

**BUILDING TRUST AND COMMITMENT IN THE BUYER-SELLER
ADAPTATION PROCESS**

Paper prepared for the 17th IMP Conference, Oslo, Norway

Louise Canning
Bristol Business School
University of the West of England
Frenchay Campus
Coldharbour Lane
Bristol
BS16 1QY
Tel: (44) 117-344 3487

louise.canning@uwe.ac.uk

Stuart Hanmer-Lloyd
Gloucestershire Business School
Cheltenham & Gloucester CHE
The Park
Cheltenham GL50 2QF
Tel: (44) 117 9730916
Fax: (44) 117 9730916

shlloyd@chelt.ac.uk

*Please address all correspondence to Stuart Hanmer-Lloyd

Introduction

Two prominent and related themes that have developed within business markets are the increased level of competition and the need for increased collaboration between organisations. Within this increasingly complex business scenario, many organisations are working together to retain and renew their competitive advantage. On top of these pressures, there has also been a call for organisations to become more environmentally responsible. Thus, organisations are increasingly getting together to tackle an environmental issue that will affect both parties. Both suppliers and buying organisations are triggering these collaborative acts and the resulting adaptation may or may not take place. Two of the key issues determining the successful outcome of such an adaptation are the trust and commitment that exists and is created through the process of the adaptation.

This paper explores these concepts within the environmental adaptation process and shows how they are critical to the successful outcome of such adaptations. Literature examining the nature of trust and commitment is reported, however, it is preceded by relevant literature about adaptation. Links are then made where appropriate, although it is noted that research in this area is particularly sparse in spite of the critical role of trust within the adaptation process.

Adaptation within business relationships

It is widely acknowledged that business markets are characterised by long-term relationships between supplier and customer companies (Arndt 1979; Håkansson 1982; Rindfleisch 2000; Webster 1992). A feature of such relationships is the need for companies to either adjust their own operations or for exchange activities between firms to require amendment. Such adaptations might occur during the initial stages of a relationship (Dwyer, Shurr and Oh 1987; Ford 1980)

and often continue as companies develop a greater understanding of each other (Hallen et al. 1991), their expectations change during the relationship (Ford 1980) and the companies seek to respond to the dynamic environment in which the relationship exists. Adaptations are necessary to enable supplier and customer companies to deal with each other successfully over extended periods of time and so are important contributors to ongoing relationships. Adaptations have been described as investments in targeted relationships on the basis that the change itself is difficult to transfer to other relationships in which the companies might be involved (Williamson 1985). Choosing to make such investments is believed to indicate a company's commitment (Anderson and Weitz 1992) to a specific relationship and can result in a company being considered to be more trustworthy by the target of the adaptation (Hallen et al. 1991). So, in addition to facilitating the operation of a relationship, adaptations are also believed to contribute to the atmosphere in which it exists.

The commitment of resources to a relationship in this way has been denoted as an adaptation (Håkansson 1982), a transaction specific investment (Williamson 1985), a pledge (Anderson and Weitz 1992) and a commitment input (Grundlach et al. 1995). For the purposes of this paper, the term adaptation will be used and will be defined as 'behavioural modifications, at the individual, group or corporate level, carried out by one organisation, which are initially designed to meet the needs of one other organisation' (Brennan and Turnbull 1995). Previous research has sought to quantify the nature and scale of adaptations as well as record the types of adaptations effected in a relationship by either party (Hallen et al. 1991; Brennan and Turnbull 1995). However, concentrating on the output of behaviour between two firms ignores the interactive nature of many supplier-customer relationships. It is equally important to understand the *process* by which an agreement of adaptation is brought about as it is to understand the phenomena itself (Brennan

and Turnbull 1995). The study of inter-firm processes has increasingly become the focus of attention within business relationships, including the development of buyer-supplier relationships, manufacture-distributor partnerships (Anderson and Narus 1990), as well as inter-firm co-operation (Ring and Van de Ven 1994). In choosing to investigate adaptation processes, it is necessary to establish a clear meaning of the term process. Van de Ven (1992) suggests different meanings for the term process which result in three different approaches to studying it, namely input-output, change and processual models. Using a processual model, the researcher seeks to present a series of events and activities to describe how things progress over time (Van de Ven 1992). This is distinguished from the change model by the fact that the interest lies in trying to understand the sequence of events, activities and stages that emerge within a process. A processual and interactive perspective of inter-firm adaptations is lacking and it is this perspective which has provided the basis for this investigation. This research approach has allowed investigation of the importance of trust and commitment within the adaptation process.

