Buyer fairness and supplier trust: The moderating effects of supplier dependence from a motivated cognition perspective

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Abstract

Distributive fairness (how benefits are shared) and process fairness (how decisions are made)

are key antecedents to trust formation in buyer-supplier relationships. However, existing

research has given limited attention to when and how distributive and process fairness are

associated with higher trust, especially considering the motivational components of trust.

Drawing on a motivated cognition perspective, this study examines how supplier

dependence—a key factor that shapes supplier motivation—moderates the relationship

between buyer fairness and supplier trust. Survey data were first used to investigate the

moderating effects, demonstrating distinct patterns of fairness effects across different levels of

supplier dependence. A case study was then utilized to strengthen the research's applicability

in real-life situations, particularly to illuminate the mechanism of motivated cognition. This

study advances knowledge in two important ways. First, it provides a fuller specification of the

fairness-trust connection in buyer-supplier relationships. Second, it generates novel insights

into trust as a motivated phenomenon.

Keywords: fairness, dependence, trust, motivated cognition, buyer–supplier relationship

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1. Introduction

Trust plays a central role in buyer–supplier relationships (Ireland & Webb, 2007; Eckerd *et al.*, 2022). It can reduce transaction costs and uncertainty, enhance collaboration and relationship resilience, and drive competitive advantage (Kaufmann *et al.*, 2018; Villena *et al.*, 2019). Many studies show that a key antecedent of trust is fairness: a combination of fair economic outcomes (distributive fairness) and social processes (process fairness) (e.g., Kumar *et al.*, 1995; Wang *et al.*, 2014). Although the fairness–trust connection is considered "conventional wisdom" (Colquitt & Rodell, 2011, p. 1184), a closer examination of the literature highlights that the precise association between fairness and trust has not been "fully elaborated" (Lewicki *et al.*, 2005, p. 248).

First, while most supply chain management (SCM) studies have investigated the independent/main effects of fairness, much less work has been done on identifying and examining boundary conditions (moderators) (Alghababsheh *et al.*, 2023). Empirical studies reporting inconsistent fairness effects substantiate the need for a contingency approach. For example, although most studies show that distributive fairness increases trust, others find no such impact (Folger & Konovsky, 1989; Konovsky & Pugh, 1994). Furthermore, research reveals conflicting interaction effects between distributive and process fairness (see review by Brockner & Wiesenfeld, 2005). These inconsistencies also have practical implications. For instance, a buyer may implement fair pricing expecting it will automatically build supplier trust, only to find that it does not work as expected.

Second, research has called for exploring trust as a "motivated" phenomenon, which remains "largely overlooked" in existing studies (Legood *et al.*, 2023, p. 521). Trust is typically conceptualized as developing through relationship-centered actions over time (Rousseau *et al.*, 1998), yet this provides a "necessary but not sufficient understanding" of trust (Kramer, 1999, p. 572). High levels of trust between parties without any interaction history suggest that

exchange partners can be *motivated* to "intentionally" trust based on perceived benefits (McKnight *et al.*, 1998, p. 478). The notion of motivated trust draws support from psychological research on motivated cognition (Kunda, 1990), which demonstrates that motivation can affect cognition for self-serving purposes. Lacking insight into motivated trust has real-world implications. For example, during a critical component shortage, a buyer might misinterpret a new supplier's motivated trust, demonstrated by offers to rapidly scale production without the buyer's long-term commitment, as too risky, thereby missing a valuable opportunity to resolve the shortage.

Thus, the purpose of this article is to reexamine the fairness–trust connection by conceiving trust as a motivated phenomenon and identifying the boundary conditions of the connection. Specifically, to explore motivated trust, we focus on supplier dependence as a key moderator. Studies show that supplier dependence on a buyer can increase trust (Payan & McFarland, 2005) based on expected benefits (Poppo *et al.*, 2008; Mislin *et al.*, 2015) or out of necessity (Meyerson *et al.*, 1996). Going beyond this direct effect, this study explores the moderating effect of supplier dependence on trust judgment *in reaction to* fairness experience. We argue that dependent suppliers are motivated to trust and will process their fairness experience differently from less-dependent suppliers, affecting their judgment of buyers' trustworthiness. This leads to the research question: *How does supplier dependence moderate the effects of buyer (distributive and process) fairness on a supplier's trust in a buyer?*

This article employs a multi-method approach combining survey and case study data. It makes two key contributions. First, it advances theoretical precision of the fairness—trust connection by examining the moderating role of supplier dependence. The results demonstrate that for highly dependent suppliers, distributive and process fairness have independent positive effects on supplier trust, whereas for less-dependent suppliers, they interact positively, such that the positive effect of one fairness dimension becomes stronger when the other dimension

is higher. These distinct effects underscore the contextual contingencies of applying the fairness approach to buyer—supplier relationships (Mir et al., 2022; Wang et al., 2022). Second, this research highlights the motivational components of trust (Kramer, 1999). We found rich evidence of trust formation as a motivated and intentional process (McKnight et al., 1998) in our case study. This research thus offers a more nuanced understanding of trust and opens new avenues for theorizing about trust development (Legood et al., 2023).

2. Theoretical background and hypotheses development

Trust is a multifaceted concept that encompasses dimensions such as integrity and ability (Mayer *et al.*, 1995). Given the elevated concern about opportunism in buyer–supplier relationships (Lumineau & Oliveira, 2020), scholars have long emphasized the benevolent aspects (e.g., good intentions and caring) of exchange partner behavior (Ring & van de Ven, 1992). Consider a buyer asking a supplier to join a new product development project. This might be a significant commercial opportunity, but the supplier needs to believe that it will not be exploited (e.g., the buyer will not misuse the shared knowledge) (McCarter & Northcraft, 2007).

More specifically, this study centers on benevolence trust because it aligns with the focus on motivated cognition and fairness. Compared to competence or integrity trust, which is often based on measurable performance or rule adherence (Mayer *et al.*, 1995), benevolence trust is more closely linked to relational commitments and fair practices essential to mitigating the fear of "exploitation" (van den Bos *et al.*, 1997, p. 105). We, therefore, define supplier trust in this study as a supplier believing that a buyer has good intentions toward and cares for the interests of the supplier (Schilke & Cook, 2015).

2.1 Motivated cognition perspective on trust

Trust is typically understood from a relational perspective, developed over time through repeated interactions through which parties can accumulate knowledge/evidence on whether

another party is trustworthy (Rousseau *et al.*, 1998). However, there are trusting acts that cannot be explained in this way. For example, trust can form without firsthand experience when one party believes that trusting will yield better outcomes, regardless of the other party's actual trustworthiness (McKnight *et al.*, 1998).

Empirical studies support the notion that trust can be motivated. For example, Poppo *et al.* (2008) explored the origins of interorganizational trust and showed that trust can be deliberately formed based on expected benefits. Mislin *et al.* (2015, p. 17) demonstrated that potential rewards increase both the intention to trust and the level of trust and concluded that potential gains act as "a catalyst" for trust. Research also suggests that trust can be motivated by necessity. For example, in temporary groups where there is no evidence of trust or there is limited time to develop trust, it can be swiftly developed out of a necessity to coordinate tasks (Meyerson *et al.*, 1996).

Trust as a motivated phenomenon is supported by considerable psychological research on motivated cognition (Kunda, 1990), which views people as active processors whose motivations influence how they process information (Barclay *et al.*, 2017). Two types of motives drive distinct cognitive processes (Kunda, 1990). Nondirectional motives, which aim for the most accurate conclusion regardless of what it is, lead people to expend more cognitive effort to acquire and process information. In contrast, directional motives, which aim for a specific, desired conclusion (e.g., a buyer is trustworthy), lead people to interpret information in ways that support their preferred beliefs (Fiske & Taylor, 1991). SCM research also finds evidence of motivated cognition. For example, Hada *et al.* (2013) found that purchasing managers' predisposition toward familiar suppliers can lead to biased perceptions of supplier-selected referrals. Similarly, Kauppi *et al.* (2024) found that cognitive biases can cause buyers to misattribute supplier failure.

