

Turning Conflict into Value: How Conflict-based experiential learning Shapes Relationship Quality and Reduces Emotional Conflict in International Channel Relationships

Kuang-Wen Wu¹ and Wei-Hsiang Hsu^{2*}

Abstract

The conflict between manufacturers and foreign distributors has gained increasing attention from both scholars and professionals in international marketing. While previous research primarily focuses on the conflict elimination perspective, little is known about how channel members learn from such conflict experiences from a conflict-based learning perspective. Drawing on relationship learning theory and the dynamic capability perspective, this study examines the antecedents and consequences of conflict-based experiential learning on the relationship between manufacturers and foreign distributors. Based on survey data from 147 Taiwanese manufacturing firms, the results indicate that long-term orientation (LTO), relational norm of flexibility, and relationship termination costs positively affect conflict-based experiential learning. Additionally, conflict-based experiential learning is associated with higher relationship quality and lower levels of emotional conflict. These findings underscore the constructive potential of conflict as a source of relational learning and offer new insights into the management of international channel partnerships. By focusing on conflict-based learning, this study advances the understanding of channel relationships and highlights how firms can turn conflict into relational value.

JEL classification numbers: M16, M31.

Keywords: Conflict-based experiential learning, Long-term orientation (LTO), Relational norm of flexibility, Relationship termination costs, Relationship quality, Emotional conflict, International channel relationships.

¹ Department of International Business, Feng Chia University, Taichung City, Taiwan.

^{2*} Ph. D. Program in Business, Feng Chia University, Taichung City, Taiwan.

* Corresponding author.

1. Introduction

Many manufacturers often rely on foreign distributors to enter foreign markets. Differences in a country's cultural, social, economic, and legal conditions increase the potential for channel conflict in international marketing channel relationships (Bello et al., 2003; Bradford et al., 2004; Rose and Shoham, 2004). Conflicts between manufacturers and foreign distributors have attracted growing attention from academics and practitioners (Rose and Shoham, 2004). Considerable academic literature has been devoted to understanding channel conflict, recognizing it as a possible functional or dysfunctional phenomenon (Duarte and Davies, 2003; Jehn and Mannic, 2001; Lu et al., 2026; Rose and Shoham, 2004; Song et al., 2006; Takashima and Kim, 2021). Understanding conflict resolution is an important challenge for channel members in marketing channel relationships.

Previous literature has focused on understanding strategies for resolving channel conflicts, such as negotiation, persuasion, politics, and problem-solving. (Song et al., 2000) and influence strategies (expert power and reward power) (Kumar, 2026). However, these resolutions primarily address conflict elimination (Song et al., 2006), and little is known about how channel members manage conflict from a conflict experiential learning perspective. (Chang and Gotcher, 2010). According to relationship learning theory, relationship learning is “a joint activity in which the two parties share information, which is then jointly interpreted and integrated into a shared relationship-domain-specific memory that changes the range or likelihood of potential relationship-domain-specific behavior” (Selnes and Sallis, 2003, p. 80). In addition, from an experiential learning perspective, learning is “the process whereby knowledge is created through the transformation of experience” (Kolb, 1984, p. 41) and knowledge results from “the combination of grasping and transforming experience” (Kolb, 1984, p. 41).

In the context of international distribution relationships, we argue that conflict-based experiential learning refers to the operational capacity of manufacturing firms to implement behavioral initiatives to assimilate and stockpile portfolios of conflict resolution knowledge and skills cultivated through historical encounters with foreign distributors. We propose that manufacturers share information with foreign distributors, consider opposing views through open conflict communication, and integrate conflict resolution knowledge into a relationship-specific conflict resolution knowledge memory. This helps manufacturers understand how additional contextual factors, such as issue characteristics or relationship properties, influence the choice of appropriate conflict resolution strategies to accomplish a collective set of tasks and enhance relationship performance (Ballantyne 2004; Selnes and Sallis 2003). Therefore, we argue that conflict is an experiential learning process in interorganizational relationships and that conflict-based experiential learning is a distinct form of relationship learning (Selnes & Sallis, 2003). In the conflict-based experiential learning process, manufacturers conduct periodic reviews of conflict resolution to collect, understand, and analyze what they are doing well and where they are going wrong. Thus, an interesting question remains:

whether conflict-based experiential learning in the manufacturer-foreign distributor interface can be applied to conflict management.

This study examines the role of conflict-based experiential learning in managing channel conflicts between manufacturers and foreign distributors. Two research questions are addressed: (1) Is conflict-based experiential learning affected by (a) long-term orientation (LTO), (b) the relational norm of flexibility, and (c) relationship termination costs? (2) Does the manufacturer's conflict-based experiential learning enhance relationship quality and reduce emotional conflict in the export market?

By addressing these research questions, this study integrates relationship-learning theory and the dynamic capability perspective to develop a theoretical framework. This framework explains how manufacturers can leverage LTO, relational norms of flexibility, and relationship termination costs, a specific type of relationship capability, to positively affect conflict-based experiential learning, thereby achieving relationship quality and reducing emotional conflict in international distribution channels.

The contributions of this study are twofold. First, this study sheds light on how contextual factors (LTO, relational norms of flexibility, and relationship termination costs) affect conflict-based experiential learning. It is reasonable to expect that long-term orientation, a relational norm of flexibility, and relationship termination costs prompt behavioral learning routines (conflict-experiential learning). LTO refers to "a manufacturer's willingness to make short-term sacrifices to achieve long-term benefits through a relationship with a particular exchange partner" (Ryu et al., 2007, p. 1226). In other words, LTO reflects the manufacturer's intent and the economic actor's benefit of establishing a long-term relationship with their distributor (Ryu et al., 2007). Additionally, relational norms of flexibility refer to shared expectations of willingness to adapt as circumstances change (Zhang et al., 2003; Singh et al., 2025). In discussions between a manufacturer and a foreign distributor, the relationship may be adjusted if a standard practice harms one or both parties due to changed conditions. Relationship termination costs represent the psychological, physical, and economic losses and/or costs incurred by a manufacturer when terminating or changing a foreign distributor. It guides behaviors aimed at maintaining relationships and emphasizes their importance.