Trust and Commitment within Business Relationships

The concepts of trust and commitment within business relationships have produced a plethora of articles. The purpose of this review is to reflect this body of literature as a basis for linking in the relevant concepts with the adaptation process to aid analysis of the case study data collected.

Trust has been researched at both an organisation level as well as at an individual level. Indeed, Anderson and Narus (1990) suggest that trust of an individual differs in nature from that of an organisation. Also, trust has received considerable attention from a variety of academic fields, including social psychology (e.g. Deutsch 1960; Lewicki and Bunker 1995), sociology (e.g. Lewis and Weigert 1985), economics (e.g. Williamson 1991) and, of course, marketing (e.g. Anderson and Weitz 1989; Dwyer, Schurr and Oh 1987; Ganesan 1994; Moorman, Deshpandé

and Zaltman 1993; Moorman, Zaltman and Deshpandé 1992). Each discipline offering insights into the nature of trust, its definition and the processes through which it develops.

There are, however, a number of common themes that appear through the literature, although the terminology may differ between the academic fields. Trust, it is argued, only becomes operational when the trusting parties are vulnerable (Doney and Cannon, 1997), be it at an individual or organisational level. This implies that there needs to be an element of risk to both parties for this vulnerability to exist, and a number of authors can be linked to the 'risk' context of trust (e.g. Giddens 1991 in sociology, Anderson and Narus 1990; Morgan and Hunt 1994 in marketing).

Trust has been viewed as the perceived credibility and benevolence of a target of trust (Ganesan 1994; Kumar, Scheer and Steenkamp 1995). The first dimension of trust thus focuses on the objective credibility of an exchange partner, an expectancy that the partner's word or written statement can be relied on (Lindskold 1978). The second dimension of trust, benevolence, is the extent to which one partner is genuinely interested in the other partner's welfare and is motivated to seek joint gain. These views of trust identified so far consider trust to be a central function in the management of risk, indeed without trust, risk is unmanageable and thus business relationship development, including adaptation, would not be possible (Morrison and Firmstone 2000).

McAllister (1995) separated trust between affect and cognition-based trust. For cognition-based trust, he quotes Lewis and Wiegert (1995, p.970) "We choose whom we will trust, in which respects and under what circumstances, and we base the choice on what we take to be 'good reasons', constituting evidence of trustworthiness". Again, this reflects a rational approach to risk-taking based on 'good reasons' and 'evidence of trustworthiness' which suggests measures of reliability and dependability. However, it is argued that affective foundations for trust also

exist, consisting of the emotional bonds developed between individuals. McAllister's (1995) research amongst 194 managers and professionals supported the existence of these twin aspects of trust in business relationships, and he concludes "Thus, affect-based trust and cognition-based trust represent distinct forms of interpersonal trust" (p.49). These findings are important within the research because it is necessary for cross-functional teams to work together within an organisation as well as across organisations to achieve a successful (environmental) adaptation. Trust can also be viewed in the wider context of the cultural boundaries that exist. Hagan and Choe (1998) investigated trust within the Japanese interfirm context. Interestingly, they conclude that whilst intuitively a higher level of trust may be expected to exist, this was not the case. They found that the higher level of sanctions which operated through both contractual and social relationships were key determinants of interfirm co-operation rather than higher levels of trust within the relationship.

Trust is related to commitment. "The most frequently examined consequence of trust is commitment to a relationship." (Ganesan and Hess 1997, p.440). Prior studies (Anderson and Weitz 1989; Ganesan 1994; Moorman Zaltman and Deshpande 1992; Morgan and Hunt 1994) have shown that trust is a major determinant of relationship commitment. Trust enhances commitment to a relationship by i) reducing the perception of risk associated with opportunistic behaviours by the partners ii) increasing the confidence that short term inequities will be resolved over a long period, and iii) reducing the transaction costs in an exchange relationship (Ganesan and Hess 1997). However, despite the strong positive relationship between trust and commitment found in previous studies, the effect of trust on commitment is likely to depend on the level (interpersonal and organisational) and dimensions (credibility and benevolence) on which trust is conceptualised. Whilst some alternative conceptualisations have been discussed above to show

this, the research reported here reflects an emphasis on the marketing perspectives (e.g. Ganesan 1994; Ganesan and Hess 1997; Morgan and Hunt 1994).

