

HOW SMALL SUPPLIERS DEAL WITH THE BUYER POWER IN ASYMMETRIC RELATIONSHIPS WITHIN THE SUSTAINABLE FASHION SUPPLY CHAIN

1. Introduction

The fashion supply chain is characterised by powerful retail buyers and small fashion suppliers. This paper investigates how small suppliers deal with buyer power within the sustainable fashion supply chain, in particular given the prevalence of asymmetric relationships. The term sustainable fashion supply chain in this paper reflects Seuring and Muller's (2008, p. 1700) definition of the sustainable supply chain 'as the management of material, information and capital flows as well as cooperation among companies along the supply chain while taking goals from all three dimensions of sustainable development'. We wished to explore the application of power within sustainable fashion supply chains as previous research had been fragmented.

This study focuses on the application of power by large fashion retailers in asymmetric relationships within the fashion supply chain. By undertaking a qualitative study on Turkish suppliers the paper offers a deeper understanding in regard to both geographical aspects of supply chain and the impacts on relational development because one of the important factors, which determine sustainability practices in fashion supply chain, is globalisation of sourcing and distribution. In the last two decades, textile and fashion manufacturing has moved to developing economies (MacCarthy & Jayarathne, 2010). Turkey is the world's seventh largest clothing exporter (Foreign and Commonwealth Office, 2014). Turkish fashion suppliers have developed key competencies that have enabled strong partnerships with geographically distant retail buyers but Tokatli and Kizilgün (2009) have questioned the sustainability of these partnerships as a result of asymmetrical power in supply chains.

The paper has the following research objectives:

1. To identify the application of power within sustainable fashion supply chains.
2. To understand how fashion suppliers deal with the retail buyers' power within the sustainable fashion supply chains.
3. To understand the implications of power application for sustainable fashion supply chains.

The theoretical contribution of our research is that it is among the first to examine the application of power within sustainable fashion supply chains. We built an analytical framework that guided us to examine the application of power and suppliers' responses in relation to three dimensions of sustainability (economic, environmental and social). The analytical framework demonstrated a new approach to understand power asymmetry and sustainability within the supply chain context. The paper takes an interaction approach (IMP Group, 1982) to develop a better understanding of the application of power by retailers and contributes to Munksgaard, Johnsen and Patterson (2015) call for further research into buyer-suppliers relationships. The utilisation of the analytical framework has added a further dimension to the work of IMP view and filled the gap that has been identified by (Johnsen et al 2016). Our empirical contribution has been directed towards the exploration of the perspective of fashion suppliers in the asymmetric relationships in Turkey. The issues have previously been compounded by the need to overcome difficulties in reaching and convincing fashion suppliers to participate in academic studies. The approach adopted has provided direction for addressing this constant challenge for researchers in the sustainable supply chain field.

The paper begins with a review of the literature before moving on to explore the experiences of six small fashion suppliers. In the next section, a literature review of power within

sustainable supply chain relationships is presented, followed by an analytical framework. The paper continues with a discussion of the research methodology and the findings from the case studies and ends with conclusions and an examination of theoretical and managerial implications of the research, potential future research and limitations.

2. Literature review

2.1. Definition of power in supply chains

Power has been conceptualised and received much attention from a number of researchers (Ireland & Webb, 2007; Chicksand, 2015; Nyaga et al., 2013; Talay et al., 2018). Exertion of power (Thomas et al., 2010); and the origin of power (Meehan & Wright, 2012); dynamics of power (Cox, 2004; Hingley, 2005; Lacoste & Johnsen, 2015); the use of power (Rindt & Mouzas, 2015; Nyaga et al., 2013) and the measurement of power (Belaya, Gagalyuk, & Hanf, 2009).

Alternative views of power tend to focus on power in terms of interdependencies on resources and economic terms: payoffs and cost (Belaya et al., 2009). In the supply chain literature, a number of studies have focused on the concept of power in buyer–supplier relationships (Benton & Maloni, 2005; Meehan & Wright, 2012; Toubolic et al., 2014). These studies agree that power is key to understanding supply chains and the parties involved (Cox, 2001). In this regard, the commonly accepted definition of power in supply chain relations is Emerson's (1962, p: 32) “the ability of an actor to influence another to act in the manner that they would not have otherwise” which provides us with a guide for the research.

Moreover, power has been seen as destructive in buyer-supplier relationships (Nyaga et al., 2013). Newer research in supplier-buyer relations has stated that power can also be used to the advantage of suppliers by focusing on the business processes of their customers and creating inter-dependencies, known as countervailing power (Lacoste & Johnsen, 2015). In the same

vein, Pagell, Wu, and Wasserman (2010) argued that buyer power is not destructive and that it is applied in order to achieve sustainability goals in supply chains and suppliers are treated as strategic partners.

2.2. Sustainable supply chains

The concept of sustainability has been mainly considered in the three areas where organisations' activities concern the environment, economy and society. The supply chains are namely tasked to overcome environmental and social concerns whilst remaining economically focused (Elkington, 2002). Seuring and Muller (2008, p. 1700) identified three dimensions of sustainability in their definition, consistent with the view of sustainable supply chain in this research.

The concept of power and power relationships in sustainable supply chain research is still limited (Walker et al., 2012). Most researchers have focused on large organisations and their sustainability practices - usually involved with small suppliers (Lee & Klassen, 2008; Walker & Preuss, 2008). They identified a degree of power asymmetry in large buyer and small supplier relationships within supply chains and that this power asymmetry may influence the implementation of sustainability and other possible outcomes within supply chains (Pedersen & Andersen, 2006; Millington, 2008).

2.3. Interaction Approach

The characteristics of customer-supplier relationships are linked to the Industrial Marketing and Purchasing Group's interaction model (IMP Group, 1982). The model sees dyadic relationships as frequently long-term or prolonged, phrases we adopt throughout the paper to reflect relationships that are sustainable over time. Dyadic relationships often become institutionalised, and are viewed, by the IMP model, through variables describing the participants in the interaction process, the elements and process of interaction, the atmosphere affecting and influencing the interaction and the environment within which interaction takes

place (*ibid*). The atmosphere of a relationship is described in terms of the power–dependence relationship between the parties: conflict and/or co-operation, overall closeness or distance and mutual expectations. The relative position of power, and the extent to which this power extends, as this may influence the level of all (IMP Group, 1982). Relationships between two parties are rarely equal, therefore there will be issues of power balance, control and dependency to resolve or cope with for each party (Ford et al., 1986).

