

A Conceptual Approach Correlating Behavioral Neuroscience with Vertically Coordinated Vegetable Supply Chain

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Abstract

The study presented here is a conceptual mapping of thought, where the vertically coordinated vegetable supply chain is already tested concept with cross sectional study. The behavioral dimensions taken here as well are well tested before. The main idea behind this study was to measure it conceptually with the literature “the behavioral neuroscience aspect of supply chain participant as behavior having some relationship with the vertically coordinated vegetable supply chain”. For this purpose extensive literature study was done to know the behavioral neuroscience aspects of farmers and intermediaries involve in vegetable supply chain. The research has provided the base and clarity on the future aspect of research where the scientific approach will get applied using the scientific instruments and techniques.

Key words: Behavior, behavioral neuroscience, vertically coordinated vegetable supply chain, neural supply chain, and human behavior

1. Introduction

Human behavior is the most important determinant in consumption and with the development in the social life and expansion of the world with the connectivity of information and communication technology has taken the business to the next level. Though the proven methodology with the research and literature support is widely accepted in the social science to study the human behavior in psychology and consumer behavior study, then too the scientific confirmation is the backbone that provides more consistent outcome. Behavioral neuroscience is the fast growing and upcoming area of research where the study is based on the scientific analysis of signals generated by human or emotional signal recognition and analysis. Psychologists have applied the behavioral neuroscience concept in both aspects experimental methods and psychology in the modern history of behavioral science. The perceptual study is the process to understanding the neural signals that creates the understanding of whole psychological and physiological process. Further the research is leading to analyze the mental process understanding of mental disorders and addictive process of the brain. Understanding of the people psychology and behavior is the concern of the research in this era where the traditional research

methods are having limitations with believe that people understand well their needs and desires and can be capable enough to express it. The unsatisfied needs are the other part that needs to get consideration by understanding their surrounding and life style. Technology is a strong support to analyze the behavior and make to make the understanding of a person's behavioral aspect. The available and used tools are good predictor based on the human responses based on their own understanding consciously. The challenge is that that the most of the human needs and desires come to thinking is unconscious, so the stud of unconscious part of thought affecting the behavior gets more important to understand and to analyze for future prediction.

Researchers have started to work in the area to measure the non-conscious association of the thought for any specific case, may be with products, services, process or information. This study is leading to neuromarketing and neuroeconomics where specifically three major categories are getting research are Behavioral, Psychological and Neuroimaging. Behavioral is the understanding of facial coding that response the state of mind converting to emotion. Psychological study is about the eye movement, pupil dilation, palm sweating, respiration and the pulse reflected by the brain and central nervous system connection. Neuroimaging is the process of collecting signals as data from Functional Magnetic Resonance Imaging (fMRI) and Electroencephalography (EEG) that measures the notice of the engagement of the respondent on specific event or incidence. For any activity related to human being has the impact of psychological state and behavior, so understanding of brain work and neural movement and execution gets important for better understanding and can be a tool for better decision making.

Supply chain is the flow of products and services including raw materials procurement and storage, materials in process and the finished goods and services reaching to the end consumer. Supply chain is not limited only to the flow of products and services but to the flow of information on broader aspect worldwide. The decision on the distribution of information that can have the needful and systematic reach, and not to the reach to unmindful hand, today there are many software and programs to control the flow of supply chain to make supply chain more competent and efficient. But the executions of activities are in human hand, and human execution has the impact of behavior in its task execution. Behavioral neuroscience techniques are able to recognize stimulators for task execution in any case, but specific case of supply chain is also getting controlled by behavior. The supply chain can use the methodology getting used by neuromarketing and neuroeconomics that can bring the innovation in the supply chain management process. The behavioral study in the supply chain management can provide a more methodological approach for the development of a more optimized and efficient supply chain. Behavioral neuroscience application in practicality fosters the experimental learning. The scientific

research rationalizes the validity of the concept and model. The supply chain is expanding its boundaries in all dimensions, so the integration of neuroscience can me a newer dimension for the research and development.

2. Literature Review

Behavior is the determinant of human activities and having a very strong relationship with brain. Research conducted in the area of behavioral economics within last 50 years has the concentration on differentiating it with psychology. Though the application of psychology is crucial for any behavioral study, then too if it can get differentiated then this will be a new phenomenon and a newer dimension of development (Osman, 2015). Most of research literatures produced till date is not having very clear picture or line of division in between these two and they have the overlap. The research in the area of behavioral economics is intended to see the effect of behavior in economic activities or at economic institutions. The behavioral economics can provide a better understanding of economic stability of the country and risk part in the business. This can have the expanded application in the social development and societal benefits. Decision making support can get established and this can have the road map for corporates and govt. institutions.

