**BIBLIOGRAPHY** 

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Chain for Chayote.BenguetStateUniversity, La Trinidad, Benguet.

Adviser: Leopoldo N. Tagarino, MRSM (Agribusiness)

**ABSTRACT** 

This study was conducted to identify the similarities and differences in the chain

relationship of chain actors in the spot market for chayote.

A total number of 173 respondents were interviewed wherein majority of the

farmers and trucker-wholesalers were male while on the assembly groups and distribution

groups were female. They are mostly married, Roman Catholic, have higher degree of

education. The different intermediaries engaged in trading operation mostly covers 6-10

years and have none affiliated organization.

The chain actors have similarities in trading relationship in terms of established

trust, dependence on trading negotiations, cooperation in improving and building up

relationship as traders. On the other hand, they have significantly differed as to having

power in trading negotiation, directly dictation of price of chayote and often controlling

of information. They also differ as to commitment on keeping their promises and the

investments for producing and procuring of chayote, and on the relational satisfaction

that buyers treat them equally and fairly in pricing negotiations.

Based from the findings, the chain actors should be affiliated to organizations and

be committed to give what buyers expected in fair or equal in pricing that lessens

conflicts between them.

#### INTRODUCTION

### Rationale

Benguet is one of the provinces in Philippines that produce vegetables. It has 13 municipalities and vegetable production is one of the major livelihoods of people; considering that the weather is suitable for vegetable production. Chayote is one of the vegetable commercially grown by most farmers in Benguet, it is considered a major crop for steep slopes area.

Supply chain management is a cross-function approach including managing the movement of raw materials into an organization, certain aspects of the internal processing of materials into finished goods, and the movement of finished goods out of finished goods out of the organization and toward the end consumer. As organizations strive to focus on core competencies and becoming more flexible, they reduce their ownership of raw materials sources and distribution channels. These functions are increasingly being outsourced to other entries that can perform the activities better of more cost effectively. The effect is to increase the number of organizations involved in satisfying customer demand, while reducing management control of daily logistic operations, less control and less supply chain partners, thus improving inventory, visibility and the velocity of inventory movement (Wales, 1996).

#### Statement of the Problem

1. What are the similarities and differences in the chain relationships of the actors in the spot market for chayote

Objectives of the Study



- 1. To determine the similarities and differences in the chain relationships among the actors in the spot market for chayote:
  - a. Trust
  - b. Power
  - c. Dependence
  - d. Communication
  - e. Cooperation
  - f. Commitment
  - g. Relational Satisfaction

## Importance of the Study

Supply chain exist to overcome the gaps created when supplier are some distant away from customers. They allow operations that are best done or can only be done at locations that are away from the customers or source of materials, moving materials between geographically separate operations. Supply chain allows mis-matches between supply anddemand. When there is excess in supply, stocksarebuild-up in the supply chain (Waters, 2003).

### Scope and Delimitation of the Study

The study focuses on the buying-selling of chayote in the spot market. There were 173 intermediaries involve in marketing of the different selected vegetables such as 30 producers, 35 assemblers or collectors, 60 distributors and 40 retailers.

## **REVIEW OF LITERATURE**



## Supply Chain Management

In recent years, researchers recognized the relevance of supply chain management for the agri-food sector (Fearne, 1998, Hobs and Young, 2000) due to the perish ability of products and the need for quality controlled flows of products. This means that the original good quality products can easily deteriorate as cause by the careless actions along the supply chain.

People use different names for chains of activities and organization. When they emphasize the operations, they refer to process; when they emphasized marketing, they call it logistic channel; when they look at the value added, they call it value chain; when they say how customer demands are satisfied and they call it demand chain. And when emphasizing the movement and will use the general term of supply chain. A supply chain consists of series of activities and organization that materials move through on their journey from the initial supplier to final customer. In reality, organization does not work from isolation, but each one acts as a supplier when it delivers the material to its customers. Every product has its own unique supply chain and these can be both long and complicated (Waters, 2003).

Supply chain means the process of planning, implementing and controlling efficiently, cost effective flow and storage of raw materials, in-process inventory, finished goods and related information from the point-of-origin to the point of final consumption for the purpose of conforming to customer requirements (Council of Logistics Management, 1986). Supply chain is a dual flow of products and information. It is a drive to meet the central needs of the consumer and it stresses the importance of the relationships between participants in the marketing system. However, the tendency is



often focus solely on the immediate economic aspects when firms are building supply chains (Champion and Fearne, 2000). Hongze Ma (2005) pointed out that the supply chain is a network of organizations from suppliers with the purpose to improve the flow of material and information. Dranbenstott (1999) discusses the increasing move towards the development of supply chains and describes supply chain structures where all stages of production, processing and distribution are bond together tightly to ensure reliable and efficient delivery of high quality products.

## Supply Chain and Networks

One of the key factors in the development of successful supply chains' (SC) partnerships/alliances is the development of successful relationships between partners in the supply chain (Bowman, 1997). Recently social capital argument assumes that forms of collaboration are not only based on economic motivation. Actors are believed to act as a basis of their functional role in the network; while goal orientation, interest, rules and power are determining this role (Uzzi, 1997). The actors in the network will search for alliances, some of them based on trust and loyalty, while others will be based on opportunism. A key factor is a process that takes place over time in which actors are able to adjust transactions, accommodate routines, transfer activities to other actors and build up common recipes, standards and cognitive maps. In the course of this process the network becomes either sustainable, or stagnates and even collapses. In other words, the behavior and expectations of actors are constrained by the degree to which relationship between the actors are embedded in the network structure.

Successful supply chain management requires integration of all aspects of the supply chain: suppliers, warehouses, factories, distributors, and retail outlets. This

requires cooperation among supply chain partners in planning coordination of activities, and information sharing, which in turn, requires partners to agree on common goals (goal sharing). This requires trust and willingness to cooperate to achieve the common goals. Coordination and information sharing are critical to the effective operation of a supply chain. Information exchange must be reciprocal. Partner's shares and forecasts the sales data, as well as information on inventory quantities, impending shortages, breakdowns, delays, and other problems that could impact the timely flow of products and services through the chain. Information has a time value, and the longer it takes to disseminate information once it materializes, the lower its value. Thus, instead of each organization in a supply chain making plans based on a combination of actual orders plus forecasts of demandof its immediatecustomer, by sharing data on end-customer sales and partner inventory on a real time basis.

### Chain Relationships

There are much written about the development and maintenance of long-term buyer-seller relationships and the greatest support has emerge for key contracts of satisfaction and trust (Anderson and Narus, 1990; Anderson and Wietz, 1992; Morgan and Hunt, 1994).

Migchels (2000) sees the aspects of relationship as central to sustained competitive advantage, and the current view that organizations conduct transactions based on autonomous decisions, ignores interdependence with other organizations. Purchasing divisions often had adversarial relationships with their suppliers particularly with the agricultural industries. Each buyer and supplier attempts to get bigger share of



the product value by paying the lowest price (buyers to suppliers) or gaining the highest return possible (supplier to buyers).

The dimension of business to business relation has been identified as cooperation, trust, power, and dependency (Morgan and Hunt, 1994). There are at least 7 relationship dimensions to investigate the business-to-business relationships namely: cooperation; trust; conflict; commitment; dependence; power; communication; relationship satisfaction.

### Trust

Trust can be understood as a faith, reliance, belief or confidence in the goodwill of other partners, e.i., thatno partner to an exchange will behave opportunistic or exploit the vulnerabilities of others (Ring and Van de Ven, 1994). Trust has been defined as "the firm's belief that another company will perform actions that will result in positive actions for the firms, as well as not to take unexpected actions that would result negative outcomes for the firm (Anderson and Narus, 1990). The capability to establish trust between the partners in a collaborative supply chain becomes a crucial competitive parameter (Schary and Skjott-Larsen, 2001). For any potential exchange, trust will be critical if two situational factors are present – risk and incomplete buyer information (Hawes et al., 1989). Most sales transactions present some degree of risk and uncertainty to the buyer; without some degree of trust, the perceive risk maybe too great for the transaction to occur. More specifically, trust becomes important whenever there is a high level of performance ambiguity, and poor product performance will have significant adverse impact on the value derived by the buyer (Singh and Sirdeshmukh, 2000). In such circumstances, trust acts as an information asymmetry and performance ambiguity.



In such relationships, governance mechanism is not necessary and resources can be devoted to pursue opportunity maximizing behavior beyond the originally intended exchange. Lack of trust increases transactions cost (O'Keefee, 1994). Mutual trust and dependence can reduce the desire to exercise power and control over other parties, increase the flow of information and reduce risk.

Go and Appelman (1999), suggest that where trust exist there is lower uncertainty speeding up decision making conversing resources that can be put to other uses, like sharing information or learning.

#### Power

Power is defined as the ability to influence a relationship partner and dependence or asymmetrical investment in relationship-assets can lead to the exercise of coercive power (Matanda and Schrodder, 2004).

## <u>Dependence</u>

Dependence is increased when the outcomes available from the relationship are comparatively better than the outcomes available from alternative relationship. Firms dealing with the best trader are more independent because the outcomes associated from dealing with that trader are better than those available from alternative traders. In this context, dependence is a measure of the overall quality of the outcomes available to the focal firm from the best alternative exchange relationship (Anderson and Narus, 1990). According to Heide and John (1988), when the outcomes obtained from the relationship are important or highly valued; when the outcomes from the relationships are better than the outcomes available the outcomes available from alternative suppliers; and when



fewer alternative sources of exchange are available to the firm, dependence is said to increase. With greater dependence comes greater vulnerability, for the more powerful exchange partner maybe in a position to create more favorable terms of trade for itself (Heide and John, 1988). This may include asses to markets or capital, farmers are often more dependent upon their preferred trading partner(s). When a channel member control resources that another channel needs, various power relations emerge that potentially enable the party controlling those resources to exert some influence or power (Andaleeb, 1996).

### Communication

Naude and Buttle (2000) argue that supply chain relationship quality encompasses the key relational dimensions of trust, adaptation, communication and cooperation. Communication is "the formal as well as informal sharing of meaningful and timely information between firms" (Anderson and Narus, 1990). Frequently and timely communication is important because it assist in resolving conflicts and aligning perceptions (Morgan and Hunt, 1994). Communication is a process whereby information is enclosed in a package and is channeled and imparted by a sender to a receiver via some medium. The receiver then decodes the message and gives the sender a feedback. All forms of communication require a sender, a message, and an intended recipient; however the receiver need not be present or aware of the sender's intent to communicate at the time of communication in order for the act of communication to occur. Communication requires that all parties have an area of communicative commonality.

#### Cooperation



Cooperation refers to situations in which firms work together to achieve mutual goals (Anderson and Narus, 1990). Because of conflicting behaviors can co-exist (Frazier and Rody, 1991). Cooperation in exchanging information on production schedules, new products/processes and value analysis can both reduce product costs and improve product/processes innovations (Landeros and Monczka, 1989). A major impediment to chain information can be the lack of willingness various actors to cooperate effectively and their insufficient knowledge about methods of cooperation which insure "win-win" outcomes (Van Beek*et al.* 1998). Often chain members bring "philosophical baggage" with respect to the nature of markets and the interactions with them. This can be a problem and slow the process of change management as the change from the traditional to SCM approach.

#### Commitment

Commitment according to Morgan and Hunt (1994) who defined commitment as an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship endures indefinitely and commitment is central to all of the relational exchanges between the firm and its various partners.

#### **Relational Satisfaction**

Frazier (1983) defined satisfaction as a positive effective state resulting from an appraisal of all aspects of a firms working relationship with another. Satisfaction is derived from the result of a satisfaction means the extent to which the relational dimensions of the partnership meet expectations.



Janzen and de Vlieger (2000) stated that chain success will depend upon the building of relationships with both internal colleagues and other firms. Similarly, Bowman (1997) identified one factor in the development successful supply chain partnerships between partners in the supply chain.

