DIE : Jurnal Ilmu Ekonomi dan Manajemen
DOI: https://doi.org/10.30996/die.v15i2
Website: http://jurnal.untag-sby.ac.id/index.php/die/index

THE EFFECT OF *POWER ASYMMETRY* AND ACCESS TO MARKET INFORMATION ON QUALITY WITH CONTRACT FORMALIZATION AS A MODERATOR VARIABLE IN FARMERS AND PLANTATION COMMODITY TRADERS IN OGAN KOMERING REGENCY EAST ULU

Salmiyah [1] , Muzakar Isa [2] , Moechammad Nasir [3]
Faculty of Economics and Business, Muhammadiyah University of Surakarta[1,2,3]
E-mail: salmiyahh97@gmail.com [1], muzakar.isa@ums.ac.id [2], mn193@ums.ac.id [3]

Received: June, 2026; Accepted: July, 2026; Published: October, 2026
Permalink/ DOI: https://doi.org/10.30996/die.v17i01

Abstract

This study aims to analyze the effect of Power Asymmetry and Market Information Access on Partnership Quality among plantation farmers and collector traders in OKU Timur Regency, as well as to examine the role of Contract Formalization as a moderating variable. Employing an associative quantitative approach, a sample of 250 respondents was selected through a purposive sampling technique. Primary data collected via structured Likert-scale questionnaires were analyzed using Moderated Regression Analysis (MRA) following instrument validity and classical assumption tests. The findings indicate that Power Asymmetry has a positive and significant effect on Partnership Quality ($t = 9.035$; $p < 0.05$), suggesting that trader capital dominance acts as a coordinating driver for quality standards. Market Information Access also shows a positive and significant effect on Partnership Quality ($t = 3.363$; $p < 0.05$), as data transparency reduces information asymmetry and builds mutual trust. Moderation tests prove that Contract Formalization significantly moderates and strengthens the relationship between Power Asymmetry and Partnership Quality ($t = 2.154$; $p < 0.05$), serving as a legal safeguard that transforms bargaining power imbalance into a fair professional relationship. Conversely, Contract Formalization fails to moderate the effect of Market Information Access on Partnership Quality ($t = 0.360$; $p > 0.05$), because market information is dynamic and technical, driven more by daily communication than administrative clauses. Policy implications highlight the necessity of strengthening written legal protections and equalizing price data to foster a sustainable plantation supply chain ecosystem.

Keywords: *Contract Formalization, Market Information Access, Moderated Regression Analysis, Partnership Quality, Power Asymmetry.*

INTRODUCTION

Power asymmetry refers to a condition in which interacting parties possess unequal levels of power, often arising from differences in capital control, economic resources, and bargaining capacity (Sinambela, 2025). In plantation commodity partnerships, such differences may shape how farmers and traders coordinate transactions, determine quality

requirements, and negotiate responsibilities. Previous studies indicate that the consequences of power asymmetry are context-dependent. While unequal power may create dependence and opportunistic behavior, other evidence suggests that power can also facilitate coordination when it is exercised through communication, incentives, and mutually recognized rules (Park et al., 2017; Ten Buuren, 2017). Therefore, the relationship between power asymmetry and partnership quality should be examined within the specific governance context of plantation commodity transactions.

Access to market information is another important determinant of partnership quality because it enables economic actors to obtain and evaluate information concerning prices, market dynamics, and business opportunities (Widjanarko, 2023). Transparent information can reduce uncertainty and support more informed negotiation, while limited information access may weaken the bargaining position of farmers and contribute to information asymmetry (Mardinsyah, 2020; Barus, 2024). In plantation commodity markets, where prices and market conditions can change rapidly, timely access to relevant information may therefore contribute to trust, communication, and continuity in farmer–trader relationships.

Partnership quality is reflected in the extent to which business relationships are characterized by commitment, integrity, trust, satisfaction, and prospects for continuity. Previous research suggests that relationship quality can support coordination and reduce operational risks, but it may be affected by unequal bargaining power and differences in information access (Setyorini et al., 2020; Suhartono et al., 2025). In East Ogan Komering Ulu (OKU Timur) Regency, these issues are particularly relevant because plantation farmers may depend on traders for market access, working capital, and the distribution of commodities. Such dependence makes the governance of farmer–trader relationships an important economic issue.

