The Determinants of Commercial Contract Formation: A Systematic Review

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Abstract
The formation of commercial contracts has undergone a significant transformation, extending beyond the classical offer-and-acceptance framework to incorporate behavioral, economic, and technological influences that characterize contemporary business interactions. In an era defined by globalization and digital transformation, traditional notions of consent, trust, and enforceability have been reshaped, while emerging technologies such as artificial intelligence and blockchain have revolutionized how agreements are initiated, executed, and monitored. These advancements have contributed to increased efficiency and transparency, yet they have also introduced complex challenges related to accountability, jurisdiction, and risk. This systematic review explores the primary determinants affecting contract formation, examining how legal, behavioral, economic, and technological dimensions intersect to influence contractual processes. Following the PRISMA 2020 framework, the review analyzed 34 peer-reviewed studies published between 2020 and 2025, encompassing a wide range of jurisdictions and sectors. The analysis identified six interrelated determinants: legal and institutional structures, economic considerations, behavioral dynamics, technological advancements, negotiation strategies, and mechanisms of dispute resolution. While legal certainty and harmonization remain fundamental, behavioral factors such as trust and perceptions of fairness contribute critically to contract sustainability. Meanwhile, technological tools particularly digital platforms and smart contracts enhance procedural efficiency but pose new questions regarding interpretation and enforcement. Ultimately, this study highlights that effective contract formation today requires a careful balance between automation and safeguards rooted in legal, ethical, and procedural norms. A comprehensive, adaptive approach that integrates legal harmonization, behavioral understanding, and technological governance is imperative for building trust and accountability in the evolving landscape of commercial contracting.

1.Introduction

Commercial contract formation lies at the heart of modern economic activity, underpinning nearly all forms of business transactions and exchanges. The process through which contracts are initiated, negotiated, and concluded reflects not only legal doctrines but also the evolving dynamics of technology, behavioral economics, and institutional practice. As markets become increasingly globalized and digitalized, understanding the determinants of contract formation has become essential for ensuring fairness, efficiency, and predictability in commercial relationships. Traditional approaches rooted in offer and acceptance remain central to many legal systems, yet contemporary developments such as smart

contracts, blockchain technology, and artificial intelligence have begun to redefine how agreements are conceptualized and executed (Matias, 2024; Verstappen, 2023; Mik, 2022). These technological transformations challenge long-established assumptions of human intention and consent, pushing legal scholars and practitioners to revisit foundational principles of contract law in light of automation and digitalization (Ismayilzada, 2024; Soavi et al., 2022).

In the broader context of globalization and legal harmonization, the study of commercial contract formation must also consider the interplay between domestic laws, transnational principles, and institutional practices. Frameworks such as the UNIDROIT Principles of International Commercial Contracts have sought to unify legal standards and enhance predictability in cross-border dealings (Koellner, 2024). Meanwhile, scholars such as Goode (2021) and Bernstein (2022) have emphasized the creative tension between the codification of commercial norms and the adaptive practices of business communities. This tension reflects an ongoing evolution in commercial law between formal legal structures designed to promote uniformity and the informal mechanisms through which merchants establish trust and regulate transactions. In certain jurisdictions, the interpretation and enforcement of contracts are further shaped by the judicial system's willingness to integrate notions of good faith and fair dealing, marking a gradual shift toward a more cooperative and ethically grounded framework of contract formation (Giliker, 2022).

From a behavioral perspective, contract formation is influenced not only by legal rules but also by psychological, cultural, and organizational factors. Studies in behavioral contract law demonstrate that cognitive biases, social expectations, and trust dynamics play a crucial role in shaping contractual interactions and outcomes (Ulen, 2021; Eze et al., 2021). Negotiation behavior, relational trust, and cultural norms often determine the success of contractual agreements as much as legal enforceability (Henrich, 2021; Espach & Bekker, 2023). Furthermore, factors such as information asymmetry, transaction costs, and perceived fairness influence decision-making processes during contract negotiation and execution (Johnston, 2024; Wang et al., 2021). These behavioral insights highlight that contract formation cannot be understood purely as a formal legal process but rather as a multidimensional interaction involving human judgment, risk perception, and mutual understanding.