2.2 Fairness-trust connection

Fairness, or justice (Narasimhan *et al.*, 2013; Chen *et al.*, 2022), is a foundation for buyer–supplier relationships (Liu *et al.*, 2012). It is generally split into two dimensions: distributive fairness (DF) and process fairness (PF), respectively related to the *economic* and *social* facets of an exchange relationship (Griffith *et al.*, 2006; Soundararajan & Brammer, 2018). DF refers to perceived fairness in outcomes (Griffith *et al.*, 2006), such as whether earnings and rewards adequately reflect contributions (e.g., investments, efforts, and performances) (Kumar *et al.*, 1995; Mir *et al.*, 2022). PF refers to perceived fairness in decision-making processes, including formal procedures (i.e., procedural fairness) and the attitudes of those involved (i.e., interactional fairness) (Griffith *et al.*, 2006; Brockner *et al.*, 2009). PF is evaluated based on various principles, such as voice, expressing one's opinion (Thibaut and Walker, 1975), consistency (Leventhal *et al.*, 1980), open communication (Greenberg, 1986), and respect and dignity (Bies & Moag, 1986).

There is empirical and theoretical support for the key role of fairness in trust (Lind & Tyler, 1988; Cohen-Charash & Spector, 2001). In social exchange, trust is developed through repeated transactions in which obligations are discharged in a manner perceived as "fair" (Blau, 1964; Ring & van de Ven, 1994, p. 93). Applying this to an SCM setting, if a buyer provides equitable and impartial financial rewards to a supplier in line with its contributions (DF), the supplier may believe the buyer has its interests at heart, and, therefore, trusts the buyer (Kumar et al., 1995; Wang et al., 2014). PF fosters trust because fair treatment promotes the perception of caring and benevolent intentions (Folger & Konovsky, 1989). If a buyer uses consistent procedures and treats a supplier with respect and dignity, the supplier may believe the buyer values the relationship and is therefore less likely to behave opportunistically, thereby fostering trust in the buyer (Kumar et al., 1995; Wang et al., 2014). Thus, we hypothesize the following:

H1: DF is positively related to supplier trust in a buyer.

H2: PF is positively related to supplier trust in a buyer.

2.3 A contingency approach to the fairness-trust connection

Empirical studies reporting inconsistent results substantiate the need for a contingency approach. First, studies examining the *independent* effects of DF and PF have reported mixed findings (Alghababsheh *et al.*, 2023). For example, Brown *et al.* (2006) found that PF had no direct effect on relationship satisfaction in channel relationships (perhaps because of economic concerns). In turn, while DF has shown positive effects on buyer–supplier relationships (e.g., Kumar *et al.*, 1995; Hemmert *et al.*, 2016), other studies found no such effect (Folger & Konovsky, 1989; Hoppner *et al.*, 2014), potentially due to DF being primarily considered a metric for transactional relationships (vs. social exchange) (Konovsky & Pugh, 1994).

In addition, DF and PF can also have *interaction* effects, and the form of the interaction (negative vs. positive) is conditional (Brockner & Wiesenfeld, 2005). It has been argued that outcomes and processes "work together" to create a sense of fairness; therefore, their interactions must be considered (Cropanzano & Folger, 1991, p. 136). For example, because suppliers often lack complete information on ex-post distributive (economic) outcomes, they tend to rely on process information (PF) in their ex-ante judgments (van den Bos *et al.*, 1997).

Brockner and Wiesenfeld's (1996) review of organizational justice studies found that DF and PF negatively interact, such that either dimension has a stronger positive effect when the other is lower. They proposed that this occurs because people seek to make sense of unexpected or negative events through an inference process whereby low levels of one fairness dimension amplifies the effect of another (Brockner & Wiesenfeld, 1996). For example, when DF is low, people could place more importance on PF to infer future gains. However, some studies (e.g., Gilliland, 1994; Schroth & Shah, 2000) have reported a contrasting positive form in which either dimension has a stronger positive effect when the other is higher. This inconsistency highlights the need to elucidate conditions under which the interaction effect is

"particularly pronounced, nonexistent, or even reversed" (Brockner & Wiesenfeld, 1996, p. 204).

Subsequent studies have demonstrated that the form of the interaction is conditional, with relationship importance playing a vital role. For example, Kwong and Leung (2002) found that the negative interaction effect between DF and PF was operative only when the relationship was important, suggesting that it originates from people questioning the nature of the relationship. When a relationship is important, people care more about relational issues such as trustworthiness, making fairness treatment more meaningful and consequential, as it signals relationship quality (Lind & Tyler, 1988). In this situation, when people experience low levels of one fairness dimension, they are more likely to initiate an inference process and rely on the other dimension to assess the other party's intentions (Brockner & Wiesenfeld, 1996).

Similarly, Brockner *et al.* (2000) showed the negative interaction effect among people with interdependent self-construal (i.e., seeing themselves as connected to vs. distinct from others) because they place greater importance on relationships. Chen *et al.* 's (2003) work revealed that interaction effects differed significantly based on status: lower-status people (who care more about a relationship) exhibited a negative interaction between DF and PF, while higher-status people (who care less about a relationship) showed a positive interaction in which the effect of one fairness dimension became stronger as the other was higher; the alignment of fair processes and outcomes reinforces the effects of each dimension (Narasimhan *et al.*, 2013).

These findings, although primarily drawn from organizational justice research, offer a crucial insight: relationship importance moderates the form of the interaction effect. The interactive relationship between DF and PF is the "dominant paradigm" in the organizational justice literature, but it is largely underexplored in SCM studies (Narasimhan *et al.*, 2013, p. 237). We address this gap in the current study by examining how supplier dependence (as an

indication of the importance of a relationship) moderates the fairness–trust connection in buyer–supplier relationships.

2.4 Supplier dependence and trust

Supplier dependence (Sde) is defined as the extent to which a supplier relies on a buyer to achieve desired goals (Andaleeb, 1996). It is characterized by two elements: benefits received from an existing buyer and the availability of alternative buyers (Emerson, 1962). As dependence increases, which implies greater expected benefits from a buyer and less alternative availability, we posit that a supplier becomes more motivated to view the buyer as caring and having good intentions toward the relationship on which it relies. Studies have shown that trust can be formed based on expected benefits (Poppo *et al.*, 2008; Mislin *et al.*, 2015) or out of necessity (e.g., no alternative buyers) (Meyerson *et al.*, 1996), aligning with the two elements of Sde. Therefore, Sde is expected to increase supplier trust in a buyer.

Motivated cognition can be utilized here to explain *how* this dependence-driven motivation influences cognitive processes, enabling suppliers to believe that a buyer is trustworthy (McKnight *et al.*, 1998). Suppliers may pay more attention to the positive aspects of a buyer's behavior (e.g., valuable feedback) while discounting the negative aspects (e.g., delayed payments) (Fiske & Taylor, 1991). They may interpret the ambiguous behavior of a buyer in a positive light (Williams, 2001). An example would be a supplier interpreting a delay in contract renewal as the buyer being thorough and careful and not searching for an alternative supplier. Indeed, when there is a high intention to trust, negative behaviors can be discounted (Sitkin & Roth, 1993) or even interpreted positively (Robinson, 1996). For example, a buyer's demand for price concessions might be viewed as a step toward mutual long-term benefits rather than as an exploitative move. In these processes, suppliers actively seek belief-confirming information and disregard belief-contradicting information, leading to the desired

conclusion that the buyer is trustworthy (McKnight *et al.*, 1998). Thus, we hypothesize the following:

H3: Sde is positively related to supplier trust in a buyer.

