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The Advisor-SME Client Relationship: Impact, Satisfaction and Commitment

R. J. Bennett
P. J. A. Robson

ABSTRACT. This paper investigates the relationship between the type of business advisors used by SMEs and the level of impact and satisfaction a SME receives. The role of other influences, such as the intensity and cost of the service, and the level of commitment to an advisor by the client are also investigated. A structural equation path model is estimated from survey information for SMEs in Britain. The analysis shows that customer impact, satisfaction and re-use intentions are related to the character of the firm (particularly its size), the intensity and cost of services, but is only marginally influenced by the geographical distance between advisor and client. Affective commitment, measured by the level of the 'trust' of the advisor by the client, is shown not to be significant, except for public sector and business association suppliers. The importance of trust to these suppliers, despite the low satisfaction levels they achieve, is argued to be incompatible with attempts to charge fees, as has been sought for the government network of Business Link. Both business associations and public sector support bodies therefore have severe limitations in combining their broader roles with a commercially-based fee-based income strategy.

KEY WORDS: business link, consultancy, impact, satisfaction, SMEs

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R. J. Bennett
University of Cambridge
Department of Geography
Downing Place
Cambridge
CB2 3EN
U.K.
E-mail: rjb7@cam.ac.uk

P. J. A. Robson
Aberdeen Business School
Robert Gordon University
Kaim House
Garthdee Road
Aberdeen
AB10 7QE
U.K.
E-mail: p.robson@rgu.ac.uk

1. Introduction

Key objectives of service marketing and delivery are customer satisfaction and re-use intentions. However, these concepts have been less applied to business services for SMEs than to consumer services, although studies by Priest (1998), Patterson and Spreng (1997) and Nowak and Washburn (1998), for example, demonstrate the relevance of the same general marketing principles. Professional business services are a major and growing market. They deserve further analysis of how marketing relates to satisfaction and other elements of customer assessment. This paper examines the relations between business service clients and their external advisors. It focuses on estimating a model of how SME clients assess their external business advisors, in order to understand the influence on that assessment of the intensity and cost client-advisor relations, and a number of other factors including the influence of client assessments on satisfaction with, and commitment to, their advisors.

The paper first examines the previous discussions of client-advisor relations for business advice services, which leads to a group of hypotheses about how impact, satisfaction and outcomes may be related. These hypotheses are then examined using a survey of how small firms assess their advisors. The paper has important implications for the marketing and management of client-advisor relationships, and for public policy relating to SME advisors working within public sector bodies, such as the UK Business Link agency.

2. Client-advisor relationships

The delivery of business services is frequently knowledge-based and intangible: they primarily "supply expertise and enhance the value of all other sectors' outputs, including that of other services" (O'Farrell and Moffat, 1991, p. 206). Advice is thus primarily *a process* which is not usually an instantaneous transfer, but requires an exchange of information on both sides: 'production' of the service is in part a joint activity of the client and supplier. Delivery of business services is thus a learning process that usually develops over a period of time. This is the exchange process we seek to assess.

For an exchange of business advice to be successful, personal relationships must develop which allow explicit and implicit assumptions and obligations to be explored, and trust to develop. This will usually combine task-interaction, where the client and supplier exchange information on problems to be solved and means to accomplish them, with personal-interaction, where the client's well-being is directly improved (by effecting changes in the ability of management, increasing the knowledge base of the manager, and by improving ability to cope).

The assessment we undertake focuses on impact, satisfaction and commitment. We recognise, however, that the form of advice (which we chiefly assess through the delivery process, as well as supplier type) and the character of the SME, will also influence how SME assess their advisors. We introduce each element below.

2.1. *Objective and subjective assessment*

The mixture of task-interaction and personal-interaction involved in the delivery of business services makes their outcomes complex to evaluate. Task-interaction can usually be evaluated against the business objectives, which the firm sought to achieve when it appointed the external advisor. These will be relatively 'hard' and objective components. For most business advice this will relate to cost reduction, or increases in profits and turnover, although there may be more immediate objectives in view at the time of the search for advice (such as "how can I solve this problem?"). In contrast, personal-interaction is inherently soft, subjective and cognitive, involving change in the business owner outlook, or the approach of its managers or other staff. The use of external advisors may seek to focus on either one or both of task-interaction or personal interactions, but even if one type of interaction is the primary focus, the second type will usually also be involved in at least an associated way. The evaluation of the overall outcomes of advice, therefore, usually requires assessment of both objective and subjective, task and personal, forms of interaction.