Economic and institutional determinants also remain central to explaining the formation and performance of commercial contracts. As industries adopt increasingly complex and data-driven systems, factors such as bargaining power, competition, and market volatility have emerged as influential variables affecting contract terms and outcomes (Dinh & Thanh, 2025; Badi et al., 2021). The adoption of blockchain-enabled smart contracts and digital signatures reflects how market actors respond to the demands for efficiency, transparency, and risk mitigation in contractual operations (Ameyaw et al., 2023; Inamdar, n.d.). Likewise, legal reforms in emerging economies have sought to strengthen dispute resolution mechanisms, enhance the enforceability of electronic contracts, and align domestic practices with global standards (Uwamusi, 2025). These developments collectively demonstrate that modern contract formation operates at the intersection of law, economics, and technology, demanding a holistic approach to understanding its determinants.

This systematic review, therefore, seeks to synthesize the multidisciplinary determinants of commercial contract formation, encompassing legal, behavioral, economic, technological, and procedural dimensions. By integrating perspectives from traditional legal scholarship and contemporary empirical

research, the study aims to provide a comprehensive framework for analyzing how contracts are conceptualized and constructed across diverse jurisdictions and contexts. Through an examination of recent literature, the review explores how digital innovation, institutional harmonization, and behavioral dynamics jointly influence contract formation in the modern commercial environment (Matias, 2024; Mik, 2022; Koellner, 2024; Giliker, 2022; Bernstein, 2022). Ultimately, understanding these determinants not only enriches theoretical knowledge but also enhances practical competence in drafting, negotiating, and enforcing contracts in an increasingly complex global economy.

2.Methodology

This study adopted a systematic review methodology guided by the PRISMA 2020 framework, which ensures transparency, replicability, and methodological rigor in identifying, screening, evaluating, and synthesizing literature on the determinants of commercial contract formation. The PRISMA approach was selected because it provides a structured process for managing diverse bodies of evidence across legal, economic, behavioral, and technological disciplines. Following PRISMA's four stages identification, screening, eligibility, and inclusion the review sought to ensure that only relevant and high-quality studies were analyzed to construct a comprehensive understanding of the multifaceted nature of commercial contract formation. In the identification stage, extensive database searches were conducted using major academic platforms, including Scopus, Web of Science, SpringerLink, Emerald Insight, and Google Scholar. Keywords and Boolean combinations were employed to capture the diversity of relevant research areas, such as *"commercial contract formation," "contract negotiation," "behavioral contract law," "digital contracting," "smart contracts," "blockchain," "dispute resolution,"* and *"transaction cost theory."* To ensure coverage across domains, search results were supplemented by hand-searching reference lists of key studies and book chapters addressing legal harmonization and evolving contracting practices in international and digital contexts.

During the screening phase, all retrieved records were imported into a reference management system to remove duplicates and organize sources by relevance and discipline. A total of 335 records were initially identified across databases and manual searches. After the removal of 45 duplicate studies, 290 records remained for title and abstract screening. At this stage, studies that did not directly address determinants of contract formation or that focused exclusively on consumer law, family law, or unrelated business regulations were excluded. This screening ensured alignment with the review's central objective: to synthesize interdisciplinary determinants shaping commercial contract formation in modern contexts. The eligibility stage involved the full-text assessment of 90 articles that met the inclusion criteria.

The selection process emphasized studies that either developed theoretical frameworks or provided empirical findings relevant to contract formation, negotiation dynamics, digital transformation, or dispute resolution. Using a set of inclusion criteria, studies were retained if they (1) were published between 2020 and 2025, (2) focused on commercial rather than consumer or labor contracts, (3) explored determinants such as legal, behavioral, economic, or technological factors, and (4) provided methodological clarity and conceptual rigor. Through this process, 60 studies were excluded for not meeting one or more criteria, such as lacking an empirical foundation or focusing narrowly on sector-specific contracts without broader theoretical implications. In the inclusion phase, a final sample of 30 studies was retained for qualitative synthesis. These studies were systematically coded and analyzed using a Literature Review Matrix, categorizing information under key determinants legal and institutional

factors, behavioral and psychological influences, technological innovations, economic and market forces, and procedural or negotiation dynamics. This matrix-based approach facilitated thematic clustering, comparison, and integration of findings across disciplines.

