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## Linking entrepreneurial orientation dimensions with retailer procurement strategies: A generalised structural equation modelling

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### Abstract

Research on entrepreneurial orientation (EO) within agrifood chains, particularly at the middle stream level, remains limited. This study contributes to expanding knowledge on EO and its relationship with procurement strategy choices among retailers. This paper analyses the association between EO and choice of procurement strategies, with a focus on multidimensionality of EO. It also examines the factors influencing the choice of procurement strategies, as well as the various dimensions of EO. Using cross-section data collected from a market survey of 320 AIV retailers in Kenya, this study employs generalised structural equation modelling (GSEM) to simultaneously assess the influence of five dimensions of EO on choice of procurement strategies, as well as correlates of choice of procurement strategies and dimensions of EO. Our findings indicate an association between dimensions of EO and choice of procurement strategies. Specifically, proactiveness and competitive aggressiveness are negatively correlated with retailers' likelihood of choosing oral contract over spot markets as a procurement strategy. Additionally, retailers' age, access to credit and access to training are associated with procurement strategy choices. We also find that education level, market type, and access to training influence the individual dimensions of EO. Even though informal procurement strategies contribute to addressing some of the weaknesses of formal strategies, promoting formal procurement strategies would work in complementarity with the existing informal strategies. This paper offers a methodological contribution by conceptualising EO from a multi-dimensional perspective – an approach that few studies have critically explored. This multi-dimensional perspective provides more nuanced insights into how specific EO dimensions influence retailers' decision regarding procurement strategies.

**Keywords:** African Indigenous Vegetables, business models, entrepreneurial orientation, generalised structural equation modelling, procurement strategies, retailers