Several previous studies have sought to disaggregate the various components of client assessments of the outcomes or impact of advice (see e.g. Shemwell and Cronin, 1995). We draw on these assessments in the empirical section of the paper. We distinguish the two groups of objective and subjective impact criteria into various subcategories:

(i) Objective criteria
- Reduction in business costs
- Increase in business turnover
- Increase in business profitability
- Change in number of staff

(ii) Subjective criteria:
- Ability to achieve business objectives
- Ability to cope with problems
- Ability to learn
- Ability to manage
- Ability to cope with change

In our empirical assessment we break down impact into the two sets of components of objective (bottom-line) criteria, and subjective (managerial-change) criteria listed above. Our expectation is that SME businesses are primarily bottom-line driven in their use of external advice. This expectation derives from recognising the results of analyses such as those by Hill and Neeley (1991) and Clark (1995), that the main motives for the client to use advisors are to gain specialist knowledge, fill gaps, obtain intensive temporary help to overcome specific problems. Hence, in contrast to many consumer services (where it is often difficult for the consumer to have objective criteria to assess quality), a business has objective evaluation criteria and is likely to use them, although we would also expect some use of subjective criteria as well. Hence a primary hypothesis that we test is that business advice is predominantly assessed by clients through objective bottom-line criteria (such as contribution to profits, cost reduction etc.)

Where subjective criteria are used to a greater extent we expect these to be primarily to occur in services from advisors with high technical content which are difficult for the client to evaluate, where a high level of interaction is involved in service delivery, or where the supplier is a technical specialist. Hence we expect subjective impact assessment criteria to be more important in these cases (which we measure by cost and interaction intensity and through supplier type).

2.2. *Satisfaction*

The outcome of the service delivery process is also assessed by clients through their satisfaction. Satisfaction, and the objective and subjective impact criteria outlined above, are clearly interrelated. Indeed in the literature on satisfaction it is well recognised that service quality and service impacts, although conceptually distinct, are interrelated. Satisfaction draws even more on feelings-based criteria than evaluation of the impact of outcomes, but it tends to relate as much to perception of the intermediate steps of personal exchange during the process of service delivery as much as to its actual outputs (Nowak and Washburn, 1998). The use by clients of perception and intermediate process criteria to evaluate their advisors may be particularly significant for services with a high technical content, where clients may not have the skills or expertise adequately to evaluate the outputs. As a result, Lynch and Schuler (1990) and Shemwell et al. (1998) argue in these cases that clients use ‘more peripheral clues’ such as ‘credence’, e.g. the level of personal attention they receive, the confidence they feel in the individual advisor they meet, the speed and efficiency of dealing with telephone or other replies, and other criteria of a more intuitive nature. However, Patterson and Spreng (1997) and Shemwell et al. (1998) note that there is considerable ambiguity in previous studies of whether client perceptions of service outputs affect satisfaction (see Bolton and Drew, 1990; Anderson and Sullivan, 1993; Nowak and Washburn, 1998) or vice versa (e.g. Oliver, 1981). Shemwell et al. (1998, p. 158) conclude that satisfaction is a complex concept including both cognitive and affective components that mediate the assessment of the advisor relationship and its future outcomes. In their study of business consultants, Patterson and Spreng (1997) demonstrate the existence of a chain of relationships leading from quality assessments (which we largely equate with objective and subjective outcomes) to satisfaction, which in turn leads to future affective commitment (ties to the supplier, such as trust) and continuance commitment (such as re-purchase intent). In addition, there is a chain of interrelations between satisfaction and prior expectations, ideal, performance standards, and normative preferences (Woodruff and Gardial, 1996; Erevelles and Leavitt, 1992; Priest, 1998). This leads us to examine a range of these intermediate concepts, in our empirical analysis, that assess the relation of satisfaction to trust and re-purchase intent. We outline the background to each of these concepts next.

2.3. *Commitment*

From the point of view of the advisor, affective commitment (personal ties to the advisor), and particularly continuance commitment (re-purchase intent), are the chief desired outcomes from service delivery. For an advisor a loyal basis of repeat business is usually the lowest cost (low search and marketing costs) and most profitable means of finding customers (see e.g. Bolton and Drew, 1991). But from the point of view of the SME client, affective commitment and continuance commitment is not always a positive outcome. Whilst the client also reduces search costs by going to a previously used advisor, most businesses see advice as primarily filling gaps, specific and one-off, replacing internal provision only where there is low internal capacity (Hill and Neeley, 1988; Clark, 1995). Therefore, previous experience, specific personal relationships and repurchase intention may not be as relevant to SME assessments of outcomes and overall level of satisfaction as it is in consumer services.

Moreover, in the case of publicly-provided business advice services, continuance commitment may be an undesirable outcome. The encouragement of continual use of public sector advisors has the potential to create a ‘dependent’ business relying on subsidized services, which carries not only the danger of creating unfair competition with private sector suppliers, but which may also undermine the capacity of firms to respond to the competitive needs of their markets; i.e. there is a danger of adverse selection and moral hazard when repeat business focuses on public sector suppliers.

