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## **Farmers' Perceptions of Building Trust**

Claire Newman <sup>a</sup> and Brian C. Briggeman <sup>ⓑ</sup>

<sup>a</sup> *Professor and Director, Arthur Capper Cooperative Center, Department of Agricultural Economics,  
Kansas State University, 305C Waters Hall, Manhattan, KS 66506, USA*

<sup>b</sup> *MS Student, Department of Agricultural Economics, Kansas State University,  
305C Waters Hall, Manhattan, KS 66506, USA*

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### **Abstract**

Trust is an integral part of maintaining any successful business relationship, especially within agriculture. Yet, there is minimal research on how to best build and enhance a trusted relationship. To identify how sales representatives can deepen trusted relationships with farmers, a novel, best-worst survey approach is used. Results show that sales representatives should focus on their own personal development to build more trusted relationships as opposed to things largely outside of their control. Farmers did not care as much about age, years working, or even the reputation of the sales rep's employer. In short, our research shows that agricultural sales representatives can build more trusted relationships with farmers.

**Keywords:** trust, agribusiness, sales, human capital development.

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<sup>ⓑ</sup>Corresponding author: Tel: +1 785.532.2573  
Email: B. Briggeman: bbrigg@ksu.edu

## Introduction

Trust is an integral part of maintaining any successful sales relationship, and without trust, a business transaction would likely not occur. These statements certainly hold true in agriculture. Wilson (2000) defines trust as the cohesion in agricultural transactions, which then creates the value of relationships between parties. Having assurances that each party will honorably uphold their end of a contract under any-and-all unforeseen circumstances, generates value for both parties (Wilson 2000). Thus, in agriculture, farmers find value in working with sales representatives they trust.

While the literature is very clear on the value of a trusted relationship, there is minimal research focused on farmers' perceptions of building trust with sales representatives. That is, how should agricultural sales representatives approach building trust with their farmer customers? Do certain characteristics of a sales representative project or demonstrate trusted characteristics? What performances and/or attributes do farmers perceive as signs that a sales representative can be trusted? Knowing the answer to these questions would help agricultural sales representatives deepen their relationships with farmers.

Furthermore, answers to these questions would benefit sales representatives in many industries. A few example industries where sales representatives are utilized include agricultural lending, machinery and equipment, grain and livestock, agronomy, and various other industries tied directly to crop and livestock production. While the farmer perceived value of trust may vary between these industries, that is not the purpose of this research. Knowing farmers' perceptions of how to build a more trusting relationships would benefit all agricultural sales representatives, regardless of industry.

The focus or objective of this paper is to identify farmers' perceptions of the most effective ways a sales representative can increase their own trustworthiness with farmers. In order to meet this objective, trustworthiness or trust must be clearly defined. Trust is often defined as the dependability, confidence in actions and motives, and faith associated with an individual (similar to that of Wilson above). However, this definition is somewhat nebulous and creates complexities when trying to isolate ways to build a more trusted relationship, especially when trying to elicit responses in a survey. Given the research will focus on asking farmers about their perceptions of building trust in an online survey, the definition of trust must be clearly defined and understood.

A single definition of trust is not used in this paper because sales relationships tend to be complex and multi-faceted. Maister, Green, and Galford (2000) layout four related and straight forward trust attributes that provide a clear and tractable definition of trust. Furthermore, Rempel et al. (1985), Swan et.al (1988), Moher and Speckman (1994), and Chong et al. (2003) provide additional support about the validity of these four key components of trust. Therefore, in this study, trust is defined by the four key components of (1) credibility, (2) reliability, (3) intimacy or how well one knows the customer and his or her goals, and (4) self-orientation or showing one has the customer's best interest at heart. Each of these components was straightforward and provided a clear way to understand farmers' perceptions of how agricultural sales representative could best build a more trusting relationship.

To identify these perceptions, a novel survey technique is employed. A best-worst survey or max-diff survey approach was completed by farmers. Using this survey approach allowed farmers to choose among statements that most and least represent each component of trust (credibility, reliability, intimacy, and self-orientation). One reason the best-worst survey was preferred over a ranking survey approach is because the research can arrive at preferred rankings for each statement *and* the relative “representativeness” of each statement compared to all other statements. That is, the magnitude of importance of each statement can be estimated via a conditional logit model.

Results showed that agricultural sales representatives should focus on their own personal development to build more trusted relationships as opposed to things largely outside of their control. Through the best-worst analysis, farmers did not put as much emphasis on the age of the sales representative or the number of years the sales representative had been working in the industry. Even the reputation of the agricultural sales representative’s current employer was not a vital way to demonstrate credibility, reliability, intimacy, or self-orientation. Farmers’ identified that agricultural sales representatives can, in fact, deepen their trusted relationships by working on personal and professional development.

## **Literature Review on Defining and Building Trust**

Building trusted relationships is critical to maintaining successful business relationships. Below is a discussion of articles, studies, and publications which focus on the necessity of general trust, value of trust in agribusiness, and processes aimed at building trust.

The literature of trust in various disciplines often defined trust through perceptions and behaviors. Trust has been the perceived credibility and benevolence behind an individual’s behavior and actions (Larzelere and Huston 1980). Coleman (1990) expands on the behavioral approach, emphasizing that individual’s behaviors will prompt different reactions in uncertain situations. Based on an individual’s perceived gains and losses, one will be internally motivated, creating an influence over their reactive decisions and overall trustworthiness.

In agriculture, trust is in many ways, a form of social capital. As explained by Wilson (2000), social capital, or trust, includes the benefits or advantages resulting from “one person or group’s sense of obligation towards another.” This sense of trust simplifies business transactions and frees time for both parties, becoming a vital player in the industry. The scarcity of time as a resource across agribusiness managers and business development makes trust a highly valued component of business (Wilson 2000). As most agribusiness firms are comprised of trusted relationships between workers, sharing information within or outside the firm can increase productivity and competitive advantage (Wilson 2000).

Building trust has also been the focus within the agribusiness, agricultural cooperatives, and supply chain literature. Sykuta (2006), Österberg and Nilsson (2009), and, Batt and Rexha (2000) all focus on how building trust impacts business decisions and perceptions in agriculture. For instance, Sykuta (2006) found that farmers prefer to market with cooperatives rather than investor-owned firms because of the honesty and competence in which cooperatives exhibit. Österberg and Nilsson (2009) found that farmers perceive successful cooperatives as being

transparent and trustworthy, primarily because the board of directors consists of farmers. From a sales perspective, Batt and Rexha (2000) found that certain seed suppliers exhibit characteristics like maintaining communication and showing their investment in the customer operations in efforts to become the preferred seed supplier.