## **Definition of Terms**

<u>Market</u> – the place where the farmers and the traders transact vegetables.

<u>Marketing</u> – is a series of services involve in the moving of product from the point of production to the point of consumption.

<u>Chain actors</u> – these were the middlemen or traders along the supply chain of vegetables.

Spot market – this is a wet market, a place where the products are being delivered and sold.

# Conceptual Framework

In this framework(Figure 1), the marketing intermediaries play an important role in the distribution/flow of vegetables. The chain actor's relationship were affected or influenced by the following characteristics: satisfaction, trust, dependence, power, communication and cooperation.



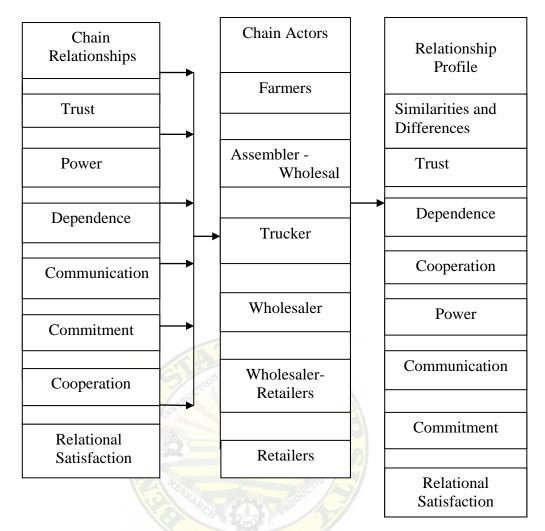


Figure 1. Conceptual framework

### **METHODOLOGY**

## Locale and Time of the Study

The research locations follow the flow of fresh semi-temperate vegetables from the major source (production) to the major market assemble, collection, and the distribution markets. However, the research average areas are limited to selected production and marketing areas. The primary markets (assembly/collection) are



concentrated in La Trinidad, Benguet. Secondary markets (distribution) are the major vegetables trading centers (commonly called "bagsakan") in Metro Manila such as Balintawak, Nepa Q, Novaliches, Kamuning, Dapitan, and Libertad. While the tertiary markets include the retailers within these trading centers and other retail market outlets. The study was conducted last November to December, 2010.

## Respondents of the Study

The respondents represent the major actors in the fresh vegetables supply chain. There were 173 intermediaries involve in marketing of chayote such as 30 producers, 35 assemblers or collectors, 60 distributors and 40 retailers.

The production group is composed of Cordillera farmers. The next groups of despondent are the primary buyers representing the assembly collection group; this consists of assembler-wholesalers and the financier-assembler-wholesalers. Most of them are operating in the La Trinidad Vegetable Trading Post, and in privately owned and managed trading facility. The third groups are the distributors, this consist of the trucker-wholesalers, wholesalers and wholesaler-retailers. The trucker-wholesaler respondents are those responsible in the transportation of vegetables to various geographic market outlets. The wholesalers and wholesaler-retailers, on the other hand, are traders in the spot market to whom the trucker-wholesalers supply the vegetables. The last groups are the retailers representing the last link in the marketing process. The retailers sell the vegetables to final users or consumers.

#### **Data Collection**



The data collection was done through personal interview with the different chain actors, market observation and pre-testing.

## Data Gathered

The data gathered were the similarities and differences of relationships among the chain actors in the spot market in terms of trust, power, dependence, communication, cooperation, commitment and relational satisfaction.

## Data Analysis

The data collected were tabulated in excel and analyzed using SPSS version 16for the descriptive analysis, frequency count and percentage was used while in the statistical analysis, Kruskal- Wallis was used.

# **RESULTS AND DISCUSSION**

## <u>RespondentsProfile</u>

The respondents profile of chayote according to socio demographic status from La Trinidad to Manila. It shows/presents the respondents characterized based on their age, gender, marital status, religious affiliation and educational background.

Age.Majority of the respondents belong to age bracket 21-30 years old, but there are also some that has an age range from 31-40 years old; it could be noted that there are



also 41-60 years old from the different respondents. The data reveal that anybody regardless of age could engage into vegetable business.

<u>Gender</u>.Farmer, assembler-wholesaler and trucker-wholesaler are dominated by male actors while the other groups of respondents are dominated by women. The difference in gender implies variation as to the function or activities of the respondents.

Marital Status. The production, assembly, trucker-wholesaler, wholesaler-retailer and retailers are mostly married; however among the wholesaler majority are single, further more it could be observed that there are separated and widowed respondents, this means regardless of marital status individuals could engage in business.

Religion. Most of the respondents are Catholic, followed by Protestants and with the least number belong to other religious affiliation.

Educational Background. Majority of production, assembler, wholesaler-retailer and retailer are high school graduate, while assembler-wholesaler, trucker-wholesaler and wholesaler attained college education but it could also be observed that among the different group of respondents has elementary education. The data therefore revealed that the respondents were literate.

Table 1. Respondent's profile

	PRO	DUCTI	ON	ASSE	MBLY	7		Dl	STRI	BUTIC	N	RETA	ILING	
CHARACTERISTICS	Fa	rmer	A	A-W	F-	A-W	Т	-W		W	V	V-R	Reta	iler
	N	%	N	%	N	%	N	%	N	%	N	%	N	%
AGE														
20 and below	0	0	2	11	0	0	0	0	3	21	3	9	0	0
21-30	14	47	6	32	3	19	4	36	5	36	13	37	11	23
31-40	10	33	5	26	7	44	5	45	1	7	12	34	10	21
41-50	5	17	3	16	4	25	1	9	3	21	2	6	18	38
51-60	1	3	3	16	2	13	1	9	2	14	3	9	7	15
60 and below	0	0	0	0	0	0	0	0	0	0	1	3	2	4



TOTAL	30	100	19	100	16	100	11	100	14	100	35	100	48	100
GENDER														
Male	27	90	13	68	5	31	7	64	4	29	12	34	9	19
Female	3	10	6	32	11	69	4	36	10	71	23	66	39	81
TOTAL	30	100	19	100	16	100	11	100	14	100	35	100	48	100
MARITAL STATU	S													
Single	9	30	2	11	1	6	5	45	7	50	16	46	9	19
Married	21	70	17	89	14	88	6	55	6	43	18	51	38	79
Separated	0	0	0	0	1	6	0	0	0	0	0	0	1	2
Widow/er	0	0	0	0	0	0	0	0	1	7	1	3	0	0
TOTAL	30	100	19	100	16	100	11	100	14	100	35	100	48	100
RELIGION														
Catholic	22	73	14	74	10	63	11	100	13	93	26	74	41	85
Protestant	8	27	3	16	5	31	0	0	2	14	7	20	5	10
Others	0	0	2	11	1	6	0	0	0	0	1	3	2	4
TOTAL	30	100	19	100	16	100	11	100	14	100	35	100	48	100
EDUCATIONAL B	ACKG	ROUNI	Sac.	1 3	200	Ten	2							
Elementary	9	30	2	11	4	25	2	18	2	14	5	14	7	15
High School	14	47	9	47	4	25	3	27	5	36	14	40	29	60
College	7	23	8	42	8	50	6	55	7	50	13	37	10	21
Vocational	0	0	0	0	0	0	0	0	0	0	2	6	2	4
TOTAL	30	100	19	100	16	100	11	100	14	100	35	100	48	100

Legend: F= farmer

A-W= assembler-wholesaler; F-A-W= financier-assembler-wholesaler

T-W= trucker-wholesaler; W-R= wholesaler-retailer; W= wholesaler

R= retailer



## Number of Years Engage in Vegetable Business

Majority of the financier-assembler, wholesaler-retailer and wholesaler are engage in a business for 1-5 years, while majority of the farmer, assembler-wholesaler and retailer were engaged in business for 6-10 years. The data further reveals that other respondents were engaged in vegetable business for 11-15 years.

# Organizational Affiliations of Respondents

Most of the respondents were not affiliated to any organization but representative number of respondents from the different groups indicated their affiliation to cooperatives. This means that most of the respondents may never appreciate the importance of organization to their business undertaking.

Table 2. Number of years engaged in vegetable business

		F	A	-W	F-A	A-W	T	-W	,	W	W	-R	F	2
NO. OF YEARS	N	%	N	%	N	%	N	%	N	%	N	%	N	%
Below 1 year	0	0	1	5	0	0	0	0	6	43	5	14	2	5
1-5 years	9	30	8	42	6	38	4	36	6	43	11	31	1	2
6-10 years	11	37	5	26	2	13	3	27	1	7	8	23	12	28
11-15 years	6	20	3	16	6	38	4	36	0	0	5	14	8	19
16-20 years	2	7	0	0	0	0	0	0	0	0	1	3	4	9
21-25 years	1	3	1	5	1	6	0	0	0	0	1	3	11	26
26-30 years	1	3	1	5	1	6	0	0	1	7	1	3	9	21
31 and above	0	0	0	0	0	0	0	0	0	0	3	9	1	2
TOTAL	30	100	19	100	16	100	11	100	14	100	35	100	48	100

Legend: F= farmer

A-W= assembler-wholesaler; F-A-W= financier-assembler-wholesaler

T-W= trucker-wholesaler; W-R= wholesaler-retailer; W= wholesaler

R= retailer



Table 3. Organizational affiliation of respondents

CHARACTERISTICS		F	A	-W	F-A	4-W	T	-W	,	W	W	-R	]	R
CHARACTERISTICS	N	%	N	%	N	%	N	%	N	%	N	%	N	%
Farmer's														
Organization	3	10	0	0	0	0	0	0	2	14	0	0	0	0
Cooperative	2	7	2	11	4	25	3	27	1	7	6	17	2	4
Others	0	0	3	16	2	13	3	27	0	0	3	9	5	10
None	25	83	14	74	10	63	5	45	11	79	26	74	41	85
TOTAL	30	100	19	100	16	100	11	100	14	100	35	100	48	100

Legend: F= farmer

A-W= assembler-wholesaler; F-A-W= financier-assembler-wholesaler

T-W= trucker-wholesaler; W-R= wholesaler-retailer; W= wholesaler

R= retailer

### Spot Market Chain for Chayote

Figure 2 illustrate the flow of chayote from its point of production to its point of consumption. It further shows the different chain actors involved in the procurement and selling of chayote in the spot market.

It is illustrated that most of the chain actors that the source of vegetables they procure is coming from La Trinidad trading post, whereas most of the vegetables are being delivered to Balintawak and to Metro Manila by the truckers, but there are more outlets of wholesaler at Balintawak and more outlet of wholesaler-retailer at Metro Manila. It further illustrate that some of the vegetables are being delivered/sold to UrdanetaPangasinan.



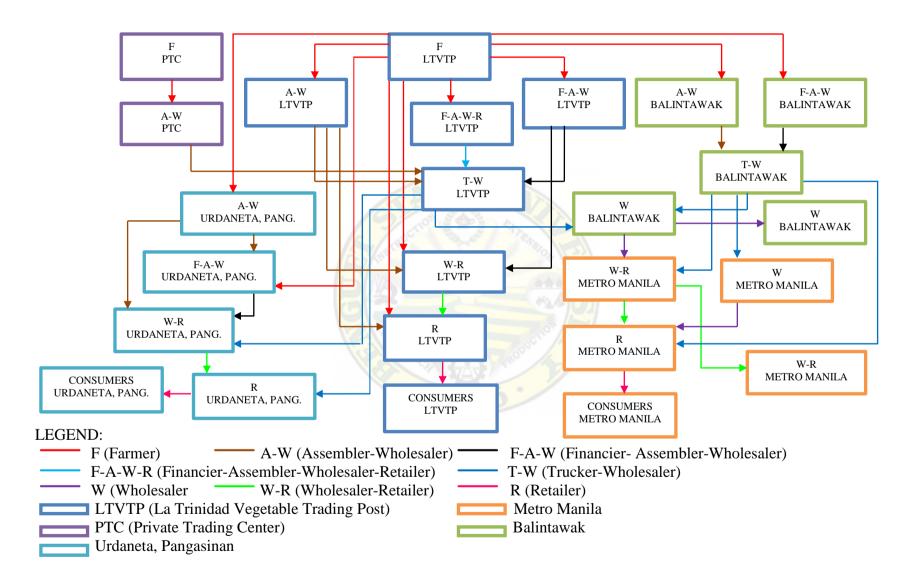


Figure 2. Spot market chain and location for chayote

## <u>Distribution of Respondents</u> According to Trust

Trust can be understood as a faith, reliance, belief or confidence in the goodwill of other partners, and the firm's belief that another company will perform actions that will result in positive actions for the firms, as well as not to take unexpected actions that would result negative outcomes for the firm(Anderson and Narus, 1990).