Hence, in our assessment of SME satisfaction we wish to evaluate whether and how personal relations and re-use intent interrelate with impact and satisfaction. We follow the arguments by Patterson and Spreng (1997), Shemwell et al. (1998), Woodruff and Gardial (1997), Priest (1998) and others in expecting satisfaction to be strongly related to assessments of outcomes and impact. And following from our expectations of the importance of bottom-line variables to SME evaluations of advisors, we expect the satisfaction relationship to be closer to objective impact measures than to subjective ones. However, we seek to build into this assessment the extent to which the objective of the advice process is met, from the supplier's point of view, of encouragement to seek a continuing relationship. We assess how far continuance commitment occurs (commitment that increases the advisor's trust, reputation and ability to obtain new clients, and/or to receive repeat business) and also how far affective commitment is present. We evaluate affect commitment by the client as the trust they have in the advisor:

We measure affective commitment through the concept of "trust". Trust has a wide variety of definitions, but it is used here as a simple measure of the anticipated level of confidence by the SME client in the outcomes they may receive. This combines competence based trust (expectation of the abilities to perform according to agreement), with goodwill trust (expectation of the intention to do so, which depends on the incentives/disincentives to opportunism, opportunities for opportunism, and the propensity to opportunism). Trust in part derives from what Möllering (2002), terms the 'rules of the game' (the accepted modes of conduct of different agents, in our cases different types of advisor), which limit the opportunities for opportunism out of habit rather than intent. The rules of the game differ between different supplier types as a result of the different formal and informal institutional structures within which different advisors operate (cf. Zucker, 1987).

Our expectations for the relation of trust to other aspects of the advice process suggest that the higher the client's perception of satisfaction, the higher will be the level of perceived trust (affective commitment) of the advisor. We also expect that the higher the client's perception of satisfaction, the higher will be the level of expected repeat business (continuance commitment). However, we also expect different levels of trust *before* receipt of advice, as a result of the differing institutional structures, 'brands' and reputation of each type of advisor. Hence we expect trust to influence the intensity and cost of the service type and supplier chosen. Hence the higher the level of trust the higher we expect will be the intensity and cost of the service.

2.4. *Delivery process and type of supplier*

The discussion has already recognised that the process of service delivery can be differentiated in a variety of ways that may be relevant to client assessments of impact and satisfaction. We focus in this paper on two key aspects: interaction intensity and service cost.

Interaction intensity is a measure of both the extent and scale of the service delivered, and the extent to which it requires specific tailoring to the client. High interaction intensity should reinforce affective commitment, particularly through intensifying relationships between client and advisor thus strengthening trust. But as service intensity increases so also will the service costs as the number of advisor hours required increases. Hence, we would expect intensity, trust and cost to all increase jointly with each other. This relationship will also tend to be stronger the higher the credence of the field or source of advice concerned (e.g. higher technical content) since greater skills (and hence costs) are usually required. However, within the process by which the relationships operate, contrasts between suppliers will not always lead to high cost-high trust relationships. As noted by Zucker (1987, p. 454) some suppliers have to "manufacture trust as a commodity and market it". The institutional environment of each supplier, which affects the level of external regulation, quality control, reputation and branding will also influence costs, and hence the cost-trust relationship, with generally lower costs and higher trust the stronger the control by regulation or reputation/brand. This means that the structure of the advisor market is also important.

Business advice is a very varied field delivered by a wide range of different suppliers each of which involve different exchange processes, within different market environments, very varied client-supplier cultures of interrelations, and different service domains (depending on technical content/credence, etc.). A key focus of our assessment is to compare different suppliers of advice. We do this by assessing business advisors within groups related to the form of the market in which they operate. We focus on market environments through the level of quality assurance mechanism that operates in each supplier market. Quality assurance mechanisms can derive from 'brand'/ reputation, regulation, and self-regulation.

Key market mechanisms for quality control are reputation and the role of 'branding'. These have been proved in many discussions to be important means by which *ex ante* information asymmetries between client and advisor can be diminished or overcome (see e.g. Shapiro, 1983; Lynch and Schuler, 1990; Milgrom and Roberts, 1992). Other market remedies for information asymmetries tend to focus on *ex post* remedies: contingent fees, or post-delivery contractual holdbacks and output-related contingency penalties (see Holmstrom, 1995; Milgrom and Roberts, 1992). Information asymmetries vary significantly for different types of suppliers. As a result, service suppliers differ in their level of credence and trust, which further results in differing quality control mechanisms. These market mechanisms, which have strong impact on the level of reputation and branding, will be more important the more imperfect the information in the market between client and suppliers, the higher the *ex ante* or *ex post* asymmetries and, hence, the higher the credence (technical content) required of the supplier. However, quality control mechanisms do not guarantee quality; they merely limit the effects of information asymmetries and the scope for opportunism.

Mechanisms such as government regulation, and professional self-regulation, attempt to overcome the deficiencies of market remedies such as brand by both *ex ante* and *ex post* signalling of quality. Self-regulation is often based on some generalised quality assurance on standards such as ISO. These mechanisms can be backed by government regulation. Clark (1995), following Zucker (1987), argues that self-regulation and government regulation seek to establish a status of 'trust' for the advisor, or in Möllering's (2002) term, they seek to define the 'rules of the game'. Suppliers with stronger development of these kinds of institutional structures may be able to signal a greater level of quality or reliability, reducing *ex ante* information asymmetries and stimulating a higher level of trust, which in turn can stimulate a greater willingness to seek and re-use external services. If this trust is well-founded, this should lead to higher quality assurance and hence higher satisfaction levels as well as greater affective and continuance commitment.

