

# **EXPERTISE, TRUST, COMMITMENT AND BEHAVIOR INTENTIONS IN RELATIONSHIP MARKETING: CASE STUDY NORTH BANDUNG DAIRY COOPERATIVE**

**HARSINI SOETOMO**  
**Universitas Trisakti**

**Most of farmers in Indonesia are small scale, so the role of an agribusiness co-operative is very important in helping them to develop their business. The dairy co-operative is one of such type of agribusiness co-operative. The working partnership between co-operative and its members can be categorized as relational, a working partnership in channel of distribution. This study exhibited co-operative's expertise in managing the working partnership impacts on trust, which, in turns affects commitment relationship and loyalty of the members.**

## **INTRODUCTION**

### **Background of the Study**

Indonesia government gives much attention to co-operative and hopes they will have a significant role in developing small-scale business. The dairy co-operative is one out of many types of co-operative in Indonesia. The member of dairy co-operative are farmers. The dairy farmers usually live far away from the consumers and they do not have any facilities to keep the milk fresh. The farmers felt the need for establishing dairy co-operative in order to market the milk quickly. The members sell fresh milk to the co-operative, then the cooperative pasteurized it and markets to the milk processing industries, such as PT Friesche Vlag Indonesia, and PT Indomilk,

The working partnership between co-operative and its members can be categorized as relational, a working partnership in the channel of distribution. A working partnership between producer (the farmers) – intermediary (dairy co-operative), business-to-business relationship. The co-operative feels that the success of its marketing depend on the strength of co-operative distribution. In turn, it depends on the behavior of the suppliers that is the farmers. Thus it is in the co-operative best interest to maintain long-term, continuous relationship with the farmers/its members.

A working partnership will succeed only to the extent that it leads to benefits for the farmers and the co-operative. Working partnerships requires cooperative behavior, and it needs commitment and trust within the parties. Commitment is affected by the level of trust, where the higher the trust within the parties, the higher the commitment (Morgan and Hunts, 1994).

Doney and Canon (1997) found that several variables influence the development of supplier firm and sales person trust. One of the finding is that there is relationship between buying firm trust and the buyer's perception that the sales person has expertise. Applied in working partnership between co-operative and its members (the farmers), it implied that the expertise of co-operative has in managing working partnership will impact on the farmers trust. So it provides an ideal setting to empirically investigate the effect of co-operative's expertise on trust, commitment and behavioral intentions in relationship marketing context.

Thus, a number of interesting research questions are raised:

1. Is there a positive relationship between the dairy co-operative's expertise and the farmers' trust and commitment?
2. Does the farmers' trust in the co-operative lead to a greater relational commitment?
3. Does the farmer's commitment lead to the positive behavior intentions?

### **Scope of the Study**

There are many types of co-operative in Indonesia, but the current study concentrates on dairy co-operative that survive for more than 20 years. Although there are seven dairy co-operatives in Java, this research focuses only in one co-operative, a North Bandung dairy co-operative located in Lembang, West java. The members of this co-operative numbers: are 3,172 small scale farmers. Projected sample size of 200 farmers was used in this study.

### **Purposes of the Study**

The purposes of the study are :

1. To examined the relationship between co-operative's expertise and trust and commitment of the farmers as co-operative's members
2. To examined the relationship between trust of the co-operative's members and commitment and behavior intention.
3. To examined the relationship between commitment of the farmers and behavior intentions.

uncertainty of operations, (2) reduction of transactional cost, and (3) the synergy of combining complementary operation. The study of long-term manufacturer-supplier relationship by Kalwani and Narayandas (1995) found that in relationship marketing supplier firms are able to achieve cost reductions in their selling such as general and administrative expenses. It due to such factors as lowers customer turnover and high customer satisfaction, leading to lower service costs, and higher effectiveness of selling expenditure.

Effective relationship marketing leads to positive outcomes such as: (1) a higher percentage of satisfied customers, (2) greater customer loyalty, (3) a perception on the part of a firm's customers that it is offering better quality product, and (4) increased profits on the part of seller. (Evans and Laskin 1994). J. Brock Smith (1998) stated that those positive outcomes as relationship quality. He argue that relationship quality is:

"... a higher -order construct comprised of a variety of positive relationship outcomes that reflect the overall strength of relationship and the extent to which it meets the needs and expectation of the parties."

It consist trust and satisfaction (Crosby, Evans and Cowles 1990), customer satisfaction, relationship strength, relationship longevity, relationship profitability (Storbacka et.al 1994), trust (honesty and benevolence), commitment, conflict (affective and manifest), expectation of continuity, and willingness to invest (Kumar, Scheer, Steenkamp 1995).

