

Effect of Information Technology on Retailer Satisfaction Through Supply Chain Management Practices and Retailer-Distributor Relationship in Modern Retailer Surabaya

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Abstract

Supply chain management is vital for manufacturing companies in connecting suppliers, manufacturers, distributors, and corporate customers. The company's products will enter the company's distribution system through distributors, retailers, and end customers. This study examines how to enhance retailer satisfaction by considering the application of information technology, supply chain management practices, and retailer-distributor relationships. This study surveyed 86 modern retailers using a five-point Likert scale questionnaire. Data processing used PLS. The results showed that information technology significantly improves the retailer-distributor relationships with a coefficient of 0.303. Also, information technology affects supply chain management practices with a coefficient of 0.527. Information technology has an effect of 0.281 on retailer satisfaction. The company implementing supply chain management practice improves the retailer-distributor relationship by 0.518, and supply chain management practice affects retailer satisfaction by 0.291. The results also showed that the retailer-distributor relationship affects retailer satisfaction by 0.358. This research provides an insight for the practitioner on how to improve retailer satisfaction. This paper also contributes to the ongoing research in the field of supply chain management.

Keywords: Information technology; Retailer satisfaction; Retailer- distributor relationship.

1. Introduction

Globalization requires a strategic role of supply chain management in solving uncertainties in managing the delivery of goods from the warehouse to provide the retailer's satisfaction from its suppliers. The companies, to be able to increase global competitive advantages, require a well-integrated supply chain. The supply chain can improve company performance through information sharing in companies' supply chain networks (Tarigan et al., 2019b). Also, Supply chain management practices are applied to achieve and improve performance by enabling integration across internal functions within the company and external integration with suppliers and customers (Çankaya and Sezen, 2019). Supply chain management practices have become vital for low-performing companies to compete in increasingly global competition (Okongwu et al., 2015). Today, the retail industry continues to keep abreast of technological changes adopted in trading online. In 2018 retailers have experienced significant growth. From the data collected, the retail industry's growth in 2018 is around 9% -10%, and compared to the previous three years under the current government administration, the growth was underperforming. From the end of 2014 to

2015, when inflation stood at 7%-8%, the retail industry decreased. In fact, in 2017, the growth did not reach 7%. (Reily and Yuliawati, 2019). The challenge for retailers is to survive by minimizing losses incurred due to expired products. Also, intense competition among retailers requires creativity in providing attractive promotions to attract the attention of customers. Modern retailers are growing from year to years, such as Indomaret, Alfamart, Alfamidi, and the like. Each retailer certainly wants to make a profit. Therefore, integrated information technology is needed to make it easier for them to check inventory.

Information Technology is one factor that needs to be considered by companies. The use of IT improves company performance. Information technology (IT) in many organizations supports their business's sustainability and growth (Grembergen and Haes, 2017). IT is the basis for organizations to improve supply chain management (SCM) processes. Previous studies have shown that investing in IT guarantees an increase in organizational performance (Tarafdar and Qrunfleh, 2016). IT in an organization aims to help improve the performance of its employees; IT is also often contained in the mission and vision of the company, business goals, and operating procedures. Effective supply chain practices and information technology are

excellent approaches to improve business performance. It is vital to integrate supply chain practices with information technology decisions in supply chain management (Çankaya and Sezen, 2019). IT success depends on relationships between vendor and client (Zhou et al., 2014). An outsourcing relationship is a long-term relationship between a vendor and a client (Chakrabarty et al., 2011). The success of outsourcing information technology depends primarily on the company's quality of relationships, which directly affects the organization's performance, and businesspeople must respond thoughtfully and take preventive and proactive actions to maintain relationship quality. Improving retailer satisfaction requires good relationship between retailers and distributors. Relationship between buyers and sellers, companies need to focus on maintaining customer satisfaction and trust. Consumer satisfaction is generated from the buyer's evaluation of the seller's performance (Zhang et al., 2011). Based on the above description, it has been noticed that retailer satisfaction can be improved by adopting information technology, establishing the retailer-distributor relationship, and supply chain management practices. Therefore, this study examines information technology's influence on retailer satisfaction through supply chain management practices and retailer-distributor relationship in the modern retailer in Surabaya.

