

# Representation associations services: focus on agricultural inputs distributors

## *Serviços de associações de representação: foco nas distribuidoras de insumos agrícolas*

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### Abstract

Difficulties in influencing the institutional environment create collective action opportunities through associations representing interests. This paper aims to understand what affects associates' satisfaction with interest representation services. The approach is qualitative-quantitative. Primary data from the agricultural inputs distribution sector originate from a survey and in-depth interviews. Data were analyzed by response incidence using a Likert scale and content analysis, respectively. The results indicate that service quality influences members' satisfaction. Members trust representation services and value the association's reputation, impacting quality and trust. Social and trust relational benefits can strengthen quality and trust relationships with the satisfaction of interest representation services. The research contributes to corporate political activities through private interest representation services in a country where lobbying is not regulated. In practical terms, it helps managers of representative organizations and their associates determine sectoral collective agendas.

**Keywords:** distributors of agricultural inputs; associations; representation of interests; service satisfaction; collective action theory.

### Resumo

Dificuldades em influenciar o ambiente institucional criam a oportunidade para atuação de forma coletiva, por associações de representação de interesses. O objetivo deste artigo é compreender o que influencia a satisfação dos associados com os serviços de representação de interesses. Os dados primários do setor de distribuição de insumos, em abordagem qualitativa-quantitativa, foram obtidos por meio de levantamento tipo *survey* e entrevistas de aprofundamento. Os dados foram analisados pela incidência de resposta utilizando escala Likert e análise de conteúdo, respectivamente. Os resultados apontam a qualidade dos serviços na satisfação dos associados. Associados confiam nos serviços de representação e valorizam a reputação da associação, impactando a qualidade e a confiança. Benefícios relacionais sociais e de confiança podem fortalecer a relação entre qualidade e confiança com a satisfação dos serviços de representação de interesses. A pesquisa contribui para atividades políticas corporativas por serviços de representação privada de interesses em um país em que o *lobby* não é regulamentado. Na prática, auxilia gestores de organizações de representação e seus associados em determinar pautas coletivas setoriais.

**Palavras-chave:** distribuidores de insumos agrícolas; associações; representação de interesses; satisfação com serviços; teoria da ação coletiva.

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## 1 Introduction

With the advance of the deregulation of several markets in the European Union (EU) after the 1980s, companies started discussions on collective action through private representation associations (PRA) in response to state interventionism (Farina, Azevedo, & Saes, 1997). During the same period, Brazil underwent changes in the regulation and organization of business interests. Despite the state regulations, companies began to influence sectoral policy through representation services, which contributed to increased competitiveness across different production chains (Belik, 2019; Nassar & Zylbersztajn, 2004; Zylbersztajn & Machado Filho, 1998).

PRAs services originated in the Theory of Collective Action, proposed by Olson (1971). When examining collective actions, collective goods, and selective incentives, the author observed that shared values and selective incentives are binding elements of organizational behavior, given that they serve to satisfy the personal objectives of the organization's members.

The few studies on PRAs in the Brazilian literature do not address quality, trust, benefits, and satisfaction related to representation services (Nassar & Zylbersztajn, 2004; Ricciardi et al., 2014; Fornazier & Waquil, 2012). Also, the international literature is not very useful as a reference for the Brazilian market, considering lobbying is not regulated and other local particularities (Almeida, Abdalla, & Ferreira, 2022).

This research seeks to fill this gap in the Brazilian literature, shedding light on the work of a PRA. The objective is to identify the antecedents of the companies' satisfaction with these organizations, examining the sector of agricultural inputs distributors as the unit of analysis.

The sector studied is regulated and has gained substantial importance in the Brazilian economy. The subsistence agriculture model that dominated the Brazilian scenario for centuries has evolved into a large segment, significantly impacting the agricultural inputs distributors. These companies' role as suppliers of seeds, fertilizers, pesticides, machinery, veterinary products, farming implements, and support services puts them in a central position in the agricultural production chain (Neto, Marques, & Neves, 2020; Coughlan, Anderson, Stern, & El-Ansary, 2002; Cade, 2020).

The research contributes to improving corporate political activities, that is, strategic actions not oriented to the market but to influence the institutional environment (political, legal, regulatory) through services of representation of interests, as established in the Theory of Collective Action. In practical terms, the research helps PRAs managers and their associates to put forward collective sectoral agendas.

