

Commitment and Confidence as Mediating Variables of the Relationship in a Collaborative Network

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Abstract: *Constructs of compromise and confidence are fully established as important variables for the extension of the relational value perception among trading partners. However, if you notice a significant lack of research conducted within the framework of the relationships between the participants of collaborative networks. In order to fill this gap, this study presents a qualitative research developed in a collaborative network of Apple production chain in the municipality of Vacaria, RS-Brazil, which aims to highlight the presence of the constructs of commitment and confidence as mediating variables of the process to establish, develop, maintain and deepen relationships between participants. To achieve the proposed objectives, individual in-depth interviews were held with Apple producers and managers of AGAPOMI – Associação Gaúcha Apple producers – which are here described, analyzed and interpreted. The result of the analyses carried out proves the proposition initially formulated that the constructs of compromise and confidence strongly act as mediating variables in the construction and maintenance of existing relationships between the actors, network members constituted, when verified its presence, in elements facilitators in conflict resolution and cooperative and collaborative ties strengtheners. In this study we could demonstrate the importance of Relationship Marketing in a collaborative network, as well as presence and the constructs of commitment and trust as mediating relationships between partners. The survey showed that there is a harmony of interest between the elements valued in the relationship, and these loyalty and credibility of information and representation of the sector as factors that retain associates. The trust in the relationship, according to the producers, is fostered by the producer support each year and the exchange of experience gained. Already commitment stems from the advocacy category, received the technical information and support to the productive process. For the directors, trust and commitment arise agility of information and services and representation in problem solving, respectively. It is clear, however, is a lack towards greater dynamism of the current management and greater range of political and administrative entity with the State and National Governments.*

Key words: *Relationship Marketing; Commitment; Confidence; Relational value.*

INTRODUCTION

With the intensification of competitiveness and increased levels of consumer demand, there is a growing interest about the value of cooperative and collaborative relationships between exchange partners, both buyers and sellers as between them and other actors, such as suppliers, distributors and service providers services as a way to enhance the creation and delivery of value to customers (PARVATIYAR; Sheth, 2000) and gain sustainable competitive advantages.

One of the most prominent schools of thought about the relationship marketing, and Nordic School, says that marketing, a relational perspective, can be defined as the process to identify, establish, maintain, and strengthen, if necessary, terminate relationships with customers and other stakeholders, in a profitable manner, so that the objectives of all stakeholders are considered, and this is accomplished through a process of mutual giving and fulfillment of promises (Grönroos, 1997)

To Gummensson (1995) relationship marketing is marketing seen as interactions, relationships and networks. Thus understood, the relationship marketing changes the paradigm established by traditional marketing, and realizes that competition as the main driving force of the market, electing its focus on collaboration and proposing that the exchange partners to build relationships and networks as a way to achieve results sets (GUMMENSSON, 1995).

According to Pereira (2004) proposed by the new paradigm of relationship marketing reinforces the concept of networks of organizations, which would favor the prospect of overcoming the economic objectives of the transaction discreet and reducing costs, adding to the equation the social benefits, the motivations and the behavior of actors in the network.

According to Castells (1999) networks are "the new social morphology of our societies, and the diffusion of networking logic modifies, substantially, the operation and the results of production processes and experience, power and culture." For the author, a collaborative network is defined as a process of joint energy

and expertise that enables the creation of a system of relationships that organizes the actors involved in the network of equitably around a common goal or agenda.

Morgan and Hunt (1994) as mediating variables elect these key relationships between the actors of a process of exchanging the constructs of commitment and trust, asserting that these constructs must be present for an effective and meaningful cooperation to establish mutual goals are achieved

This paper seeks to assess the relationships between the actors of a collaborative network, assessing the presence and relevance of the constructs of commitment and trust as mediators of these relationships, and the role played by these constructs for the consolidation of cooperation and collaboration among participants. Data were obtained from participants in the production chain apple in the municipality of Vacaria, Rio Grande do Sul, Brazil.

