

## **INTEGRATION AND PERFORMANCE: AN EXAMINATION OF THE MARKETING/LOGISTICS INTERFACE**

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### **ABSTRACT**

Research suggests that organizations with specialized departments perform better when they devote resources to well-defined functional interfaces (Galbraith 1973; Lawrence and Lorsch 1967). For example, coordination between marketing and other departments is often required to deliver high quality services to customers (Cespedes 1994, 1996; Day 1994).

Integration between marketing and logistics is necessary for achieving maximum customer value (Bowersox, Mentzer, and Speh 1995; Christopher 1993). However, despite what appears to be a sound rationale for interdepartmental cohesion, marketing and logistics managers have tended not to consult and coordinate with each other (Cespedes 1988; Lambert 1978). Marketers have traditionally been slow to recognize the value of logistics (Murphy and Poist 1994; Stock 1990).

Integration of interdependent functions is generally believed to be positively associated with performance. However, there is little substantive research on marketing/logistics interdepartmental integration and no published research was found focusing on its impact on performance. Therefore, this research investigated relationships between marketing/logistics interdepartmental integration, distribution service performance, and firm performance. In addition, three behavioral dimensions of interdepartmental integration (information exchange, consultation and collaboration) were examined to better understand whether they are independent of one another or part of a multidimensional construct.

Logistics manager key informants at U.S. manufacturing firms were surveyed regarding their perceptions about the effect of marketing/logistics interdepartmental integration on performance. A significant series of positive relationships were found between the collaboration-related behavioral dimension of marketing/logistics interdepartmental integration, perceived effectiveness of interdepartmental relations, distribution service performance, and firm performance. However, hypothesized positive associations between information exchange, consultation and perceived effectiveness of interdepartmental relations were not supported. The results also indicated that the three behavioral dimensions of interdepartmental integration examined were independent of one another rather than part of a multidimensional construct.

### **REFERENCES**

Available on request.