Despite the difficulties of measuring many of these different aspects in practice, we can nevertheless expect *a priori* to find significant differences between types of suppliers, depending on the established brand, institutional and trust structure within which the suppliers and buyers interact. This should be identifiable by the different levels of satisfaction and commitment that the buyer experiences. This is a focus of the empirical investigation below.

A further aspect of the delivery process we wish to examine is the role of geographical distance in influencing delivery and hence impact. There has been considerable debate about the importance of distance between advisors and clients. For example, closer advisors should reduce transaction costs, reduce information asymmetries between client and advisor, provide easier evaluation by the client (based on brand, reputation and/or recommendation), and potentially closer geographical advisors may be more easily accessed through local economic and business networks. Many studies in a wide range of countries including the USA and Britain have found advisors to be chiefly accessed within the same locality or region (see reviews in Harrington et al., 1991; Illeris, 1994; Bennett and Smith, 2002). Moreover, the government network in Britain, of Business Link with a structure of *local* franchises, is predicated on the assumption that localness is important. Hence, we see evaluation of the role of geographical distance as an important feature to include in assessment of impact and satisfaction. However, it is likely that the degree of localization will vary by the level of technical content of the advice sought (generally being sourced more widely the higher the technical specialization because of limits of local supply), frequency of use (higher frequency may be more localized in order to reduce transaction costs), and possibly cost (higher cost services may be less localized because of the higher technical content) (see Harrington et al., 1991; Bennett and Smith, 2002).

From previous studies, therefore, there is an expectation that more localized advice, in general, has higher impact and satisfaction, once other factors are controlled for, including variation between supplier types. This hypothesis has never been fully tested and an important aspect of this paper is its evaluation.

3. Empirical approach

We develop below a series of tests of how clients assess impact and satisfaction. We do this through a conceptual model of the market for business advice in terms of the process by which it is delivered, the overall satisfaction and impact it achieves, and the commitment it engenders from the client. Within our analysis we also seek to control for the important differences between businesses by their size and sector, and differences between types of supplier sub-markets.

We focus on some of the key process variables in the delivery of advice. Within the space here, and the scope of the survey used, we can only examine the key elements of the advice process and we focus on three aspects: interaction intensity, which is measured by the extent of site visits; the total cost of the service; and the geographical distance between the location of the client and advisor. We seek to determine if these process variables are major aspects that influence the client's assessments of impact and satisfaction. We expect the client's assessment of impact and satisfaction to be higher the greater is the interaction intensity (site visits) during delivery of the advice. We expect impact and satisfaction also to be higher the greater is the cost of the service. This reflects a willingness by the client to pay for a more intensive service. Hence, we also expect the cost of a service to be positively related to the level of interaction intensity (site visits) in its delivery.

Distance between client and advisor, we argue, may make an important contribution to the perceived capacity of the advisor to deliver, through willingness to make site visits, or to offer sufficient interaction intensity, or to reduce costs. Hence, we expect that the closer the advisor is located to the client the higher the intensity and cost of advice. We expect there to be complexity in the distance relationship, however. In other studies, Bennett and Smith (2002) have shown that the geographical pattern of supply of advisors has an important influence on how suppliers are chosen. Some more technically specialist advisors are often located in the larger regional commercial centres. Hence the distance between them and their clients can often be large. As a result, the role of distance can depend as much on the location of suppliers as it does on the location of demand (where the SME client is located).

We also expect significant differences in impact and satisfaction levels for different types of advisors. If our argument is correct, of the relation of advice to external as well as internal means of controlling information asymmetries between clients and advisors, then those types of advisors which have the strongest quality controls, regulation/self-regulation, or influence of brand and reputation should also receive the highest impact and satisfaction assessments. These suppliers in turn should also receive the highest levels of affective commitment (trust) and continuance commitment (repeat business).

In our analysis we compare individual sources and also groups of advisors. The three groups cover, first, the major categories of private sector suppliers (accountants, lawyers, banks, business consultants and customers), second, business associations (sector trade associations and locally-based chambers of commerce) and various types of government-backed advice bodies, and third, the role of social networks of families and friends. The actual list of advisors available in the analysis is the result of the SME respondent's nomination from an unprompted survey question (see below).

We expect those advisors with a high level of self-regulation (accountants, lawyers, banks) to have the highest level of trust and impact. Business associations have potentially high brand recognition and hence trust, but their impact may be low since their services are usually low intensity and low frequency, and the delivery of their services has often been criticised (see e.g. Taylor and Singleton, 1993; Bennett, 1996). Similarly public sector bodies, although theoretically benefiting from a high level of regulation and trust, may have low impact because they may be too bureaucratic or poorly skilled to meet client needs. The role of friends and family, through social networks, can be expected to have high trust because of the close personal exchanges possibly drawing on social dimensions of client-supplier relationships, but the technical skills available may be low so that impacts and intensity may also be low.