Yet, in order for two or more parties to experience a strong trusted relationship, a foundation must be based on the trustor's perceptions and expectations about the motives and actions of the trustee. There are vast literature by Zucker (1986), Shapiro, Sheppard, and Cheraskin (1992), Lyons and Mehta (1997), and Rousseau et al. (1998) focusing on classifications and methods of establishing trust in different business and personal circumstances. The research conducted by Doney and Cannon (1997) is directly applicable to the present research and worth further discussion. They identified five processes of how trust can develop in business relationships: calculative, prediction, capability, intentionality, and transference processes. These process are valuable for this research as they show different perspectives and perceptions that farmers may have when building trusted relationships with their agricultural sales representatives. Furthermore, they connect to the four trust components used in this research.

#### *Building Trust through the Calculative Processes*

Calculative processes include estimating the costs and rewards associated with staying in a current relationship (Lindskold 1978). By analyzing the risk associated with doing business with a sales representative that may cheat the system, the farmer is assessing the self-orientation of the representative. So, a representative that decides to cheat is highly self-oriented (Akerlof 1970).

Since the costs are higher, and there are greater relationship-specific investments, there are some key factors that enable this trust-building process. Doney and Cannon (1997) argue that these perceived factors influencing trust include the sales representatives company reputation, size, willingness to customize sales, and confidential information sharing. Additionally, the length of the relationship with the company and salesperson are considered important factors.

#### *Building Trust through the Prediction Processes*

The prediction process illustrated by Doney and Cannon (1997) takes another perspective to assess the other party's "credibility and benevolence" through multiple, repeated interactions or outside information about the party's behaviors, motives, and promises. Swan and Nolan (1985) also identified that making repeated promises and following through with them will allow a salesperson to develop the confidence of the buying firm, or in this case, the farmer. This increases the salesperson's credibility, reliability, and enhances the trust building process.

The focus of this process encompasses the salesperson's individual likability, similarity, and frequent contact rank as significant factors in the trust building process (Doney and Cannon 1997). Another crucial component to increasing trust through this process is reliant on the longevity of relationship between the farmer (buyer) and the seller. This process relates directly to the credibility and reliability component of trust in the present research.

### *Building Trust through the Capability Processes*

The capability process, is more qualitative, in that it analyzes the individual's ability to meet the needs of the other party. That is, being able to evaluate the sales representative's level of integrity (Doney and Cannon 1997). Certainly, this process relates to the credibility trust component, but it also relates to the intimacy component. That is, in order to truly know the needs of the other party, the sales representative's relationship must be close with the farmer.

Integrity is crucial because, if the trustor does not have trust in the trustee's word and fully understand their needs and goals, then there is no ability to gain that level of trust. Thus, the main factor in achieving trust through the capability process is to provide the capabilities and resources necessary to complete the task. Concentrating on the ability to fulfill stated promises, a salesperson's expertise and power will be highly influential (Doney and Cannon 1997). By exhibiting those two qualities, the salesperson would quickly be able to gain the trust of their clients through a more intimate connection of knowing his or her goals and objectives.

### *Building Trust through the Intentionality Processes*

The intentionality process is where trust emerges through the assessment and interpretation of a party's motives (Doney and Cannon 1997). Determining intentions is key, as groups and individuals who are motivated to help others will be trusted more than those who may hold destructive motives (Lindsfold 1978). This is also a common factor of gaining trust when the two parties share similar values and norms, promoting a sense of intimacy (Maister et al. 2000). Therefore, this process relates directly with the intimacy and self-orientation component of trust used in the present research.

The intentions of the salesperson are highly evaluated in the intentionality process. For that reason, the willingness to customize sales according to customer needs, provide frequent contact with the buyer, and share information are drivers of increasing a trusted relationship (Doney and Cannon 1997). Yet, the salesperson's likeability and similarity are still deemed highly important factors in the trust-building process.

### *Building Trust through the Transference Processes*

Lastly, trust can be developed through a transference process, which utilizes a third party. It has been suggested by Gulati (1995) that companies with past alliances were more trusted when entering new alliances, based on third party reviews. Although the third party plays a more passive and central role, they provide the other two parties a mutual level of trust that can be identified (Coleman 1990).

However, it should be noted, that this process can work in two ways. If a new sales representative for a highly respected firm is working with a farmer who has had good interaction with the business historically, some of that trust will relay to the new sales representative. Conversely, negative experiences with the organization in the past can expose the presence of general distrust for the new sales representative. Therefore, it will be important to consider the reputation of the supplier firm and salesperson.

## Best-Worst Survey Construction

In order to determine Kansas farmers' perceptions on the best ways for agricultural sales representatives to build trusting relationships, an online survey was created where farmers selected statements associated with trust in a best-worst format. Respondents were shown statements used to define each of the four trust components: credibility, reliability, intimacy, and self-orientation. From the list of statements, the respondent selected which statement most represents the trust component (is most important) and which statement least represents the trust component (least important) of trust. Figure 2 shows an example best-worst survey question as seen by the farmer respondents. As will be described later, each statement was shown an equal number of times to each respondent and was matched with other statements in a manner to maximize the design efficiency of the survey. Finally, socioeconomic and demographic information were collected as well. The full survey is available from the authors upon request.

The best-worst analysis was first introduced by Finn and Louviere (1992) and has several advantages over alternative methods of importance measurements (Scarpa et al. 2011). One alternative, Likert scale rankings, is where the respondent would score the importance on a scale of 1 to 5, with 1 being the least important and 5 being the most important. Although this method provides a numerical score of importance, it neglects to force the respondent to pick between two or more relatively important topics (Lusk and Briggeman 2009). It would be easy for a respondent to indicate that all of the statements are highly important rather than providing a true ranking of importance or representativeness. Another potential issue with a Likert scale format is understanding that individuals will interpret the scale differently. This problem stems from the lack of a common reference point across all respondents.

Another alternative was asking the respondents to rank the statements. Though this method would provide analysis on the comparative value of each statement, it would not provide a magnitude of representativeness over the other statements. That is, respondents on average could rank one statement clearly first over the other statements, but there is no indication of how much more important that factor is to farmers. Furthermore, it would be difficult and cumbersome for respondents to rank multiple items. Therefore, a best-worst survey to accomplish the objective of this study is the most appropriate approach.

