

## The role of fairness in multi-tier sustainable supply chains

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### Abstract

Fairness is an important topic that forms part of an organization's sustainability practice and agenda, particularly from a social dimension. However, past studies have rarely considered the role of fairness as a driver of sustainability in multi-tier supply chains. The purpose of this paper is two-fold. First, it examines the impact of fairness perceptions on the relationship between multi-tier supply chain partners. Second, it investigates the dynamics of on-going fairness formations in different stages of the vibrant multi-tier supply chain relationship development process. These gaps have been addressed by reporting the findings of a qualitative research. Primary data was obtained from 18 procurement and supply practitioners of buying firms and their top tier-1 & 2 suppliers. Findings show that fairness perceptions have an impact on collaborative activities between multi-tier supply chain partners. These collaborative responses such as information sharing, joint relationship effort, and dedicated investment can also impact critical aspects of the multi-tier supply chain relationship such as trust, commitment, satisfaction, and conflict resolution. The findings show that multi-tier supply chain partners have different expectations but usually evaluate fairness at the review phase of the relationship development process. These considerations offer theoretical and practical guidance towards the advancement of sustainable multi-tier supply chain relationships.

**Keywords:** Sustainable supply chains; Fairness perceptions; Multi-tier supply chain relationship; Relationship development

## 1. Introduction

Establishing multi-tier supply chain (MTSC) relationships globally have become very popular for organizations seeking to save costs or create a potential competitive edge (Jia, Gong, and Brown, 2019; Sarkis, Gonzalez, and Koh, 2019; Villena and Gioia, 2020). However, such MTSC relationships do not often meet their set targets because of possible reputational risks arising from actions linked with triple bottom line standards (Siano et al. 2017). Literature has stressed the significance of exhibiting socially sustainable practices that will enhance the growth of MTSCs (Mena, Humphries, and Choi, 2013; Sarkis, Gonzalez, and Koh, 2019). From a social supply chain management (SSCM) perspective, such actions include unfair practices, opportunistic acts, corruption, fraud, and behaviour that hinder fair outcomes in relationships (Alghababsheh, Gallea, and Rahman, 2018; Alghababsheh and Gallea, 2020).

A few studies (e.g. Mena, Humphries, and Choi, 2013; Bai et al. 2019; Orji, Kusi-Sarpong, and Gupta, 2019; Kusi-Sarpong, Gupta, and Sarkis, 2019; Govindan, Shaw, and Majumdar, 2020) have considered the social dimension of supply chain (SC) relationships in the MTSC context. However, from a social perspective, scant studies in literature have taken further steps to examine how perceptions of fairness influence MTSC relationships. The concept of fairness is an important notion that influences all social and economic exchanges (Liu et al. 2012). Likewise, SC relationships as social transactions require partners to behave in a manner that is fair, in order to be beneficial (Narasimhan, Narayanan, Srinivasan, 2013). Accordingly, attitudes and behaviour are pursuant to fairness, which if neglected, can nurture opportunism (Trada and Goyal, 2017; Tran, Gorton, Lemke, 2021), weaken trust (Kumar, 1996; Samaha, Palmatier, and Dant, 2011), increase potential conflicts, stir relationship problems and unrest (Tóth et al. 2018; Tura, Keränen, and Patala, 2019), and ultimately affect relationship outcomes (e.g., terminations intentions) (Yang et al. 2012; Fawcett et al. 2015).

Based on the social exchange theory (SET), transacting parties interact with each other because they expect rewards and anticipate the avoidance of punishment (Emerson, 1976). SET explains that the behaviour of SC partners is determined by their perceived relationship quality (Blau, 1964), which usually entails comparing the rewards and costs involved in these interactions (Luo et al. 2015). Thus, social forces such as fairness are crucial for maintaining MTSC relationships, since SC partners often judge their received profits in relation to their

investments (Kumar, Scheer, and Steenkamp, 1995). SET adds to the fairness agenda by viewing SC relationships as social exchange systems where SC partners expect to receive rewards from interactions with their partners. Such events can positively influence relational attitudes and behaviour which can improve the strength of communication, trust, commitment, and others, between SC partners. Thus, SC partners' behaviour and attitudes are stimulated through their perception of fairness.

Most studies have focused considerable attention on the relationship between single firms and their direct customers or suppliers (Martins and Pato, 2019), whilst only a few have considered the perspective of MTSCs (Tachizawa and Wong, 2014; Wilhelm et al. 2016; Bai et al. 2019; Govindan, Shaw, and Majumdar, 2020). This study examines the exchange relationship between UK manufacturers (buyers) and their Tier-1 and Tier-2 suppliers in India. This context is important because many leading manufacturers continue to expand their supply base in India due to their recent and future development prospects (Mehtra and Rajan, 2017). Likewise, having suppliers situated in different regions of the world, and those suppliers having their own suppliers makes the supply network complex to manage, difficult to meet expectations of others, and stresses the need to go beyond the Tier-1 supplier in the approach to managing supply chains (Gong et al. 2018; Villena and Gioia, 2020; Yoon, Talluri, and Rosales, 2020). Respecting and upholding dimensions of fairness becomes a crucial aspect when managing the relationship between multi-tier SC partners (Hartmann and Moeller, 2014; Alghababsheh, Gallear, and Rahman, 2018; Zhou, Govindan, and Xie, 2020).

The notion of fairness has attracted increased significance in organizational research (Adams, 1965), and has become an increasingly visible construct in social sciences over the past four decades (Colquitt, 2001). Prior to 1975, research on fairness was predominantly focused on distribution of outcomes (distributive fairness) (Adams, 1965). After 1975, Thibaut and Walker (1975) introduced the study of process (procedural fairness) to the literature on fairness. In 1986, Bies and Moag (1986) advanced fairness literature with a focus on the significance of the quality of interpersonal treatment that people receive, when procedures are implemented (interpersonal fairness). In recent years, scholars have become increasingly concerned with the idea of fairness, in the SC context since SC partners are often in different positions of power (Gorton et al. 2015), which often exposes the weaker party to vulnerabilities

(Kumar, 1996; Duffy et al., 2013). Fairness is concerned with how SC partners treat one another in their social and economic interactions. Based on the above discussion, this research aims to expand knowledge on social issues such as fairness to the multi-tier SC level. Specifically, it draws on the relevant fairness literature in the SC domain and uses the SET to develop a conceptual model in which we propose that fairness (i.e., distributive, procedural, and interactional), as perceived by members of the MTSC relationship can serve as a driver of collaboration, and potential relationship development. It also highlights the different stages of relationship development which MTSC partners experience, and reveals how the perceptions of fairness evolve, are formed, and are manifested in these different stages. In doing so, this study addresses the following research questions:

**RQ1** How do perceptions of fairness impact the relationship between MTSC partners?

**RQ2** How are the perceptions of fairness manifested in different stages of the MTSC relationship?

This study holds theoretical and practical contributions. For theory: (1) it is one of the first, if not the first empirical effort that applies the lens of SET to investigate SSCM in the MTSC context (2) it adds to the current debate on the social dimension of MTSC relationships by revealing how fairness perceptions influence behaviour and attitudes of MTSC partners in the exchange relationship setting; (3) it reveals the different phases of MTSC relationship development (initiation, implementation, and review), and highlights how perceptions of fairness are manifested at these different phases; For managers: (4) it reveals why more investment and effort should be allocated to promoting fairness in MTSC relationships for the development of long-term advantages; (5) the MTSC perspective also gives managers a wider approach to promoting fair practices since it is extremely difficult to control the unfair practices at a multi-tier level.

The paper proceeds as follows: firstly, the theoretical underpinnings and a review of relevant literature; secondly, the research design and methodology adopted, the data collection technique used, and the data analysis approach; thirdly, the findings of the study and concluding remarks with implications for theory and practice which can indicate directions for future research.

## **2. Theoretical background**

### ***2.1. Social exchange theory***

Social sustainability considers the aspects of product and process that influence the people involved in supply chains, focusing on the human aspect (Hussain et al. 2018; Mani and Gunasekaran, 2018). SET (Emerson, 1976) is adopted as a theoretical lens to understand the role of fairness in MTSC relationships. The logic is linked with the idea of sustainable long-term relationship development. From this perspective, two main concepts are considered: the level of collaboration, and the relationship quality and development between MTSC partners. SET claims that individuals or corporate firms interact for rewards or with the expectation of a reward from their interchange with others and avoidance of punishment (Emerson, 1976). SET argues that attitudes and behaviour are determined by rewards of interaction between individuals in relationships. Thus, boundary spanners (relationship managers) are willing to commit to such relationships because cooperation is initiated based on the expectation that an individual firm's contribution will be reciprocated in the future by its receptor (Lu, 2006; Luo, 2007). The reciprocity between SC partners is an independent transactional exchange (Gouldner, 1960), where one party's actions depend on another party's behaviour. This implies that firms are more likely to maintain relationships if they perceive themselves to be receiving fair treatment (Lind and Tyler, 1988).

The concept of fairness is an important dimension of SSCM because it is a social force that can help MTSC partners maintain long-term orientation (Govindan, Shaw, and Majumdar, 2020; Zhou, Govindan, and Xie, 2020). A MTSC partner will be encouraged to share more information, put more effort, and dedicate higher investments into a relationship based on their perceptions of fair treatment. In such circumstances, a manufacturer (buyer) may decide to increase the percentage of a category to be sourced from the supplier, subject to the dependency level (Zaefarian et al. 2016). This profound effect may also influence the supplier's behaviour, possibly resulting in continuous commitment and relationship development (Liu et al. 2012).

As emphasized in the current literature, considerable theoretical frameworks have been adopted to examine the issues of sustainability in the multi-tier SC context (e.g. Tachizawa and Wong, 2014; Dubey et al. 2017). However, most published studies lack an inclusive framework which considers the social behaviour in interactions between parties in an exchange

relationship from a distributive, procedural, and interactional perspective. SET is relevant in the context of this research as it lays emphasis on the significance of fair interactions during exchanges between MTSC partners. SET emphasizes the vital role of fairness as a factor that can influence the behaviour of MTSC partners, while creating more socially sustainable supply chains. Since MTSCs require the involvement, coordination, and collaboration of SC partners, the role of people and decision makers in the relationship development process becomes important in the development of sustainability in MTSC relationships.

### ***2.2. Fairness in the multi-tier supply chain context***

The extant literature has focused considerable attention on socially sustainable SC practices in tackling current social issues of suppliers, but the root causes of these issues have unexpectedly been neglected (Alghababsheh, Gallear, and Rahman, 2018). It has been highlighted that such social issues such as weak regulations, high labour intensity, and poor payment schemes (Huq et al. 2016), are often motivated by the buyer's unfair trading practices. In turn, suppliers may feel the need to transfer part of the pressure down to their second-tier suppliers to cope with persistent cost cutting measures from buyers (Klassen and Vereecke, 2012). Changes in the market such as demand uncertainty, technological landscape, consumer requirements, and diminishing product life cycles, also drive buyers towards exhibiting practices that may be perceived as unfair by suppliers (Awaysheh and Klassen, 2010; Lu et al. 2018). The value derived from fairness perceptions in the SC context has been evidenced, based on the extent to which distributive, procedural and interactional fairness are established (Bouazzaoui et al. 2020).