We also expect that, whilst the structure of influences on satisfaction and impact will be general to all businesses and all suppliers, there will be important differences between different types of businesses and different types of supplier in the strengths of influences. Hence, we seek to control for the influence of firm type, measured by its size, age and sector. We expect manufacturing firms generally to have more specialist demands than service firms because of the generally higher specific technical content of the services. We expect firm age to be positively related to impact and satisfaction since newer firms will be less experienced and hence less able to manage their advisors, resulting in lower satisfaction and impact. We also expect large firms to have more specialist and less generic problems than small firms and to be able to receive greater satisfaction because they have greater internal expertise and, hence, should have lower information asymmetries, and should be better able to manage the advice process.

3.1. *Conceptual model*

The arguments that we have developed above can be framed into a structure of relationships which we term a 'conceptual model'. Figure 1 presents this conceptual model. This model encapsulates the processes by which impacts of advice lead to levels of impact and satisfaction, and ultimately to affective commitment (trust) and continuance commitment (repeat business). Within the model we place the size, age and sector of the business as exogenous variables. Costs, service intensity and the geographical distance between client and advisor are intermediate process variables. The differences between advisors we control for through separate estimation for each advisor type.

It is important to note in this conceptual model that we have to control for the positive interrelationship between a firm's age and size among the exogenous variables. We also have to embed affective commitment within the process of advice delivery since the measure we use ('trust') has both *ex post* response elements deriving from the receipt of advice, and also an *ex ante* cognitive prior expectation aspects that derive from either social or regulatory/institutional structures that influence client expectations of the advisor. Hence impact and satisfaction affect trust, as in the Shemwell et al. (1998) analysis, but trust also

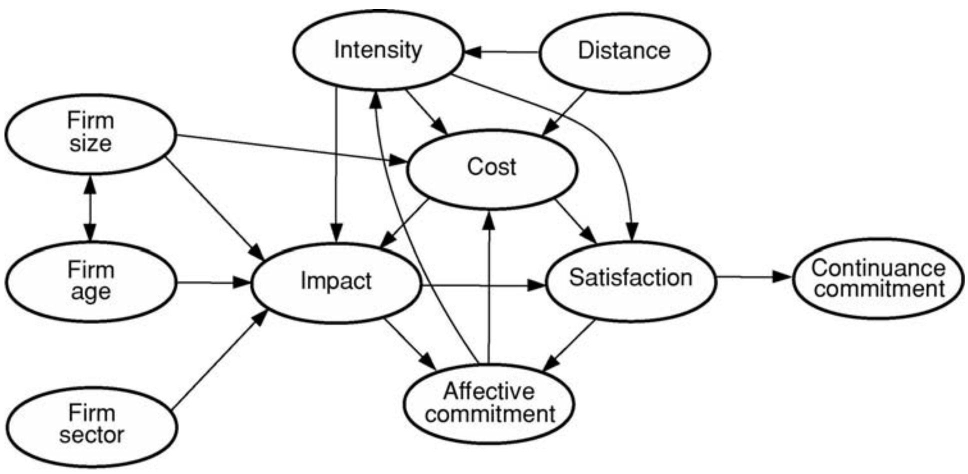

Figure 1. Conceptual model.

influences the choice of advisor and hence intensity and cost of the advice process.

Because of the strong interaction expected between outcomes in use of advice, we use a structural equation model (see e.g. Marcoulides, 1998). This allows assessment of the form of interactions between the key aspects we are examining (impact, commitment and process variables governing external advice), whilst controlling for the other features of the firm (such as its size, age and sector). Although we are aware that in structural equation modelling goodness of fit is not appropriate as a test between alternative models, it is instructive to explore how the model varies when some of the hypotheses that underlie Figure 1 are re-ordered. Hence we also report on some alternative model specifications in the empirical analysis as a means of assessing the robustness of the conclusions.

Structural equation models have the advantage of allowing complex interactions between variables to be taken into account. This is particularly relevant to the model assessed here. A structural equation model allows estimation of direct and indirect effects, with measurement errors in both explanatory and dependent variables. Strict sense 'causality' cannot be inferred, but a structural equation model does allow estimation of paths of association in those situations where the prior expectation of the direction of association can be confidently specified (see e.g. Marcoulides, 1998); i.e. we are estimating a *path model*. We specify the pathways of association expected between characteristics of the advisors and the SME as a set of hypotheses (encapsulated in Figure 1). In our analysis a separate structural equation model is first estimated for the whole sample, and then for each main type of external advisor.

4. Empirical assessment

4.1. *Survey methodology*

This paper uses a specially designed survey. This is a stratified quota sample of small and medium-sized businesses in Britain with approximately equal quotas of respondents in two sets of strata: first, in three size classes (5–10 employees, 20–30 employees, and 50–100 employees), and second, in two broad sectors of (i) manufacturing, constrained within the 1992 SIC categories of manufacturing: food and drink; textiles; pharmaceuticals; machinery, parts and tools; electrical equipment; precision and optical equipment; and (ii) the service sectors of road haulage, shipping and freight forwarding; computer and related service; R&D; business and management services; advertising; marketing and design; and cleaning services. The relatively small range of sectors aims to constrain the scope for variation within the manufacturing and service sectors, but does allow a contrast of industries with low skill and high skill needs, as well as low capital and high capital intensity. The sample stratification and quotas are designed to allow controlled comparisons of firm by size and sector. The range of size of the SMEs included covers the size span in which most of the variation in extent of use and intensity of advice is normally found between the smallest and medium-sized SMEs; after a level of 50–100 employees, there is much less variation in how external advice is used (see empirical results in Bennett and Robson, 1999).