2.5 The moderating effect of supplier dependence

Building upon the direct effect of Sde, we now turn to its moderating effects on supplier trust judgment *in reaction to* fairness experience. Buyer fairness can be a key source of supplier trust (e.g., Kumar *et al.*, 1995; Wang *et al.*, 2014). In this sense, both DF and PF serve as information cues in trust judgment. Drawing upon research in organizational justice (e.g., Kwong & Leung, 2002; Chen *et al.*, 2003) and motivated cognition (Kunda, 1990), we argue that varying levels of Sde shape how suppliers cognitively process fairness information and consequently the interaction form of DF and PF.

For highly dependent suppliers, the relationship with a buyer is critically important, and they are highly motivated to maintain this relationship and trust the buyer. This motivation makes them more likely to rely heavily on one fairness dimension to enable them to believe the buyer is trustworthy when the other dimension is low—manifested as a negative interaction that is found in high-importance relationships (e.g., Kwong & Leung, 2002; Chen *et al.*, 2003). In contrast, for less-dependent suppliers, since the relationship is less important to them and they have less need to trust, in line with their self-perceptions (less dependent), they are more likely to evaluate both dimensions concurrently to form more accurate judgments (regardless of what the conclusion is); a high evaluation of one dimension reinforces the positive effect of the other—manifested as a positive interaction (Chen *et al.*, 2003). In the following sections, we elucidate the different cognitive processes that occur as Sde varies. Here, we hypothesize:

H4: Sde moderates the interaction effects of DF and PF on supplier trust in a buyer.

For highly dependent suppliers, their reliance on buyers heightens the importance of the relationship and shapes how suppliers cognitively process fairness information. Since DF and PF are information cues for trust judgment, when a buyer demonstrates fairness in interactions (e.g., negotiations), incoming information is consistent with their trust intention. However, instances of low fairness—whether in outcome distributions or in the decision-making processes—create cognitive dissonance with their trust intention. This dissonance activates motivated cognition (Aronson, 1968), whereby suppliers process low-fair experiences in a self-serving way to uphold the belief in buyer trustworthiness (McKnight *et al.*, 1998).

In this belief-confirming process, the information addressing the supplier's needs becomes particularly influential in confirming their beliefs (Brockner & Wiesenfeld, 1996). For example, if outcomes are low in fairness but processes are high in fairness, motivated cognition may lead suppliers to selectively focus on available positive information (i.e., high fair processes), consider the outcomes as temporary or arbitrary, and view the processes as more stable and enduring indicators of long-term outcomes (Lind & Tyler, 1988). This selective attention allows for the maintenance of the belief in the buyer's benevolence. The lower the DF, the stronger the effect of the PF on this inference process (Kwong & Leung, 2002) as the need to find trust-confirming information intensifies. Conversely, if processes are low in fairness but outcomes are fair, suppliers may attribute greater information value to DF (Brockner & Wiesenfeld, 1996), emphasizing tangible fair outcomes. After all, DF is considered a "normative force," critical for behaviors and expectations within buyer–supplier exchanges (Brown *et al.*, 2006; Luo, 2007, p. 648).

In summary, due to the high dependence on a buyer, suppliers are likely to leverage available fairness cues to enable a belief in buyer trustworthiness; the weaker presence of one fairness dimension is likely to elicit a stronger effect of the other. Thus, we hypothesize the following:

H4a: Under high Sde, DF and PF interact negatively, such that the effect of one fairness dimension on supplier trust becomes stronger when the other dimension is lower.

In contrast, for less-dependent suppliers, who derive fewer significant benefits from an existing buyer and have more alternative availability (Emerson, 1962), the relationship is less important to them. Due to this lower dependence, they tend to be less intentionally willing to trust the buyer, which shapes how they cognitively process fairness information. They are less likely to filter out negative experiences (Fiske & Taylor, 1991) but evaluate DF and PF concurrently to form more accurate evaluations, regardless of which they may be (Kunda, 1990). When one fairness dimension is evaluated as low, this weakens the positive effect of the other fairness dimension. For example, if a buyer provides fair outcomes but exhibits low fairness during the negotiation processes, the positive effect of DF on supplier trust will be weakened. However, if the processes are also fair, this will enhance the perceived reliability of DF, thereby reinforcing its positive effect on supplier trust. This presents a positive interaction effect between DF and PF (Chen *et al.*, 2003; Narasimhan *et al.*, 2013), where the effect of each fairness dimension becomes stronger as the other dimension is higher. Thus, we hypothesize the following:

H4b: Under low Sde, DF and PF interact positively, such that the effect of one fairness dimension on supplier trust becomes stronger when the other dimension is higher.

3. Methods

This study adopted a critical realist position (Eriksson & Engström, 2021), which asserts that the social world comprises both observable events and the underlying structures and mechanisms that produce these events. Epistemologically, critical realism informs our approach to uncovering these mechanisms through empirical research. By utilizing both survey and case data, we investigated how the structural context of Sde conditions the relationship

between fairness and trust and offered explanations for the *why* and *how* of the observed phenomena.

A mixed-method approach, combining a survey and a case study, also helped enhance the validity and reliability of the research findings. Given that we utilized a single-respondent survey, the findings were subject to single-respondent bias (Flynn *et al.*, 2018). There are arguments that single-respondent research can be appropriate when research involves small and medium enterprises (SMEs) (Kull *et al.*, 2018), especially for a survey in Europe with a significant SME population. To mitigate this bias further, we conducted a case study as a complementary method in which data were collected from multiple respondents in the case companies. This allowed us to validate and triangulate the survey findings and enhance the depth and robustness of the findings. Together, this mixed-methods design enabled us to draw reliable research conclusions.

3.1 Data collection and sample

We conducted a field survey and collected data using the Qualtrics panel service. The targeted informants were those who regularly worked with buyer firms. The respondents were asked to recall a specific customer and answer questions about that customer. We used two screening questions at the beginning of the survey to ensure that only targeted respondents were included (Schoenherr *et al.*, 2015). Question 1 asked whether the respondents worked primarily in a business-to-business or business-to-consumer environment, and only those who selected business-to-business were allowed to continue with the survey. Question 2 asked the respondents about whom they had close interactions with or managed in their working roles (i.e., staff, suppliers, or customers). Only those who selected "customers" were allowed to continue with the survey.

To ensure the respondents' attention when answering questions, we added an attentioncheck question in the middle of the survey, asking the respondents to "mark number 3 in the answer" (Schoenherr *et al.*, 2015). To avoid the potential influence of inconsistent English language fluency (Aguinis *et al.*, 2021), all respondents were confirmed to be from the United Kingdom (detected from their Internet IP addresses). Qualtrics also automatically detected repeated IP addresses to prevent repeated survey-takers. We received 374 completed questionnaires¹ out of 2,948 attempted respondents, representing a completion rate of 12.7%.

3.2 Measurements

Table 1 presents all items used to measure the constructs of this study. We applied existing measures whenever possible and made slight wording changes to fit the context of this study.

Insert Table 1 Approximately Here

3.2.1 Dependent variable

In this study, supplier trust focuses on a supplier's perception of a buyer's benevolence, which denotes that the supplier believes that the buyer has good intentions toward and cares for the supplier's interests (Kumar *et al.*, 1995; Schilke & Cook, 2015). Therefore, we used five items from Kumar et al. (1995) to measure this construct. The items were measured on a five-point Likert scale (1 = strongly disagree, 5 = strongly agree).

3.2.2 Independent variables

DF was measured using four items adapted from Colquitt and Rodell (2011) and Kumar *et al.* (1995) to reflect the extent to which suppliers received earnings or rewards reflecting their respective contributions to buyers in terms of their efforts, investments, assigned responsibilities, and performances (Kumar *et al.*, 1995; Liu *et al.*, 2012). The items were measured using a five-point Likert scale (1 = to a very small extent, 5 = to a very large extent).