Second, this study is the first to directly theorize and test the relationship between conflict-based experiential learning, relationship quality, and emotional conflict. We argue that conflict-based experiential learning might enhance relationship quality and reduce emotional conflict in the manufacturer-foreign distributor interface. Existing research on channel conflict largely focuses on conflict prevention or resolution while neglecting how manufacturers learn from conflict experiences and transform conflict into relational improvement.

2. Theoretical background and hypotheses development

2.1 Conflict-based experiential learning

2.1.1 Conceptualization of conflict-based experiential learning

An organization's success largely hinges on its ability to learn from past experiences (Reagans et al., 2005). Learning from experience involves how an organization acquires, analyzes, and applies prior knowledge by reflecting on, evaluating, and reconstructing it to derive meaning (Emden et al., 2005). Reagans et al. (2005) suggest that this type of learning rests on several assumptions, such as experience forming the basis of learning, active construction of experience by learners, viewing learning as a holistic process, and acknowledging social and cultural development. We defined conflict-based experiential learning and its components by reviewing pertinent marketing and organizational learning literature and conducting in-depth interviews. In the context of international distributor channels, we define conflict-based experiential learning as the extent to which a manufacturing firm and a foreign distributor jointly interpret and integrate conflict resolution information into a relationship-specific conflict resolution knowledge memory that changes the range of potential relationship domain-specific behaviors. Conflict-based experiential learning is the process by which conflict resolution knowledge is created through the transformation of experience. Conflict resolution knowledge results from a combination of grasping and transforming experience (Kolb, 1984). In other words, learning from conflict experience is learning by doing, a holistic model of the learning process, and emphasizes the central role that experience plays in learning.

According to organizational learning theory, organizational learning refers to “an entity learns if, through its processing of information, the range or likelihood of its potential behaviors is changed” (Huber, 1991, p. 89). Sinkula (1994) argued that organizational learning includes gathering, disseminating, interpreting, and storing information. Relationship learning involves sharing information, jointly interpreting it, and developing relationship memory (Selnes and Sallis, 2003). We suggest that conflict-based experiential learning is a distinctive type of organizational learning.

This study conceptualizes and operationalizes conflict-based experiential learning across three dimensions: understanding partners' opinions, integrating conflict resolution knowledge, and relationship-specific conflict resolution knowledge memory. First, understanding partners' opinions involves a process in which partners with different information and viewpoints act as both sources and receivers of knowledge (Selnes and Sallis, 2003). For instance, channel members listen to each other's diverse opinions and share information about successful and unsuccessful conflict resolution experiences within the relationship. Second, integrating conflict resolution knowledge involves a process in which partners collaboratively analyze, interpret, and resolve conflicts arising from their exchanges (Selnes and Sallis, 2003). For instance, channel members work together to solve, analyze, and discuss issues of conflict within relationships. Third, relationship-

specific conflict resolution knowledge memory involves conflict resolution knowledge stored within manufacturing firms, gained through relationship learning with foreign distributors (Selnes and Sallis, 2003; Ballantyne, 2004). For instance, manufacturing firms regularly review their conflict resolution processes to identify successful strategies and areas that need improvement, adjust their procedures accordingly, and learn from past experiences to better manage conflicts.

2.1.2 Why is conflict-based experiential learning important?

Conflict-based experiential learning is considered a key factor in addressing channel conflicts for two primary reasons. First, from the perspective of dynamic capability, it is defined as a collection of organizational routines and processes that enable firms to acquire, assimilate, transform, build, and enhance knowledge reserves (Cohen and Levinthal, 1990). Cohen and Levinthal (1990) suggest that a firm's dynamic capability is path-dependent, develops cumulatively over time, and is based on existing knowledge. Manufacturers with prior experience in resolving relationship-specific conflicts are better at acquiring, assimilating, transforming, and enhancing their conflict resolution knowledge. We anticipate that once this knowledge is acquired, it can be utilized in the channel relationship to enhance overall relationship quality.

Second, approaches to managing foreign channel conflict should emphasize not only ex post resolution but also addressing underlying ex ante conflict-based experiential learning. Conflict-based experiential learning, through information exchange processing, can develop new relationship-specific conflict resolution knowledge that has the potential to enhance relationship quality and reduce emotional conflict. Therefore, conflict-based experiential learning serves as an effective conflict management method, establishing a suitable connection between manufacturing firms and foreign distributors. It also acts as a governance tool to help manufacturers gain experience in resolving conflicts and better align with their partners' needs and goals.

2.2 Antecedents of conflict-based experiential learning

Drawing on relationship learning theory (Selnes and Sallis, 2003), social exchange theory, and the dynamic capability perspective, we identify three major precursors of conflict-based experiential learning in the context of international distribution channel relationships. We posit that long-term orientation (LTO) (Ryu et al., 2007), relational norm of flexibility (Zhang et al., 2003), and relationship termination costs (Yi et al., 2023) drive behavioral routines in conflict-based experiential learning. We argue that conflict is not merely destructive but can serve as an experiential learning mechanism that improves relationship quality and reduces emotional conflicts. Figure 1 presents a conceptual model of conflict-based experiential learning.