Furthermore, there are a number of researchers who have conceptualised supply chain relationships and networks (IMP Group, e.g. Ford, 1980; Håkansson 1987; Ford et al., 1986). However, Johnsen et al.’s (2016) research found that a large proportion of sustainable purchasing and supply chain management research has adopted stakeholder theory, institutional theory or resource-based perspectives but very few papers have adopted an IMP Interaction Approach in sustainable supply chain research.

2.4. Application of Power in Supply Chain Relationships

Powerful retailers pressurise suppliers into adopting their practices that leads to various concerns about long-term relationships in supply chains. Therefore, appropriate practices should be developed to minimise that pressure and applicable inducements can be implemented for the increased exchange of information between these partners in asymmetric relationships (Maglaras et al., 2015). Otherwise, weaker organisations are less likely to collaborate with powerful organisations because there is a risk for the weaker organisations as they might not gain benefit from the collaboration and become dependent on a single counterpart (Cox et al., 2007). This also makes some difficulties for suppliers to overcome power asymmetries (Lee & Johnsen, 2012). On the other hand, powerful organisations are less likely to form and maintain long-term relationships as a result of increasing collaboration and dependence on suppliers (Casciaro & Piskorski, 2005).

Power asymmetry often indicates the fact that coercion is the major way to apply power (Hausman & Johnston, 2010). Coercive power uses penalty rather than reward to control another party (Benton & Maloni, 2005; Terpent & Ashenbaum, 2012). However, Gaski (1984) has criticised this because it was ignoring the other effects that may be positive in supply chain relationships. Moreover, power asymmetries have been considered as close to coerciveness because coercive power may often be found where the level of commitment is low or frequent conflicts emerge when one party is dependent on the other in relationships (Dwyer, 1980; Ford et al., 2003). Furthermore, coercive power diminishes the chance of cooperation between parties and long-term successes and stability (Kumar et al., 1995). As opposed to coercive power, non-coercive power affects the relationships positively by increasing the motivation level, cooperation and offering more involvement opportunities in relationships for the weaker party (Lacoste & Johnsen, 2015) and less conflict (Hausman & Johnston, 2010). Therefore, a cautious application of power can encourage supply chain integration and supports the performance goal achievement of powerful organisations through a clear understanding of suppliers' difficulties and offer support to them (Maloni & Benton, 2000). In contrast to traditional supply chains, there is a lack of understanding how power is applied and what role it plays in sustainable supply chains (Toubolic et al., 2014).

Supplier-buyer relationships develop with buyer domination and with a focus on cost reduction rather than responsiveness, trust and commitment (Johnsen & Ford, 2006). Trust and commitment are critical to the development of mutually beneficial relationships (van Hoek, 2000). Johnsen and Ford (2006; after Sako, 1998) identify varying levels of trust which emerge as commitment develops. Crook and Combs (2007) argued that the application of power is more important than structure of power relations because it influences relationship partners' willingness to adapt or collaborate in relationships. The strong association between coercive power and compliance has gained much attention from researchers, leading them to disregard

research on power by focusing more on influence and cooperation and issues related to power in networks, although the actual application of power in networks and interactions are neglected (Lacoste & Johnsen, 2015).

2.5. Power asymmetry in the sustainable supply chain

Environmental and social sustainability goals have become a major concern for most companies and the literature highlights the fact that it is vital to make a fair balance between both types of goals in combination with economic sustainability, which is fundamental for companies dealing with costs and revenues (Stone & Wakefield, 2000). Reflecting this shift in priorities, the implementation of sustainability in supply networks increasingly concerns business relationships, especially the application of power in supplier-buyer relationships, since a retailer can coercively enforce its suppliers to act in response to its requirements (Maglaras et al., 2015). However, Simpson and Power (2005) found that a relational approach is more powerful than coercion when considering environmental performance, whilst other studies emphasise trust and cooperation as essential relational elements for the implementation of sustainability (Geffen & Rothenberg, 2000). Furthermore, Shi, Qian, and Dong (2017) evaluated the economic and environmental performance in relation to the concept of power in the fashion supply chain and found that the party with less power has more drive to make a sustainable effort to achieve a greater profit. In most cases, this involves a greater sustainable investment by the fashion supplier rather than the retailer.

Organisations respond to social sustainability issues by shaping their business strategies (Pagell et al., 2010) because social sustainability issues pressure organisations and their practices (Paulraj, 2011) through external stakeholders' expectations (Porter & Kramer, 2006). If these issues are addressed at the supply chain level, organisations can achieve sustainability performance goals (Paulraj, 2011). Supply chain operations and management are vital to create value and develop competitive strengths for organisations (Burgess et al., 2006). Similarly,

environmental and social performance of an organisation will be affected by its suppliers and the organisations' practices and operations will be affected by the external pressures which result from ethical dilemmas (Tate et al., 2010). Therefore, collaboration has been considered and supported as the best way to manage supply chains to achieve sustainability goals (Vachon & Klassen, 2008; Alvarez et al., 2010), otherwise large organisations will handle problems unilaterally and force suppliers to adopt their codes of conduct (Pedersen, 2009).

Having identified the reasons for the application of power in sustainable supply chains we need to understand to what extent power is applied to each economic, environmental and social dimension of sustainability and how asymmetric relationships are coordinated to achieve sustainability. Hence, Pullman, Maloni, and Carter (2009) suggest that the impact of power on performance needs to be investigated, while the effect of power on environmental and social sustainability specifically has been overlooked (Chen et al., 2017; Koksal et al., 2017).

Buyer power is one of a number of variables considered by (Dou et al., 2018). In their research, the findings suggest that the biggest influence that enables suppliers to adopt environmental practices is top management support in the buyer company. Other than geographical proximity, relationship factors are the next most influential. These include asymmetrical power of buyer over first-tier supplier and first-tier supplier over the second tier; as well as the perceived risk, shared by suppliers, that the buyer could disintermediate the supply chain and deal directly with the second-tier supplier. Hence, trust is also important. Dou et al. (2018) go on to assert that the buyer is unconcerned by this particular threat, and that the second-tier suppliers consider adopting environmental improvements as a way to address the power imbalance and give them more bargaining power to enter new supply chains.