Table 4a showed the different indicators to determine trust between and among actors in the spot market as to the degree or level of confidence to the buyers/sellers promises.

Majority of the respondents, assembler-wholesalers (47%), financer-assembler-wholesalers (31%), trucker-wholesalers (27%) and retailers (40%) moderately agree while farmers (43%), wholesalers (36%) and wholesaler-retailers (31%) were undecided to rely on the buyer's, promises like orders, payments and pricing.

Almost all of the respondents strongly agree of being honest dealing with chayote buyers, and only farmer's (43%) moderately agree.

Wholesaler (36%), wholesaler (36%) and retailer (33%) strongly agreed, while assembler-wholesaler (63%). However the financer-assembler-wholesaler (25%), and wholesaler-retailer (40%) moderately agreed, while trucker- wholesaler (45%) undecided in making important decisions based on the buyers suggestions.

Majority of farmers (37%), assembler- wholesalers (58%), financer- assembler-wholesalers (38%), trucker- wholesalers (27%), and wholesalers (36%) were undecided in always believing on the information's shared by the buyer, while the wholesaler-retailers (37%) and retailers (31%) moderately agree.



Table 4a. Distribution of respondents according to trust

	1			2		3		4		5		4.1.15
STATEMENT	N	%	N	%	N	%	N	%	N		%	AVE.
A. FARMER												
1.I have much confidence to rely on the buyer's promises (orders, payments, pricing).	1	3		0	0	4	13	12	40	13	43	4
2. I am always honest dealing with the buyers of chayote.	1	3		3	10	12	40	13	43	1	3	3
3. I should not hesitate to make important decisions based on buyer's suggestions.	0	0		7	23	16	53	6	20	1	3	3
4. I always believe on the information shared by the buyer.	1	3		5	17	10	33	11	37	3	10	3
5. The buyer is fair in negotiating with me.	1	3		1	3	10	33	12	40	6	20	4
6. The buyer I deal with has a good reputation.	0	0		1	3	6	20	19	63	4	13	4
7. The buyer and I always consider the best interest in our business.  B. ASSEMBLER- WHOLESALER	0	0		7	23	12	40	9	30	2	7	3
1.I have much confidence to rely on the buyer's promises (orders, payments, pricing).	0	0		1	5	7	37	9	47	2	11	4
2. I am always honest dealing with the buyers of chayote.	1	5		0	0	2	11	4	21	12	63	4
3. I should not hesitate to make important decisions based on buyer's suggestions.	0	0		0	0	4	21	12	63	3	16	4
4. I always believe on the information shared by the buyer.	0	0		1	5	11	58	5	26	2	11	3
5. The buyer is fair in negotiating with me.	0	0		1	5	8	42	6	32	4	21	4
6. The buyer I deal with has a good reputation.	0	0		0	0	4	21	10	53	5	26	4
7. The buyer and I always consider the best interest in our business.  Numerical value and descriptive equi	0	0	1	0	0	5	26	7	37	7	37	4_

Numerical value and descriptive equivalence:



<sup>1-</sup>strongly disagree

<sup>2-</sup> disagree

<sup>3-</sup>undicided

<sup>4-</sup>moderately agree

<sup>5-</sup>strongly agree

Table 4a. Continued...

		1		2		3		4		5	
STATEMENT	N	%	N	%	N	%	N	%	N	%	AVE.
C. FINANCIER-ASSEMBLER	-WI	HOLE	ESAL	ER							
1.I have much confidence to rely or the buyer's promises (orders, payments, pricing).	1	1	6	4 25	3	19	5	31	3	19	3
<ul><li>2. I am always honest dealing with the buyers of chayote.</li><li>3. I should not hesitate to make</li></ul>		0	0	3 19	0	0	4	25	9	56	4
important decisions based on buyer's suggestions.	0	0	4	25	4	25	4	25	4	25	4
4. I always believe on the information shared by the buyer.	0	0	4	25	6	38	5	31	1	6	3
5. The buyer is fair in negotiating with me.	1	6	2	13	7	44	4	25	2	13	3
6. The buyer I deal with has a good reputation.	0	0	2	13	7	44	5	31	2	13	3
7. The buyer and I always consider the best interest in our business.	0	0	1	6	2	13	9	56	4	25	4
D. TRUCKER-WHOLESALER						MA I	A				
1.I have much confidence to rely on the buyer's promises (orders, payments, pricing).	1	9	2	2 18	2	18	3	27	3	27	3
2. I am always honest dealing with the buyers of chayote.	0	0	C	0	0	0	4	36	7	64	5
3. I should not hesitate to make important decisions based on buyer's suggestions.	1	9	1	. 9	5	45	1	9	3	27	3
4. I always believe on the information shared by the buyer.	1	9	2	18	3	27	2	18	3	27	3
5. The buyer is fair in negotiating with me.	0	0	1	. 9	4	36	2	18	4	36	4
6. The buyer I deal with has a good reputation.	1	9	1	. 9	4	36	2	18	3	27	3
7. The buyer and I always consider the best interest in our business.	0	0	1	. 9	2	18	2	18	6	55	4



Table 4a. Continued. . .

	1		,	2		3		4	5		
STATEMENT _	N	%	N	%	N	%	N	%	N	%	AVE.
WHOLESALER											
1.I have much confidence to rely on the buyer's promises (orders, payments, pricing).	2	14	1	7	5	36	4	29	2	14	3
2. I am always honest dealing with the buyers of chayote.	0	0	0	0	3	21	4	29	7	50	4
3. I should not hesitate to make important decisions based on buyer's suggestions	2	14	0	0	5	36	2	14	5	36	4
4. I always believe on the information shared by the buyer.	1	7	5	36	5	36	1	7	2	14	3
5. The buyer is fair in negotiating with me.	0	0	1	7	10	71	1	7	2	14	3
6. The buyer I deal with has a good reputation.	2	14	0	0	6	43	3	21	3	21	3
7. The buyer and I always consider the best interest in our business.	2	14	0	0	5	36	4	29	3	21	3
F. WHOLESALER-RETAILER		71			1	H					
1.I have much confidence to rely on the buyer's promises (orders, payments, pricing).	1	3	4	11	11	31	10	29	9	26	4
2. I am always honest dealing with the buyers of chayote.	T.	3	0	0	4	11	9	26	21	60	4
I should not hesitate to make important decisions based on buyer's suggestions.	2	6	3	9	14	40	8	23	8	23	3
4. I always believe on the information shared by the buyer.	3	9	7	20	13	37	8	23	4	11	3
5. The buyer is fair in negotiating with me.	0	0	4	11	13	37	11	31	7	20	4
6. The buyer I deal with has a good reputation.	1	3	1	3	11	31	16	46	6	17	4
7. The buyer and I always consider the best interest in our business.	0	0	2	6	5	14	16	46	11	31	4
G. RETAILER											
1.I have much confidence to rely on the buyer's promises (orders, payments, pricing).	1	2	1	0 2	21	9	19	19 40	) 9	19	4
2. I am always honest dealing with the buyers of chayote.	0	0	2	2	4	4	8	9 19	9 33	69	5



Table 4a. Continued. . .

	1		2	,	3		4		5	5	AVE.
STATEMENT	N	%	N	%	N	%	N	%	N	%	AVL.
3. I should not hesitate to make important decisions based on buyer's suggestions.	0	0	8	17	13	27	11	23	16	33	4
4. I always believe on the information shared by the buyer.	4	8	9	19	14	29	15	31	6	13	3
5. The buyer is fair in negotiating with me.	0	0	5	10	19	40	12	25	12	25	4
6. The buyer I deal with has a good reputation.	4	8	4	8	18	38	10	21	12	25	3
7. The buyer and I always consider the best interest in our business.	3	6	2	4	10	21	19	40	14	29	4

The trucker-wholesalers (36%) and wholesalers (43%) were undecided, while farmers (63%), assembler-wholesalers (53%), financier-assembler-wholesalers (44%) and wholesaler-retailers (46%) and retailers (38%) moderately agree in dealing with a buyer that has a good reputation.

Farmers (40%), assembler-wholesalers (37%), financier-assembler-wholesalers (56%), wholesaler-retailers (46%) and retailers (40%) moderately agree, while trucker-wholesalers (55%) strongly agree and wholesalers (36%) were indecisive in considering the best interest in the business with the chayote. Moreover based on descriptive statistics 2.73 that the respondents moderately agreed on considering the best interest in the business these further supported by the test statistics no significance, in more or less they have common understanding in considering best interest in the business.

Table 4b shows the mean response that majority of the chain actors were indecisive in the following criteria such as relying in the buyer's promises, making decisions based on buyers suggestion, believing on the information's shared by the



buyer, dealing with a buyer that has a good reputation. However, majority of the respondents agree on being honest in the transaction and being fair to their partners (buyer/seller). Moreover, there is a no significant among the chain actors in dealing with the other actors, in more or less they have common understanding in trust.

Table 4b. Descriptive analysis and test statistics

STATEMENT	MEAN	CHI- SQUARE	DF	ASYMP. SIG.
1.I have much confidence to rely on the				_
buyer's promises (orders, payments, pricing).	3.46	3.46	3	.471
2. I am always honest dealing with the buyers				
of chayote.	4.37	4.37	3	.330
3. I should not hesitate to make important				
decisions based on buyer's suggestions.	3.58	3.58	3	.363
4. I always believe on the information shared				
by the buyer.	3.15	3.15	3	.529
5. The buyer is fair in negotiating with me.				
5. The buyer is fair in negotiating with me.	3.53	3.53	3	.783
6. The buyer I deal with has a good reputation.	3.60	3.60	3	.717
7. The buyer and I always consider the best interest in our business.	3.91	3.91	3	.833

Mean range: 3.15-3.76 = undecided 3.77-4.38 = moderately agree

# <u>Distribution of Respondents</u> According to Power

Power is defined as the ability to influence a relationship partner and dependence or asymmetrical investment in relationship-assets can lead to the exercise of coercive power(Matanda and Schrodder, 2004).

Table 5a shows that majority of trucker-wholesalers (36%), wholesalers (50%), wholesaler-retailers (31%) and retailers (35%)strongly disagree in being flexible to choose buyer anytime, while farmers (40%),assembler-wholesalers (32%) and financier-assembler-wholesalers (31%)were undecided.

In adhering the buyers demand, farmers (40%) were undecided, while wholesaler-retailers (34%) and retailers (25%) moderately agree. However assembly group had an extreme response, Trucker-wholesalers (45%) and wholesalers (36%) strongly agree. More over based on the mean descriptive statistics at 3.49 it is proven that respondents were moderately agree, it is further supported by the test statistics which is not significant, in more or less they have common understanding in adhering the buyers demand.

In terms of having all the power in the trading negotiation, only financier-assembler-wholesalers (50%) moderately agree, while the rest of the respondents were undecided, the average shows and more over based on mean descriptive statistics 3.23 that majority of the respondents were undecided, these further supported by the test statistics (significant). In more or less they don't have common understanding as to having the power in the trading, which implies that chain actors especially the financier-assembler-wholesaler were trying to dominate or control the trading negotiation.



