Chapter 3
Stakeholder Network, Relationship Marketing, and Business Model

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ABSTRACT

The aim of this chapter is to analysis how stakeholders' network can affect business models, and more precisely, how relationship marketing through trust and commitment intervenes in this relationship. In fact, a firm is perceived to be embedded in a network of relationships within which value is jointly created and shared in stakeholders' interactions. The relationship between a company and its stakeholders in a network provides different values and resources that can influence a business model. The strength of the ties in a network can be achieved through relationship marketing which aims the creation, development, and maintaining of a sustainable exchange relation. Indeed, relationship marketing acts through the establishment of a climate of trust and commitment between the company and the various stakeholders. This study wraps up with a proposal of a conceptual model, linking the different components of our research. The chapter has theoretical contributions, particularly in terms of the creation and development of relational value in a network .

INTRODUCTION

Stakeholders are identified as the participants who can affect or are affected by the achievement of the organization's objectives. In recent decades, research has focused on the network approach of stakeholders to go beyond dyadic links to relational links as the direct and indirect ties that arise from stakeholder-firm interdependence, capturing the complex and multiple structures of company-stakeholder relationships. Research in this area has concentrated on the study of the structure and management of stakeholders'

network, or also, the effects of stakeholder's network on decision making. However, rare are the studies which analyzes the effects of stakeholder's network on the conduct of business, particularly the business model. This paper tries to fill this gap. Our goal is to study, through an analysis of the existing literature in this field, how stakeholders' network can affect business model? and more precisely how does relationship marketing through trust and commitment intervene in this relationship? To answer these questions, we adopted a dynamic perspective of networks and considered the organizational level as a unit of analysis.

In this context, the authors try to provide theoretical answers to this major issue, based on existing literature reviews in this area. In the first place, literature review on the concept of stakeholders and stakeholder network will be presented. Second, business model will be studied through its definition, origin and components as well as the relationship between business model and value creation. Third, the authors expose the definition of relationship marketing and highlight its main determinants especially commitment and trust. Fourth, the researchers establish links between stakeholders' network, relationship marketing and business model as well as propose a conceptual model representing the different links. Finally, research contributions and managerial implications are outlined.

FROM STAKEHOLDERS TO STAKEHOLDERS- NETWORK

Stakeholder: Definitions and Typology

Stakeholder theory was first used by Ansoff (1968), in his definition of organizational goals. However, after the publication of Freedman's (1984) founding book "Strategic Management: A Stakeholder Approach", the theory underwent major development and deepening within managerial literature.

Generally, the broadest and most well-known definition is that announced by Freeman (1984, p. 46) according to which "a stakeholder in the organization is any group of individuals or any individual who can affect or be affected through the achievement of organizational objectives ". This indication is part of a strategic and managerial perspective which indicates that the organization must pay attention to the demands of the stakeholders on which its survival depends (Donaldson and Preston, 1995; Donaldson, 2002).

The stakeholder literature attempts to make a classification based on a number of characteristics and attributes. It is possible to distinguish between internal stakeholders and external stakeholders (Carroll & Näsi, 1997) according to their location and their sphere of action in relation to the company. Internal stakeholders are individuals or groups of individuals within the company -(owners, managers, employees). External stakeholders are people or groups of people outside the company (competitors, consumers, governments, pressure groups, media, community, and the natural environment).

Mitchell et al. (1997) distinguished between stakeholders with reference to three attributes: legitimacy, power, and urgency.

- **Power:** This is the power exercised over the company or more precisely, the power to influence organizational decisions. Power is a necessary attribute since the strategy adopted by the company towards its environment depends on the power that groups have, thanks to the resources they control and the degree of interdependence they have with the firm.

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