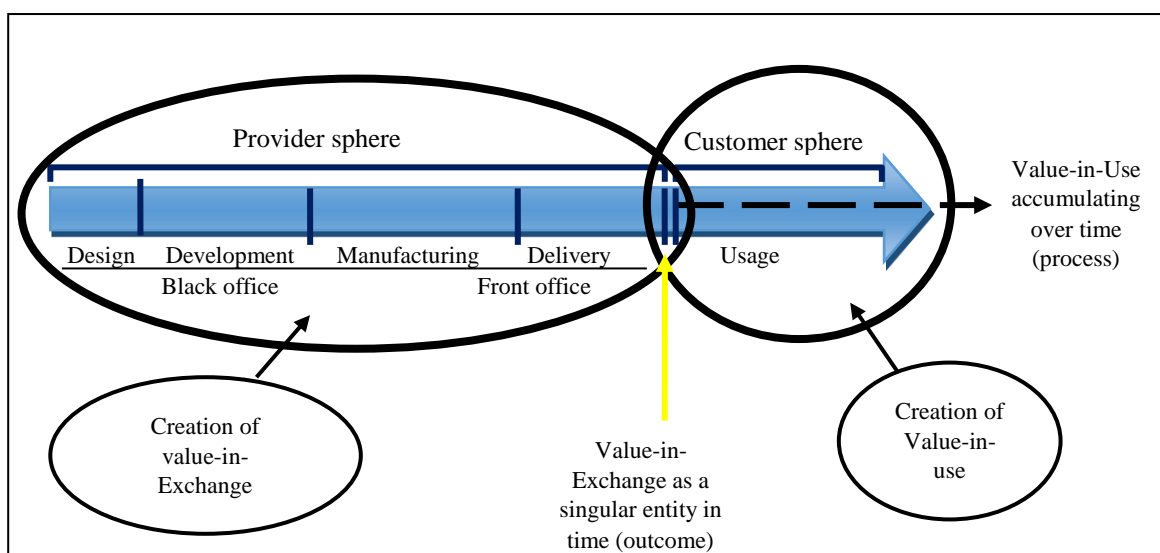
The importance of the joint and customer spheres in understanding value creation and co-creation emphasizes the need to study customers’ reactions and behaviors from a service logic point of view. Adopting the service logic requires understanding the customers’ logic and value creation context (Grönroos & Voima, 2013). As firms are no longer restricted to making value propositions, many marketing implications of value co-creation in the joint value sphere remain to be explore.

2.1- VALUE -IN- EXCHANGE

S-D logic proposes that customers are co-creators of service and that marketing is interaction with customers. According to Vargo and Lusch (2008) the customer is primarily an active, operant resource, and only occasionally a passive, operand resource. They continue to explain supplier-customer interaction, highlighting in what way customers are operant resources in relational exchanges and co-creation (Gummesson, Mele, Polese, Barile & Polese, 2010).

The nature of value-in-exchange is a utility, based on value embedded in a resource and as an output of a labor process, that exists as a singular entity at a given point of time and can be exchanged for other utilities (or for which the customer is prepared to pay) (Grönroos & Voima, 2013). As schematically illustrated in (Figure 1).

Figure 1: Value-in-use nature and locus versus value-in-exchange concepts



Source: Grönroos, C., & Voima, P. (2013), p 136.

2.2- VALUE -IN- USE

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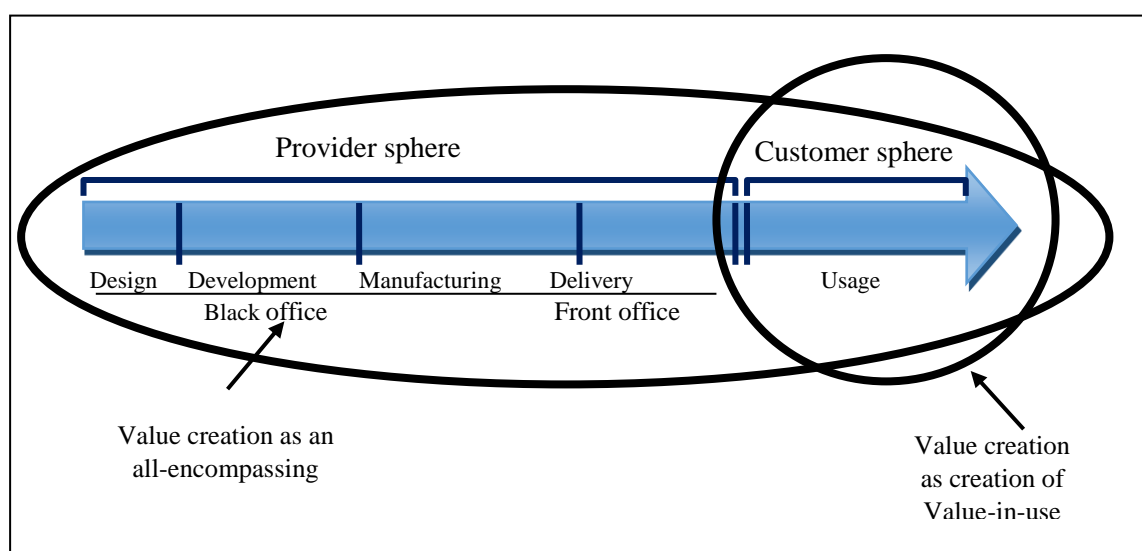
We define value as value-in-use, created by the user (individually and socially), during usage of resources and processes (and their outcomes) (Grönroos & Voima, 2013).