2.6. Power asymmetry in the market place

Small suppliers play an important role in the fashion supply chain, but engrained and growing

retailer dominance is an important characteristic (Johnsen & Ford, 2008; Talay et al., 2018), exacerbated by the increased prevalence of retailers' private label goods, where retailers take control of branding over the supplier (Meehan & Wright, 2012). The fashion industry epitomises the use of outsourcing, delocalised production systems and decentralised management systems, requiring that activities are coordinated across several countries and organisations (Abernathy et al., 1999). The risk of environmental and social sustainability issues increases (Camuffo, Romano & Vinelli, 2001; Forza & Vinelli, 2000) because outsourcing in developing countries creates the possibility that local suppliers and sub-suppliers may engage in unethical practices such as child labour, exploiting workers' rights or lack of hygiene standards in order to keep their production costs low (Taplin 2014; Oxborrow & Lund-Thomsen, 2017). On the other hand, maintaining sustainability in terms of environmental impact and corporate social responsibility becomes increasingly difficult for buyer organisations as the number of suitable suppliers is limited (Runfola & Guercini, 2012), potentially affecting the costs of supply, while reducing the negotiation power of buyers (Gadde & Håkansson, 2001).

2.7. Collaborations in sustainable supply chains

Supply chain collaboration has been the focus of various authors (Simpson & Power, 2005; Alvarez et al., 2010; Swami & Shah, 2013; Walker et al., 2012; Kim et al., 2010) and power relationships in supply chains have been identified as important as they determine the management of sustainable supply chains (Simpson et al., 2007; Pagell et al., 2010; Toubolic et al., 2014). Further to this, in order to accomplish the economic and environmental sustainability goals, coordination and commitment is required from the supply chain members (Swami & Shah, 2013).

Zhang, Henke, and Griffith (2009) depicted that collaborative relationships are less likely to be

maintained if the actions of a party are penalised or if they fail to contribute to the relationship. Furthermore, collaboration presents benefits for sustainable supply chains through a number of relational mechanisms, in other words, the relationship between supply chain collaboration and enhanced sustainable supply chain performance is mediated. A number of authors have shown that improved trust as a result of collaboration enhances sustainable supply chain performance (Alvarez et al., 2010). Collaboration allows firms to access resources that they do not have or which are limited (Zacharia et al., 2009). Collaborations are believed to reduce transactional costs and improve service level, flexibility and performance in relationships (Gulati & Sytch, 2007; Nyaga et al., 2010; Wagner et al., 2010).

Vachon and Klassen (2008) examined the role of supply chain collaboration in environmental management and manufacturing performance. They found that collaboration is beneficial for implementation of green practices with suppliers (Vachon, 2007). Simpson, Power, and Samson (2007) found that suppliers were more responsive to their buyers' environmental performance requirements but this involved a higher level of relationship specific investments (Pagell & Wu, 2009). However, this may be obstructed by the application of power by buyers in the supply chains (Toubolic et al., 2014).

2.8. Adaptation in sustainable supply chains

Agreeably, companies in business relationships are expected to adapt to each other's requirements to the extent that how dependent they are on partner's resources (Hallen et al., 1991). Adaptation in a relationship can be processed by both sides; suppliers regularly adapt their processes and products to meet specific needs of their most important buyers. On the other hand, manufacturers organised their products and production systems in response to changes in components suggested by their suppliers. These adaptations enable partners to improve performance in operations, reduce costs or create dependence (Anderson & Weitz, 1992;

Pulman et al., 2009). Adaptations are made in order to increase transactional effectiveness in supply chain relations and eventually improve operational performance. Furthermore, suppliers may make process; product or service adaptations to full fill powerful partner's needs. In return, suppliers expect that the powerful partner will respond with more encouraging transaction terms (Nyaga et al., 2013). Adaptations also enable firms to develop efficiencies in their transactions, build unique capabilities and accumulate resources that are characteristic of the relationship (Dyer & Singh, 1998). Moreover, partners might have differences in their perceptions and expectations in supply chain relationships and these differences may have important destructive effects on performance (Nyaga et al., 2010). Consequently, adaptive behaviour is expected that firms involved in supply chain relationships and improve operational performance and progress towards achieving sustainable goals in supply chains.

3. Conceptual development and analytical framework

A significant number of researchers have conceptualised power in traditional buyer-supplier relationships (Hingley, 2005; Ireland & Webb, 2007; Thomas et al., 2010; Meehan & Wright, 2012; Chicksand, 2015, Nyaga et al 2013; Lacoste & Johnsen, 2015). These researchers agree that power is a central construct in supply chain management but power has been seen as destructive as well as constructive. However, in this research, the focus is moved on to sustainable buyer-suppliers relations. The application of power and suppliers' responses may significantly be different in sustainable supply chains. Pagell, Wu, and Wasserman (2010) depicted that buyers do not apply their power to their suppliers within sustainable supply chains, instead seeing them as strategic partners. Moreover, collaboration improves sustainable performance through knowledge sharing and communication (Cheng et al., 2008; Alvarez et al., 2010). Cooperation with suppliers has been considered as a critical factor of creating sustainable supply chains (Pagell & Wu, 2009).

In the literature review, the application of power by retail buyers within supply chains influences three areas: economic, environmental and social. We aim to explore how small suppliers deal with retail buyers' power in those areas and contribute to sustainability. The concept of power asymmetry and sustainability and its triple-bottom line namely economic, environmental and social were combined to develop the analytical frame work outlined in Table 1. Koksall, Strahle, Muller, and Freise (2017) argued that there is a need for a triple bottom line approach as this is rarely the focus of research papers. We, therefore, provide insights from each dimension of sustainability, combined with power perspectives (Dou et al., 2018). The analytical framework indicates how each individual (triple-bottom line) sustainable goal is manifested in retail buyer and supplier relationships and guides the development of the empirical study.

In extant literature, the conflicting arguments about the application of power were not clear, whether it is detrimental to sustainable supply chains or benefits their stabilisation (Seuring & Muller, 2008; Toubolic et al., 2014 and Toubolic & Walker 2015a). Secondly, it was evident that suppliers continued to be involved in sustainable supply chain relationships, dealing with the adaptation of new processes and collaborating with retail buyers (Chen et al., 2017; Toubolic et al., 2014; Seuring & Muller, 2008; Vachon & Klassen, 2008), and it was this point that directed us to our second objective, how fashion suppliers deal with the retail buyers' power. The third objective stemmed from the fact that globalised fashion supply chains in sourcing and distribution and their ongoing power issues have provided a suitable research platform to understand the implication of power application for sustainable supply chains (MacCarthy & Jayarathe, 2010). We have built the analytical framework for this research in Table 1.

