

MASTER'S THESIS

The roles of trust and relationship commitment in buyer-seller relationships in the Chinese context

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The Roles of Trust and Relationship Commitment in Buyer-Seller
Relationships in the Chinese Context

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ABSTRACT

It is widely acknowledged that trust and relationship commitment are key variables in affecting buyer-seller relationships. However, previous studies on the issue are limited to the study of unidimensionality of the two variables. Apart from this, the general theory developed in the West needs the examination of the adaptability and applicability in other context. The present study attempts to achieve three objectives: (1) to examine the applicability of trust and relationship commitment in the Chinese context; (2) to identify the underlying dimensionality of these two variables; and (3) to investigate their mediating roles in long-term buyer-seller relationships.

The research was composed of two cross-sectional mail surveys. They are respectively a cross-cultural validation survey and a theory application survey. 208 usable questionnaires were collected in the first survey for the examination of the underlying structure of the constructs of trust and relationship commitment, whilst 161 were obtained in the second survey for testing a series of proposed hypotheses. Factor analysis and a series of regression analyses suggested by Baron and Kenny (1986) were used to analyze the data in accordance with the research objectives.

Trust and relationship commitment tapping Chinese elements each extracted two factors through factor analyses. The two factors of trust accounted for 64.450% of the total variance and another two factors explained 61.411% of variance of relationship commitment. In total 10 hypotheses were developed based on the theories underlying the conceptual framework in the present study. All 10 hypotheses were supported by the findings. Another 4 hypotheses were developed to test the mediation effect of trust and relationship commitment. Trust was found to be a completed mediator of communication on long-term orientation, while being a partial mediator of dependence. Similarly, relationship commitment has been found to have a partial mediating effect both on satisfaction with past outcomes and idiosyncratic investments affecting long-term orientation.

The contributions of the study lie in the fact that (1) it verified the applicability of trust and relationship commitment in the Chinese context; (2) it identified two dimensions in the trust construct as well as two dimensions in the relationship commitment construct; (3) it indicated the mediating roles of trust and relationship commitment in long-term buyer-seller relationships.

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