Morgan and Hunt (1994) categorized relationship with reference to focal firm and its relational exchanges in four categories: (1) supplier partnerships such as partnerships between focal firm and goods suppliers, between focal firm and services suppliers, (2) lateral relationship, or partnership between focal firm and institution with the same level such as, strategic alliances with its competitors, alliances with nonprofit organizations and partnerships for joint research and development with government, (3) buyer partnerships such as long-term exchanges between focal firms and its ultimate customer, relational exchanges of working partnership, as in channel of distribution or intermediate customers, and (4) internal partnerships within the focal firm, such as between focal firm and functional departments, employee, and business units.

Relationship success needs cooperation (Anderson and Narus, 1990) between the parties, and it may be reflected through various activities such as joint planning and collaboration. According to Morgan and Hunt (1994) commitment and trust are a must if cooperation occur for every relationship success. These two variables are found as a key mediating variables, as they stated: "The KMV model explains this surprising finding by showing that the antecedents do affect these outcomes significantly, but only through the key mediating variables of relationship commitment and trust" (p.31). When both variables are present, they produce outcomes that promote efficiency, productivity, and effectiveness.

## Trust

Moorman, Deshpande, and Zaltman (1993) define trust as: "willingness to rely on an exchange partner in whom one has confidence." (p.82). This definition stresses that willingness is a critical point of trust. One could not say as a partner as "trustworthy" if one were not willing to take actions that otherwise would entail risk. So willingness to rely is better viewed as an outcome of trust not as a part of how one defines it.

Moorman, Deshpande and Zaltman's (1993) definition also highlight the importance of confidence. Confidence as a center of trust can be found on definitions of other researchers such as Garbarino and Johnson (1999) who stated that trust as customer confidence in the quality and reliability of the services offered by the organization. Morgan and Hunt (1994) conceptualize trust as existing when one party has confidence in an exchange partner's reliability and integrity. Confidence results from the firm belief that the trustworthy party is reliable and has high integrity, which are associated with consistent, competent, honest, fair, responsible, helpful and benevolent.

According to Kumar, Scheer and Steenkamp (1995), trust in the partner's honesty refers to the firm's belief that the partner will keep its promises, whereas trust in the partner's benevolence refers to the believe that the partner is interested in the firm's welfare. Similar with Kumar et.al, Ganesan (1994), Doney and Canon (1997) stressed that trust has two dimensions: (1) credibility, is an expectancy that the partner's word or written statement can be relied on, and (2) benevolence, is the extent to which one partner is genuinely interested in the other partner's welfare and motivated to seek joint gain.

Smith and Barclay (1997) argued it was important to separate the two conceptualizations of trust that is: (1) trusting behavior and (2) perceived trustworthiness. Trusting behavior is an action that reflects a willingness to accept vulnerability in the face of uncertainty (Moorman, Zaltman and Deshpande 1993). Smith and Barclay (1997) noted five actions as indicative of trust: (1) relationship investment, (2) influence acceptance, (3) communication openness, (4) control reduction, and (5) forbearance from opportunism.

Perceived trustworthiness is the extent to which partners jointly expect fiduciary responsibility in the performance of their individual roles and believe that each will act in the best interest of partnership (Anderson and Narus 1990). Smith and Barclay (1997) conceptualize perceived trustworthiness as having four dimensions: (1) character, refers to personal attributes of integrity, responsibility, dependability, consistency and discreteness, (2) role competence refers to the skills, abilities, and knowledge necessary for effective task performance, (3) judgement refers to the belief that each partner can decide and act in an appropriate manner for furthering the joint interest of the partnership, and (4) motives or intentions refers to the purpose or agenda behind the others actions being benevolent. Furthermore Smith and Barclay argued that trustworthiness as antecedent to trusting behavior (p. 6).

If trusting behavior are lacking on the part of one partner, the other will quickly learn that his or her behaviors are not being rewarded, which results in their termination and a subsequent downward spiral mistrust, poor performance, and dissatisfaction (Gundlach, Achrol, and Mentzer 1995). The greater the level of trusting behavior, the greater will be the level of mutual satisfaction perceived. (Smith and Barclay 1997).