## 2 Theoretical Reference

### 2.1 Agribusiness, inputs distribution, and PRAs

The term agribusiness appears at the School of Business Administration at Harvard University and has experienced significant transformations thanks to technological advances (Davis & Goldberg, 1957). However, the expected self-sufficiency of large agricultural properties did not occur, requiring a decentralization of raw material supplies, creating space for input distributors and interdependent organizations offering products or services (Coughlan et al., 2002).

The global demand for food and the regulation of the export market represent opportunities for Brazilian agribusiness, one of the world's leading food producers, thanks to its high productivity (Neves, Valerio, Cambaúva, & Marques, 2020). In this scenario,



companies seek more flexible, compact, and adaptable structures while facing high operating costs, informational asymmetry, and increasing regulation. These challenges can compromise the business's production chain, creating opportunities for institutions offering services and representing interests (Zylbersztajn & Machado Filho, 1998).

The incentive for companies to form a PRA refers to collective benefits and the possibility to adopt different strategies that enable an institutional and competitive environment. However, these benefits may not be enough to attract and retain the necessary number of members to achieve sustainable PRA. The decision to join depends on a cost-benefit analysis. When the proposal comes from defending sectoral interests, there may be some economic incentive, even if involuntarily (Moe, 1988; Nassar & Zylbersztajn, 2004; Barra, Silva, & Machado, 2007).

## 2.2 Quality, trust, and reputation

Quality is a subjective judgment that refers to expectations of a service (Mitra & Golder, 2006). Perceived quality stems from obtaining a product or service as expected; it is a function of the attributes valued by the customer (Fornell et al., 1996). According to Fleischman, Johnson, and Walker (2017), widespread disclosure about reputation, service quality, and the perception of value and cost, influence the perception of quality. Grönroos (1984) and Lehtinen and Lehtinen (1991) reinforce that examining which and how services are provided to customers is essential.

Trust refers to the understanding that service users and/or providers are willing to submit to the other party's actions based on expectations about how this other party will behave in a given situation (Ramos, Ferreira, Freitas, & Rodrigues, 2018). Therefore, the members' trust in PRA may come from involvement, demonstration of the organization's operational competence when carrying out its activities, prioritizing the associates' interests over the interests of the organization itself, and from being a problem-solving oriented organization (Sirdeshmukh, Singh, & Sabol, 2002).

For Rousseau, Sitkin, Burt, and Camerer (1998), trust results from the correlation between the parties' expectations and behavior. It manifests through attitudes and behaviors required in a relationship where the parties affect each other (Goel, Bell, & Pierce, 2005). Relational benefits are found in what the parties are looking for in – or when they enjoy the benefits of – an interpersonal relationship with the professionals who provide the service (Mota & Freitas, 2008).

In this context, conflicts (and actions to resolve these conflicts) influence the level of trust and the parties' interest in establishing permanent relationships (Morgan & Hunt, 1994). Gwinner, Gremler, and Bitner (1998) point out that service customers do not seek to be served but expect additional benefits from customer/supplier relationships, including special treatment, trust, and social benefits. They believe that relational benefits are the most relevant trust benefit.

Finally, reputation is based on the service provider's relationships and performance, reflecting its ability to meet expectations and bring benefits. Thus, performance strengthens trust and raises the entity's reputation level in the market so that it retains and captures new customers (Zucco, Santos, Begnini, & Carvalho, 2022).

## 2.3. Service satisfaction

Satisfaction is the complete experience, the actual execution of what is expected, from contracting to the end of the service (Hult et al., 2017). It is the end state of the service

experience, which may be a positive perception of the reward the customer obtained in their relationship with the supplier (Khurana, 2013). It may involve kindness, empathy, trust, warmth, etc. (Fitzsimmons & Fitzsimmons, 2010). For Wong, Chan, Ngai, and Oswald (2009), perceived service quality precedes satisfaction.

Customer satisfaction is one way to perceive a service's performance through evaluations that assess value, quality, and meeting expectations (Hult, Sharma, Morgeson & Zhang, 2019). When adding quality to the service, the perceived value relationship is expected to influence customer satisfaction (Johnson et al., 2001).

### 3 Research methodology

This qualitative-quantitative study was designed to identify the antecedents of service satisfaction of private representation associations (PRA) representing agricultural inputs distributors. PRA are the research subject and these companies are the unit of analysis. Primary data was collected through a survey and in-depth semi-structured interviews with members of the represented companies.

