

Farmer-buyer relationships in the cut flower supply chain in Da Lat, Vietnam

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Abstract

An effective and efficient supply chain requires farmers, traders, wholesalers and retailers to develop and maintain close relationships with their trading partners. The relationship constructs: satisfaction, trust, commitment, communication, coordination and power were utilised in an examination of the exchange relationships between cut flower growers and their downstream trading partners in the cut flower industry in Da Lat, Viet Nam. In the absence of any significant relationship specific investments, farmers were free to choose their preferred trading partner. Contrary to much of the literature, coercive market power was seldom exercised. Enduring long-term relationships were primarily built upon trust through established and satisfying personal relationships.