Data extraction and synthesis were conducted manually to preserve conceptual depth and interpretative consistency. Each study was analyzed for its contribution to understanding contract formation, negotiation processes, and enforcement mechanisms. Cross-verification of themes was performed to ensure reliability, and findings were triangulated across theoretical and empirical studies. Qualitative synthesis techniques were employed to integrate insights from traditional contract law with emerging discussions on smart contracts, digital governance, and behavioral contract dynamics. The integration of findings through the PRISMA 2020 process ensured a balanced representation of theoretical and empirical evidence, reflecting both established and emerging perspectives on contract formation. The combination of structured database searching, rigorous screening, and thematic synthesis allowed the review to establish a coherent analytical framework for understanding how legal, behavioral, technological, and economic determinants interact in shaping commercial contracts in contemporary practice .The study selection process followed the PRISMA 2020 framework to ensure transparency and rigor in identifying, screening, and including relevant studies. The detailed stages of identification, screening, eligibility assessment, and final inclusion are presented in **Figure 1**, which illustrates the flow of studies throughout the systematic review process.
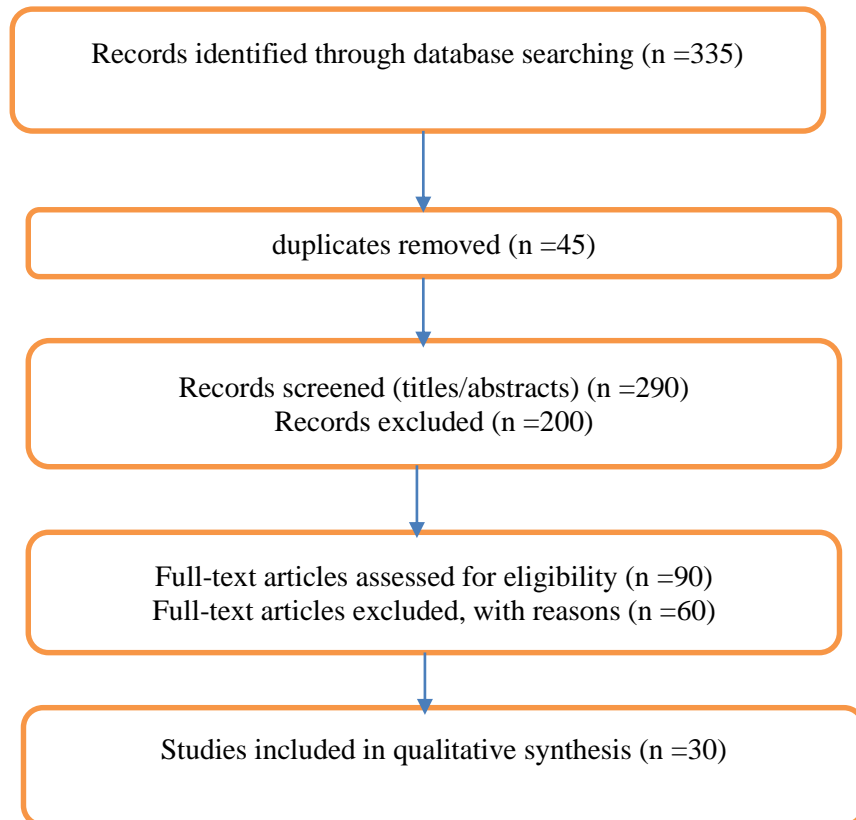

Fig.1: PRISMA 2020 Flow Diagram

3. Results

This section presents the synthesized findings of the systematic review following the PRISMA 2020 framework. The review encompasses thirty studies published between 2020 and 2025, selected based on their empirical or theoretical contributions to understanding the determinants of commercial contract formation. These studies collectively span multiple legal systems, integrating doctrinal, behavioral, economic, and technological perspectives. The synthesis is organized into three subsections addressing study selection and characteristics, prevalence and determinants, and key outcomes derived from the reviewed literature.