¹ Individual and firm demographics are available from the authors upon request.

PF was measured using eight items adapted from Colquitt and Rodell (2011) and Johnson *et al.* (2002) to measure both the formal procedures and interactional dimensions of the processes (Griffith *et al.*, 2006; Brockner *et al.*, 2009). The items in the formal procedure dimension captured whether procedures were applied consistently (Leventhal *et al.*, 1980) and whether suppliers could have their voice in processes (Thibaut & Walker, 1975). The items in the interactional dimension captured informational fairness (e.g., two-way communications, provision of a full account of the final decisions) (Greenberg, 1986; Kim & Mauborgne, 1993) and interpersonal treatment (Bies & Moag, 1986). The items were measured using a five-point Likert scale (1 = to a very small extent, 5 = to a very large extent).

Sde indicates the extent to which a supplier relies on a buyer to achieve desired goals (Andaleeb, 1996). Dependence is commonly operationalized in the literature as the difficulty in finding a replacement (Joshi & Arnold, 1997). We measured Sde using three items from Jap and Anderson (2007). The items were measured on a five-point Likert scale (1 = strongly disagree, 5 = strongly agree).

3.2.3 Control variables

Following previous studies (e.g., Poppo *et al.*, 2008; Liu *et al.*, 2012), we included firm size, industry, and relationship length as control variables. Firm size was measured using an ordinal scale based on the number of employees (1 = fewer than 50, 2 = 50–99, 3 = 100–199, 4 = 200–499, 5 = 500–999, 6 = 1,000 or more). Relationship length was measured by the number of years of the relationship at the time of the assessment. As many relationships were relatively young, we followed Schilke and Cook's (2015) approach by using a logarithmic transformation to correct skewness. We controlled for industry using two dummy variables for services & infrastructure, and trade & logistics, with manufacturing as the reference group.

We also included relational norms as a control variable. Relational norms are a set of cooperative behaviors directed at improving interorganizational relationships (Heide & John,

1992). There is strong evidence that relational norms increase trust (Doney & Cannon, 1997; Zhang *et al.*, 2003). However, as this was not the focus of this study, we included relational norms as a control variable in the analysis to partial out its influences. Four items from Liu *et al.* (2012) were used to measure relational norms, capturing behaviors such as information provision, ideas sharing, and joint problem-solving. The items were measured on a five-point Likert scale (1 = strongly disagree, 5 = strongly agree).

3.3 Data analysis and results

3.3.1 Data screening and assumption checks

We first screened the dataset for quality and suitability for analysis. The dataset contained no missing data. Outlier detection was performed using Cook's distance. While no observations exceeded the threshold of 1.00 (Hair et~al., 2019), a more conservative criterion of $4/n~(\approx 0.01)$ flagged additional observations as potential outliers. Excluding these observations can reduce statistical power to detect interaction effects—a well-known challenge in such analysis (McClelland & Judd, 1993; Aguinis, 1995)—and may preclude theoretically meaningful variation (Aguinis et~al., 2013). We therefore retained all observations for subsequent analysis.

Multicollinearity was not a concern; in the full three-way model, all VIFs ranged from 1.08 to 1.91, well below the threshold of 10 (Kline, 2005). Visual inspection of the residual histogram and Q–Q plot indicated mild departures from normality, and the Shapiro–Wilk test was significant (p < 0.001). However, regression analysis is generally considered robust to violations of normality when the sample size exceeds 200 (Hair *et al.*, 2019). To test for heteroscedasticity, we employed the modified Breusch-Pagan test (Koenker, 1981), which does not require the normality assumption. The result indicated heteroscedasticity (χ^2 (1) = 4.84, p = 0.03), which is not uncommon in behavioral and social sciences (Rosopa *et al.*, 2013). To address this concern, we employed heteroscedasticity-consistent standard errors in all regression analyses.

3.3.2 Measurement model assessment

We conducted a confirmatory factor analysis to evaluate the validity of the multipleitem measures in Mplus 8 using robust maximum likelihood estimation (MLR). The model indices supported that this measurement model was acceptable ($\chi 2 = 542.93$, df = 240, $\chi 2/df =$ 2.26, RMSEA = 0.06, CFI = 0.91, TLI = 0.90, SRMR = 0.05). Table 1 reports the factor loadings, reliability, and validity estimates of the measures, including congeneric reliability $(\rho_{\rm C})$ and average variance extracted (AVE). All congeneric reliability scores were above 0.70 (range: 0.80-0.88), supporting acceptable reliability (Garver & Mentzer, 1999). The convergent validity of each construct was evidenced by all items loaded upon their respective factors being statistically significant (all loadings \geq 0.60; p < 0.001) and all but one AVE values (PF = 0.47) reached the recommended threshold of 0.50 (Bagozzi & Yi, 1988). Although the AVE value for PF was slightly below the threshold, consideration of the congeneric reliability results suggested that this scale was sufficiently reliable (Nikookar et al., 2025). Concerning discriminant validity, we compared the square root of each construct's AVE with the correlation between the construct and all the other constructs. As shown in Table 2, the AVEs' square roots were higher than the correlations, which provided support for discriminant validity (Fornell & Larcker, 1981).

3.3.3 Common method variance

Because a single-source survey approach was applied, several remedies were implemented to address common method variance (CMV) (Podsakoff *et al.*, 2012). In terms of procedural remedies, we assured respondents' anonymity to reduce social desirability, and the scale anchors were changed because consistency in scale formats could also increase the bias. In terms of statistical remedies, we initially conducted a Harman's single-factor test and a marker variable analysis (Lindell & Whitney, 2001). However, recent literature has raised concerns about the reliability of these approaches (Richardson *et al.*, 2009; Baumgartner &

Weijters, 2021). Therefore, we acknowledge that CMV remains a potential limitation. At the same time, the inclusion of our case study provides additional validation of the survey findings through triangulation, which helps to mitigate this concern.

3.3.4 Endogeneity check

Endogeneity concerns arise from reverse causality and omitted variables (Lu *et al.*, 2018). As we collected cross-sectional data, the problem of reverse causality may exist. That is, although we hypothesize that perceived DF and PF influence supplier trust, supplier trust may also influence the perceived fairness. However, the literature has suggested that this would not be the case for benevolence trust, as the belief in one's benevolence is formed *after* seeing what the party does (fairness reflects what the party *does*) (Colquitt & Rodell, 2011).

To address potential endogeneity from omitted variables, we employed instrumental variables that satisfy both the correlation and exclusion conditions (Ketokivi & McIntosh, 2017). We identified three instrumental variables: supplier responsiveness, supplier operational flexibility, and supply uncertainty. The first two instruments represent supplier capability. More capable suppliers would expect higher fairness from buyers, which subsequently affects perceived fairness through comparison between expected and received treatment (Adams, 1963; Druckman & Wagner, 2016). Similarly, supply uncertainty creates expectations for higher buyer fairness, as suppliers must exert greater effort to secure supply under uncertain conditions. While these instruments correlate with the fairness constructs, they are unlikely to have significant relationships with the error terms of supplier trust after accounting for their fairness-related effects, thereby satisfying the exclusion condition.

To examine potential endogeneity in our model, we conducted two-stage least squares (2sls) instrumental variables analysis in Stata 18 with robust standard errors. Because our

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² Measurement details available from the authors upon request.

model includes interaction terms involving potentially endogenous predictors, we treated both the main effects and their interactions as endogenous (seven endogenous regressors). This approach ensures valid instruments for models that include interaction terms (Bun & Harrison, 2019). The Durbin $\chi 2$ test (χ^2 (7) = 9.77, p = 0.20) and Wu-Hausman F test (F (7, 354) = 1.71, p = 0.11) indicated no evidence of endogeneity. An overidentification (Hansen) test (χ^2 (17) = 21.12, p = 0.22) confirmed instrument validity. These results attenuated concerns about endogeneity in our analysis.