Insert table 1 here

4. Research Design and Methods

4.1. Qualitative Data Collection and Sampling

The research design adopts a multiple exploratory case study approach (Yin, 2003) to enable rich data to be gathered on the experience of asymmetric fashion supply chain relationships. The research project took a qualitative approach to overcome some of the methodological challenges associated with studying small supplier firms. Primary data was collected through twelve interviews with six small fashion firms. Table 2 provides details of participants. Purposive sampling was employed for the choice of participants for interviews to fit the criteria of being the owner-manager of a small fashion supplier. This approach was also able to provide insights into the phenomenon under investigation, in order to maintain the consistency in data collection. Analysis of two pilot interviews enabled us to explore further the small fashion suppliers' strategies in dealing with the application of power. Participants all had five or more years of experience in production processes and supply chain relations with fashion retailers and were thus seen as experts. Participants' companies are all situated in Istanbul in Turkey. The Istanbul Textile Export Association's (ITKIB) membership data base was used for selecting suitable fashion firms. Three selection criteria were used in the selection of participant firms: a) regular exporters b) member of ITKIB, and c) small fashion supplier firms implementing sustainability policies.

Interview questions commenced with the demographics of participants followed by questions in regard to the study's focus: retailers power, areas of power application and power application within sustainable supply chains. These themes were drawn from the current literature on industrial marketing (Johnsen & Ford, 2008; Lacoste & Johnsen, 2015; Chicksand, 2015) and sustainable supply chain literature (Elkington, 2002; Seuring & Muller 2008; & Toubolic & Walker, 2015b) were deemed to be core to an exploration of the role of power application within sustainable fashion supply chain relations.

4.2. Data Analysis

NVivo 11 qualitative data analysis software was used to conduct data analysis. Interviews were tape-recorded and transcribed and the data collected in Turkey was translated into English. Interviews were in-depth and semi-structured and lasted between 55 minutes to 75 minutes. The transcripts were annotated to generate first level coding (Miles & Huberman, 1994). A coding tree was generated, based on emerging themes arising from the interviews. The codes included reducing, displaying and interpreting the analysed data and followed the recommendations of Miles and Huberman (1994) and Bryman (2008). The analysis resulted in a number of common issues, including those raised by the fashion suppliers themselves in discussions, as well as those apparent in, or in contrast to the literature. This was iterative way to identify themes and categories.

The Meta-matrices (Table 3) were used for the cross-case analysis (Miles & Huberman, 1994). Meta-matrices, in this research, provided both analytical generalisations from the individual case study findings, while generating a holistic picture of intra and inter-firm interpretations, thus providing both external and internal validity (Yin, 2003). This approach supported our intra case comparisons and highlighted similarities and distinctions between the case companies, enabling us to draw conclusions from the findings of this empirical study.

Insert Table 3 here.

5. Empirical Findings

The main findings of the research derived from our first objective, identified power applications, mainly in the operational and strategic areas as forms of enforcement of collaborations and extension of responsibilities. The second objective: collaborating and adopting processes to create inter-dependencies in a number of ways was used by the fashion suppliers as response to power application. The third objective demonstrates the evaluation of power application and its implications for fashion supply chains a deeper and longer involvement of retail buyers in order to prevent risks and collaborative opportunities with fashion suppliers.

5.1. Application of Power

The first objective of the research: ‘to identify the application of power within sustainable fashion supply chains’ was answered in more detail table 4.

5.1.1. Enforcing Collaborations and Adaptations

Widespread international supplier connections empower large fashion retail buyers to compare different prices, quality and suppliers globally, which they reflect during negotiations with suppliers. However, the geographical proximity of possible fashion suppliers globally does not serve well to the immediate ordering needs of fashion retailers and their economic, environmental and social sustainability goals. However, Turkish fashion suppliers’ geographical proximity has been an advantage for meeting the immediate supply needs of fashion retailers in Europe and serves their sustainability goals.

Economic: in operational areas, retail buyers enforce fashion suppliers to collaborate in reducing the cost of fashion design by establishing internal design houses, manufacturing, packaging and delivery of finished items in order to increase their revenue. On the other hand, in strategic areas, retailers enforce fashion suppliers to adopt new manufacturing technologies to manufacture small scale orders and cope with the variations of the orders. Variations in

fashion manufacturing add costs for suppliers and reduce their ability to achieve economies of scale. Furthermore, fashion suppliers adopt their outsourcing activities according to retailers' requirements. Turkish fashion suppliers are forced to collaborate and adopt in operational and strategic areas. This was the condition of retailers and suppliers were supported through collaborations in technological and managerial processes by the fashion retailers in order to achieve economic sustainability goals.

Environment: to improve process efficiency, fashion suppliers are forced to collaborate and adapt efficient energy systems and reduce water use in manufacturing, eliminating harmful chemicals, implementing sustainable process codes of conduct and reduce the impact of delivering fashion items. On the other hand, in strategic areas, fashion suppliers are forced to improve their environmental standards, obtain accreditation (e.g. ISO14001) and develop transparent information sharing channels with the retailers.

Social: regular employee training, workplace ethics, implementing the policy of fair labour pay and removing gaps are the main requirements of retailers in operational areas. However, in strategic areas, protecting retailers' reputation and brand are the responsibilities of fashion suppliers' involvement in charitable events and by not sharing retailers' information and practices with third parties. Furthermore, regular inspections are also emphasised by the retail buyers as obligations of suppliers to maintain social sustainability goals within sustainable fashion supply chains.

5.1.2. Extension of Responsibilities

Fashion retail buyers prioritise ethics in material choices and sourcing, manufacturing processes and employee rights within sustainable fashion supply chains because the ethical process and practices in these areas influence the brand image and reputation in the market place. These are the preconditions in relationships and fashion suppliers are required to comply with these without any objections in return. Indeed fashion suppliers were offered contracts

that extended their responsibilities in these areas. After forcing the suppliers' collaboration and adaptations in operational and strategic areas, the third stage in the application of power goes beyond adopting practices to force the fashion suppliers to be more committed to the retail buyers' sustainable policies in order to gain further opportunities in sustainability strategy development.

