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# Perceived Buyer Confidence in Buyer-Supplier Relationships

Emmanuel Chao · Mshumbusi Paul Kato

**Abstract:** Despite the importance of confidence in business relationship, very few scholars have empirically investigated the antecedents of this concept. In line with previous literature, this paper maintains that trust and control are the key sources for confidence. We use networks and reputation as indicators for trust, and ex ante contractual efforts and ex post contractual specifications as indicators for control. All these indicators have a positive impact on confidence. Trust and control seem to supplement each other as sources for confidence.

**Keywords:** Perceived buyer confidence · Networks · Ex-ante contractual term specificity · Ex- post contractual term specificity · Reputation

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### Introduction

Confidence in supplier-buyer relations is very essential, because it is linked to satisfaction and cooperation (Das and Teng, 1998). Confidence and business relationship literature have been developed extensively in the past few years. These developments have evolved from simple transactions to broader perspectives of exchange relationships (Webster, 1992). This shift has been linked with the technological development (that enables firms to deal with multiple actors/users at one time) and the return of direct marketing both in business-to-business (BTB) and business-to-consumer (BTC) markets (Sheth, 1995). These changes have increased the relevance of understanding relationships because of value attached to them. Today's business trends are characterized by the increased attention towards integrating suppliers in early product development. This is due to the innovation potential that is associated with inter-firm relations.

Suppliers and buyers in business to business (B2B) relationships seek to build closer relationships to improve efficiency of the transactions. At the same time, they are vulnerable for potential hazards, such as opportunism. Foresighted managers are likely to choose exchange partners to whom they are confident that they will not behave opportunistically. While the notion of trust has been extensively conceptualized and analyzed (e.g., Doney and Cannon, 1997; Huang and Wilkinson, 2013), surprisingly few scholars have focused on the concept of confidence and the antecedents of this in B2B relationships. In the field of consumer research, the definition of confidence is very diverse (Simintiras et al., 2014). In a B2B relationship, we define confidence as a firm's perceived certainty about satisfactory partner cooperation (Das and Teng, 1998). Accordingly, this concept is related to how certain or uncertain the firm is with respect to the exchange partner's behavior. Confidence has some connections with Williamson's behavioral uncertainty, which he describes as a strategic kind – such as when the exchange partners make plans in relation to each other "that are the source of ex ante uncertainty and... ex post surprises" (Williamson 1985, p. 57-58).

This paper will empirically study the factors that have an impact on buyer perceived confidence, and investigate whether these factors are supplementing each other or not. This paper will be organized as follows: We will start with the conceptual model, then, provide arguments for the research hypotheses. This will be followed with a methodological section. Results and discussion section will then be presented, and we will end up with research implications, limitations, implication for future research and conclusion.

# **Conceptual Model**

The concept of perceived confidence has been mostly examined in consumer than in business to business relations. Even in the field of consumer research, the concept of confidence is very diverse (Simintiras et al., 2014). The diversity of the concept stems "primarily from a lack of adequate theoretical development, along with the limited

research effort expended on confidence research" (Simintiras et al., 2014: 426). Howard and Sheth defined confidence as "the extent to which the buyer believes that he can estimate the net payoff, that is, the reward from buying a given brand" (1969, p. 144). The conceptual model for this study suggests that reputation, networks and contracts/control (ex-ante efforts and ex post contractual specifications) have a positive impact on buyer perceived confidence.

We expect reputation to have a positive influence on perceived buyer confidence. Reputation is a construct that is linked to relational governance theory. Relational governance theory acknowledges the role of relational dimensions such as reputation (Carson et al., 2006) in establishing the base for expectations (Cannon et al., 2000). Reputation indicates historical trustworthiness of an exchange partner in a previous relationship with others, and has been used as a proxy for trust (e.g., Bennet and Gabriel, 2001). Reputation influence does not only result from direct contact between a buyer and a seller, but it can come from referral sources (such as media or other users). Research has indicated that subjective product knowledge (Chelminski & Coulter, 2007; Park, Mothersbaugh, & Feick, 1994) and brand commitment (Sung & Choi, 2010) are associated with confidence. Howard & Sheth (1969) noted that, confidence can be built upon objects such as a brand. Reputable firms and their products are well known and thus we expect them to influence buyer perceived confidence.

