GO-TO-MARKET & PRICING

Channel conflict is not one number

Channel conflict can harm performance, but evidence varies by measure, dependency, context, and threshold. Diagnose the slope before prescribing harmony.

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MANAGEMENT SUMMARY

A channel dashboard can report high conflict without telling a manager what to do next. A large meta-analysis finds a negative aggregate conflict-performance association, but it also finds that channel dependency, international operation, geography, measurement, and sampling change the estimate. A principal-agent study adds a sharper warning: a linear relation described sales-growth effectiveness, while an S-shaped threshold relation better described error-rate efficiency in the observed data. A contemporary B2B review maps the field through bibliometrics, literature review, and 26 interviews, but its framework is not a causal test. The practical result is a six-field conflict review that keeps measure, perspective, unit, outcome, time, context, and decision together. Diagnose the object before prescribing harmony.

Keywords: Channel conflict · Channel performance · Channel governance · B2B relationships · Evidence review

A channel dashboard can say conflict is high and still leave the commercial decision unanswered.

High compared with what? Measured by whom? Against sales growth, error rates, satisfaction, margin, or another outcome? A conflict label is a signal. It is not yet a diagnosis, and it is certainly not a universal policy to remove every disagreement.

The useful review starts with the object being measured. Then it asks how that object relates to the performance outcome the channel actually cares about. The answer can change when the outcome changes.

Why is an average channel conflict score an inadequate diagnostic metric?

Eshghi and Ray assembled six decades of channel-conflict research in a meta-analysis. They identify 92 empirical studies, 120 samples, and an aggregate sample size of 23,693. Their collection contains 371 correlations across channel and inter-firm constructs, with 219 retained for the structural models.

The aggregate conflict-performance relationship is negative across the individual and joint outcomes they test. That is an important warning. It says that conflict is not harmless by default in the published evidence. It does not say that every study measured the same conflict, every channel faced the same dependency, or every performance result means the same thing.

The meta-analysis reports stronger negative links in coded settings with greater channel dependency, international operation, and North American samples. It also finds that measurement and sampling characteristics affect the links reported in the literature. The result is not a reason to rank one geography or route as inherently worse. It is a reason to keep the channel context beside the score.

The study is correlational. Its average does not identify what a named conflict-management action would have changed in a particular channel. The claim that conflict is associated with performance can travel. A claim that one intervention would repair the channel needs another design.

How do channel efficiency and sales effectiveness trace conflicting performance curves?

Duarte and Davies show why the outcome must be named before the shape is interpreted. Their data come from one principal-agent marketing channel. They analyze 496 cases with complete dyadic conflict and performance data. Conflict is measured in more than one way, including perceived and affective forms, with agent-only and dyadic perspectives.

The authors separate performance into sales-growth effectiveness and error-rate efficiency. For effectiveness, a linear model fits the tested data better than the alternatives, and the proposed inverted-U maximum receives no statistically significant support. For efficiency, an S-shaped threshold relation generally fits the perceived and affective measures better. As error-rate efficiency falls, conflict rises slowly at first and then rises more rapidly after the observed threshold.

That is not a contradiction to solve by averaging the curves. It is a measurement lesson. Sales growth and error rates describe different performance objects. One can therefore trigger a different review than the other. The threshold in this study is a shape in one efficiency analysis. It is not a number that every channel should adopt.

Which qualitative partner dynamics remain invisible on operational dashboards?

Sarkar and Pandey provide a contemporary map of B2B channel-conflict research. Their search yielded 584 articles, narrowed to 468 English-language articles, and produced a final analysis set of 195 papers. They combine that bibliometric work and literature review with semi-structured interviews. After 26 respondents, they report saturation for the themes included in their framework.

The paper connects channel conflict with questions about pricing, goal incongruency, coordination, reputation, trust, and resolution. That makes it useful for expanding the review questions around a dashboard score. It does not make the interview themes population frequencies, and it does not test a universal threshold or a collaboration programme. The authors identify database, sample-diversity, and empirical-testing limits themselves.

The live route ledger for channel ownership and incrementality asks a different question: who controls the relationship and what demand or economics has the route added? The defensible evidence review adds the stopping rule for deciding when a conflict measure has been tested enough to inform a decision. Similarly, examining why an ecosystem strategy is an alignment structure, not a partner list shows how multi-party coordination failures arise without explicit governance. The conflict review belongs beside it. A route can have a clear owner and still carry an unresolved conflict measure. Ownership is not a substitute for measurement.

How should commercial teams structure a multi-dimensional channel conflict review?

Table 1 The conflict-performance reading

Review field	Record	Decision it informs	Boundary
Conflict form	Perceived, affective, latent, task-related, manifest, or another versioned construct	Which instrument and respondent should be reviewed	Unlike forms are not automatically comparable
Perspective and unit	Agent, supplier, reseller, buyer, principal, dyad, or channel	Whose disagreement is visible and whose is absent	One side’s score is not the channel’s whole experience
Performance outcome	Sales growth, error rate, effectiveness, efficiency, satisfaction, margin, or another defined object	What the association can inform	Performance labels must not be pooled silently
Time window	Measurement period, lag, and status of the channel	Whether the conflict and outcome can be read together	A later outcome is not automatically caused by an earlier score
Channel context	Direct or indirect route, dependency, geography, and governance	Which comparison frame is relevant	A coded moderator is not a portable multiplier
Shape and decision	Linear, threshold, unresolved, or another tested form, plus the next action	What to test or change next	A review result is not a universal conflict cutoff

Eshghi & Ray (2021), Duarte & Davies (2003), and Sarkar & Pandey (2025). The review fields are the author's synthesis; no row is a universal scale or threshold.

Use the record in six passes:

1. Name the form. Write the conflict construct, its version, the respondent, and whether it is perceived, affective, latent, task-related, or manifest.
2. Name the unit. State whether the row belongs to one side, a dyad, a route, or a whole channel. Missing perspectives stay marked as missing.
3. Freeze the outcome. Choose sales growth, error rate, efficiency, effectiveness, satisfaction, margin, or another defined object before reading the result.
4. Set the time window. Record when conflict was measured, when the outcome was measured, and what lag or follow-up the review allows.
5. Describe the context. Add direct or indirect design, dependency, geography, route rules, and any governance change that could alter the reading.
6. Write the decision boundary. If the shape is unresolved, say so. If a threshold appears, call it an observed threshold in that outcome and design the next test around it.

Why should commercial leaders reject channel harmony as the default optimization rule?

Functional conflict and dysfunctional conflict are useful distinctions only when the team can say what work the disagreement affects. A task disagreement can surface a real route problem. A relationship breakdown can damage coordination. Neither label automatically predicts sales, efficiency, or margin.

The evidence supports a narrower operating sentence: a channel-conflict review should carry the measure and the performance object together. Eshghi and Ray support the aggregate warning and the need for moderators. Duarte and Davies show that the shape can depend on the outcome. Sarkar and Pandey show how many adjacent questions a current field map still contains.

If the review has only one score and no outcome, it has not earned a policy. If it has an outcome but no perspective or time window, it has not earned a causal story. Start with the missing field.

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END OF ESSAY

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