Usage can be a physical, virtual, or mental process, or it can be mere possession. Logically, value creation is the customer’s creation of value-in-use.

Therefore, the customer sphere is defined as the experiential sphere, outside direct interactions, where value-in-use (real value) emerges (is created) through the user’s accumulation of experiences with resources and processes (and their outcomes) in social, physical, mental, temporal, and/or spatial contexts (Grönroos & Voima, 2013).

In Figure 2, we illustrate that when value is defined solely as value-in-use, the comprehensive production process (e.g., design, development and manufacturing of resources, back office) is not part of value creation.

Figure 2: creation in-use vs. process including provider and customer activities



Source: Grönroos, C., & Voima, P. (2013), p 137.

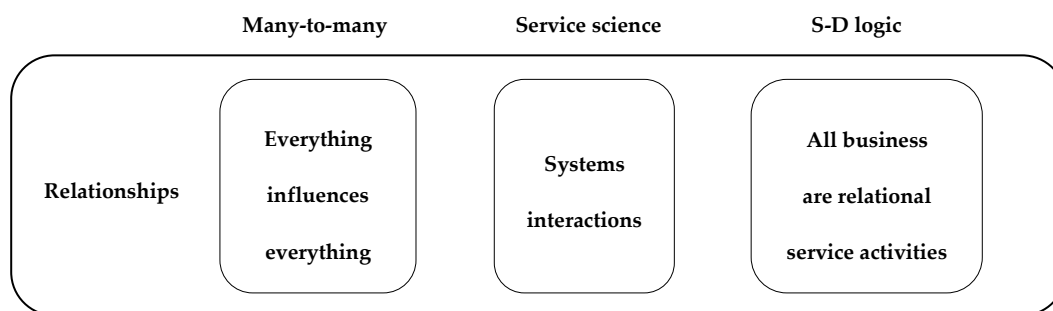
### 3. RELATIONSHIP MARKETING AND VALUE CREATION

The first four steps of the marketing process focus on creating value for customers. The company first gains a full understanding of the marketplace by researching customer needs and managing marketing information.

It then designs a customer-driven marketing strategy based on the answers to two simple questions. The first question is “What consumers will we serve?” (market segmentation and targeting) (Kotler, & Armstrong, 2012). Because Customers do not buy goods or services: They buy offerings which render services which create value (Vargo, & Lusch, 2004) .

Therefore, service systems (also in service science) can be viewed as networks in which relations among active participants (Alter, 2008) are the basic elements of sustainable development. Hence, all interacting systems must refer to their own environments to provide service. In this sense, contributions from many-to-many are determined by the specific composition of nets, in which visible and non-visible interaction, common purpose, and resource sharing reinforce systems performance and its development, as represented in (Figure 3) (Gummesson, Mele, Polese, Barile & Polese, 2010).

Figure 3: Relationships’ interpretation of the presented approaches



Source: Gummesson, E., Mele, C., Polese, F., Barile, S. & Polese, F. (2010), p 32.

The value co-creation process is not seen any more as a dyadic affair, but it occurs in extended settings. It is indeed not a supplier-centric process of production and delivery, nor is it a customer-centric value-in-use phenomenon; it is, rather, a more complex and dynamic co-creation framework. By examining participants in the creative process, the value is created by and for all the actors by a choral win-win perspective.

The involvement of several actors (such as customers, suppliers and partners) makes value co-creation a complex process. The development of new frameworks is therefore required to analyse value creation as a process resulting from the many to many relationships between all the actors involved (stakeholder centrality) rather than as the dyadic relationships between a supplier and customer (Polese, Mele & Gummesson, 2017).