2. Literature Review

Supply chain management is defined as the identification of the strategic nature of specific coordination within the organization and across network partners in the supply chain to improve organizational performance and the overall SCM performance can. Integrate manufacturers, suppliers, retailers, and sellers efficiently (Tarigan et al., 2019c). They can produce and distribute goods in the right amount with minimal costs (Çankaya and Sezen, 2019). SCM also combines various business processes and relevant companies to serve customers, fulfill orders, and develop products (Tarigan et al., 2019b).

2.1. Supply Chain Management Practices

Supply chain management practices can identify strategic supplier partnerships, customer relations, information sharing levels, information quality levels, and delays. Supply chain management practices are also seen as operational functions or activities of an organization that determine its supply chain's effectiveness and efficiency (Çankaya and Sezen, 2019). Cooperation between suppliers and customers

in a relationship is an important attribute (Tarigan et al., 2019c). The integrated supplier-customer relationship shows flexibility between the two organizations (Yang et al., 2019). Sharing a certain level of trust simplifies sharing information between partners involved in the flow supply chain and maintaining long-term relationships. This result increases knowledge management and has overall benefits for the organization. Indicators of supply chain practices are as follows: strategic supplier partnership, level of information sharing, quality of information sharing, and customer relationship management (Çankaya and Sezen, 2019; Tarigan et al., 2019c).

2.2. Information Technology Information

Systems have a crucial role in organizational development, enabling them to reduce costs, increase productivity, efficiency and effectiveness, improve the quality of products and services, and optimize decision making (Tarafdar and Qrunfleh, 2016). Information technology is a complete set of information resources where the information can be utilized for business processes to meet its goals and needs (Tarigan et al., 2019a). The progress of IT in the world has been very rapid, so companies that can manage IT will compete in global competition, which demands that the company always improve its performance efficiency. Information Technology is very appropriate to be used in the process of supply chain management; Information technology used is Information Technology Application, which is a facility and infrastructure of a system and a way or method to obtain, process, send, interpret, store, and use data that has been obtained in a useful manner for other needs. Uncertainty in the business environment, both in terms of consumer demand and supply, has triggered companies to share quality information supported by IT systems (Grembergen and Haes, 2017). This result is supported by research conducted by Cook et al. (2011). The information shared in supply chain practice between members' supply chain must be accurate, correct, and easily accessible. Information technology is a complete set of information resources where the information can be utilized for business processes to meet the company's goals (Tarigan et al., 2019a).

2.3. Retailer - Distributor Relationship

Buyer-Supplier Relationship (BSR) is a relationship between a's suppliers a's various business processes such as strategy formation, planning, information flow, and operating systems (Zhang et al., 2011). An inter-company competition that occurs today is

related to coordination supply chain inter-company, so it requires a collaboration that supports the system supply chain in a company. BSR is the extent to which buyers and suppliers work together to manage external and inter-organizational processes to provide products, services, information, and financial flows effectively and efficiently (Huo, 2013). Supply chain management is very closely related to the relationship between retail and its distributors. So, in this case, the relationship between buyer and supplier becomes an activity supporting its strategy. Therefore, the company is obliged to maintain a good relationship with its suppliers. A good relationship between buyers and suppliers can lead to various benefits, including cost savings, improving production quality, reducing inventory levels, increasing visibility, improving technology, and preventing the occurrence of bullwhip effects (Hudnurkar et al., 2014).

2.4. Retailer Satisfaction

Retailer satisfaction is a condition that occurs when an experience is fulfilled or exceeds the needs or desires of a customer (Gallan et al., 2013). Customer Satisfaction in the retailer context is a supreme goal for the marketing function in retail outlets and a summary measure to evaluate various constructs' performance from overall satisfaction, such as price or variety of products. Retailer satisfaction is possible to identify two main typologies about satisfaction, namely specific transaction satisfaction, and overall satisfaction or cumulative satisfaction. Customer satisfaction is one of the essential goals that companies consider obtaining long-term relationships with customers as a top priority. In the context of retail banking, where contact with customers is one of the most core business processes, customer factions are the key to success (Belás and Gabčová, 2014). Retailer satisfaction is the satisfaction obtained retail from suppliers in this context is the distributor. Satisfaction Retail towards the distributor is related to the logistics system that the built distributor has so that all products needed by the retail can be available. Satisfaction Retail is a practical activity that has been carried out by distributors by providing the needs or expectations of the minimum supplier has been met. Retailer satisfaction is considered an emotional-based response determined by whether the retailer expectation before the purchase is consistent with the actual product/service obtained after the purchase. Retail satisfaction is generally associated with the fulfillment of product or material orders given by its suppliers (Giovanis et al., 2013).