Distributive fairness (DF) was defined by Adams (1965) as equity, signifying its existence when a person, for his or her own situation, perceives that the ratio of outcomes to inputs are equal to the ratio of outcomes to inputs of others. In the SC context, the performance outcomes in the relationship are deemed fair, if investments in effort and resources compare favourably with outcomes. The focus of distributive fairness relates to how the benefits and risks are shared between the buyer and supplier (Griffith et al. 2006). This aspect of fairness is linked with the idea of equity theory, which emphasizes that MTSC partners want fair and equal distribution of resources and relationship outcomes.

Procedural fairness (PF) which is derived from the idea of instrumentality (Luo, 2007), focuses on the consistency in decision-making. It suggests that people are often concerned about fairness in the process, and they will view procedures as fair if they perceive that they have control over the process (Gibson, 1989). In the MTSC context, procedural fairness relates to the following activities: the consistency of the buyer's purchasing policies, the degree to which a supplier can question and challenge a buyer's policies, or the extent to which a buyer or supplier provides rational explanations for certain decisions made (Kumar, 1996).

Interactional fairness (IF) is anchored in the idea of social exchange (Luo, 2007), representing the social aspects of fairness, which relates to people's reactions during interpersonal and social interactions (Colquitt et al. 2001). The interpersonal treatment and communication received during interactions are important factors which lead to perceptions of fairness (Tyler and Bies, 1990). This social dimension of fairness concentrates on interpersonal treatment, conduct during human interactions, and concerns of open communication of information (Tyler and Bies, 1990). In the MTSC context, interactional fairness refers to the actions, and the degree of interpersonal sensitivity that a supplier's employees exhibit towards the representatives of a buyer and vice versa (Zaefarian et al. 2016). It relates to the social glue of the inter-firm exchange such as politeness, honesty, dignity, and empathy (Greenberg and Cropanzano, 1993).

Overall, these dimensions of fairness are critical for developing the social dimension of MTSCs relationships as they focus on ethical rules and fair standards. For example, DF can minimize the likelihood of opportunism in the relationship and stimulate efforts between MTSC partners (Luo, 2007; Trada and Goyal, 2017). Similarly, PF can aid in providing a "voice" to the MTSC partners, especially the weaker parties, and help in promoting superior performance (Folger, 1977). Likewise, IF can promote harmony, reduce conflict, and improve collaboration between MTSC partners (Luo, 2007). Although these factors are important, they have not frequently appeared in the literature on the social factors of MTSC management (Alghababsheh, Gallear, and Rahman, 2018).

### ***2.3. Collaboration and relationship quality between multi-tier supply chain partners***

The relationship between MTSC partners requires a close collaboration to achieve sustainability targets (Bai et al. 2019; Villena and Gioia, 2020; Yoon, Talluri, and Rosales, 2020). Collaborative activities represent each party's willingness to give and take in the relationship, which allows it to adapt over time, and creates an avenue for on-going administration of the exchange (Williamson, 1993). In this research, three key collaborative activities are considered: information sharing, joint relationship effort, and dedicated investment, as they represent value-adding relational norms (Cao and Zhang, 2011).

MTSC relationships require some form of information sharing (Viswanathan, Widiarta, and Piplani, 2007). It is considered one of the building blocks of a solid MTSC (Yoon, Talluri, and Rosales, 2020), and a critical factor if SC partners want to realise relationship benefits (Kembro, Näslund, and Olhager, 2017). To meet set targets in the relationship, a joint effort is required by MTSC partners (Viswanathan, Widiarta, and Piplani, 2007). A joint relationship effort has an impact on the success of MTSC relationships through the working together of SC partners towards decision-making and joint-problem-solving, planning and coordinated activities (Nyaga, Whipple, and Lynch, 2010). MTSC relationships also require dedicated investments which have a huge impact on sustainable relationships through sufficient resource investments (Min et al. 2005). These investments have been recognized to communicate strong commitment to the relationship, because of the economic consequences that SC partners will incur if it ends (Nyaga, Whipple, and Lynch, 2010). In this research, it is argued that fairness perceptions may influence the level of collaboration between MTSC partners.

The relationship quality between MTSC partners is also crucial for long-term sustainability (Huntley, 2006). Most studies in relationship marketing view this quality as a concept that echoes issues relating to trust (Morgan and Hunt, 1994), commitment (Kumar, Scheer, & Steenkamp, 1995), and satisfaction (Garbarino and Johnson, 1999). Trust constitutes the belief, attitude, or confidence in another party (De Ruyter et al. 2001). It is the belief that another company will perform actions that will result in a positive impact for the firm (De Ruyter et al. 2001). The presence of trust in SC relationships has been revealed to reduce transaction costs and establish a positive environment for doing business (Qian et al. 2020).



Commitment refers to how exchange partners are willing to make short-term sacrifices to develop and maintain long-term, stable, and profit-making relationships (Anderson and Weitz, 1992). Satisfaction is a positive state which involves an evaluation of all aspects of a firm's working relationship with another firm (Anderson et al. 1994). Overall satisfaction has been revealed to guide decision making and predicting behaviour in relationships (Garbarino and Johnson, 1999).

Through collaboration, MTSC partners can work as if they were a part of a single enterprise. To ensure that MTSC partners work in close collaboration, a strong relationship between MTSC partners characterized by high levels of trust, commitment and satisfaction is essential. However, by collaborating with autonomous firms, SET emphasizes that concerns can arise about the fairness between SC partners (Huo et al. 2016). Thus, we argue that perceiving fairness plays an important role in the relationship development process, promoting the development of trust, commitment, and overall satisfaction in such MTSC relationships.

#### ***2.4. Relationship development process in the multi-tier supply chain context***

From a process viewpoint (Dwyer, Schurr, and Oh, 1987), a MTSC relationship can be observed as a sequence of relationship stages through which interactions happen (Liu et al. 2012). An inter-organizational relationship framework was developed by Frazier (1983), and Frazier, Spekman, and O'Neal (1988). It was divided into three phases: initiation, implementation, and review stages.

The initiation phase focuses on why and how firms seek to initiate exchange relationships (Frazier, 1983). It commences with the buyer when they perceive a need which creates the motive to form an exchange relationship (Foa and Foa, 1974). The implementation phase starts when products, services, and related information are initiated between the exchange partners, and ongoing interactions occur between each firm's representatives (Frazier, 1983). In the MTSC context, the buyers will start forming perceptions of the suppliers' role performance, how well they carry out their chain role, and vice versa. When the role performance of a MTSC partner is below prior role expectations, this can lessen the dependence on the exchange partner from the initial level (Frazier, 1983). The review process involves an appraisal of the rewards or losses realised by each exchange firm in the exchange. It is

suggested that fairness perceptions are developed mostly in the review stage, when rewards (losses) are compared to inputs (Frazier, 1983; Frazier et al. 1989).

A contrasting perspective divides the relationship development process into five general phases; awareness, exploration, expansion, commitment, and dissolution (Dwyer et al. 1987). Each phase represents a major transition in how parties regard one another. The dissolution is the last phase which entails the possibility of withdrawal or disengagement from the relationship (Dwyer et al. 1987). At this point, the basic exchange calculus theory is relied upon, which could result in consequences such as relationship termination (Emerson, 1976). See (e.g. Dwyer et al. 1987; Frazier, 1983; and Frazier et al. 1989) for a comprehensive overview of inter-organizational relationship development.

These studies seem to propose that the perceptions of fairness are formed in a single (and different) stage of exchange relationships. However, past research has not investigated whether this is the case, or whether the perceptions of fairness are formed at every single stage but exert different degrees of importance in affecting the behaviour of exchange partners (Liu et al. 2012). Likewise, the role of MTSC partners in managing the dissemination of social SSCM practices (e.g. exhibition of fairness) through the relationship development process, is an important consideration. Even though past studies (e.g., Wilhelm et al. 2016; Gouda and Saranga, 2018; Hannibal and Kaupi, 2019; Jabbour, Jabbour, and Sarkis, 2019; Feng, Hu, and Orji, 2021) investigated possible solutions to sustainability issues in MTSC relationships from different angles, to date, no available published study has proposed a comprehensive theoretical framework which includes issues relating to perceptions of fair treatment. This study is different from past studies in the MTSC context, as it includes considerations relating to how perceptions of fairness can impact collaborative responses and relationship development, and how perceptions of fairness are manifested in different phases of the MTSC relationship.

### **3. Research methodology**

#### ***3.1. Research context***

This research focuses on the exchange relationship between UK manufacturers (buyers) and their Tier-1 and Tier-2 suppliers in India. The manufacturing industry is one of the largest and

fastest developing industries in the UK and India, and both countries are among the top manufacturing nations in the world with a combined manufacturing output of more than US\$500 billion (Innovate UK, 2017). Recognizing the UK Government's effort to halt its long-run decline, manufacturing still makes a disproportionate contribution to the UK economy (Harris and Moffat, 2019). Evidence shows the UK retained its position globally as the 9<sup>th</sup> leading manufacturer and 10<sup>th</sup> in terms of global exports with output, totalling £191 billion in 2019, revealing an increase of 7% over the last five years (Tyrrell, 2020). Although India is an emerging market and developing economy, its place in global manufacturing has risen to 6<sup>th</sup> position with more potential for future growth (World Economic Forum, 2020). India's manufacturing sector is one of the fastest growing in the world with a revenue potential of 1 trillion USD by 2025. Thus, UK manufacturers are constantly seeking opportunities to expand their supply chains to the rapidly growing Indian market, with increasing demand for high-quality products. As a result, there are several inter-organizational exchanges and collaborations that occur between UK manufacturers (buyers in this context) and suppliers in the 1<sup>st</sup> and 2<sup>nd</sup> tier in India.

### ***3.2. Philosophical stand and research methods***

A qualitative approach was adopted because we wanted to obtain rich insights from an examination of the "multi-tier" level of analysis (Merriam and Tisdell, 2015; Creswell and Poth, 2016). Given the fact that limited research has been done in this area, we believed this approach would allow us to uncover the role of fairness perceptions in the development process of MTSC relationships, and explore how fairness impacts on the collaboration between MTSC partners. Our philosophical stand also informed our choice of research method. Since our belief is that knowledge is shaped by culture and society (Brunt, Horner, and Semley, 2017), we adopt the nominalism ontology which implies that reality does not exist independently of our perceptions and meanings (Easterby-Smith et al. 2021). Based on our constructivist epistemology, we believe that our reality is socially constructed by social actors who require engagement to explain how and why reality is formed the way they see it (Lincoln and Guba, 2013). Our research strategy was inductive in nature (Blaikie, 2010;

Collis and Hussey, 2014), utilizing semi-structured interviews, and analyzing and comparing the insights obtained from SC and procurement practitioners.