The extension of responsibilities in raw material purchase, production processes and employee rights also concern transparency in decisions and communications with fashion suppliers. Transparency in relationships improves the level of trust and commitment between players, so that unethical practices are exposed. Moreover, providing feedback and asking the needs of fashion suppliers are considered to be ethical practices in relationships, demonstrating that the retailer has no intention of exhibiting opportunistic behaviour and taking advantages of the fashion suppliers. This encourages suppliers to become involved in decisions and processes and emphasises the fashion retailers' focus on improving performance and service in order to enhance their competitive advantages (Nyaga et al., 2013). Therefore, retailers, by extending their responsibilities for ethical practice to suppliers, are making suppliers responsible for the ethical practice and risk of non-compliance, throughout the whole supply chain to the final point of consumption. In other words, retailers use their power to absolve themselves of risk and pass it on to the supplier.

5.2. Dealing with the Application of Power: Suppliers' responses

The second objective of the research: 'To understand how suppliers deal with the buyer power within the sustainable fashion supply chains' was answered by exploring the responses of fashion suppliers in more detail (Table 3).

Fashion suppliers deal with the application of power by adopting and collaborating with retail buyers in fashion outsourcing, employment, production, delivery and managerial practices to

improve performance of the retail buying company in economic, environmental and social aspects of sustainability.

5.2.1. Economic sustainability

Production performance: developing the capabilities of fashion suppliers has been considered an important contribution to production performance because fashion retail buyers offer branded products to their customers in highly competitive markets. Therefore, capability development has been encouraged and supported by the retail buyers in collaborations; otherwise retailers would not keep their integrity in highly competitive markets. Turkish fashion suppliers offer not only cost effective, fast and flexible fashion production, design and packaging processes to the retail buyers but also improvements in processes before, during and after the production of fashion items by adapting new manufacturing technology and collaborating with retail buyers.

Uncertainty through these stages was minimised by small fashion firms dealing with the uncertainty in fast production process decisions because suppliers need to communicate as fast as possible before taking any action in production processes that directly influence the economic performance of retailers. Therefore, small fashion suppliers developed their own internal design house and employee capabilities in order to meet retailer's economic sustainability requirements in the shortest time possible. Internal design houses also serve as innovation hubs for small fashion firms to proactively offer new competitive designs and production techniques to their large fashion retailers. The findings concur with van Hoek 2000). These adaptations and collaborations are the responses of fashion suppliers which offer cost effectiveness and revenue increases to meet sustainable economic goals.

Sales Performance: considers the entry price (the unit price paid for the ordered products to the suppliers), and exit price (the percentage of discount at the end of the sales season). Turkish suppliers position themselves as fast, high quality producers but their prices are higher than

Asian fashion suppliers' prices. However, the exit price shows that Turkish fashion items were discounted less in the retailers' stores than Asian fashion items. This is important for retailers' sales performance because they make higher profits from Turkish fashions. The gap between entry and exit price is less than Asian fashion items, this shows the retailers' sales performance is high. Therefore, this price strategy supported fashion retail buyers economic sustainability goals by minimising their revenue loss. The finding provides an alternative approach to Johnsen and Ford (2006) who stated that supplier-buyer relationships develop so that large companies dominate the relationship with a focus on cost reduction rather than responsiveness.

5.2.2. Environmental sustainability

Protecting and performing: fashion suppliers have collaborated in environmental issues and adopted many policies in production processes to overcome the environmental concerns of retail buyers within fashion supply chains. The actions have been taken to overcome environmental issues within the fashion supply chains by fashion suppliers, including energy efficient systems for use in manufacturing, reduction of packaging, eliminating harmful chemical processes and waste reduction during manufacturing processes in order to improve environmental performance. On the other hand, environmental procedures such as employee training and awareness, obtaining ISO14001 certification, complying with the industry code of conduct, have been adopted and implemented by fashion suppliers within the sustainable fashion supply chains. Furthermore, transparency has become very important in environmental responsibility commitments and performance improvements, therefore, fashion suppliers and retail buyers share transparent information regarding environmental processes to protect the environment.

5.2.3. Social sustainability

Brand Performance and Ethics: Fashion suppliers considered that supplying to high street retail brands would be beneficial for developing their own manufacturing presence in supply chain networks globally. They may gain reputation and strengthen their competitive advantage; it may help them to prevent competitors from entering the market (Cox, 2001). In addition, fashion suppliers demonstrated their ethical stance in relationships and acknowledged the consequences of unethical business practices on their relationships and the retailers' brand value and performance. Ethical practices of fashion suppliers are vitally important and are part of the retailers' brand equity thus; there was a very little tolerance to any mistakes made by fashion suppliers in the ethical processes. Therefore, Turkish fashion suppliers complied with the ethical code of conducts at every stage in transactions and relationships including inspections, transparency in communications and procedures from materials to production processes. Moreover, employees training in ethical issues in the workplace, consequences, and gender pay gap awareness have been considered as vital in brand performance of the retailers. The cost of all these activities has been negotiated and agreed in buyer-supplier contracts. This was the cost of developing environmental sustainability for fashion suppliers but it helped establish their relationships with the retailers (Dou et al., 2018).

5.3. Implications for Sustainable Fashion Supply Chain

The third objective of the research: 'to understand the implication of power application for sustainable supply chain' was answered in more detail in table 4.

5.3.1. Economic

When a buyer organisation is forced to be more sustainable by the market dynamics, it reflects this onto suppliers by requiring higher commitments from them. This indicates the emergence of one distinguishing characteristic of sustainable supply chain management. This also dictates the buyer organisation need to control supply chains for an economic reason (Seuring, 2004; Kogg, 2003; Preuss, 2005). However, retailers needs to use their reward power in their control

and collaborate with suppliers as the process of designing small scale and cost effective production process become a challenging task for suppliers. This will positively reflect on retailers' sales performance and economic sustainability. Timing and speed of production are also important determinants to achieve economic sustainability through the adaptation of manufacturing technology and planning by Turkish fashion suppliers in asymmetric relationships.