The survey was undertaken by telephone by one researcher, in order to remove operator variation. The sample was drawn by random selection within strata using broad ranging local business directories in five areas in Britain, chosen to represent major local contrasts in types of economy: Manchester, Oldham, Derby, Dundee, and Thames Valley. Using this stratification the sample seeks to be broadly representative of the British economy as a whole. The final sample contains 210 respondents drawn equally (40) from each of the five areas, with a top-up of 10 further respondents from Thames Valley in order to balance the representativeness of the sample. There were only 12% refusals to participate in the survey; i.e a total of SMEs were contacted to achieve the 210 respondents in the quota targets described above (an 89% response rate). There is no statistically significant pattern of non-respondents, nor of the non-response to any of the questions, by firm size, sector or location.

The survey questions asked respondents to nominate their most highly preferred suppliers of advice over the previous three years and to describe the service received in detail. For each of these the impact and satisfaction of the advice was assessed on a five point Lickert scale across the objective and subjective criteria listed earlier, as well as the cost, extent of use of site visits, location of advisor and the extent of trust relationship. It should be clear that the sample framework focuses on the most significant sources of advice and hence is targeted towards the more intensive and more costly end of the market. All advice is defined as 'significant' by the client. The specific question on the trust/contract relationship was assessed by asking the respondent whether their relationship with the supplier during the delivery of the advice was "founded more on personal trust of the supplier" or used other criteria. The question thus sought to differentiate a tendency towards trust (affective commitment) compared to other means by which advisors select and control consultants. The nominated advisors include a full range of private sector advisors, business associations, friends and relatives, as well as government bodies.

There are three government bodies used by the sample respondents: Business Link, which is a local advice network similar to the US Small Business Administration; local Training and Enterprise Councils (TECs), which are public bodies that advise firms on vocational training and human resource strategies; and the central government Department of Trade and Industry (DTI) which advises on export and regulatory procedures.

4.2. *Level of use of advisor types*

Among the private sector, three types of supplier (accountants, solicitors, and banks) account for over 70% of all the advisors used. Each is subject to a strong regulatory and self-regulatory structure, which obliges SMEs to use them in many cases. This indicates the strong institutional environment operating in the UK. Consultants are a fourth private sector group of supplier, used by 9% of respondents. Consultants have low market entry barriers, with few brand or quality controls. The institutional environment of trust may thus be low for consultants and they may have to spend more on 'manufacturing' brand and reputation which produces costs that are, in effect, passed on to the client. Business consultants are expected to have high levels of interaction intensity, but high cost and low or intermediate trust levels. Customers are a fifth source of advice used by 4% of respondents in the survey, indicating a role of upward links in the supply chain. Because of the continuing relationship sought with customers we expect intensity, trust and continuance commitment to be high for this group. Business friends and members of the respondent's family are a further group of advisors used by 8% of our sample.

Two types of business associations are used by our respondents: sector associations by 1.5%, and local chambers of commerce by 3.5%. Zucker (1987) notes that professional associations tend to be independent of their members, define their own approach, and rely less on specific client (member) links. Hence, despite their constitutions of self-regulation that seeks to define the responsibilities of the association directors, e.g. to act on behalf of their members, they are expected to have limited trust.

The three public sector agents used by our respondents are Business Link used by 6%, TECs used by 5%, and the DTI used by 2% of respondents. Each of these offers free or subsidized local advisors, thus attempting to overcome supply constraints at a local level accessible to SMEs. Each body should benefit from any trust associated with external regulation by government, but trust may be undermined by the rather mixed history of the quality of public interventions to provide advice to SMEs in Britain.

4.3. *Impact*

As shown in Table I, our expectation, that clients predominantly use objective criteria to assess the impact of advice, is generally confirmed. Overall, 40–50% of clients found the main impact of advice to be met by objective criteria of reduced costs, increased turnover or profitability, whereas about 20–35% of clients identified subjective impacts of coping with problems, or coping with change. However, one subjective impact, 'ability to achieve objectives', had a higher positive rating. Also one objective criterion, increasing staff numbers, had a low impact rating. This suggests the need for considerable care in framing impact assessments. The results suggest that 'ability to achieve objectives' includes both subjective and objective impacts, whilst 'increasing staff members', which may be an impact sought by

TABLE I
The percentage of respondents who found a positive impact of advice for each of nine impact criteria and ten sources of supply

