

# **A Study on the Relationship between Supplier Capability of Agricutral Production and Marketing Classes and Purchase Strategy Adopted by Farmers' Association: An Observation from the Framework of Agricutral Center-Satellite System<sup>1</sup>**

Hsing-Jung Liu<sup>2</sup>

## **Abstract**

The purpose of this study is to understand the relationship between supplier about practices of Agricutral Center-Satellite System supply performance. In this study, "Purchase Strategy", "Supplier Capability", "Supplier Development", etc. 3 constructs for SEM analysis; and "Supplier Capability" construct 23 items by factor analysis are extracted 5 factors, "Supplier Development" construct 28 items by factor analysis are extracted 4 factors. Also found , "Purchase Strategy" direct impact on "Supplier Development", will be indirectly affected by "Supplier Capability" "Supplier Development"; also confirmed that "Factor named I" and "Factor named III", "Factor named VI" and "Factor named VII" are the " Supplier Capability" and " Supplier Development" of the important factors. Therefore, the Farmers Association supply capacity for the agricutral production and marketing classes, should be strengthened management functions to improve the overall profitability and to enhance Agricutral Center-Satellite System link efficiency; the Farmers Association Supplier Development for the agricutral production and marketing classes, Strengthen the interaction among the relationship of the development are very important.

Key words: Farmers' Association, Agricutral Center-Satellite System, Industry Cluster.

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2. Assistant researcher of Hualien District Agricultural Research and Extension Station.