Table 5a. Distribution of respondents according to power

	1		2		3	4			5		
STATEMENT	N	%	N	%	N	%	N	%	N	% A	VE.
A.FARMER											
1. I am flexible to choose buyers at any time.	2	7	6	20	12	40	7	23	3	10	3
2. I always adhere to the buyer's demand.	1	3	5	17	15	50	6	20	3	10	
3. I have all the power in the trading negotiation.	2	7	10	33	16	53	2	7	0	0	
4. Buyer has the best offer (price) relative to alternatives (other buyers).	0	0	5	17	13	43	12	40	0	0	
5. Buyer often controls the market information (demand, price).	0	0	8	27	11	37	9	30	2	7	
6. Buyer often acts opportunistically.	0	0	3	10	13	43	12	40	2	7	
B. ASSEMBLER-WHOLESALER	7.7	E	U								
1. I am flexible to choose buyers at any time.	3	16	5	26	6	32	5	26	0	0	
2. I always adhere to the buyer's demand.	0	0	2	11	7	37	7	37	3	16	
3. I have all the power in th <mark>e tradi</mark> ng negotiation.	1	5	3	16	10	53	5	26	0	0	
4. Buyer has the best offer (price) relative to alternatives (other buyers).	1	5	4	21	6	32	7	37	1	5	
5. Buyer often controls the market information (demand, price).	5	26	3	16	4	21	3	16	4	21	
6. Buyer often acts opportunistically. C. FINANCIER-ASSEMBLER-WHOLES	1 ALER	5	4	21	6	32	6	32	2	11	
I. I am flexible to choose buyers at any time.	1	6	2	13	5	31	3	19	5	31	4
2. I always adhere to the buyer's demand.	0	0	1	6	5	31	5	31	5	31	۷
3. I have all the power in the trading negotiation.	0	0	2	13	2	13	8	50	4	25	۷
4. Buyer has the best offer (price) relative to alternatives (other buyers).	1	6	3	19	3	19	5	31	4	25	۷
5. Buyer often controls the market information (demand, price).	0	0	2	13	9	56	3	19	2	13	3
6. Buyer often acts opportunistically.  umerical value and descriptive equival	0	0	1	6	7	44 disagi	3	19 3-und	5	31	4

Numerical value and descriptive equivalent: 1-strongly disagree 2- disagree 3-undicided 4-moderately agree 5-strongly agree



Table 5a. Continued. . .

	1		2	2		3		4		5	
STATEMENT	N	%	N	%	N	%	N	%	N	%	AVE
D. TRUCKER-WHOLESALER											•
1. I am flexible to choose buyers at any time.	4	36	3	27	1	9	2	18	1	9	2
2. I always adhere to the buyer's demand.	1	9	1	9	2	18	2	18	5	45	4
3. I have all the power in the trading negotiation.	0	0	1	9	4	36	3	27	3	27	4
4. Buyer has the best offer (price) relative to alternatives (other buyers).	2	18	2	18	6	55	1	9	0	0	3
5. Buyer often controls the market information (demand, price).	2	18	3	27	2	18	2	18	2	18	3
6. Buyer often acts opportunistically.	0	0	3	27	3	27	4	36	1	9	3
E. WHOLESALER	V.	100	U								
1. I am flexible to choose buyers at any time.	20 <sup>16</sup> 7 §	50	2	14	1	7	1	7	3	21	2
2. I always adhere to the buyer's demand.	1	7	1	7	4	29	3	21	5	36	4
3. I have all the power in the trading negotiation.	1	7	2	14	5	36	3	21	3	21	3
4. Buyer has the best offer (price) relative to alternatives (other buyers).	4	29	3	21	5	36	0	0	2	14	3
5. Buyer often controls the market information (demand, price).	4	29	5	36	4	29	0	0	1	7	2
6. Buyer often acts opportunistically.	0	0	2	14	9	64	3	21	0	0	3
F. WHOLESALER-RETAILER											
1. I am flexible to choose buyers at any time.	11	31	4	11	4	11	8	23	8	23	3
2. I always adhere to the buyer's demand.	4	11	3	9	10	29	12	34	6	17	3
3. I have all the power in the trading negotiation.	0	0	5	14	12	34	11	31	7	20	4
4. Buyer has the best offer (price) relative to alternatives (other buyers).	3	9	6	17	19	54	7	20	0	0	3
5. Buyer often controls the market information (demand, price).	9	26	8	23	10	29	7	20	1	3	3
6. Buyer often acts opportunistically.	2	6	8	23	8	23	14	40	3	9	3

Table 5a. Continued. . .

	-	1	2	2	3	3	4	4	4	5	
STATEMENT	N	%	N	%	N	%	N	%	N	%	AVE.
G. RETAILER											
1. I am flexible to choose buyers at any time.	17	35	9	19	6	13	7	15	9	19	3
2. I always adhere to the buyer's demand.	1	2	8	17	12	25	16	33	11	23	4
3. I have all the power in the trading negotiation.	3	6	12	25	18	38	7	15	8	17	3
4. Buyer has the best offer (price) relative to alternatives (other buyers).	8	17	7	15	18	38	11	23	4	8	3
5. Buyer often controls the market information (demand, price).	13	27	11	23	14	29	6	13	4	8	3
6. Buyer often acts opportunistically	5	10	9	19	14	29	17	35	3	6	3

Majority of the farmers (37%), trucker-wholesalers (27%), wholesaler (36%), wholesaler-retailer (29%) and retailers (29%) were undecided, if the buyer has the best offer price other than alternatives (other buyers). However the assembler-wholesaler (37%) and financier-assembler-wholesaler (31%) moderately agreed, which implies that only the assembly group were trying look for a buyer that offers the best price other than other alternatives.

Farmers (43%), financier-assembler-wholesalers (44%), wholesaler-retailers (29%) and retailers (29%) were indecisive that buyer often controls the market information as to the demand and price. However trucker-wholesalers (27%), wholesalers (36%) and assembler-wholesalers (26%) moderately disagree, which implies that they were trying control more of the market information than the others actors.

Production group, assembly group and wholesalers (64%) were undecided that buyer often acts opportunistically, while trucker-wholesalers (36%), wholesaler-retailers (40%) andretailers (35%) moderately agree. It implies that the buyers of trucker-



wholesalers, wholesalers and retailers have more power to act opportunistically. However the average and descriptive mean statistics at 3.27 shows that majority of the respondents were undecided, this was further supported by the test statistics (not significant), in more or less majority of the respondents have common understanding that buyer often acts opportunistically.

Table 5b shows that majority of the respondents were indecisive, as to being flexible in choosing a buyer that offers better price and market information was often controlled by the buyer. However the average also showed that based on the test statistics there is a highly significant in having the power in the trading, while there's a significance that buyer often acts opportunistically and buyer that has a best offer relative to alternatives.

Table 5b. Descriptive analysis and test statistics

STATEMENT	MEAN	CHI-SQUARE	DF	ASYMP. SIG.
1. I am flexible to choose buyers at any time.	2.86	4.548	3	0.208
2. I always adhere to the buyer's demand.	3.49	7.763	3	0.051*
3. I have all the power in the trading negotiation.	3.23	17.461	3	0.001**
4. Buyer has the best offer (price) relative to alternatives (other buyers).	2.99	9.906	3	0.019*
5. Buyer often controls the market information (demand, price).	2.72	9.362	3	0.025*
6. Buyer often acts opportunistically	3.27	2.567	3	0.463

Mean range: 2.72-3.49 =undecided

3.50-4.27= moderately agree



# <u>Distribution of Respondents</u> According to Dependence

Dependence is a measure of the overall quality of the outcomes available to the focal firm from the best alternative exchange relationship; Dependence is increased when the outcomes available from the relationship are comparatively better than the outcomes available from the alternative relationship. Firms dealing with the best trader are more independent because the outcomes associated from dealing with that trader are better than those available from alternative traders (Anderson and Narus, 1990).

Table 6a shows that majority of the farmers (47%), assembler-wholesalers (42%) and wholesalers (36%) moderately agree on depending to the quality classifications, quantity and payment term of chayote by the buyer, while trucker-wholesalers (45%), wholesaler-retailers (36%) and retailers (31%) strongly agree but the financier-assembler-wholesalers (31%) had an extreme response. The average and descriptive analysis mean shows that majority of the respondents moderately agree, this is further supported by the test statistics which is not significant, which implies that in more or less they have common understanding as to the quality, quantity and payment term of chayote by the buyers.

Assembler-wholesalers (42%) and retailers (23%), farmers (44%)were undecided in depending much from the regular buyers of chayote they procure/produce, while trucker-wholesalers (45%) strongly agree; financier-assembler-wholesalers (31%) and wholesalers (29%) had an extreme response.

Production group, assembly group and trucker-wholesalers (45%) were undecided on depending to the price dictated by the buyer, while wholesalers (21%) had an extreme response.



Table 6a. Distribution of respondents according to dependence

STATEMENT	1	-	,	2		3		4		5	AVE.
STATEMENT	N	%	N	%	N	%	N	%	N	%	AVE.
A. FARMER											
1. I (seller) depend on the quality classification, quantity and payment term of chayote by the buyer.	0	0	2	7	12	40	14	47	2	7	4
2. I depend much from the regular buyers of the chayote I sold.	0	0	3	10	15	44	6	20	6	20	4
3. I depend on the price dictated by the buyer.	1	2	5	17	13	38	8	27	3	10	3
4. I always adhere to the seller's demand.	0	0	11	37	12	35	5	17	2	7	3
5. I depend much from the market information provided by the buyers.	0	0	7	23	19	56	3	10	1	3	3
B. ASSEMBLER-WHOLESALER				1	10	S					
1. I (seller) depend on the quality classification, quantity and payment term of chayote by the buyer.	EARCH 1	5	1	5	7	37	8	42	2	11	4
2. I depend much from the regular buyers of the chayote I sold.	0	0	2	11	7	37	8	42	2	11	4
3. I depend on the price dictated by the buyer.	3	16	5	26	7	37	2	11	2	11	3
4. I always adhere to the seller's demand.	1	5	2	11	9	47	6	32	1	5	3
5. I depend much from the market information provided by the buyers.	1	5	5	26	6	32	5	26	2	11	3

Numerical value and descriptive equivalent:



<sup>1-</sup>strongly disagree

<sup>2-</sup> disagree

<sup>3-</sup>undicided

<sup>4-</sup>moderately agree

<sup>5-</sup>strongly agree

Table 6a. Continued. . .

		1		2	3		4			5	
STATEMENT	N	%	N	%	N	%	N	%	N	%	AVE.
C. FINANCIER-ASSEMBLER-WHO	DLESA	LER									
1. I (seller) depend on the quality classification, quantity and payment term of chayote by the buyer.	0	0	5	31	3	19	3	19	5	31	4
2. I depend much from the regular buyers of the chayote I sold.	0	0	4	25	5	31	5	31	2	13	3
3. I depend on the price dictated by the buyer.	2	12	4	25	6	38	4	25	0	0	3
4. I always adhere to the seller's demand.	0	0	4	25	5	31	6	38	1	6	3
5. I depend much from the market information provided by the buyers.	0	0	6	37	7	44	2	13	1	6	3
D. TRUCKER-WHOLESALER		A.C.		CNSI	34/15	110					
1. I (seller) depend on the quality classification, quantity and payment term of chayote by the buyer.	0	0	2	18		9	3	27	5	45	4
2. I depend much from the regular buyers of the chayote I sold.	2	18	0	0	2	18	3	27	4	36	4
3. I depend on the price dictated by the buyer.	3	27	1	9	5	45	1	9	1	9	3
4. I always adhere to the seller's demand.	0	0	3	27	1	9	4	36	3	27	4
5. I depend much from the market information provided by the buyers.	4	36	2	18	2	18	3	27	0	0	2
E. WHOLESALER											
1. I (seller) depend on the quality classification, quantity and payment term of chayote by the buyer.	0	0	2	14	4	29	5	36	3	21	4
2. I depend much from the regular buyers of the chayote I sold.	2	14	2	14	4	29	2	14	4	29	3



Table 6a. Continued. . .