From this approach the firm is seen as a holistic system, characterized by a high degree of integration between the factors intervening in the process of value creation ((Mele, Pels & Polese, 2010). The firm's value can be expressed as the "potentiality of existence, development, evolution" (Mele, Pels & Polese, 2010).

Business value creation is related both to the sub-system (through quality management, R&D activities, internal auditing, feedback daily research, etc.) and to the supra-system (through cooperation logics and asset improvement in terms of technical, cognitive, relational and adaptive aspects) (Mele, Pels & Polese, 2010).

In S-D logic, the conventional supply chain is replaced by service value networks.

Firms can only make value proposition, because value is not merely engendered inside a production process and reflected in the market sales price (value-in-exchange), but is the outcome of a co-creation process (Vargo and Lusch, 2008). Value is then perceived and co-created by customers, not drawing value just from the product itself but from its use, transformation and consumption (value-in-use) (Vargo and Lusch, 2008).

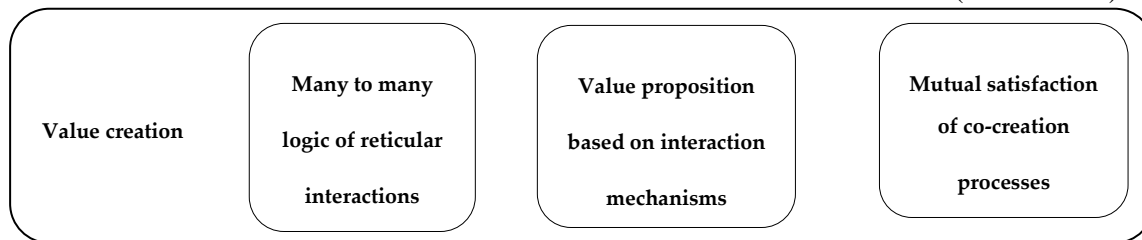
With regard to the two value perspectives, value-in-exchange and value-in-use, two different reference points apply: while value-in-use focuses on the value that an actor creates through a use process for itself, the value-in-exchange perspective views value creation as a process of exchanging resources between actors (Chesbrough, Lettl & Ritter, 2018).

Service then becomes the mutual benefits and the mutual satisfaction of co-creation processes, as represented in (Figure 4) (Gummesson, Mele, Polese, Barile & Polese, 2010).

Figure 4: The evolution of value creation concept

Many-to-many                      Service science                      S-D logic





Source: Gummesson, E., Mele, C., Polese, F., Barile, S. & Polese, F. (2010), p 32.

#### 4. METHODS AND MATERIALS

A descriptive correlational survey design was employed as a research to determine the importance of Relationship Marketing approach to achieve Service Dominant Logic orientation. This part of the paper explains the population and the sample of the research; the tools and ways of data gathering and the statistical techniques used for analyzing research data.

Questionnaire design:

The research questionnaire contains questions that highlight the importance of adopting relationship marketing approach of achieving orientation towards service dominant logic, where the questions were addressed to the top management and employees, especially the staff. As adopted in the preparation of the questionnaire on researches related to the theme, we focused in preparing questions for the study of Gronroos, C., & Voima, P. (2013), Grönroos, C., & Ravald, A. (2011), Gummesson, E., & Mele, C. (2010) and Vargo, S. L., Maglio, P. P., & Akaka, M. A. (2008).

##### 4.1- STUDY SAMPLE AND DATA COLLECTION

The sample consists of top management of Air Algérie staff which enables us to reach them, they are a suitable sample is a possibility (non Probability convenience sample).

Out of 100 questionnaires distributed, 94 of the distributed forms have been answered and are considered valid for processing. The data from the questionnaire were analysed by the STATA software version number 16 to both identify their meaning and allow a better understanding of the links of interdependence between the variables.

##### 4.2- CREDIBILITY OF THE QUESTIONNAIRE

From question 1 (Q1) to question 11 (Q11) of the questionnaire: we performed a reliability test depending on the scale of reliability coefficient (Scale Reliability Coefficient), and the result was as follows:

Cronbach Alpha Q1-Q11:

Average interitem covariance: .4164797

Number of items in the scale: 11

Scale reliability coefficient: 0.8397

We note that the result of the reliability test for the questionnaire is estimated at 0.8397, a clear indication of the questionnaire's internal consistency and credibility.

#### 5. RESULTS AND DISCUSSION

5.1- THE IMPORTANCE OF TRUST ON VALUE CREATION, H1 tested as follows:

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Table1 : Dimensions of Trust and Value Creation

	Q1	Q2	Q10	Q8
Q1	1.0000			
Q2	0.5408*	1.0000		
Q3	0.2053*	0.3552*	1.0000	
Q4	0.0900	0.2101*		1.0000

Source: STATA output, \* Significant at the p < 0.05 (5%) level.

