

## **INFLUENCERS OF COLLABORATIVE BUYER-SUPPLIER RELATIONSHIPS: A CASE STUDY IN THE SOUTH AFRICAN BANKING INDUSTRY**

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Increasingly buyers and suppliers are changing the way in which they transact with each other, aiming for more collaborative relationships that produce greater benefits for each party. Due to the highly regulated nature of the banking industry, with strict requirements placed on product offerings, customer data protection and complex security systems, banks find themselves with a need to collaborate with suppliers that are able to uphold the bank's reputation by committing to the bank's priorities of meeting regulatory requirements. The purpose of this study is to understand the factors that affect buyer-supplier collaboration and to examine whether buyers and suppliers share the same perspectives when it comes to collaborative relationships.

A case study methodology was adopted, utilising semi-structured interviews and document analysis to collect data. Sixteen participants were interviewed between September and October 2015, at each participant's head office.

An initial list of factors was identified through a detailed literature review. These were listed as trust, commitment, information-sharing, joint effort and asset specificity. Findings of the study confirm the literature review, in that all but one of the factors namely joint-effort were identified from the analysis. Additionally two new factors were identified, namely innovation and partnership. Furthermore it was found that the buyer and its suppliers regarded trust as the most important influence factor, a finding that is supported in literature where trust is defined as the foundation of collaboration.

Academically the study creates a new understating of how buyer-supplier collaboration works in the banking industry, by identifying key influence factors of collaboration and the level of importance placed on them. For the manager this study will bridge the gap between differing views and identify influence factors for consideration when contracting under the collaborative approach. This will ensure that the bank is able to meet its key strategic objectives with the help of its suppliers, while also contributing to the supplier's revenue generation objective.