Brain is the live machine makes millions of decisions and all executions are getting controlled based on emotions. Behavioral and emotional aspects affect the brain process. Behavioral neuroscience gets affected by the motivational concepts and carry explanations related to brain those are having actual application in our real lives (Berridge, 2014). The purpose of the behavioral reality will kept generalized without the application and usage of different concepts like motivations associated with this. There must be the study to understand the existing supply chain and the motivation of the behavior enforcing brain to execute the specific way to perform. The concept provided by neural scientists that we need to understand the specific way that brain works moreover the way controls the behavior.

Supply chain is another area of business research being crucial for success or failure and behavioral aspects has a strong impact on this. Many assumptions can be formulated in this aspect like: What is the importance of behavior of any individual effecting the supply decision making? How the supply decision making does gets affected by behavior of an individual or group? How can the supply chain networks be more regulated and structured knowing the behavior of people associated with this? It can help in understanding of many agents behavior and their interactions, so problems can get solved more efficiently and accurately that can lead to more successful and economized supply chain network. Finding the solutions for such problems will lead to innovations in theories or may be in the practical implementations in real world (Osman, 2015).

2.1 Behavioral Neuroscience

In the beginning of researchers were assuming that the behavior is the interrelationships of the organisms and the external environment. Later it could get understand the behavior analysis as much complex and many steps interrelations of different components creates real behavioral phenomena. Nermend (2017) states that cognitive neuroscience can be applicable in multidisciplinary research to assess behavioral influence in any decision making process. Here the relationship of the skimmers and Skinnerian's get used to predict and control behavior where the neurosciences are related to explain the happenings and activities of organisms in a mechanical way. Though there are different contingencies reinforces for internal activities to happen. The incorporation of behavioral decision making with multi agent simulation is the evolution in the neurological research (Latuszynska, 2017). Research (Morris, Lazo and Smith, 2004) contributes to the behavioral system assuming different variables, the behavior as a variable lies outside of behavior but inside the organism. Behavioral chain is not only the physiological chain but it has been linked with many neural antecedents (McIlvane and Dube, 1997). System dynamics approach is more efficient when it comes to make the dynamic decision including the both economic and psychological variables (Latuszynska, 2017). There are different behavioral patterns explored (DiFiore et al., 2000) as the pattern that provides the knowledge of wave patterns. As observed the stimulus processing can recognized with the recognition of two wave patterns, abstract behavior can get understood correlating another wave pattern. Perceptual language deficits can get analyzed with the abnormal patterns. The potential performance can get revealed with the normal pattern that helps people to understand motor disorder. The experimental method is more accurate and reliable when it gets recorded to monitor the brain activity to know the respondent's preferences (Nermend, 2017). The understanding of brain waves can have a strong understanding and behavioral discrimination can get explained with a higher reliability where the brain responses are difficult to detect. Behavior analysis can get performed understanding the brain activity. The conditioning paradigms can get understood with the improvements of knowledge and can have better contribution by the detailed analysis of neural functions. There are many structures that define and decide the brain executions and is responsible for decision makings where the earlier researches are concentrated on classical and operant learning.

Neuroscience research can be a roadmap for the understanding of consumer behavior that can lead to the better understanding of consumer demand and business opportunities (Kenning, P. H. and Plassmann, 2008). Many research conducted in the perspective of the benefit from the neuroscience to create knowledge in consumer research and behavioral decision making process. Behavioral neuroscience can help to understand specific consumption related functions and problems. Different behavioral issues sometimes lead to addictions or may be from obesity or compulsive buying. The clear understanding of the theory and mechanism related to this performance. The overconsumption

as well is a biased behavior of lack in efficiency of decision making (Chandon and Wansink, 2007). The application of consumer behavior study insights may have the positive impact on consumption. In one of the research (Chandon and Wansink, 2007), it gets the visibility that consumers get affected by the consumption habit and behavior of other consumers. Other research is advocating that “anchoring” is the judgment drawn on the basis of absolute values and they do not compare it with other categories.