Through the above results we note a strong correlation between the answers concerning the willing to provide custom-designed services for customers and those embracing the dimensions of Trust, as evidenced by:

Q1: The belief of the opinion of the employee is valuable.

Q2: Everyone in the organization believes that the company keeps their employees informed about company's new developments.

Q3: The belief of the highest-ranking marketing executive in our company participates in top-level management decisions.

Q4: Everyone in the organization believes that the employees are willing to provide custom-designed services for the customer.

In addition to the previous results, the study found that the employees have trust on their senior management, as represented in Table 2.

Table 2 : The extent of Tust on Senior Management

Q5	Coef.	Std. Err.	T	P> t	[95% Conf. Interval]
Q6	8135113.	.0641756	12.68	0.000	.9409514 .6860713
Cons	.4071197	.2288451	1.78	0.079	.861560 -.0473213

Source: STATA output, \* Significant at the p < 0.05 (5%) level.

Q5: The believe of that Senior management provides good leadership for company.

Q6: The believe of that the work of Senior management are in accordance with the promises made in advance.

As demonstrated by the results of the student test:  $12.68 > T(41, 0.05) = 1.661$

Note: through the results of the student test that the calculated values are greater than the values of the table.

The above results confirm the importance of trust in achieving value creation trough the willing to provide custom-designed services for customers, which confirms the validity of the first hypothesis.

5.2- THE IMPORTANCE OF COMMITMENT ON VALUE CREATION, H2 tested as follows:

Table 3 : The extent of customer orientation:

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Q7	Coef.	Std. Err.	T	P> t	[95% Conf. Interval]
Q8	.3592561	.097042	3.70	0.000	.1665499 .5519624
Cons	1.267963	.3134259	4.05	0.000	.645561 1.890365

Source: STATA output, \* Significant at the p < 0.05 (5%) level.

Q7: Everyone in the organization believes that the company has the ability to maintain personal contacts and a very close with your customers.

Q8: Everyone in the organization believes that our customers are clinging to our company because they share with them the same values and principles.

From the results above, the study found a positive relationship between the ability of the company to maintain personal contacts and a very close with your customers, and the believes that our customers are clinging to our company because they share with them the same values and principles, as demonstrated by the results of the student test:  $3.70 > T(95, 0.05) = 1.661$ . (Note: through the results of the student test that the calculated values are greater than the values of the table.)

As well as the results of Chi-square test:  $\text{Pearson } \chi^2(16) = 49.4869 > 26.30$ ;  $\text{Pr} = 0.000$  (Note: We observe from the results of the  $\chi^2$  test that the calculated values are greater than the tabular values).

This result leads us to accept the second hypothesis that there is a positive correlation between relationship marketing based on Commitment and Value Creation.

5.3- RESOURCE INTEGRATION AND VALUE CREATION, H3 tested as follows:

The correlation test was conducted the extent of the coordination between all efforts within the company and directing them towards value creation for the customer, and the results were as follows:

Table 4 : The extent of the coordination between all efforts within the company and directing them towards value creation

	Q9	Q4	Q10	Q11
Q9	1.0000			
Q4	0.0954	1.0000		
Q10	0.0948	0.2411*	1.0000	
Q11	0.2899*	0.3282*	0.2693*	1.0000

Source: STATA output, \* Significant at the p < 0.05 (5%) level.

Through the above results, the study confirm that there is a strong correlation between all the answers related to coordination between all efforts within the company and directing them towards value creation for the customer, that reflected trough:

Q9: Everyone in the organization believes that his colleagues are willing to share with me any information that his need in his job.

Q4: Everyone in the organization believes that the employees are willing to provide custom-designed services for the customer.

Q10: The believe of that the company mainly depend on Enterprise Resources Planning (ERP) For the good management of its resources.

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Q11: The believe of that the company carefully choose the personnel who interact with customers.

And the study also found that 55.79% of the proportion of senior management who believe that efforts are coordinated between all directions.

In addition to the previous results, the study found a positive relationship between the belief of the highest-ranking marketing executive in the company participates in top-level management decisions and the believes that the employees are willing to provide custom-designed services for the customer, as represented in Table 5.

Table 5 : The extent to which Marketing Management participates in top-level management decisions and the willing to provide custom-designed services for the customer

	Q4	Q3
Q4	1.0000	
Q3	0.3029*	1.0000

Source: STATA output, \* Significant at the p < 0.05 (5%) level.