Many scholars studied factors that affect trust, such as Morgan and Hunt (1994), Moorman, Deshpande and Zaltman (1993) and Doney and Canon (1997). Morgan and Hunt (1994) identified variables as precursors of trust: (1)-shared values refer to beliefs what behaviors, goals, and policies are important or unimportant, appropriate or inappropriate, and right or wrong. . When exchange partners share values they indeed will be more committed to their relationships 2) communication refers to high quality communication that is timely, reliable and relevant, will result greater trust. (3) Opportunistic behavior, according to Williamson, is self -interest seeking with guile, which will impact the belief of the partners that they can no longer trust their partners. (p.25).

Moorman, Deshpande and Zaltman (1993) described a comprehensive theory of trust in market research relationship. Their study tried to identify factors affecting trust. One of their findings was that user trust in researchers is higher when researcher expertise. The result of the analysis identified that: "...perceived research abilities and motivation significantly predict trust: the researcher's perceive expertise..." (p.92). Doney and Canon (1997) also found that expertise affects trust, "...As predicted, salesperson expertise ( $b = .17; p < .01$ ) has a positive effect on the buying firm's trust of the salesperson." (p.44). Both findings implied that expert power affects trust.

Trust generally is viewed as an essential ingredient for successful relationship (Andaleeb 1996, Ganesan 1994, Berry and Parasuraman 1991, Morgan and Hunt 1994). According to Andaleeb (1996) for firms desiring to build long-term relationships characterized by commitment and satisfaction, it is important to earn the trust of partner firms. With trust outcome expectations can be reliably predicted that makes the party feel secure in the relationship.

Ganesan (1994) studied Buyer-Seller relationship, and stated that trust affects long-term orientation in three ways:

"(1) it reduces the perception of risk associated with opportunistic behaviors by the vendors, (2) it increases the confidence of the retailer that short-term inequities will be resolved over a long-period, and (3) it reduces the transaction costs in an exchange relationship." (p.3)

Berry and Parasuraman (1991 p.144) found that in service marketing "customer-company relationships require trust". Further more Berry stressed that in retailing "trust is the basis for loyalty". (1991 p.1). Commitment involves potential vulnerability and sacrifice; it follows that people are unlikely to be committed unless trust has already established. It means trust in relation-



ships will cause the parties desire to commit themselves to the relationships as Morgan and Hunt (1994) noted that trust is a major determinant of relationship commitment.

### **Commitment**

Although many differences exist in the conceptualization of commitment, the literature appears to be evolving toward a three-component model. Gundlach Achrol and Mentzer(1995) stated that commitment has three components: (1) input or instrumental component, as a calculative act; it creates a self-interest stake in relationship. Inputs to commitment involve pledges, credible commitments, idiosyncratic investments, and dedicated allocation of resources (Anderson and Weitz 1992). (2) attitudinal component as affective commitment, identification, affiliation, and value congruence (Allen and Meyer 1990). (3) temporal dimension, commitment means something only over long-term so the inputs and attitudes brought to the relationship must be consistent over time.

According to Randall, Fendor and Longenecker (1990), commitment has three dimensions: (1) affective, (2) normative and (3) continuation. The affective dimension refers to the desire to remain in the organization. The normative dimension considers why individuals should feel committed, and the continuation dimension is a conceptualization that considers the rewards and cost of commitment. While O'Reilly and Chatman (1986) focus on two underlying dimension psychological attachments: (1) identification and (2) internalization. Identification is the degree to which an individual takes pride in an organization and its values. Internalization is the degree to which individuals adopt an organization's values as their own.

Commitment will influence the way that individuals feel about the organization and it will have an impact on how they behave towards the organization. Many studies examined a variety of constructs affected by commitment, such as turnover, and absenteeism (Mathieu and Zajac 1990, Randall, Fedor and Longenecker 1990)

Applied on marketing, Pritchard, Havitz and Howard (1999) examined the relationship between consumers' commitments to particular brand and loyalty in service context. The study argues that the more strongly consumer identified with the values and images embodied by a particular brand, the greater their sense of resistance to change that preference becomes. Furthermore, they identified information, identification, and volition as antecedent processes of commitment that facilitates resistance to change. The researchers noted that those marketers might strengthen customer loyalty by maximizing any or all of these antecedents.

Commitment has also been considered to be important to a business relationship. Commitment is recognized as an essential ingredient for successful long-term relationships. Garbarino & Johnson (1999) examined the relationships of satisfaction, trust and commitment to component satisfaction

attitudes and future intentions for the customers of an off-Broadway repertory theater. They grouped customers into two classes: low relational customers (individual ticket buyer and occasional subscriber) and high relational customers (consistent subscriber). The study found that for high relational customers, trust and commitment serve as mediators between component attitudes and future intentions.