Contract formalization provides a potential governance mechanism because written agreements can specify the rights, obligations, responsibilities, sanctions, incentives, and procedures for handling changes in business conditions. Contractual arrangements may provide greater certainty and a basis for renegotiation when market or operational conditions change (Cahayani, 2023; Atmoko, 2022; Bangbang, 2021). However, the presence of a formal contract does not necessarily mean that every aspect of a partnership relationship will be strengthened. Market information, for example, is dynamic and may depend on frequent communication and practical access to current price data rather than on contractual clauses alone.

The economic context of the study is important because agriculture, forestry, and fisheries make a substantial contribution to South Sumatra's regional economy, while plantation commodities constitute an important part of agricultural activity (BPS South Sumatra Province, 2024). At the farmer level, old or damaged plants, limited capital, and logistical constraints may increase dependence on intermediary traders. Previous evidence reported in the manuscript also indicates that differences in access to exporter-level price information can weaken farmers' bargaining position (Kompas, 2024). These conditions make the quality of farmer–trader partnerships relevant to the sustainability of the plantation commodity supply chain in East OKU.

Although previous studies have examined power asymmetry, information access, and contractual governance separately, an unresolved issue is whether contract formalization changes the strength of the relationships between these factors and partnership quality in plantation commodity partnerships. Existing studies show that contractual arrangements can constrain opportunistic behavior and provide clearer relationship boundaries (Glavee-Geo et al., 2022; Hassan et al., 2025), while other research indicates that power asymmetry may have different effects depending on the governance and industry context (Ten Buuren, 2017). The empirical role of Contract Formalization as a moderator of both the Power Asymmetry–Partnership Quality relationship and the Access to Market Information–Partnership Quality relationship therefore remains insufficiently

established in the specific context of farmers and plantation commodity traders in East OKU Regency.

This study addresses that gap by examining whether Contract Formalization changes the relationship between Power Asymmetry and Partnership Quality and whether it changes the relationship between Access to Market Information and Partnership Quality. The study contributes by testing the moderating role of a formal governance mechanism rather than treating contract formalization only as a direct legal instrument. The research is also positioned in the plantation commodity context of East OKU Regency, where farmer–trader relationships are shaped by differences in capital, market access, and information.

Accordingly, the objectives of this study are: (1) to analyze the effect of Power Asymmetry on Partnership Quality among farmers and plantation commodity traders in East OKU Regency; (2) to analyze the effect of Access to Market Information on Partnership Quality; (3) to examine whether Contract Formalization moderates the relationship between Power Asymmetry and Partnership Quality; and (4) to examine whether Contract Formalization moderates the relationship between Access to Market Information and Partnership Quality. Based on the theoretical arguments and empirical evidence discussed above, the hypotheses are formulated as follows:

H1: Power Asymmetry has a significant effect on Partnership Quality among farmers and plantation commodity traders in East OKU Regency.

H2: Access to Market Information has a significant effect on Partnership Quality among farmers and plantation commodity traders in East OKU Regency.

H3: Contract Formalization significantly moderates the relationship between Power Asymmetry and Partnership Quality.

H4: Contract Formalization significantly moderates the relationship between Access to Market Information and Partnership Quality.