The survey's questionnaire comprises 36 statements adapted from scales validated in the literature on service satisfaction (Verhoef et al., 2002), quality of services (Burnham et al., 2003), trust in services (Bansal et al., 2004), and relational benefits (Gwinner et al., 1998). A 5-point Likert scale captures respondents' perceptions, ranging from 1 [totally disagree] to 5 [completely agree]. The questionnaire was made available on the Google Forms application. It was distributed by email, Whatsapp group, and individual electronic messages after a pre-test that did not point out any difficulty concerning its content.

A total of 52 responses were received. Of these, 78.8% were PRA members, thus reaching 41 valid answers. Concerning the positions held by the respondents, 34.1% are partners in the company they work for, 7.3% are Presidents, 29.3% are directors, 24.4% are managers, 2.4% are in the area of supplies, and 34.1% are responsible for technicians. As for working time in the company, 51.2% have over 20 years experience, 34.1% have between 10 and 20 years, 4.90% between 5 and 10 years, and 9.8% up to 5 years. Male respondents counted 92.7%, and 7.3% were female.

The semi-structured interviews were conducted with directors, executives, and managers of agricultural inputs distributors, as shown in Table 1.



**Table 1**

List of interviewees

Inter- viewee	Brazilian state	Sex	Working time in the company	Position	Company revenue (BRL million)
#1	Minas Gerais - MG	Male	Between 5 to 10 years	Director	Between 250 to 500 BRL MM
#2	Rio Grande do Norte - RN	Male	Over 20 years	Director	Between 100 to 250 BRL MM
#3	Minas Gerais - MG	Male	Between 10 to 20 years	Director	Between 250 to 500 BRL MM
#4	Rio de Janeiro - RJ	Male	Between 10 to 20 years	Manager	Between 50 to 100 BRL MM
#5	Rio de Janeiro - RJ	Male	Between 6 to 10 years	Manager	Between 50 to 100 BRL MM
#6	Rio de Janeiro - RJ	Male	Between 10 to 20 years	Manager	Between 50 to 100 BRL MM
#7	São Paulo - SP	Female	Up to 5 years	PRA Executive	-

Source: Elaborated by the authors.

The interviews were analyzed using template analysis, which allows the creation, in a hierarchical way, of unlimited themes or subjects that can be adjusted (King, 2004). The literature review gave rise to this ex-ante codification. Thus, questions were elaborated according to the research objective with four first-level codes: satisfaction with representation services, quality of representation services, trust in representation services, and relational benefits. The second and third-level codes emerged inductively from the interviews (Figure 1).

**Figure 1**

Template analysis summary (themes)

1 <sup>st</sup> Level Codes	2 <sup>nd</sup> Level Codes	3 <sup>rd</sup> Level Codes
Satisfaction with representation services		Level of satisfaction with the service quality
		Relationship between satisfaction and qualification of the PRA's staff
Quality of representation services		Variation of quality in services provided by different PRA
		Differences between PRA when the company experienced or has knowledge of services from more than one of them
Trust in representation services		Belief in the PRA services
		Trust that the PRA will help whenever the company needs it
Relational benefits	Trust benefits	Risk of something going wrong with matters conducted by PRA
		Reduction of uncertainties due to representation services
	Social benefits	A close relationship between the company's personnel and the PRA personnel
		Possibility of having competitive advantages due to social aspects of relationships with PRA
	Special treatment benefits	The company access special conditions not available to other PRA members
		The company receives better representation services than other PRA members
		Lower prices for representation services compared to prices paid by other PRA members
		The PRA prioritizes the company's needs

Source: Elaborated by the authors.

## 4 Data analysis

### 4.1 Survey results

Table 2 presents the distribution of responses by level of agreement. These results and those obtained from the interviews were analyzed together, considering the dimensions indicated in the table.