Similar to Garbarino, Morgan and Hunt (1994) argued that commitment is central to all the relational exchanges between firm and its various partners. Parties identify commitment among exchange partners as a key to achieve valuable outcomes for themselves, and they endeavor to develop and maintain this valuable attribute in their relationships.

Commitment entails vulnerability so parties will seek only trustworthy partners. So trust is a major determinant of relationship commitment, as Moorman, Zaltman, and Deshpande (1993) found that trust by marketing research users in their research providers significantly affected user commitment to the research relationship. Morgan and Hunt (1994) stressed "If cooperative relationships are required for relationship marketing success, our results suggest that commitment and trust are, indeed, key" (p.33).

### Hypothesis

This study tests four hypotheses:

- H<sub>a1</sub> : There is positive relationship between co-operative's expertise and the farmer's trust
- H<sub>a2</sub> : There is positive relationship between trust of the farmers and their commitment to the co-operative
- H<sub>a3</sub> : There is positive relationship between co-operative 's expertise and commitment of the farmers.
- H<sub>a4</sub> : There is positive relationship between commitment of the farmers and their behavior intentions

## RESEARCH METHODOLOGY

### Research Design

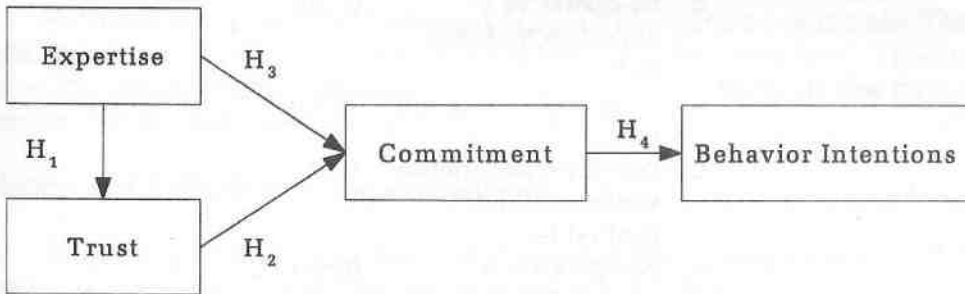
The model of the study is presented in figure 1. The figure shows that co-operative's expertise associated with trust of the farmers, which in turn relates to commitment and behavior intentions of the farmers.

### Data Collection

The unit analysis of the current study is the farmers/members of dairy co-operative. The perception of the farmers should yield adequate measure of the study construct. Data were collected through questionnaires administered to the

farmers. Questionnaires were distributed directly to the members of North Bandung dairy Co-operative by the student of Polytechnic- Institute of Technology Bandung. The students waited while the farmers were completing the questionnaire.

**FIGURE 1**  
**Model of Expertise-Trust-Commitment and Behavior Intentions**  
**in Relationship Marketing**



The study drew 200 samples. The members of the dairy co-operative totaled 3,172 farmers. A list of the members was provided by the co-operative. The list provided the name, address, and the year as a member of the co-operative. Random sampling was used to draw the sample. The study used lottery for getting the farmer to be a sample. The list had not been regularly updated. Members who had not participated in co-operative activity for many years still appeared. So the study eliminated them first. If the farmer selected was too old to be a respondent, so he/she was replaced by his/her daughter or son who was a member of the co-operation.

### Instrumentation

For measuring the constructs, this study used the scales adapted from the previous research i.e.: Kroeten's instrument (1992) for measuring expertise and commitment; Doney and Canon's instrument (1997) for measuring trust; and Morgan and Hunt's instrument (1994) for measuring behavior intentions.

The scales from those studies were modified, adjusting to individual items for the conditions of the dairy co-operatives in Indonesia. Because farmers might be confused in responding to a questionnaire with 7-point scales, the scales were modified using a 5 -point scale instead

Expertise was measured using a six item, 5-point scale, ranging from 1 for "strongly disagree" to 5 for "strongly agree". The six items are: (1) trust co-operative judgment, (2) co-operative's expertise makes it right, (3) co-operative knows best, (4) comply co-operative wishes will be profitable, (5) co-operative's knowledge makes it right, and (6) co-operative is very knowledgeable

Trust was measured using a six item, 5 point scale, ranging from 1 for "strongly disagree" to 5 for "strongly agree". The six items are; (1) co-operative