### ***3.3. Research process and sampling strategy***

An invitation letter was chosen to approach participants about the nature of the research. This allowed them to read and acknowledge an informed consent document which stated how the data would be stripped of all identifying information, and kept in strict confidence (Easterby-Smith et al. 2021). We obtained a list from the industrial database of the British Chamber of Commerce which consisted of firms in the UK's manufacturing sector. We also created criteria to guide the selection of respondent firms such as:

- being able to voluntarily disclose information to assist the research;
- having a multi-tier SC structural arrangement (i.e. buyer-supplier-supplier relationship) with tier-1 and tier-2 suppliers in India;
- having a multi-tier collaboration more than 2 years old, for sufficient depth to cover the different aspects of the research;
- focal companies willing to give access to their SC members in at least two tiers of suppliers, and these firms further down the chain willing to participate in the research.

The semi-structured interviews offered in-depth insights about the topic (Pietkiewicz and Smith, 2012). We utilised an interview guide to ensure that all aspects of the research questions were covered, and to ensure comparability of answers. The prior literature on MTSCs (Viswanathan, Widiarta, and Piplani, 2007; Tse and Tan, 2011; Lyons and Ma'aram, 2014; Yoon, Talluri, and Rosales, 2020) was used to develop the interview questions. We conducted all interviews in English and each interview lasted between 45 and 60 minutes. The questions discussed were related to the impact of perceptions of fairness on the MTSC relationship, and how the perceptions of fairness are manifested in different stages of the MTSC relationship.

A purposive sampling strategy was adopted in this research (Blaikie, 2010). The sample consisted of participants (SC practitioners) who volunteered to take part in the research by answering requests to participate in the study. The unit of analysis was a buyer-

supplier-supplier relationship involving the interaction between manufacturers (buyers) and their Tier-1 and Tier-2 suppliers in India. The suppliers were responsible for sourcing and procurement of raw materials essential for production and onward movement of finished goods down to the manufacturer (buyer). We selected Tier-1 and Tier-2 suppliers based on the closed structure of their MTSC, where Tier-2 suppliers also have a formal linkage and interaction with the buyer (Mena et al. 2013). A total of thirteen manufacturing companies (focal buying firms) in the UK were approached, but some companies were dropped due to their inability to meet the set criteria for data collection. Eventually, six UK manufacturing firms (Buyers A to F) participated and gave us access to their MTSC, which consisted of their suppliers (Tier-1 suppliers for Buyers A to F), and their supplier's supplier (Tier-2 suppliers for Buyers A to F). Table 1 illustrates the basic details of the companies that took part in this research. Due to the promise of anonymity and confidentiality, we could not reveal any names of the participants firms at all levels of the MTSC.

To reduce respondents' bias, we interviewed multiple subjects who had adequate knowledge regarding MTSC management. A total of eighteen interviews conducted between April 2019 and July 2020 were eventually utilised. The interview sessions were audio recorded and transcribed for accuracy and clarity of information.

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Insert Table 1 about here.  
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The interviews were concluded when we reached theoretical saturation, where subsequent interviews would offer no new insights towards understanding the research question (Eisenhardt, 1989). Apart from formal interviews, a member of the research team also had informal discussions and field trips with buyers in the UK, while another member did likewise with suppliers in India.

### ***3.4. Data analysis***

After obtaining our data, we analyzed it following a deductive process using the thematic analysis approach (Easterby-Smith et al. 2021). The researchers familiarized themselves with the data through a transcription process. The task was divided into three steps: data reduction,

data display, and conclusion, as suggested by Miles and Huberman (1994). We grouped and coded the raw transcribed data (word, sentences and paragraphs) related to the research questions (first-order codes).

In line with the research questions, we divided the analysis process into two main parts. The first part analyzed data in relation to how perceptions of fairness impact the relationship between MTSC partners. At this stage, the analysis focused on the specific impact of fairness perceptions on collaborative activities between MTSC partners in line with the reviewed literature. We broke down first-order codes into descriptive second-order categories such as “on-time communication and information sharing”, “relationship investments”, and “working together” (see Table 3 for examples of coding). We then juxtaposed the two-independent analysis in relation to SC collaborative activities (Cao and Zhang, 2011), and dimensions of fairness (Narasimhan et al. 2013) to explore how specific dimensions of fairness influence collaborative activities. This enabled us to understand the different collaborative activities that were related to fairness dimensions.

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Insert Table 3 about here.  
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Towards an understanding of the impact of fairness on MTSC relationships, a further aspect of the data analysis focused on the specific impact on the relationship between MTSC partners. First-order codes were placed into descriptive second-order categories such as “going the extra mile”, “breach of trust”, “satisfaction level”, “minimizing conflicts”, “continuity”, “length of the relationship”, and “credibility and reputation”. Next, we juxtaposed the two-independent analysis in relation to SC relationship success measures (Palmatier et al. 2007), and fairness perceptions to explore how dimensions of fairness impact relationship outcomes (see Table 4 for examples of coding).

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Insert Table 4 about here.  
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The second part analyzed data in relation to how perceptions of fairness are manifested in different stages of the MTSC relationship development process (see Table 5 for examples of coding). Accordingly, we summarized initial conclusions on this aspect for each respondent

firm in narratives by identifying patterns that could explain the specific stage that perceptions of fairness are formed in line with the reviewed literature.

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Insert Table 5 about here.  
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Measures were taken to safeguard the trustworthiness of the data and their analysis. We related our data and findings to the pertinent literature and theoretical frameworks. The findings were also cross-checked by two anonymous researchers (independent coders) with experience in analyzing qualitative interviews, to help achieve reliability of data through an inter-coder exercise (Miles et al. 2019). The process of inter-coder reliability began with the random evaluation of interview transcripts by the independent coders using a coding outline. Afterwards, the interview transcripts were coded independently and the views of the independent coders were deliberated with the research lead. In the final coding phase, the inter-coder reliability index was calculated based on a division of the overall number of agreements for all codes by the total number of agreements and disagreements for all the codes (Campbell et al. 2013). The reliability score was 84% (above the 80% threshold) which is deemed to be satisfactory for exploratory research (Miles et al. 2019). We then shared the coding summary with the study participants and asked them to comment on the overall conceptualization and the proposed codes. Twenty-two participants responded and suggested minor changes to wording of the codes. After making these changes, we presented our work in various academic conferences and received several recommendations. These steps confirmed that the codes and categories represent the key variables of this study.

Because of the in-depth qualitative rather than quantitative nature of the obtained data, the emphasis in this research is on analytical generalization towards theoretical concepts, rather than statistical generalization of quantitative type studies.

#### **4. Findings**

After analyzing our data, we were able to unravel specific details on how fairness perceptions of distribution of rewards, processes and policies, and interpersonal treatment impact collaborative activities and the development of MTSC relationships. Furthermore, we found

that perceptions of fairness are formed particularly at the evaluation stage of the MTSC relationship development process, where decisions are based on developed perceptions regarding the status of the relationship. The key results of the study are presented concisely in tables and figures.

#### ***4.1. Impact of perceptions of fairness on collaborative activities between multi-tier supply chain partners***

Our findings indicate that collaboration between MTSC partners can be highly influenced by perceptions of fairness, and those perceptions can influence collaboration. The literature has stressed that collaboration between firms will normally include key activities not limited to information sharing, joint relationship effort and dedicated investments (Nyaga et al. 2010). We found that when fairness is perceived, either by the first or second tier supplier, the perception impacts strongly on the level of communication (information sharing), investment and contribution towards the relationship (dedicated investment), and determination to collectively work with the buyer (joint relationship effort).

These perceptions of fairness by individual firms, are based on a series of exchanges and interactions in the closed MTSC, and which have a critical role in improving the level collaboration and partnership in the multi-tier channel. The interviews revealed that whilst the perceptions of fairness can impact on collaboration between MTSC partners through these activities, the impact of a “fair” perception always generates a positive relationship atmosphere. For instance, if fairness is perceived based on the impartiality of a buyer in areas of rewards allocation, decision and process enactment, and interactive conduct, their collaborative activities with the specific buyer will improve, which can develop best practices in the relationship. The illustrative quotes from Tier-2 and Tier-1 level suppliers of a buyer (Buying Firm A and Buying Firm B) highlight this point:

*“When we perceive fairness, we are motivated to share more information with our buyer”*  
(Tier-2 Supplier’s perspective towards Buying Firm A)

*“Because they treat us fairly, we have now invested in technology systems like SAP to allow our key partners to have access to certain elements which would help them have a flow of information that they can use for better planning”* (Tier-1 Supplier’s perspective towards Buying Firm A)



*“Our perception of fairness will also influence on the motivation to work together in the buyer” (Tier-2 Supplier’s perspective towards Buying Firm B)*

*“Perceiving fairness on the part of your supplier does boost the strength of the collaboration and makes your partnership develop to a better level through investments to the relationship” (Tier-1 Supplier’s perspective towards Buying Firm B)*

Furthermore, we noted that collaborative activities in MTSC relationships are critical for improving specific perceptions of fairness. Distinct collaborative activities exhibited by MTSC partners can advance specific perceptions of fairness. For example, common SC activities such as information sharing, communication, and electronic data exchange can boost mutual interactional fairness since interactions require these key activities. Other collaborative activities such as dedicated investment to the MTSC were found to improve aspects of distributive fairness, as partners perceive such investments into the relationship as a fair distribution of efforts invested. Joint relationship effort was also found to improve the procedural and decision-making aspect of fairness. The illustrative quotes from a Buyer (Buying Firm B) and their Tier-1 and Tier-2 suppliers explain this point:

*“It would impact on the additional services we would offer such as sending out our own field salespeople to assist theirs. If we feel we have a fair deal and we are being treated fairly, we will be more inclined to have more dedicated investment through our additional services” (Buying Firm B)*

*“Particularly with communication, if you have got that aspect of fairness the communication works a lot better and we are more likely to be open and honest with each other” (Tier-1 Supplier’s perspective towards Buying Firm B)*

*“If we find that the buyer is being difficult and not wanting to share the risks, or if something happens, they are hiding it because they don’t want to be seen to be creating problem, then that does have a negative effect” (Tier-2 Supplier’s perspective towards Buying Firm B)*

#### ***4.2. Impact of perceptions of fairness on multi-tier supply chain relationships***

Our findings indicate that perceptions of fairness have an impact on factors critical to the success, sustainability and long-term development of MTSC relationships. We particularly identified relationship quality measures such as relationship commitment level, trust level, relationship satisfaction, and conflict resolution to be heavily influenced by perceptions of fairness. First and second tier level suppliers also agreed that the fairness of their buyer or manufacturers will drive the quality of their MTSC. As a result, a supplier will be willing to go

the extra mile for the manufacturer and vice versa due to social responsibility and good sustainable practices throughout the network.