Network theories emphasize on the value that is embedded when various firms are linked together (Stabell & Fjelstad, 1998). Such links can provide a breeding ground for firms to establish trust (Rousseau et al., 1998) and business cooperation. Further, the links, ties and bonds make up a relationship that can be conceived as a 'quasi-organization' (Hakansson & Snehota, 1995: 42). The relationship literature started by looking at the simple dyadic relationships, such as buyer and supplier, and later to the very complex network structure of relations. The success of simple relationship dyads is contingent upon other actors in the industry such as customers' customers and end users (Sheth & Parvatiyar, 1995).

In analyzing relationships and networks, four levels have been distinguished (Ford and McDowell 1999). According to the authors, these levels are; interaction/the episode (analysis is based on a single exchange, an incident, an individual interaction or an episode); portfolio/similar relationships (takes a single firm as a starting point); net/the relationships of an actor (all relationships of a firm are subject of the analysis); network/industries and markets as networks (analyzes the whole structure of an industry or a market). In this study, we focus on the dyadic relationship between the buyer and supplier since a dyad is considered as a "natural starting-point for a network research" (Sheth & Parvatiyar 1995).

We expect networks to provide the ground for firms to, know each others and develop a common understanding (Rowley et al., 2000). The information generated from networks could extend from task variables (such as professionalism) to non task variables (such as teamwork capabilities). Such information can likely enhance

perceived buyer confidence. For example Stajkovic (2006), views that the ability to handle social events, and relationships can partly define confidence.

Contracts (control) can also influence the perceived buyer confidence. Das and Tseng (1998) conducted a study using the context of strategic alliances, and found out that control has an important influence on perceived confidence between partners. The authors defined partner control in alliances as a "regulatory process by which the partner's pursuit of a mutually compatible interests is made more predictable" (Das & Tseng, 1998:494). Control mechanisms set up rules and guidelines that ensure how a relationship will be governed. A contract, which specifies the responsibilities and roles parties have to play in the relationship (Vandaele et al., 2007), is an important control mechanism in inter-firm relationships. A good control system means that "an informed person can be reasonably confident that no major, unpleasant surprises will occur" (Merchant, 1984: 10).

The developments in literature of contracts suggest that contacts are not unidimensional (Luo, 2002). Findings from Luo (2002) pointed out that contracts have two dimensions, i.e. contractual term specificity and contingent adaptability. In this paper, we use ex-ante drafting costs (efforts) and ex-post specifications to refer to contractual term specificity and contingent adaptability respectively. Ex-ante contractual costs (efforts) are those tasks (for example, searching and drafting costs) and contractual guidelines (terms) that are established before the commencement of the relationship between partners. On the other hand, ex-post contractual specifications refer to those adjustments (or guidelines for adjustments) that are designed to deal with unexpected events that occur after the contract. Though there has been other research works that have examined other contractual dimensions such as contractual complexity, we limit this paper to the two dimensional aspects. We expect the control mechanism will have the positive influence on buyer perceived confidence.

# Research Hypotheses

Networks: Networks play an important role in building ties among relational partners (Wuyts & Geyskens, 2005). Firms, which have embedded ties, are likely to develop a better understanding within their relationship setting (Rowley et al., 2000). In other words members of networks share some commonalities. A supplier's membership in a particular network sends an important signal to the buyer. It is also likely that a well-established network will prefer members who do not spoil the perception of the network. This incentive pushes members that belong to particular networks to behave in acceptable fashion. In other words, networks act as an informal enforcement mechanism for ill-behaving members. We suggest that being member in a particular network (of the buyer or other firms) have a positive influence on buyer perceived confidence:

H1: Networks have a positive effect on buyer perceived confidence

Reputation: Identify of a firm is partly a function of its reputation (Worden, 2003). Reputation is one of the important aspects of the firm's asset (Fombrun & Shanley, 1990) that is intangible. Reputation provides a social sanction (Carson et al., 2006), which is important for enhancing safeguard. Reputation has a very significant signal to a potential buyer with regard to reliability, competence and trust. All these elements are important for building a positive perception. Further, reputable firms have strong incentive to maintain their status. This is due to accumulative value of reputation on which its opportunity cost for its loss is extensively higher. Thus we suggest that reputation have a positive effect on buyer perceived confidence:

### H2: Reputation has a positive effect on buyer perceived confidence

Ex ante contractual efforts: Ex-ante efforts involve among other things working out the contractual terms as complete as possible, and to make sure that the contract is enforceable. The level of contractual efforts is likely to depend on the nature of the transaction, the environmental uncertainty, and the type and nature of the partners involved. Efforts in elaborating contractual terms may reduce the level of information asymmetry. Such efforts may identify potential contractual hazards and possibly mechanisms for reducing them. To elaborate a contract as complete as possible may increase the buyer's perception of control. Thus we suggest that ex-ante contractual efforts have a positive effect on buyer perceived confidence:

### H3: Ex-ante contractual efforts have positive effect on buyer perceived confidence

Ex-post contractual specifications: Contracts operate in a dynamic context, which leaves open spaces for future events. These future events are less likely to be foreseeable ex-ante (Segal, 1999). Ex post specifications take the assumption of infeasible ex ante written contracts (Grossman and Hart, 1986). This implies that parties will likely gain through proper restructuring of their agreements by including or specifying ex post options in contractual agreements. Ex post specifications provide key guidelines for dealing with aspects that are not ex ante specified in agreements. Even though it is impossible to include all possible contingencies, the ability to specify at least some possible contingencies and procedures/rules for how these should be handled, is likely to increase the buyer's perceived control of the exchange partner. Accordingly, we assume:

### H4: Ex-post contractual specification increases buyer perceived confidence

### **Controls**

Size was included based on its inclusion in previous studies on inter-firm relations (Agarwal & Ramaswami, 1992). Large firms are mostly well structured and have a more formalized communication system than small firms. Managers in small firms are more likely to know the transaction partners in person, which may have an impact on perceived confidence.

Length: Long - term relations leads to the development of specialized skills and routines that are adapted to exchange processes (Luo, 2002). The length of a relationship may lead to the development of closer ties between firms, which in turn may have an impact on perceived confidence.

Supplier asset specificity: Specific assets are defined as the "durable investments that are undertaken in support of particular transactions, the opportunity cost of which investments is much lower in best alternative uses or by alternative users should the original transaction be prematurely terminated" (Williamson, 1985, p.5). If the supplier has undertaken such and thereby be in a lock-in position, this may work as a control mechanism for the buyer and in turn has impacted on perceived confidence.

# Methodology

The study focused on supplier-buyer relations of manufacturing firms in Tanzania. Data were collected from the buying side of the relationships. Manufacturing firms were relevant to this topic because they are likely to have contractual relations with their suppliers. Firms that participated in this study were required to make their preferred list of three suppliers (first, second or third largest) whom to choose for answering the questionnaire. This form of choice was used to increase the variation in the sample. The questionnaires were delivered personally to firms (mostly supplier managers or managers involved in purchasing) that had previously been contacted by telephone. The final number of completed questionnaires received was 240 making a response rate of around 31%. A list of the measures employed in this study is available in the appendix, which provides information on loadings, Cronbach's alpha, composite reliability and the average variance extracted. To ensure reliability, an exploratory followed by a confirmatory factor analysis was conducted. Most of the constructs used had been developed and tested in previous studies; however, some constructs were adjusted to fit the new context.

#### Measurement

Unless otherwise specified, all the variables were measured using 5-points Likert scale, anchored on agree/disagree statements. After conducting a varimax rotation to obtain factors, constructs were obtained from summated scale. Since most of the constructs were established from theory, we conducted several individual factor analysis (Single factor analysis was performed per one factor). Table 1 provides a summary of the measurements that were used, their construct validity, Cronbach's alpha and average variance extracted.

Buyer perceived confidence relates closely to risk perceived measures, which were initially developed by Gewald, Wüllenwebe & Weitzel (2006) and then refined by Gellings and Wüllenwebe (2007). For this study, they were further refined to reflect the current focus. The concept was measured by six items, five of which were retained.

Network relations (NEWREL) focused on the direct or indirect connection (informal) between the firms (Holm, Eriksson, & Johanson, 1996; Mitchell, 1973; Nohria & Eccles, 1992). Networks can also be referred to as an aggregated structure of connectedness of business relationships (Hakansson & Snehota, 1995). Four items were used (in five points Likert scale) and three were retained.