**Tabela 2**  
Survey results

Dimensions	Statements	1	2	3	4	5
<b>Satisfaction with representation services</b>	My company is satisfied with the quality of the representation service.			4.90%	36.60%	58.50%
	My company is satisfied with the representation services provided due to the specialization and training of the PRA team.		4.90%	7.30%	34.10%	53.70%
	Satisfaction with the representation services provided reflects the relationship with the PRA team.		2.50%	14.60%	39.00%	43.90%
	My company is satisfied with the representation services due to the availability of the PRA technical team to explain the procedures related to legislation and other issues pertinent to the sector.		2.40%	14.60%	29.30%	53.70%
	<b>Total</b>	<b>0.00%</b>	<b>2.44%</b>	<b>10.36%</b>	<b>34.76%</b>	<b>52.44%</b>
<b>Quality of representation services</b>	The quality of service varies significantly between the different PRA representing this sector.			29.20%	41.50%	29.30%
	My company could be affiliated with other PRA without noticing much difference.	12.20%	24.40%	24.40%	31.70%	7.30%
	Different PRA in this sector offer programs and resources that are very different and of better quality than the primary PRA representing my company.	9.80%	29.30%	17.00%	36.60%	7.30%
	PRA are practically the same, and it does not matter which one my company is affiliated with.	34.10%	39.10%	9.80%	14.60%	2.40%
	<b>Total</b>	<b>14.02%</b>	<b>23.17%</b>	<b>20.12%</b>	<b>31.10%</b>	<b>11.59%</b>
<b>Trust in representation services</b>	My company believes that it can rely entirely on the PRA with which it is associated.		2.40%	4.90%	41.50%	51.20%
	The PRA my company is associated with is completely sincere in its promises.			7.30%	29.30%	63.40%
	My company can rely on the PRA to obtain help when needed.			2.40%	29.30%	68.30%
	The PRA is honest and truthful with my company.				22.00%	78.00%





	<b>Total</b>	<b>0.00%</b>	<b>0.61%</b>	<b>3.66%</b>	<b>30.49%</b>	<b>65.24%</b>
<b>Trust benefits</b>	My company believes there is less risk of something going wrong by having a representation service.		2.50%	14.60%	31.70%	51.20%
	My company can rely on representation services.				39.00%	61.00%
	My company is confident that representation services will be provided correctly.				39.00%	61.00%
	My company has less business uncertainty because it has representation services.	2.40%	2.40%	12.20%	56.20%	26.80%
	My company knows what to expect from representation services.			9.80%	48.70%	41.50%
	My company receives representation services of the highest level.	2.40%	2.40%	12.20%	46.40%	36.60%
	<b>Total</b>	<b>1.22%</b>	<b>1.22%</b>	<b>8.54%</b>	<b>47.56%</b>	<b>41.46%</b>
<b>Social Benefits</b>	The PRA staff recognizes my company.		2.40%	12.20%	41.50%	43.90%
	My company's personnel are familiar with the PRA personnel.	2.40%	9.80%	4.90%	58.50%	24.40%
	People at my company have developed a close relationship with people at the PRA.	2.40%	12.20%	12.20%	46.40%	26.80%
	PRA personnel address people from my company by name.	7.30%	7.30%	12.20%	48.80%	24.40%
	My company takes advantage of certain social aspects of the relationship with the PRA.	2.40%	4.90%	22.00%	46.30%	24.40%
	<b>Total</b>	<b>3.66%</b>	<b>8.54%</b>	<b>12.80%</b>	<b>50.00%</b>	<b>25.00%</b>
<b>Special Treatment Benefits</b>	My company accesses special conditions that the PRA does not offer to other members.	48.80%	4.90%	22.00%	17.00%	7.30%
	My company pays less for representation services than most other members.	61.00%	2.40%	17.10%	14.60%	4.90%
	The PRA provides better services to my company than to most members.	56.10%	7.30%	22.00%	9.80%	4.80%
	The PRA considers my company a priority.	58.50%	12.20%	17.10%	9.80%	2.40%
	The PRA serves my company more promptly than it serves other members.	58.50%	7.30%	22.00%	9.80%	2.40%
	<b>Total</b>	<b>58.54%</b>	<b>7.32%</b>	<b>19.50%</b>	<b>10.98%</b>	<b>3.66%</b>

Note: 1 – totally disagree; 2 – partially disagree; 3 – neither disagree nor agree; 4 – agree; and 5 – totally agree.  
 Source: Elaborated by the authors.

## 4.2 Satisfaction with representation services

The results showed that 87.2% of the respondents agree or totally agree with the statements in the dimension “satisfaction with the representation services.” The interviewees corroborated the overall satisfaction: Interviewee #1 stated that PRA supports members on a daily basis; Interviewee #2 declared to be satisfied, despite using few of the resources the PRA

offers. However, some interviewees expected more services (interviewee #5). For interviewee #7, the members' satisfaction is perceptible because he sees and perceives daily when they talk about the problems.