5.3.2. Environmental

The risk of reputation loss also plays an important role in this enforcement of power within the sustainable fashion supply chains. This influences the collaboration with suppliers in environmental performance and social performance (Seuring & Muller, 2008). Here, the implication for sustainable fashion supply chain is that the retail buyers should collaborate with suppliers to adopt sustainable practices in order to extend the sustainable products' life cycle through reduction of packaging, effective energy and waste management processes, and investing in research and development.

Initially buyers use their power to force transactional contracts on suppliers. However, suppliers use the opportunity to meet the ever more complex product range requests and efficient processes required, to enhance their bargaining power and develop more collaborative relationships with their retail buyers. In turn, suppliers aim to process orders quickly, rather than deal with the consequences of unpredictable seasonality, and hope that the extensive global markets of their retail buyers will enable suppliers to gain environmental market knowledge. As a result, Turkish manufacturers have invested in developing quick response processes, and capabilities to help secure competitive advantage and supplier power.

5.3.3. Social

Achieving social sustainability goals have close association with the collaborative activities in the areas: employee training, fair labour pay practices and, regular and transparent communication and extending charitable event of retailer to suppliers. Retailers need to use these activities in order to increase social sustainability performance and reach their goals.

Implementation of sustainability within fashion supply chains suggests that there are two important stages to take into account; the first is to develop sustainability goals in process improvement and the second is to develop sustainability goals in performance improvement in order to achieve economic, environmental *and* social sustainability goals.

6. Discussion

In fashion supply chains, power asymmetry is evident and remains challenging for fashion suppliers as a result of the increasing power of retail buyers (Oxborrow & Brindley, 2014; Hingley et al., 2015). The findings are in line with the earlier study of Meehan and Wright (2012) with reference to the dramatic shift in the balance of power, from suppliers to retail buyers. The findings identified that the application of power affects the implementation of economic, environmental and social sustainability policies that enforce fashion suppliers to collaborate and adapt in the directions that retail buyers prefer. The application of power is found in economic sustainability policies in relation to cost effectiveness, revenue increase and contractual decisions. Moreover, the application of power in environmental sustainability policies is also evident in energy and resource efficient manufacturing, packaging, delivery and elimination of harmful chemicals in processes, and waste management. Lastly, the application of power is found in social sustainability policies in relation to employee training, charitable events, ethics and retail buyers' reputation and brand image, and transparency in communication.

The findings have addressed the gap in the sustainable supply literature, stated by (Walker et al., 2012) in that the concept of power and power relations are still limited in sustainable supply

chain research. Fashion suppliers are consistently more committed to the retail buyers in order to deal with process and performance improvements. This is consistent with Shi, Qian, and Carter (2017).

The discussion follows the themes drawn from the revisited analytical framework (Table 4), which guided this research to examine fashion suppliers in order to explore how they deal with the retail buyer power within the sustainable fashion supply chains. In particular, this research facilitates an inductive approach, linking industrial marketing management literature to sustainable supply chain management literature through the concept of asymmetric power. It is this to which we now turn for a more detailed conceptual explanation of how sustainable goals can be achieved in asymmetric relationships within the fashion supply chains. This is reflected in Table 4, which shows the inductive process from primary data collected from the case, cross-referenced to asymmetric power concepts, and linking these to sustainability approaches, whilst highlighting the importance of considering sustainable supply chain management (Seuring and Muller 2008 ; Toubolic, Chicksand & Walker 2014; Toubolic & Walker 2015a).The following section answers the third objective of the research in detail: ‘To understand the implications for sustainable fashion supply chains’.

6.1. Economic Sustainability

The application of power creates collaboration opportunities for fashion suppliers in performance and process improvements within sustainable fashion supply chains (Lacoste & Johnsen 2015). Furthermore, retail buyers did not apply their power as a penalty mechanism within sustainable fashion supply chains This finding does not concur with (Lee & Johnsen, 2012; Terbent & Ashenbaum, 2012) because through enforcements into collaborations and adaptations fashion suppliers improved the processes and also improved the performances that support retail buyers’ sustainability goals. Moreover, retail buyers have been interested in cost reduction in outsourcing activities in supply chain exchanges. This has been identified by many

supply chain researchers (Taplin 2014; Belaya et al., 2009; Johnsen & Ford, 2006) but our findings have suggested that process efficiencies in production provides a better sales performance. This is how economic sustainability goals are achieved in sustainable supply chains, in addition to cost reduction. Furthermore, entry and exist price strategy of fashion suppliers improve the sales performance of the retail buyer and reduce the revenue loss which serves the economic sustainability goal. This is different from the findings of Johnsen & Ford (2006) who stated that large retail buyers focus on cost reduction rather than responsiveness, with trust and commitment not easily achieved.

Fashion retail buyers did not apply their power in price negotiations with Turkish fashion suppliers, although they have the ability to do so. This is because fashion suppliers' process and performance improvements and efficiencies improved the sales performance of the retail buyer, compared to their major competitors (Asian manufactures). This indicates the fact that the negotiation power of retail buyers in price would be decreased when there is a limited number of suppliers which provide both process and performance efficiency in production to achieve economic sustainability (Gadde & Håkansson, 2001).

6.2. Environmental Sustainability

Turkish fashion suppliers are forced into collaborations to achieve environmental sustainability goals within supply chains. Collaborations have improved sustainable performance through knowledge sharing and frequent communication; these collaborations have improved the level of awareness of environmental sustainability issues more among the fashion suppliers (Cheng et al., 2008; Alvarez et al., 2010). Environmental issues and responsibilities create more relational bonds between retail buyer and fashion suppliers to achieve green practices consistent with Simpson & Power (2005) and Vachon & Klassen, (2008)

Environmental sustainability policies are set to achieve resource efficiency and responsible use of sources. Therefore, Turkish fashion suppliers have required more adaptations and

commitment to meet the environmental performance expectations of retail buyers (Chen et al., 2017; Seuring & Muller, 2008). This also reflects Simpson, Power, and Samson's (2007) view of being more responsive to the buyers' requirements in environmental sustainability. Collaborations become very important to implement new adopted practices and procedures. This concurs with Pagell & Wu's (2009) findings that collaboration has been considered as a critical factor of creating sustainable supply chains. However, retail buyers applied their power to support adaptations process of suppliers. This addresses the work of Touboulic, Chicksand, and Walker (2014) stated that there was limited understanding of power application in environmental sustainability in supply chains.

