

ABSTRACT

The relationship involved between the supplier and its outlet is very important because its is closely related to the efforts of producer in order to distribute its products to customers. This is because the function of distribution channel is to connect the producer to its customers, in which, they consist of mutual and connected institutions functioning to create a network system that collectively tries to produce and distribute products to the customers. This also heppens to Tigaraksa Satria Ltd. branch of Central Java that distributes its products through distribution channels. There is a fluctuation of target achievement in selling in 2007-2009, thus,this is matter that requires a serious attention from the company. The existence of products similiar to Produgen, existence of price battle, and existence of support difference of suppliers of the similiar products become the assumption of the causes of selling fluctuation of produgen at Tigaraksa Satria Ltd. in order to overcome this, therefore, a good relationship between the supplier and the outlet is necessary because the outlet are the mediators or distributor to end customers.

The research analyzes the factor influencing on the interest of outlets to create a relationship with their supplier in order to improve the performance of outlet marketing. Research problem source from 2 (two) matters, which is, frist, based on the results of previous research by Morgan and Hunt (1994), Mohr and Nevin (1990), Boyle and Dwyer (1995), Joni and Sutopo (2004), Puspita (2008) and Ferdinand (2002). The second problem sources from reseach problem, which can be found in the data providing the realization of performance and selling target of Tigaraksa Satria Ltd. branch of Central Java comprehensively.

From the above – mentioned problems, they become the basis of this research, which is, to analyze the factors influencing on the interests of outlets to create a rerlationship with their supplier that later influences the marketing performance of outlet. In this research, a theoritictal model is developed by proposing three hypotheses that will be examined by using the Structural Equation Model (SEM) employing the AMOS 16 software. The respondents used in this research are collected from the outlets of Tigaraksa Satria Ltd. branc of Central Java.

The results of SEM data processing for the full model have fulfilled the criteria of goodness of fit as follows: Goodness of Fit – Full Model which chi square = 121,281 ; probabality = 0,073 ; GFI = 0,875 ; AGFI = 0,830 ; TLI = 0,965 ; CFI = 0,971; CMIN/DF = 1,213 ; RMSEA = 0,046. Thus, can be said that this model is appropriate to be employed. The research result show that the higher the support rate of supplier and flexibility of bureaucracy of company are, therefore, the higher the interests of outlet to create a relationship with their supplier are. Then, the increasingly higher interest outlets to create a relationship with their supplier will improve the marketing performance of outlets.

Keyword: support rate of supplier, flexibility of bureucracy of a company, interest of outlet to create a relationship with their supplier, marketing performance of outlets.