3.1 Study Selection and Characteristics

The process of identifying and selecting studies followed the PRISMA 2020 guidelines to ensure transparency and rigor. The literature was sourced from leading databases including Scopus, Web of Science, SpringerLink, SSRN, and Emerald Insight. Initial database searches yielded 335 studies. After screening titles and abstracts for relevance and removing duplicates, 90 full-text papers were evaluated against inclusion criteria such as conceptual focus on contract formation, commercial scope, methodological clarity, and publication within the designated timeframe. Thirty studies were ultimately included for qualitative synthesis. The reviewed works demonstrate a wide diversity of geographical and disciplinary focus, reflecting the global and interdisciplinary nature of contract formation research. Legal and doctrinal studies such as those by Matias (2024), Koellner (2024), Goode (2021), and Giliker (2022) examine foundational principles like offer and acceptance, good faith, and harmonization through frameworks such as the UNIDROIT Principles. These works highlight how evolving international commercial practices are influencing domestic contract law interpretation and formation doctrines. Empirical investigations such as Dinh and Thanh (2025) and Ameyaw et al. (2023) provide quantitative insights into behavioral and institutional factors influencing contract performance and dispute resolution, using techniques like PLS-SEM and regression modeling.

Technological perspectives dominate recent scholarship, with studies such as Gupta and Jha (2024), Mik (2022), Verstappen (2023), and Ismayilzada (2024) exploring how artificial intelligence, blockchain, and automation affect contract formation, enforceability, and negotiation processes. Behavioral and cultural lenses are reflected in works like Eze et al. (2021) and Ulen (2021), which emphasize trust, fairness, and bounded rationality in shaping contractual relationships. Economic approaches by Wang et al. (2021) and Johnston (2024) apply transaction cost and bargaining models to explain structural variations in contracting preferences and efficiency. Table 1, presents a detailed synthesis of the selected studies, summarizing their authorship, year, methodological approach, main determinants, and key findings. The table maintains the same structure and formatting style as the validated matrix, integrating legal, behavioral, and technological dimensions of contract formation.

Table 1: Literature Review Matrix

No.	Author(s) & Year	Legal / Institutional	Economic / Market	Behavioral / Cultural	Technological / Digital	Procedural / Negotiation	Dispute Resolution	Theoretical / Conceptual Focus
1	Dinh & Thanh (2025)	✓	✓	✓		✓	✓	
2	Osmola (2024)	✓	✓		✓			✓
3	Ameyaw et al. (2023)		✓		✓			✓
4	Eze et al. (2021)			✓				✓
5	Ismayilzada (2024)	✓			✓			✓
6	Kobayashi (2024)	✓		✓				✓
7	Ismayilzada (2024)	✓			✓			✓
8	Kufile et al. (2022)		✓		✓	✓		
9	Henrich (2021)			✓	✓	✓		
10	Mutua & Namusonge (2023)	✓	✓			✓		
11	Wang, Niu, Guo & Song (2021)	✓	✓			✓		✓
12	Gupta & Jha (2024)	✓			✓		✓	✓
13	Yaghoubi, Yaghoubi & Sharifirad (2022)			✓		✓		✓
14	Jagannathan & Delhi (2020)	✓		✓			✓	✓
15	Goswami & Khan (2025)	✓	✓		✓		✓	✓
16	Matias (2024)	✓			✓			✓
17	Koellner (2024)	✓	✓		✓		✓	✓
18	Johnston (2024)	✓	✓					✓
19	Espach & Bekker (2023)	✓	✓	✓		✓		✓