The neural research analyses the susceptibility of anchoring may lead to excessive consumption or can have the understanding of level of influence on it. Further such analysis can have the more sharp insight on the development of rehabilitation that can recover cognitive abilities (Chandon and Wansink, 2007). In the specific study conducted on emotions and decision making, it came in the picture that it is difficult to integrate brand induced emotions with consumers suffering from lesions in the ventromedial prefrontal cortex (Koenigs and Tranel, 2008). Brain signal research study conducted by Koenigs and Tranel (2008) concludes that the decision making process goes through brain and it is most important in decision making. On the further move marketing companies can add wings to its research and development as well the real implementation of activities having a better understanding of human brain where the sales is aggressive for unnecessary products. The research has been conducted on consumer neuroscience outlining many questions like interest to consumer research for the development of next phase of consumer behavior and behavioral neuroscience, knowledge in neuroscience and its application in theory development for future. Research is still in the nascent stage where the behavior neuroscience can get explored many fold the consumer behavior. The more multidisciplinary and trans disciplinary research approaches should get conducted that can have the much smarter thought to develop neuroscience and consumer research parallel (Chandon and Wansink, 2007).

2.2 Supply Chain Management

The ‘supply chain’ is the process of moving a product from one point to another point in the simplest way. Further for the more elaborated explanation it is the complete flow of raw materials process goods and final product reaching to the end consumer. In some cases includes the reverse transportation of product from sales to dispose point named as reverse logistics. Though the supply chain is mainly structured to carry products from one place to another place then too needs many considerations such as quality issues with satisfactory services, efficient and fastest mode of transport, management concern and the cost efficiency of the whole process. The research has contributed to the precision analysis of supply chain process presenting the model of supply chain including the whole transport process. The supply chain research has used the observations and simulation techniques to make the process more efficient. A robust supply chain must consider the aspect of disturbances too, that can be

a good tool for the time management and to control the transport process. Simulation model is a cost effective way to check the efficiency of any new planned transportation model.

The transportation task realization can get done using modeling and ensuring time consumed for this. Library can get created with disturbances that can be helpful in fast building of simulation process model. Supply chains are sometimes uncontrolled system (Wie-land & Wallenburg, 2011) needs to get more care and observation to reduce the risk. Another challenge is managing links and the structure of the complete chain that can have the better flow of work considering all business dimensions (Bocewicz et al. 2013). Researchers are using much different software these days for modeling to make it more accurate and system driven. Mainly for this purpose two methods of modeling are used widely are Discrete-Event Simulations (DES) and Agent-Based Simulation (ABS). The Discrete-Event Simulations (DES) is used when the process is well known and understood and the statistical distribution is defined for any situation of uncertainty. Another method Agent-Based Simulation (ABS) is used to base the process, having the detail modeling of the system but not independently (Cassandras & Lafortune 2008). The supply chain can get referred using the individual participants who can get treated as agents, who can have their specific characteristics but their common goal can get used to satisfy a specific customer. Research has talked about the Agent-Based Simulation (ABS) with detailed discussion that can get implemented in different industries efficiently (Macal & North 2013).

2.3 Vegetable Supply Chain

Many studies on vegetable supply chains in developing economies have exposed relationships with different nature of agriculture. The broader research views are favoring that the vegetable supply chain is bi-directional. The study (Odongo, W. et. al., 2016) measured the importance of supply chain relationship quality (SCRQ) and supply chain performance (SCP) in agribusiness management. In the context of developing economies SCRQ is more important to have an improved SCP. Other aspect of the SCP has been vigilant that the supply chain participants have different opinion on the perception of supply chain performance (Jiang, L., Wang, Y., & Yan, X., 2014). Other study concludes that when it is cooperative relationships, the SCP directly getting affected by the way of control in the supply chain. The increasing control from the decentralized structure the integrated structure the satisfaction and profits increases. Performance of the supply chain depends on administrative activities, performances and information rather the market information. The supply chain performance does not keep the same always but keeps fluctuating based on the performance of executions of members. Industry to industry as well the supply chain performance varies because of being in different operative environment. In the case of vegetable supply chain the total cost minimization, quality of produce, supply reliability and transaction cost are most prior to increase the supply chain efficiency (Odongo,

Dora, Molnar, Ongeng & Gellynck, 2016). The governmental policies are among other factors that determines the efficiency of the supply chain. A consolidated store design is the structure leads to the success of supply chain network. Quantity loss and quality loss are two characteristics of fresh vegetable produces can get considered as the major challenge with the sustainability of supply chain. Supply channel equilibrium depends on the price and service decisions (Yu & Xiao, 2017). When the supply chain is considered with exogenous and endogenous with price different scenarios comes to play. The cold chain service price is one of the most important factors for the supply chain that makes it win-win situation for the supplier's and retailer's profitability.