	Objective criteria				Subjective criteria				
	Reduce business costs	Increase turnover	Increase profitability	Increase staff nos.	Ability to achieve objectives	Ability to cope with problems	Ability to learn	Ability to manage	Ability to cope with change
Friends/relatives	60.0	80.0	86.7	40.0	53.3	26.7	6.7	6.7	6.7
Accountant	56.3	42.5	61.3	23.8	46.3	35.0	22.5	21.3	21.3
Bank	13.3	33.3	26.7	20.0	26.7	26.7	13.3	13.3	13.3
Lawyer	61.5	46.2	61.5	38.5	61.5	53.8	38.5	38.5	30.8
Customers	42.9	71.4	85.7	14.3	28.6	14.3	0	0	0
Consultants	41.7	75.0	50.0	33.3	66.7	50.0	58.3	33.3	33.3
Business associations	37.5	37.5	37.5	12.5	25.0	12.5	12.5	12.5	12.5
Business Link	35.7	64.3	50.0	21.4	42.9	28.6	21.4	21.4	21.4
TECs	50.0	25.0	37.5	25.0	25.0	62.5	62.5	62.5	37.5
DTI	0	25.0	0	25.0	25.0	0	0	0	0
All	**46.9**	**48.6**	**55.9**	**25.5**	**44.1**	**34.5**	**24.3**	**22.0**	**20.3**

public policy, is not generally an impact sought by business clients. This is not surprising since employment directly increases costs.

There is considerable variation between types of advisor. In general, the highest impacts are from the high trust sources of friends and relatives, the more regulated lawyers and accountants, or those with a direct interest in outputs (such as customers). Consultants and public sector bodies are intermediate on most criteria, though relatively more highly recognised on some subjective criteria for consultants and TECs. Banks, business associations and the DTI sources have generally the lowest impact across all criteria.

4.4. *Satisfaction and commitment*

The satisfaction and overall impact levels, shown in Table II, exhibit a similar ranking of sources to that of impact, but banks, consultants, customers and Training and Enterprise Councils generally perform relatively better on the satisfaction test than for impact. In general, the public sector bodies and associations achieve lowest satisfaction. This is in line with the findings of other surveys, such as Priest (1998) and Bennett and Robson (1999). Highest satisfaction is achieved from customers and consultants, confirming the importance of strong and intensive tailoring of the advice received. This is followed by the other private sector types of supplier.

The trust level, which we use as a measure of affective commitment, is generally highest for social contacts and the government DTI, demonstrating the role of both social and institutional regulatory structures (see Table II). However, continuance commitment, measured by the question ‘would you use the same advisor again’, is highest for lawyers, consultants and customers, and lowest for the DTI. Hence, affective and continuance commitment are not necessarily interrelated. Business associations score poorly on both commitment criteria.

There are strong contrasts of high trust/low continuance commitment (for government departments) with low trust/high continuance commitment for (lawyers and consultants, also to a lesser extent banks, Business Link and TECs). Only social contacts have generally high trust and high continuance commitment. This reflects the ongoing nature of the social relationship in the first place. It is difficult from these results alone to comment on all our expectations, but it is clear that a strong relation between impact and commitment is confirmed in many cases, but is strongly mediated by the type of supplier. Also the relation between satisfaction and affective and continuance commitment is not simple and direct. The relationships also varies considerably by supplier type, as expected. These complexities are taken further using the structural equation model below.

TABLE II
The percentage of respondents who assessed the overall impact of the advice they received to be 'very significant' or 'crucial', their overall satisfaction level, and level of commitment

	Impact very significant or crucial	Satisfaction	Affective commitment (trust)	Continuance commitment (re-use)
Friends/relatives	62.5	75.0	100.0	66.7
Accountant	57.2	77.5	46.8	60.8
Bank	41.2	70.6	0	56.3
Lawyer	57.2	76.9	33.3	92.3
Customers	62.5	100.0	12.5	71.4
Consultants	33.4	81.2	21.4	91.7
Business associations	50.0	69.9	27.5	25.0
Business Link	36.4	41.7	22.2	64.3
TECs	50.0	66.7	33.3	62.5
DTI	25.0	25.0	66.7	25.0
All	**48.7**	**72.6**	**39.3**	**63.8**

4.5. *Estimation of the 'conceptual model'*

The conceptual model in Figure 1 was estimated, first, for all sources of advice combined, and then for each of three groups of advisor sources: private sector, business associations and public sector, and family and friends. The three groups are used because the sample sizes for use of most individual types of advisors are too small to allow separate estimation. To save space only four of the impact measures are reported: reduction in costs, increase in profitability, increase in staff numbers, and ability to manage. These four measures are broadly representative of the range of the different contrasts of impacts reported in Table I.

The overall fit of the model (measured by chi square) varies considerably between advisor sources, and particularly impact criteria, as shown in Table III. High chi square in structural equation models indicates a poor model fit; the null hypotheses is that the model is a good fit (Marcoulides, 1998, Chapter 9). Generally the best fits of the model, which are significant at the 99% level or better, are for objective criteria, especially for profitability. The best overall fits are for impact of advice on profitability. We are led to reject the null hypotheses in most cases for the relevance of subjective measures on the impact of advice. Hence, subjective criteria do not generally provide sound impact measures. However, the impact on ability to manage has a strong relation to the use business associations and the public sector.