This paper is organized as follows: section 2 describes itself on relationship marketing, section 3 presents the methodology, section 4 reports the analysis of data and discussion of results and are presented in section 5 the general considerations.

Relationship Marketing:

Relationship marketing aims at their core the establishment, development and maintenance of relational exchanges within a conception of collaboration and cooperation between the parties. As Sheth and Parvatiyar (2000) relationship marketing activities are aimed at long-term goals and may involve individual customers, distributors, retailers and organizational buyers.

Gummesson (2002) adds to this model the concept of relationship marketing, which emphasizes the triad relationships, networking and interaction. These variables are emerging on a recurring basis in modern marketing theories, defying the economic paradigm of marketing, founded in the competition and in transactional exchanges.

According to Grönroos (2000) that the interaction and networking approaches to the management of relationships originate in Sweden, by means of studies developed by IMP Group, marketing School of thought that puts emphasis on the importance of relationships in business networks.

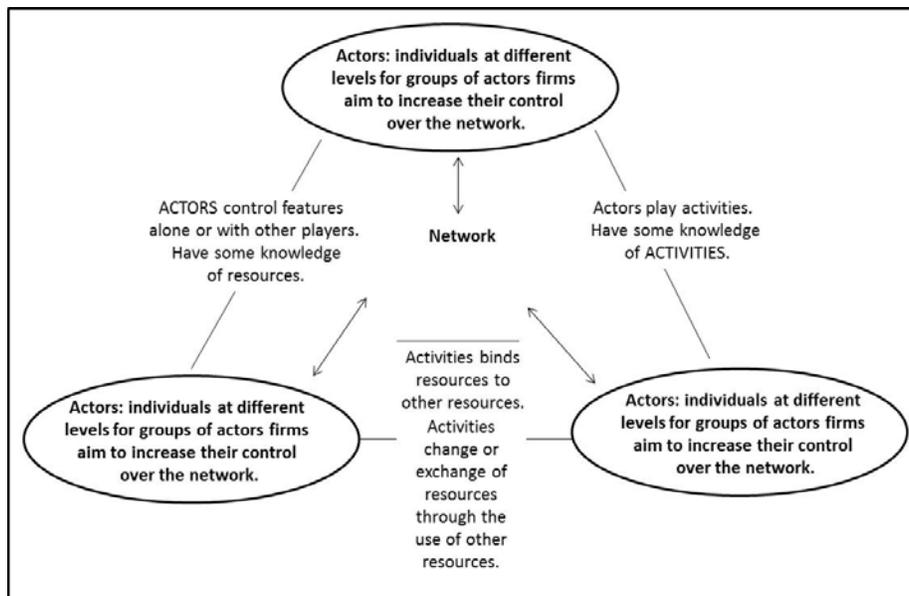


Fig. 1: Network Model: actors, activities and resources
Source: Project ION (2002)

Pereira (2004) notes that, within the scope of relationship marketing, the Swedish school network proposes a model whereby the primordial elements are actors, activities and resources. According to this model, all these elements are equally important and interdependent, and that the actors can be defined for the activities they perform and controlling resources, and are interconnected to other actors for resources and activities, as shown schematically in Figure 1.

Morgan and Hunt (1994) developed a model according to which the constructs of commitment and trust are key mediating variables in a relationship between exchange partners. However, this model was tested in the dyad dyadic interactions, different context of relational exchanges that occur within a collaborative network, where the interrelations between the different actors at different levels, contribute to value creation.

2.1 Confidence:

The mutual sharing of moral values and rules of collaboration and cooperation characterize confidence, as Gosling, and Diniz Gonçalves (2006). Among the definitions of trust are elements such as predictability, vulnerability of the other party, integrity, kindness and honesty. Trust, according to Santos and Fernandes (2006), can be defined as the security involved in the exchange process. Confidence is not conceivable that a party takes advantage of the limitations of the other. It is believed, in the trust, that the provider of the service or product is responsible, fulfilling what was previously established in the relationship.