2.4 Behavioral Neuroscience and Supply Chain Management

The supply chain studies and researches have been the promoter of the concept to provide the optimal solution with the best practices (Sweeney, 2013), some of the contrast with practical implementation of the theory also have observed. Some research in SCM has the criticism that it has overlooked the human aspect of supply chain (Tokar, 2010). Kalkancı *et al.* (2014) study emphasizes on theoretical optimal contracts where it is not suboptimal then too are practiced and preferred commonly. Wallenburg *et al.* (2011) and Ribbink and Grimm (2014) concluded I their research that the supply chain gets effected by the trust which get affected by different culture or in the organization due to cultural differences. The human behavior components (Sweeney, 2013) are the main reasons have the same effect as the facts of supply chain have as the process. Human behavior understanding and the effect of culture is important because the rationality is a question when it comes on human executions. Supply chain management should have the core importance for the human behavior dimension that affects highest to the supply chain execution (Huo *et al.*, 2015). The behavioral study I the supply chain management is still in nascent stage named as behavioral supply chain management (BSCM), and can have the more sharp view on the efficiency of the supply chain management as a discipline (Donohue and Siemsen, 2011). The study (Wieland *et al.*, 2016) conducted recently has provided a clear insight that human is one of the most important dimension of supply chain management where it is underrepresented or has not get deserving importance.

3. Problem Identification

Supply chain management is the most important managerial activity in any organization. An efficient supply chain can lead to a successful and profitable business on the reverse side the losses and failure of business. The broader literature review excavated the existing research in the area and has put the effort to find the gap underlying with the scope of contribution and development of the conceptual theory. When the discussion is specific on vegetable supply chain then it gets more extensive and deeper to know the understanding of participants of supply chain. Human behavior has effect on

decision making process of any activity or process and its assessment is necessary, though much literature considers behavior as the cause but has not taken in consideration for the study as the influencer or moderator of decision. Here the research identifies the problem for study as the vegetable supply chain is established in most of the scenarios or evolving with overcome challenges, then too there is a gap in opinion of vegetable supply chain participants, may be due to lack of understanding and interpretation, “the more clear opinion of the respondent should get recorded with neural behavior study on specific situation that can simulate more efficient supply chain”.

4. Conceptual Model

Producer supply chain Variables: As explored by Singh (2016) the four different dimensions considered are Market and Selling, Constraints, Credit and Stock Strategy, Prices and Transaction Cost.

Intermediary supply chain variables: Volumes and Flows, Constraints, Credit and Stock Strategy, Prices and Transaction Cost are for dimensions observed in the study by Singh (2016).

Vertical coordination variables: The dimensions considered here are Perishibility, Wastage, Yield, Demand, Security, Non Seasonal Availability, Price Fluctuation, Produce Variety, Quality Variety, Quantity Variety, Risk, System Transparency, Grade & Standard, Technology Cope up, vegetable Growers Benefit (Singh, 2016).

Vertical coordination effect variables: Variable explored to measure the effectiveness in the study by Singh (2016) as Mutual Interest, Long term Relationship, Shared Benefit, Open Information, Stability, Interdependence.

Behavior: As explored by LaMorte (2016) the dimensions of behavior are Attitudes, Behavioral intention, Subjective norms, Social norms, Perceived power, Perceived behavioral control.