No.	Author(s) & Year	Legal / Institutional	Economic / Market	Behavioral / Cultural	Technological / Digital	Procedural / Negotiation	Dispute Resolution	Theoretical / Conceptual Focus
20	Ulen (2021)	✓		✓				✓
21	Giliker (2022)	✓		✓		✓		✓
22	Inamdar (n.d.)	✓	✓		✓		✓	✓
23	Badi et al. (2021)	✓	✓		✓			✓
24	Verstappen (2023)	✓			✓			✓
25	Goode (2021)	✓	✓				✓	✓
26	McConnell (2022)	✓	✓	✓				✓
27	Soavi et al. (2022)	✓			✓			✓
28	Bernstein (2022)	✓	✓				✓	✓
29	Uwamusi (2025)	✓	✓				✓	✓
30	Mik (2022)	✓			✓			✓

3.2 Prevalence and Determinants

The synthesis of the reviewed studies reveals that the determinants of commercial contract formation cluster around five interrelated dimensions: legal and institutional, economic and market-based, behavioral and cultural, technological and digital, and procedural and dispute-resolution determinants. Legal and institutional determinants emerged as the most prevalent across the literature. Studies such as Koellner (2024) and Matias (2024) emphasize the significance of harmonized legal principles, particularly through transnational frameworks like the UNIDROIT Principles of International Commercial Contracts, which provide a universal reference for cross-border transactions. Similarly, Goode (2021) highlights the creative evolution of international commercial law instruments designed to simplify and standardize contract practices across jurisdictions. Giliker (2022) identifies the gradual acceptance of good faith obligations within common law systems, bridging the traditional divide between civil and common law traditions.

Economic and market-based determinants focus on the interplay of negotiation power, transaction costs, and efficiency in contract design. Wang et al. (2021) demonstrate that variations in bargaining power and negotiation structure influence procurement and outsourcing outcomes, while Johnston (2024) redefines

transaction costs as both barriers and stabilizers of market efficiency. These findings suggest that economic logic and strategic negotiation behavior remain central to understanding contract formation dynamics. Behavioral and cultural determinants add an important human dimension to the contractual process. Ulen (2021) and Eze et al. (2021) reveal that fairness, trust, and cognitive biases strongly shape negotiation behavior and contractual performance. Espach and Bekker (2023) reinforce this view by highlighting the relational nature of contracts and the necessity of establishing mutual understanding through relational charters. These insights underscore the growing importance of psychology and cultural norms in interpreting contractual intent and obligations.

Technological and digital determinants represent one of the most rapidly evolving aspects of commercial contract formation. Studies such as Mik (2022), Ismayilzada (2024), and Gupta and Jha (2024) discuss the transformative effects of blockchain, AI, and digital signatures on contract design and enforcement. Verstappen (2023) argues that smart contracts can be legally recognized as valid expressions of intent, despite their automated nature. Similarly, INAMDAR (2021) confirms the legal validity of e-contracts under India's Information Technology Act 2000, demonstrating how technology is reshaping the landscape of contract legitimacy and enforceability. Procedural and dispute-resolution determinants play a crucial role in ensuring contract stability and enforcement. Dinh and Thanh (2025) identify factors such as legal understanding, social influence, and risk perception as key predictors of dispute occurrence and resolution preferences. Uwamusi (2025) emphasizes the necessity of precise jurisdictional clauses and liability limitations for protecting small businesses, while Goswami and Khan (2025) extend this discussion to cybercontractual liability, exploring how courts interpret digital breaches under modern legal regimes. Collectively, these findings highlight that dispute avoidance and regulatory clarity are integral to effective contract formation.

3.3 Outcomes

The synthesis of the reviewed literature indicates three main outcomes derived from the evolving determinants of commercial contract formation. The first outcome is the enhancement of efficiency and transparency across contracting processes. Studies such as Gupta and Jha (2024) and Mik (2022) demonstrate that integrating blockchain and AI technologies reduces human error, improves accountability, and minimizes transaction costs. These innovations enable faster execution and real-time monitoring, promoting greater trust and predictability between contracting parties. The second outcome is the growing harmonization and predictability of legal frameworks. Koellner (2024), Matias (2024), and Goode (2021) show how transnational principles and modernized doctrines support uniformity and coherence in contract interpretation, bridging the traditional divide between domestic and international practices. This harmonization has contributed to more stable and equitable commercial relationships, as well as improved cross-border enforceability.