Linking trust and adaptation

As noted above, the literature linking the concepts of adaptation and trust are particularly limited, however, some does exist. An example is Jeffries and Reed (2000) who explore the question “How does trust affect the quality of solutions to problems of adaptation in relational contracts?” (p.874), and claim that their research is intended to “...show how organisational trust and interpersonal trust interact to affect negotiators’ motivation to find optimal solutions to problems of adaptation” (p.874). Their discussions focus on the execution stage of the contracting process, where the need can arise for adaptation because of the changes in demand and requirements on amount, quality, delivery times and so forth that the contracting parties have to deal with jointly. They explore both cognitive- and affect-based trust as well as high and low levels of interpersonal/interorganisational trust. Whilst they draw some obvious conclusions, for example, “low trust in the abilities and competence of an opposite number will increase the chance of failure” (p.879), they do highlight difficulties that can arise through having contrasting levels of cognitive- and affect-based trust. Indeed, they argue for the rotation of managers so that affect-based trust does not have time to develop, especially in high organisational trust situations because the motivation to seek ‘best solutions’ is reduced.

Thus, the literature reviewed has shown that adaptation within a relationship is essentially inevitable and the IMP model is helpful in exploring the adaptation concept. It has also been noted that trust and commitment are important concepts within both interpersonal and interorganisational relationships, although a number of differing approaches to trust can be taken.

Finally, some linking literature between trust and adaptation, of a particular form, has been reviewed, however, further research in this area is clearly needed and this paper contributes to this.

Research Methodology

This research sought to use an qualitative research approach in order to develop a greater understanding of the overall environmental adaptation processes. The research was based on the assumption that environmental adaptation processes are likely to be influenced by the setting in which they occur. In order to investigate inter-firm adaptation processes, a case study approach was used to facilitate inductive theory development and to enable the exploration of processes without removing these from their “real-life context” (Yin 1994). Two customer companies were selected who were considered to be environmental (green) leaders in their respective industries in the UK and Germany. Suppliers who were either important to the overall performance of those companies or had been involved in environmental initiatives were selected by the customer organisations, resulting in the identification of four inter-firm relationships in which to study the five specific environmental adaptation processes (see Table 1).

In-depth qualitative interviews were used in order to account for the context in which adaptation processes occurred and “to search for a deeper understanding of the participants lived experiences” (Marshall and Rossman 1995). Although supply team or customer account managers might act as the primary link in inter-firm relationships, initial discussions with the case study firms established the need to involve managers from a range of functional areas in each company in the data collection process. Key informants were selected on the basis of their involvement with identified supplier-customer relationships and their contribution to the

environmental adaptation process and involvement in agreeing the nature of the change implemented. A total of 24 semi-structured interviews were completed, with each interview lasting an average of two hours. The issues of trust and commitment arose naturally through the discussion of the adaptation process within the case studies and are reported below.

(INSERT TABLE 1 AROUND HERE)

Research results

A number of issues arose out of the qualitative interviews conducted within the five adaptation cases. It is not the purpose of this paper to report all of the findings. Instead, the focus of this paper is to highlight certain issues of trust and commitment that arose and to identify implications for those wishing to improve their adaptation process. However, several points are worth noting at the outset, firstly, a number of factors could be identified as stimulating the adaptations. These include environmental legislation, competitive market dynamics and the desire by parties to achieve cost reductions. Secondly, the process of adaptation, which required the contribution of both parties, consisted of repeated rounds of negotiation, commitment to and execution of activities. During this process, information exchange during negotiation was a key stage and took into account an evaluation of the adaptation partner's commitment to and execution of previous agreements negotiated. This was a key part of the adaptation process where trust and commitment was either built or eroded. This is supported by Ring and Van de Ven (1992) who note that relational trust is likely to be based on experience and interaction with a particular exchange partner.

Examples of the partner's experience of this process are given below through the selective use of quotes from the case study interviews.