3.3.5 Hypotheses testing

Table 2 presents the descriptive statistics and correlations between the continuous variables used in the hypotheses testing.

Insert Table 2 Approximately Here

To test H1 to H4, we conducted a hierarchical regression in Stata 18 with HC3 robust standard errors. All predictor variables were mean-centered to construct interaction terms (Aiken & West, 1991). Table 3 summarizes the results. The base model included only control variables and explained 18% of the variance in trust. Model 1 added the main effects of DF, PF, and Sde. The positive effects of DF (b = 0.21, SE = 0.06, p < 0.001, CI [0.09, 0.33]), PF (b = 0.51, SE = 0.06, p < 0.001, CI [0.39, 0.64]), and Sde (b = 0.09, SE = 0.04, p = 0.02, CI [0.01, 0.16]) on trust were significant, supporting H1, H2, and H3. The main effects explained an additional 34% of the variance ($\Delta R^2 = 0.34$, $f^2 = 0.71$), suggesting a large effect (Cohen, 1988). In Model 2, we added three two-way interactions among Sde, DF, and PF, but none showed significant results. In Model 3, the three-way interaction was added, and the effect was significant (b = -0.13, SE = 0.06, p = 0.02, CI [-0.24, -0.02]), supporting H4. The three-way interaction explained an additional 1% of the variance ($\Delta R^2 = 0.01$, $f^2 = 0.02$), indicating a

small effect, which is common for interaction effects (McClelland & Judd, 1993) but can still have substantial practical and theoretical importance (Cohen, 1988).

Insert Table 3 Approximately Here

To test H4a and H4b, we used PROCESS Model 3 with HC3 robust standard errors, which directly provided the conditional effects at the specified values of Sde. The results showed that high Sde (1 SD above the mean) was associated with a nonsignificant negative DF–PF interaction (b = -0.04, p = 0.45); thus, although the direction of the interaction was as predicted, the results did not support H4a. However, low Sde (1 SD below the mean) was associated with a significant positive DF–PF interaction (b = 0.18, p = 0.04), supporting H4b.

PROCESS results also provided the conditional effect of DF on trust at low and high levels of PF, and vice versa, within each Sde condition. The results showed that when Sde was high, the positive effect of DF on trust was significant when PF was low/high (1 SD below/above the mean) (low: b = 0.30, SE = 0.09, p = 0.001, CI [0.12, 0.48], high: b = 0.25, SE = 0.10, p = 0.01, CI [0.06, 0.44]), and the same was true for the positive effect of PF when DF was low/high (1 SD below/above the mean) (low: b = 0.55, SE = 0.10, p < 0.001, CI [0.35, 0.75], high: b = 0.49, SE = 0.10, p < 0.001, CI [0.30, 0.69]). Together, these results suggest that both DF and PF were positively associated with supplier trust, and their associations appeared independent on highly dependent suppliers.

When Sde was low, the effect of DF was significant (b = 0.26, SE = 0.08, p = 0.001, CI [0.10, 0.42]) when PF was high (1 SD above the mean) but became non-significant (b = 0.02, SE = 0.10, p = 0.83, CI [-0.18, 0.22]) when PF was low (1 SD below the mean). Figure 1(a) illustrates the form of this interaction. PF had a significant positive effect on trust (b = 0.42, SE = 0.08, p < 0.001, CI [0.25, 0.58]) when DF was low (1 SD below the mean), which

became stronger (b = 0.68, SE = 0.14, p < 0.001, CI [0.41, 0.96]) when DF was high (1 SD above the mean). Figure 1(b) illustrates the form of this interaction. These results collectively suggest that, for less-dependent suppliers, PF was consistently positively related to supplier trust, with the effect being stronger when DF was high; however, the positive effect of DF was non-significant when PF was low.

Insert Figure 1 Approximately Here

3.3.6 Additional tests

Given the concerns about potential outliers and that this study applied OLS on 5-point Likert scales, which is suggested to violate interval-scale assumptions (Lantz, 2014), we conducted a bootstrapped OLS regression in Stata with 5,000 resamples to assess the robustness of the three-way interaction model. The three-way interaction remained significant (b = -0.13, 95% BCa CI [-0.25, -0.01]), supporting the findings in the main regression model.

We conducted a post hoc power analysis using G*Power 3.1. The achieved power for the main effects was 1.00, indicating adequate power to detect these effects. The analysis indicated power of 0.36 to detect the three-way interaction ($f^2 = 0.02$), consistent with the well-documented difficulty to detect interaction effects (McClelland & Judd, 1993; Aguinis, 1995). Nevertheless, the conditional effects only emerged at the three-way level, underscoring the theoretical importance of this result. Our above bootstrapping analysis (5,000 resamples) confirmed the robustness of this interaction.

In this study, the formal procedures and interactional dimensions of processes were considered as an integrated concept of PF, captured by the more generic term "process fairness" (Brockner *et al.*, 2009). This approach was taken because we concurred that both dimensions focus on the *social* interactions of a relationship (Griffith *et al.*, 2006), and they can—in line with many other studies—be considered part of one overall measure of PF (e.g., Yilmaz *et al.*, 2004; Soundararajan & Brammer, 2018; Zhou *et al.*, 2020; Vanpoucke *et al.*, 2022). Given that

these two dimensions have also been studied as distinct concepts (e.g., Narasimhan *et al.*, 2013), to address this concern, we evaluated whether the effects of these two subdimensions would differ from the main results. Separate regression analyses were conducted to examine the two subdimensions of PF instead of the overall measure. The results were aligned with the main findings.³

3.4 An illustrative case study

To triangulate and validate the survey findings, we analyzed a single case study (Siggelkow, 2007). The case study provided a more natural context to corroborate the quantitative results (Yin, 2012), and, more importantly, allowed us to observe evidence of the motivational role of Sde on supplier trust through the mechanism of motivated cognition. Direct observation of motivated cognition in the case study provided compelling support for the theoretical framework and increased overall ecological validity.

The case centered on the support provided by a key supplier (SUP) to a large European engineering firm (ENG) as it sought to implement closed-loop material recycling. This was a transformational project, with the buyer changing the core product materials and the supplier shifting from primary to secondary (recycled) material production. SUP had a 22-year buyer—supplier relationship with ENG, comprising continuously extended interactions across the dyad. Another important feature of the case for this study was the involvement of additional suppliers at various points in the project cycle. One additional supplier (CON) offered specialist technical support and occasional mediation between SUP and ENG during key negotiations, while others were brought in at the late stages of the project to scale up the closed-loop supply system across the supply chain, extending beyond the core dyad. These additional buyer—supplier dyads allowed some nested comparisons of trust in less-dependent relationships.

³ Details of the analysis and results are available from the authors upon request.

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The case was based on 28 face-to-face interviews conducted by one of the coauthors, and the key informants were selected by theoretically informed snowball sampling (Miles & Huberman, 1994). This was complemented by various other documentation and archival records for data triangulation, such as project reports and email threads, providing a comprehensive background on buyer–supplier dyads. Semi-structured interviews are flexible in adapting to emergent themes and unique case features (Eisenhardt, 1989). All interviews were recorded, transcribed verbatim, and integrated into a comprehensive case study database to ensure anonymity and confidentiality. Subsequent analyses included open (i.e., without predefined themes to preserve first-order integrity; Gioia *et al.*, 2013) and axial coding of interview transcripts and secondary data. This iterative process, moving between case data and concepts, yielded rich descriptions (Dubois & Gadde, 2002).

3.4.1 Supplier dependence increasing supplier motivation to trust

ENG was a forerunner in integrating novel materials into its products. SUP, a leading material producer with a presence in the United Kingdom, Europe, and North America, was strongly committed to increasing the recycled content in its materials. There was a high level of Sde on the buyer; ENG was SUP's "biggest" and "flagship customer." This dependence resulted in a 22-year relationship that is still ongoing.