METHOD

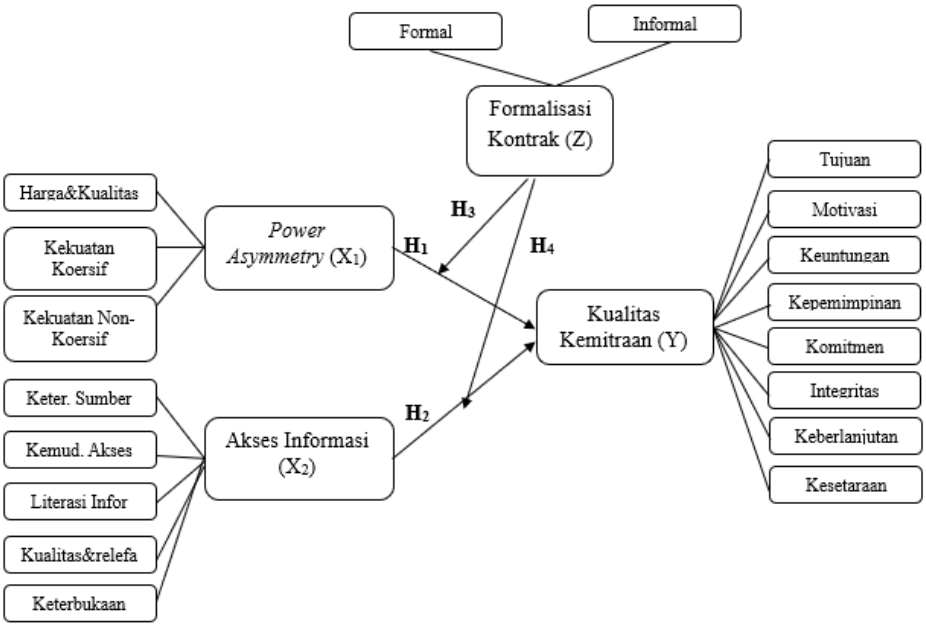

Figure 1. Framework of Thought

This quantitative research adopts an associative approach (Sugiyono, 2019) to analyze the influence of *Power Asymmetry* (X1) and Access to Market Information (X2) on Partnership Quality (Y), with Contract Formalization (Z) as a moderating variable. The independent and dependent variables are measured using a Likert scale of 1–5 (Strongly Disagree to Strongly Agree), including indicators of

price monitoring, sanctions, and incentives for X1 ; availability, ease, and data literacy for X2 and commitment, integrity, and sustainability for Y. Meanwhile, the moderating variable (Z) is measured as a *dummy variable* (0 = Informal, 1 = Formal).

The study population included all plantation commodity farmers (rubber, oil palm, coffee) and first-level collectors in the East OKU and Palembang regencies. Sampling was conducted using a *non-probability sampling technique* with a criteria-based *purposive sampling approach* : farmers/traders who have established regular partnerships for at least two years (Sugiyono, 2021). To meet the standards of multivariate analysis and the complexity of moderation model estimation, a sample of 250 respondents was determined (Hair et al., 2014; Kline, 2016). Primary data were collected directly using structured questionnaires and interviews, supplemented with secondary data from the Central Statistics Agency (BPS) and relevant literature.

The research instrument was tested for reliability through the validity test of Pearson Bivariate correlation $(r_{\text{hitung}} > r_{\text{tabel}} pada \alpha = 0{,}5)$and *Cronbach's Alpha reliability test* (value > 0.60) (Sugiyono, 2019). Before testing the hypothesis, the regression model was confirmed to meet the classical assumptions including *the One-Sample Kolmogorov-Smirnov normality test* (p > 0.05), multicollinearity test, and Glejser heteroscedasticity test (p > 0.05). Furthermore, the direct effect and moderating interaction effects were analyzed using *Moderated Regression Analysis* (MRA) to prove the role of contract formalization in strengthening or weakening the relationship between the main variables.

RESULTS AND DISCUSSION

The evaluation stage begins with a construct validity analysis using *Pearson Bivariate correlation* on 250 respondents $r_{\text{tabel}} = 0{,}124$at α = 0.05. The results of the first stage of testing indicate that the majority of statement items in the Partnership Quality (Y), *Power Asymmetry* (X1) , and Access to Market Information (X2) variables are valid with a value of $r_{\text{hitung}} > 0{,}124$. However, two statement items in the *Power Asymmetry variable* , namely X1. (r = 0.062) and X1.6 (r = 0.093), were found to be below the threshold r_{tabel}so they were declared invalid and eliminated from the model. Post-elimination retesting confirmed that all remaining indicators (Y = 16 items, X1 = 6 items, and X2 = 10 items) had correlation coefficients of 0.335 to 0.853 $(r_{\text{hitung}} > 0,)$, which proved that all instruments were accurate for measuring the research constructs.

the Cronbach's Alpha coefficient value for each variable construct that had been declared valid. Based on the critical reliability limit of 0.60 (Ghozali, 2018), the statistical results showed that the Partnership Quality (Y) variable produced a *Cronbach's Alpha value* of 0.923, *Power Asymmetry* (X1) of 0.846, and Access to Market Information (X2) of 0.892. All variables scored coefficients well above the threshold of 0.60, which indicates a very high level of reliability and internal consistency. Thus, the questionnaire instrument proved valid, consistent, and reliable as a primary data collection tool for the respondent group of farmers and plantation commodity traders in East OKU Regency.