Reputation (REPT) is one of the well-established measures from the media (for example fortune 500 and fortune 1000 companies). Measures from fortune covers items relating to product, financial performance, the ability to attract and keep talented workers, social responsibility (Fortune, 2000). Unidimensional measures have been previously used in measuring this construct (Goldberg & Hartwick, 1990), but multidimensional measures are commonly used. In this study, we have adopted measures from Fombrum and Shanley (1990). The concept was measured by seven items reflecting the degree to which the buyer perceived the reputation of the partner as well. Six items were retained.

Ex post contractual specifications (EPS) reflect the degree to which specifications are made to deal with future problems or contingencies in the contractual relationship. In the real world, contracts operate under changing conditions, which force parties to leave open options for future renegotiations (Williamson, 1975). Such specifications or adaptations are made ex ante. This study developed new measures for this construct consistent with Segal (1999). Four items were used and three were retained.

Ex ante drafting costs (EDC) reflects both the financial and non-financial expenses incurred by the buyer prior to the commencement of the relationship with the supplier. This can include searching and contractual drafting (Hennart, 1993; North, 1990; Williamson, 1985a). The measures we used are consistent with Segal (1999) but new measures were developed for this study. Five items were used and all were retained.

Size of the firm was measured by the number of employees, while length of relationship was measured by number of years.

Tab. 1: Measurements

CONSTRUCTS	ITEMS	SOURCE	LOADINGS
BUTYER PERCEIVED CONFIDENCE (BPC) α=.80 CR=.86 AVE=.55	We are confident that the supplier will deliver according to the agreements	Gellings & Wullenweber (2007)	.729
	We are confident that the relationship will not break down		.766
	We are confident that we will not lose our assets in this relationship		.706
	We are confident that the supplier will adapt if circumstances change		.732
	We have confidence that the supplier will meet the standards of our customers		.785

NEWE REL α=0.86 CR=0.92 AVE=0.80	Our firm has worked intensively with one or more partners of this supplier	Holm, Eriksson, &	.913
	Our firm has a close relationship with one or more partners of this supplier	Johanson (1996)(Fomb run &	.910
	Our firm has a collaborative relationship with one or more partners of this supplier like a real team	Shanley, 1990)	.833
EX ANTE DRAFTING EFFORTS α=0.84 CR=0.80 AVE=0.61	We consulted lawyers and consultants in drafting contractual terms with this supplier	Segal (1999)	.712
	We put great care and time into establishing contractual terms with this supplier		.783
	We ensured that each of the terms in the contract with this supplier was well specified		.838
	We ensured that the contract would be enforceable		.748
	We ensured that the contract covered all dimensions of the relationship with this supplier		.824
EX POST SPECIFICATIONS (EPS) α=0.83 CR=0.83 AVE=0.63	The contract specifies alternative solutions to various contingencies that are likely to arise		.875
	The contract specifies major guidelines on how to handle unanticipated contingencies		.857
	The contract specifies the roles of the parties in dealing with contingencies		.852
REPUTATION (REPT)	The quality of the products and services of this supplier is high	Fombrum & Shanley	0.639
α=0.79	This supplier is performing well financially	(1990)	0.653
CR=0.95 AVE=0.72	This supplier has the ability to attract, develop, and keep talented people		0.706
	This supplier is socially and environmentally responsible		0.745
SUPPLIER ASSET	Supplier production system has been tailored to produce for our firm	Stumpt & Heide (1996)	.944
SPECIFICITY (SUASP) α=.88 CR=0.94 AVE=0.89	Supplier has customized the product we purchase from him to meet our specific needs.		.944

 $<sup>\</sup>alpha$  = Cronbach's alpha; CR=Construct reliability; AVE=average variance extracted

# Data analysis

In carrying out data analysis, we used SPSS 19 and AMOS 19 software packages. SPSS19 was used for exploratory factor analysis and regression, while AMOS 19 was used for confirmatory factor analysis.

Multiple regressions method is an effective method when analyzing the relationship between a single dependent (criterion) and several independent (predictor) variables. The method however, is challenged by two major errors; measurement and specification errors. We used the summated scales in treating the measurement error, while the specification error was resolved by the use of variables that had strong theoretical base (Hair et al., 2010).