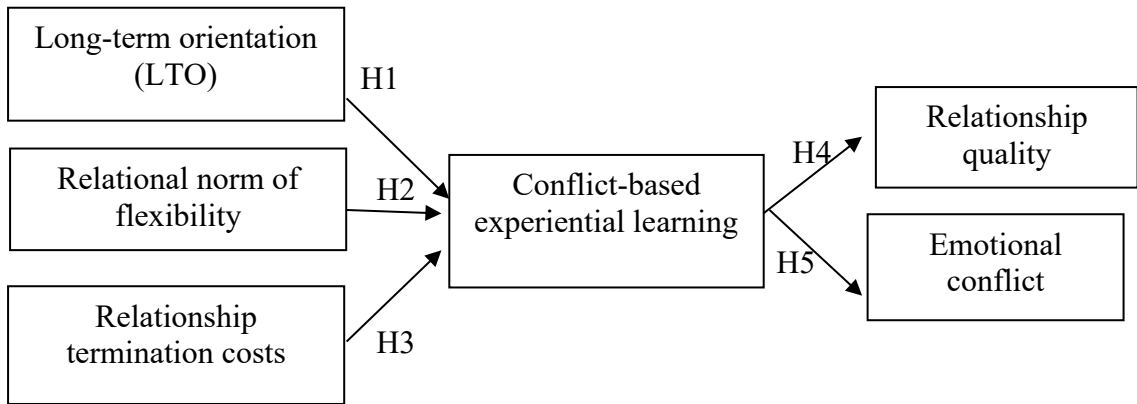


Figure 1: Theoretical framework

2.2.1 Long-term orientation

Long-term orientation (LTO) refers to “a manufacturer's willingness to make short-term sacrifices to achieve long-term benefits through a relationship with a particular exchange partner” (Ryu et al., 2007, p. 1226). In other words, LTO reflects the manufacturer's intent and the economic actor's benefit of establishing a long-term relationship with their distributor (Ryu et al., 2007). Under such conditions, channel members are less likely to engage in opportunistic or confrontational behavior during disagreements because preserving the relationship becomes strategically important. Instead, both parties are motivated to identify the root causes of the conflict, understand each other's perspectives, and develop more effective mechanisms for future coordination. This orientation naturally facilitates conflict-based experiential learning by encouraging deeper reflection and collaborative problem solving.

When both manufacturers and distributors are committed to maintaining a stable and enduring partnership, they are more willing to invest time, effort, and relational resources in understanding, resolving, and learning from conflicts (Ryu et al., 2007). First, LTO enhances partners' willingness to understand each other's opinions during conflict episodes. Because both sides expect future interactions, they are more motivated to maintain relational harmony and avoid escalating the tensions. Consequently, they engage in more open communication, perspective taking, and mutual adjustment, thereby improving the quality of learning from conflict experiences.

Second, LTO promotes the integration of conflict resolution knowledge. Firms that prioritize enduring relationships tend to treat conflicts as valuable experiential inputs that can improve future collaboration. Rather than resolving conflicts on an ad hoc basis, they systematically evaluate what worked, what failed, and how coordination mechanisms can be improved. Over time, this process enables firms to develop more sophisticated conflict management routines and relational problem-

solving capabilities. Third, LTO contributes to the accumulation of relationship-specific conflict resolution knowledge. Repeated interactions over an extended period allow manufacturers and distributors to build shared experiences and tacit understandings of how to handle disagreements. These accumulated lessons are embedded in the organizational memory and facilitate more efficient conflict management in future exchanges.

In summary, LTO enhances conflict-based experiential learning because it encourages partners to prioritize relational continuity over short-term gains, increases openness to mutual understanding and collaborative problem-solving, facilitates the integration and retention of conflict resolution knowledge, and promotes the accumulation of relationship-specific learning through repeated interactions.

Thus, LTO is expected to positively influence conflict-based experiential learning.

H1: Long-term orientation (LTO) is positively associated with conflict-based experiential learning.

2.2.2 Relational norm of flexibility

Relational norms reflect bilateral expectations about exchange partners, including the expectation that they will be willing to adapt as circumstances change (i.e., a norm of flexibility) (Heide and John, 1992). According to Heide and John (1992), the relational norm of flexibility is defined as “a bilateral expectation of willingness to make adaptations as circumstances change” (Zhang et al., 2003, p. 553). In interactions between a manufacturer and a foreign distributor, the relationship may be adjusted if a specific practice harms either party because of altered conditions.

The relational norm of flexibility between manufacturers and international distributors is evident in their ability to adjust partnerships in response to shifting political, economic, or legal environments. Over time, both parties have developed processes that enhance adaptability, particularly in addressing evolving customer demands. This norm further reflects the relationship's capacity to accommodate changing circumstances, ensuring resilience and continuity despite external uncertainties.

The relational norm of flexibility enhances conflict-based experiential learning in manufacturer–international distributor relationships by fostering a relational climate that encourages openness, adaptation, and collaborative problem solving during conflict episodes. When both parties expect each other to adjust their behavior and accommodate changing circumstances, conflicts are more likely to be interpreted as opportunities for joint learning rather than threats to the relationship. From a relational governance perspective, flexibility reflects a mutual willingness to modify agreements, expectations, or behaviors in response to environmental uncertainties and unforeseen situations. Such adaptive expectations reduce defensive reactions during disagreements and facilitate constructive communications. Consequently, channel partners become more willing to exchange

viewpoints, discuss underlying problems, and jointly explore alternative solutions. This process directly strengthens conflict-based experiential learning by enhancing partners' understanding of each other's perspectives and increasing the integration of conflict resolution knowledge.

Moreover, flexibility promotes repeated interactions and cooperative adaptation over time. Through continuous adjustments and negotiated responses to conflicts, manufacturers and distributors accumulate relationship-specific knowledge on how to manage future disagreements more effectively. This accumulated experience is embedded in the organizational memory, thereby strengthening relationship-specific conflict resolution knowledge memory.

In summary, in international channel relationships, the relational norm of flexibility enhances conflict-based experiential learning because it encourages open communication and mutual understanding during conflict, facilitates joint adaptation and collaborative problem-solving, promotes the accumulation of relationship-specific conflict-management knowledge, and creates a psychologically safe relational environment that transforms conflict into a learning opportunity.

H2: The relational norm of flexibility is positively associated with conflict-based experiential learning in manufacturer–international distributor relationships.

2.2.3 Relationship termination costs

Relationship termination costs have been defined as “all expected losses from termination and results from the perceived lack of potential alternative partners, relationship dissolution expense, and substantial switching costs” (Morgan and Hunt, 1994, p.24). We believe that relationship termination costs are the psychological, physical, and economic losses and/or costs a manufacturer incurs when terminating or changing a foreign distributor (Yi et al., 2023). In the context of international marketing channel relationships, several critical costs must be considered when terminating a foreign distributor relationship. These include the costs of breaking long-standing relationships with a foreign distributor, finding a new foreign distributor with comparable or higher value than the existing one, and learning new procedures for dealing with the new distributor. In addition, there is the time and mental effort required to confront uncertainty when working with a new foreign distributor.

Relationship termination costs, as the financial and social consequences of ending a business relationship, strengthen conflict-based experiential learning by motivating manufacturers and distributors to turn friction into relational assets rather than allowing the relationship to break down. First, these relationship termination costs often stem from relationship-specific investments and high mutual dependence; thus, both partners have incentives to listen carefully to each other's opinions during conflict because ignoring them risks escalation and dissolution. Second, when termination costs are high, parties are motivated to engage in deeper

"sensemaking" and jointly interpret information to preserve the value of their shared resources.