Based on the previous results, the study reached that the value is created by the user during the process of using resources/processes/outcomes, which confirms the validity of the third hypothesis.

5.4- THE IMPORTANCE OF INTERACTION ON VALUE CREATION, H4 tested as follows:

Table 6 : The extent to which the company keeps their employees informed about company's new developments and the willing to provide custom-designed services for the customer

Q2	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]
Q4	260181 .	.1255773	2.07	0.041	5095526 .0108094 .
Cons	2.255656	.410875	5.49	0.000	1.43974 3.071572

Source: STATA output, \* Significant at the p < 0.05 (5%) level.

Q2: Everyone in the organization believes that the company keeps their employees informed about company's new developments.

Q4: Everyone in the organization believes that the employees are willing to provide custom-designed services for the customer.

From the results above, the study found a positive correlation between the believes that the company keeps their employees informed about company's new developments, and the believes that the employees are willing to provide custom-designed services for the customer, as demonstrated by the results of the student test:  $2.07 > T(95, 0.05) = 1.661$ . (Note: through the results of the student test that the calculated values are greater than the values of the table.)

As well as the results of chi deux test: Pearson chi2 (16) = 63.0588 > 26.30; Pr = 0.000 (Note: We observe from the results of the chi2 test that the calculated values are greater than the tabular values).

And the study also found that 43.06 % of the proportion of senior management who agree that the company carefully choose the personnel who interact with customers.

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By employing interactive marketing, the study found that the value is co-created with the provider, because the interaction is a requirement for collaboration and the creation of mutual value, which confirms the validity of the fourth hypothesis.

### 6. RECOMMENDATIONS

After analyzing the results and in order to highlight the importance of Relationship Marketing in the light of Service-Dominant (S-D) Logic to emphasise the role of relationship's marketing dimensions in developing value creation, the following recommendations can be suggested of the company under study (Air Algérie):

- More orientation towards Trust and Commitment to achieve value creation. Because relationships characterized by trust are so highly valued that parties will desire to commit themselves to such relationships. Indeed, because commitment entail vulnerability, parties will seek only trustworthy partner
- More orientation towards Resource Integration, because resources do not have an intrinsic value, but need application and integration to become valuable for an actor who is to enjoy their benefits.

We need a network-to-network conceptualization of relationships to achieve S-D Logic, network-to-network that converge on value creation through a web of resource integration.

In this view resource integration is a multidirectional network- oriented process with all parties uniquely integrating multiple resources for their own benefit and for the benefit of others.

All of the network's actors mobilise resources to become co-innovators who co-create value for themselves and other stakeholders.

In this perspective, effective resource integration is characterized by the "configurational fit" of the resources, activities, processes that see the matching both in terms of internal configuration— within an actor—and external configuration for the whole network or a subgroup within it.

The involvement of several actors (such as customers, suppliers and partners) makes value co-creation a complex process. The development of new frameworks is therefore required to analyse value creation as a process resulting from the many to many relationships between all the actors involved (stakeholder centrality) rather than as the dyadic relationships between a supplier and customer .

More orientation towards marketing interaction, because during interactions with customers, the supplier gets opportunities to influence the process of value creation, in the best case enhancing the level of value the customers create out of a service activity or a good.

And through the different levels of interaction a service provider aligns "its resources, competencies and processes with the customers' value-generating processes" and value is created in an on-going relationship.

### 7. LIMITATIONS

This paper is one of the first to gather relationship marketing approach of value creation and categorize them in terms of service dominant logic.

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This research focuses on the case of Air Algérie, a national carrier that runs domestic and foreign flights. The latter are subjected to an intense competition from foreign air carriers.

Also, the researcher primarily focused on the Nordic School contributions as well as US-based contemporary marketing theory. Other European schools and international research will serve as a backdrop to the present study but require further investigation.

### 8. CONCLUSION

In S-D logic, integrated and relational service-providing systems must be supported by the relationships between providers and customers as fundamental actors of a market but also be surrounded by contributing networks of other actors. Business processes are characterised by dialogue and continued interaction and in this sense all business consists of relational service activities.

This study explored the importance of relationship marketing to achieve service dominant logic orientation by developing value creation.

Our study in Air Algérie has confirmed our hypothesis. In fact, there was a positive correlation between relationship's marketing dimensions (Trust, Commitment, Resource Integration and Interaction) and value creation.

It is recommended that in the future researchers should study both the detailed mechanisms of service and the whole systems thus addressing the complexity, context and dynamics of business. This can be done by further developing our skills in using applications of systems theory and network theory such as many-to-many marketing and VSA, and by doing studies based on S-D logic and service science.

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