		1		2		3	4			5		
STATEMENT	N	%	N	%	N	%	N	%	N	%	AVE.	
3. I depend on the price dictated by the buyer.	1	7	6	43	3	21	1	7	3	21	3	
4. I always adhere to the seller's demand.	2	14	1	7	6	43	1	7	4	29	3	
5. I depend much from the market information provided by the buyers.	3	21	5	31	2	14	2	14	2	14	3	
F. WHOLESALER-RETAILER												
1. I (seller) depend on the quality classification, quantity and payment term of chayote by the buyer.	0	0	1	7	3	21	5	35	5	36	4	
2. I depend much from the regular buyers of the chayote I sold.	0	0	2	14	4	29	4	29	4	29	4	
3. I depend on the price dictated by the buyer.	2	14	5	36	1	7	4	29	2	14	3	
4. I always adhere to the seller's demand.	1	7	1	7	7	50	4	29	1	7	3	
5. I depend much from the market information provided by the buyers.	ARC/1	7	3	21	8	57	0	0	2	14	3	
G. RETAILER	1	91	, V									
1. I (seller) depend on the quality classification, quantity and payment term of chayote by the buyer.	2	4	10	21	10	21	11	21	15	31	4	
2. I depend much from the regular buyers of the chayote I sold.	2	4	10	21	11	23	15	31	10	21	3	
3. I depend on the price dictated by the buyer.	9	19	17	35	12	25	5	10	5	10	3	
4. I always adhere to the seller's demand.	3	6	15	31	13	27	9	19	8	17	3	
5. I depend much from the market information provided by the buyers.	12	25	15	31	10	21	7	15	4	8	3	



Assembler-wholesalers (47%), wholesalers (43%) and wholesaler-retailers (50%) and were undecided in adhering the sellers demand, while financiers-assemblers-wholesalers (38%), trucker0wholesalers (36%) moderately agree, whereas retailers (31%) and farmers (37%) moderately disagree.

Production group, assembly group and wholesaler-retailers (57%) were undecided on depending much from the market information provided by the buyers, while wholesalers (31%) and retailers (31%)moderately disagree, and only trucker-wholesalers (36%) strongly disagree.

The average showed (Table6b) that majority of the respondents were undecided as to depending in from the market information provided by the buyers, depending on the price dictated by the buyer, adhering the sellers demand and depending on the quality classification quantity and payment term of chayote buyer. This was further supported by the average and descriptive analysis mean and the test statistics not significant, which implies that in more or less the respondents have common understanding as to the criteria's in determining dependence.

Table 6b. Descriptive analysis and test statistics

STATEMENT	MEAN	CHI-SQUARE	DF	ASYMP. SIG.
1. I (seller) depend on the quality classification, quantity and payment term of chayote by the buyer.	3.55	0.754	3	0.86
2. I depend much from the regular buyers of the chayote I sold.	3.42	0.057	3	0.996
3. I depend on the price dictated by the buyer.	2.75	5.608	3	0.132
4. I always adhere to the seller's demand.	3.21	4.397	3	0.222
5. I depend much from the market information provided by the buyers	2.71	5.677	3	0.128

Mean range: 2.71-3.55 = undecided 3.56-4.33 = moderately agree



# <u>Distribution of Respondents</u> According to Communication

Communication is "the formal as well as informal sharing of meaningful and timely information between firms". Communication is a process whereby information is enclosed in a package and is channeled and imparted by a sender to a receiver via some medium (Morgan and Hunt, 1994).

In Table 7a, majority of the farmers (33%) and assembler-wholesalers (26%) were undecided that they can directly dictate price, while financier-assembler-wholesalers (50%), trucker-wholesalers (36%), and wholesaler-retailers (34%) moderately agree, and wholesalers (25%) and retailers (25%) strongly agreed. Depending on the quality classification, quantity and payment term of chayote is important criteria in measuring communication of chain actors as showed in the chi-square ranking at 21.81.

Production group, assembly group and trucker-wholesalers (45%) were undecided in sharing production and marketing (volume, quality, price) information to buyers, while wholesaler-retailers (31%) and retailers (25%) moderately agree, and the wholesalers (36%) strongly agree. The average and more over based on the descriptive mean statistics at 3.55, shows that majority of the respondents were undecided and was further supported by the test statistics not significant, which implies that in more or less they have the same knowledge/common understanding in the sharing of production and marketing.

Production group, assembly group and wholesaler-retailers (26%) were undecided in using other people for sharing other information to farmers/sellers, while retailers (31%) strongly disagree, however trucker-wholesalers (27%) has an extreme response.



Table 7a.Distribution of respondents according to communication

CT A TEMENIT		1		2		3		4		5	ANT
STATEMENT	N	%	N	%	N	%	N	%	N	%	AVE.
A. FARMER											
1. I can directly dictate price.	9	30	7	23	10	33	3	10	1	3	2
2. I usually share production and marketing (volume. quality, price) information to buyers.	1	3	7	23	12	40	8	27	2	7	3
3. As buyer, I use other people in sharing other information to farmers/sellers.	7	23	3	10	10	33	9	30	1	3	3
4. I always share information about production, procurement/marketing targets to the buyer.	2	7	8	27	14	47	6	20	0	0	3
5. I share the production or marketing decisions I made with the buyer.	2	7	9	30	12	40	7	23	0	0	3
B. ASSEMBLER-WHOLESALER											
1. I can directly dictate price.	0	0	2	11	9	47	5	26	2	11	3
2. I usually share production and marketing (volume. quality, price) information to buyers.	0	0	2	11	10	53	5	26	2	11	3
3. As buyer, I use other people in sharing other information to farmers/sellers.	0	0	2	11	10	53	4	21	3	11	3
4. I always share information about production, procurement/marketing targets to the buyer.	1	5	2	11	5	26	10	53	1	5	3
5. I share the production or marketing decisions I made with the buyer.	1	5	3	16	8	42	5	26	2	11	3

Numerical value and descriptive equivalent:



<sup>1-</sup>strongly disagree

<sup>2-</sup> disagree

<sup>3-</sup>undicided

<sup>4-</sup>moderately agree

<sup>5-</sup>strongly agree

Tables 7a. Continued. . .

		1		2		3		4		5	ANE
STATEMENT	N	%	N	%	N	%	N	%	N	%	AVE.
C. FINANCIER-ASSEMBLER-WE	IOLESA	ALER									
1. I can directly dictate price.	1	6	1	6	2	13	8	50	3	19	4
2. I usually share production and marketing (volume. quality, price) information to buyers.	0	0	3	19	5	31	4	25	3	19	3
3. As buyer, I use other people in sharing other information to farmers/sellers.	0	0	4	25	7	44	5	31	3	19	4
4. I always share information about production, procurement/marketing targets to the buyer.	0	0	1	6	7	44	3	19	3	19	3
5. I share the production or marketing decisions I made with the buyer.	Ruc Ook	0	3	19	0	0	0	0	3	19	1
D. TRUCKER-WHOLESALER		1			00	Ø					
1. I can directly dictate price.	1	9	1	9	3	27	4	36	2	18	3
2. I usually share production and marketing (volume. quality, price) information to buyers.	SEARCH 1	9_	0	0	5	45	2	18	3	27	4
3. As buyer, I use other people in sharing other information to farmers/sellers.	2	18	1	9	2	18	3	27	3	27	3
4. I always share information about production, procurement/marketing targets to the buyer.	1	9	0	0	3	27	4	36	3	27	4
5. I share the production or marketing decisions I made with the buyer.	1	9	0	0	4	36	4	36	2	18	4
E. WHOLESALER											
1. I can directly dictate price.	2	14	2	14	4	29	1	7	5	35	3
2. I usually share production and marketing (volume. quality, price) information to buyers.	1	7	1	7	3	21	2	14	5	36	3



Tables 7a. Continued. . .

CT A TEMENIT		1		2	3			4		5	
STATEMENT _	N	%	N	%	N	%	N	%	N	%	AVE.
3. As buyer, I use other people in sharing other information to farmers/sellers.	2	14	2	14	4	29	1	7	5	30	<u> </u>
4. I always share information about production, procurement/marketing targets to the buyer.	2	14	2	14	5	36	0	0	5	36	3
5. I share the production or marketing decisions I made with the buyer.	4	29	4	29	2	14	1	7	4	29	3
F. WHOLESALER-RETAILER											
1. I can directly dictate price.	0	0	4	11	7	20	12	35	12	34	34
2. I usually share production and marketing (volume. quality, price) information to buyers.	1	3	5	14	9	26	11	31	9	26	4
3. As buyer, I use other people in sharing other information to farmers/sellers.	8	23	3	9	9	26	8	23	7	20	3
4. I always share information about production, procurement/marketing targets to the buyer.	1	3	3	9	13	37	8	23	10	29	4
5. I share the production or marketing decisions I made with the buyer.	6	17	3	9	9	26	9	26	8	23	3
G. RETAILER											
1. I can directly dictate price.	1	2	5	10	15	31	15	31	12	25	4
2. I usually share production and marketing (volume. quality, price) information to buyers.	9	19	10	21	7	15	12	25	10	21	3
3. As buyer, I use other people in sharing other information to farmers/sellers.	15	31	9	19	9	19	9	19	6	12	3
4. I always share information about production, procurement/marketing targets to the buyer.	11	23	7	15	11	23	15	31	4	8	3
5. I share the production or marketing decisions I made with the buyer.	15	31	6	12	8	17	14	29	5	10	3



Farmers (47%), financier-assembler-wholesalers (44%), wholesalers (36%) and wholesaler-retailers (26%) were undecided, while assembler-wholesalers (53%), trucker-wholesalers (27%) and retailers (31%) moderately agree in sharing information about production, procurement/marketing targets to the buyers.

Assembler-wholesalers (42%) and farmers (40%) were undecided while retailers (29%) strongly agree, and financier-assembler-wholesalers (19%), trucker-wholesalers (26%), wholesalers (29%) and wholesaler-retailers (26%) had an extreme response.

The average showed(Table 7b) that majority of the respondents were undecided in using other people in sharing information to farmers/sellers, sharing information to the buyer such as production and marketing/procurement targets, sharing production and marketing volume, quality, and price information to buyers and in directly dictating a price. This is further supported by the descriptive mean statistics all over at 3.44. And as shown in the test statistics significant, there is a high significant in direct dictation of price and sharing information about production and marketing targets to the buyers.

Table 7b. Descriptive analysis and test statistics

STATEMENT	MEAN	CHI-SQUARE	DF	ASYMP. SIG.
1. I can directly dictate price.	3.44	21.813	3	0.000**
2. I usually share production and marketing (volume. quality, price) information to buyers.	3.35	5.826	3	0.120
3. As buyer, I use other people in sharing other information to farmers.	2.97	8.253	3	0.041*
<ul><li>4. I always share information about production, procurement/marketing targets to the buyer.</li><li>5. I share the production or marketing</li></ul>	3.27	11.579	3	0.009**
decisions I made with the buyer, respondents group	3.05	4.995	3	0.172

Mean range: 2.97-3.44 = undecided 3.45-4.12 = moderately agree \*\* Highly significant \* Significant



## <u>Distribution of Respondents</u> According to Cooperation

Cooperation refers to situations in which firms work together to achieve mutual goals; in exchanging information on production schedules, new products/processes and value analysis can both reduce product costs and improve product/processes innovations(Landeros and Monczka, 1989).

Almost the entire respondent strongly agreed and only assembler-wholesalers (42%) moderatelyagree in working cooperatively with the buyer to improve the chayote trading operation. But as showed in the average and descriptive mean statistics at 3.75, and based on the all over mean range that it contradicts that the majority of the respondents were undecided.

Majority of the farmers (60%), assembler-wholesalers (58%), wholesaler-retailers (46%) and retailers (44%) moderately agree in buying good quality chayote and as needed by the buyers, while financier-assembler-wholesalers (50%), trucker-wholesalers (64%), and wholesalers (36%) strongly agree.