Third, high termination costs force manufacturers to incorporate conflict resolution knowledge into their relationships, making it transferable to future disputes. Partners formalize and institutionalize conflict resolution methods, such as escalation protocols and contract addenda. These methods become part of relationship-specific memory, allowing lessons from one conflict to be remembered and used again. Over time, this creates a unique "conflict-resolution repertoire" specific to the manufacturer–distributor relationship. Thus, we argue that manufacturing firms are motivated to pursue conflict-based experiential learning to reduce the losses associated with terminating a relationship.

H3: Relationship termination costs are positively associated with conflict-based experiential learning in manufacturer–international distributor relationships.

2.3 Consequences of conflict-based experiential learning

2.3.1 Relationship quality

Relationship quality indicates how well a relationship meets the customer's needs. It assesses whether the relationship is positive or negative and whether it ultimately benefits customers. Based on Crosby et al. (1990), this study suggests that relationship quality has two key dimensions: trust and satisfaction (Macintosh, 2007).

Trust is rooted in specific exchange relationships and forms the foundation of long-term partnerships. According to Ferro-Soto et al. (2023), trust is crucial for cooperative problem solving and open dialogue. It also increases the likelihood of future interactions between parties. Satisfaction is an emotional response that stems from a comprehensive appraisal of all dimensions of an inter-firm working relationship (Ferro-Soto et al., 2023). In international channel contexts, satisfaction manifests as a positive emotional state resulting from the evaluation of all aspects of a manufacturing company's collaboration with foreign distributors (Ferro-Soto et al., 2023).

From a relational perspective, relationship quality reflects manufacturers' overall evaluation of a partnership, encompassing both the achievement of desired outcomes (effectiveness) and proficient execution of relationship-related activities (efficiency). To evaluate the relationship quality between marketing channel members, one should consider: (1) an assessment of economic outcomes regarding efficiency and effectiveness and (2) an evaluation of social interactions with the partner (Ferro-Soto et al., 2023).

The dynamic capability perspective suggests that conflict-based experiential learning enhances inter-firm collaboration by turning past experiences, such as failures and conflicts, into valuable relational assets. In international manufacturer–distributor relationships, where cultural differences and geographic distance heighten misunderstandings, this learning process improves relationship quality—

trust and satisfaction—through key mechanisms. First, it decreases perceived risk by shifting from uncertainty to a record of successful joint problem solving. Second, it increases satisfaction by addressing disagreements at the task level (transactional issues) rather than allowing them to become personal conflicts (emotional issues). Third, it fosters trust by demonstrating a partner's benevolent intentions and ability to adapt to changing exchange needs.

H4: Conflict-based experiential learning is positively associated with relationship quality.

2.3.2 Emotional conflict

Conflict occurs when the behaviors or feelings of interdependent parties respond to actual or perceived obstacles that prevent one or more parties from achieving their goals (Bradford et al., 2004, p. 182). Channel conflict is a multidimensional construct that involves both task-related and relationship issues, as members influence channels through task and social contributions (De Dreu and Weingart, 2004). Task conflict is characterized by divergent views regarding the content of tasks and decisions made within a team. It emerges when members differ in their assessments, recommendations, or interpretations of work-related matters, including resources, operational processes, organizational policies, and factual information (De Dreu and Weingart, 2004). Although prior research suggests that task-related disagreements can produce functional benefits by enhancing channel efficiency, stimulating creative problem-solving, and motivating channel members to avoid organizational stagnation and complacency (Vaaland and Håkansson, 2003), the main perspective in channel conflict research is that emotional conflict, which is dysfunctional, may reduce channel efficiency and negatively impact overall performance. Emotional conflict is described as disagreements that are rooted in non-task-related differences. Examples include personal taste, political viewpoints, value systems, and preferred ways of interacting with others (Dreu and Weingart, 2004).

Manufacturing firms that develop experiential conflict learning can reduce emotional conflict because, contrary to traditional channel relationships, they begin to understand partners' opinions, integrate conflict resolution knowledge, and establish relationship-specific conflict resolution memory. First, by actively seeking to understand a partner's opinions, parties engage in joint interpretation rather than merely exchanging information. This enhances "sensemaking," leading to a joint vision and improved communication, thereby reducing emotional conflict.

Second. Integrating conflict resolution knowledge from past conflicts allows partners to move beyond "relational path dependency," or the tendency to repeat previous collaboration mistakes. It aligns partners' interests and restricts opportunistic behavior. This encourages partners to view problems as joint responsibilities rather than opportunities for assigning individual blame. Third, emotional conflict often stems from a perceived lack of predictability in a partner's

behavior. The "shared relationship-domain-specific memory" is critical for establishing inter-organizational routines, making future interactions more efficient and less stressful.

Thus, conflict-based experiential learning negatively affects emotional conflict.

H5: Conflict-based experiential learning is negatively associated with emotional conflict.

3. Methods

3.1 Data collection

The author conducted two phases of data collection. In the first phase, qualitative interviews were conducted with ten exporting executives from Taiwanese manufacturing companies that had collaborated with foreign channel members, such as distributors or dealers. The goal was to gain deeper insights into how conflict-based experiential learning influences international distribution channels. The second phase involved conducting a large-scale, Internet-based survey targeting exporting managers of Taiwanese manufacturing companies. Data were collected from firms with foreign market experience selected from the company database of China Credit Information Services Ltd. (CCIS). CCIS, acquired by CRIF in 2016, is recognized as Taiwan's largest credit information agency and operates an extensive nationwide system that provides comprehensive business intelligence and consulting services. This study utilizes the CCIS database as its sampling frame and applies a cross-sectional field survey design using self-administered questionnaires.

Firms were included if they were manufacturers or exporters and utilized independent distribution channels in the international markets. We sent an email to these firms inviting them to participate in the survey. Five industries were chosen for this research. These sectors include computers, telecommunications, chemicals and plastics, machinery and equipment, and food. These industries accounted for 75% of Taiwan's total exports in 2024.

A preliminary version of the questionnaire was evaluated through a pretest involving ten senior export managers from various companies. Their feedback led to the removal and rephrasing of some questions. This study focuses on the relationship between manufacturing firms and their foreign distributors.