2.5. Relationship between Concepts and Research Hypotheses

IT implementation impacts activities supply chain and can produce a better supply chain practice (Tarigan et al., 2019b; Çankaya, and Sezen, 2019; Yang et al., 2019). The ability of IT to provide timely, accurate, and reliable information will enhance SCI. Companies should consider investing in IT and implementing IT systems, one of which is ERP systems, to increase SCI's intensity. The use of IT in the supply chain received special attention for companies, with technologies used for communication Business to Business (B2B), including the internet web, B2B private and electronic point of sale (Prajogo and Olhager, 2011). Useful IT connections increase integration between supply chain partners in terms of material flow.

H1: Information technology affects supply chain management practices in modern retailers.

Information technology affects retailer distributor relationships, which, in his research, there is positive feedback that is mutually beneficial between the level of information technology and the bargaining power of buyers. The dissemination of information technology of high can encourage competition in the electronics market among many suppliers and the structure of the electronic market. Therefore, the spread of information technology that is more sustainable will help increase positive feedback relationships on retail distributor relationship relationships (Ali and Dubey, 2014). Chakrabarty and Whitten (2011) show a positive relationship between IT retailer distributor relationships. Outsourcing relationship is a long-term relationship between a vendor and client outsourcing that has a long-term orientation and mutual recognition and understanding that the benefits obtained by each company are at least partly dependent on other companies. H2: Information technology influences retailer distributor relationship in modern retail in Surabaya

Implementation of information technology can increase interaction between users and suppliers in business performance (Tarigan et al., 2019b; Tarigan et al., 2019c). Technology can increase competitiveness for companies and increase the satisfaction experienced by users and suppliers. In this case, the technological implications play a significant role in inventory matters without being physically present (Tarigan et al., 2019a). Furthermore, besides that can help companies to make urgent decisions that may occur.

The quality of information produced through the right information technology impacts retailers' satisfaction, which in turn will increase the purchase intentions of retailers (Zhang et al., 2011).

H3: Information technology influences satisfaction in retail modern retail in Surabaya

Supply chain practices have an impact on retailer distributor relationships (Cook et al., 2011). In this case, the service provider must focus on information Sharing with their partner's supply chain, and producers must also focus on the combination of supply chain practices, which includes practices on distribution networks and information sharing with partners supply chain to maintain a sustainable relationship with their partners. The relationship between buyers and sellers does not always hold to the idea of good supply chain practices (Okongwu et al., 2015). Good relationships in the supply chain can create a long-term competitive advantage (Jack and Powers, 2015). An excellent cooperative relationship between buyers and suppliers can benefit each party, especially in terms of finances, improve competency suppliers, improve service quality, and achieve management inventory good.

H4: Supply chain management practices affect the retailer distributor relationship in modern retail.

The importance of measuring the effects of supply chain management by evaluating two metrics companies to identify potential relationships between supply chain management and Satisfaction retailers who can help senior managers and functional managers better appreciate the strategic, operational, and benefits of financial developing supply chain. The supply chain has an internal integration effect on external integration and is a mediating effect of customer satisfaction on customer integration relationships and financial performance (Tarigan et al., 2019a; Yu et al., 2013). The successful implementation of supply chain management practices leads to better customer satisfaction, and ultimately customer satisfaction leads to better performance (Çankaya and Sezen, 2019).

H5: Supply chain management practices influence satisfaction in retail modern retail in Surabaya.

Retail banking has a positive relationship between retailers' relationship with their suppliers (Belás and Gabčová, 2014). Explains that to maintain a prolonged relationship between buyers and sellers, companies need to focus on maintaining customer satisfaction and trust (Zhang et al., 2011). Consumer satisfaction results from the buyer's evaluation of the

seller's past performance, and trust reflects the buyer's confidence in the seller's future relationship. Customer satisfaction from a good relationship will develop a positive relationship between the customer and the company.

