

The Supplier - Buyer Relationship (SBR): A Literature Review

Wijeyaratne, R. T.¹

With global competition intensifying, firms are increasingly recognizing that internal efficiency improvements are insufficient, and that larger gains can be achieved by enhancing the performance of the entire supply chain. This realization, together with the potential of leveraging supplier capabilities, has resulted in a trend where customers increasingly are entering into closer collaborations with suppliers. Previous research on the antecedents of successful Supplier-Buyer Relationships (SBR's) has primarily adopted a buyer's perspective, while limited research has taken a supplier's perspective. To breach a possible gap in literature, this study adopts a dyadic perspective in the review, where both the viewpoint of the buyer and the supplier is considered in the review. Hence, the aim of this paper is to identify the factors that characterize mutually beneficial supplier -buyer relationships, as well as to investigate whether the factors are interdependent, and whether a particular factor triggers a closer collaboration. In order to carry out the study published journal articles and case studies has been reviewed. The findings are that factors within the dimensions of economic performance, interaction, and emotion and feeling, are important characteristics of successful supplier- buyer relationships. Moreover, researcher finds that the factors are highly interdependent, and that it is interaction, mainly in the form of increased communication, that triggers the establishment of a closer collaboration. For managers, the implications of these findings are that collaborative relationships are resource intensive, and thus firms must carefully select with which suppliers such relationships are most beneficial.

Keywords: *Collaboration, Supplier- Buyer Relationships*

¹ Faculty of Commerce and Management Studies, University of Kelaniya, Sri Lanka
(rusirtw@gmail.com)