Questionnaires were distributed to all eligible respondents, along with a cover letter describing the study's objectives and assuring confidentiality. A second mailing of the same instrument was sent three weeks later to managers who had not responded. Exporting managers were selected as key informants because of their frequent role as the primary point of contact with foreign distributors. Respondents were further instructed to focus on one salient international distributor and complete the survey with respect to that dyadic relationship.

Following these two survey requests, we collected 147 usable questionnaires from 600 surveys mailed, resulting in a response rate of 24.5%. Among the sample,

27.5% of manufacturing firms had relationships lasting over 20 years, 36.8% had relationships between ten and 20 years, and 35.7% had relationships of less than ten years. Regarding firm size, 4% employed more than 250 employees, 18.5% employed 150 to 250 employees, 31.9% employed 50 to 150 employees, and 45.6% employed fewer than 50 employees. The average age of the firms in the sample was 13.01 years. To assess non-response bias, we compared early and late respondents across various factors (Armstrong and Overton, 1977). This analysis revealed no significant differences between the two groups in terms of annual sales revenue, years of operation, or the number of employees. The sampled cases involved alliances with foreign distributors in China (44.9%), the United States (23.8%), Southeast Asia (14.2%), Europe (10.1%), and other regions (5.1%).

3.2 Measures

All constructs were assessed using multi-item scales from previous research and through field interviews. These measures included items rated on a five-point Likert scale. The questionnaire was pretested with 10 export managers who had at least five years of marketing experience working with a foreign distributor. The pretest provided valuable feedback and suggestions that helped to improve the questionnaire. The research tool was refined to enhance clarity and ensure that the items were suitable. Redundant and ambiguous items were identified, revised, and removed. The questionnaire was initially created in English and then translated into Chinese following Brislin's (1970) standard blind translation procedures.

The concepts and elements of conflict-based experiential learning were outlined based on a review of the relevant literature and insights from field interviews. No scale exists for conflict-based experiential learning; therefore, new scales were developed. Based on interviews with manufacturing firms, conflict-based experiential learning was measured using a ten-item scale. This study developed the scale by focusing on conflict experience-based learning processes, such as understanding foreign distributors' opinions, incorporating conflict resolution knowledge, and relationship-specific conflict resolution knowledge memory (Selnes and Sallis, 2003; Moorman and Miner, 1997).

Long-term orientation (LTO), adapted from Ryu et al. (2007), was measured with four items assessing the extent to which a manufacturing firm anticipates maintaining a long-term relationship with a distributor, the relationship renewal with this distributor happens almost automatically on a regular basis, our partnership with this distributor is a long-term alliance, and our relationship with this distributor is long-lasting.

The relational norm of flexibility, adapted from Zhang et al. (2003), was evaluated using a three-item scale. This scale measured how flexible the marketing channel partner was in responding to requests for changes, whether the respondent anticipated being able to adjust the relationship to accommodate changing circumstances, and whether the parties preferred to renegotiate a new agreement rather than stick to the original terms if unforeseen issues arose.

Relationship termination costs, adapted from Morgan and Hunt (1994), were measured using three items assessing the extent of suffering from a significant loss if the relationship with a foreign distributor were terminated. Relationship quality was assessed using a four-item scale developed by Ferro-Soto et al. (2023). Emotional conflict, developed by Rose and Shoham (2004), was measured using a four-item scale that assessed the levels of anger, friction, and emotional tension with foreign distributors.

This study includes three control variables: firm size, manufacturing firm age, and relationship length. Firm size was measured by the number of employees, while manufacturing firm age was determined by the number of years the firm had been active in the market. Relationship length is included as a control variable because it affects bilateral governance decisions (Jap and Ganesan, 2000).

3.3 Reliability and validation

Confirmatory factor analysis (CFA) was used to evaluate the reliability, convergent validity, and discriminant validity of the measurement models (Bagozzi and Yi, 1988). Items with low factor loadings were excluded. Model fit was assessed using the chi-square measure (χ^2), comparative fit index (CFI), Incremental Fit Index (IFI), Tucker-Lewis Index (TLI), and root mean square error of approximation (RMSEA). Structural equation modeling was performed using AMOS 24.0 to estimate all the models. Due to the relatively small sample size, two measurement models were tested: the first one focusing on conflict-based experiential learning ($\chi^2 = 48.221$, $df = 31$, $\chi^2/df = 1.556$, $p = .025$; CFI = .979; IFI = .979; TLI = .969; RMSEA = .062), and the second on the five variables (LTO, relational norms of flexibility, relationship termination costs, relationship quality, and emotional conflict) ($\chi^2 = 226.852$, $df = 121$, $\chi^2/df = 1.875$, $p = .000$; CFI = .923; TLI = .903; IFI = .925; RMSEA = .077). These indices are better suited for evaluating the model fit. The indicator loading results were statistically significant ($p < .001$). The composite reliability for each factor ranged from 0.70 to 0.93 (all > 0.7), as shown in Table 1. These findings indicate that the measures have adequate convergent validity and construct reliability.

Table 1: Reliability and validity results

Construct	Items	Factor Loadings	Cronbach's α	CR	AVE
Long-term orientation (LTO)	4	0.70-0.89	0.85	0.86	0.62
Relational norm of flexibility	3	0.73-0.92	0.74	0.75	0.66
Relationship termination costs	3	0.81-0.86	0.87	0.87	0.68
Conflict-based experiential learning	10	0.71-0.93	0.88	0.95	0.67
Relationship quality	4	0.72-0.84	0.87	0.88	0.64
Emotional conflict	4	0.71-0.86	0.79	0.82	0.59

To assess the discriminant validity of the focal constructs, the average variance extracted (AVE) for each construct was calculated. The results show that the AVE for each factor exceeds 0.5 and is greater than the squared correlation between the factor pair, thus supporting discriminant validity (Fornell and Larcker, 1981). Following Bagozzi et al. (1991), we conducted multiple CFAs to determine whether a two-factor model would significantly outperform a one-factor model for each pair of factors in the measurement models. If the two-factor model fits better, it supports the discriminant validity of these factors. In every case, the results indicated that the two-factor model fit the data significantly better than the one-factor model.

3.4 Common method bias

Because the data were collected via a self-administered survey of key informants, we implemented multiple procedural and statistical measures to mitigate common method bias. Harman's one-factor test was conducted to minimize the impact of common method bias (Podsakoff and Organ, 1986). Harman's single-factor test indicated that eight factors had eigenvalues greater than 1 and accounted for 73.48% of the total variance; the first factor accounted for 16.51% of the total variance. Therefore, common method bias was relatively minor (Podsakoff et al., 2003).