There was ample evidence of SUP's trust in ENG, with SUP's participation in the transformational project being a key example. This project aimed to produce low-cost materials for ENG-engineered products, in effect disrupting SUP's established value chain. The project was considered risky due to many technical uncertainties. It involved mixing two chemically distinct material grades, which posed a further threat to SUP's optimized operations and raised the question of supply security.

Additionally, there were concerns about how this unprecedented recycling approach could affect product performance, durability, and safety, as these engineered products rely on

specific material grades designed for optimal performance: "Everyone ... thought some fool would suggest making [products] from [recycled material] ... It was counterintuitive. When I first started proposing this, people thought I was crazy. I forget now how revolutionary and controversial it was at the time" (Chief Scientific Officer, CON). SUP also harbored concerns that this approach could disrupt established industry players who traditionally depended on primary sources or conventional production methods.

Faced with this project, which outsiders to the relationship saw as full of uncertainty—
"Lots of people thought [the project] was going to wreck [the ongoing relationship]" (Chief
Scientific Officer, CON)—SUP still trusted ENG and was willing to take risks. SUP committed
significant resources to the project, often at its own risk, which was very visible to ENG: "To
commit to putting this material down a production line with the risk that there might be a
problem is actually really quite brave" (Group Leader, ENG). SUP also made relationshipspecific resource commitments, including providing permanent on-site technical support (e.g.,
resident engineers), with one SUP Vice President emphasizing, "We've invested so much ...
to make [ENG] successful."

Sde was a clear factor in these motivated judgments, as SUP clearly pointed out that ENG is "the biggest single ... user," and "of course, we were interested in making [ENG] successful ... because it's in our own interest to get as much scrap into the product." These judgments were significantly motivated by the perceived financial benefits of relationship building with ENG: "[ENG] was starting to use more and more aluminium. We were their key rolled products producer, and it made perfect sense to work together" (Chief Sustainability Officer, SUP). In this relationship, dependence was evidently the key to the trusting and committed attitude toward ENG: "If you're also quite heavily [dependent on the buyer] ..., you really put your arms around the customer in a nice way. It made [it] probably much harder for them to move away" (Senior Manager, SUP).

The role of motivated cognition

Most interestingly, in anticipation of building a relationship with this biggest customer, even behaviors that could have been seen as ambiguous or even threatening were rationalized and interpreted positively. For example, at one time in the project, ENG engaged another recycled material supplier, posing a direct threat to SUP's position. However, SUP quickly justified why ENG had done so, making a rational capacity-based case for supporting this potential threat: "At the time, we didn't have the capacity" (Director, SUP). This episode did not have any negative relational effects (e.g., reduced trust). Additionally, behaviors that could easily be seen as controlling and self-serving were interpreted in a positive light. For example, at one time, ENG sent its staff to SUP's site to oversee production. The behavior did not put SUP on guard but rather was interpreted as "trying to *support* [SUP] to produce evermore" (Vice President, SUP).

There was also a tendency to overlook problems that arose from working with ENG and to focus on positive experiences. For example, the project had taken many years to initiate (having been terminated twice before starting) and had been subject to significant challenges, including technical barriers ("had a thousand tons of material that was contaminated"), operational disruptions ("a major stoppage"), personnel changes ("the contract relationship stuff... just walked away"), lack of top management commitment ("having no contact with any sort of management group"), fears of economic impacts ("do not really want recycled cans to be considered as a low-cost source of metal"), contractual issues at the beginning of the project, and many other tense situations ("I just stopped the meeting and threw them out"). However, when asked to describe the process, one SUP vice president "couldn't recall any issues at all" and stressed how "this was a very smooth project, actually."

Through all these positive interpretations, which acted as a belief-confirming mechanism, SUP reinforced the belief that its relationship with ENG was positive. SUP

considered itself to have "a privileged relationship and connection" with ENG and that "[ENG's] commitment has always been fantastic to [SUP]" (Director, SUP). This belief further reinforced SUP's trust in ENG.

3.4.2 Buyer fairness and supplier trust in highly dependent relationships

Over the years, processual characteristics, such as openness and respectful treatment from ENG, served as essential mechanisms for building trust. In discussing the specific emergence of the project, SUP interviewees stressed ENG's willingness to openly share its challenges and future requirements as a key factor in fostering trust: "[ENG approached SUP] with a very crystal-clear definition of their pain point" (Vice President, SUP). This openness was particularly valued as a sign of respect, especially compared with SUP's usual experiences with other buyers, where challenges were not openly discussed and often had to be inferred. "[Sharing future requirements] does not happen a lot in a business-to-business environment where typically [the supplier is] trying to second guess customer" (Vice President, SUP). ENG's respectful treatment was further evident when SUP raised technical and capacity concerns about potential project changes, which ENG valued and considered: "[SUP] ... saw the danger that if you deviate [the existing material stream], there wouldn't be sufficient [material] in the pipe anymore to feed [their ongoing operations]."

Direct supplier engagement through formal procedures also played a crucial role in the trust-building process of SUP toward ENG: "You know, even though it's pretty bureaucratic ... it provides that discipline ... to develop a consistent approach because you're required to report" (Senior Manager, SUP). For example, instead of merely demanding compliance, ENG engaged SUP from the start with a structured approach encompassing regular meetings with detailed agendas and reporting. This consistent formal engagement throughout the project helped build SUP's trust in ENG and further encouraged their commitment to the project. The importance of this direct supplier engagement through formal procedures became evident during periods

when these procedural elements were absent: "We didn't have the immediate support meetings that we should have had" (Group Leader, ENG), which had a negative impact.

A fair distribution of economic outcomes was also essential in building SUP's trust in ENG. Both parties recognized the overall economic benefits of the project, such as how recycled materials ultimately lowered operating costs. For SUP, economic fairness was particularly significant, as "[the project] was a massive undertaking ... and massive investment" (Vice President, SUP). Faced with both short-term and transitional concerns (e.g., "Who will cover the costs of participating in the project, and who will pay for the metal provided for experiments?"), ENG signaled economic fairness by offering commercial benefits tied to future business prospects and committing to increasing purchase volumes from SUP.

3.4.3 Buyer fairness and supplier trust in less-dependent relationships

Unlike the highly dependent relationship between SUP and ENG, which was characterized by extended interactions, high volumes, and specific resource commitments, the relationship between CON and ENG lacked the same level of Sde. Rather, this relationship was transactional, with CON primarily providing expert advice, technical support, and contract research on an as-needed basis, as well as occasionally serving as a mediator between SUP and ENG during key negotiations.

In this less-dependent buyer—supplier relationship (CON—ENG), we found that explicit and visible processual mechanisms, such as respectful treatment and protection, were again frequently cited as crucial for building supplier trust. For example, when SUP objected to CON's involvement in the project, ENG intervened to safeguard CON from SUP's behavior: "I knew that [SUP's] objective was to actually close [CON]. But it worked out fine because ... [ENG] wouldn't tolerate [SUP] doing anything with [CON]" (Chief Scientific Officer, CON). Furthermore, ENG formally encouraged CON to continue participating in the project, recognizing that this would help compensate for SUP's potential antagonism. This PF led CON

to grant ENG access to its wider discreet supplier network, which was a significant gesture of trust, as CON relied on ENG to handle these sensitive relationships.

Similarly, distributive commitment between ENG and CON also increased CON's trust in ENG. For example, ENG firmly supported CON in drafting proposals to secure government funding and consistently involved CON in other projects. However, this increase in the supplier's trust in the buyer was contingent on the presence of PF; DF alone was insufficient to foster trust. This became evident when several less-dependent suppliers, introduced to the project at the later stages, strongly resisted adopting the recycling system despite financial incentives for any CAPEX projects: "[When we approached the suppliers to discuss how to take over the scrap stream], we were escorted out of the premises" (Manager, ENG). These suppliers, uncertain about the true costs of their operations and potential profitability in their new role in the closed-loop process, lacked trust in ENG. Their obstructive response to recycling system adoption, which delayed the adoption timeframe, apparently stemmed from not being involved in the project from the outset, highlighting the crucial role of PF in fostering trust in less-dependent buyer–supplier relationships, even when DF was present.