The third outcome reflects the integration of behavioral and ethical dimensions into contractual governance. As shown by Eze et al. (2021) and Ulen (2021), trust, fairness, and ethical awareness have become essential components of sustainable contracting. The incorporation of good faith principles, ethical conduct, and transparent dispute-resolution procedures has fostered greater relational stability and long-term collaboration. In addition, the inclusion of liability limitation clauses, jurisdictional precision, and cyber-risk management mechanisms, as suggested by Uwamusi (2025) and Goswami and Khan (2025), has significantly strengthened resilience and confidence in modern contracting practices. Overall,

the results indicate that commercial contract formation is no longer confined to traditional legal doctrines of offer and acceptance but has evolved into a multidimensional construct integrating law, economics, technology, and behavioral science. The convergence of these determinants signifies a paradigm shift toward adaptive, transparent, and relationally sustainable contracting frameworks that align with the dynamics of global commerce and the digital economy.

4. Discussion

The findings of this systematic review reveal that commercial contract formation is a multidimensional process shaped by the interaction of legal, economic, behavioral, and technological factors. The evolution of contracting practices across jurisdictions and industries demonstrates a shift from rigid formalism toward relational, adaptive, and technology-driven frameworks. This discussion synthesizes the interplay among these determinants, outlines key policy, theoretical, and practical implications, and situates the present findings within the broader body of existing research on contracting behavior and law.

4.1 Interplay of Legal, Economic, and Behavioral Determinants

The reviewed literature illustrates a strong interconnection between legal doctrine, economic rationality, and behavioral psychology in shaping the process of commercial contract formation. Legally, traditional concepts such as offer, acceptance, and consideration remain foundational, yet modern scholarship emphasizes flexibility and fairness as guiding principles of contemporary contract law. Giliker (2022) highlights how common law systems long resistant to the doctrine of good faith are increasingly converging with civil law traditions through judicial recognition of implied duties of honesty and fair dealing, as seen in decisions like Bhasin v Hrynew and Yam Seng Pte Ltd v ITC Ltd. Similarly, Koellner (2024) emphasizes the harmonizing role of the UNIDROIT Principles of International Commercial Contracts in providing a shared normative foundation for transnational commerce, thereby promoting predictability and equity. Matias (2024) further contributes by explaining how new contracting models, such as blockchain-based agreements, challenge classical notions of offer and acceptance, prompting a reevaluation of consent and intent in digital transactions.

Economic determinants intersect closely with these legal developments, particularly through the frameworks of transaction cost economics and bargaining theory. Wang et al. (2021) demonstrates that the relative bargaining power among buyers, agents, and suppliers shapes contract structures and negotiation outcomes. Likewise, Johnston (2024) advances the concept of "systemically valuable transaction costs," suggesting that not all costs should be minimized, as some function to stabilize commercial equilibria and ensure long-term cooperation. These insights affirm that the efficiency of contract formation depends not merely on reducing costs but also on preserving institutional safeguards that prevent opportunism. Behavioral and cultural determinants provide a human dimension to the formation and interpretation of contracts. Ulen (2021) and Eze et al. (2021) show that contracting parties are influenced by bounded rationality, fairness perceptions, and relational trust, which often diverge from the purely rational assumptions of classical contract law. Behavioral contract law research demonstrates that cognitive biases and moral intuitions can alter negotiation outcomes and contractual performance. Similarly, Espach and Bekker (2023) and Henrich (2021) reinforce the significance of relational governance, emphasizing how trust and information exchange mitigate asymmetries and enhance collaboration in long-term contractual relationships. Together, these studies indicate that effective

contract formation depends on balancing formal legal mechanisms with relational and ethical considerations that promote cooperation, transparency, and trust.