4. Results

The descriptive statistics and Pearson correlations are presented in Table 2. Multiple regression analysis was conducted to test all the hypotheses. Furthermore, an examination of the variance inflation factors (VIFs) reveals that all are less than 2. The evidence suggests that multicollinearity is not a serious issue.

In Table 3, Model 1 is used to test the antecedents of experiential learning. Hypothesis 1, which states that LTO is positively related to conflict-based experiential learning, was supported ($\beta = .281, p < .001$). Hypothesis 2, which states that the relational norm of flexibility is positively related to conflict-based experiential learning, is supported ($\beta = .423, p < .001$). Hypothesis 3, which predicted that relationship termination costs are positively related to conflict-based experiential learning, is supported ($\beta = .174, p < .05$).

In Model 2, Hypothesis 4 predicted that conflict-based experiential learning is positively related to relationship quality, which was supported ($\beta = .602, p < .001$). In Model 3, Hypothesis 5 predicted that conflict-based experiential learning is negatively related to emotional conflict; thus, H5 was supported ($\beta = -.331, p < .001$).

Table 2: Correlations and descriptive statistics

Variables	Means	S.D.	1	2	3	4	5	6
Long-term orientation (LTO)	2.67	.74	(.62) ^a					
Relational norm of flexibility	3.22	.67	.42**	(.66)				
Relationship termination costs	3.66	.56	.22**	.25**	(.68)			
Conflict-based experiential learning	3.59	.71	.51**	.59**	.33**	(.67)		
Relationship quality	3.448	.68	.32**	.48**	.30**	.57**	(.64)	
Emotional conflict	3.40	.65	-.08	-.09	.02	-.25**	-.03	(.59)

Notes: ^a The diagonal entries represent the Average Variance Extracted by the construct.

*p<.05, **p<.01 (two-tailed)

Table 3: Regression results ^a

	Model 1	Model 2	Model 3
	Conflict-based experiential learning	Relationship quality	Emotional conflict
Controls			
Firm Size	-.056(-.83)	.052(.747)	.164(1.790)
Age	-.090(-.839)	.004(.035)	-.144(-1.098)
The length of the relationship	.092(.838)	-.131(-1.169)	.058(.439)
Predictors			
Long-term orientation (LTO)	.281(3.737)***		
Relational norm of flexibility	.423(5.702)***		
Relationship termination costs	.174(2.450)*		
Conflict-based experiential learning		.602(8.711) ***	-.331(-4.057) ***
<i>R</i> ²	.445	.385	.146
<i>Adjusted R</i> ²	.424	.366	.120
<i>F</i> -statistic	17.180***	20.224***	5.521*

Notes: ^a All coefficients are the standardized regression coefficients. The t-values are provided in parentheses.

*p< .05, **p< .01, ***p< .001

5. Discussion and implications

Although numerous studies have examined interorganizational conflict and relationship learning, research on conflict-based experiential learning remains limited. This study enhances the understanding of international manufacturer-distributor relationships by transitioning from a conflict-elimination view to a conflict-based learning approach. The findings demonstrate that conflict-based experiential learning, which consists of understanding partners' opinions, integrating conflict-resolution knowledge, and establishing relationship-specific

memory, is a vital mechanism for turning disagreements into relational value. The results indicate that LTO, the relational norm of flexibility, and relationship termination costs are critical antecedents to the learning process. Furthermore, conflict experiential learning serves a dual purpose: it directly enhances relationship quality (specifically, trust and satisfaction) and significantly reduces destructive emotional conflict. By treating conflict as a learning episode rather than a purely dysfunctional event, firms can professionalize their conflict-handling processes and transform potentially destructive friction into predictable, collaborative routines.

5.1 Theoretical implications

This study offers several theoretical insights. First, it adds to the existing research on relationship-learning. While prior research often views conflict as dysfunctional and something to be minimized, this study draws on relationship learning perspectives to position conflict as a productive source of knowledge. This highlights that the joint interpretation of conflict episodes allows firms to avoid "relational path dependency" and repeat past mistakes. The content of memory in the processes of relationship learning includes not only functional knowledge stores but also interactional knowledge stores, such as negotiating with partners and managing conflicts (Chang and Gotcher, 2010; Liu, 2012). Therefore, we consider conflict-based experiential learning to be a unique form of relationship learning.

Second, this study conceptualizes relational learning as dynamic capability. It extends relational learning theory by demonstrating that learning is not merely about knowledge transfer but about the deliberate processing of past collaboration failures to shape future relationship-domain-specific behavior (Fang et al., 2011; Kohtamäki and Partanen, 2016).

Third, this study integrates social exchange theory and identifies LTO, relational norms of flexibility, and relationship termination costs as antecedents. This study validates the principles of social exchange theory, showing that the perceived risk of ending a relationship and the willingness to make short-term sacrifices are crucial motivators for firms to engage in deeper sensemaking and learning during conflicts (Makri et al., 2024; Rosecká et al., 2024; Zhang et al., 2003).

Finally, this study adds to the literature on managing channel conflicts (Sarkar and Pandey, 2025; Tahirov & Glock, 2022; Tang et al., 2017). This study clarifies the role of conflict-based experiential learning in linking relationship quality and emotional conflict. However, this relationship has not been empirically examined. The negative relationship between conflict-based experiential learning and emotional conflict is a novel finding. Previous research has also shown that interorganizational connectedness decreases emotional conflicts (Rose and Shoham, 2004). Our findings build on this by demonstrating direct connections between conflict-based experiential learning and emotional conflict in international distribution channel. Conflict-based experiential learning not only helps manufacturing firms enhance relationship quality but also reduces emotional conflict.