**TABLE 1**  
**Factor Loading for Each Variable**

<b>Constructs</b>	<b>Variables</b>	<b>Factor Loading</b>	<b>Eigenvalue</b>
Expert power	a. trust co-operative judgment	0,661	2,387
	b. co-operative's expertise makes it right	0,548	
	c. co-operative of know best	0,766	
	d. comply co-operative wishes will be profitable	0,547	
	e. co-operative's knowledge makes it right	0,669	
	f. co-operative is very knowledgeable	0,564	
Commitment	a. great deal of effort	0,600	1,993
	b. talk up this co-operative	0,661	
	c. very loyal	0,585	
	d. proud to be a part	0,583	
	e. glad to choose the co-operative	0,717	
Trust	a. keeps promises it makes	0,735	2,934
	b. believe the information	0,641	
	c. concern our business	0,757	
	d. consider our welfare	0,607	
	e. keeps our best interest	0,694	
	f. co-operative is trustworthy	0,749	
Behavior intentions	The chance of terminate the relationships within:		2,606
	a. the next six months	0,885	
	b. the next one year	0,958	
	c. the next two year	0,950	

keeps promises, (2) believe the information, (3) co-operative concern farmers' business, (4) co-operative consider framers' welfare, ((5) co-operative keeps farmers' best interest, and (6) co-operative is trustworthy.

Commitment was measured using a five -item, 5-point Likert scale, ranging from 1:"strongly disagree" to 5 for" strongly agree". The five items are : (1) Great deal of the farmers' effort, (2) The farmers talk up the co-operative, (3) the farmers are very loyal, (4) the farmers proud to be a part of co-operative, and (5) the farmers are glad to choose the co-operative to market the fresh milk.

Behavior intentions was measured using a three-item, 5-point scale. These variables are score on a scale of 1 for "very high" to 5 for "very low". The three items are the chance of terminate the relationships within: (1) the next six months, (2) the next one year, and (3) the next two years.

### Validity and Reliability of the Instruments

This study assessed construct validity using factor analysis run by SPSS. The factor analysis of each variable is presented in Table 1.

All the variables of the current study are measured by more than two items. For assessing the internal consistency of a scale, the study measures the reliability of each variable. Table 2 provides Cronbach Alpha Coefficients for each variable.

**TABLE 2**  
**Cronbach Alpha Coefficients of the Study Constructs**

Variables	Reliability				
	Current Study	Rawwas et. al	Kroeten	Morgan & Hunt	Schwepker
Expertise	0,70	0,79	0,88		
Trust	0,78			0,95	
Commitment	0,70		0,97	0,90	
Bahavior Intentions	0,92				0,92

### Data Analysis

This study used multivariate analysis, which analyzes multiple variables in a set of relationships. The technique of multivariate analysis used in this study was structural equation modeling .The current study examined two sets of relationships, (1) relating the farmers' perception of the co-operative's expertise and their trust and commitment and (2) the farmers' perception of their commitment and their behavior intentions, whether they will remain or leave the co-operative

This current study also used a confirmatory modeling strategy; meaning that the current study specifies a single model as in Figure 1 statistically assesses

the model for its fit to the observed data. Structural equation modeling was used to assess statistical significance as well, using the .05 significance level.

## RESULT AND DISCUSSION

### Model Assessment

Three types of goodness-of-fit measures were used for assessing the overall fit model: (1) absolute fit measures, (2) incremental fit measures, and (3) parsimonious fit measures. A Chi-square statistic computed in the current study was 5.082, with degrees of freedom is 2,  $P = 0.079$  or  $P > 0.05$ , and Normed chi-square: 2.541. The proposed model's GFI is .988 with AGFI at .938. The TLI is .924, and NFI at .960. These values fall within the acceptable range (Hair et.al., 1998, p.654-659, Arbuckle, James L.Werner Wothke, 1999, p.359-415). Therefore, this model provides fit to the data. According to Confirmatory modeling strategy (Hair et.al., 1988, p.591), it means that the proposed model of the current study (Figure 1) is as one of several possible acceptable models. Figure 2 Depicted The Study's Model and the Path Diagram Output.