Before identifying the optimal survey design, it is first important to identify the statements that best illustrate each of the four trust components. Figure 1 lists the seven statements that best demonstrate how an agricultural sales representative can build the trust attributes with a farmer. All of the statements are derived from and are related to the literature. In particular, the work of Deutsch (1962), Swan et al. (1988), Mohr and Speckman (1994), Doney and Cannon (1997), Maister, Green, and Galford (2000), Chong et al. (2003), and Darian et al. (2004) provide support for each statement and its relation to the four trust components. Given the vast literature on trust, the most salient and tractable statements were used so as to avoid duplication and to make the survey design feasible for a farmer to complete.

|   |   |
|---|---|
| <p><b>Credibility</b></p> <ul style="list-style-type: none"> <li>▪ Does their homework on me and my operation</li> <li>▪ Does not lie or exaggerate</li> <li>▪ Years working in the industry</li> <li>▪ Is passionate and loves their topic</li> <li>▪ Reputation of the company they work for</li> <li>▪ Well researched and knowledgeable of topic</li> <li>▪ When they don't know, they say so</li> </ul>  | <p><b>How Well One Knows the Customer and His or Her Goals (Intimacy)</b></p> <ul style="list-style-type: none"> <li>▪ Ability to be candid and upfront about situations</li> <li>▪ Stays in contact via calls, visits, etc.</li> <li>▪ Not afraid to make conversation</li> <li>▪ Finds the fun and fascination in my operation</li> <li>▪ Understands my goals, mission, and values</li> <li>▪ Years working with me</li> <li>▪ Shares a common interest</li> </ul>   |
| <p><b>Reliability</b></p> <ul style="list-style-type: none"> <li>▪ Sends meeting materials in advance</li> <li>▪ Are always transparent</li> <li>▪ Makes sure meetings have clear goals, not just agendas</li> <li>▪ Reputation of the company they work for</li> <li>▪ Adapts to changing circumstances and situations</li> <li>▪ Makes specific commitments and delivers on them</li> <li>▪ Follows through on actions requested by me</li> </ul> | <p><b>Showing One has the Customer's Best Interest at Heart (Self-Orientation)</b></p> <ul style="list-style-type: none"> <li>▪ Asks open-ended questions to understand me better</li> <li>▪ Listens without distractions</li> <li>▪ Reflective listening, summarizing what they've heard</li> <li>▪ Allows me to fill the empty spaces in conversations</li> <li>▪ Asks me to talk about what's behind an issue</li> <li>▪ If communication fails, they take most of the responsibility</li> <li>▪ Focuses on defining problem, not guessing the solution</li> </ul> |

**Figure 1.** The trust component statements utilized in the best worst block design

**Trust Factor: Credibility**

9. When working with an ag sales rep, you may often assess their credibility. Below are several repeated statements that report ways an ag sales rep can demonstrate credibility.

In the set of statements below, please click the button of the one statement that **MOST** represents credibility in an ag sales rep, and click the button of the one statement that **LEAST** represents credibility.

| Most Represents Credibility |  | Least Represents Credibility |
|-----------------------------|--|------------------------------|
| <input type="radio"/>       | Does their homework on me and my operation | <input type="radio"/>        |
| <input type="radio"/>       | Does not lie or exaggerate                 | <input type="radio"/>        |
| <input type="radio"/>       | Years working in the industry              | <input type="radio"/>        |
| <input type="radio"/>       | Is passionate and loves their topic        | <input type="radio"/>        |

10. In the set of statements below, please click the button of the one statement that **MOST** represents credibility in an ag sales rep, and click the button of the one statement that **LEAST** represents credibility.

| Most Represents Credibility |  | Least Represents Credibility |
|-----------------------------|--|------------------------------|
| <input type="radio"/>       | Reputation of the company they work for    | <input type="radio"/>        |
| <input type="radio"/>       | Years working in the industry              | <input type="radio"/>        |
| <input type="radio"/>       | Well researched and knowledgeable of topic | <input type="radio"/>        |
| <input type="radio"/>       | Does not lie or exaggerate                 | <input type="radio"/>        |

11. In the set of statements below, please click the button of the one statement that **MOST** represents credibility in an ag sales rep, and click the button of the one statement that **LEAST** represents credibility.

| Most Represents Credibility |  | Least Represents Credibility |
|-----------------------------|--|------------------------------|
| <input type="radio"/>       | Does their homework on me and my operation | <input type="radio"/>        |
| <input type="radio"/>       | Well researched and knowledgeable of topic | <input type="radio"/>        |
| <input type="radio"/>       | Reputation of the company they work for    | <input type="radio"/>        |
| <input type="radio"/>       | Is passionate and loves their topic        | <input type="radio"/>        |

**Figure 2.** Example survey questions for credibility

### Survey Design

The best-worst survey follows a Balanced – Incomplete Block Design (BIBD). To create a BIBD survey, (1) the number of times each statement appears through all questions is equal, and (2) the number of times a pair shows up in the same block is equal too. Mathematically, these are expressed by (1)  $\frac{b*k}{a}$  and (2)  $[\frac{b*k}{a}] * [\frac{(k-1)}{(a-1)}]$ , where  $b$  is the number of questions asked,  $k$  is the number of statements in each question, and  $a$  is the number of statements available for each trust component. Therefore, considering survey fatigue for the respondent and that each trust component has seven statements, the BIBD has seven total questions for each trust component with four statements presented in each question. So, the respondent would be selecting the most and least representative statements among four total statements, and would do this exercise seven total times within each trust component.

It is also important that the statement pairings maximize the D-efficiency through an orthogonal design. For further clarification, when D-efficiency is 100, the design used is considered orthogonal and balanced. A D-efficiency of 0 indicates that at least one of the parameters cannot be estimated. In this particular survey design, the design yielded a D-efficiency score of 87.5, which is similar to other best-worst survey designs.

### Best-Worst Conditional Logit Model

Analyzing the best-worst survey is primarily done through the estimation of a conditional logit model (CLM). The CLM is used for three primary purposes. First, the CLM is based on the widely accepted random utility theory, which provides a theoretical basis for why farmers selected the statements as most representative and least representative. Next, is to identify if the statements within each trust component are statistically different from the other statements. Finally, the CLM allows for the calculation of a magnitude of representativeness share that is used to determine which statements best demonstrate a particular trust component.