PRA needs a qualified team to satisfy its members. The association has to offer continuous training and ensure the staff can disseminate knowledge to the associates. For Interviewee #4, "Even if it [the PRA] offers the service, without the team to be in contact and establish a relationship, it would not help [...], so [what helps] is certainly the relationship with the team." According to Interviewee #6, "We have a person from the association who follows our company more closely, and [he is available] whenever we need to talk to him." Therefore, the interviews offered evidence that PRA have sought a close relationship with members, adding value to agricultural inputs distributors.

Interviewee #7 adds that communication between PRA and members is crucial: "If you don't show what you do, they [PRA] don't know what you do; so if we don't talk about it daily, they don't see it." The same interviewee mentions the team performance issue within PRA: "I know few people, I believe so – because the association is national – who cover many regions. They are part of a wide team offering services. They seek information nationally and from all over the world." Thus, even though many distributors do not have a close and daily relationship with the PRA team, they are satisfied with the quality of the service because they trust that their PRA has well-prepared and constantly updated personnel to offer state-of-the-art knowledge.

#### 4.3 Quality of representation services

The results showed that 37.19% totally disagree or disagree, 20.12% neither agree nor disagree, and 42.69% agree or totally agree with the set of statements regarding the quality of representation services. The survey pointed out diverse and complementary perceptions regarding the service quality provided by the different PRA. When considering the particularities of companies and the wide range of needs, it is clear that identifying differences between PRA is not as relevant as exploring the best each one can offer to the sector. While criticizing PRA, Interviewee #2 mentioned not having observed significant variations between PRA, especially when it comes to those operating regionally: "When we compare associations with regional activities, service provision is minimal; it is one more thing for you to comply with regulations, so we didn't notice much difference." In turn, Interviewee #3 perceived variances in the services of different PRA "due to proximity and relationship." Interviewee #4 brings another perspective as he works in a nationwide company associated with the only national PRA in the sector. This means that there is no competition or element for an appropriate comparison. The interviewee stated, "We are only in the national [association], and if I were in another one, the service would not vary."

Interviewee #5 follows the same perception as interviewee #4, saying "it does not make a difference because there is only one [national PRA] in which we are associated." However, Interviewee #5 suggested that the PRA could offer more services, "Interviewee #6 corroborates the others, recognizing the possibility of finding differences, but a comparison is limited by the fact that the sector has only one nationwide PRA: "possibly, however, as we do not have one of the same size to compare, it turns out that we cannot evaluate." Interviewee #7 believes that differences would "depend on what each one [PRA] is going to offer."

Only respondents #4 and #6 perceived differences in the services of distinct PRAs. As exposed by some interviewees, the fact that there is only one nationwide PRA and several smaller regional ones, the services provided differ according to the characteristics of their representation services. While the national PRA aims at macro performance, the regional ones





address local legal obligations. The two statements in the questionnaire covering this aspect show equivalent perceptions and indifference regarding the differences between PRA.

Most respondents (73.2%) disagreed with the statement, “PRA are practically the same, and it does not matter which one my company is affiliated with.” Finally, the study revealed, differences in quality between PRA and interviewees highlighted the role of the nationwide PRA.

#### **4.4 Trust in representation services**

According to Interviewee #1, although it is possible to trust PRA, these organizations are not completely trustworthy. He mentioned that the company seeks further information and other perspectives in order to obtain a clearer understanding of an issue. Interviewee #2 considers the PRA a trustworthy organization, while Interviewee #3 suggested that trust in representation services depends on PRA managers. Interviewees #4, #5, and #6 trust their PRA, and Interviewee #7 reflects that some members may not trust the association, observing that, at the end of the day, the activities are carried out by people, and sometimes a person may not inspire trust, mainly at the top management level. However, Interviewee #7 reinforces her perception that most members trust PRA.

For Interviewee #5, “despite us being a small company considering the national landscape, every time we needed a response, we got it; they always gave us technical support, in terms of legislation and with a theoretical foundation.” Interviewees #4 and #6 confirmed this perception.

A trust-based relationship between members and PRA implies exchanging accurate information and honest behavior. The results obtained from the survey corroborate this assumption, as 95.73% of respondents totally agree or agree that PRA are trustworthy. All respondents totally agree or agree that the PRA representing their companies is honest.