H6: Retailer distributor relationship influences satisfaction of the retailer in modern retail in Surabaya

3. Methods

The population is a generalization of objects or subjects with specific qualities and characteristics determined by researchers to be studied (Sugiyono, 2017). The respondent of the population used in this study is modern retailers in Surabaya. Characteristics of the respondents used in this study are respondents who meet the requirements to answer research objectives (applied research), i.e., employees who have minimal positions as supervisors/branch franchisors, who are considered knowledgeable about retailer operation. The population consists of 641 modern retailers in Surabaya, which is divided into several types of retail, as many as 337 Indomarets, 233 Alfamarts, and 71 Alfamidi. The number of samples required for this study is 86 retailers. The sampling technique used is nonprobability sampling, with purposive sampling. Non-probability sampling is a technique that does not give each member of the population an equal opportunity to become a sample member. The proportional sampling technique used to determine each type of retailer as follows: 45 Indomarets, 31 Alfamart, and 10 Alfamidi. Data collection methods used in this study are through questionnaires or commonly called questionnaires. The questionnaire is a data collection technique in which participants/respondents fill in questions or statements, and then after completing it, ultimately, returns it to the researcher.

This study's data analysis is a quantitative analysis using Partial Least Square (PLS) technique by utilizing smart PLS software version 3.0. PLS is a multivariate analysis technique for testing the relationship of complex variables. The complicated relationship can be interpreted as a series of relationships that are built between one or several dependent variables (endogenous) with one or several independent variables (exogenous). The PLS examines the direct and indirect effects between variables (Hair et al., 2012). It is a variance-based structural equation analysis that simultaneously tests measurement models and structural models.

It is also a multivariate statistical technique that makes comparisons between multiple dependent variables and multiple independent variables. The

measurement model is used to test causality (hypothesis testing with predictive models). The evaluation of the PLS model is done by evaluating the outer model and the inner model.

4. Results

This study's object is the modern retailer that is engaged in the sale of fast-moving consumer goods (FMCG) products in Surabaya. Researchers distributed as many as 86 questionnaires in the form of hardcopy that met the research sample criteria, namely, modern retailers engaged in FMCG in the city of Surabaya. Based on testing the validity of each indicator with the PLS program on convergent validity, i.e., Information Technology is measured by six indicators, including the first indicator, namely information provided by a reliable supplier (IT1) with a factor loading of 0,780. The second indicator, namely information from suppliers, presents an impartial view (IT2) with a factor loading of 0,769. The third indicator is the supplier's information giving added value (IT3) with a factor loading of 0.807. The fourth indicator is the supplier's information explaining the current state (IT4) with a loading factor of 0,722. The fifth indicator is that the supplier's information is sufficient for our needs (IT5) with a loading factor of 0,683. The sixth indicator, namely the supplier's information, clearly means (IT6) with a factor loading of 0.709. The results loading factor from the six indicators of information technology show the correlation between the indicator and the variable has fulfilled convergent validity because all loading factors exceed 0.5.

The second variable, namely supplies chain management practices, is measured by eight indicators, including the first indicator, which is we respond to quality as the number one criterion for selecting suppliers (SCMP1) with a factor loading of 0.824. The second indicator is that we regularly solve problems with our suppliers (SCMP2) with a factor loading of 0.869. The third indicator is that we inform our suppliers before changing needs (SCMP3) with a factor loading of 0.756. The fourth indicator, our supplier, keeps us fully informed of problems affecting our business (SCMP4) with a factor loading of 0.865. The fifth indicator is exchanging information between our suppliers and us on time (SCMP5) with a factor loading of 0.686. The sixth indicator is that the exchange of information between our suppliers is accurate (SCMP6) with a factor loading of 0.758. The seventh indicator is that we often interact with customers to determine reliability, responseveness, and other standards for us (SCMP7) with a factor loading

of 0.731. The eighth indicator is that we often measure and evaluate customer satisfaction (SCMP8) with a factor loading of 0.760.

The third variable, retailer-distributor relationship, is measured by four indicators, including the first indicator, which is a supplier (RDR1) with a factor loading of 0.788. The second indicator is that our company is committed to maintaining good relationships with suppliers (RDR2) with a factor loading of 0.813. The third indicator is that our company needs suppliers in the supply of goods (RDR3) with a factor loading of 0.867. The fourth indicator is that our company has excellent communication with suppliers (RDR4) with a factor loading of 0.896. The results loading factor from 4 indicators of distributor relationship retailers show the correlation results between the indicators and the variables that meet the convergent validity because all loading factors exceed 0.5.