For all reflective constructs, the Cronach's alpha satisfied the minimum of 0.7 (Nunnally, 1978), which implies a high degree of internal consistency. Composite reliability exceeded the threshold value of 0.6 (Bagozzi, Yi, & Philips, 1991). We also applied Fornell and Larcker's (1991) rigorous criterion to test for discriminant validity (Anderson & Gerbing, 1993). As we show in Table 2, the average variance extracted for the reflective constructs are greater than the off-diagonal elements. Thus, discriminant validity is not a serious problem in our study.

Additionally, although the questionnaires were completed by key informants, we faced a potential problem of common method variance (Campbell & Fiske, 1959). When self-reported data on two or more variables are collected from the same source at the same time, correlations among them may be systematically contaminated by any defect in that source (Parkhe, 1993). Harman's single-factor test (1967) was based on the argument that, if a substantial amount of common method variance exists in data, a single factor will emerge from factor analysis when all of the variables are entered together, or a general factor that accounts for most of the variance will result.

We performed a factor analysis that resulted in a unique factor solution with eigenvalues greater than one for each concept. These factors were obtained through varimax rotation. The average variance extracted was above the minimum threshold of .50. Thus, it appears that this study does not have a serious problem of common method variance.

Tab. 2: Correlations

-	1	2	3	4	5	6	7	8
1.BPC	.75			<u> </u>			•	
2.NEWREL	.16 <sup>*</sup>	.89						
3.REPT	.59**	01	.85					
4.EDC	.55**	03	.71**	.78				
5.EPS	.54**	.09	.58**	.62 <sup>**</sup>	.79			
6.SIZE	.03	06	12	18 <sup>**</sup>	24 <sup>**</sup>	na		
7.LENGTH	07	02	13 <sup>*</sup>	07	08	.07	na	
8.SUASP	07	54 <sup>**</sup>	.03	.00	.01	.06	.09	.93
MEAN	4.03	2.73	4.18	4.01	3.94	1965.4	7.94	3.59
SD	.62	1.13	0. 56	0. 70	0. 84	14906.71	4.46	1.24

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

N=240 Diagonal elements in bold are the square roots of the average variance extracted for constructs measured reflectively with multiple items

### Results

Two regression models were used (table 3). Model 1 ( $R^2Adj=0.43$ , F (236, 4) =46.6, p<0.001) included the main effects. In Model 2 ( $R^2Adj=0.46$ , F (233, 7) =29.5, p<0.001) the interactive effects and controls were added. The incremental  $R^2Adj$  of M2-M1 ( $\Delta R^2Adj=0.04$ , p<0.05) was significant. Model 2 is used to report the results of hypotheses.

To test for multicollinearity, VIF values were calculated and were in the range of 2.3-2.36, suggesting that the study does not suffer from multicollinearity problems.

H1 suggested that networks have a positive effect on buyer perceived confidence. This hypothesis was supported ( $\beta$ =0.8, t=2.5, p<0.01). H2 suggested that reputation has a positive effect on buyer perceived confidence. This hypothesis was supported ( $\beta$ =0.20, t=4.7, p<0.001). H3 suggested that ex-ante contractual efforts have a positive effect on buyer perceived confidence. This hypothesis was supported ( $\beta$ =0.16, t=2.45, p<0.01). H4 suggested that ex-post contractual specification increases buyer perceived confidence. This was supported ( $\beta$ =0.24, t=4.1, p<0.001).

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed).

Tab. 3: Results of the effect on perceived buyer confidence

INDEPENDENT VARIABLES	MODEL1	MODEL2		
	β	t	В	t
Main effects				
NEWREL (H1)	.08	2.96***	.08	2.5***
REPT(H2)	.39	4.86***	.20	4.72***
EDC(H3)	.15	2.19**	.16	2.45***
EPS(H4)	.17	3.50***	.24	4.1***
Controls				
SIZE			.00	3.52***
LENGTH			.00	.01
SUASP			01	19
$R^2$		.44		.47
Adj.R <sup>2</sup>		.43		.46
F-value		46.6***		29.5***
Incremental R <sup>2</sup>		-		.04**
F1		-	·	4.14**
Maximum VIF		2.3		2.36