The initial case study considered a ‘take-back’ scheme:

“...there’s been a bit of a sea change over the last two years and since we signed the new distribution agreement which was only in January this year and any opportunity to make a buck they will take it and a lot of times that has often been to the detriment of us...” (Distributor, Case 1)

“...as I say, this guy from New Southgate [Environmental Affairs Manager] who, unfortunately, hasn’t been wheeled in since [early stages], which makes me wonder whether [the supplier] doesn’t want it as a top priority at the moment.” (Distributor, Case 1)

“Not willing to commit themselves, not making any progress, not giving us the pricing models that we want to run with...I get the impression they’re not keen.” (Distributor, Case 1)

The results of these actions and subsequent interpretation by the distributor of the supplier’s commitment and trustworthiness has led to a trial take-back scheme which is essentially faltering with little progress being made.

In case number 2, the partners were seeking to reduce costs through a) reducing packaging waste and b) improving the environmental design of a product. Progress was much better in the first case (2a) than in the second (2b). Some examples of the trust and commitment that existed between the companies are indicated by the following statements:

“...in terms of delivery they’ve got a very good track record. ...individually they’ve got a good team, they’re easy to work with.” (Customer, Case 2a)

“They’re responsive in as much that if I ring them up and I’m talking about a problem, they are immediately on to it, OK? Whereas some other companies you might ring them up and, oh yes, yes fine, yes absolutely, we’ll get back to you...” (Customer, Case 2a)

In the produce redesign case, progress was less successful:

“Sometimes they try to hide behind the fact that there’s an organisation called the British Cables Makers Confederation and they say: ‘Well, we’d prefer this to be done on an industry level.’ Well you know, these things take forever...”

Case number 3 considers the introduction of a recycling system for used plastics resulting from the return and disassembly of used computers in Germany and a number of comments reveal the importance of trust and commitment in the successful outcome of this adaptation.

“It’s much easier for both parties if we can try to look together for the best solutions from the start.” (Supplier, Case 3)

“By working with the customer’s subcontractors and by showing them how to achieve certain things in the design, we can show them the most cost effective production. It’s quite a close partnership and that’s expected in this industry.” (Supplier, Case 3)

“When a customer approaches us and asks whether we can do things for them, we have got to ask ourselves, what’s in it for us? The customer might get something out of it – OK, but what’s the benefit for us? Will it help our business with this customer? Is the customer taking it seriously? How do they behave?” (Supplier, Case 3)

“We realised very quickly that they had serious interests in plastics recycling, which is why we joined forces and agreed the basis of a joint pilot project.” (Supplier, Case 3)

Question: What sort of things indicated to you the customer was serious?

“For example, when somebody said ‘we’ll send you five samples of this, this and this’, then the samples arrived two weeks later. Or when they wanted to be involved in investigations and committed to fund part of this, then the money arrived two weeks later. We also noticed we were always dealing with the same people, there was an element of continuity, we weren’t repeatedly coming across different people...” (Supplier, Case 3)

“We also noticed that they had funds to make their own investments. They built a whole factory specifically for equipment recycling. So there’s a number of pieces which make up the whole picture.”

Question: Has the co-operation affected sales?

“What is certain is that it has helped business, it’s helped to develop trust.” (Supplier, Case 3)

“We did a joint endorsement of each other’s products where recycle had been used in the customer’s products. They allowed us to promote this and use their name in connection with this whenever we wanted. By the same token, the IT company was allowed to use our name and our company logo for similar promotional activities, without either party questioning the other. That obviously needed quite a bit of trust to be built up in both companies.” (Supplier, Case 3)

Case study 4 was again based in Germany and involved the development of labels which were designed to facilitate the recycling of plastic materials retrieved from used computers. This was perceived as a successful adaptation by the parties involved.

“Yes, you’ve got to work on projects with them [labels supplier], you’ve got to discuss with them why we want to change something...you’ve got to show him the problem so that he understands it, which is why the first meeting was here at our recycling centre, so he could see how difficult it was to remove the labels from the plastic.” (IT company, Case 4)

“We actually started out by presenting the situation in the electronics industry in terms of their problems with recycling, their legal requirements and also the different ways of seeing the problem.” (Labels supplier, Case 4)

“Once the project reached the point where we had developed the first version of the product as it were, then it entered the strategic phase. The product would have to be incorporated into our portfolio so obviously you’ve got to get the corporate office in the US involved.” (Labels supplier, Case 4)

“Our customers have got to make a strategic decision about whether they’re willing to pay a higher price for this label. It costs money to develop the product, so we’ve got to get that back somehow. Their willingness to pay a higher price is based on the fact that the whole recycling process will become more cost effective and that in the end, the firm as a whole will be able to save some money. So they shouldn’t be just looking at the price of the label, they need to look at the whole process.” (Labels supplier, Case 4)