When responding to each best-worst question, farmers are essentially choosing two statements that maximize the difference between one that most represents trust and the one that least represents trust. That is, each farmer has an underlying scale of representativeness that each statement falls on for a particular trust component. So, following Lusk and Briggeman (2009), there are  $J$  number of statements that represent a given trust component, which means in the main effects design there would be  $J(J-1)$  possible best-worst combinations that the farmer could choose from each question (in our case, forty-two possible best-worst combinations). Therefore, each farmer will always select the one combination that maximizes the difference between the most representative statement  $j$  relative to the least representative statement  $k$ .

A random utility framework can be used to illustrate this underlying scale of representativeness. Assume that farmer  $i$  will choose statement  $j$  that maximizes the representativeness of the trust component on a representativeness scale. Further assume that the  $\lambda_j$  is the scale parameter on this scale for farmer  $i$ , and the latent unobserved level of representativeness for farmer  $i$  is shown as  $R_{ij} = \lambda_j + e_{ij}$ , where  $e_{ij}$  is a random error component.



From this framework, the probability that a farmer will choose one statement over another statement can be presented. Assume that farmer  $i$  chooses statement  $j$  over statement  $k$  as the most representative and least representative combination out of a  $J$  choice set. Therefore, the probability to be estimated is the difference between  $R_{ij}$  and  $R_{ik}$  is greater than all other  $J(J-1)-1$  statements within the choice set. Now, if the  $e_{ij}$  random error component is IID type 1 random variates and with the IIA property, then the probability results in McFadden's conditional logit specification for the choice probabilities as:

$$(3) P(j \text{ is chosen most representative and } k \text{ is chosen least representative}) = \frac{e^{\lambda_j V_{ji}}}{\sum e^{\lambda_j V_{ki}}}$$

Therefore, the probability to be estimated is that statement  $j$  is chosen over statement  $i$ . In the equation,  $\lambda_j$  represents the specific location of the value  $j$  on the "representative" scale. This location on the "representative" scale is directly reliant on the probability that state  $j$  will be selected over the other statements. The estimated  $\lambda_j$  provides the representativeness of the value  $j$  relative to a statement that was normalized to zero to serve as the dummy variable or base case. This CLM does take into consideration the assumption that all of the statements in the sample would be able to hold the same level of representativeness.

Once the CLM is estimated to arrive at the  $\lambda_j$  values, the share of representativeness for statement  $j$  is calculated to determine which statement is the most important through a representativeness share as,

$$(4) \text{Representative Share} = \frac{e^{\hat{\lambda}_j}}{\sum_{k=1}^j e^{\hat{\lambda}_j}}$$

Given this equation, we can calculate a "share of representativeness" for each of the statements within each component of trust. The exponents of the conditional logit estimates are used to develop the representativeness of each statement on a scale of 0 to 1. This allows for the analysis of the magnitude of representativeness of each statement. Therefore, if one statement has a share value of 0.3 compared to another statement's share of .1, the former statement is three times as important as its counterpart. This provides the ultimate magnitude of importance relative to the base case and the other statements in the best-worst analysis.

In addition, the best-worst survey design also allows the researcher to analyze the data using a simple count method. What this means, is that the researcher can count the number of times that a statement is selected as "most" or "least" representative. When selected as "most" representative, the statement will be given a value of 1, while a statement selected as "least" representative will be given a value of -1. If the statement is not selected as most or least representative, the statement will receive a value of 0. Given each statement is shown four times throughout the seven questions, the representative score range is from -4 to +4.

## Data Collection

An online survey was created and distributed to Kansas farmers. The survey was open for one month, August 2015, and the survey took approximately thirty minutes to complete. For a respondent to access the survey, they would have to provide two positive responses; (1)

indicating that they were a Kansas farmer and rancher and (2) provide a password given through a distributed flyer and email. After completing the survey, respondents were mailed a \$50 Visa gift card.

Kansas farmers and ranchers were notified about the survey through a distribution of flyers via e-mail and mailings. A flyer was created and sent out by mail and email to the entire Kansas Farm Management Association (KFMA) membership by mail, Kansas cooperative farmer-directors in the Arthur Capper Cooperative Center's (ACCC) database, and other extension and economists by e-mail. A total of 2,858 flyers and emails were distributed in Kansas. The survey was targeted towards Kansas farmers and ranchers primarily through KFMA. The reason is because Kuethe et al. (2014) demonstrated that the KFMA database was representative of all Kansas farmers and ranchers. There was a total of 193 completed responses, with KFMA members representing 75% of the sample size.

While the response rate may appear low, it was mitigated by that fact that the sample of farmers who responded are very similar to the farmers within the KFMA data. Comparing the 2014 KFMA data to the survey sample of farmers, illustrates these similarities. The average total liabilities were \$537,305 in the KFMA and \$529,585 in the survey. Average assets from the KFMA data and survey were \$2,313,939 and \$2,627,264, respectively. When looking at the total acres farmed or ranched, KFMA reports an average of 2,198 acres per farm and survey respondents reported an average of 2,544 acres. Overall, the demographic information provided by the respondents is very similar to KFMA members.

## **Best Worst Results**

The Conditional Logit Model (CLM) results showed that almost all of the estimates derived from the trust statements were statistically significant. Furthermore, the representative scores that show the magnitude of importance yield some striking results that should help agricultural sales representatives build stronger credibility, reliability, intimacy, and self-orientation with their farmer-customers. In short, farmers identified the most representative statements of each trust component that agricultural sales representatives can use to build trusted relationships. This is especially interesting because often, younger sales representatives may feel disadvantaged in building trust because of their age—something outside of their control. Yet, farmers clearly place a larger value on statements that are directly within their control of the sales representative. Support for these assertions are found in the results below:

*Credibility* with farmers is best established and built by the agricultural sales representative being honest and knowledgeable about the products and/or services. Comparing the highest CLM representativeness share of .281 to the lowest share of .028 in Table 1, shows that “does not lie or exaggerate” is ten times more representative of credibility than “years working in the industry.” Also highly reflective of credibility is “when they don’t know, they say so” (.243), and being “well researched and knowledgeable of topic” (.238). Thus, indicating farmers find more credibility in sales representatives who portray knowledge and integrity in the field of work.

These results suggest that the factors outside the control of the sales representative have a smaller influence on building credibility. The low representativeness shares of “years working in

the industry” (.028) and the “reputation of the company they work for” (.059) demonstrates that farmers do not believe these external factors are the best methods for building credibility. Credibility is more reliant on the direct words and knowledge of the sales representative.