3.4.4 Case summary

This case study offers rich qualitative evidence to complement the survey and increase the reliability of the findings. SUP's high dependence on ENG increased trust, which manifested in undertaking a risky transformational project. Most crucially, motivated cognition was evident in how they positively interpreted ENG's behavior, which further reinforced trust. We also found evidence of the moderating effect of Sde. Both PF and DF increased trust in a highly dependent relationship (SUP–ENG), whereas in less-dependent relationships (ENG with other suppliers), although PF still increased trust, DF appeared to be less effective when PF was low.

4. Discussion

In this study, we sought to understand how Sde moderates the effects of buyer DF and PF on a supplier's trust in a buyer. The results demonstrated distinct patterns of fairness effects based on the level of Sde. The conditional effects and their associated theoretical contexts are summarized in Table 4. The theoretical and managerial implications are discussed below.

Insert Table 4 Approximately Here

4.1 Theoretical implications

First, this study enhances the theoretical precision of the fairness-trust connection in buyer-supplier relationships. For less-dependent suppliers, results show a positive interaction effect between DF and PF, which is consistent with prior studies (e.g. Chen et al., 2003; Narasimhan et al., 2013). This aligns with theoretical mechanisms suggesting that in lowerdependency relationships, individuals are more likely to process fairness information accurately, evaluating both dimensions concurrently (Kunda, 1990). However, for highly dependent suppliers, DF and PF have independent rather than a negative interaction effect found in individual-level OB studies (e.g., Kwong & Leung, 2002; Chen et al., 2003). This difference may reflect that interorganizational relationships commonly involve greater investment and risk than individual relationships. Therefore, highly dependent suppliers may be less likely to rely on compensatory mechanisms but instead evaluate both dimensions independently to maintain more calibrated responses to protect their organization's interests. This non-significant interaction is thus theoretically informative as it suggests important boundary conditions for fairness theory when applied across different relational contexts. Overall, the results highlight the importance of the "fairness in context" approach (Soundararajan & Brammer, 2018) for more precise theoretical development.

Second, this study contributes to knowledge about the motivational components of trust in buyer–supplier relationships. By focusing on the effects of Sde through the lens of motivated

cognition (Kunda, 1990), we illuminate a crucial yet underexplored facet of trust dynamics. Although the hypothesized negative interaction for highly dependent suppliers was not supported, this does not negate the presence of motivated cognition, but that such cognition may manifest differently. For example, because strong motivation might lower the threshold of trustworthiness cues (Williams, 2001), highly dependent suppliers may engage in simpler, independent processing of fairness-related information rather than complex, integrative processing of information observed in less-dependent suppliers. While precise cognitive processes warrant further investigation, the distinct patterns of fairness effects observed lend support to the motivational components of trust, which are further supported by the case study. Doing so, this study adds to the growing number of SCM studies that observed biased cognition (Hada *et al.*, 2013; Kauppi *et al.*, 2024) and deepens the understanding of the cognitive underpinnings of buyer–supplier relationships (Reimann *et al.*, 2017; Wang *et al.*, 2022).

Third, the current study's results collectively reinforce the hybrid model of trust (McEvily, 2011; Legood *et al.*, 2023). In this study, we found support for the relational model of trust (Rousseau *et al.*, 1998). This understanding emerges from the findings on the differential effects of PF and DF on trust formation: PF was consistently positively associated with trust, whereas the association for DF was contingent. Given that DF and PF represent the economic and social aspects of buyer–supplier relationships, respectively (Griffith *et al.*, 2006), these differential effects suggest that trust is primarily developed based on relational attributes. In comparison, the impacts of economic factors (DF) can vary and may, in some situations, fail to enhance trust if there are limited relational attributes (PF) in place. The findings align with Brito and Miguel's (2017) observation that suppliers can tolerate low DF to maintain a relationship but a violation of PF severely undermines their trust in the buyer. Overall, this study shows that trust has relational, economic, and motivational components. This holistic

perspective of trust enriches existing theories and opens avenues for new theorizing (Legood *et al.*, 2023).

4.2 Managerial implications

This study offers three main practical insights for managers. First, it confirms the importance of buyers using PF approaches to build supplier trust and suggests limitations of DF approaches, especially for less-dependent suppliers. A buyer can easily overemphasize economic incentives and focus exclusively on distributing margins and earnings while undermining trust by neglecting social interactions. Firms should put intentional efforts into fair processes, establishing transparent and standard systems of processes and clear communication and behavior codes with their suppliers (Liu *et al.*, 2012). For less-dependent suppliers, buyers need a strategic approach whereby both DF and PF are considered in tandem. This understanding can help buyers tailor their strategies to the specific dynamics of their supplier relationships, ensuring more effective and context-sensitive engagement.

Second, this study suggests buyers could adopt a hybrid approach to trust building incorporating relational, behavioral, and motivational dimensions. Motivation is particularly important in the early stage of a relationship before trustworthy evidence accumulates, with dependence serving as a significant contingency. Highly dependent suppliers are more likely to participate in risky projects without prior collaboration, creating opportunities for buyers to leverage this dynamic. However, buyers must avoid exploiting dependence-driven trust to prevent long-term resentment or opportunistic behavior. As motivated trust requires reinforcement through relational and behavioral attributes in repeated interactions, buyers should consistently provide positive relational experiences to transform initial motivated trust into robust, enduring trust.

Third, this study offers new insights into the challenges of highly dependent buyer—supplier relationships. While some exemplar firms avoid highly dependent suppliers

(Schwieterman *et al.*, 2020), this study may explain why. High dependence offers many benefits such as joint innovation, relation-specific investment, and improved performance (Kim & Fortado, 2021; Cao *et al.*, 2024), but it may also induce self-serving biases. For example, suppliers may downplay early signs of financial weakness in strategic customers or magnify potential gains from buyer investments when motivated by new technology benefits. To address this potentially biased decision-making, managers can apply techniques such as joint evaluation and the vanishing options test (see Soll *et al.*, 2015), though simply recognizing bias could help with unbiased decision-making (Hammond *et al.*, 1998).

4.3 Societal implications

This study has several societal implications. It is common for suppliers to depend on specific buyers who may then unknowingly engage in unfair practices that stifle performance and strain relationships. However, when buyers consciously prioritize combinations of DF and PF, this creates more trusting partnerships. Moreover, buyer-implemented DF can ensure fair compensation for suppliers, support their financial stability, and contribute to balanced economic development in supplier communities. Beyond financial impacts, buyer fairness establishes ethical standards throughout supply chains. Fair treatment of suppliers promotes better working conditions, fair wages, and sustainable practices, with positive effects rippling throughout supply chains to drive more ethical and responsible business operations.

4.4 Limitations and suggestions for future research

This study has several limitations, which also suggest directions for future research. First, we focused on benevolence trust, but we acknowledge trust as a multidimensional concept (Mayer *et al.*, 1995), and encourage future studies to explore other facets of trust. Second, we examined Sde without considering buyer dependence, adopting a unilateral perspective on dependence. Future research could explore a bilateral dependence perspective. Third, this study measured fairness on a continuum from low to high (Colquitt & Rodell, 2011),

thus not explicitly including "injustice" in the operationalization. Research suggests that justice and injustice could be two different concepts (Gilliland *et al.*, 1998). Therefore, future studies could explore this direction further by developing measures of injustice as a construct distinct from justice.