Confidence becomes a fundamental relational process, whether interorganizational (business to business) or organization and client (business to consumer). Trust is the mutual security, as Milan (2004), none of the parties engaged in a process of exchange will exploit the other's weaknesses and vulnerabilities. Trust and relational value, from the perspective of the customer, have been considered as variables of inducing loyalty. However, one should not forget that, as regards the commitment, trust and shared values and norms of cooperation in the context of relationships, always prevails bilaterality. That is, commitment, confidence or relationship, are born, grow and mature if both parties - suppliers and customers - to fulfill their role and consider both the important relationship maintenance.

For Morgan and Hunt (1994) confidence arises or is fed when you have a good level of communication between partners when those partners and avoid opportunistic behavior that could harm either party. The commitment exists when customers perceive that the costs of ending a relationship are high or when the benefits received from a relationship are equally high. So much confidence as the need commitment and experience of living for its proof

2.2 Commitment:

Frederick and Robic (2005), citing Morgan and Hunt, characterize commitment as an implicit and explicit promise made between the parties concerned. The commitment represents a belief in the decision to maximize efforts towards the strengthening of the relationship with the sustainability of the process. Description of two types of commitment, the effective and calculated.

The first represents the satisfaction in one of the parties to develop the partnership.

The second is defined by relationship, where both parties recognize the need for continuity in order that a disruption of this partnership would result in costs. This approach involves the rationality. The effective commitment, according to Frederick and Robic (2005) has more significance to the continued relationship than the calculated.

In the theory of marketing, as well as in the broader context of the social sciences that deal with relationships, recognize that the compromise is a central element in the maintenance of long-term relationships (RUYTER and WETZELS, 1999). However, some suggest that loyalty and commitment are not related, or that are synonymous and that represent each other. Moorman et al (1992, p. 316) define the commitment as an intense desire to maintain a good relationship. Certain studies suggest that in some relationships commitment is best described as a key mediator variable (MORGAN; HUNT, 1994). Pritchard et al (1999) argue that the resistance to change, as primary evidence of commitment, will act as a mediator between the concepts background the process of commitment and loyalty.

For Backer et al (1995 p. 51) the undertaking comprises three facets: "a desire to develop a stable relationship, a desire to make small sacrifices to maintain the relationship, and the trust in the stability of the relationship". The trust, in turn, is considered a key variable of relationship marketing for several authors, such as Backer et al (1999), DuPONT (1998), Craft (1999), Rich (2000), Morgan and Hunt (1994), Ruytler and Wetzels (1999) and Mückenberger (2001). The trust directs a strong desire to maintain the relationship between the parties (RUYTER; WETZELS, 1999).

The compromise, according to Souza (2005), exists from the moment the relationship is considered important for both sides and we must both Act for the continuance of this relationship. The commitment, in addition to occupy a relevant role in the relationship between individual or organizational clients, represents the will of both parties to maintain a valuable relationship

Methodology:

Taking this study as an exploratory character of a phenomenon that is not sufficiently known, in case the commitment and confidence as mediating variables-keys of the relationships in a collaborative network in Apple production chain in the municipality of Vacaria, RS, the research characterized as exploratory. Second Tripodi et al (1975), the exploratory study aims to "provide a reference framework that can facilitate the process of

deduction of relevant issues in the investigation of a phenomenon". From this exploration, it is possible for the researcher to formulate concepts and hypotheses to be explored in subsequent studies (TRIPODI et al., 1975).

This research used the case study, justifiable by the procedure exploratory research (TRIPODI et al, 1975). According to Yin (2005), the option of case study as a research strategy is justified when the study focuses the scope of decisions, i.e. try to clarify why the decisions were taken, as were implemented and what results have been found.