4.2 Policy, Practical, and Theoretical Implications

The integrated findings have several implications for policymakers, legal practitioners, and scholars. From a policy perspective, the harmonization of international contract standards, as advocated by Koellner (2024) and Goode (2021), supports the creation of coherent cross-border frameworks that accommodate technological change while safeguarding fairness and accountability. Governments and international bodies such as UNIDROIT and UNCITRAL can further these goals by establishing clear guidelines for the use of smart contracts, AI-driven negotiations, and digital authentication systems. INAMDAR (2021) underscores the need for legislative frameworks that recognize digital signatures and e-contracts as fully enforceable to facilitate trust in electronic commerce, especially in emerging markets.

From a practical standpoint, legal professionals must adapt contract drafting, negotiation, and enforcement strategies to the realities of digital transformation. Gupta and Jha (2024) and Mik (2022) demonstrate that blockchain and artificial intelligence can reduce disputes and increase transparency, but they also necessitate new competencies in risk management, cybersecurity, and data governance. Practitioners should ensure that smart contracts incorporate flexible clauses to handle unforeseen contingencies, aligning automation with human oversight. The integration of dispute resolution mechanisms, as discussed by Dinh and Thanh (2025) and Uwamusi (2025), is essential to maintain contractual resilience, particularly in cross-border and high-uncertainty environments. Moreover, Goswami and Khan (2025) highlight the importance of embedding cyber-liability and data protection obligations within contracts to address the growing risks of digital breaches and cyberattacks.

Theoretically, the findings of this review suggest the emergence of a hybrid paradigm what may be termed "behavioral techno-legal contracting." This paradigm integrates behavioral insights, legal harmonization, and technological innovation into a unified conceptual model. Ulen (2021)'s call for behavioral realism in contract law aligns with Matias (2024)'s recognition of new contracting modalities beyond the offer-and-acceptance framework. This convergence challenges classical contract theory, inviting scholars to reconceptualize consent, agency, and trust in a digitized environment. Future theoretical development should integrate elements of relational contract theory, behavioral law and economics, and computational legal analysis to explain how law adapts to increasingly autonomous contracting processes.

4.3 Comparison with Existing Reviews, Limitations, and Future Research

Compared with prior systematic and conceptual reviews, such as those by Soavi et al. (2022) and McConnell (2022), this review extends the discussion of contract formation beyond doctrinal and technological dimensions to include behavioral, cultural, and institutional perspectives. Earlier studies primarily focused on automating contract processes or teaching commercial awareness in legal education, whereas the present synthesis integrates law, economics, technology, and psychology to explain how contracts are conceived and sustained in practice. This multidisciplinary scope provides a more holistic understanding of how contemporary determinants interact to shape contracting behavior and outcomes. However, several limitations must be acknowledged. First, the heterogeneity of methodologies across the reviewed studies ranging from doctrinal analysis to econometric modeling makes quantitative

comparison challenging. Second, much of the empirical literature, such as Dinh and Thanh (2025) and Ameyaw et al. (2023), is context-specific, focusing on particular sectors or regions. This limits the generalizability of findings across different industries and legal environments. Third, while technological and behavioral determinants have been widely discussed, there remains limited longitudinal research examining how these factors interact over time to influence contractual stability and dispute emergence.

Future research should address these gaps by conducting cross-jurisdictional empirical studies that compare contract formation practices in both developed and emerging economies. Greater attention should be paid to the ethical and legal implications of AI-driven contracting, as suggested by Ismayilzada (2024), including issues of algorithmic accountability, consent, and liability. Additionally, scholars should explore the long-term effects of digital standardization and harmonization initiatives, such as the UNIDROIT Principles, on contract diversity and innovation. Expanding interdisciplinary collaboration among legal theorists, economists, technologists, and behavioral scientists will be critical to developing adaptive, equitable, and sustainable frameworks for future contracting practices.