Majority of the farmers (47%), financier-assembler-wholesalers (37%), wholesaler-retailers (43%), and retailers (40%) moderately agree in building up buyer-seller relationships (alliances/partnership) with their colleagues, while assembler-wholesalers (47%), trucker-wholesalers (55%) and wholesalers (43%) strongly agree.

As shown in the average and based in the descriptive statistics mean 3.90, most of the respondents agreed moderately. This is further supported by the test statistics (not significant) building up buyer-seller relationships (alliances/partnership) is not important criteria in measuring cooperation as this can be further explained by 1.000 chi-square.



Table 8a.Distribution of respondents according to cooperation

CT A TEN TENT	1			2		3		4	5		A 3.75
STATEMENT	N	%	N	%	N	%	N	%	N	%	_ AVE
A. FARMER											
1.I work cooperatively with the buyer to improve our chayote trading operation.	1	3	4	13	3	10	11	37	11	37	4
2. I usually buy good quality chayote from suppliers and as needed by the buyers.	1	3	3	10	1	3	18	60	7	23	4
3. I build up buyer-seller relationships (alliances/partnership) with my colleagues.	0	0	1	3	7	23	14	47	8	27	4
4. I cooperate with other actors in pricing and quality determination of chayote.	2	7	2	7	8	27	11	37	7	23	4
B. ASSEMBLER-WHOLESALER	TO NO.	ES .									
1.I work cooperatively with the buyer to improve our chayote trading operation.	0	0	3	16	1	5	8	42	7	37	4
2. I usually buy good quality chayote from suppliers and as needed by the buyers.	0	0	0	0	2	11	11	58	6	32	4
3. I build up buyer-seller relationships (alliances/partnership) with my colleagues.	0	0	6	5	4	21	5	26	9	47	4
4. I cooperate with other actors in pricing and quality determination of chayote.	0	0	1	5	3	16	10	53	5	26	4
C. FINANCIER-ASSEMBLER-WHO	LESA	LER									
1.I work cooperatively with the buyer to improve our chayote trading operation.	0	0	1	6	2	13	5	31	8	50	4
2. I usually buy good quality chayote from suppliers and as needed by the buyers.											
3. I build up buyer-seller relationships (alliances/partnership) with my colleagues.	0	0	0	0	2	13 25	6	38 37	8 6	50 37	4
,					•						

Numerical value and descriptive equivalence:

1-strongly disagree 2- disagree 3-undicided 4-moderately agree 5-strongly agree



Table 8a. Continued . .

Table 8a. Continued											
STATEMENT	1		2		3	<b>;</b>	4			5	– AVE
	N	%	N	%	N	%	N	%	N	%	71 V L
4. I cooperate with other actors in pricing and quality determination of chayote.	0	0	0	0	4	25	6	38	6	38	4
D. TRUCKER-WHOLESALER											
1. I work cooperatively with the buyer to improve our chayote trading operation.	1	9	1	9	2	18	2	18	5	45	4
2. I usually buy good quality chayote from suppliers and as needed by the buyers.	0	0	0	0	2	18	2	18	7	64	4
3. I build up buyer-seller relationships (alliances/partnership) with my colleagues.	2	18	0	0	1	9	2	18	6	55	4
4. I cooperate with other actors in pricing and quality determination of chayote.	AT	9	7	9	1	9	3	27	5	45	4
E. WHOLESALER	TOTA S		0								
1. I work cooperatively with the buyer to improve our chayote trading operation.	2	14	1	7	3	21	3	21	5	36	4
2. I usually buy good quality chayote from suppliers and as needed by the buyers.	0	0	3	21	2	14	4	29	5	36	4
3. I build up buyer-seller relationships (alliances/partnership) with my colleagues.	2	14	4	29	1	7	1	7	6	43	3
<ol> <li>I cooperate with other actors in pricing and quality determination of chayote.</li> </ol>	1	7	3	21	4	29	2	14	4	27	3
F. WHOLESALER-RETAILER											
1. I work cooperatively with the buyer to improve our chayote trading operation.	2	5	3	9	5	14	10	29	15	43	4
2. I usually buy good quality chayote from suppliers and as needed by the buyers.	0	0	0	0	4	11	16	46	15	43	4
3. I build up buyer-seller relationships (alliances/partnership)	4	11	0	0	5	14	15	43	11	31	4
4. I cooperate with other actors in pricing and quality determination of chayote.	1	3	8	23	6	17	10	29	10	29	4



Table 8a. Continued. . .

CT A TEMENT	1		2	2		3	4		4	5	ANE
STATEMENT	N	%	N	%	N	%	N	%	N	%	- AVE.
G. RETAILER											
1. I work cooperatively with the buyer to improve our chayote trading operation.	9	19	7	15	5	10	11	23	16	33	3
2. I usually buy good quality chayote from suppliers and as needed by the buyers.	0	0	1	2	6	13	21	44	20	42	4
3. I build up buyer-seller relationships (alliances/partnership) with my colleagues.	4	8	4	8	4	8	19	40	17	35	4
4. I cooperate with other actors in pricing and quality determination of chayote.	9	19	10	21	3	6	15	31	11	23	3

Farmers (37%), assembler-wholesalers (53%), and retailers (31%) moderately agree on cooperating with other actors in pricing and determining the quality of chayote, while financier-assembler-wholesalers (38%), wholesaler-retailers (29%) has an extremely respond, and trucker-wholesalers (45%) strongly agree.

Table 7b shows the average that majority of the respondents were undecided in cooperating with other actors in pricing and in determining the quality of chayote, working cooperatively with the buyers to improve chayote trading operation, building up alliances/partnership with respondents colleagues and buying good quality chayote from suppliers as needed by the buyers or consumers. This is further supported by the all over mean range at 4.19, more over looking into the test statistics that there is no significant differences among the respondents therefore this implies that respondents have common understanding to the different indicators in determining cooperation.

Table 8b. Descriptive analysis and test statistics

Statement	Mean	Chi-Square	Df	Asymp. Sig.
1. I work cooperatively with the buyer to improve our chayote trading operation.	3.75	5.61	3	0.132
2. I usually buy good quality chayote from suppliers and as needed by the buyers.	4.19	1.66	3	0.646
3. I build up buyer-seller relationships (alliances/partnership) with my colleagues.	3.90	1.00	3	0.801
4. I cooperate with other actors in pricing and quality determination of chayote.	3.59	5.77	3	0.123

Legend: mean range: 3.59-4.19 = undecided

4.20-4.80 = moderately agree

# <u>Distribution of Respondents</u> <u>According to Commitment</u>

Commitment is an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship endures indefinitely and commitment is central to all of the relational exchanges between the firm and its various partners.

Majority of financier-assembler-wholesalers (43%), trucker-wholesalers (54%), wholesalers (64%), wholesaler-retailers (49%), and retailers (35%) strongly agree in keeping the promises made with the buyer, while farmers (53%) and assembler-wholesalers (53%) moderately agree. Keeping promises made with the buyer is also an important criterion in measuring commitment; as this can be further explain by chi-square at 16.445, second to the highest.

Assembler-wholesalers (42%), financier-assembler-wholesalers (50%), wholesalers (50%) and retailers (42%) strongly agree making extra effort to meet the buyers demand requirement, while farmers (43%), trucker-wholesalers (45%) and wholesaler-retailers (46%) moderately agree



Table 8a.Distribution of respondents according to cooperation

		1	,	2	3		4		5		
STATEMENT	N	%	N	%	N	%	N	%	N	%	AVE.
A. FARMER											
1. I keep the promises I make with the buyer.	2	7	2	7	6	20	16	53	4	13	4
2. I make extra effort to meet the buyer's demand requirement.	2	7	2	7	4	13	13	43	9	30	4
3. I invest large amount to produce/procure the chayote.	4	13	10	33	8	27	7	23	1	3	3
4. I always continue trading with the buyer for a longer period of time.	1	3	0	0	10	33	14	47	5	17	4
B. ASSEMBLER-WHOLESALER											
1. I keep the promises I make with the buyer.	0	0	0	0	5	26	10	53	4	21	4
2. I make extra effort to meet the buyer's demand requirement.	0	0	0	0	4	21	7	37	8	42	4
3. I invest large amount to produce/procure the chayote.	0	0	4	21	2	11	8	42	5	26	4
4. I always continue trading with the buyer for a longer period of time.	0	0	0	0	2	11	8	42	9	47	4
C. FINANCIER-ASSEMBLER-WHO	LESA	LER	0.00	20,							
1. I keep the promises I make with the buyer.	0	0	0	0	3	19	6	38	7	43	4
2. I make extra effort to meet the buyer's demand requirement.	0	0	0	0	3	19	5	31	8	50	4
3. I invest large amount to produce/procure the chayote.	0	0	2	13	8	50	5	31	1	6	3
4. I always continue trading with the buyer for a longer period of time.	0	0	0	0	3	19	6	38	7	44	4
D. TRUCKER-WHOLESALER											
1. I keep the promises I make with the buyer.	0	0	0	0	0	0	5	45	6	54	5
2. I make extra effort to meet the buyer's demand requirement.	0	0	0	0	1	9	5	45	5	45	4

Numerical value and descriptive equivalent:

1-strongly disagree 2- disagree 3-undicided

4-moderately agree 5-strongly agree



Table 9a. Continued . . .

	1			2		3 4		4 5		5	
STATEMENT	N	%	N	%	N	%	N	%	N	%	Ave
3. I invest large amount to											
produce/procure the chayote.	0	0	1	9	2	18	0	0	8	73	4
4. I always continue trading with the											
buyer for a longer period of time.	0	0	0	0	1	9	2	18	8	72	5
E. WHOLESALER											
1. I keep the promises I make with											
the buyer.	1	7	2	14	1	7	1	7	9	64	4
2. I make extra effort to meet the											
buyer's demand requirement.	0	0	0	0	4	29	3	21	7	50	4
3. I invest large amount to											
produce/procure the chayote.	0	0	3	21	3	21	3	21	5	36	4
4. I always continue trading with the											
buyer for a longer period of time.	0	0	0	0	4	29	3	21	7	50	4
F. WHOLESALER-RETAILER	-	000		EN-O	· E						
1. I keep the promises I make with		11/		0.1	100	3					
the buyer.	1	3	0	0	2	6	15	43	17	49	4
2. I make extra effort to meet the											
buyer's demand requirement.	0	0	0	0	3	9	16	46	16	46	4
3. I invest large amount to											
produce/procure the chayote.	0	0	5	14	1	3	15	43	14	40	4
4. I always continue trading with the buyer for a longer period of time.	0	0	2	6	2	6	12	34	19	54	4
buyer for a longer period of time.	0	U	2	U	2	O	12	34	19	34	4
G. RETAILER											
1. I keep the promises I make with											
the buyer.	2	4	2	4	10	21	17	35	17	35	4
2. I make extra effort to meet the											
buyer's demand requirement.	2	4	3	6	13	27	10	21	20	42	4
· ·											
3. I invest large amount to	_	_	_	. –			. –		_		_
produce/procure the chayote.	2	4	8	17	16	33	17	35	5	10	3
4. I always continue trading with the											
buyer for a longer period of time.	1	2	2	4	7	15	20	42	18	38	4



Trucker-wholesalers (73%) and wholesalers (36%) strongly agree of investing large amount in producing/procuring chayote, while assembler-wholesalers (42%), wholesaler-retailers (43%) and retailers (35%) moderately agree, while farmers (33%) moderately disagree and financier-assembler-wholesalers (50%) were undecided.

Majority of the respondents strongly agreed to continue trading with the buyer for a longer period of time, while farmers (47%) and retailers (42%) moderately agree.

The average showed(Table 9b) that majority of the respondents were undecided in investing large amount to produce/procure chayote, making extra effort in meeting the buyers demand, keeping the promises made with the buyers, continuing trading with the buyer for a longer period of time. This is further supported by the mean range all over 3.56-4.13 undecided. Moreover looking into the test statisticsthat there is high significant on keeping the promises made, investing large amount to produce/ procure chayote and trading with the buyer for a longer period of time.