These perceptions of fairness serve as an enabler of sustainability throughout the MTSC through SSCM practices, which are exhibited and perceived by other multi-tier partners. Such sustainable practices which promote fairness, also reduce conflicts and tensions, and minimize the likelihood of potential issues. The following exemplary quotes from a Buyer (Buying Firm E) and their Tier-1 and Tier-2 suppliers explain how perceptions of fairness have impacted on commitment level in their MTSC relationship:

*“For example, of one of our supply chain partners (supplier), as far as we are concerned regardless of the fact that we are in a relationship with them, they are not entirely fair to us because they don’t meet deadlines, they don’t meet lead times, they don’t meet delivery dates and KPIs, and for these reasons we don’t believe they are committed to the relationship, in fact it is very clear”* (Buying Firm E)

*“Yes, our perception of fairness impacts on our collaboration with our supply chain members particularly with the behavioural aspect as your attitude changes towards aspects such as effort and commitment”* (Tier-1 Supplier’s perspective towards Buyer E)

*“We are more inclined to go the extra mile for someone that is treating you fairly”* (Tier-2 Supplier’s perspective towards for Buyer E)

Perceiving fairness in the MTSC relationship also helps in developing high levels of trust which serves as an enabler for attaining sustainability from a multi-level perspective. The following exemplary quotes from a Buyer (Buying Firm F) and their Tier-1 and Tier-2 suppliers explains how perceptions of fairness have impacted on trust in their MTSC relationship:

*“For example, if a supplier has let us down, it can be because they have handed over confidential information from their company onto a third party which wouldn’t go down very well with us because some of the work that we do is highly confidential, so trust is the biggest factor that our perception of fairness would link to the most”* (Buying Firm F)

*“I know trust builds over time but when we perceive unfairness, it influences on the trust level straight away and if I had to endure due to lack of options, then I would be very careful with them. It will obviously take time and a series of unfair or fair treatments to know which direction the trust impact would lead to”* (Tier-1 Supplier’s perspective towards Buyer F)

*“The first impact is having a trust level, but once you have got a level of trust, your ability to try and evaluate and understand fairness between two businesses becomes easier”* (Tier-2 Supplier’s perspective towards Buyer F)

Furthermore, we found that perceiving fairness plays a key role in the overall satisfaction of all MTSC partners in their relationships. Considering the closed structure of the MTSC, the perception of fairness could influence behaviour and attitudes of individual firms which could in turn impact sustainability standards. The following exemplary quotes from a Buyer (Buying Firm A) and their Tier-1 and Tier-2 suppliers, explain how perceptions of fairness have impacted on their satisfaction level in their MTSC relationship:

*“Fairness would also impact on how satisfied you are with the partner showing that you are happy with the individual firm moving forward and want to continue the relationship with them”* (Buying Firm A)

*“When they give us fair price, we tend to work more closely with them, and you have that feeling they are being fair, and they aren’t ripping you off”* (Tier-1 Supplier’s perspective towards Buyer A)

*“Achieving the price point you want at the detriment of the supplier would be perceived as unfair and then that affects my satisfaction level in the relationship”* (Tier-2 Supplier’s perspective towards Buyer A)

In our analysis, we also found that perceptions of fairness decrease the prospects of potential conflicts and misunderstanding between MTSC partners. Conflict resolution is important for long-term sustainability of MTSC relationships; the following exemplary quotes from a Buyer (Buying Firm B) and their Tier-1 and Tier-2 suppliers explains this point:

*“By treating people fairly, openly and the transparent side of things, you are actually minimizing conflict and getting the best value because you can then have those open discussions about how to meet expectations, and maintain the profit margins for the suppliers but in the same instance making sure you get best value”* (Buying Firm B)

*“We have had our buyers treat us very badly in the past which resulted in a lot of arguments and conflicts regarding different disputes which we thought were unfair”* (Tier-1 Supplier’s perspective towards Buyer B)

*“When our buyers exhibit fair behaviour, it reflects on minimization of potential issues that may occur particularly with product specification because of the data they are willing to release to us”* (Tier-2 Supplier’s perspective towards Buyer B)

### ***4.3. The expectations and evaluation of fairness in different stages of the MTSC relationship***

Our findings reveal that the perception of fairness and the evaluation of fairness are two different things that occur during the MTSC relationship development process. The former is often formed after a series of interactions, exchanges, and relationship activities. A MTSC representative would usually perceive fairness based on the favourable behaviour and actions of their other party. This belief of being treated fairly occurs through the relationship development process based on the action of another party.

However, the latter usually occurs when important decisions are to be made regarding the status of an existing relationship at the review process (Frazier, 1983), or dissolution stage (Frazier, 1983; Frazier et al. 1988). This exercise may occur as a result of a possibility of withdrawal, disengagement, or discontinuing the existing MTSC relationship based on a number of factors; these include better prices offered by similar providers, service level quality, level of expertise, potential risks, and varying levels of expectation. Thus, there is usually an appraisal of gains and losses from the MTSC relationship and a comparison with invested time, money, efforts, and resources.

Our findings highlight that this appraisal often involves the use of key performance indicators (KPI's) to determine whether a member of the MTSC is delivering what was anticipated. In line with the relationship framework developed by Frazier (1983), our findings indicate that the evaluation/manifestation of fairness usually occurs throughout the development process. However, great emphasis was made on this evaluation taking place at the review stage of the MTSC relationship where individual firms compare their rewards with their inputs. The following exemplary quotes from a Buyer (Buying Firm C) and their Tier-1 and Tier-2 suppliers explain how perceptions of fairness manifested in their MTSC relationship:

*“Again, if you are looking at the supply chain maturity curve, you get to a certain level on that (level 3), where you’ve got supplier reviews in place” (Buying Firm C)*

*“We still evaluate how fairly we are being treated especially after a series of transactions...in fact, we as a business (and I as the boss) will not do business with people who we thought were*

*unscrupulous which is another word for unfair'' (Tier-1 Supplier's perspective towards Buyer C)*

*''In our small business, we are all involved and that way it is easier to keep a record and ensure that we are always treated fairly. If we get treated really badly, we would resolve our situation by not dealing with that person or company again, and not supply them again'' (Tier-2 Supplier's perspective towards Buyer C)*

In our analysis, we also found that the evaluation of fairness in the MTSC relationship is a critical evaluation exercise. This process might not be useful for transactional and arms-length relationships, where multi-tier SC partners transact with no core relational framework. At the review stage, an individual firm in the MTSC might decide to terminate a relationship, if they perceive that their losses are higher than their expected rewards based on their perception of fairness.

The findings highlight that even though the three dimensions of fairness are significant for MTSC partners, they are all different in their level of significance, and individual firms often have different expectations in the MTSC relationship. For instance, individual firms regularly require information to be conveyed for different aspects of the relationship especially on how and why certain decisions, procedures, or standards have been put in place, or why apportionments have been allocated in a particular approach (Greenberg and Cropanzano, 1993). These different levels of expectations are also a result of the loose coupled system (Orton and Weick, 1990; Beekun and Glick, 2001) of MTSCs where firms are independent, but they are still dependent on each other for sharing resources and work closely to undertake functions of the MTSC. Thus, what is important to a buyer may be different from that of their Tier-1 and Tier-2 suppliers. This may often lead to a disagreement or disparity of fairness perceptions as individual parties may operate with different goals, and varying circumstances (Luo, 2005). The following exemplary quotes from a Buyer (Buying Firm C) and their Tier-1 and Tier-2 suppliers shows their expectations:

*''Critically you've got to be able to trust your supplier. So, they have got to be honest and open as much as commercially available and they have got to demonstrate integrity around what they promised and what they deliver'' (Buying Firm C)*

*''When dealing with our buyer, one of the essential things in terms of fairness is ensuring that we are given an opportunity to present our best price or best product or best service level*

*agreement, ensuring that we are given equal opportunity to put that across and we are treated and evaluated in the exact same way”* (Tier-1 Supplier’s perspective towards Buying Firm C)

*“Information sharing is the most important collaboration activity or practice, building a good rapport and having a good connection and getting to know your supply partners”* (Tier-2 Supplier’s perspective towards Buying Firm C)

Our findings show that these different expectations are an important consideration for the management of MTSC relationships, particularly towards attaining social sustainability goals and longevity. Different expectations will often lead to different behaviour which influence the demonstration of fairness in the MTSC relationship.

All dimensions of fairness were revealed to be essential in the relationship building process. However, the interactional and distributive dimensions were mentioned repeatedly as vital for the MTSC. This is not surprising considering that SET already stresses the social and economic nature of such inter-firm relations (Emerson, 1976; Lind and Tyler, 1988). The following exemplary quotes from a Buyer (Buying Firm D) and their Tier-1 and Tier-2 suppliers explain their expectations:

*“We use three words that I think outline how we treat people and they are honesty, decency and integrity”* (Buying Firm D)

*“We want to get the best price and deals at all time, and we avoid getting ripped off or being cheated by another firm”* (Tier-1 Supplier’s perspective towards Buying D)

*“It would be very much around making sure that our payments and benefits were paid from time to time”* (Tier-2 Supplier’s perspective towards Buying D)

## **5. Discussion**

### *5.1. Theoretical implications*

This research offers valuable contributions to theory by extending the debate on the role of fairness in SC relationships in a multi-tier context. This new perspective has been omitted by past studies (e.g., Griffith et al., 2006; Liu et al., 2012; Narasimhan et al., 2013; Huo, et al., 2016; Matopoulos et al., 2019), as the focus on fairness has wholly been on the single or dyadic unit of analysis (Bouazzaoui et al., 2020). With the help of the SET (Emerson, 1976), this research contributes new insights to the SC literature by proposing a detailed framework which

reveals how perceptions of fairness impact the relationship between MTSC partners, and how fairness perceptions are manifested in different stages of the MTSC relationship development process.

The findings of our research recognize the significance of perceptions of fairness as a driver of collaboration between MTSC partners. Literature has stressed the importance of collaborative activities as a crucial factor for supplier efficiency, attracting more like-minded suppliers, decreasing costs, and minimizing potential risks (Wiengarten et al. 2010; Cao and Zhang, 2011; Villena and Gioia, 2020). However, our study reveals that the perceptions of fairness can improve collaborative activities between MTSC partners (e.g., information sharing, joint relationship effort, dedicated investments), which can lead to fair outcomes (e.g., distributive, procedural, interactional), and improve social sustainability performance. Likewise, our study also identified that each dimension of fairness has its own unique determinant (Luo, 2007). For example, when a MTSC partner perceives interactional fairness which relates to social aspect of fairness, they are more likely to reciprocate by exhibiting high levels of communication and information sharing. Likewise, when a MTSC partner perceives distributive and procedural fairness, they are motivated to invest more effort and resources into the relationship. Figure 1 illustrates the impact of fairness perceptions on collaborative activities between MTSC partners.

