Abstract:

While both wholesale and retail nurseries describe their relationship with their preferred trading partner favourably, wholesalers perceive retail nurseries as being less trustworthy and more likely to act opportunistically. In what is becoming an increasingly competitive industry, while neither partner is willing to make relationship-specific investments, wholesalers are more likely to adapt to their retail customers demands. Contrary to expectations, retail nurseries generally believe that they were more dependent on their preferred wholesale supplier, suggesting that there was a marked difference in the quality of the plants offered by alternative suppliers. Consequently, favourable past outcomes and satisfaction with previous interactions are the primary motives for relational continuation.