5.2 Managerial implications

Our findings offer several practical insights for managers. First, the research findings underscore the importance of conflict-based experiential learning for manufacturing firms that rely on foreign distributors to enter foreign markets. Such foreign-based intermediaries not only offer valuable local market knowledge but also provide manufacturers with access to key contacts with international buyers and sophisticated marketing services (Bello et al., 2003). However, manufacturers working with foreign distributors often experience conflicts. Research indicates that managing relationships between manufacturers and foreign distributors in export channels is challenging and that achieving strong performance is difficult (Bello et al., 2003). To enhance relationship quality and reduce emotional conflict with foreign distributors, export managers must focus on conflict-based experiential learning. By strengthening conflict-based experiential learning, export managers should note that this unique form of relationship learning can integrate conflict resolution experiences to enhance relationship quality and reduce emotional conflict with foreign distributors. Therefore, managers should recognize that disagreements (task conflicts) can be beneficial if handled through a joint interpretation. Rather than avoiding conflict, firms should invest in systems that capture, analyze, and store knowledge from these episodes.

Second, while our findings reveal a significant empirical link between LTO and conflict-based experiential learning, they also have important implications for manufacturers. Top managers should prioritize fostering a long-term culture that encourages managers and staff to recognize that the benefits of collaborative learning outweigh the short-term gains of opportunistic behavior (Makri et al., 2024; Rosecká et al., 2024). Managers should explicitly measure and manage these "implicit" exchange processes to foster long-term commitment.

Third, a norm of flexibility promotes not only a range of cooperative behaviors but also conflict-based experiential learning in international channel relationships. The managerial implication for exporter managers is that establishing a norm of flexibility enables partners to negotiate adjustments rather than adhere to rigid contracts that may prove detrimental under changing international market conditions (Zhang et al., 2003). This creates a goodwill buffer that protects the relationship from emotional friction.

Finally, manufacturing firms are willing to learn from conflict experiences because they are motivated by the costs of terminating relationships. Manufacturers' lack of knowledge about market conditions, the availability of alternative distributors, and the switching costs to a new distributor increase their dependence on their current distributors and compel them to maintain exchange relationships with them in the foreign market. Thus, based on our findings, we suggest that managers establish strong relationships with foreign distributors and endeavor to learn from conflicts.

5.3 Limitations and future research avenues

Some limitations of this study restrict its interpretation and generalizability. First, the study design was cross-sectional, making it difficult to establish causality; thus, future research should use longitudinal data to establish causal linkages among long-term orientation, the relational norm of flexibility, relationship termination costs, conflict-based experiential learning, relationship quality, and emotional conflict. Second, both our independent and dependent variable data were collected from manufacturer samples in Taiwan. This restricts the extent to which our findings can be applied to manufacturing firms in different industries and countries. As the cultural environment might influence the results discussed in this study, future research should explore whether our findings hold true in other cultural contexts.

Third, similar to most research on dyadic relationships, this study depends on self-reported data from one side; therefore, it is important to consider common method bias when analyzing the relationships among these variables. Gathering assessments from both sides is advantageous, as different parties often have divergent perceptions of the same situation. For example, conflict-based experiential learning and emotional conflict might be viewed differently by a manufacturing firm than by a foreign distributor.

Fourth, a concern about measurement is the scope and domain of conflict-based experiential learning measures. Although our measures are well-grounded in theory and supported by interviews with manufacturers, they lack precedents in the existing literature. Consequently, this scale needs to be replicated and refined in future studies.

Finally, further research is needed to explore potential moderators, antecedents, and consequences that are not covered in this study. One such factor is the variety of power types used.

Future research should investigate how various forms of power, such as mediated versus non-mediated (Siemieniako and Mitre ga, 2018), influence the effectiveness of conflict-based learning. This is important because powerful parties might occasionally resist the "mutual adjustment" needed for learning.

References

- [1] Armstrong, J. S. and Overton, T. S. (1977). Estimating non-response bias in mail surveys. *Journal of Marketing Research*, 14(3), pp. 396-402.
- [2] Bagozzi, R. R. and Yi, Y. (1988). On the evaluation of structural equation models. *Journal of the Academy of Marketing Science*, 16(1), pp. 74-94.
- [3] Bagozzi, R. R., Yi, Y. and Phillips, L. W. (1991). Assessing construct validity in organizational research. *Administrative Science Quarterly*, 36(30), pp. 421-458.
- [4] Ballantyne, D. (2004). Dialogue and its role in the development of relationship specific knowledge. *Journal of Business & Industrial Marketing*, 19(2), pp. 114-123.
- [5] Bello, D. C., Cristian, C. and Li, Z. (2003). The antecedents and performance consequences of relationalism in export distribution channels. *Journal of Business Research*, 56 (1), pp. 1-16.
- [6] Bradford, K. D., Stringfellow, A. and Weitz, B. A. (2004). Managing conflict to improve the effectiveness of retail networks. *Journal of Retailing*, 80, pp. 181-195.
- [7] Brislin, R. (1970). Back-translation for cross-cultural research. *Journal of Cross-Culture Psychology*, 1, pp. 185-216.
- [8] Chang, K. H. and Gotcher, D. F. (2010). Conflict-coordination learning in marketing channel relationships: The distributor view. *Industrial Marketing Management*, 39 (2), pp. 287-297.
- [9] Cohen, W. M. and Levinthal, D. A. (1990). Dynamic capability: A new perspective on learning and innovation. *Administrative Science Quarterly*, 35(1), pp. 128-125.
- [10] Crosby, L. A., Evans, K. R. and Cowles, D. (1990). Relationship quality in services selling: an interpersonal influence perspective. *Journal of Marketing*, 54(3), pp. 68-81.
- [11] De Dreu, C. K. W. and Weingart, L. R. (2004). Task versus emotional conflict, team performance, and team member satisfaction: A meta-analysis. *Journal of Applied Psychology*, 88(4), pp. 741-749.
- [12] Duarte, M. and Davies, G. (2003). Testing the conflict-performance assumption in business-to-business relationships. *Industrial Marketing Management*, 32, pp. 91-99.
- [13] Emden, Z., Yaprak, A. and Cavusgil, S. T. (2005). Learning from experience in international alliances: Antecedents and firm performance implications, *Journal of Business Research*, 58 (7), pp. 883-892.
- [14] Fang, S. R., Fang, S. C., Chou, C. H., Yang, S. M. and Tsai, F. S. (2011). Relationship learning and innovation: The role of relationship-specific memory. *Industrial Marketing Management*, 40(5), pp. 743-753.