**Table 1.** Conditional logit estimates and representative shares for credibility

| Credibility Statements                     | CLM Estimates | Representative Share |
|--|---------------|----------------------|
| Does not lie or exaggerate                 | 2.316*        | 0.281                |
| When they don't know, they say so          | 2.170*        | 0.243                |
| Well researched and knowledgeable of topic | 2.151*        | 0.238                |
| Does their homework on me and my operation | 1.216*        | 0.094                |
| Reputation of the company they work for    | 0.750*        | 0.059                |
| Is passionate and loves their topic        | 0.732*        | 0.058                |
| Years working in the industry              | Base          | 0.028                |

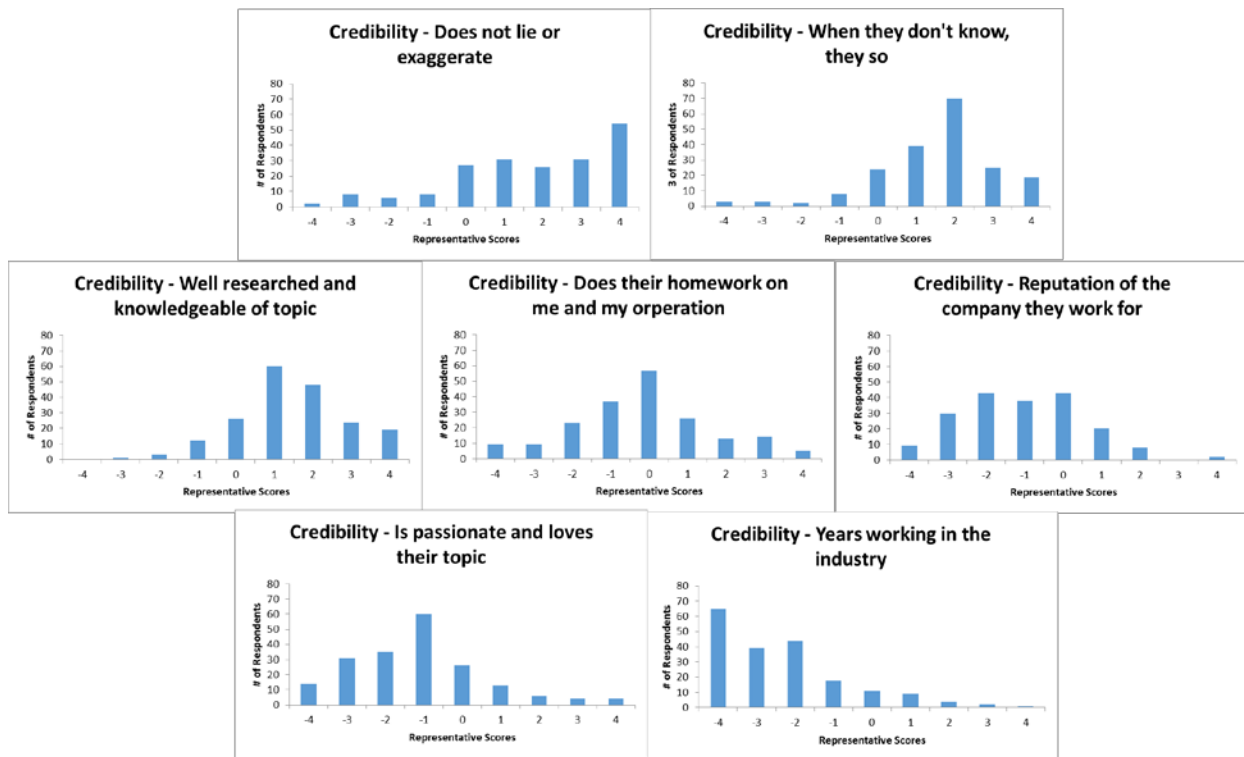
**Note.** Statistical significance at the one percent level is represented by a \*.

Using a count method described earlier, representative scores can also be calculated and shown through a histogram. Recall that the count method assigns a score to each statement when it is selected “most” representative (1), “least” representative (-1), or not selected at all (0). Since each statement is shown in 4 questions, the scores can range from -4 to 4 for each respondent. Then the collected data can be illustrated on a graph or histogram.

Given farmers vary in personality, desires, and needs; there will be differences in how to build trust with them. The results from the histograms in Figure 3 support the results in Table 1 while also identifying variation across different respondent preferences. Overall, “does not lie or exaggerate”, being “well researched and knowledgeable of topic”, and “expressing when you don't know” are collectively important ways to increase and represent credibility. This is demonstrated through the heavily right skewed histograms and further supported the research by Darien et al. (2004) that identified the salesperson's knowledge as a high decision factor associated with customers making a purchase.

Farmers also agree that “years working in the industry” and “is passionate and loves their topic” is not as significant in gaining credibility. These histograms are more left-skewed, which suggest that farmers view these statements as not essential to deepening credibility.

With all of this said, it should be noted that farmers' representative scores vary significantly. That is, even though the representative shares show certain statements are far more important in terms of magnitude, not all farmers agree based on their calculated representative scores. For example, consider “Does their homework on me and my operation.” There is a wide distribution of representative scores across farmers. That is, some farmers find this statement to be very representative of credibility, while others do not. These results highlight the importance of knowing the farmer on an individual basis and addressing their needs.



**Figure 3.** Credibility histograms reporting frequency of statement being always selected as “Least” representative (-4) to always being selected as “Most” representative (4) by each respondent.

*Reliability* with farmers and ranchers can best be demonstrated by following through on the services and/or products as discussed with their customers. These results tie directly to Darien et al. (2004) who found that customers feel a ‘salesperson’ respect for the customer’ was the important attribute considered in decision making when contemplating a purchase. The results show that “following through on actions requested by me” was most representative of reliability. With a representative share of .452 in Table 2, follow through was approximately eight times more representative of reliability than “sending meeting material in advance”, which was the lowest share statement. Following closely behind, “makes specific commitments and delivers on them” had a share of .341.