“The fact that we have developed the solution is a very important step in our relationship with this company overall, a very big step, because we’ve actually worked at and solved a customer specific problem and in the process, we’ve developed close, personal relationships which are becoming even closer. It’s not just about selling, the success of the project was a joint effort. And in that sense, we’ve got the basis for new projects because the relationship has been cemented.” (Labels supplier, Case 4)

“They’re very reliable, in my experience, very reliable. If there are areas which are unclear, you can discuss where the uncertainties are with them and then it becomes obvious how to deal with the issues. In that sense, they’re a very good business partner.” (Labels supplier, Case 4)

“The end of the project was quite an occasion because everybody in the IT company who had anything to do with this product had to say ‘yes, OK, we’ll do it. We accept that some concessions will have to be made.’ That’s what was good about the project, I must say, that they really did say ‘OK, we’ll get the right people involved and we’ll work on this together with you, not just internally. They could quite easily have said that they would discuss things amongst themselves and that we would have one point of contact. That could have been an option, but there’s always the danger that things get lost in that method of communication. So things progressed quite a bit quicker. We sat down with the experts, we were able to deal with

them directly, ask them questions rather than having to go through a third party.” (Labels supplier, Case 4)

A number of points arise out of the case study quotes presented above, which suggest issues that can both contribute and erode the progress of the adaptation process. These can be linked to the trust and commitment constructs which exist within the co-operative framework of mutual adaptation.

Discussion of results

A number of studies have focused on the central role of trust as a means of establishing and sustaining co-operation in interorganisational relationships (e.g. Anderson and Narus 1990; Moorman, Deshpandè and Zaltman 1993). In marketing, Morgan and Hunt (1994) have argued that trust, along with commitment, are ‘key’ to co-operative behaviours essential for the success of interfirm alliances. Zaheer, McEvily and Perrone (1998), in exploring whether trust matters to business performance, suggest that “...in-depth case studies would also enhance our understanding of how interorganisational trust builds up over time and its dynamic relationship with interpersonal trust” (p.156). The results obtained through the case studies contribute to this understanding and are discussed below. The adaptation processes carried out within the case study organisations required a high level of co-operation and the level of trust and commitment generated through successive negotiation, commitment to and execution stages certainly influenced the outcome of the adaptation.

In Case 1, the opportunistic behaviour by the manufacturer created a lack of trust by the distributor. This increased the level of risk felt by the distributor and negatively affected the progress of the adaptation (Doney and Canon 1997; Ganesan and Hess 1997). The manufacturer

also showed a lack of commitment to the adaptation by changing key staff involved and not delivering on agreed target dates with pricing models. Such behaviours have been seen to negatively impact on interfirm co-operation, even when, as in this case, the two organisations are closely linked through and including staff interchanges (Gulati 1995; Sako 1992). In Case 2, where the first adaptation was much more successful than the second, it was noted that in the first, the customer felt that the supplier was reliable and delivered on their promises. Strong interpersonal ties were built up and these served to support the successful outcome (Anderson and Narus 1990). In the second adaptation, the distributor felt that the supplier lacked the commitment to pursue the adaptation and thus it floundered.

In Case 3 a host of factors contributed to a successful adaptation outcome. The parties strongly believed in sharing information and working together to achieve mutually beneficial outcomes. A trusting relationship was established through both partners keeping their promises and committing resources on an equitable and agreed basis to the project (Anderson and Weitz 1989; Zaheer, McEvily and Peronne 1998). The parties in Case 3 also intended building on the successful relationship they had developed and this could certainly provide them with a competitive advantage within their market place (Zajac and Olsen 1993).

The final case study, again based in Germany, displayed similar properties to the previous one. Information sharing, strong commitments, keeping promises, close personal relationship development, and, in addition, a clear recognition of the benefits of trust in being able to manage conflict better to preserve the relationship (Macniel 1980). Partners also found it easier to be more flexible over granting concessions because of the expectation that each partner would reciprocate in the future, this supports the earlier work of Dore (1983). As a result of the trusting

relationship built up through the adaptation process, the partners are exploring other opportunities to work together for mutual benefit.

Conclusions

Previous research has identified the importance of trust and commitment within business to business relationships, however, their importance within the buyer-seller adaptation process has not previously been discussed. This research addresses that omission.