FIGURE 2

The Path Diagram Output of the Model

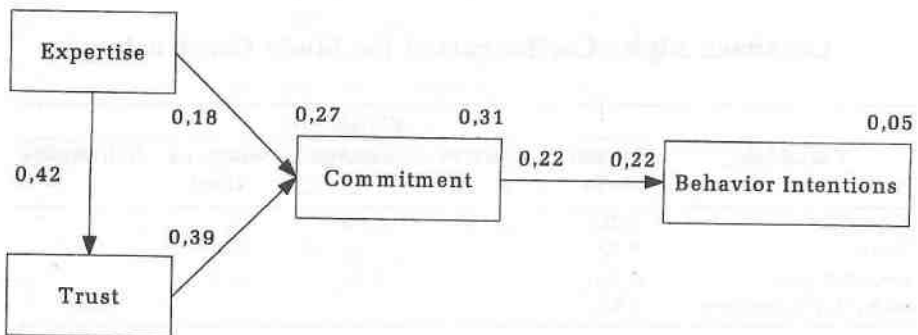


TABLE 3

Results of Structural Equation Modeling: Parameter Estimate

	Regression Weight	S.E. '	C.R.	P	Standardized $\beta$ Weight
Expertise → Trust	0,546	0,084	6,529	-	0,42*
Expertise → Commit	0,236	0,056	4,191	-	0,27*
Trust → Commit	0,259	0,043	5,980	-	0,39*
Commit → B.Intention	0,227	0,073	3,109	0,002	0,22**

Note: \*  $p < .001$  \*\*  $P < .005$

## Hypotheses Assessment

Results of Structural Equation Modeling embodied in AMOS program 4.0 is presented in table 3 and exhibited all hypotheses are accepted.

## Discussion of the Study Findings

The current study demonstrated that in relationship marketing expertise associate positively with trust and commitment. Commitment to the working partnerships relates to the behavior of the parties whether they will leave or remain in the partnership. The success of every working partnership needs cooperation within the parties and trust is a must (Morgan and Hunt, 1994). Furthermore Crosby, Evans, and Cowles (1990) stated that trust serves as an indicator of the health and future well being of long-term relationships. The current study suggests the expertise of co-operative is an important variable for exerting trust within the parties. This finding supports Moorman, Deshpande and Zaltman (1993) and Doney and Canon (1997) finding.

The current study found that trust as mediating variable. Since the relationship between expertise and trust is greater than the relationship between expertise and commitment (.42 > .27). It means that trust mediates the relationship between the both variables. The farmer's trust that the dairy co-operative always concerns their business succeeds and considers their welfare. They perceived that the co-operative know best and has a lot of experience.

Commitment within the parties is very important for the success of the working partnership. The parties view commitment as a key to achieving valuable outcome for themselves, and they endeavor to develop and maintain commitment (Johnson 1999, Morgan and Hunt 1994). The current study exhibited that the dairy co-operative was making every effort to strengthen commitment of the farmers. The dairy co-operative tried to be a trustworthy institution for the farmers to market the fresh milk. The current study found that trust of the farmers associate with commitment significantly ( $p < .001$ ), supporting Morgan and Hunt earlier finding (1994).

Future intentions are the behavior of the parties in working partnership, whether they will stay or leave the relationship. This behavior is stressed in long-term relationships. Long-term orientation is one out of several characteristics of relationship marketing.

The current study exhibited that commitment of the farmers which are reflected from the attitude such as that they are proud to be a member of the co-operative, they are willing to put in a great deal of effort for the successful of the co-operative and they talk up to their friends that the co-operative as great co-operative in work with. The commitment of the farmers lead to positive outcome, in the current study it measures by their behavior intentions, whether they choose to remain or leave the co-operative in the near, and in the long future. The current study exhibited that the relationship between commitment of the farmers and their future intention was significant ( $p < .005$ ). According to Evans and Laskin

(1994), Storbacka et.al (1995), Kumar, Scheer and Steenkamp (1995), Brock Smith (1998) and Morgan and Hunt (1994) the positive outcome is a reflection of the successful of the relationship marketing.

### **Managerial Implications**

Working partnership between the dairy co-operative and its members is a channel relationship. The co-operative success of its marketing depends on the strength of co-operative distribution. It depends on the behavior of the supplier, that is the farmers who are also the members of co-operative. The co-operative concern to maintain long-term, continuous relationship with the supplier. Co-operative focuses in gaining new members and keeping current members. Based on the finding of current study and Morgan and Hunt's study (1994), co-operative must strengthen commitment of the farmers and to be a trustworthy co-operative. Commitment and trust are keys mediating variable for effective working partnership. The current study found commitment leads to behavior intentions, it implied that commitment leads to keep co-operative current members thus co-operative could maintain continuous relationship.

The finding of the current study exhibited that managers of co-operative must be professional, has a lot of expertise and to be a trustworthy institution. The success of co-operative over years impacts the perception of members about co-operative's expertise. The effectiveness of co-operative depends on the professionalism of the managers as well. As found by the current study the expertise of the co-operative associates with the members' trusts, which in turn associates to commitment and further on their future intentions. Thus it is important that co-operative must be managed by professional in their field.