### **Discussion**

Confidence is essential for having a vital and efficient business relationship. Findings from this study indicate that networks, ex-ante costs, ex-post preparedness and reputation of the firm have a positive influence on the buyer perceived confidence. Networks are essential for building collaborations through breeding the atmosphere for firms to understand each other. The influence of networks on perceived buyer confidence is partly an outcome of trust that develop and competence that will be revealed when partners belong to a network. The value creation part of the network (Stabell & Fjelstad, 1998) has important implications for the discussion concerning buyer-perceived confidence. "A value network has structural integrity because each organization has competences, relationships, and information (Lusch et al., 2009:21). The observed positive influence of networks on buyer perceived confidence is an empirical evidence that support the earlier theoretical models of value creation potential of networks (Stabell & Fjelstad, 1998; Lusch et al., 2009). Today's business competition is characterized by a move from competition to cooperation. This is witnessed by the formation of alliances such as those found in the airline industry. This study provides a supportive argument for the value associated with such changes. Closely related to network is reputation. A reputable firm will likely influence confidence toward its products and capabilities. Our findings are consistent with the view that subjective product knowledge (Chelminski & Coulter, 2007; Park, Mothersbaugh, & Feick, 1994) such as reputation will have a positive impact on buyer perceived confidence.

Contractual aspects are also essential in building perceived confidence. In this paper, we have divided contracts into two dimensions, i.e. contractual specifications and ex-ante drafting cost. Literature suggests that contracts are not complete (Williamson, 1975) but are essential in safeguarding assets. The two contractual components (contractual specifications and ex-ante drafting costs) have also a

psychological role in building perceived confidence of the buyer. This is also supported by the findings from this study that indicate contractual agreements increase the buyer perceived confidence on the supplier.

Most firms that join the reputable networks are likely to be positively induced with this factor (perceived confidence toward the other partners). The highlighted constructs cover key elements of the relationship. These are a contextual linkage of relationship, the setting of the agreement and the structure of the purchasing firm.

# **Practical implications**

Perceived buyer confidence is important for ensuring long term customer commitment (Sung & Choi, 2010) and sustainability of firms. This confidence is not just a function of the expertise and experience that a firm posses, but can be a function of other relational aspects. In the airline industry for example, there is an intensive move to join alliances. Being part of a business alliance is to be part of a network. Being part of such a network can have a significant outcome on buyer perceived confidence. Reputation is an important asset for the firm. Managers need to take into consideration that maintaining and protecting a firm's reputation is essential not just for the existing, but for future customers (since it has influence on their perceived confidence). Contractual relations between firms should be taken as a strategic opportunity to build relations. The way that contracts are structured, have implications on the perception towards the firms (such as confidence). Managers should ensure that there is adequate preparation in the structuring of these agreements.

### **Future studies**

Contextual environment is an important part of research. The influence of the context cannot be ignored in research. In this study, we have used a single country with the focus on manufacturing firms. Future studies can explore whether the contextual factors such as institutions, industry type and product can have an influence on the buyer perceived confidence. Institutional elements can for example focus on specific elements such as culture. Contracts are very interesting yet a complex area of studying inter-firm relations. The mechanism by which contracts influence the buyer-perceived confidence is something that need to be explored in future studies. The network is another broad area of studying business relations. The composition of networks can differ extensively (from one network to the other). Future studies can also explore how this composition can influence perceived buyer confidence. For example, if the less reputable firm joins a network (alliance) of highly reputable firms will this influence its perception from the buyers?

#### Limitations

The study is limited in terms of using a single country in the analysis. This makes it difficult to generalize the findings to all economies. Further, the study used cross-sectional data in the analysis. The use of panel data could give more information that cannot be captured in a cross-sectional setting. The responses were drawn from the

buying side of the relationship, i.e. mainly the dyadic business to business relations (buyer-supplier relations). The findings can have limited application to different setting such as business to consumer relations. There could be other theoretical models that can be relevant to the study of the concept of buyer perceived confidence. We do take into account that the study did not explore all these other alternative theoretical models or frameworks (such as social exchange theory and satisfaction).

#### Conclusion

Perceived buyer confidence is essential for building sustainable in inter-firm relations. This involves a full assurance on both character and competence of partners in a relationship. This study found out that the key components for building perceived confidence is the personality of the firm (reputation), its linkages with other firms and the well-structured set of agreements. The study does not treat these aspects separately, but in combination. Future studies can expand the concept with more theories such as consumer buying behavior (consumer psychology), and exchange theories. We also anticipate the interactive effect to have a potential role in the concept.

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