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Insert Figure 1 about here.  
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In line with existing literature (e.g. Trada and Goyal, 2017; Blessley et al. 2018) and the SET perspective (Emerson, 1976), our findings highlight the significance of the perceptions of fairness for building long-lasting sustainable MTSC relationships. Firms are coming under increasing pressure to develop close relationships towards a supply chain versus supply chain competition, in contrast to the traditional firm versus firm competition (Schmitz, Schweiger, and Daft, 2016). Thus, our study reveals how perceptions of fairness can improve the strength of MTSC relationships through the level of relationship quality (commitment, trust, satisfaction, and conflict resolution) between partners, which can in turn minimize sustainability tensions from economic, structural, behavioural, and psychological differences (Fan, Chang, and Peng, 2011; Tura, Keränen, and Patala 2019). As this study is one of the first

to examine the notion of fairness beyond the single or dyadic perspective, we were able to add valuable insights on a SC level and possibly network level, regarding how fairness perceptions can impact relationship development, longevity, and the intention for future collaboration. Based on the SET perspective, these insights also contribute to the discourse relating to the social aspects of SSCM (e.g. Bai et al. 2019; Orji, Kusi-Sarpong, and Gupta, 2019; Kusi-Sarpong, Gupta, and Sarkis, 2019; Govindan, Shaw, and Majumdar, 2020; Alghababsheh and Gallear, 2020), with a focus on the social behaviour of SC partners. Figure 2 depicts the impact of fairness perceptions on the relationship development between MTSC partners.

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Insert Figure 2 about here.  
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Finally, the relationship development process between buyers and suppliers is viewed as a process where firms go through different phases (initiation, implementation, and review) (Frazier, 1983; Frazier et al. 1988). Usually, SC partners will compare their gains (losses) to their contributions and they will compare those subsequent percentages to other firms. Each phase represents a transition with regards to how SC partners view each other, how they test each other through exercising purchasing and bargaining power, and the subsequent formation of fairness perception (Dwyer et al. 1987). However, most studies conducted on fairness in the SC context have rarely explored the dynamics of on-going fairness formations in the different phases of the SC relationship development process (Liu et al. 2012). This study explored this issue by revealing how perceptions of fairness are manifested in the different stages of the MTSC relationship development process. Specifically, the results of this study indicate that perceptions of fairness are most crucial at the review phase of the relationship development process, where MTSC partners evaluate their rewards and losses, and compare them with their expectations, based on efforts invested in past exchanges and interactions. Figure 3 depicts the manifestations of fairness perceptions in the MTSC relationship development process.

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Insert Figure 3 about here.  
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## *5.2. Managerial implications*

Understanding the drivers of sustainability standards is an important issue for all exchange parties, especially for firms participating in strategic long-term relationships. The findings of this study offer valuable practical contributions. First, mutual fairness perceptions can significantly drive MTSCs towards positive relationship outcomes. Our study reveals that when all parties in the MTSC relationship (i.e. buyer, tier-1 supplier, and tier-2 supplier) perceive high levels of fairness simultaneously, there would be a higher level of collaboration through shared information, joint relationship effort, and dedicated investment between them. Thus, SC practitioners are encouraged to regularly exhibit the three dimensions of fairness (distributive, procedural, and interactional) throughout the different stages of the vibrant relationship development process (initiation process, implementation process, and review process).

Second, although fairness perceptions play a significant role in driving collaboration, they also have a critical role in developing MTSC relationships, especially from a long-term perspective. SC firms enter into relationships based on the notion of value and the expectation to receive fair distribution of resources and outcomes (Griffith et al. 2006; Zaefarian et al. 2016). Likewise, boundary spanners (relationship managers) will be committed to relationships that encourage politeness, dignity, respect, mutual respect, and interpersonal communication. Our findings show that under such circumstances, common perceptions of fairness will improve relationship quality measures such as higher levels of trust, commitment to the relationship, and the overall level of satisfaction in the MTSC relationship. These activities will also improve the prospects for relationship development with individual SC firms. Therefore, SC practitioners are encouraged to include the idea of fairness in their relationship development agenda. Managers in buying firms in developed countries should invest in training and developing their firm representatives about the benefits of fair practices and reciprocity in the SC context. They may also include the fairness agenda (distributive, procedural, and interactional) in trading handbooks and terms of trade, structured meetings, educational programmes, workshops and seminars, and supplier development initiatives, especially for multi-tier suppliers in emerging markets. This may help practitioners address concerns related to the negative use of power by more influential parties, the exhibition of opportunistic behaviour, and unethical trading practices.

Third, the results of this study will help SC practitioners understand the dynamics of on-going formations of fairness in different phases of the relationship development cycle. Specifically, a comprehensive framework is presented which gives a step-by-step illustration on how fairness perceptions are manifested, from the initiation phase to the review phase of the relationship development process. At the initial phase of the MTSC relationship, practitioners are encouraged to invest sensibly towards knowing their first-tier and second-tier suppliers well enough to manage expectations from all parties. Afterwards, a hands-on approach is required to manage the perceptions of fairness up until the review and evaluation phase of the relationship, especially by the more powerful party in the MTSC.

## **6. Conclusion**

With the help of the SET, this research has examined the notion of fairness in MTSC relationships, focusing on the relationship between MTSC partners in the UK and India. The concept of fairness has started to gain increasing interest in the SC literature from different angles. Some studies have focused on its dimensions of fairness, while others have considered its relationship with performance. The consensus from past studies is that fairness has the potential to improve or damage SC relationships. However, past studies have rarely considered the MTSC context in the examination of fairness, which this study addresses through two questions. The first research question examines how perceptions of fairness impact the relationship between MTSC partners. The second question considers how perceptions of fairness are manifested in different stages of the MTSC relationship. This research reveals that fairness is an antecedent of collaboration between MTSC partners. It demonstrates that when fairness is perceived by MTSC partners, it has positive implications for their existing collaboration (by encouraging collaborative activities such as information sharing, joint relationship effort, and dedicated investment). Likewise, these perceptions also impact the quality of the relationship between MTSC partners (through trust, commitment, satisfaction levels), and long-term relationship development (through future collaboration intention and relationship longevity). The findings also show how perceptions of fairness are manifested in the different stages of the relationship development process between MTSC partners. It showed

that the review stage was the key phase where crucial decisions are made by individual firms based on their past exchanges and experiences in the relationship.

### **6.1. Future research direction**

Although this study has made new contributions, there are some limitations which offer useful and additional opportunities for further research into this topic. This research has used the SET to improve our understanding of fairness perceptions in the context of MTSC relationship. Future studies may consider adopting other theoretical perspectives such as equity theory (ET) (Adams, 1963; Adams, 1965; Kabanoff, 1991), behavioural theory (Payne et al. 1993), network theory (Granovetter, 1992) to uncover some of the hiding benefits of exhibiting fair practices in the relationship between MTSC partners. In particular, theoretical perspectives such as the loose coupling theory (LCT), which considers supply chains as loosely coupled systems (e.g. see, Weick, 1976; Orton and Weick, 1990; Beekun and Glick, 2001; Liu et al. 2012), could be adopted by future studies to improve our understanding of the individual roles that MTSC partners play towards achieving fairness and reducing opportunism from a loose coupling logic.

This research has presented interesting results based on data obtained from UK manufacturers and their first-tier and second-tier suppliers in India. Seeking external generalization was not the aim of our study; thus, future studies can conduct similar research involving data collection from other contexts such as MTSC relationships emerging and developing countries to enhance the generalizability of our findings. Our research was exploratory in nature, and we were only able to use interviews for deeper knowledge. To be able to fully explore and capture a full representation of the influence of fairness perceptions in the MTSC setting, we suggest, for future research, increasing the sample size and broadening the geographic location to obtain more comprehensive data. Due to the complexities linked with developing and emerging markets (Oyedijo, Adams, and Koukpaki, 2021; Oyedijo et al. 2021), to improve our current understanding, future studies may also consider how fairness perceptions develop and manifest in MTSCs operating in such contexts. This will bring forth interesting findings based on the unique characteristics of such locations.

To gain a deeper understanding of fairness in MTSC relationships, future studies may also include new constructs linked to the social sides of SC relationships in our comprehensive framework. We considered some dimensions of relationship quality in this study. However, by no means do we claim that there are only three relationship quality measures in the MTSC context. Thus, future studies may include other higher order relationship quality variables such as opportunism (Dorsch et al. 1998; Tran, Gorton, and Lemke, 2021), conflict resolution (Kumar et al. 1995), loyalty (Rauyruen and Miller, 2007) as an extension of our conceptual framework. Likewise, other dimensions of SC collaborative responses (Simatupang and Sridharan, 2005; Cao and Zhang, 2011; Soosay and Hyland, 2015) can be added to examine how perceptions of fairness can influence the development of a long-term relationship between MTSC partners, particularly towards achieving sustainability. Finally, this research has established that perceptions of fairness can influence MTSC relationships. However, a productive future research avenue would be to examine antecedents of fairness in the MTSC relationship context, namely the unique factors that influence how fairness is exhibited in the relationship between MTSC partners (e.g. see, Lou, 2007). This perspective would offer a deeper level of understanding of the concept of fairness in the MTSC relationship context.