Table 9b. Descriptive analysiss and test of statistics

S	TATEMENT	MEAN	CHI-SQUARE	DF	ASYMP. SIG.
1.	I keep the promises I make with the buyer.	4.03	16.44	3	0.001**
3.	I make extra effort to meet the buyer's demand requirement.	4.12	5.01	3	0.171
4.	I invest large amount to produce/procure the chayote.	3.56	23.96	3	0.000**
5.	I always continue trading with the buyer for a longer period of time.	4.13	16.43	3	0.001**

Legend: mean range: 3.56-4.13 = undecided

4.14-4.71 = moderately agree

\*\* Highly significant



# <u>Distribution of Respondents According</u> to Relational Satisfaction

Relational Satisfaction is a positive effective state resulting from an appraisal of all aspects of a firms working relationship with another. Satisfaction is derived from the result of a satisfaction means the extent to which the relational dimensions of the partnership meet expectations (Frazier, 1983).

Based on the findings in Table 10a shows that majority of the assembler-wholesalers (37%), trucker-wholesalers (36%), wholesaler-retailers (46%), and retailers (31%) moderately agree that trading with the preferred buyer is less risky, while farmers (37%) and financier-assembler-wholesalers (31%) were undecided, and wholesalers (29%) strongly agree.

Farmers (27%), assembler-wholesalers (63%), trucker-wholesalers (45%), wholesalers (36%), wholesaler-retailers (34%) and retailers (37%) that the trading relationship with the buyer is satisfactory, while financier-assembler-wholesalers (44%) strongly agreed.

Majority of the farmers (63%), assembler-wholesalers (59%), trucker-wholesalers (55%), wholesalers (43%), wholesaler-retailers (40%) moderately agreed that they are satisfied trading with the buyer for a longer time, while financier-assembler-wholesalers (56%) and retailers (38%) strongly agree.

Farmers (73%), assembler-wholesalers (53%), financier-assembler-wholesalers (56%),trucker-wholesalers (73%) and wholesaler-retailers (49%) moderately agree that the buyer meet their expectations in the trading, while wholesalers (57%) were undecided.



Table 10. Distribution of respondents according to relational satisfaction

CT A TEMENIT	1		- 2	2	(	3	4		5		
STATEMENT -	N	%	N	%	N	%	N	%	N	%	AVE.
A.FARMER											
1. Trading with the preferred buyer is less risky.	3	10	7	23	11	37	8	27	1	3	3
2. My trading relationship with the buyer is satisfactory.	0	0	1	3	13	43	15	50	1	3	4
<ul><li>3. I'm satisfied trading with the buyer for a longer time.</li><li>4. The buyer meets my expectations</li></ul>	0	0	1	3	7	23	19	63	3	10	4
in trading with them.	0	0	0	0	13	43	14	47	3	10	4
5. The buyer treats me fairly and equitably.	0	0	3	10	21	70	5	17	1	3	3
6. I am adequately rewarded trading with the buyer.	0	0	1	3	12	40	14	47	3	10	4
7. I always have conflict/misunderstanding with the buyer.	1	3	11	37	16	53	2	7	0	0	3
8. The relational trust established with the buyers is very satisfying.	0	0	1	3	16	53	12	40	1	3	3
9. I am happy on the business alliances with the buyers.	0	0	0	0	9	30	19	63	2	7	4
10. Trading with the buyer is self-fulfilling.	0	0	2	7	8	27	17	57	3	10	4
B. ASSEMBLER-WHOLESALER											
1. Trading with the preferred buyer is less risky.	1	5	1	5	4	21	7	37	6	31	4
2. My trading relationship with the buyer is satisfactory.	0	0	0	0	1	5	12	63	6	31	4
3. I'm satisfied trading with the buyer for a longer time.	0	0	0	0	2	11	11	59	6	31	4
4. The buyer meets my expectations in trading with them.	0	0	0	0	5	26	10	53	4	21	4

Numerical value and descriptive equivalent:

1-strongly disagree 2- disagree 3-undicided

4-moderately agree 5-strongly agree



Table 10a. Continued . .

STATEMENT	1		2	2	-	3		4		5	
STATEMENT	N	%	N	%	N	%	N	%	N	%	Ave.
5. The buyer treats me fairly and equitably.	0	0	1	5	4	21	12	63	2	10	4
6. I am adequately rewarded trading with the buyer.	0	0	0	0	6	32	10	53	3	16	4
7. I always have conflict/misunderstanding with the buyer.	1	5	6	32	8	42	3	16	1	5	3
8. The relational trust established with the buyers is very satisfying. 9. I am happy on the business	0	0	1	5	6	32	7	37	5	26	4
alliances with the buyers.	0	0	0	0	2	10	12	63	5	26	4
<ol><li>Trading with the buyer is self-fulfilling.</li></ol>	0	0	0	0	3	16	11	58	5	26	4
C.FINANCIER-ASSEMBLER-WHO	LESAI	LER									
Trading with the preferred buyer is less risky.	1	6	3	19	5	31	2	12	5	31	3
2. My trading relationship with the buyer is satisfactory.	0	0	3	19	1	6	5	31	7	44	4
3. I'm satisfied trading with the buyer for a longer time.	0	0	2	13	1	6	6	37	7	44	4
4. The buyer meets my expectations in trading with them.	0	0	0	0	3	19	9	56	4	25	4
5. The buyer treats me fairly and equitably.	0	0	1	6	2	13	8	50	5	31	4
6. I am adequately rewarded trading with the buyer.	1	6	1	6	3	19	9	57	2	13	4
7. I always have conflict/misunderstanding with the buyer.	1	6	2	13	7	44	3	19	3	19	3
8. The relational trust established with the buyers is very satisfying.	0	0	1	6	8	50	4	25	3	19	4
9. I am happy on the business alliances with the buyers.	1	6	2	13	3	19	7	44	3	19	4
10. Trading with the buyer is self-fulfilling.	0	0	0	0	6	38	6	38	4	25	4



Table 10a. Continued . .

ÇTATEMENIT	1			2	3		4	4		5	Λ.ν.ο
STATEMENT .	N	%	N	%	N	%	N	%	N	%	Ave.
D. TRUCKER-WHOLESALER											
1. Trading with the preferred buyer is less risky.	1	9	2	18	0	0	4	36	4	36	4
2. My trading relationship with the buyer is satisfactory.	0	0	0	0	2	18	5	45	4	36	4
<ul><li>3. I'm satisfied trading with the buyer for a longer time.</li><li>4. The buyer meets my expectations</li></ul>	0	0	0	0	1	9	6	55	4	36	4
in trading with them.	0	0	1	9	0	0	8	73	2	18	4
5. The buyer treats me fairly and equitably.	1	9	0	0	4	36	3	27	3	27	4
<ul><li>6. I am adequately rewarded trading with the buyer.</li><li>7. I always have</li></ul>	2	18	0	0	2	18	5	45	2	18	3
conflict/misunderstanding with the buyer.	rio <sup>th</sup> 1	9	6	54	4	36	0	0	0	0	2
8. The relational trust established with the buyers is very satisfying.	0	0	1	9	5	45	4	36	1	9	3
9. I am happy on the business alliances with the buyers.	0	0	0	0	4	36	6	55	1	9	4
10. Trading with the buyer is self-fulfilling.	0	0	1 1	9	4	36	6	55	0	0	3
E. WHOLESALER	$\mathcal{I}$	91	0								
1. Trading with the preferred buyer is less risky.	1	7	3	21	3	21	3	21	4	29	3
2. My trading relationship with the buyer is satisfactory.	0	0	1	7	4	29	5	36	4	29	4
3. I'm satisfied trading with the buyer for a longer time.	0	0	1	7	3	21	6	43	4	29	4
4. The buyer meets my expectations in trading with them.	0	0	0	0	8	57	2	14	4	29	4
5. The buyer treats me fairly and equitably.	1	7	2	14	6	43	4	29	1	7	3
6. I am adequately rewarded trading with the buyer.	0	0	0	0	7	50	5	36	2	14	4
7. I always have conflict/misunderstanding with the buyer.	2	15	3	21	7	50	1	7	1	7	3



Table 10a. Continued . . .

OT A TEMENIT	1		2	2	3	3	4		4	5	
STATEMENT -	N	%	N	%	N	%	N	%	N	%	AVE.
<ul><li>8. The relational trust established with the buyers is very satisfying.</li><li>9. I am happy on the business alliances with the buyers.</li></ul>	0	0	1	7	6	43 36	3	21	4	29 21	4
10. Trading with the buyer is self-fulfilling.	0	0	0	0	5	36	6	43	3	21	4
F. WHOLESALER-RETAILER											
1. Trading with the preferred buyer is less risky.	1	3	5	14	8	23	16	46	5	14	4
2. My trading relationship with the buyer is satisfactory.	0	0	0	0	11	31	12	34	12	34	4
3. I'm satisfied trading with the buyer for a longer time.	0	0	0	0	9	26	14	40	12	34	4
<ul><li>4. The buyer meets my expectations in trading with them.</li><li>5. The buyer treats me fairly and</li></ul>	0	0	2	6	12	34	17	49	4	11	4
equitably.	0	0	1	3	13	37	18	51	3	9	4
6. I am adequately rewarded trading with the buyer.	0	0	1	3	7	20	22	63	5	14	4
7. I always have conflict/misunderstanding with the buyer.	4	11	5	14	16	46	7	20	3	9	3
8. The relational trust established with the buyers is very satisfying.	0	0	0	0	11	31	16	46	8	23	4
9. I am happy on the business alliances with the buyers.	0	0	1	3	11	31	17	49	6	17	4
10. Trading with the buyer is self-fulfilling.	1	3	1	3	11	31	13	37	9	26	4
G. RETAILER											
1. Trading with the preferred buyer is less risky.	2	4	6	13	12	25	15	31	13	27	4
2. My trading relationship with the buyer is satisfactory.	1	2	5	10	7	15	18	37	17	35	4
3. I'm satisfied trading with the buyer for a longer time.	1	2	3	6	9	19	17	35	18	38	4



Table 10a. Continued . . .

STATEMENT			2 3		3	4		5	5		
STATEMENT	N	%	N	%	N	%	N	%	N	%	AVE.
4. The buyer meets my expectations in trading with them.	0	0	6	12	14	29	16	33	12	25	4
5. The buyer treats me fairly and equitably.	0	0	2	4	15	31	20	42	11	23	4
6. I am adequately rewarded trading with the buyer.	2	4	2	4	11	23	20	42	13	27	4
7. I always have conflict/misunderstanding with the buyer.	7	15	8	17	16	33	10	21	7	15	3
8. The relational trust established with the buyers is very satisfying.	0	0	3	6	23	48	11	23	11	23	4
9. I am happy on the business alliances with the buyers.	O <sup>th</sup> 18	2	3	6	14	29	19	40	11	23	4
10. Trading with the buyer is self- fulfilling.	2	4	2	4	17	35	18	38	9	19	4

Farmers (36%) and wholesalers (43%) were undecided that buyer's treatment is fair and equal, while assembler-wholesalers (63%), financer-assembler-wholesalers (50%), trucker-wholesalers (36%), wholesaler-retailers (51%) and retailers (42%) moderately agree.

Farmers (45%), assembler-wholesalers (53%), financer-assembler-wholesalers (57%), trucker-wholesalers (45%), wholesaler-retailers (63%), and retailers (42%) moderately agree that they are adequately rewarded trading with the buyer, while wholesalers (50%) were undecided.

Farmers (53%), financer-assembler-wholesalers (37%), trucker-wholesalers (45%), and retailers (48%) were undecided in the relational trust established with buyer, while assembler-wholesalers (37%) and wholesaler-retailers (46%) moderately agree.



In Table 10b the averages showed that majority of the respondents were undecided in almost all of the criteria in determining the relational satisfaction especially in having conflict with the buyer. This is further supported by the mean range all over 4.02 undecided, more over looking into the test statistics that there is a high significant difference in the buyers treatment such as being fair and equitable, while there is significant differences in the trading relationship with the buyer is satisfactory and trading with a buyer for a longer period of time is less risky.