Through the presentation of relevant data from five case studies of adaptation and the subsequent knowledge of their relative success or failure it can be seen that the level of trust and commitment built up in the relationships helps determine the outcomes.

Where the partners shared information, kept promises, committed resources to the process, didn't act opportunistically and built close interpersonal relationships, then a trusting relationship developed which led to successful adaptation outcomes. However, when parties failed to act in these ways then a trusting, committed relationship did not materialise and the adaptation was much less successful or failed completely.

Thus, this research supports previous work linking trust, commitment and co-operation, but importantly links trust and commitment more specifically to a particular form of interfirm co-operation, namely adaptation.

Table 1 – Summary of case study data

Case	Company Activities	Nature of Relationship	Adaptation
No. 1 – UK	Telecoms equipment supplier Distributor	<ul style="list-style-type: none"> • Exclusive UK distribution agreement. • Highly inter-dependent. • Multi-functional/level contact patterns. • Most intense exchange involves customer account and supply team managers, covering relationship administration. 	Telecoms equipment return system
No. 2 – UK	Cable supplier Telecoms services provider	<ul style="list-style-type: none"> • Cable used to connect telecoms exchange network. • Interdependent relationship. • Contact normally between supply and customer account managers to oversee relationship administration. 	Packaging return systems and packaging redesign
No. 3 – Germany	Plastics supplier IT company	<ul style="list-style-type: none"> • Engineering plastics supplied indirectly for internal/external components. • Low relationship dependence. • Irregular contact between technical sales engineers and designers, covering material specifications. 	Plastics recycling
No. 4 – Germany	Labels supplier IT company	<ul style="list-style-type: none"> • Indirect supply of equipment labels. • Low dependence. • Irregular contact between technical sales engineers and designers, covering material specifications. 	Plastic compatible label

References

- Anderson, E & Weitz, B. (1989) Determinants of Continuity in Conventional Industrial Channel Dyads, *Marketing Science*, 8 (4), p.310-323.
- Anderson, E. & Weitz, B. (1989) Determinants of Continuity in Conventional Industrial Channel Dyads, *Marketing Science*, 8 (4) p.310-323.
- Anderson, E. & Weitz, B. The Use of Pledges to Build and Sustain Commitment in Distribution Channels, *Journal of Marketing Research*, 29, p.18-34.
- Anderson, J.C. & Narus, J.A. (1990) A model of distributor firm and manufacturer firm working partnerships, *Journal of Marketing*, 54 (1), p.42-58.
- Arndt, J. (1979) Towards a Concept of Domesticated Marketing. *Journal of Marketing*, 43, p.69-75.
- Brennan, R. & Turnbull, P.W. (1995) *Adaptations in Buyer-Seller Relationships* 11th IMP Conference, Manchester, 7-9 September, p.172-203.
- Doney, P.M. & Cannon, J.P. (1997) An Examination of the Nature of Trust in Buyer-Seller Relationships, *Journal of Marketing*, 61 (April) p.35-51.
- Dore, R. (1983) Goodwill and the Spirit of Market Capitalism, *British Journal of Sociology*, 34, p.459-482.
- Dwyer, F.R., Schurr, P.H. & Oh, S. (1987) Developing Buyer-Seller Relationships. *Journal of Marketing*, 51 (April), p.11-27.
- Ford, D.I. (1980) The Development of Buyer-Seller Relationships. *European Journal of Marketing*, 14 (56), p.339-354.
- Ganesan, S. & Hess, R. (1997) Dimensions and levels of trust: implications for commitment to a relationship, *Marketing Letters*, 8 (4) p.439-448.
- Ganesan, S. (1994) Determinants of Long-Term Orientation in Buyer-Seller Relationships, *Journal of Marketing*, 58 (April), p.1-19.
- Giddens, A. (1991) *Modernity and Self-Identity, Self and Society in the Late Modern Age*, Oxford:Polity Press.
- Grundlach G.T., Achrol, R.S. & Mentzer, J.T. (1995) The Structure of Commitment in Exchange, *Journal of Marketing*, 59 (1), p.78-92.
- Gulati, R. (1995) Does Familiarity Breed Trust? The Implications of Repeated Ties for Contractual Choice in Alliances, *Academy of Management Journal*, 38, p.85-112.
- Hagen, J.M. & Choe, S. (1998) Trust in Japanese Interfirm Relations: Institutional Sanctions Matter, *Academy of Management Review*, 22 (1) p.589-600.
- Håkansson, E. (Ed.) (1982) *International marketing and purchasing of industrial goods, an interactive approach*. New York: Cambridge University Press.
- Hallen, L., Johanson, J. & Seyed-Mohammed, N. (1991) Interfirm adaptation in business relationships. *Journal of Marketing*, 55 (2), p.29-37.
- Jeffries, F.L. & Reed, R. (2000) Trust and Adaptation in Relational Contracting, *Academy of Management Review*, 25 (4) p.873-882.
- Kumar, N., Sheer, L.K. & Steenkamp, J-B.E.M (1995) The Effects of Perceived Interdependence on Dealer Attitudes, *Journal of Marketing Research*, 32 (August) p.348-56.
- Lewicki, R.J. & Bunker, B.B. (1995) Trust in Relationships: a Model of Development and Decline, In *Conflict, Co-operation and Justice*, Bunker & Rubin (Eds.) San Francisco: Jossey-Bass.
- Lewis, D.J. & Weigert, A. (1985) Trust as a Social Reality, *Social Forces*, 63 (4), p.967-985.