### **Implications for Further Research**

This study could be categorized as an exploratory research. The current study also has limitations. Therefore, some directions for further research are offered. First, this research was conducted only in one dairy co-operative out of many dairy co-operatives, which disperse in Java Island and Sumatra Island. Further research should be done in all dairies co-operative as a whole. Will the same type relationships develop?

Second, dairy product is a type of business that conducted by co-operative. Many businesses can be done by co-operative. Further research should be conducted in a variety of types of business of co-operative. The current study is suggested to be implemented on the other type of business not just co-operative as well. Will the studies exhibit the same results?

Third, Study on organizational behavior identified employee's satisfaction as an antecedent of commitment (Angle and Perry 1983). Further research on relationship marketing is suggested to include satisfaction as an antecedent of commitment. Will satisfaction of the party relate with commitment?



## Limitation of the Study

The current study has a number of limitations. First of all, many factors have been found as antecedents of commitment. However, the current study only emphasized two variables (expertise and trust) out of many variables that correlate to commitment. Second, the current study is conducted only in one dairy co-operative that is North-Bandung dairy co-operative. Generalizing the findings of the current study is being taken carefully. Third, the current study specified a single model that has acceptable model fit. The proposed model was one of several possible acceptable model fits. Thus, it was not best model. The current study did not test rival models that might fit better than the proposed model.

## REFERENCES

- Allen, N.J. and J.P. Meyer (1990), The Measurement and Antecedents of Affective, Continuance, and normative Commitment to Organization, *Journal of Occupational Psychology*, 63, 1-18.
- Andaleeb, Syed Saad, (1996), An Experimental Investigation of Satisfaction and Commitment in Marketing Channels: The Role of Trust and Dependence, *Journal of Retailing*, Vol.72, Number 1, and-77 - 93
- Anderson, Erin and Barton A. Weitz (1992), The Use of Pledges to Build and Sustain Commitment in Distribution Channels, *Journal of Marketing Research*, 29, February, 18-34
- Anderson, James c., James A. Narus, (1990), A Model of Distributor Firm and Manufacturer Firm Working Partnerships, *Journal of Marketing*, Vol.54 (January), 42 - 58
- Arbuckle, James (1992), *Getting Started With Amos Draw TM under Windows*, Department of Psychology Temple University, Philadelphia, Pennsylvania.
- Arndt, John, (1979), Toward a Concept of Domesticated Markets, *Journal of Marketing*, Vol.4 (fall)
- Bagozzi, Richard P. (1974), Marketing as an Organized Behavioral System of exchange, *Journal of Marketing*, October, 77-81
- Berry, Leonard L. (1991), Playing Fair in Retailing, *Arthur Anderson Retailing Issues Newsletter*, March, 5,2
- Crosby, Lawrence A., Kenneth R. Evans, and Deborah Cowles (1990), Relationship Quality in Services Selling: An Interpersonal Influence Perspective, *Journal of Marketing*, Vol.54, July, 68-81
- Doney, Patricia M and Joseph P. Cannon (1997), An Examination of the Nature of Trust in Buyer-Seller relationships, *Journal of Marketing*, Vol.61, April, 35-51
- Dwyer, Robert F, Paul H. Schurr, & Sejo Oh (1987), Developing Buyer-Seller Relationships, *Journal of Marketing*, Vol.51, April, 11-27
- Emelianov, Ivan V. (1948), *Economic Theory of Cooperative, Economic Structure of Cooperative Organization*, Ann Arbor: Edward Brothers.
- Evans, Joel R., Richard L. Laskin (1994), The Relationship Marketing Process: A Conceptualization and Application, *Industrial Marketing Management*, 23, 439-452.
- French, John R.P., Jr, and Bertram raven (1959). The bases of Social Power. In: Dorwin Cartwright (ed). *Studies in Social Power*, 150-167. Ann Arbor, MI: Institute for Social Research, University of Michigan.
- Ganesan, Shankar (1994), Determinants of Long-Term Orientation in Buyer-Seller Relationships, *Journal of marketing*, Vol.58, April, 1-19
- Garbarino, Ellen, Mark S. Johnson, (1999), The Different Roles of Satisfaction, Trust, and Commitment in Customer Relationships, *Journal of Marketing*, Vol.63, April, 70 - 87
- Geyskens, Inge, Jan Benedict E.M. Steenkamp, Nirmalya Kumar, (1999), A Meta-Analysis of Satisfaction in Marketing Channel Relationships, *Journal of Marketing Research*, May, 1 - 16