Prior to testing the moderated regression hypothesis, a series of classical assumption tests were applied to ensure the validity and unbiasedness *of* the parametric estimates. Residual normality testing using the non-parametric *One-*

Sample Kolmogorov-Smirnov statistic yielded an *Asymptotic Significance (2-tailed) value* of 0.200 (p > 0.05), confirming that the residual data were perfectly normally distributed. Furthermore, multicollinearity testing showed that the *Tolerance values* for *Power Asymmetry* (0.448), Access to Market Information (0.453), and Contract Formalization (0.978) were all above 0.10, with *Variance Inflation Factor* (VIF) values of 2.233; 2.209; and 1.022, which were well below the threshold of 10.00. These results demonstrate the absence of high linear correlation problems between the independent variables in the regression model.

The homoscedasticity assumption check is carried out through a visual *scatterplot analysis* between the predicted value of the dependent variable (*ZPRED*) and its residual value (*SDRID*). The distribution of data points on the graph is randomly and evenly distributed, both above and below the number 0 on the Y-axis, and does not form a regular geometric pattern (such as widening, narrowing, or wavy). This random distribution pattern indicates that there is no heteroscedasticity symptom in the research model, so that the variance from the residuals of one observation to another is constant (homoscedastic). This series of classical assumption test results confirm that the regression model built has met the requirements of *the Best Linear Unbiased Estimator* (BLUE) and is worthy of continuing to the stage of moderated regression analysis (*Moderated Regression Analysis*).

Further testing uses *the Moderated Regression Analysis* (MRA) method.

a. Analysis of the Influence *of Power Asymmetry* on Partnership Quality with Contract Formalization as a Moderating Variable

This test uses *the Moderated Regression Analysis* (MRA) method to analyze the effect of *Power Asymmetry* (X1) on Partnership Quality (Y), and examines the role of Contract Formalization (Z) as a moderating variable. The data processing results are presented in the following table:

Table 1. Effect of *Power Asymmetry* (X_1) on Partnership Quality (Y) with Contract Formalization (Z) as a Moderating Variable

Coefficients [a]				
Model		Standardized Coefficients Beta	t	Sig.
1	(Constant)		8,077	0.000
	Power Asymmetry (X_1)	0.908	34,164	0.000
2	(Constant)		5,880	0.000
	Power Asymmetry (X_1)	0.917	34,386	0.000
	Contract Formalization (Z)	-0.059	-2,228	0.027
3	(Constant)		0.698	0.486
	Power Asymmetry (X_1)	1,196	9,035	0.000
	Contract Formalization (Z)	0.064	1,017	0.310
	X_1.Z	0.327	2,154	0.032

Source: SPSS Data Processing Results Version 25.0, 2026

Based on the results of data processing in the *Coefficients table* with a total of 250 observation data, the discussion for *the Power Asymmetry variable* is as follows:

1) Hypothesis Testing of the Effect of *Power Asymmetry* (X1) on Partnership Quality (Y) (H_1)

Based on the t-test results, the *Power Asymmetry variable* has a t-count value of 9.035 and a t-table value of 1.969. Since the t-count value of 9.035 > t-table 1.969 and a significance value of 0.000 < 0.05, the first hypothesis (H1) is accepted. This indicates that partially, *Power Asymmetry* has a significant effect on Partnership Quality.