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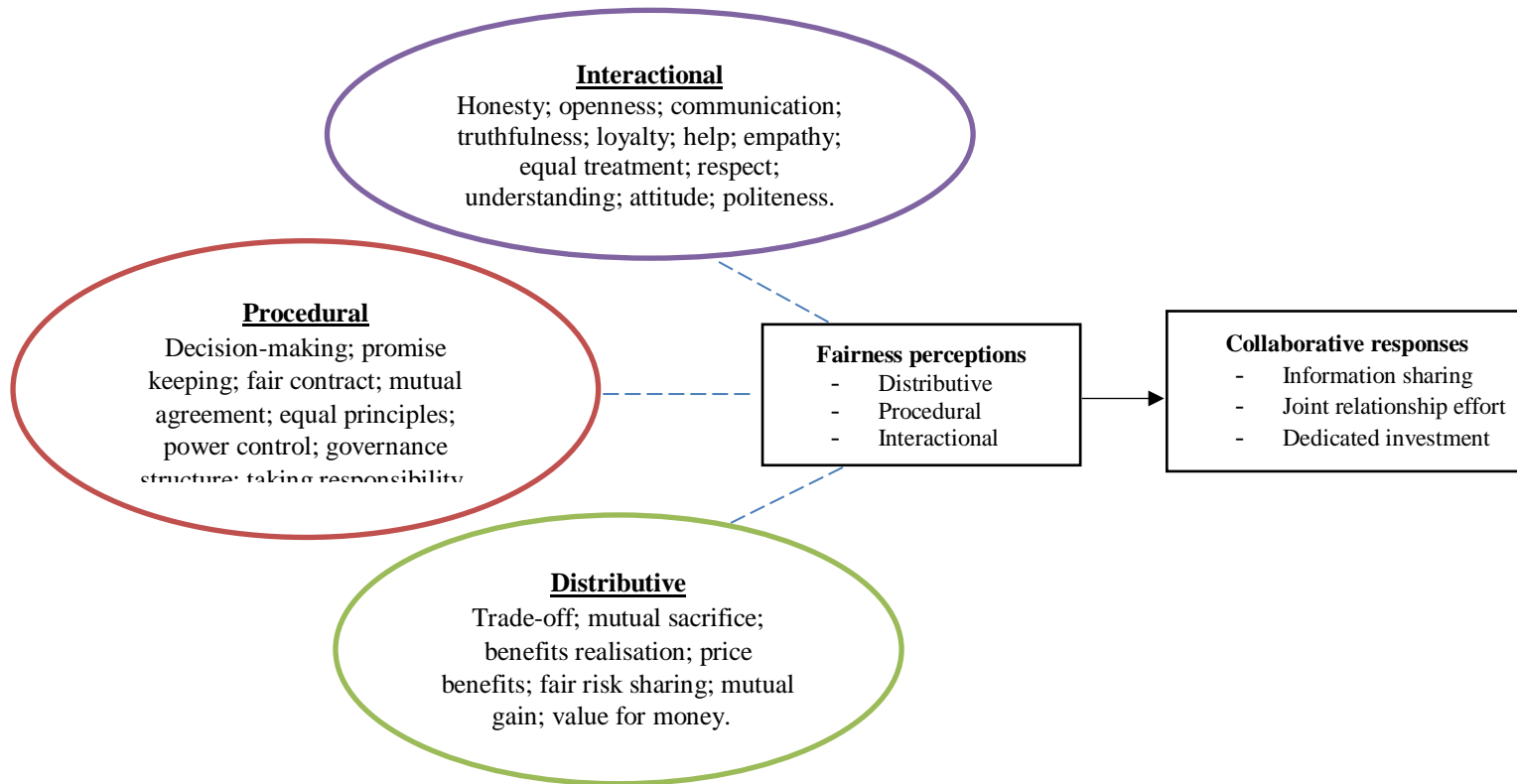


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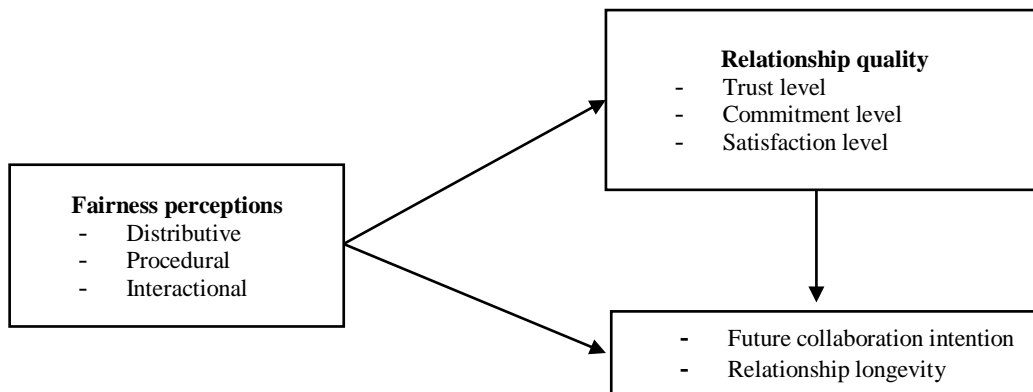
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## **Appendix A - Interview protocol**

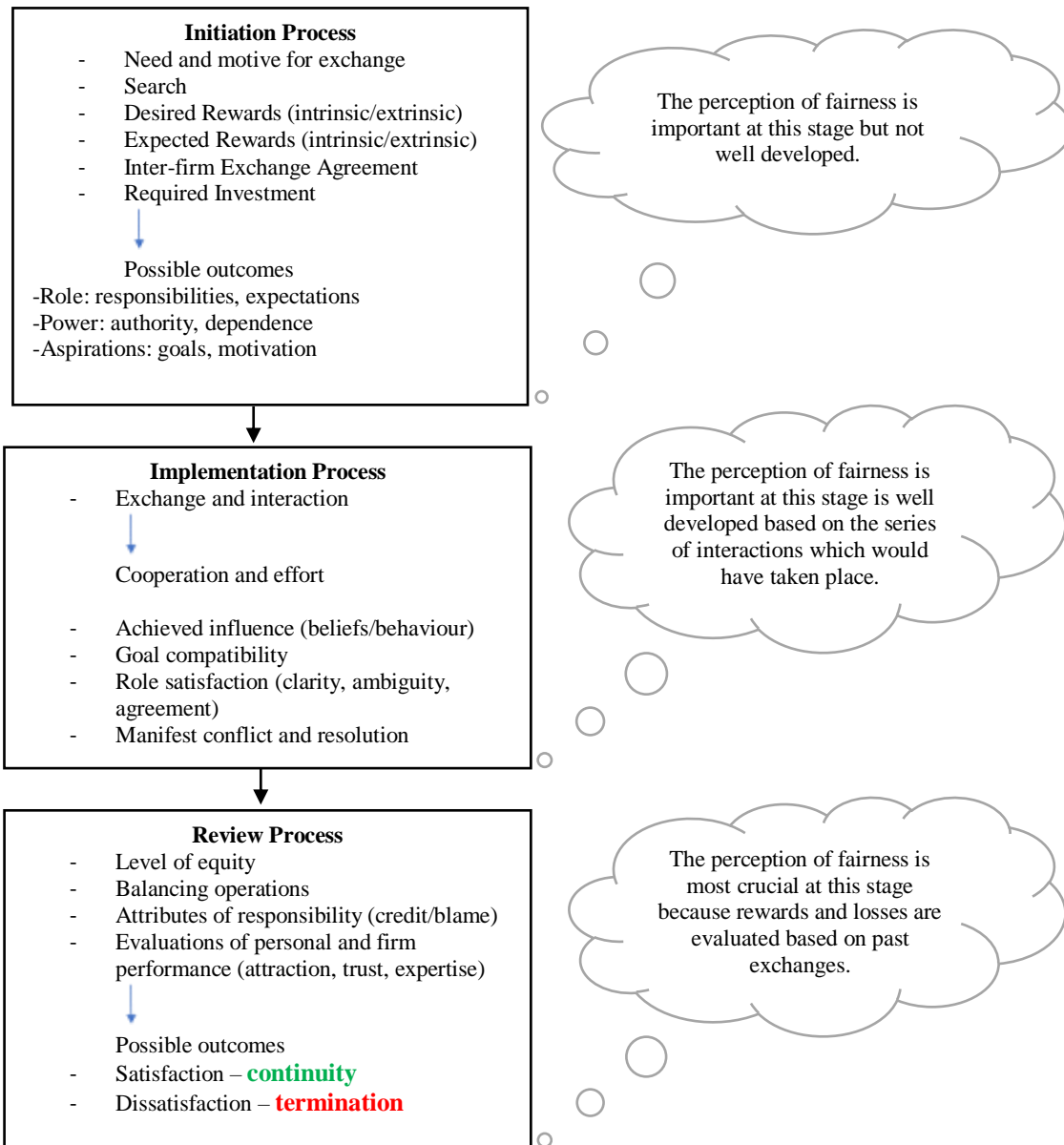
- 1) Please, can you describe the nature of your relationship with your supplier or buyer in your multi-tier supply chain?
- 2) What is the length of your relationship with your MTSC partners?
- 3) What are the key collaborative activities exhibited in your multi-tier supply chain relationship?
- 4) How do your perceptions of fairness impact on collaboration with your multi-tier supply chain partners?
- 5) How do your perceptions of fairness impact on relationship quality and relationship development with your multi-tier supply chain partners? You can please mention specific aspects of the relationship that are most affected? E.g. Trust levels, future collaboration intentions etc.
- 6) What are the different stages encountered in your multi-tier supply chain relationship development?
- 7) How do your perceptions of fairness manifest through the development process of the multi-tier supply chain relationship? What specific stage of the relationship development process do your perceptions manifest? E.g. Implementation stage etc.



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**Figure 1.** Impact of perceptions of fairness on the collaborative responses between MTSC partners  
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**Figure 2.** Impact of perceptions of fairness on relationship development between MTSC partners  
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**Figure 3.** The manifestations of fairness perceptions in the MTSC relationship development process  
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**Table 1.** Overview of fairness studies in industrial marketing and supply chain research

Authors	Title	Empirical setting	Independent variables	Dependent variables	Data collection and method	Key findings
Kumar et al. (1995)	The effects of perceived interdependence on dealer attitudes	Automobile industry in the USA	Distributive fairness and procedural fairness moderator - environmental uncertainty	Willingness to invest in the relationship, expectation of continuity	Survey: regression analysis	Procedural fairness is valued by resellers more than the distributive fairness in evaluating their relationship with the manufacturer or supplier
Griffith and Lush (2000)	An examination of the influence of procedural justice on long-term orientation in wholesaler-supplier relationships	498 wholesalers carrying durable and non-durable goods in the USA	Consistency, credibility, bilateral communication, explanation, voice, interactional norms	Long-term orientation	Survey: regression analysis	Different aspects of procedural fairness foster long-term orientation in channel relationship
Samaha et al. (2011)	Poisoning relationships: perceived unfairness in channels of distribution	Longitudinal data of 492 dealers of Fortune 500 firms	Conflict perceived unfairness, seller opportunism	Cooperation, flexibility, performance	Survey: hierarchical linear modelling	Perceived unfairness acts as relationship destroying factor along with conflict and opportunism in channel relationship outcomes
Suh (2005)	Fairness and relationship quality perceived by local suppliers: In search of critical success factors for international retailers	147 responses from 49 suppliers in Korea	Distributive fairness, Procedural fairness	Conflict, trust, commitment	Survey: SEM	Procedural fairness exerts more influence on the commitment level of local suppliers in a channel relationship
Johnson (2006)	The role of explicit contracts and cooperative norms on fairness in buyer-seller relationships	234 business customers of fortune 100 firm	Contractual agreement, cooperative norms	Fairness perceptions	Survey: SEM	Cooperative norms influence fairness perceptions in the relationship