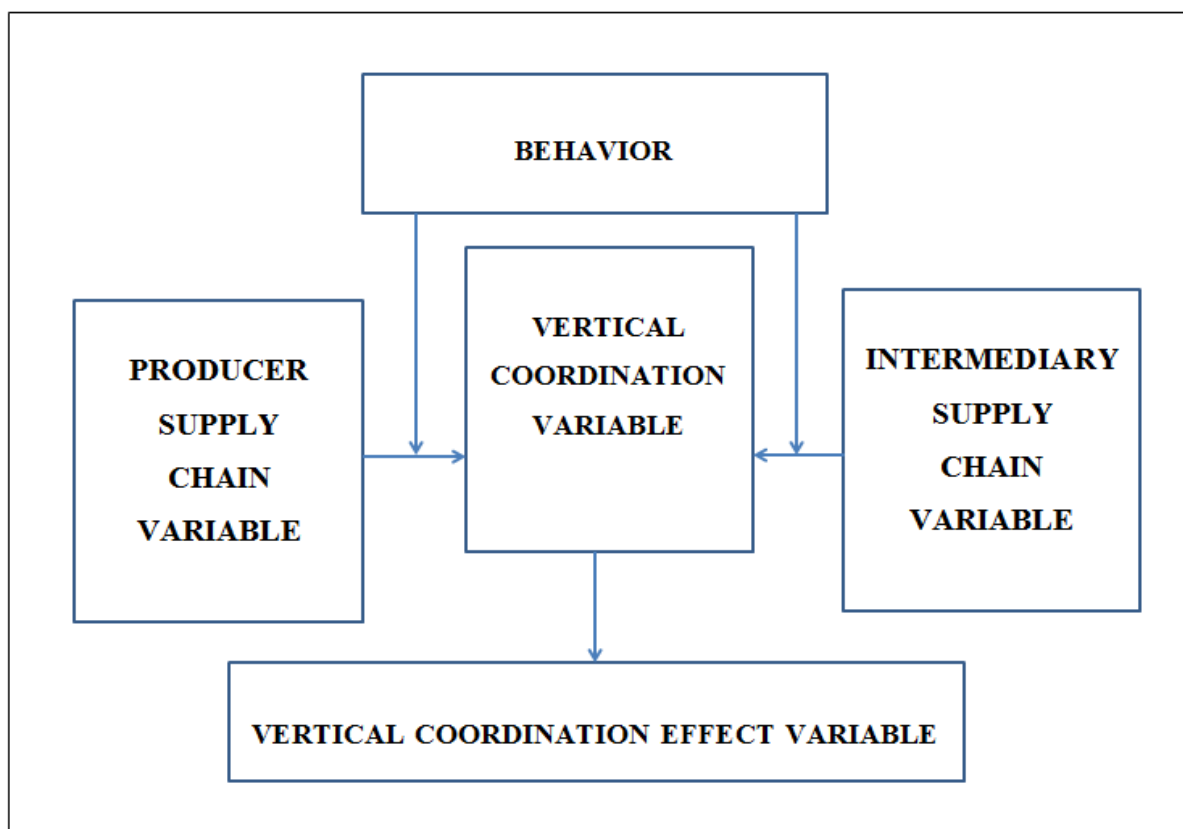


Fig1. Conceptual model Correlating Behavioral Neuroscience with Vertically Coordinated Vegetable Supply Chain

5. Discussion and Conclusion

Based on the conceptual model proposed in this study, we can conclude that the research is hypothesized on measuring the effect of behavioral component as the moderator of the vegetable supply chain. Literature exploration and the different methodological approaches applied to assess the potential of behavioral neuroscience to make the vegetable supply chain more efficient. There can be two way to measure the behavioral aspect one is the most common way where researcher prepares a set of questionnaire and assess the result based on respondents responses. Another way is not commonly used but can be more scientific approach as behavioral neuroscience where the study will be concentrated on measuring the neural signal as the determinant of behavior and this will get used as the moderator to producer supply chain variable with producer's neural study and intermediary supply chain variables with intermediary neural study. The behavioral assessment can contribute to the real scientific outcome that can be a strong base for the development of theory. The practical implementation of the study will contribute to increase the efficiency of the supply chain and the importance of all variables considered for vegetable supply chain. Outcome of the study will provide the clarification on critical aspects of vegetable supply chain. This can be more scientific approach to

make a consent and conclusion for the current situation of supply chain and can show the roadmap for future study.

6. Future Research

Supply chain performance and efficiency has always get assessed without incorporating the behavioral aspect of participant. Present research have proposed a conceptual map that can get used to investigate the underlying problems of supply chains with the application of multiagent simulation as measuring the different scenarios of the supply chain system. Possibility of application of neuroscience technique is further another level of addition can get done with research where the neuroscience technique can get used as the scientific process for data recording. Moreover the AnyLogic software can be a good source for drawing this conceptual supply chain as the most economize scientific model for the real world application. The concept proposed and discussed in this study is the theoretical approach. The practical implementation of this approach with rationality for the realization of the conceptual thought can be the future work.

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