2) Hypothesis Testing of Contract Formalization (Z) in Moderating the Relationship between *Power Asymmetry* (X1) and Partnership Quality (Y) (H3)

Based on the results of the interaction test (MRA), the interaction variable *Power Asymmetry* and Contract Formalization has a calculated t-value of 2.154 and a t-table value of 1.969. Because the calculated t-value of 2.154> t-table 1.969 and a significance value of 0.032 <0.05, the third hypothesis (H2) is accepted. This proves that Contract Formalization is significantly able to moderate the relationship between *Power Asymmetry* and Partnership Quality.

b. Analysis of the Influence of Access to Market Information on Partnership Quality with Contract Formalization as a Moderating Variable

This test uses *the Moderated Regression Analysis* (MRA) method to analyze the effect of Access to Market Information (X2) on Partnership Quality (Y), and examines the role of Contract Formalization (Z) as a moderating variable. The data processing results are presented in the following table:

Table 2. The Effect of Access to Market Information (X2) on Partnership Quality (Y) with Contract Formalization (Z) as a Moderating Variable

Coefficients [a]				
Model		Standardized Coefficients Beta	t	Sig.
1	(Constant)		3,527	0.001
	Access to Market Information (X_2)	0.855	25,982	0.000
2	(Constant)		2,220	0.027
	Access to Market Information (X_2)	0.857	25,837	0.000
	Contract Formalization (Z)	-0.014	-0.407	0.684
3	(Constant)		0.985	0.325
	Access to Market Information (X_2)	0.775	3,363	0.001
	Contract Formalization (Z)	-0.058	-0.452	0.651
	X_2.Z	0.098	0.360	0.719

Source: SPSS Data Processing Results Version 25.0, 2026

Based on the results of data processing in the *Coefficients table* with a total of 250 observation data, the discussion for the Market Information Access variable is as follows:

1) Hypothesis Testing of the Effect of Access to Market Information (X2) on Partnership Quality (Y) (H2)

Based on the t-test results, the Access to Market Information variable has a calculated t-value of 3.363 and a t-table value of 1.969. Since the calculated t-value of 3.363 > t- table 1.969 and a significance value of 0.001 < 0.05, the second hypothesis (H2) is accepted. This indicates that partially, Access to Market Information has a significant effect on Partnership Quality.

2) Hypothesis Testing of Contract Formalization (Z) in Moderating the Relationship between Access to Market Information (X2) and Partnership Quality (Y) (H4)

Based on the results of the interaction test (MRA), the interaction variable Access to Market Information and Contract Formalization has a t-value of 0.360 and a t-table value of 1.969. Because the t-value of 0.360 < t-table 1.969 and the significance value of 0.719 > 0.05, the fourth hypothesis (H4) is rejected. This proves that Contract Formalization is not significantly able to moderate the relationship between Access to Market Information and Partnership Quality.

1. The Influence of Power Asymmetry on Partnership Quality

Based on the results of data analysis, it was found that *Power Asymmetry* has a positive and significant influence on Partnership Quality among farmers and traders of plantation commodities in East Ogan Komering Ulu Regency. This is indicated by the calculated t-value of 9.035, which is greater than the t-table of 1.969 with a significance level of 0.000. This finding indicates that the existence of dominance or differences in power between farmers and traders actually drives the creation of structured cooperative relationships at the research location.

This result is possible because, in the context of plantations in East OKU, traders, with greater capital and market power, act as the primary drivers in the supply chain. This imbalance tends to lead farmers to adhere to the quality standards and procedures established by traders to ensure the continued uptake of their harvest. The compliance resulting from this power differential creates better coordination in operational management, ensuring that the quality of the partnership, both administratively and technically, remains sound despite the dominance of one party.

Theoretically, this relates to the concept of *Non-Coercive Power* explained by Setyawan (2019), where power asymmetry can have a positive impact on business performance because the weaker party is motivated to meet the performance demands of the stronger partner in order to obtain additional incentives. Furthermore, Kantun (2025) emphasizes that power is not rigid but can be negotiated through communication, so that differences in bargaining power actually trigger a space for discussion that strengthens the bonds between the parties involved in the partnership.

This research supports Ten Buuren's (2017) findings, which state that power imbalances do not always have negative impacts but can instead foster order in achieving collaborative goals. Similarly, Park et al.'s (2017) findings demonstrate that the type of power used in a relationship significantly determines the success of supply chain management. In this case, the dominant trader acts as a guarantor of the quality standards required by the global market.

It can be concluded that *power asymmetry* in East OKU Regency serves as a guiding instrument that improves farmer discipline in partnerships. Despite the striking differences in economic power, this does not damage the relationship, but rather creates a symbiosis in which traders guarantee markets while farmers ensure supplies according to standards. Thus, properly managed power imbalances can improve partnership quality by strengthening coordination and compliance with mutual agreements. Therefore, the influence of power asymmetry on partnership quality will be more optimal and directed if supported by clear contract

formalization, to ensure the rights and obligations of both parties remain legally protected.