5. Conclusion

The systematic review of literature on the determinants of commercial contract formation reveals that modern contracting has evolved into an inherently interdisciplinary process one that integrates legal, economic, behavioral, technological, and institutional dimensions. Traditional doctrines of offer, acceptance, and consideration remain central, yet they now coexist with emerging concepts such as digital consent, algorithmic decision-making, and relational governance. Across jurisdictions and sectors, a clear trend emerges: contract formation is shifting from rigid formalism toward flexible, context-sensitive, and technology-enabled frameworks that prioritize trust, transparency, and adaptability in commercial relationships. From a legal standpoint, the findings underscore the growing convergence of common and civil law principles in recognizing duties of fairness, transparency, and good faith in both contract formation and performance. Giliker (2022) demonstrates that common law jurisdictions like England, Wales, and Canada are increasingly incorporating implied duties of good faith, aligning them more closely with civil law traditions. Similarly, Koellner (2024) and Goode (2021) highlight the harmonizing role of transnational legal frameworks such as the UNIDROIT Principles of International Commercial Contracts and international conventions, which provide a coherent and uniform basis for cross-border trade and dispute resolution. Matias (2024) adds that evolving contract models, including smart contracts and e-commerce mechanisms, require legal systems to reinterpret consent and intention in digital contexts, ensuring that automation does not erode the integrity of contractual relationships.

Economically, the literature reaffirms that efficiency, transaction costs, and bargaining dynamics remain pivotal in shaping contract outcomes. Wang et al. (2021) illustrate that bargaining power among contracting parties determines preferences for outsourcing structures and negotiation strategies, while Johnston (2024) introduces the notion of "systemically valuable transaction costs," suggesting that not all friction should be eliminated, as certain costs can maintain equilibrium and promote fair dealing. This synthesis demonstrates that economic rationality must coexist with institutional safeguards that sustain cooperation and prevent opportunistic behavior. Behavioral and cultural insights further enrich the understanding of contract formation by revealing how trust, fairness, and relational expectations influence negotiation and performance. Ulen (2021) argues that behavioral contract law challenges the traditional rational-choice paradigm by accounting for cognitive limitations and moral intuitions that

shape contracting behavior. Similarly, Eze et al. (2021) and Espach and Bekker (2023) emphasize that relational trust and open communication between parties reduce information asymmetry and foster long-term collaboration. These findings highlight that effective contracting is not solely a legal transaction but also a social and psychological process grounded in mutual understanding and ethical responsibility.

Technological advancements are redefining the landscape of contract formation by introducing automation, smart contracts, and digital signatures that enhance efficiency while posing novel legal and ethical challenges. Gupta and Jha (2024) and Mik (2022) demonstrate that blockchain-enabled and AI-assisted contracting systems increase transparency and reduce transaction costs, although concerns remain regarding liability, consent, and algorithmic bias. INAMDAR (2021) underscores that the legal recognition of e-contracts and digital signatures particularly under frameworks like India's Information Technology Act (2000) marks a pivotal shift toward legitimizing paperless transactions in the global digital economy. Moreover, Ismayilzada (2024) highlights the complexity of assigning liability for AI-driven contractual mistakes, suggesting that new regulatory paradigms are necessary to balance innovation with accountability.

At a procedural level, contract management and dispute resolution mechanisms continue to evolve toward preventive and adaptive models. Dinh and Thanh (2025) identify that factors such as legal understanding, environmental uncertainty, and risk perception shape both dispute occurrence and the choice of resolution methods, with courts, arbitration, and mediation serving as primary pathways. Uwamusi (2025) and Goswami and Khan (2025) expand this discussion by emphasizing the strategic use of dispute resolution clauses, liability limitations, and cybersecurity measures to safeguard parties in an increasingly digitalized environment. These contributions reveal that modern contracting frameworks must integrate proactive dispute-avoidance mechanisms to preserve efficiency and trust. Collectively, the reviewed studies suggest that the determinants of commercial contract formation are not isolated variables but interdependent forces that collectively shape how agreements are conceived and executed in practice. Legal harmonization fosters predictability, economic rationality enhances efficiency, behavioral ethics promote fairness, and technological innovation ensures adaptability. However, each of these determinants also introduces new complexities that require ongoing interdisciplinary collaboration among lawyers, economists, technologists, and behavioral scientists

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