Brown et al. (2006)	The roles played by interorganizational contracts and justice in marketing channel relationships	433 wholesalers in the USA	Explicit contracting, normative contracting, distributive fairness, procedural fairness, interactional fairness	Economic and non-economic satisfaction	Survey: SEM	Distributive and procedural fairness is positively associated with channel member satisfaction and contains conflict in the channel
Griffith et al. (2006)	Social exchange in supply chain relationships: The resulting benefits of procedural and distributive justice	290 Distributors	Procedural fairness, distributive fairness, long-term orientation, relational behaviour	Conflict, satisfaction, performance	Survey: SEM	Perceived procedural and distributive fairness policies of supplier enhance the long-term orientation, decrease conflict and increase satisfaction, which influences the distributor's performance
Jambulingam et al. (2009)	Fairness-trust-loyalty relationship under varying conditions of supplier-buyer interdependence	156 wholesaler retailer pharmacies relationship in the USA	Procedural fairness, distributive fairness, trust, credibility and benevolence	Loyalty	Semi-structured interviews; context analysis	Procedural and distributive fairness foster trust, which, in turn, leads to loyalty
Yilmaz et al. (2004)	Supplier fairness as a mediating factor in the supplier performance-reseller satisfaction relationship	155 dealers of the 25 major PVC doors and window systems manufacturers in Turkey	Operational support, supplier delivery performance, financial and sales performance, boundary personnel performance	Supplier distributive fairness, procedural fairness, satisfaction	Survey: SEM	Perceptions of procedural fairness, distributive fairness and environmental uncertainty have significant effects on the buyer's satisfaction
Liu et al. (2012)	How does justice matter in achieving buyer-supplier relationship performance?	216 manufacturer-distributor dyad of household appliance industry in China	Distributive, procedural, interpersonal, and informational fairness	Knowledge sharing, relationship investment, continuous commitment, relationship performance	SEM	Mutual fairness perceptions among channel partners positively influence the relationship performance of dyad



Narasimhan et al. (2013)	An investigation of justice in supply chain relationships and their performance impact	218 managers reporting on the buyer-supplier relationship in multiple country studies	Distributive, procedural, and interpersonal fairness	Performance, goal congruence	Survey: regression analysis	Distributive, procedural, and interpersonal fairness positively influence the relationship performance and goal congruence
Lund et al. (2013)	Culture's impact on the importance of fairness in interorganizational relationships	434 retail stores manager selling hardware, housewares, or electronic in 10 countries	Uncertainty avoidance, masculinity, individualism, power distance, long-term orientation	Distributive and procedural fairness moderator - cultural exposure	Survey: linear modelling hierarchical	Cultural values of the individual affect the importance of distributive and procedural fairness
Huo et al. (2016)	The impact of justice on collaborative and opportunistic behaviours in supply chain relationships	240 firms in China from four major industrial regions Guangdong	Distributive, procedural, and interpersonal fairness	Supplier investment, communication, supplier opportunism, buyer opportunism	Survey: SEM	Supplier interactional fairness only improves the buyer's communication with the supplier
Shaikh et al. (2018)	Measuring fairness in franchisor-franchisee relationship: a confirmatory approach.	Franchisor-franchisee relationship			Conceptual analysis	It takes a comprehensive view of various social construct affecting a franchisor-franchisee relationship.
Zaefarian et al. (2016)	Do supplier perceptions of buyer fairness lead to supplier sales growth?	Iran: Automotive industry. 323 responses from 212 Automotive parts suppliers. Respondents were the CEO and the chief marketing officer. Buyer-supplier relationship. Based on supplier perspective	To investigate the direct and indirect impact of three dimensions of justice perceptions on both trust and commitment as two major determinants of relationship quality and on sales growth, based on the seller's perspective.		Quantitative study: Data were collected from sample of 212 automotive parts suppliers (APSs) and benefits from using objective longitudinal data about sales levels for these supplier companies with a particular car manufacturer over a three-year period	(i) Only interactional and distributive fairness have a positive and significant effect on both trust and commitment.  (ii) The positive effect of trust and commitment on sales growth is smaller as the supplier's level of dependency on the manufacturer increases.

**Table 2.** Interview details and respondent characteristics

<b>Company</b>	<b>Category</b>	<b>Position of interviewee</b>	<b>Interview length (minutes)</b>	<b>Location</b>
<b>Buyer A</b>	Food and beverage distribution	Procurement Manager	60	UK
Tier-1 Supplier	Food processing and packaging	Supply Manager	50	India
Tier-2 Supplier	Food production	Production Manager	45	India
<b>Buyer B</b>	Food distribution and retailing	Supply Chain Executive	55	UK
Tier-1 Supplier	Food packaging	Supply and Demand Planner	50	India
Tier-2 Supplier	Primary food production	Raw Materials Buyer	45	India
<b>Buyer C</b>	Food marketing and logistics	Category Manager	45	UK
Tier-1 Supplier	Food processing	Supply Planner	50	India
Tier-2 Supplier	Food production	Sourcing Manager	45	India
<b>Buyer D</b>	Food distribution and retail	Supplier Relationship Manager	60	UK
Tier-1 Supplier	Food packaging	Purchasing Executive	55	India
Tier-2 Supplier	Food processing	Supply Executive	45	India
<b>Buyer E</b>	Food distribution and sales	Procurement and Supply Manager	50	UK
Tier-1 Supplier	Food preparing and packaging	Supply and Distribution Manager	45	India
Tier-2 Supplier	Primary production	Distribution Manager	45	India
<b>Buyer F</b>	Food retail	Supply Chain Manager	50	UK
Tier-1 Supplier	Food packaging	Category Manager	45	India
Tier-2 Supplier	Food processing	Supplier Manager	50	India

**Table 3.** Excerpts relating how fairness perceptions impact collaborative activities

Link to fairness dimension	Data reduction (first-order codes)	Descriptive code (second-order categories)	Link collaborative activity (third-order theme)
Interactional fairness	“Certainly, there are many instances where we will perceive our buyer to be behaving in a way that we would not like them to such as not getting the communication or information that we would want in the way that we would want” (Tier-1 Supplier for Buying Firm D)	On-time communication and information sharing	Information sharing
	“The effects are communication breakdown, gets miss-interpreted, silence, knowing what to expect, resource requirements, capacity etc.” (Tier-2 Supplier for Buying Firm D)	Communication breakdown	
	“It certainly will boost the collaboration and the information you are willing to share with them, obviously within the realm of what is possible and allowed but it could certainly have an impact” (Buying Firm D)	Collaboration and information	
	“Particularly with communication, if you have got that aspect of fairness the communication works a lot better and we are more likely to be open and honest with each other” (Buying Firm A)	Open and honest communication	
	“When we perceive fairness, we are motivated to share more information with our supply chain partners” (Tier-2 Supplier for Buying Firm A)	Motivated to share more information	
Distributive fairness	“If you don’t talk to people, if you don’t find out what’s going on etc. many issues may arise from that and would impact on fairness perception. So, communication is affected either positively or negatively depending on what we perceive”. (Buying Firm C)	Consistent interaction	Dedicated investment
	“It would impact on the additional services we would offer such as sending out our own field salespeople to assist theirs. If we feel we have a fair deal and we are being treated fairly, we will be more inclined to have more dedicated investment through our additional services”. (Buying Firm B)	Investment in additional services	
	“Perceiving fairness on the part of your supplier does boost the strength of the collaboration and makes your partnership develop to a better level through investments to the relationship” (Tier-1 Supplier for Buying Firm B)	Relationship investments	
	“So, a lot of time and investment will now be invested with actually spending dedicated time working with our supply chain partners” (Buying Firm B)	Time investment	
Procedural fairness	“Because they treat us fairly, we have now invested in technology systems like SAP to allow our key partners to have access to certain elements which would help them have a flow of information that they can use for better planning” (Tier-1 Supplier for Buying Firm A)	Investment in enterprise software	Joint relationship effort
	“I think certainly the openness and willingness to share risks, to raise concerns, to point things from both sides is seen as a positive and it builds a much stronger relationship appreciation of the fairness” (Buying Firm F)	Risk sharing	
	“If we find that the buyer is being difficult and not wanting to share the risks, or if something happens, they are hiding it because they don’t want to be seen to be creating problem, then that does have a negative effect” (Tier-2 Supplier for Buying Firm B)	Risk sharing and problem solving	

“If a buyer has a problem and they resolve it very quickly, I will use them time after time again” (Tier-1 Supplier for Buying Firm C)	Problem solving
“We have had buyers purchase our product with a fantastic price and a fantastic quality but when something went wrong, they start blaming us for everything and it takes months to sort out, I’ll think twice before using them again” (Tier-1 Supplier for Buying Firm E)	Problem solving
“Our perception of fairness will also influence on the motivation to work together in the supply chain mainly” (Tier-2 Supplier for Buying Firm B)	Mutual working together
“But it just showed to us that when a problem arose, they weren’t prepared to be fair to us even though they had agreed to our terms and conditions when it came to a critical point, they didn’t respect the terms and conditions they signed up to” (Buying Firm F)	Knowing situations and processes
“So, taking ownership and responsibility is a vital collaborative activity which links to some sort of relationship effort” (Buying Firm E)	Responsibility and ownership
“These problems are mostly because some supply chain partners (especially powerful buyers) don’t adhere to the initial agreements on the contracts signed before we begin our relationship and collaborations is very inappropriate, unprofessional and unfair” (Tier-1 Supplier for Buying Firm F)	Adherence to agreements
“Working together is also another aspect that could be affected by perceiving fairness” (Tier-2 Supplier for Buying Firm F)	Working together

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**Table 4.** Excerpts relating to how fairness perceptions impact multi-tier supply chain relationships