The fourth variable, retailer satisfaction, is measured by six indicators; among others, the first indicator is the ease of making orders to suppliers (RS1) with a factor loading of 0.820. The second indicator is that suppliers can handle different product orders well (RS2) with a factor loading of 0.855. The third indicator, the supplier meets the delivery date as promised (RS3) with a factor loading of 0.846. The fourth indicator is that the supplier sends the product correctly (RS4) with a factor loading of 0.823. The fifth indicator is that the supplier can fulfill the ordered product (RS5) with a factor loading of 0.929. The sixth indicator is that suppliers always ship products without defects (RS6) with a factor loading of 0.808. The results loading factor from 6 indicators of retailer satisfaction show the correlation between the indicators and the variables fulfilling convergent validity because all loading factors exceed 0.5. Other ways to measure convergent validity are looking at the Average Variance Extracted (AVE) value, where the AVE value is more than 0.5. AVE value measures the number of variants captured by the construct compared to variations caused by measurement errors. If the value generated by AVE is more significant than 0.5, convergent validity has been fulfilled. The following Table 1 demonstrated the AVE value.

Table 1. Average Variance Extracted (AVE)

Variable	Average Variance Extracted (AVE)
Information Technology	0.557
Supply Chain Management Practices	0.709
Retailer Distributor Relationship	0.719
Retailer Satisfaction	0.614

It is using composite reliability to test indicator reliability. The indicators are reliable if it has a composite reliability value of more than 0.6. The higher the value of composite reliability indicates the better accuracy, consistency, and reliability of these indicators' variables. The composite reliability results are shown in Table 2.

Table 2. Composite Reliability and Cronbach's Alpha

Research Constructs	Composite Reliability	Cronbach's Alpha
Information Technology	0883	0.84
Supply Chain Management Practices	0.907	0.863
Relationship Distributor Retailer	0939	0.921
Retailer satisfaction	0927	0.909

Table 2 shows the value of Cronbach's alpha and composite reliability for each variable used in this study. Variable information technology has composite reliability of 0,883; composite reliability in information technology can be said to be reliable because the value of composite reliability exceeds 0.6. The information technology variable has a Cronbach's alpha value of 0.840, so it is reliable because it has a Cronbach's alpha value that exceeds 0.6. Based on supply chain management practices with composite reliability worth 0,907, composite reliability in supply chain management practices can be reliable because the value of composite reliability exceeds 0.6. The variable supply chain management practices have a Cronbach's alpha value of 0.863, so it is reliable because it has a Cronbach's alpha value that exceeds 0.6. The supplier-distributor relationship has a composite reliability of 0,939; it is reliable because the value of composite reliability exceeds 0.6. The variable retailer distributor relationship has Cronbach's alpha of 0,921, so it can be reliable because it has a Cronbach's alpha value that exceeds 0.6. On the results of retailer satisfaction with composite reliability worth 0.927, composite reliability on retailer satisfaction is reliable because the value of composite reliability exceeds 0.6. The retailer satisfaction variable has a Cronbach's alpha value of 0.909, so it can be reliable because it has a Cronbach's alpha value that exceeds 0.6. The original sample is an unstandardized beta score that is used the uses variable on the's nature of a variable. The sample mean is the average value of the sample generated from the iteration process. Standard deviation is a standard error (Hair et al., 2012). The result of the hypothesis testing is shown in Table 3. The value of the path coefficient and the T-statistic determine the significance of the hypothesis. As shown in Table3, all the six hypotheses are empirically supported, with the p-value < 0.05 for a significant level of 5%.

Table 4. Hypothesis Testing

Direct effects	Original Sample (O)	T Statistics	P Values
Information Technology → Retailed-Distributor	0.303	3.406	0.001
Information Technology → Retailer Satisfaction	0.281	3.139	0.002
Information Technology → SCM Practices	0.527	7.211	0.000
Retailed- Distributor Relationship → Retailer Satisfaction	0.358	3.252	0.001
SCM practices → Retailer-Distributor Relationship	0.518	5.077	0.000
SCM Practices → Retailer Satisfaction	0.291	2.6	0.009

Based on Table 3, information technology's path coefficient on the retailer - distributor relationship is 0.303, which has a t-statistic value of 3.406 > 1.96 and has a p-value below 0.05. It can be concluded that there is a significant influence of information technology on the retailer-distributor relationship in the modern retailer research sample. The path coefficient of information technology influence on satisfaction retailers is 0.281. There is a significant influence between information technology on retailer satisfaction in new retail research samples. This result means that in this study, an increase in information technology will significantly improve retailer satisfaction in new retail research samples with a significant level of 0.05. There is a significant influence between information technology on supply management practices in new retail research samples. This result means that in this study, increasing information technology will provide a significant increase in supply chain management practices in new retail research samples with a significant level of 0.05.