2. The Influence of Access to Market Information on Partnership Quality

Statistical testing results indicate that access to market information has a positive and significant effect on partnership quality. The calculated t-value of 3.363, exceeding the t-table value of 1.969, and a significance level of 0.001, provides empirical evidence that the greater the ease with which farmers can obtain market data, the better the quality of their cooperative relationships with traders. Information availability is a key variable in determining the level of trust and satisfaction between partners in the field.

This significant impact is due to transparent market information reducing suspicion or information asymmetry between farmers and traders. When farmers are aware of real price fluctuations at the factory or exporter level, they feel more empowered to negotiate prices with middlemen. This open data creates transparency, which forms the foundation of mutual trust, minimizing conflicts arising from differing price perceptions and fostering more stable long-term relationships.

This aligns with Widjanarko's (2023) theory, which states that easy access to information is a key factor underlying every decision-making and investment action in business development. Accurate information helps reduce uncertainty in business operations. Furthermore, Mardinsyah (2020) emphasized that equitable access to information serves as a bridge for every individual to discover better economic opportunities, which in this context strengthens the position of farmers in the partnership ecosystem.

This finding is supported by research by Usfadhiya and Ansori (2024), who revealed that transparent information that can be freely accessed without hindrance will increase trust between the parties involved. Furthermore, Barus (2024) also emphasized that the availability of information on market trends significantly influences how business actors interact. This research strengthens the argument that without equal access to information, the quality of partnerships will be vulnerable to manipulation practices that harm one party.

Overall, access to market information is a key pillar in building healthy and equitable partnerships in East OKU. The availability of relevant data allows for a balanced bargaining position and improves farmers' economic literacy. The conclusion of this analysis is that high-quality partnerships can only be achieved if access to market information is not dominated by a single party, but rather distributed transparently to support objective decision-making for both farmers and traders. Therefore, the influence of access to market information on partnership quality will be stronger and have a real impact if supported by clear contract formalization, which ensures transparency and openness of information between both parties.

3. The Effect of *Power Asymmetry* on Partnership Quality with Contract Formalization as a Moderating Variable

The results of the interaction analysis (*Moderated Regression Analysis*) show that Contract Formalization significantly moderates the relationship between *Power Asymmetry* and Partnership Quality. This is evidenced by the interaction t-value of 2.154 (> 1.969) and a significance level of 0.032 (< 0.05). These results indicate that the existence of formal contracts significantly strengthens the

influence of power inequality in improving the quality of cooperative relationships between farmers and traders.

This situation occurs because formalized contracts serve as a legal instrument that provides certainty for economically weaker farmers. With a written document, the dominance of traders, which was initially informal, is now limited by clear rules regarding rights and obligations. Formal contracts transform arbitrary power into professional and measured power, allowing farmers to feel more protected despite their lower bargaining position, ultimately improving the quality of the partnership.

According to Cahayani's (2023) theory, written contracts serve as a framework that provides certainty for all economic actors and mitigates the potential for abuse of power. Atmoko (2022) also emphasizes the importance of the principle of proportionality in contracts to ensure fair risk sharing. This theoretical basis explains that formalizing contracts serves as a safeguard to maintain stable relationship quality despite pressure from a more powerful party, as every action must be based on a valid legal agreement.

The findings of this study align with those of Hassan et al. (2025), who stated that beneficial relationships are difficult to achieve without strong contractual rules amidst power imbalances. Similarly, Bangbang (2021) explains that formal contracts enable parties to renegotiate in good faith if obstacles arise. The existence of formalized contracts acts as a "legal hedge" that mitigates the negative impacts of *power asymmetry* and transforms it into a positive impetus for sustainable cooperation.

It can be concluded that Contract Formalization acts as a positive catalyst that strengthens the relationship between power imbalances and partnership quality in East OKU. Through formal contracts, imbalanced bargaining power is no longer a threat, but is instead regulated into a professional relationship with a strong legal basis. Thus, improving partnership quality can be optimally achieved if power imbalances are accompanied by contract formalization that guarantees fairness for all parties involved. Therefore, the interaction effect between Power Asymmetry and Contract Formalization proves that strengthening the legality aspect can transform potential conflicts caused by power imbalances into productive, fair, and legally binding collaborations.