<b>Data reduction (first-order codes)</b>	<b>Descriptive code (second-order categories)</b>	<b>Fairness components (third-order theme)</b>
“We are more inclined to go the extra mile for someone that is treating you fairly” (Tier-2 Supplier for Buyer E)	Going the extra mile	Relationship commitment
“Yes, our perception of fairness impacts on our collaboration with our supply chain members particularly with the behavioural aspect as your attitude changes towards aspects such as effort and commitment” (Tier-1 Supplier for Buyer E)	Effort and commitment	
“For example, of one of our supply chain partners (supplier), as far as we are concerned regardless of the fact that we are in a relationship with them, they are not entirely fair to us because they don’t meet deadlines, they don’t meet lead times, they don’t meet delivery dates and KPIs, and for these reasons we don’t believe they are committed to the relationship, in fact it is very clear” (Buying Firm E)	Effort and commitment	
“Our perception of fairness will also influence on the motivation or commitment to work together in the supply chain” (Tier-1 Supplier for Buying Firm A)	Motivation and commitment	
“The first impact is having a trust level, but once you have got a level of trust, your ability to try and evaluate and understand fairness between two businesses becomes easier” (Tier-2 Supplier for Buyer F)	Trust level	Trust level
“Businesses don’t often do things for the good anybody, they are doing it for business reasons so would I terminate contract if there was a breach of trust, the answer is absolutely” (Buying Firm F)	Breach of trust	
“For example, if a supplier has let us down, it can be because they have handed over confidential information from their company onto a third party which wouldn’t go down very well with us because some of the work that we do is highly confidential, so trust is the biggest factor that our perception of fairness would link to the most” (Buying Firm F)	Breach of trust	
“I know trust builds over time but when we perceive unfairness, it influences on the trust level straight away and if I had to endure due to lack of options, then I would be very careful with them. It will obviously take time and a series of unfair or fair treatments to know which direction the trust impact would lead to” (Tier-1 Supplier for Buyer F)	Trust level	
“Achieving the price point you want at the detriment of the supplier would be perceived as unfair and then that affects my satisfaction level in the relationship” (Tier-2 Supplier for Buyer A)	Satisfaction level	Relationship satisfaction
“When they give us fair price, we tend to work more closely with them, and you have that feeling they are being fair, and they aren’t ripping you off” (Tier-1 Supplier for Buying A)	Ripping off	
“So, if there is a lot of fairness, we will bond with them and the relationship and partnership will flourish and our overall satisfaction as a firm and with the relationship is also key” (Tier-2 Supplier for Buying Firm C)	Overall satisfaction	
“Fairness would also impact on how satisfied you are with the partner showing that you are happy with the individual firm moving forward and want to continue the relationship with them” (Buying Firm A)	Satisfaction level	
“By treating people fairly, openly and the transparent side of things, you are actually minimizing conflict and getting best the value because you can then have those open discussions about how to meet expectations, and maintain the profit margins for the suppliers but in the same instance making sure you get best value” (Buying Firm B)	Minimising conflict	Conflict resolution

<p>“When our buyers exhibit fair behaviour, it reflects on minimization of potential issues that may occur particularly with product specification because of the data they are willing to release to us” (Tier-2 Supplier for Buyer B)</p>	Minimizing potential issues	
<p>“Why perceiving fairness in contrast to unfairness is very important is because it can help with avoiding any misunderstanding that would usually occur in the process” (Buying Firm C)</p>	Avoiding misunderstanding	
<p>“We have had our buyers treat us very badly in the past which resulted in a lot of arguments and conflicts regarding different disputes which we thought were unfair” (Tier-1 Supplier for Buyer B)</p>	Arguments and conflicts	
<p>“Perceiving fairness is like changing the gear from gear 1 to gear 2 if you were riding a car, it does have a very significant role on how we value that business through seeing that they value us with their fair dealings with us” (Tier-1 Supplier for Buying Firm D)</p>	Relationship value	Future collaboration intentions
<p>“Based on our past experience as a business and my own individual experience with individuals I dealt with before, I will not anymore transact with businesses who are not fair, I just wouldn’t do it because it’s just too difficult” (Tier-2 Supplier for Buying Firm D)</p>	Continuity	
<p>“We have terminated relationships with supply chain partners in the past based on how unfairly we were being treated by them, especially over time” (Buying Firm D)</p>	Relationship termination	
<p>“If you perceive to be treated fairly in all relevant areas, you are more likely to collaborate in more partnership with them” (Tier-1 Supplier for Buying Firm C)</p>	Increased level of partnership	
<p>“If it is going well, it could result in potentially more business and more work being given to the partner because you trust them, and you know you are being treated fairly” (Buying Firm F)</p>	Continuity	
<p>“Although we only give out a five-year contract at a time, we might renew after three years which means we have offered an eight-year contract eventually so fairness in the relationship also brings about that sense of continuous working and future collaboration motivation and relationship continuity” (Buying Firm E)</p>	Continuous working and collaboration motivation	Relationship longevity
<p>“So as simple as fairness sounds, it’s a very delicate part of the relationship building and sustainability and the collaborative process” (Buying Firm A)</p>	Relationship building and sustainability	
<p>“I guess the length of the relationship is a vital factor that is affected when fairness or unfairness is perceived as the case may be” (Buying Firm B)</p>	Length of relationship	
<p>“If it’s fair and you trusting each other, you are likely to work with each other for longer and put longer term contracts in place otherwise you just wouldn’t continue with that relationship going forward and you start to look for alternatives to the relationship” (Buying Firm D)</p>	Longer term contracts	
<p>“In fact, we have some very long-term relationships some organizations that goes back to 25 years. If we both didn’t feel the relationship was mutually beneficial, I think it would not last as long as it as today” (Buying Firm C)</p>	Long lasting relationship	
<p>“Once we work with organizations who we trust, we know that we can compromise and collaborate and they want the same thing that we want which is a fair outcome, we would want to continue working with them” (Buying Firm F)</p>	Continue working	
<p>“This has a big impact on our reputation and image especially in the eyes of our end consumers” (Buying Firm C)</p>	Reputation and image	Firm reputation

“This is extremely paramount because from a reputational viewpoint, as the public sector we all need to be aware that we are delivering the service to the public and we need to ensure that we are delivering it in a consistent manner”. (Buying Firm B)

Reputational viewpoint

“It also has an impact on firm reputation and image within the supply chain”. (Buying Firm D)

Reputation and image

“Asides from the reputational damage on the end consumers angle, don’t forget that supply chain partners are also customers in some sense and reputation also flows along the chain as supply chain partners or businesses in general which make up a supply chain could perceive us to bad reputation in trading or dealing with businesses”. (Buying Firm C)

Reputation

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**Table 5.** Excerpts relating to the formation of perceptions of fairness in the relationship development process

Research issue	Findings	Illustrative quotation
Formation of fairness perception	Day-today evaluation with perceptions of fairness formed at all stages	“My colleagues and I would naturally know through the process of what we do day-to-day. In terms of feedback, we do a supplier performance review system” (Buying Firm A)
	Discussions and engagement prior to the implementation for best value	“So again, in terms of quality and fairness, a lot of discussion that goes on, and then centrally, we are now more closely monitored and observed, advised and guided towards best practice. Therefore, the process of reviewing your contracts for opportunity and to demonstrate best value” (Tier-1 Supplier for Buying Firm A)
	Review of the relationship performance at the third level of the maturity curve where perceptions of fairness are formed	“Again, if you are looking at the supply chain maturity curve, you get to a certain level on that (level 3), where you’ve got supplier reviews in place” (Buying Firm C)
	Evaluation occurs through the relationship from ignition to review	“How often do we carry out this evaluation of fairness; every day and every time am with my supply chain partners, I will evaluate that relationship to ensure my company is getting the best deal at all times and I am doing what I paid to do by my firm” (Tier-2 Supplier for Buying Firm A)
	Evaluation occurs as the relationship progresses from the enactment to the end, affecting decision-making on continuity	“We still evaluate how fairly we are being treated especially after a series of transactions ...in fact, we as a business (and I as the boss) will not do business with people who we thought were unscrupulous which is another word for unfair” (Tier-1 Supplier for Buying Firm C)
	Review takes place regularly as the relationship progresses which informs perceptions of fairness	“With regards to the supply chain, we consciously and sub-consciously review relationship pretty much on a weekly basis” (Buying Firm B)
	Project-by-project basis review	“But I wouldn’t say we are doing it every day, but we are doing it on a project by project basis at the moment” (Tier-1 Supplier for Buying Firm B)
	Real-time evaluation when it happens basically as opposed to monthly or quarterly or yearly	“In our small business, we are all involved and that way it is easier to keep a record and ensure that we are always treated fairly. If we get treated really badly, we would resolve our situation by not dealing with that person or company again, and not supply them again” (Tier-2 Supplier for Buyer C)



Challenged suppliers regarding behaviours and with regards the perception of unfairness developed in the past	“We have done a few exercises recently where we have put our new contracts out to tender and we have challenged suppliers as part of that process around past behaviours and with regards to how the suppliers treated us” (Buying Firm D)
Evaluation every quarter based on an on-going relationship to determine how fair they are being treated	“Yes, we do regularly evaluate fairness from our supply chain partners on a regular basis, we do that every quarter” (Tier-1 Supplier for Buying Firm D)
Evaluating fairness frequently through key performance indicators and benchmarking scores after some time in the relationship process	“We do evaluate fairness regularly. We have some KPI’s in place that can measure this, and we also do some benchmarking regularly especially from a pricing point of view and communication” (Tier-2 Supplier for Buying Firm D)
Feeling and perception that develops over time at all stages	“We don’t do an evaluation on paper but it’s something that you probably have at the back of your mind and you think about, so it is important but not just quantified and measured really. We don’t quantify fairness but that feeling sticks to my experience and memory” (Tier-2 Supplier for Buying Firm E)
Performance appraisal and contract review at the end stage	“At the back end on contract management, we absolutely have to keep reviewing the contract and collaborate with the supply chain for innovation, for any cost efficiencies, and value engineering that they can do” (Tier-1 Supplier for Buying Firm E)
Evaluating social value by measuring all the outputs of the relationship	“I don’t think we use the word fairness in that context. However, within all of the contractor-supply chain relationship we have what we call social value and we measure all of the outputs through a social value mechanism” (Buying Firm E)
An evaluation of support level by the supply chain which takes place when issues arise	“No not in terms of fairness, we always highlight issues, but the terminology fairness is quite new. I would never come in and say guys do you think we are being treated fairly. I think fairness is combined in it, but it would be about how we are being supported which fairness is part of that support. So, are we being supported by our supply chain? That’s what I would tend to use. With regards to the support aspect we evaluate that on an ad-hoc basis when issues arise” (Tier-1 Supplier for Buying Firm A)
Measuring and reviewing the existing relationship through KPIs, and determining whether partners are delivering on their promise	“We measure and review these relationships by KPIs (key performance indicators) which forms a whole part of the process such as are they delivering what they say they are going to deliver” (Tier-1 Supplier for Buying Firm A)
Regular and structured meetings on project risks and different aspects of the relationship which would happen before, in-between, and after phase.	“Yes, it is something we do, and we do it in different ways. So, within a project, there would be regular and structured meeting review that looks at project risks and different aspects of the relationship. So generally, we tend to put things in contract because that helps to ensure when there is a drift or shift” (Tier-1 Supplier for Buying Firm F)

<p>Measuring relationship progress monthly and quarterly.</p>	<p>“So, we have a number of major or substantial supply chain partners that we work with and we review those on a monthly basis face-to-face at various levels within the organization. So, there is a meeting carried out monthly and then we go in a bit more detail in the quarterly meeting and then we go into a huge amount of detail in the six-monthly review meeting as well” (Buying Firm F)</p>
<p>Reviewing the buyer’s ability to meet values set at the start of the relationship</p>	<p>“With our big buyer, we will talk to them regularly basis about how they are meeting our values or not and conversations would be framed into that context” (Tier-1 Supplier for Buying Firm A)</p>