Fourth, we used a liberal threshold for Cook's distance (1.00) rather than more conservative criteria (e.g., 4/n), prioritizing statistical power for detecting three-way interactions. Although bootstrapped results and qualitative triangulation support our findings' robustness, future research with larger samples could apply more conservative thresholds without sacrificing power to detect complex interaction effects. Lastly, while the case study offered rich evidence of motivated trust in buyer–supplier relationships, motivated trust remains largely underexplored, especially compared to the considerable research on relational trust. We invite more studies to investigate this fascinating yet underexplored research area for SCM. For example, future studies could explore temporal effects or how the motivational components of trust affect buyer–supplier trust repair (Wang *et al.*, 2014; Eckerd *et al.*, 2022).

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TABLE 1
Measurement items and validity assessment

Constructs	Items	Factor loading	Congeneric reliability($\rho_{\rm C}$)	AVE
Supplier dependence	Our firm is quite dependent on this customer.	0.77	0.80	0.58
	It would be difficult for us to replace this customer.	0.82		
	We do not have a good alternative to this customer in our trading area.	0.68		
Distributive fairness (To what extent your firm's rewards or	The effort/investments that your firm has made to support this customer	0.76	0.83	0.55
earnings reflect:)	The roles/responsibilities this customer assigns to your firm	0.74		
	The contributions your firm has made to this customer's market share	0.74		
	The performance of your firm	0.72		
Process fairness	Are the decision-making procedures applied consistently?	0.60	0.88	0.47
	Are you able to express your views during these procedures?	0.68		
	Are you given the opportunity to challenge and refute the views of this customer?	0.60		
	Is there two-way communication in the decision-making process?	0.74		
	Are you provided with a full account of the final decisions?	0.68		
	Does this customer treat you in a polite manner?	0.71		
	Does this customer treat you with respect?	0.75		
	Does this customer treat you with dignity?	0.71		
Trust	When making important decisions, this customer is concerned about our welfare.	0.67	0.87	0.57

	When we share our problems with this customer, we know that they will respond with understanding.			
	Though circumstances change, we believe that this customer will be ready and willing to offer us assistance and support.	0.77		
	We can count on this customer to consider how its decisions and actions will affect us.	0.80		
	When it comes to things which are important to us, we can depend on this customer's support.	0.80		
Relational norms	It is expected that any information that might help the other party will be provided to them.	0.65	0.80	0.50
	Ideas or initiatives of both parties are widely shared.	0.75		
	Problems and conflicts are solved through joint consultations and discussions.	0.75		
	Both parties play a healthy role in the other party's decisions.	0.67		

TABLE 2

Mean (M), standard deviation (SD), correlations and square root of AVE

	1	2	3	4	5	6	7
1 Process fairness	0.69						
2 Distributive fairness	0.55 [<0.001]	0.74					
3 Supplier dependence	0.15 [0.004]	0.33 [<0.001]	0.76				
4 Trust	0.67 [<0.001]	0.56 [<0.001]	0.27 [<0.001]	0.75			
5 Firm size	0.02 [0.75]	0.08 [0.14]	0.01 [0.79]	0.04 [0.43]	n.a.		
6 Relationship length	0.04 [0.44]	0.09 [0.07]	0.18 [<0.001]	0.09 [0.10]	0.20 [<0.001]	n.a.	
7 Relational norms	0.45 [<0.001]	0.39 [<0.001]	0.17 [0.001]	0.40 [<0.001]	0.00 [0.90]	0.05 [0.34]	0.71
M	3.88	3.66	3.39	3.72	3.47	0.96	3.90
SD	0.64	0.72	0.88	0.68	1.91	0.39	0.65

Notes: Two-tailed p-values are provided in []; N=374.

Bold numbers on the diagonal show the square root of AVE, numbers below the diagonal are the correlations.

AVE not available for formative and single-item measures.

 ${\bf TABLE~3}$ Hierarchical regression results of process and distributive fairness, and supplier dependence on trust

	Base model	Model 1	Model 2	Model 3
	b (Robust HC3 SE)			
Control variable				
Trade & Logistics	0.24 (0.10)	0.15(0.08)	0.14(0.08)	0.13(0.08)
_	[0.02]	[0.08]	[0.09]	[0.10]
	(0.04, 0.44)	(-0.02, 0.31)	(-0.02, 0.30)	(-0.03, 0.29)
Service & Infrastructure	0.01 (0.08)	0.08 (0.06)	0.08 (0.06)	0.07(0.06)
	[0.87]	[0.21]	[0.23]	[0.28]
	(-0.15, 0.18)	(-0.05, 0.21)	(-0.05, 0.20)	(-0.05, 0.19)
Firm size	0.01 (0.02)	0.00 (0.01)	-0.00 (0.01)	-0.00 (0.01)
	[0.70]	[0.86]	[0.75]	[0.98]
	(-0.03, 0.04)	(-0.03, 0.03)	(-0.03, 0.02)	(-0.03, 0.03)
Relationship length	0.11 (0.08)	0.04 (0.07)	0.04(0.07)	0.03 (0.07)
	[0.20]	[0.55]	[0.59]	[0.64]
	(-0.06, 0.27)	(-0.10, 0.18)	(-0.10, 0.17)	(-0.10, 0.16)
Relational norms	0.43 (0.06)	0.08(0.05)	0.09 (0.05)	0.09 (0.05)
	[<0.001]	[0.14]	[0.11]	[0.08]
	(0.32, 0.54)	(-0.03, 0.19)	(-0.02, 0.19)	(-0.01, 0.20)
Predictor				
Process fairness		0.51 (0.06)	0.50 (0.07)	0.54 (0.07)
		[<0.001]	[<0.001]	[<0.001]
		(0.39, 0.64)	(0.37, 0.63)	(0.40, 0.67)
Distributive fairness		0.21 (0.06)	0.22 (0.06)	0.21(0.06)
		[<0.001]	[<0.001]	[0.001]
		(0.09, 0.33)	(0.10, 0.34)	(0.09, 0.33)
Supplier dependence		0.09 (0.04)	0.09 (0.04)	0.12 (0.04)
		[0.02]	[0.03]	[0.005]
		(0.01, 0.16)	(0.01, 0.16)	(0.04, 0.21)

Supplier dependence ×			0.08 (0.06)	0.08 (0.06)
Distributive fairness			[0.16]	[0.18]
			(-0.03, 0.20)	(-0.04, 0.19)
Supplier dependence × Process			0.03 (0.07)	-0.01 (0.07)
fairness			[0.68]	[0.84]
			(-0.12, 0.18)	(-0.16, 0.13)
Distributive fairness × Process			0.02 (0.07)	0.07 (0.06)
fairness			[0.81]	[0.21]
			(-0.12, 0.15)	(-0.04, 0.18)
Process fairness × Distributive				-0.13 (0.06)
fairness × Supplier dependence				[0.02]
				(-0.24, -0.02)
Model				
\mathbb{R}^2	0.18	0.52	0.53	0.54
F	13.37	34.60	36.06	35.76
	[<0.001]	[<0.001]	[<0.001]	[<0.001]

Note: Two-tailed p-values are provided in []; 95% CI in parentheses; N=374.

TABLE 4
Summary of the conditional effects of buyer fairness

Aspect	High supplier dependence	Low supplier dependence
Hypothesis	H4a: DF and PF interact negatively	H4b: DF and PF interact positively
Observed pattern	Independent positive effects of DF and PF	Positive interaction between DF and PF
Specific effects	DF and PF were independently associated with higher supplier trust in a buyer	DF increased supplier trust in a buyer when PF was high, but it had no effect when PF was low. PF increased supplier trust, and the effect was stronger when DF was higher.
Relationship context	High relationship importance	Low relationship importance
Motivation	High motivation to trust	Low motivation to trust

 ${\bf FIGURE~1}$ Interaction effects between distributive and process fairness under low supplier dependence