4. The Effect of Access to Market Information on Partnership Quality with Contract Formalization as a Moderating Variable

Based on the results of the interaction test, it was found that Contract Formalization was unable to moderate the relationship between Access to Market Information and Partnership Quality. This is indicated by the interaction t-value of only 0.360, much smaller than the t-table of 1.969, with a significance value of 0.719, which is above 0.05. This finding indicates that the presence or absence of a formal contract does not change the magnitude of the influence of information access in determining the quality of partnership relationships in the study location.

This lack of moderating influence is due to the inherent dynamic and technical nature of market information, while formal contracts tend to be static and administrative. Farmers in East OKU benefit more from accessing information

through daily interactions and direct price observations than through written agreements. Therefore, even though contracts have been formalized, this does not automatically make access to market information more effective in improving partnership quality, as relationship quality is more determined by voluntary and up-to-date information transparency.

Theoretically, this relates to Widjanarko's (2023) view that the availability of information is a fundamental factor that plays an independent role in every decision-making process. Anggoro (2023) also added that the main barrier to information access lies in a lack of literacy and education, not the absence of legal documents. This means that improving the quality of partnerships through information access depends more on the parties' willingness to share data openly than simply documenting it in rigid contractual documents.

These findings offer a new perspective, differing from most similar research, which generally assumes contracts strengthen all aspects of partnerships. In this regard, the research supports Albertus's (2019) argument, which emphasizes that information asymmetry is often exacerbated by knowledge dependencies, which cannot always be resolved through contractual agreements alone. Access to market information has its own pathways in influencing partnership quality, which is more influenced by communication technology and honesty between partners in the field.

The conclusion of this discussion is that Contract Formalization is not a relevant variable in strengthening the impact of access to information on partnership quality in the East OKU plantation sector. Access to market information is an independent force whose influence on relationship quality remains consistent regardless of the formality of the agreement. Therefore, to improve partnership quality, a more appropriate effort is through equitable distribution of information and increasing market literacy for farmers, rather than simply focusing on the administrative aspects of contracts. Therefore, the direct influence of Access to Market Information is far more crucial to optimize independently, so policy interventions should be directed at providing transparent price data rather than enforcing stricter written legal clauses.

CONCLUSION

This study examined the relationships between Power Asymmetry, Access to Market Information, and Partnership Quality among farmers and plantation commodity traders in East Ogan Komering Ulu (OKU Timur) Regency, with Contract Formalization tested as a moderating variable. Based on the Moderated Regression Analysis using 250 observations, Power Asymmetry and Access to Market Information were both found to have statistically significant positive relationships with Partnership Quality.

1. First, Power Asymmetry had a positive and statistically significant relationship with Partnership Quality ($t = 9.035$; $p < 0.001$). In the context examined, the finding is consistent with the possibility that differences in capital and market power are accompanied by coordination and compliance with partnership requirements. However, the cross-sectional design does not establish that power asymmetry itself causes improvements in partnership quality.

2. Second, Access to Market Information had a positive and statistically significant relationship with Partnership Quality (t = 3.363; p = 0.001). This result indicates that respondents reporting greater access to market information also tended to report higher partnership quality. Transparent and timely market information may therefore be relevant to communication, trust, and negotiation between farmers and traders.
3. Third, the interaction between Power Asymmetry and Contract Formalization was statistically significant (t = 2.154; p = 0.032). This finding indicates that Contract Formalization significantly moderates the relationship between Power Asymmetry and Partnership Quality in the observed sample. Written agreements may provide clearer rights and obligations within relationships characterized by differences in bargaining power.
4. Fourth, the interaction between Access to Market Information and Contract Formalization was not statistically significant (t = 0.360; p = 0.719). Thus, the study does not find evidence that Contract Formalization changes the relationship between Access to Market Information and Partnership Quality. The result is consistent with the possibility that market information is sufficiently dynamic that its contribution to relationship quality depends more on timely communication and access than on contractual formality alone.
5. The practical implications are that stakeholders in the plantation commodity supply chain should strengthen transparent and timely market-information mechanisms, particularly access to relevant price data, while also encouraging contracts that clearly state the rights, obligations, responsibilities, and procedures of both farmers and traders. These measures should be understood as governance mechanisms supported by the observed relationships rather than as evidence of causal effects.
6. This study is subject to limitations, particularly its cross-sectional design, purposive sampling, and focus on plantation commodity partnerships in East OKU Regency. Future research could use longitudinal or comparative designs, include additional regions or commodity groups, and examine other governance mechanisms that may explain how power and information affect partnership quality..