There is a significant influence on supply chain management practices on the retail distributor relationship in the new retail research sample. This finding means that increasing supply chain management practices will significantly increase retailer relationship distributors in new retail research samples with a significant level of 0.05. Good management retail requires a relationship that has a good impact on both of them. The path coefficient of influence of retailer distributor relationship to retailer satisfaction is 0.358. Retailer- distributor relationship affects the retailer satisfaction on new retail research samples. This result indicates that in this study, an increase in distributor relationship retailers will significantly increase retailer satisfaction in modern retailer research samples with a significant level of 0.05.

Based on the above results, all hypotheses are supported. This study also concluded that there is a mediating role of the supply chain practices and retailer-distributor relationship. As shown previously, information technology directly affects supply chain practices, affecting retailer satisfaction. These two arguments implied that information technology indirectly influences retailer satisfaction through supply chain practices' mediating role. Besides, information technology affects the retailer – distributor relationship, and the retailer – distributor relationship influences retailer satisfaction. These two findings implied that information technology indirectly affects retailer satisfaction. Also, the information technology affects the retailer-distributor relationship, the retailer-distributor relationship influences the supply chain practices, and the supply chain practices affect retailer satisfaction. These findings then implied that information technology indirectly affects retailer satisfaction through retailer-distributor relationships and supply chain practices.

5. Discussion

As shown from the hypothesis testing, all hypotheses are supported. Information technology affects supply chain management practices in modern retailers. This finding indicates that information technology can significantly improve the retailer-distributor relationship. Modern retailers should always maintain a good relationship with distributors by creating two-way communication so that retailers and suppliers do not miss communication. Other than that, supported by data generated information systems that provide added value. This long-term oriented relationship will explain that the benefits derived from IT depend on a two-way relationship.

Also, information technology influences retailer distributor relationship in modern retail in Surabaya. The use of information technology can build and create the satisfaction of retailers. So that in practice, information flowing in the company system can provide added value for both companies and ultimately be able to fulfill orders from retail. There is a positive relationship between information technology with retailer satisfaction. IT also plays an essential role in increasing buyers' and sellers' competitiveness and business performance satisfaction.

Information technology influences satisfaction in modern retail in Surabaya. This result means that in this study, improved information technology will significantly improve retailer satisfaction. IT enables the distributor to integrate the information from the retailer and the distributor. Hence, the distributor understands

the retailer's demand, and the retailer could receive information regarding the distributor's shipment.

Information technology affects supply chain management practices in modern retailers. The information provided by the supplier can provide added value through its information system so that retail with its supplier partners can often solve any problems that arise while the retail is running. The study explains that the importance of companies to maximize the role of information technology in the activities of supply chain management practices, with information technology allows companies to increase the volume and complexity of information that needs to be communicated with their supplier partners and allows companies to provide information in supply chain accordance with real-time data.

Supply chain management practices affect the retailer distributor relationship in modern retail. The relationship between supply chain management practices and the relationship between buyers and sellers will help manage inventory well to improve buyers' and sellers' performance. Good cooperation will benefit both buyers and sellers on the financial side, supplier competence, service quality, and proper inventory management.

Retailer distributor relationship influences satisfaction of the retailer in modern retail in Surabaya. Management of Retailer and its suppliers always prioritize communication to create a good relationship between them; this relationship will later positively impact the two to create satisfaction from retail. This result means that increasing supply chain management practices will significantly improve retailer satisfaction in modern retail in this study. On effective supply chain practices, management of retail always active in solving problems together.

6. Conclusion

Analysis of the influence of information technology satisfaction through supply chain management practices and retailer relationship distributors is as follows: Information technology influences supply chain management practices. Information technology can improve the performance of the retailer. A well-integrated system will help retailers to be able to communicate well with their suppliers. Information technology affects the retailer distributor relationship. Information technology can significantly influence retail and suppliers' relationships, making it easier for buyers and suppliers to build positive relationships. Information technology has a positive effect on retailer satisfaction. Information technology can have a significant influence on retailer satisfaction. The

information generated from the collaboration between retailers and distributors can provide added value. Supply chain management practices affect retailer distributor relationships.

A company could help retailers manage inventory properly through effective supply chain management practices to create a good relationship between retailers and their suppliers. Supply chain management practices can influence retailer satisfaction. Besides, the relationship between retailer and distributor also improves retailer satisfaction. Hence, the company should build an excellent relationship to enhance retailer satisfaction. The information technology indirectly improved retailer satisfaction through the mediating role of the supply chain management practices and retailer-distributor relationship.

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