6.3. Social Sustainability

Fashion suppliers strengthened their position by extending their ethical responsibilities upstream in the supply chain, such as materials sourcing, to build the reputation attributed to both their retailers' brands and their own profile. This is consistent with Dou, Zhu, and Sarki's (2018) work, which stated that second-tier suppliers consider adopting environmental improvements as a way to address the power imbalance and give them more bargaining power to enter new supply chains. Moreover, fashion suppliers' ethical compliance is well recognised by fashion retailers in relation to their brand performance because brand performance is very important for fashion retailers as the retailers take control of branding over the supplier (Meehan & Wright, 2012). A limited number of fashion suppliers globally meet the ethical standards of fashion retailers. Turkish fashion suppliers focused on this issue and built on this, which has helped them to be competitive in fashion supply chains and has provided collaboration opportunities with the retailers. Fashion suppliers demonstrated that adopting ethical procedures to support social sustainability performance and extending responsibilities to eliminate the adverse effects of power application of retailers in asymmetric relationships

create interdependencies (Cox et al., 2004) and power is applied in a more constructive way that concur with Gadde & Hakansson (2005), p. 106.

Fashion suppliers position themselves as they comply with the ethical code of conduct of their retailer customers which is a big commitment to the retailers' brand performance: Indeed, Cox (2001) states that the supplier can position itself in a powerful position successfully by preventing the competitors from market entry. Cox (2001) did not provide suggestions on how suppliers can achieve this but these findings identified how fashion suppliers gain competitive advantage as they adopt and extend the responsibilities, which improve ethical performance of the retailers' brand and achieve social sustainability goals.

Insert Table 4 here.

7. Conclusion

Long and established relationships of Turkish fashion suppliers with European retail buyers have a positive impact on supply chain integration and relationships. In addition, Turkish suppliers' capability developments in operational and strategic aspects through interactions with various buyers globally support them to achieve economic and social sustainability requirements of the European retail buyers. In addition, geographical proximity to Europe also plays an important role in achieving environmental sustainability within supply chains. Turkish suppliers demonstrated that interactions with powerful partners within sustainable supply chains provide more opportunity to find ways to deal with application of power.

The conceptual developments of the paper aimed to contribute to emerging theoretical discussions on the nature of asymmetric relationships and sustainability from an IMP interaction perspective. (Ford et al., 1986; Hakansson & Snehota, 1995; Gadde & Hakansson, 2001) and filled the gap in the IMP view that has been expressed by (Johnsen et al 2016). The research has contributed to the field that explores the character of power asymmetry in

sustainable supply chains (Johnsen & Ford, 2008; Johnsen et al., 2016; Toubolic et al., 2014, Toubolic & Walker 2015b). This study has also built on previous research that has examined asymmetry in supplier buyer relationships (Johnsen & Ford, 2008; Lee & Johnsen, 2012) and sustainable supply chain management (Seuring & Muller, 2008).

Our research is amongst the first to examine power asymmetry and sustainability within fashion supply chains by providing an holistic approach to sustainability (triple-bottom line) rather than focusing on only one individual dimension. This is a significant theoretical contribution of the study, which has provided an analytical framework by combining economic, environmental and social dimensions of sustainability, as expressed by Koksall et al., (2017) and power asymmetry in fashion supply chains (Talay, Oxborrow, & Brindley, 2018). The analytical framework has provided a direction for analysing data by focusing on fashion suppliers' strategies, whilst explaining how they overcome power asymmetries within sustainable supply chains. The utilisation of the analytical framework, has added a further understanding to the work of the Industrial Marketing Purchasing (IMP) School and the interaction approach.

Our empirical contribution has been directed towards the exploration of the perspective of fashion suppliers in the asymmetric relationships in Turkey. The issues have previously been compounded by the need to overcome difficulties in reaching and convincing fashion suppliers to participate in academic studies. The approach adopted has provided direction for addressing this constant challenge for researchers in the sustainable supply chain field.

The main findings of the research derived from our first objective, which identified power applications, mainly in the operational and strategic areas to achieve economic, environmental and social goals within sustainable supply chains as forms of enforcement of collaborations and an extension of responsibilities. The second objective of this research provided a clear

understanding of how fashion suppliers deal with the application of power in the three dimensions of sustainability to create inter-dependencies in a number of ways. We show how fashion suppliers use this response to the application of power to their own advantage. The third objective demonstrates the evaluation of power application and its implications for fashion supply chains. This includes the prolonged involvement of retail buyers in relationships in order to prevent risks and assert control. On the other hand, collaborative opportunities enable fashion suppliers to strengthen their position within the competitive fashion supply chain. All in all, dealing with the application of power has suggested different implications within sustainable supply chains. The availability of a limited number of suppliers suggested that retailers are not tend to employ their power in price negotiations and power is used in a collaborative way, not in a coercive way.

8. Future research directions

It is acknowledged that dealing with the power applications may be an enduring challenge for suppliers and as such a supplier must understand and evaluate its relationships with the buyer. This research has provided a platform for further longitudinal study with the research participants from both supplier and buyer sides. Future research should show how the research design could be adapted to explore sustainable approaches and power asymmetry in different fashion sectors (such as fast fashion or premium fashion), by examining both suppliers' and buyers' perspectives concurrently to offer rich observation and exploration. Moreover, different country contexts and their comparisons would provide richer insights and understanding in supply chain management. Furthermore, fashion suppliers can move from providing 'process support services' (Ulaga and Reinartz, 2011) to provide 'performance process services' (Lacoste and Johnsen, 2015). A future direction would be to explore whether

power asymmetry may be overcome by providing different level of services within sustainable supply chains.