#### **4.5 Reputation of representation associations**

For Interviewee #1, the PRA representing his company has an outstanding reputation and no signs of discredit. Interviewee #2 considered that his PRA has a good reputation and has been continuously consolidating itself in the representation market. Interviewee #4, on the other hand, addressed issues of high relevance for the distribution sector. In his words, “The association we are part of is very important because even multinationals participate in important events, and this is certainly a reflection of reputation.”- Interviewee #5 contributed in the same direction by stating that the PRA his company belongs to “is highly respected and representative in Brazil.”

Interviewee #6 stated that the reputation of the PRA his company is associated with reflects the positioning of its top management, “Because it has been solidly positioning itself and its top management are people who pay attention to the institution’s name [reputation].” Therefore, respondents demonstrated that service quality and satisfaction influence reputation, and reputation affects satisfaction.

#### **4.6 Relational benefits with representation services**

##### **4.6.1 Trust benefits**

For interviewee #1, being associated with PRA does not eliminate risks: “The representation service helps us to mitigate the business risk by updating and informing us about changes in legislation and giving management tools, so being associated brings less uncertainty for the company.” Interviewee #2 believes that being associated brings less risk and uncertainty to the company, in the sense of strengthening the company vis-à-vis the sector’s regulatory bodies due to the high complexity of the legislation. The interviewee stated, “There is less risk for the company to be part of an association because they are strengthened to deal with regulatory bodies, which helps to reduce uncertainties.”

Interviewee #3 believes risk reduction refers to gaining performance parameters based on the market average. These parameters are obtained from reports the PRA releases annually, sharing the paths other members are going through in terms of credit management and training personnel, for instance. The interviewee believes that there is a decrease in risks. Interviewee #4 assumes that there are fewer risks but makes reservations by stating that “if it is related to legislation on products and distribution, yes, but if it is something that involves the company’s management, the association would not be able to intervene.”

Interviewee #6 believes there would be reduced risks because they have a place to look for information that helps them. Meanwhile, Interviewee #7 stated “it certainly reduces the risk of something going wrong because they know who they can count on to clarify doubts in the sector, but some do not become members because they do not trust [the PRA].”

It is essential to highlight how much the members trust and believe in the correct provision of representation services. The survey results showed that 89.02% totally agree or agree with trust benefits, which suggests that trust brings less uncertainty to associates.

#### 4.6.2 Social benefits

A total of 75% of the survey respondents declared to totally agree or agree that PRA offers social benefits. The majority of responses obtained in the set of statements related to social benefits in the questionnaire showed agreement or total agreement. However, there is a non-inexpressive contingent of those who are indifferent or who disagree with the statements (25%).

Interviewee #7 expects social benefits because this dimension refers to relationships between people, which is evidenced in the statement: “This is natural, they are people, and it cannot be different, it is inevitable; it happens anywhere because when you establish contact, you end up creating bonds.” Interviewee #2, on the other hand, brings up a very peculiar situation in the agricultural inputs distribution sector, in which company executives are PRA board members. For the interviewee, this situation helps develop relationships; however, “regional associations may facilitate this access, this approximation. This helps to explore the services” (Interviewee #2). For Interviewees #1 and #5, the relationships are professional; however, they claim that regional PRA are more likely to witness the development of friendship relationships.

According to Interviewee #7, inevitable bonds are built, although this is not so relevant to PRA service quality. In every relationship where social benefits are evident and individuals engage in exchanges, the parties involved are expected to enjoy certain social aspects. Interviewee #3 highlighted the network of relationships and that companies make considerable use of them. Interviewee #4 added, “It is normal to have access to information and services provided by the association, when you need to go straight there and ask [for the information].”

It should be noted that social benefits, at certain times, may not be perceived, especially when related to development. According to Interviewee #5, when asked if his company takes

advantage of certain social aspects of the relationship with the PRA, he said: “I think so because our company has evolved beyond the issue regarding products, by seeking information about them.” It is expected that every PRA member will have this benefit. However, as Interviewee #7 stated, “some [members] yes, but not the majority.” That happens because many PRA members do not reflect on the reasons that led them to become part of such association, assuming a herd behavior” (interviewee #7).

#### 4.6.3 Special treatments benefits

The results obtained for the dimension of special treatment benefits showed that 58.54% of respondents totally disagreed with the set of statements. Only 16.6% agree or completely agree that there are such benefits.