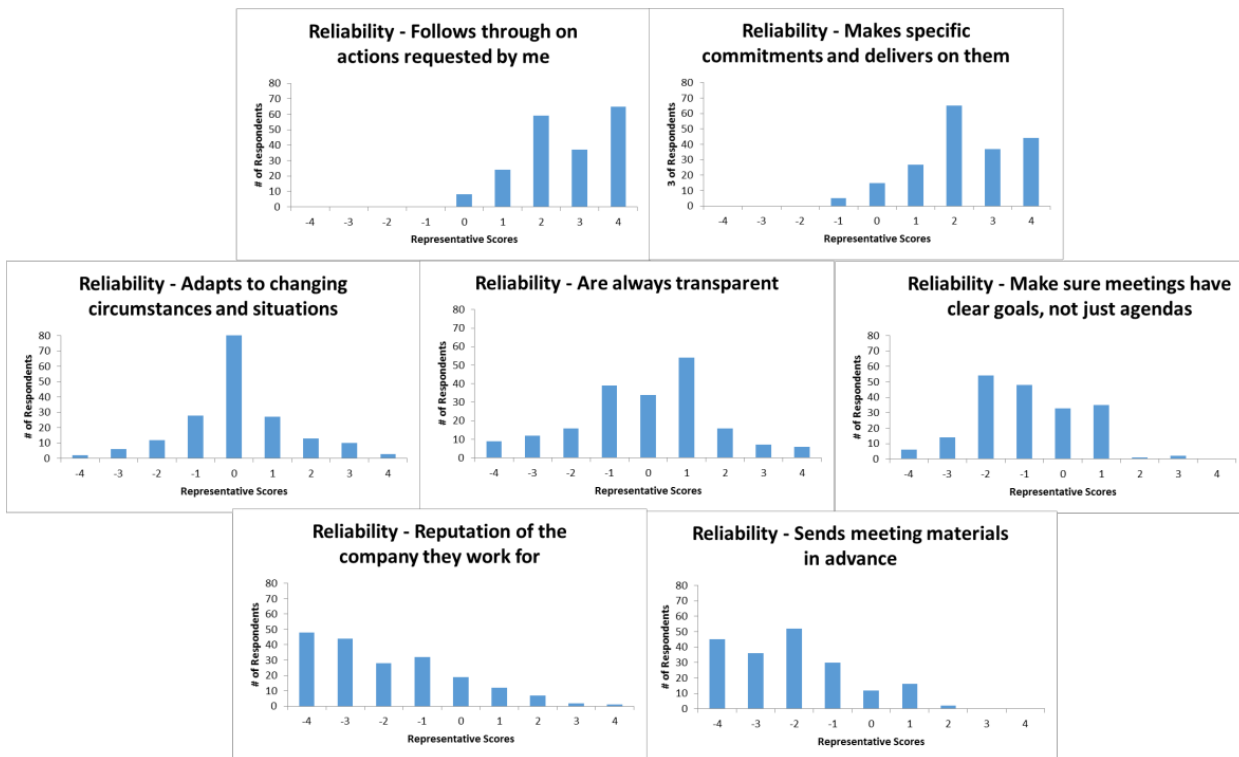
**Table 2.** Conditional logit estimates and representative shares for reliability

| Reliability Statements                                | CLM Estimates | Representative Share |
|---|---------------|----------------------|
| Follows through on actions requested by me            | 3.361*        | 0.452                |
| Makes specific commitments and delivers on them       | 3.078*        | 0.341                |
| Adapts to changing circumstances and situations       | 1.679*        | 0.084                |
| Are always transparent                                | 1.295*        | 0.057                |
| Make sure meetings have clear goals, not just agendas | 0.645*        | 0.030                |
| Reputation of the company they work for               | 0.228**       | 0.020                |
| Sends meeting materials in advance                    | Base          | 0.016                |

**Note.** Statistical significance at the one percent level is represented by a \*

The least representative statements of reliability include “make sure meetings have clear goals, not just agendas”, “the reputation of the company they work for”, and “sends meeting materials in advance.” Although they are indicators of reliability, they do not hold the same magnitude of importance when trying to establish the characteristic with Kansas farmers and ranchers.

The histograms created for the reliability emulate the results from the Conditional Logit Model. The heavily right skewed histograms in Figure 4 for “follows through on actions requested by me” and “makes specific commitments and delivers on them,” shows the relevance of these factors and significant agreement amongst farmers. In fact, the histogram for “follows through on actions requested by me” shows that either no farmers selected the statement as “least” representative or if they did, they also selected it as “most” representative in another question canceling out the scores back to a zero. Thus, indicating the important role follow through has on establishing relatability.



**Figure 4.** Reliability histograms reporting frequency of statement being always selected as “Least” representative (-4) to always being selected as “Most” representative (4) by each respondent.

The distribution of “adapts to changing circumstances and situations” and “are always transparent” emphasize the importance of knowing the farmer. Since there is vast variation within the distribution of responses, there was little agreement across the sample on the importance on these characteristics when working to establish reliability. As a result, when it comes to these statements relative to reliability, farmers have wide varying opinions. With that

said, there is general agreement across all of the reliability statements that sales representatives should not overpromise and under deliver.

*Intimacy* centers around the sales representative's ability to connect with the farmer and their operation. This communication is necessary for a sales representative to provide the right service to the farmer. Without this connection, the wants and needs of the farmer will not be properly translated to the sales representative. Furthermore, as the farmer becomes more connected and trusting towards the sales representative, the more the farmer will trust the company of the sales representative as a whole (Zaheer et al. 1998).

The results show that “understands my goals, missions, and values” is the most vital way to establish intimacy. In fact, the representative share of 0.335 is approximately eleven times more representative than the base case statement of “not afraid to make conversation” as shown in Table 3. Farmers feel that this common connection and understanding of their values will help the sales representative better address current and future needs.

**Table 3.** Conditional logit estimates and representative shares for intimacy

| <b>Intimacy Statements</b>                     | <b>CLM Estimates</b> | <b>Representative Share</b> |
|--|----------------------|-----------------------------|
| Understands my goals, mission, and values      | 2.401*               | 0.335                       |
| Able to be candid and upfront about situations | 2.255*               | 0.289                       |
| Stays in contact via calls, visits, etc.       | 1.714*               | 0.168                       |
| Years working with me                          | 1.123*               | 0.093                       |
| Shares a common interest                       | 0.562*               | 0.053                       |
| Finds the fun and fascination in my operation  | 0.025                | 0.031                       |
| Not afraid to make conversation                | Base                 | 0.030                       |