Table 10b. Descriptive analysis and test statistics

Statements	Mean	Chi-Square	df	Asymp. Sig.
Trading with the preferred buyer is less risky.	3.49	8.85	3	0.031
2. My trading relationship with the buyer is satisfactory.	3.93	10.77	3	0.013*
3. I'm satisfied trading with the buyer for a longer time.	4.02	5.53	3	0.137*
5. The buyer treats me fairly and equitably.	3.76	3.89	3	0.273
6. I am adequately rewarded trading with the buyer.	3.64	20.46	3	0.000**
7. I always have conflict/misunderstanding with the buyer.	2.90	3.59	3	0.309
8. The relational trust established with the buyers is very satisfying.	2.90	3.59	3	0.309
9. I am happy on the business alliances with the buyers.	3.66	4.13	3	0.247
10. Trading with the buyer is self-fulfilling.	3.79	1.73	3	0.630

Mean range: 2.90-4.02 = undecided

4.03-5.15 = moderately agree



## SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### **Summary**

This study aims to determine the similarities and differences in the chain relationships of the actors in the spot market for chayote such as trust, power, dependence, cooperation communication, commitment and relational satisfaction.

The study was conducted following the geographical flow of chayote from the point of production to the point of consumption. The data was gathered through personal interview using validated questions.

There were 173 respondents; composed of 30 producers, 35 assemblers, 60 distributors and 40 retailers. Most of the respondents were ranging from 21-30 years old. Majority of the chain actors were female, married, catholic, educated and don't belong to any organizational affiliation.

Majority of the respondent's ages ranging from 21-30 years old are having vegetable trading business. Majority of male respondents were farmers (90%), assembler-wholesalers (68%) and trucker-wholesalers (64%) while female respondents were other financier-assembler-wholesalers (69%), wholesaler-retailers (66%) and retailers (81%).

The chain actors were mostly married; several of them were separated and widow, belong to Catholic and have higher degree of education. They respondents mostly engaged in vegetable business covering 6-10 years and they don't belong to any organizational affiliation. The respondents have similarities in terms of trust having confidence in relying to promises, whereas assembler-wholesalers (47%), retailers (40%) and farmers (43%); dependenceand cooperation; and they differ in terms of power, commitment, communication and relational satisfaction.



#### Conclusions

- 1. The different chain actors of chayote in the spot market have similarities in term of trust, where in relying to the buyers promises, dealing honestly with buyers, making important decision based on the buyers suggestions, believing on the information's shared by the buyers, being fair in the negotiation, considering the best interest in the business and dealing with buyers that have good reputation.
- 2. The different chain actors of chayote in the spot market have differences in terms of power, specifically in having the power in the trading negotiation, buyer has the best offer(price) relative to alternatives(other buyers), buyer often control the market information (demand and price), buyer often acts opportunistically, and flexibility in choosing buyer anytime.
- 3. The different chain actors of chayote in the spot market have similarities in terms of dependence, where in they depend on the quality classification, quantity, and payment term of chayote by the regular buyers, price dictated by the buyer, adhering the buyers demand, and depending much on the information provided by the buyers.
- 4. The different chain actors of chayote in the spot market have differences in terms of communication, where in they can directly dictate price, use other people in sharing information to farmers/buyers, and in sharing information about production, marketing/procurement target to the buyers.
- 5. The different chain actors of chayote in the spot market have similarities in terms of cooperation, where in they work cooperatively in the trading, pricing, and quality determination of chayote, buying good quality chayote as needed by the buyers and building up alliances (buyer-seller relationship).



- 6. The different chain actors of chayote in the spot market have differences in terms of commitment such as keeping the promises made with the buyers, investing large amount in procuring/producing chayote, continuing the trading with the buyer for a longer period of time, and having extra effort to meet the buyers demand.
- 7. The different chain actors of chayote in the spot market have differences in terms of relational satisfaction such as trading with the preferred buyer for lesser risk, trading relationship with the buyer is satisfactory, and fair/equal treatment of the buyer.

#### Recommendations

Based on the conclusions, the following recommendations were made:

- 1. The chain actors should avoid exercising coercive power to avoid conflict in the trading negotiation and to establish mutual trust and dependence to reduce controlling of the other party and to reduce risk.
- 2. The chain actors should have a common channel of communication such as in the dictation of price and using other people in sharing information's, making the other parties cooperate in exchanging information as to production schedules, pricing, and value analysis in reducing cost and improvement of products. All parties must have area communicative communicative to achieve mutual goals.
- 3. The chain actors should be committed in the trading of chayote such as keeping promises, and trading with the buyer for a longer period of time, to warrant maximum efforts at maintaining it, that is, the committed party believes the relationship, endures indefinitely and commitment central to all of the relational exchanges between the firm and its various partners.

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**APPENDICES** 

APPENDIX A

Letter to the Respondents

BenguetStateUniversity
COLLEGE OF AGRICULTURE
La Trinidad, Benguet

November 2010

Sir/ Madam:

The undersigned fourth year student taking up Bachelor of Science in Agribusiness majoring in Enterprise Management at BenguetStateUniversity is conducting a research entitled "RELATIONSHIP OF ACTORS IN THE SPOT MARKET CHAIN FOR CABBAGE".

In connection to this, I'm soliciting for your full cooperation by answering this questionnaire honestly and completely. I assure you that your answers will be kept strictly confidential. Your honest and complete response will make the study successful. Thank you very much and God bless.

Very truly yours,

LAILA L. MANAWAG

Researcher

Noted:



# LEOPOLDO N. TAGARINO Adviser

## APPENDIX B

## Interview Schedule

The research aims to investigate the chayote supply networks. All information solicited will be treated with confidentiality. Please answer the questions honestly by putting X mark in the appropriate space provided for. Thank you very much!

Respondent's Name:	No.
Respondent's Group:	
1. Production Group: [] Farmers	
2. Assembly (Collection) Group :[] Assembler-Wholesaler [] Financier-Assembler-Wholesaler-Retailer	[ ] Financier-Assembler-Wholesaler
3. Distribution Group : [] Trucker-Wholesaler[] Wholes	saler [ ] Wholesaler-Retailer
4. Retailing Group: [] Retailers	
A. RESPONDENT'S PROFILE	
1. Age:	
2. Gender: Male Female	
3. Marital status: [] Single [] Married [] Sep	
4. Religion: [] Catholic [] Protestant [] other	
5. Educational background: [] Elementary [] High School	
6. Number of years engages in vegetable farming business: _	
7. Organizational affiliation: [] Farmers Association [] Coo	peratives [ ] Others, specify
B.What are the vegetablesyoufrequentlyproduce/procure and [] Potato [] Cabbage [] ChineseCabbage [] Carrots [] Tomato [] Celery [] Chayote [] Cucumber	] Broccoli [] Lettuce [] Bell Pepper
C.SUPPLY NETWORK RELATIONSHIP	
Assess the nature of satisfaction with the buyers of your veg	etables.
C.1 Trust:Trust can be understood as a faith, reliance, belief	
Assess the nature of relational trust with the buyers of your v 1 2 3 4 5	vegetables.
1. I have much confidence to rely on the buyer's promisesStr (orders, payments, pricing).	rongly Disagree Collostrongly Agree
2. I am always honest dealing with the buyers of chayote.	Strongly Disagree
3. I should not hesitate to make important decisionsbasedStro	ongly Disagree CCStronglyAgree
on buyer's suggestions.	
4. I always believe on the information shared by the buyer.	Strongly Disagree CCC Strongly Agree
5. The buyer is fair in negotiating with me.	Strongly Disagree CCCStronglyAgree
6. The buyer I trade with has a good reputation.	Strongly Disagree CCC Strongly Agree
7. The buyer and Lalways consider the best interest.	Strongly Disagree Strongly Agree



asymmetrical investment in relationship-assets can lead to to of relational power with the buyers of your vegetables.  1 2 3 4 5	he exercise of coercive power. Assess the nature					
1. I am flexible to choose buyers at any time.	StronglyDisagree CCCStronglyAgree					
2. I always adhere to the buyer's demand.	StronglyDisagree CCC StronglyAgree					
3. I have all the power in the trading negotiation	Strongly Disagree Strongly Agree					
	e. e. e. e.					
4. Buyer has the best offer (price) relative to alternatives	Strongly Disagree Strongly Agree					
5. Buyer often controls the market information.	Strongly Disagree Strongly Agree					
6. Buyer often acts opportunistically.	Strongly Disagree Strongly Agree					
C.3 Dependence:Dependence is increased when the ocomparatively better than the outcomes available from relational dependence with the buyers of your vegetables.	alternative relationship. Assess the nature of					
	1 2 3 4 5					
1. I (seller) depend on the quality classification, quantity, And payment term of chayote by the buyer.	StronglyDisagree					
2. I depend much from the regular buyers of the chayote I so						
3. I depend on the price dictated by the buyer. StronglyDisa						
4. I always adhere to the seller's demand. Strongly Disag						
5. I depend much from the market information providedStro	ongly Disagree Calland Strongly Agree					
by the buyers.						
C.4 Communication: Communication is "the formal as we information between firms". Assess the nature of communication						
1. I can directly dictate price	Strongly Disagree					
2. I usually share information and marketing (volume,	Strongly Disagree Constrongly Agree					
quality, price) information to buyers.	Strongly Disagreen and Strongly Agree					
3. As buyer, I use other people in sharing other information to Stramers/sellers.	ongly Disagree Collection Strongly Agree					
4.I always share information about production, procurement/market targets to the buyer	etingStrongly Disagree Strongly Agree					
5.I share the production or marketing decisions I made with the bu	yer.Strongly Disagree CCC Strongly Agree					
C.5 Cooperation: Cooperation refers to situations in whic Assess the level of cooperation between you and the buyer of 2 3 4 5						
1.I work cooperatively with the buyer to improve our Chayote trading operation.	Strongly Disagree Strongly Agree					
2.I usually buy good quality vegetables from suppliers and sa needed by the buyers.	Strongly Disagree CCC Strongly Agree					
3.I build up buyer-seller relationships (alliances/partnership	)Strongly Disagree Strongly Agree					
with my colleagues.	1 D' 1 A					
4.I cooperate with other actors in pricing and quality Strong determination of vegetables.	ly Disagree					
C.6 Commitment: commitment as "an exchange partner another is so important as to warrant maximum efforts at between you and the buyer of your vegetables  1. I keep the promises I makewith the buyer.  Strong						
2. I make extra effort to meet the buyer,sdemandrequirement						
3.I invest large amount to produce/procure the vegetables. S						

C.2 Power: Power is defined as the ability to influence a relationship partner and dependence or



4. I always continue trading with the buyer for a longer period of time.

Strongly Disagree

Strongly Agree

C.7Relationship satisfaction: Satisfaction is derived from the result of a satisfaction means the extent to which the relational dimensions of the partnership meet expectation.

12345

12345	
1. Trading with the preferred buyer is less risky.	StronglyDisagree CCCStronglyAgree
2. My trading relationship with the buyer is satisfactory.	StronglyDisagree StronglyAgree
3. I am satisfied to trading with the buyer for a longer time.	
Strongly Disagree Strongly Agree	
4. The buyer meets my expectations in trading with them.	Strongly Disagree CCC Strongly Agree
5. The buyer treats me fairly and equitably.	Strongly Disagree Constrongly Agree
6. I am adequately rewarded trading with the buyer. Strongly	Disagree□□□□□StronglyAgree
7. I always have conflict/misunderstanding with the buyer.	Strongly Disagree CCC Strongly Agree
8. The relational trust established with the buyers is very Strong	gly Disagree DDDDStronglyAgree
Satisfying	
9.I am happy on the business alliances with the buyers.	Strongly Disagree
10. Trading with the buyers is self fulfilling Strongly Disagree	□□□StronglvAgree