Interviewee #1 highlighted that “there are no special conditions, the provision of service is the same as the others, except in some particular case of your company, where there is a greater need for attention and support; other than that, I do not perceive any difference.” However, Interviewee #2 added that “whoever has demands obtains more responses.” While Interviewee #6 understands that “everyone is equal and who seeks and needs obtains assistance.” Interviewees #3, #4, #5, and #7 believe no special conditions exist for any member.

Even so, Interviewee #7 observed that there may be special or different treatments, as members pay different fees according to the company’s revenue. However, there is a general claim among interviewees that PRA do not treat members differently. According to Interviewee #5, “I don’t think so [about the existence of special treatment]; for me it depends more on the company wanting a specific activity.”

Among the benefits of special treatment, pointed out in the questionnaire, there is the priority given to certain companies (consequently, differentiated services), which is an essential element for many companies, as this special attention improves businesses. On the other hand, other members that do not enjoy the same treatment may lose potential benefits. In addition, the survey showed a high rate of responses totally disagreeing with the statement about differences in payments to the PRA, which is a positive aspect considering the different sizes of companies in the sector.

The interviewees say they were not served more promptly and that the company was not considered a priority. However, two interviewees brought to light interesting points. Interviewee #1 stated, “When associations operate nationally, there is no differentiation. However, when they are regional associations, the company’s size can influence its prioritization due to the member’s representativeness.” Interviewee #2 highlights that the fact that the president or director of a company is part of the PRA’s board can bring some benefits to that specific company: “I am not going to say a priority, but like it or not, the association’s board ends up having first-hand information, it turns out that they have easier access to information; this ends up happening because of their role [in the PRA].”

### 5 Discussion

The antecedents of satisfaction with PRA representation services supported the logic proposed by Olson (1971) and Sandler (1992) of meeting the demands of numerous interested parties, consolidated in the Theory of Collective Action. In this study, the understanding of satisfaction with representation services is aligned with the concept of customer satisfaction presented by Khurana (2013). In this case, satisfaction is the end state of the experience of receiving the representation services, which may be a positive or negative perception,

depending on the quality of representation services, trust in these services, and the PRA reputation.

The high complexity of regulating the agricultural inputs distribution sector and the liberality of the states to establish rules independently can benefit PRA, facilitating their work of meeting the members' needs and increasing satisfaction. This phenomenon occurs because PRA members face difficulties anticipating events and understanding and influencing the elaboration of legislation. They need the help of a specialized, qualified, and quite large team that is not easily incorporated among the company's regular staff. Consequently, these professionals are accessed differently and in cooperation with other organizations, which suggests a collective aspect of satisfaction.

The results point out that the quality of representation services influences PRA member satisfaction, even in a context of lack of comparability, i.e., when distributors are associated only with the nationwide PRA and do not have experience or elements to compare the quality of the service received. This result is in line with Mitra and Golder (2006), who state that quality is a subjective judgment that refers to the service user's expectation according to the quality presented by the service provider. This result emerges from the respondents' disagreement with the statement presented in the questionnaire "PRA are practically the same, and it does not matter which one my company is affiliated with." This perceived quality was also addressed by Fornell et al. (1996) and is the result of satisfaction after experiencing good and complete service.

The results show that the members trust PRA. This is in line with the findings by Ramos et al. (2018), in which trust is the understanding that service users and providers are willing to submit to the other party's actions based on expectations about how this other party will behave in a given situation.

Reputation is part of the criteria for perceived quality and trust in the representation services, so reputation relies on interactions between PRA and members. According to the survey, respondents are satisfied with PRA's reputation, which can mediate quality and trust relationships with satisfaction. For Zucco et al. (2022), reputation is built from interactions between members and PRA, PRA performance, and PRA ability to meet expectations and benefit members. The respondents attributed a high reputation for their PRA, demonstrating these associations' importance in Brazil. According to Zucco et al. (2022), performance strengthens trust, raises the entity's reputation in the market, and contributes to retaining and attracting new members.

The results show relational benefits in the trust and social dimensions. Relational benefits can strengthen relationships between quality and satisfaction and trust and satisfaction, corroborating Goel et al. (2005), who argue that trust benefits manifest in attitudes and behaviors in certain relationships, and the actions of one may affect the others. This is pointed out in the result – being a PRA member brings fewer business risks and uncertainties. The result is aligned with Morgan and Hunt (1994), who believe that the level of trust is influenced by the perception of initiatives and immediate concerns to resolve conflicts of interest and problems. The study shows that PRA members can trust that representation services are provided according to their expectations.