The survey was conducted in two phases: in the first moment was conducted an interview with the directors of the Gaucho Association of Apple Producers (AGAPOMI). The second time the survey was conducted with two producers, one large and one small, chosen for ease of access and availability to participate in the survey. The data was obtained through in-depth interview, which were analyzed by content analysis (BARDIN, 2004). The qualitative research presented average duration time of two hours for each session. It is worth noting that, at the beginning of the first session, was held brief explanation of the objectives of the study and how this would be developed, ensuring that each participant total confidentiality and anonymity in relation to their placements.

Data Analysis And Discussion Of The Results:

4.1 Analysis of data provided by the directors of the AGAPOMI:

The Gaucho Association of Apple Producers – AGAPOMI – appeared in November 29, 1977 and, as the officers respondents, aims to "represent the producers vis-à-vis public and private bodies, searching all possible benefits to producers". The AGAPOMi aims, in its essence, "being an entity class that represent Apple producers".

One of the great challenges of AGAPOMI, according to content analysis of information obtained from one of the officers "is to solve efficiently the major problems related to the fruit industry" as well as "strengthen the Association to increase the number of members". There is a concern even in cause information to flow freely between all the Apple Growers Association.

To the directors of the Association, the main factor generating confidence in the relationships between the AGAPOMI and the producers are "transparency of industry related information transmitted to producers, such as production, storage, planting and minimum prices". Notice, by the directors, which increasingly information is a key element in the relationship. Was quoted that "information and services quickly and securely on the reality of the sector" are also relevant to the generation of confidence with producers.

Asked about the elements that consolidate the commitment between the AGAPOMI and his associates, highlighted that "the participation decisively in solving problems that arise in the course of the cycles" are relevant to the consolidation. They further argued that "represent its members in all possible instances, preserving their interests" is also a factor that can generate commitment to members

To one of the respondents, the producers remain as members of the Association as a result of "the Association today represent the class of producers in terms of any questioning". It should be noted also that "a producer who operates individually hardly will be able to successfully develop your goals". To another Executive to "AGAPOMI is an entity class that represents the industry, with companies individually and the producers would not have such a representative force". One can see that the need for industry difficulties facing the Union generates commitment between the parties involved

The content analysis of research applied to the directors of the Association refers to some notes. First that precise information and services, fast and secure, with fidelity on the information about the industry, such as production, storage and planting promote trust in this relationship. Notice also that the compromise between the entity and the producers are encouraged by the resolution of problems in the different cycles and by the power of representation of the Association in all circumstances. It is inferred that the members remain active in the entity, according to the vision of Directors, due to the collective force potentiation, causing them to reach their goals as producers.

4.2 Analysis of data obtained through the associated producers of AGAPOMI:

Based on the data obtained it is clear that the "representation of the sector through an association," is one of the elements that make producers remain under AGAPOMI associates.

An important element in the relationship with the producers of the representative entity is the "credibility of the information" as pointing to the small producer. This element was also appointed by the management as important in the perceived value associated with it.

As analysis, "the union of members and the representation of AGAPOMI together the interests of producers," that makes the big producer to remain in that relationship. Asked what the producer value most in a relationship with AGAPOMI was obtained, by the great producer that "the relationship is more valuable exchanges of experiences promoted by the entity." Identifies, therefore, in the interest of the producer to be technically knowledgeable, and knowledge of best practices related to the process involving the production of apple through interactivity.

It can be seen as well in the interest of the associated learning management due to interactivity, exchange of experiences and dissemination of success stories through the relationship. For Senge (1990) true sustainability depends on the management of organizational learning. For Nonaka (1991), the process of learning arises from the spiral of knowledge through externalization of tactical knowledge.

Among the elements that generate trust in the relationship between members and AGAPOMI was quoted by the small producer "dynamics to position the producer and the crop every year." This comes back to what the directors mentioned about trust.

We noticed a balance of both producers and executives about the elements that generate trust in the relationship and that the information occupies an important space in the process. For the major producer of the elements that builds trust in the relationship concerns "regarding the information provided statistical data." Through this information, many producers get a perspective of productivity, cost, revenue and specific care about the production process.