- [15] Ferro-Soto, C., Padin, C., Svensson, G. and Høgevold, N. (2023). The role of trust and commitment as mediators between economic and non-economic satisfaction in sales manager B2B relationships. *Journal of Business & Industrial Marketing*, 38(1), pp. 235-251.
- [16] Fornell, C. and Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), pp. 39-50.
- [17] Heide, J. B. and John, G. (1992). Do norms matter in marketing relationships? *Journal of Marketing*, 56(2), 32-44.
- [18] Huber, G. P. (1991). Organizational learning: The contributing processes and the literature. *Organization Science*, 2, pp. 88-115.
- [19] Jap, S. D. and Ganesan, S. (2000). Control mechanisms and the relationship life cycle: Implications for safeguarding specific investments and developing commitment. *Journal of Marketing Research*, 37, pp. 227-245.
- [20] Jehn, K. A. and Mannix, E. A. (2001). The dynamic nature of conflict: A longitudinal study of intragroup conflict and group performance. *Academy of Management Journal*, 44(2), pp. 238-251.
- [21] Kolb, D. A. (1984). *Experiential learning: Experience as the source of learning and development*. New Jersey: Prentice-Hall.
- [22] Kohtamäki, M. and Partanen, J. (2016). Co-creating value from knowledge-intensive business services in manufacturing firms: The moderating role of relationship learning in supplier–customer interactions. *Journal of Business Research*, 69(7), pp. 2498-2506.
- [23] Kumar, S. (2026). Managing channel conflicts: How do expert power and reward power contribute? *Marketing Intelligence & Planning*, 44(2), pp. 262-282.
- [24] Liu, C. L. (2012). An investigation of relationship learning in cross-border buyer–supplier relationships: The role of trust. *International Business Review*, 21(3), 311-327.
- [25] Lu, T., Zhang, X. and Zhuang, G. (2026). Managing multichannel conflict: the role of interactions enabled by interorganizational information system and public social media. *European Journal of Marketing*, 60(1), pp. 95-130.
- [26] Macintosh, G. (2007). Customer orientation, relationship quality, and relational benefits to the firm. *Journal of Services Marketing*, 21(3), pp. 150–159.
- [27] Makri, K., Bourdin, D. and Herz, M. (2024). What is to be expected? Optimizing the operationalization of consumer–brand relational norms. *Psychology & Marketing*, 41(10), pp. 2197-2213.
- [28] Morgan, R. M. and Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, pp. 20-38.
- [29] Moorman, C. and Miner, A. S. (1997). The Impact of organizational memory on new product performance and creativity. *Journal of Marketing Research*, 18, pp. 91-106.

- [30] Podsakoff, P. M. and Organ, D. W. (1986). Self-reports in organizational research: problems and prospects. *Journal of Management*, 12(4), pp. 531-544.
- [31] Podsakoff, P. M., MacKenzie, S. B., Lee, J. Y. and Podsakoff, N. P. (2003). Common method biases in behavioral research: A critical review of the literature and recommended remedies. *Journal of Applied Psychology*, 65, pp. 879-903.
- [32] Reagans, R., Argote, L. and Brooks, D. (2005). Individual experience and experience working together: Predicting learning rates from knowing who knows what and knowing how to work together. *Management Science*, 51, pp. 869-881.
- [33] Rose, G. M. and Schoham, A. (2004). Interorganizational task and emotional conflict with international channels of distribution. *Journal of Business Research*, 57(9), pp. 942-950.
- [34] Rosecká, N., Machek, O., Stasa, M. and Kubíček, A. (2024). Long-term orientation and corporate social responsibility in small and medium-sized enterprises: the role of strategy formation mode. *Social Responsibility Journal*, 20(4), pp. 825-842.
- [35] Ryu, S., Park, J. E. and Min, S. (2007). Factors of determining long-term orientation in interfirm relationships. *Journal of Business Research*, 60(12), pp. 1225-1233.
- [36] Sarkar, T. and Pandey, N. (2025). Channel conflict in B2B markets: evolution, trends, and future research agenda. *Journal of Business & Industrial Marketing*, 40(7), pp. 1469-1490.
- [37] Selnes, F. and Sallis, J. (2003). Promoting relationship learning. *Journal of Marketing*, 67, pp. 80-95.
- [38] Siemieniako, D. and Mitreğa, M. (2018). Improving power position with regard to non-mediated power sources—the supplier's perspective. *Industrial Marketing Management*, 70, pp. 90-100.
- [39] Singh, P. J., Bhattacharya, A. and Nand, A. A. (2025). Impact of relational norms on performance: interaction between solidarity, power and flexibility in buyer-supplier relationships. *Production Planning & Control*, 36(12), pp. 1623-1636.
- [40] Sinkula, J. M. (1994). Market information processing and organizational learning. *Journal of Marketing*, 58, pp. 35-46.
- [41] Song, M., Xie, J. and Dyer, B. (2000). Antecedents and consequences of marketing managers' conflict-handling behaviors. *Journal of Marketing*, 64, pp. 50-66.
- [42] Song, M., Dyer, B. and Thieme, R. J. (2006). Conflict management and innovation performance: An integrated contingency perspective. *Journal of the Academy of Marketing Science*, 34(3), pp. 341-356.
- [43] Tahirov, N., & Glock, C. H. (2022). Manufacturer encroachment and channel conflicts: A systematic review of the literature. *European Journal of Operational Research*, 302(2), pp. 403-426.

- [44] Takashima, K., & Kim, C. (2021). The influence of conflict with suppliers on retailers' private label performance. *Journal of Asia Business Studies*, 15(2), pp. 301-318.
- [45] Tang, T. P., Fu, X., & Xie, Q. (2017). Influence of functional conflicts on marketing capability in channel relationships. *Journal of Business Research*, 78, pp. 252-260.
- [46] Vaaland, T. I., & Håkansson, H. (2003). Exploring interorganizational conflict in complex projects. *Industrial Marketing Management*, 32, pp. 127-138.
- [47] Yi, H. T., Lee, M., & Amenuvor, F. E. (2023). Effects of contractual completeness on opportunistic behaviors, multilevel transaction costs and relationship termination intention: the moderating effect of alternative attractiveness. *European Journal of Marketing*, 57(11), pp. 2945-2973.
- [48] Zhang, C., Cavusgil, S. T., & Roath, A. S. (2003). Manufacturer governance of foreign distributor relationships: do relational norms enhance competitiveness in the export market? *Journal of International Business Studies*, 34(6), pp. 550-566.