As for the social and relational benefits, it was possible to observe that PRA recognize members and have a close relationship with them. Therefore, the results are in line with Mota and Freitas (2008) regarding the perception that members take advantage of their relationship with PRA. Agricultural inputs distributors benefit from PRA services and interpersonal relationships with the professionals providing such services. The respondents and interviewees

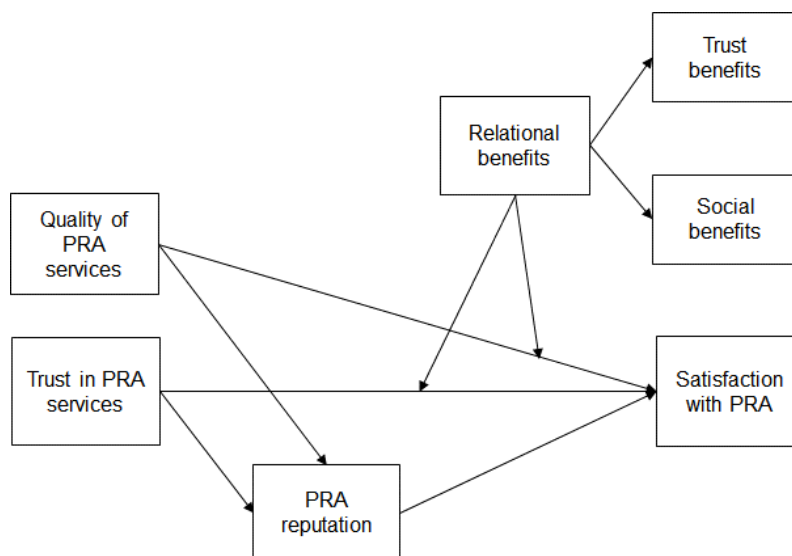


did not perceive having received special treatment benefits from PRA, which is a positive aspect, indicating the plurality and justice of representation services.

The study showed that members are satisfied with PRA and consider their sector represented before government institutions (executive, legislative, and judiciary). The findings support the argument that quality and trust in PRA services positively impact their reputation and members' satisfaction. In addition, as PRA reputation directly impacts satisfaction, reputation may mediate quality and trust relationships with satisfaction. Finally, social, trust, and relational benefits can moderate – or strengthen – the influence of the quality of representation services and trust in representation services with members' satisfaction with PRA. As a result, a proposed conceptual model to be tested in future research is presented in Figure 2.

**Figure 2**

Proposed model for satisfaction with PRA services



Source: Elaborated by the authors.

## 6. Conclusion

The findings offer elements to propose the model presented in Figure 1, highlighting the difficulty of approaching an issue such as representation and lobbying, which is unregulated in Brazil. The dissemination of PRA reflects the development of collective actions to influence individuals, organizations on the institutional environment at the government executive, legislative, and judicial branches and other interested parties.

The study offers a theoretical contribution to businesses' political activities, proposing a model aligned with the Theory of Collective Action. As for practical contributions, the research points out to companies the importance of making the best use of PRA.

One of the limitations of this research was the difficulty in obtaining participants willing to respond to the questionnaire, which is explained by the fact that lobbying is an unregulated activity in Brazil, and this type of representation has a negative connotation in the country. Therefore, only a few valid questionnaires were retrieved, and it was necessary to use a joint quali-quantitative approach with complementary interviews. Another limitation was the concentration of members in the only nationwide PRA. In addition, the sector of agricultural



inputs distributors encompasses many micro and small distributors with a limited capacity to exploit PRA potential.

Future research may work on the proposed model, statistically prove the relationships suggested, and explore the possibility of including new constructs and relationships that impact satisfaction with PRA services. The results indicate satisfaction with the representation services, and shed light on the potential improvement in these services' cost/benefit ratio. This satisfaction cannot be based only on the fact that there is an impending cost for each company to act before government institutions and other interested parties that are larger and operate with a wider scope. Being a PRA member, especially when the PRA is a large and nationwide organization, increases the perception of security. However, this perception of security cannot be a barrier to the development of other arrangements aimed at the defense of interests, such as the creation of possible new, more specialized associations or mechanisms that facilitate companies in maximizing their interests and in preventing and mitigating future risks for the business, whether acting individually or collectively.

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