Asked about the factors that lead to commitment in this relationship were listed according to the small farmer, that the "defense of the interests and search for alternatives" contributes to the promotion of relationship commitment. Again we notice the complementarity of interests between producers and directors of the association. For large producer accuracy and credibility of information lead to optimization of commitment among stakeholders, "the exchange of information, as productivity, prices, market, also items related to pest control, use of agricultural inputs controlled orientation the crew to small producers in the use of field notebook (grace period between harvest and baths, controlled products) because our company buys products (apples) these small producers being responsible in the distribution chain, beyond the statistics".

4.3 The Relationship Of Results With The Literature:

Based on the results obtained in the qualitative research has structured itself, as shown in figure 02, the actual elements of relationship marketing: commitment, trust and actors from the theoretical framework used in the research.

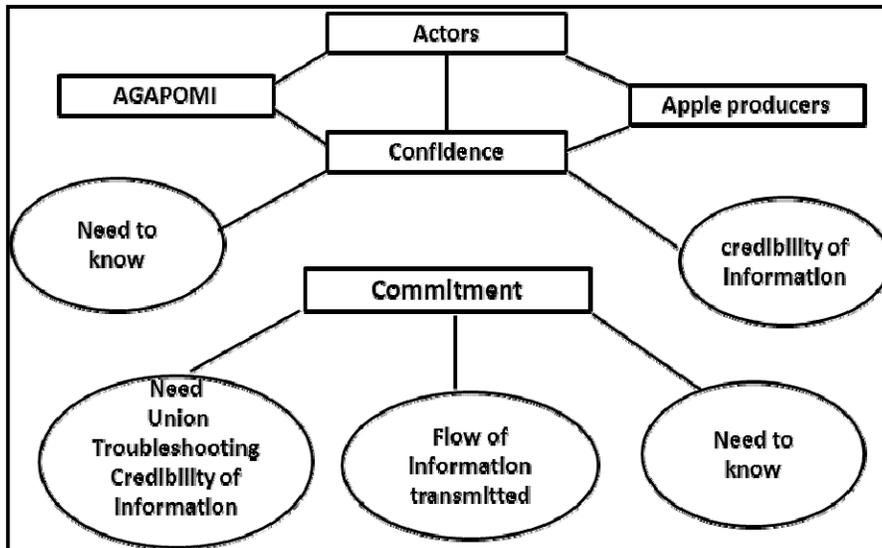


Fig. 2: Qualitative research results

The research pointed out the elements that generate relationships among the actors in the chain. In construct workflow elements were identified trust and credibility of the information. Already in construct compromise were identified: the need for knowledge and problem-solving. These were the elements derived from the research. However, the strategic relationship marketing, as the Swedish school requires the identification of the resources and activities of the actors (PARKER, 2004).

When it comes to relationship marketing with a view to the development of this strategic conduct, two points are crucial: information and problem solving. From these elements structured theoretical framework for maximizing the relationship marketing as a strategic element in the chain of production of apples business. The frame is grounded theorists Ritto (2005) Hitt, Ireland and Hoskisson (2002) and Ansoff (1990).