- Lindsfold, S. (1978) Trust Development, The GRIT Proposal and the Effects of Conciliatory Acts on Conflict and Co-operation, *Psychological Bulletin*, 85 (4) 772-793.
- Macneil, I.R. (1980) *The New Social Contract*, New Haven, C.T.: Yale University Press.
- Marshall, C. & Rossman, G.B. (1995) *Designing Qualitative Research*, London: Sage Publications.
- McAllister, D.J. (1995) Affect- and cognition-based trust as foundations for interpersonal co-operation in organizations, *Academy of Management Journal*, 38, p.24-59.
- Moorman, C., Deshpandè, R. & Zaltman, G. (1993) Factors Affecting Trust in Market Research Relationships, *Journal of Marketing*, 57 (January) p.81-101
- Moorman, C., Zaltman, G. & Deshpandè, R. (1992) Relationships Between Providers and Users of Market Research: The Dynamics of Trust Within and Between Organisations, *Journal of Marketing Research*, 29 (August) p.314-328.
- Morgan, R.M. & Hunt, S.D. (1994) The Commitment-Trust Theory of Relationship Marketing, *Journal of Marketing*, 58 (July) p.20-38.
- Morrison, D.E. & Firmstone, J. (2000) The social function of trust and implications for e-commerce, *International Journal of Advertising*, 19, p.599-623.
- Rindfleisch, A. (2000) Organisational Trust and Interfirm Co-operation: An Examination of Horizontal Versus Vertical Alliances. *Marketing Letters*, 11, 1, p.81-95.
- Ring, P.S. & Van de Ven, A.H. (1992) Structuring Co-operative Relationships Between Organisations, *Strategic Management Journal*, 13, p.483-498.
- Ring, P.S. & Van de Ven, A.H. (1994) Developmental processes of co-operative inter-organisational relationships, *Academy of Management Review*, 19 (1), p.90-118.
- Sako, M. (1992) *Prices, Quality and Trust: Interfirm Relations in Britain and Japan*. New York: Cambridge University Press.
- Van de Ven, A.H. (1992) The Effect of Motivational Orientation Upon Trust and Suspicion, *Human Relations*, 13 (May), p.123-139.
- Webster, F.E. (1992) The Changing Role of Marketing. *Journal of Marketing*, 56, p.1-17.
- Williamson, O.E. (1985) *The Economic Institutions of Capitalism: Firms, Markets, Relational Contracting*, New York: Free Press.
- Williamson, O.E. (1991) Calculativeness, Trust and Economic Organisation, *Journal of Law and Economics*, 26 (April), p.453-486.
- Yin, R.K. (1994) *Case Study Research: Design and Methods*, Thousand Oaks: Sage Publications.
- Zaheer, A., McEvily, B. & Perrone, V. (1998) Does Trust Matter? Exploring the Effects of Interorganizational and Interpersonal Trust on Performance, *Organizational Science*, 9 (2) p.141-159.
- Zajac, E.J. & Olsen, C.P. (1993) From Transaction Cost to Transaction Value Analysis: Implications for the Study of Interorganizational Strategies, *Journal of Management Studies*, 30 (1) p.131-145.