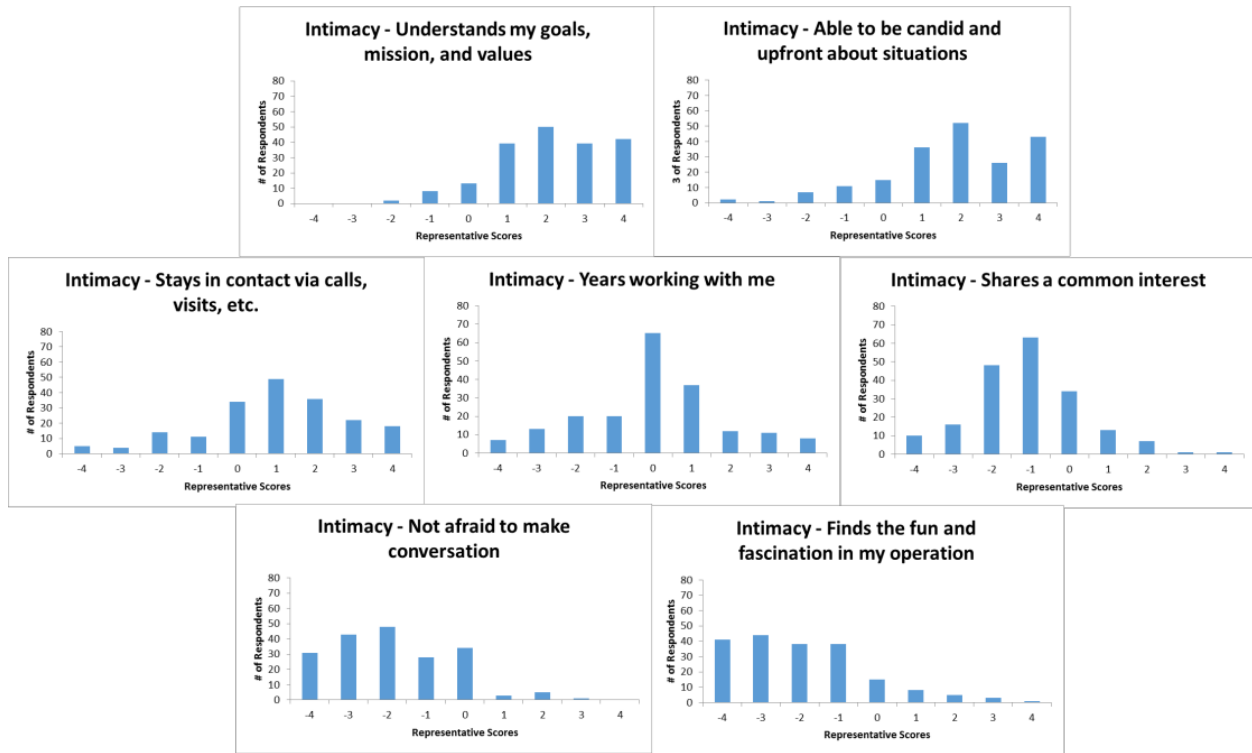
**Note.** As presented in the survey, intimacy is how well one knows the customer and his or her goals. Statistical significance at the one percent level is represented by a \*.

Having straightforward, honest communication is greatly valued by farmers. Being “able to be candid and upfront about situations” and “stays in contact via calls, visits, etc.” are relatively representative of an intimate connection with scores of 0.289 and 0.168, respectively. The difference in the representative share shows the significance in having meaningful and relevant conversations with the farmer when needed.

Interestingly, “finds the fun and fascination in my operation” was the only statement in the best worst analysis that did not prove to be statistically significant. That is, the CML estimate did not prove to be different from the base statement of “not afraid to make conversation.” This finding is in direct contradiction to the findings of Maister, Green, and Galford (2000) who argue this statement as a way to build strong, intimate connections.

The histograms reiterate the importance of taking time to “understand the goals, missions, and values” of farmers when trying to establish an intimate relationship (Figure 5). Demonstrating a desire to learn enhances the conversations in conducting business, allowing for mutual growth and success. The research visually shows that a sales representative's “[ability] to be candid and

upfront about situations” and “stays in contact via calls, visits, etc.” is also viewed as a positive trait by most Kansas farmers, but not all.



**Figure 5.** Intimacy histograms reporting frequency of statement being always selected as “Least” representative (-4) to being always selected as “Most” representative (4) by each respondent.

The left skewed histograms of statements like “not afraid to make conversation” and “finds the fun and fascination in my operation” illustrate the common lack of magnitude these factors have on building intimacy. Although they are still important in establishing trust, a majority of farmers associated these statements with “least” representative out of the options provided.

“Years working with me” is the one statement that has the most fluctuation across farmer respondents. As shown in the histograms, some farmers find it very important while others do not feel it has very much influence. This further reiterates the importance of knowing the personal needs of each farmer as a sales representative.

In general, Kansas farmers feel that establishing intimacy is greatly reliant on understanding their personal and operational goals and values. It is also relatively important to maintain candid, upfront conversations about situations as they arise and continue the discussion around the needs of the operation. Although it is important to communicate, not being afraid to make conversation is not something many farmers value. Moreover, it is crucial have informative and worthwhile dialogue.

*Self-orientation*, for sales representatives, is about showing the appropriate focus in the relationship with farmers. That is, exhibiting behaviors that stress the desires to address the needs of the client rather than their personal motives. To achieve this, both words and actions are found to be beneficial to establishing this appropriate focus.

The results stress the value of a sales representative who “focuses on defining the problem and not guessing the solution.” In Table 4, this statement’s representative share of 0.364 is over 18 times more representative of self-orientation than “allows me to fill the empty spaces in conversation. Furthermore, the second most representative statement, “listens without distractions,” has only half the magnitude as “focusing on defining the problem, not guessing the solution.” Thus, sales representatives should spend time not “selling solutions” but rather talking and understanding the issues or problems for a given farmer.

