ABSTRACT

If a company wants to exist in the market world, it must always be competitive and improve its performances. Companies that not competitive will fail. Much company react this challenge by building a relationship with their customer and supplier. Having a relationship with supplier will provide continuity of materials fulfillment and efficiency in firm cost for fulfilling the material.

Goal of this research is to analyze the level of influence of interdependency, commitment and trust for relationships marketing and also the influence of relationships marketing to firm costs. Population in this research is the executive of furniture companies in Kabupaten Jepara. Data are obtained through questioner, with 155 companies as respondents. Data are analyzed by using Structural Equation Modeling (SEM).

As a whole, model research in analysis of Full Structural Equation Model, shown good results, where indexes in the model are χ^2 – *chi square* (131,477), *probability* (0,101), *GFI* (0,912), *AGFI* (0,879), *TLI* (0,977), *CFI* (0,981) and *RMSEA* (0,034). Results analysis support 4 hypothesis raised in this research, i.e.: interdependency has positive effect to relationships marketing, commitment has positive effect to relationships marketing and relationships marketing has positive effect for lowering firm costs.

Key Word: Interdependency, Commitment, Trust, Relationships Marketing, Lowering Firm Costs.