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Table 1: Analytical framework

Triple bottom line of sustainability	Retailer Power Objective 1	Supplier Response Objective 2	Implication Objective 3
Economic	Cost focus and more coercive approach	Offering cost effective options and more commitment	Recognition of suppliers' needs and collaboration
Environmental	Requiring investments in environmental processes	Adaptation of environmental processes and deal with the cost	Bilateral focus on environmental performance
Social	Enforcing the compliance of ethical obligations	Comply with the retailers' ethical policies	Mutual approach to ethical issues and recognising its impact

Table 2: Company Profiles and Participants

Suppliers	Participants	Employees	Production	Annual Turnover (US \$)	Retailer Customer Types
Supplier A Manufacturer exporter	1.General Manager 2.Production Manager	1000	Circular Knitting garment for women/men (sportswear)	40-50 million	Specialist store and department store
Supplier B Manufacturer exporter	1.Production Manager 2.Owner	380	Knitwear for women and kids (Jumper, socks, cardigan)	25-30 million	Specialist store department store
Supplier C Manufacturer Outsourcer Exporter	1.Export Manager 2.Owner	150	Knitwear for women/men (T-shirts, polo shirts, sweatshirts, tops, jersey jackets, jersey pants, dresses, skirts)	10-15 million	Specialist store and department store
Supplier D Manufacturer Exporter	1.General Manager 2.Part-Owner	290	Circular Knitting, Printing, embroidery, Fabric Knitting and Cutting for mid age women and men (Fancy and luxury dress)	15-20 million	Specialist store
Supplier E Manufacturer Exporter	1.General Manager 2.Owner	320	Coat and Jacket Women	15-20 million	Department store
Supplier F Manufacturer Exporter	1.Export Production Manager 2.Owner	155	Knitting for Men (shirt)	5-6 million	Department store

Table 3: Findings: suppliers’ responses to the retail buyer power in asymmetric relationships within the sustainable fashion supply chain

	Strategies to Adapt and Collaborate		
Suppliers	Economic Sustainability	Environmental Sustainability	Social Sustainability
Supplier A Manufacturer Exporter	Small scale order manufacturing processing Cost reduction in fashion manufacturing process by replacing machinery for various types of fashion items	Energy efficient manufacturing process Resource productivity management Industry code of conduct and monitoring sustainable practices Acquiring quality certification ISO 14001	Internal marketing strategies for training employees and performance increase during promotion of green values Regular reporting of employee and ethical work place practices
Supplier B Manufacturer Exporter	Reducing revenue loss by focusing on sales price and quality issues Delivery and packaging systems for variant orders. Reducing the cost of design process for frequent changes in orders	Reducing packaging and increasing packaging process efficiency Following of raw material choices of retailer Evaluating resource efficiency plans and environmental impact	Involving and conducting charitable events for employees Supporting and protecting retailers’ brand image by applying ethical practices
Supplier C Manufacturer Outsourcer Exporter	Designing manufacturing process for small orders Increasing sales performance with cost effective but quality offerings Working with third party suppliers which are suggested by retailers	Transparent information sharing with retailer and discussing contingency plans Continuous employee training for environmental awareness Compliance with retailers’ environmental process standards	Staff training for workplace ethic Fair labour practices Training staff for environmental awareness Transparent communication with retailer and reporting
Supplier D Manufacturer Exporter	Establishing internal design house for quick and cost effective manufacturing process.	Elimination of harmful chemicals for environmental performance increase Effective waste management during manufacturing process	Labour pay and removal of gender gap payments and positive discrimination to female employees Reporting to retailer and accept their frequent inspections in workplace practices

	Reducing the cost of knitting application and production process Collaborating with retailers to plan for raw material purchasing and stoking	Investing in reducing the impact of delivery of fashion products for environment	
Supplier E Manufacturer Exporter	Flexible and fast production for sales performance improvement Technical manufacturing capability development for process efficiency and minimising the cost of losses	Responsible water and energy use for efficient manufacturing process Managing and being responsible of sub-tier suppliers and transparent information sharing with retailer Sustainability certification obtaining	Conducting charitable events for staff. Implementing employee right acts and conventions
Supplier F Manufacturer Exporter	Providing tailor made solutions for product design performance In house design workshop and cost effectiveness Designing cost effective delivery processes	Waste reduction for dying house process of fabrics Employee training and encouraging employees to develop their capabilities for environmental awareness Material management to reduce the impact on the environment	Fair payment and removing gender pay gap. Promoting employees to keep them longer in the company Transparent communication with retailers and understand how to avoid the risk of damage on retailers' fashion brand reputation

Table 4: Revisited analytical framework

Sustainability Goals of Retail Buyer	Application of power by retail buyer Objective 1	How suppliers deal with retail buyers' power Objective 2	Indicators of the implications for sustainable fashion supply chain Objective 3
Economic	<ul style="list-style-type: none"> • Coercive approach and less collaboration with supplier • After sales obligations for supplier to protect revenue • Cost reduction expectation from supplier in manufacturing process • Expecting more adaptation from suppliers for developing capabilities 	<ul style="list-style-type: none"> • Offered sales performance increasing services by suppliers • Invest in cost saving technologies • Committing more to collaborations • Adaptation of retailers' policies and standards • Cost effectiveness without compromising quality and environmental performance 	<ul style="list-style-type: none"> • Extension of sustainable product life cycle • Retailers recognise suppliers needs and provides support for suppliers development needs for creating sustainable competitive advantage • Retailer and supplier collaborate in research and development for new product design for cost reduction • Fair profit and price issues are discuss between retailer and supplier
Environmental	<ul style="list-style-type: none"> • Coercive approach • Forcing suppliers to invest in environmentally friendly production processes • Strict rules and guidelines of retailers' authorisation for environmentally friendly processes in production and responsible outsourcing 	<ul style="list-style-type: none"> • Compulsory collaborations with retailers in the process of production and responsible outsourcing • Adaptation of sustainable practices of retailers in chemical and material use • Deal with the high costs of environmental protection measures 	<ul style="list-style-type: none"> • Retailers and suppliers collaborate in environmental issues such as reducing packing, CO2 emission, energy and water use to increase the environmental performance and reduce the risk of reputation loss and damage • Suppliers gain competency of understanding environmental issues regarding increasing productivity in production and use of resources

<p>Social</p>	<ul style="list-style-type: none"> • Enforcing the compliance of ethical obligations in order to protect employee rights • Cost of ethical requirements are added on price negotiations with suppliers 	<ul style="list-style-type: none"> • Brand performance improvement services by suppliers • Suppliers comply with the retailers ethical policies and practices in employing people and protecting their rights • Compulsory ethical adjustments are maintained 	<ul style="list-style-type: none"> • Understanding ethical issues as communication medium with pressure groups • Securing future relationships in the supply chain • Retailer collaborates with suppliers for their training in sustainable practices and protecting the reputation • Suppliers understand retailers' approach to ethical issues such as labour practices and gender pay
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