REFERENCES

Abimbola, O. (2021). Power asymmetry and priorities in global development agenda setting. *Journal of International Development* , 33(4), 512–526.

Albertus, R. (2019). The impact of information asymmetry on public-private partnership contracts: Theoretical approaches. *African Journal of Business Management* , 13(17), 579–587.

Anggoro, B. (2023). Access to information and the effectiveness of market literacy for micro-entrepreneurs. *Journal of Economics and Management* , 19(2), 112–124.

Atmoko, D. (2022). Application of the principle of proportionality in franchise agreements in a business contract relationship. *Sasana Law Journal* , 8(1), 153–162.

Bangbang, A. (2021). Business contract renegotiation mechanisms in the face of market disruption. *Journal of Economic Law* , 10(2), 145–158.

Barus, S. (2024). Access to market information as a competitive strategy for local business actors. *Journal of Digital Marketing* , 6(1), 45–56.

Central Statistics Agency of South Sumatra Province. (2024). *South Sumatra Province in Figures 2024.* BPS South Sumatra Province.

Cahayani, N. (2023). Contract formalization as legal protection in business interactions. *Journal of Legal Studies* , 11(3), 201–215.

Frisyudha, R. (2021). Legal certainty and dispute resolution through written contract renegotiation. *Journal of Legal Dynamics* , 14(1), 78–89.

Glavee-Geo, R., Engelseth, P., & Buvik, A. (2022). Power imbalance and the dark side of the captive agri-food supplier-buyer relationship. *Journal of Business Ethics* , 178(3), 609–628.

Hassan, FR, Syaafrian, D., & Maharani, DA (2025). Contracting for public delivery: The dynamics of relational governance and power asymmetry in public infrastructure projects. *BUSINESS & BUREAUCRACY: Journal of Administrative and Organizational Sciences* , 32(1), Article 1.

Kantun, S. (2025). Negotiation of power and construction of meaning in business communication. *Journal of Social Interaction* , 7(1), 34–48.

Kompas. (2024, March 15). *Supply Chain Dynamics and Price Inequality of Plantation Commodities* . Kompas.

Mardinsyah, A. (2020). Analysis of the impact of access to economic information on the level of welfare of rural communities. *Journal of Social Development* , 8(2), 120–135.

Park, K.O., Chang, H., & Jung, D.H. (2017). How do power type and partnership quality affect supply chain management performance? *Sustainability* , 9(1), 127.

Setyawan, AA, Dharmmesta, BS, Purwanto, BM, & Nugroho, SS (2014). Model of relationship marketing and power asymmetry in Indonesian retail industry. *International Journal in Economics and Business Administration* , 2(4), 108–127.

Setyawan, AA, Susila, I., & Anindita, S. (2019). Influence of power asymmetry, commitment and trust on SME retailers' performance. *Business: Theory and Practice* , 20, 216–223.

Setyorini, E., Wibowo, A., & Handayani, S. (2020). Standardization of management and technical assistance in product partnerships. *Indonesian Agribusiness Journal* , 8(2), 115–126.

Sinambela, LP (2025). *Imbalance of Power in Modern Organizational Structures* . Rajawali Pers.

Suhartono, E., Rahayu, S., & Pratama, A. (2025). Risk management and the quality of long-term business partnerships. *Strategic Management Journal* , 12(1), 89–101.

Ten Buuren, N. (2017). *Understanding the effects of power asymmetry on start-ups' innovation performance* [Master's thesis, University of Twente]. University of Twente Student Theses.

Widjanarko, H. (2023). Accessibility of market information in investment decision making. *Journal of Business and Finance* , 15(1), 67–79.