Effects of Product Perishability, Supplier Geographical Distance, and Supplier Quality Performance on Buyer Control in Agriculture Supply Chains

ABSTRACT

The purpose of this study is to investigate the effect of the degree of produce perishability on buyer control and examine this effect across different levels of supplier distance and supplier quality performance. This study was motivated by the vulnerability of quality of perishable agricultural produce to various logistical and transportation activities, including packaging of products, loading, and offloading activities.

Three hypotheses capturing our research variables were developed and tested by using data obtained from the owner managers and decision makers in the food processing industry. Empirical evidence from 239 food processing firms revealed that the degree of produce perishability positively influences buyer decision to control food supply chain factors that are likely to affect the quality of agricultural produce. The findings demonstrated further that the effect of produce perishability diminished as supplier geographical distance and quality performance increased.

Keywords: Supply chain; Buyer control; product perishability; supplier distance; supplier quality performance