- Gundlach, Gregory T., Ravi S. Achrol, & John T. Mentzer (1995), The structure of Commitment in Exchange, *Journal of Marketing*, Vol. 59, 78-92
- Hair, Joseph F. Jr, Rolph E. Anderson, Ronald L. Tatham, William C. Black (1998) *Multivariate Data Analysis*, Fifth edition, Prentice-Hall International, Inc.
- Hrebiniak, Lawrence G. and Joseph Alutto (1972), Personal and Role-Related Factors in the Development of Organizational Commitment, *Administrative Science Quarterly*.
- Kalwani, Manohar U., Narakesari Narayandas, (1995), long-term Manufacturer-Supplier Relationships: Do They Pay off for Supplier Firms? *Journal of Marketing*, Vol.59 (January), 1 – 16
- Kroeten, Terence Thomas, (1992), *Bases of Power in Grain Marketing Cooperatives*, Dissertation
- Kotler, Philip (1997), *Marketing management: Analysis, Planning, Implementation, and Control*, ninth edition, New Jersey: Prentice hall, Inc.
- Kumar, Nirmalya, Lisa K. Scheer, and Jan-Benedict E.M. Steenkamp (1995), The effects of perceived Interdependence on Dealer Attitudes, *Journal of Marketing Research*, Vol.XXXII, 348-356.
- Mathieu, John E. and Dennis M. Zajac (1990), A Review and Meta- Analysis of the Antecedents, Correlates, and Consequences of Organizational Commitment, *Psychological Bulletin*, Vol.108 (2), September
- Mohr, Jakki and John R. Nevin (1990), Communication Strategies in marketing Channels: A Theoretical Perspective, *Journal of Marketing*, Vol.54, October
- Molm, Linda D, Nobuyuki Takahashi, Gretchen Peterson, (2000), Risk and trust in social exchange: An experimental test of a classical proposition, *The American Journal of Sociology*, Mar 2000, 1396 –1427
- Moorman, Christine, Rohit Deshpande, & Gerald Zaltman (1993), Factors Affecting Trust in Market Research Relationships, *Journal of Marketing*, Vol. 57,81-101
- Morgan, Robert M, Shelby D. Hunt, (1994), The Commitment-Trust Theory of Relationship Marketing, *Journal of Marketing*, July, 20 – 38
- Mowday, Richard T., Richard M. Steers and Lyman W. Porter (1979), The Measurement of Organizational Commitment, *Journal of Vocational Behavior*, 14
- O'Reilly, Charles A. and Jennifer Chatman, (1986), Organizational Commitment and Psychological attachment: The effects of Compliance, Identification, and Internalization on Prosocial Behavior, *Journal of Social Applied Psychology*, August, Vol.71 (3)
- Pritchard, Mark P., Mark E.Havitz, Dennis R. Howard, (1999), Analyzing The Commitment-Loyalty Link in Service Contexts, *Academy of Marketing Science Journal*, Greenvale, Summer, vol.27, 333 – 348
- Randall, Donna M., Donald D. Fedor and Clinton O. Longenecker, (1990), The Behavioral expression of Organizational Commitment, *Journal of Vocational Behavior*, Apr., Vol.36 (2)
- Robbins, Stephen P., (1998), *Organizational Behavior*, Prentice-Hall International, Inc.
- Schweper jr., Charles H. (1999), Research note: The Relationship between ethical conflict, Organizational Commitment and Turnover Intentions in The Salesforce, *The journal of Personal Selling & Sales Management*, Vol.19 (Winter), Issue 1, 43 – 49
- Smith, Brock J, and Donald W. Barclay (1997), The Effects of Organizational Differences and trust on the Effectiveness of Selling Partner Relationships, *Journal of Marketing*, Vol. 61, January, 3-21
- (1998), Buyer-Seller Relationships: Similarity, relationship management, and Quality, *Psychology & Marketing*, Vol.15 (1) January, 3-21
- Storbacka, K., Strandvik, T., & Gronroos, C. (1994), Management Customer Relationships for Profit: the Dynamics of Relationship Quality, *International Journal of service Industry Management, and 8*, 1-9
- Takahashi, Nobuyuki, (2000), The emergence of generalized exchange, *The American Journal of Sociology*, Jan 2000, 1105 –1134
- Webster, Frederick E. Jr., (1992), The Changing Role of Marketing in The Corporation, *Journal of Marketing*, Vol.56 (October), 1 – 17