**Table 4.** Conditional logit estimates and representative shares for self – orientation

| Self-Orientation Statement                                   | CLM Estimates | Representative Share |
|--|---------------|----------------------|
| Focuses on defining the problem, not guessing the solution   | 2.911*        | 0.364                |
| Listens without distractions                                 | 2.188*        | 0.177                |
| Asks open-ended questions to understand me better            | 1.983*        | 0.144                |
| Asks me to talk about what’s behind an issue                 | 1.904*        | 0.133                |
| Reflective listening, summarizing what they’ve heard         | 1.769*        | 0.116                |
| If communication fails, they take most of the responsibility | 0.827*        | 0.045                |
| Allows me to fill the empty spaces in conversations          | Base          | 0.020                |

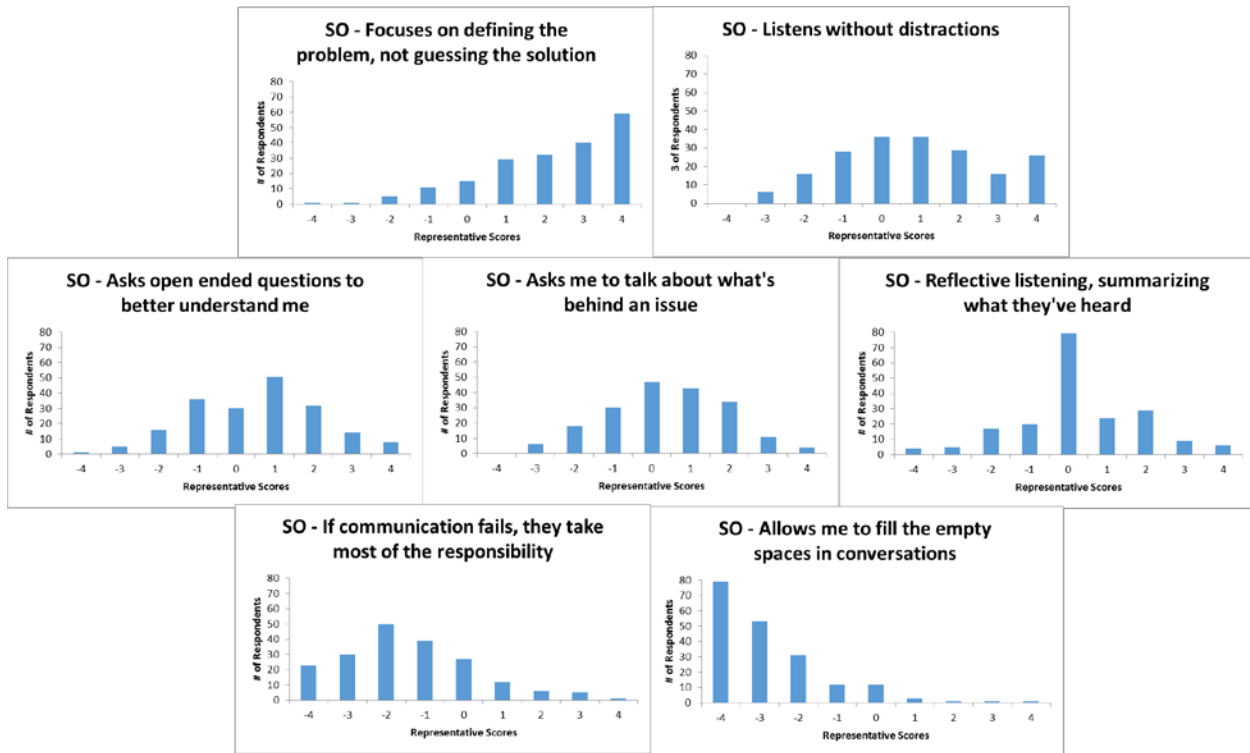
**Note.** As presented in the survey, self-orientation is showing one has the customer’s best interest at heart. Statistical significance at the one percent level is represented by a \*.

With that said, farmers do not feel it is necessary for sales representatives to take full responsibility of miscommunication or force conversation to show they care. “If communication fails, they take most of the responsibility” and “allows me to fill the empty space in conversation” only have representative shares of 0.045 and 0.020, respectively. Therefore, the magnitude of representation for self-orientation is far below other contributing factors.

The histograms further emphasize the importance “focuses on defining the problem, not guessing the solution,” as a majority of the farmers identify with higher representativeness scores. Figure 6 also shows that establishing positive self-orientation is highly reliant on the individual farmer’s preferences. This is shown through the vast variation and distribution shown in several of the histograms. For example, “listens without distractions,” “asks open-ended questions to understand me better,” and “asks me to talk about what’s behind and issue” were in fact valued by some farmers in establishing self-orientation.

Ultimately, for a sales representative to better establish appropriate self-orientation with a Kansas farmer, it is vital to focus on defining the problem rather than guessing the solution. As Doney and Cannon (1997) illustrate, gaining trust and showing your focus on the farmer may be part of a larger mix necessary for the sale to take place. Therefore, self-orientation may not be a sale “winner”, but it is considered a strong sale “qualifier” (Doney and Cannon 1997). Practicing active listening while free from distractions will exemplify your motives to help the farmer fix any issues or concerns they have at the time. Asking and learning about the farmer will help one show they have the farmer’s interest at heart.





**Figure 6.** Self-orientation histograms reporting frequency of statement being always selected as “Least” representative (-4) to being always selected as “Most” representative (4) by each respondent.

## Conclusions

Building trust is important for any agricultural sales representative. Trust is often at the center of any successful business relationship and exploring trust has been the focus of many research studies. The focus of this paper is to identify ways that agricultural sales representatives could deepen and improve trust with farmers. Using a unique best-worst survey approach, farmers’ preferences for how to best build trusting relationships were discovered. The key findings all centered around a unifying theme: sales representatives are well positioned to build more trusted relationships because the best ways to do it, is well under their control.

To build trust with farmers, agricultural sales representatives should focus on improving themselves both professionally and personally. Sales representatives should focus on being more knowledgeable in their specific area, exemplify dependability, and demonstrate their desire to help their farmer-customers. To do so, sales representatives need to improve and constantly work on their communication skills. They should also take time to understand the goals and missions of the operation while working with the farmers to clearly define potential problems. While these statements seem straightforward and easily done, they are worth spending some time working on because more often than not, sales representatives focus on selling solutions and not identifying what is the real issue faced by their customer.

It should be noted that this study can and should be conducted in other areas of the world and with other types of producers. Our sample was specific to Kansas. While it is not clear if these findings would hold with other farmers outside of Kansas, some of the general findings likely would hold. For example, results showed that not lying or exaggerating was the best way to demonstrate credibility. It is likely this result would hold across other farmers. Nevertheless, further research into the applicability of these findings across the globe would be worthwhile.

While this study did illuminate methods and ways to build trust, there is still areas for future work. One extension would be to examine the economic value farmers place on these trust components. Knowing that information would assist agricultural sales representatives in focusing their efforts to build trust in ways that are valued by farmers who are willing to pay a premium for those specific qualities. Furthermore, it would be interesting to explore if these statements vary across different types of agribusiness and lending industries. That is, do farmers' perceptions of how to best build a trusted relationship somehow influenced by the industry of the particular sales representative? Regardless, the current study did identify tangible and attainable ways agricultural sales representatives can improve trust with farmers.

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