Services constitute a vital stream among the marketing functions of a business. In an advanced economy like the U.S., which is mainly service-based, services marketing forms an essential ingredient of the offerings mix of any organization. Better service-providing capability leads to smoother business functions for all parties involved in the exchange processes. Reduced transaction costs due to better service can nurture harmonious relationships between partners or organizations, and thus act as an incentive for firms to outsource instead of vertically integrate. Better service could prevent parties from engaging in conflicts. However, if conflicts did arise due to mismatched interests/goals, their previous relationships would serve well in negotiating and resolving these conflicts. The issue of relationships in services marketing thus bears great concern to all companies and corporations engaged in business worldwide, and to consumers likewise. This paper attempts to establish a model involving the above relevant issues of inter-organizational relationships within the context of services marketing.