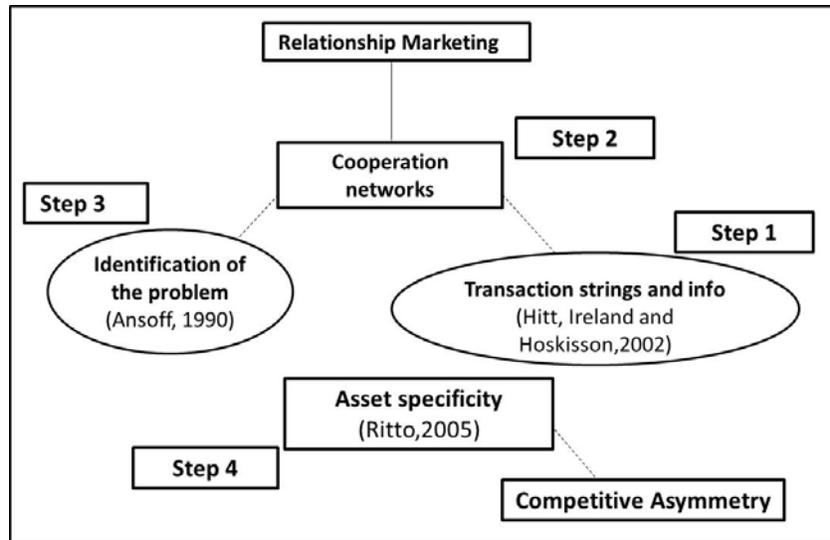


Fig. 3: Theoretical-practical Inference
 Source: Authors (2011)

Relationship Marketing in terms of Apple production chain, aims at promoting cooperation networks. The info is relevant in identifying the companies that actually has an interest in developing collaborative actions. The information, therefore, is the initial element (step 01) to exclude those organizations that do not have an interest in developing the strategic relationship.

Having mapped organizations included in the collaboration and cooperation takes place step 02. Builds up, then, the guidelines of the strategic network. Step 03, in turn, is the moment of the dialectic which identify the problem of networked organizations. It is known that the strategy is the identification of the problem, listing its constraints, its parameters and dependent and independent variables (ANSOFF, 1990).

It is important to mention that the 01, 02 and 03 steps, are multidirectional character typical of a systemic process. So the recovery step 01 where organizations have identified the problem and begin to develop the proposed prototype of the framework, thereby changing their transaction chains both strategic operating.

The information has unbalanced the processes in a constant reworking from the guidelines of the network. The purpose of the proposed prototype is the development of especificiade of assets that resembles the conduct of differentiation (rite, 2005). The result of the improvement of transaction chains from the flow of information and identification of the problem is the typical competitive asymmetry of entrepreneurial and innovative company.

Final Considerations:

The analysis of the survey data provided a survey of the elements that lead to trust and commitment in the relationship between producers and apple AGAPOMI. It was also possible to identify what the producers more value on relationships and what makes them stay within the associated entity. The provision of accurate and representative assist producers on trust and commitment, while treating everyone effectively was appointed by the directors as the most valued factor in the relationship.

The producers, in turn, value the relationship the credibility of information and exchange of experiences. However, staying in the relationship stems from the need to have an entity that is representative of the sector. Reliability is derived by means of accurate statistical data on production. For them the commitment stems from defense activities and the interests of operational information. However, there is a need for further activities related to the representation of producers along the spheres of state and national power

It is suggested to AGAPOMI a deepening interaction between the activities of producers in order to promote exchange of experiences, to identify innovative actions in process and disseminate new knowledge about the industry. It also requires an entity to develop actions that make it more representative of the industry and to provide incentives that make the member has extrapolated their expectations in terms of representative entity. This could be done with information not only operational but also strategic, as, for example, policies to support property management.

In this study we could demonstrate the importance of Relationship Marketing in a collaborative network, as well as presence and the constructs of commitment and trust as mediating relationships between partners. The

survey showed that there is a harmony of interest between the elements valued in the relationship, and these loyalty and credibility of information and representation of the sector as factors that retain associates

The trust in the relationship, according to the producers, is fostered by the producer support each year and the exchange of experience gained. Already commitment stems from the advocacy category, received the technical information and support to the productive process.

For the directors, trust and commitment arise agility of information and services and representation in problem solving, respectively. It is clear, however, is a lack towards greater dynamism of the current management and greater range of political and administrative entity with the State and National Governments.

One limitation of the study was the difficulty in obtaining a larger sample. It is suggested that future studies are developed with the focus on quantification of the attributes listed in this survey to a random sample so that we can generalize to the entire population.

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