We must be careful not to over-interpret goodness of fit for structural equation models, but the results of Table III tend to strongly confirm that SME clients are predominantly driven by bottom-line criteria. However, there is variation between advisors, with cost and employment impacts more highly significant for the public sector and business associations. This suggests a more complex and multi-faceted approach of these advisors, compared to other sources, where the profit criterion is more dominant.

The estimates of the individual relationships in the conceptual model shown in Figure 1 are listed in Table IV. Each coefficient γ is tested against the critical region using a standard t-test (Marcoulides, 1998). The coefficients are not significant in all cases, but the overall pattern of results is consistent. There are also some important contrasts. In terms of our expectations we can summarise the estimates in Table IV as follows.

The crucial element in the model is confirmation of the expected significant and positive relation of outcomes (impact) to satisfaction, and satisfaction to re-use intent. This confirms our expectations, and the robustness and generality of the approach suggested by Patterson and Spreng (1997) and Shemwell et al. (1998). The importance of these relationships is confirmed for all measures of impact, but is statistically somewhat weaker for the more subjective criterion of 'ability

TABLE III
Values of the chi-square goodness of fit criterion for estimates of the structural equation model for each source and impact measure (***$p \geq 0.01$; **$p \geq 0.05$ *$p \geq 0.1$, with 27 d.f., except for family and friends which has 34 d.f.). The estimates represent separate structural equations for each row

Advisor	Impact on reducing costs	Impact on increasing profitability	Impact on increasing employment	Impact on ability to manage
All types of advisor	41.5*	26.9***	36.3***	48.1
Private sector only	44.1*	35.1***	42.4*	51.7
Public sector and business associations	19.7***	27.3***	24.7***	24.1***
Family and friends	54.6*	36.9***	50.4*	63.2

TABLE IV
Coefficients γ with standard errors in brackets for each relation in the structural equation model for different impact measures for all sources of advice combined. Significance tests as in Table III using *t*-test with 27 d.f. The impact measure in the two relationships columns is defined separately by each of the four measures given in the last four columns

Relationship		Impact on reducing costs	Impact on increasing profitability	Impact on increasing employment	Impact on ability to manage
From	To				
Firm size	impact	0.002 (0.001)***	0.003 (0.001)**	0.001(0.001)*	0.118(0.057)**
Firm age	impact	–0.004 (0.003)*	–0.010 (0.003)***	–0.007 (0.002)***	–0.005 (0.002)*
Sector	impact	0.091 (0.071)	–0.015 (0.068)	0.048 (0.061)	0.000(0.001)***
Firm size	cost	10.898 (3.699)***	10.876 (3.700)**	10.505 (3.696)***	10.689 (3.655)***
Distance	cost	12.833 (3.691)***	12.717 (3.908)**	12.758 (3.905)***	13.344 (3.826)***
Distance	intensity	0.002 (0.001)**	0.002 (0.001)*	0.002 (0.001)**	0.002 (0.001)**
Cost	satisfaction	–0.000 (0.000)	–0.000 (0.000)	–0.000 (0.000)*	–0.000 (0.000)***
Intensity	satisfaction	–0.213 (0.182)	–0.251 (0.171)	–0.173 (0.185)	–0.144 (0.190)***
Impact	satisfaction	0.827 (0.175)***	1.163 (0.166)***	0.1773 (0.207)***	0.321 (0.223)*
Cost	impact	–0.000 (0.000)	–0.000 (0.000)	0.000 (0.000)**	0.000 (0.000)
Trust	cost	3.405 (3.069)	3.324 (3.070)	3.977 (3.113)*	3.512 (3.016)***
Intensity	cost	6.865 (2.798)**	6.761 (2.798)*	6.798 (2.794)**	6.945 (2.765)
Trust	intensity	0.023 (0.078)	0.004 (0.079)	0.023 (0.078)	0.005 (0.078)
Intensity	impact	0.093 (0.074)	0.099 (0.071)	0.038 (0.064)	0.102(0.060)*
Impact	trust	–0.069 (0.083)	0.086 (0.088)	–0.097 (0.098)	0.023 (0.095)
Satisfaction	trust	–0.007 (0.033)	–0.027 (0.035)	–0.009 (0.032)	–0.019 (0.031)
Satisfaction	re-use	0.059 (0.027)**	0.056 (0.027)**	0.057 (0.027)**	0.056 (0.027)**

to manage' than for the objective criteria. This tends to confirm the inferences drawn from inspection of Tables I and II, that objective criteria are the chief concern of SME clients.

The controls for the type of firm are significant in most cases, particularly for the role of firm size and age. There is a positive effect of firm size: larger firms generally obtain higher impact and satisfaction. This is as expected because they generally have stronger internal staff skills and expertise which allows them to better manage the advice process. Firm size is also a significant positive influence on service costs, as expected. Impact is negatively related to firm age, i.e. the younger the firm the greater the impact received. This is contrary to expectations which were that younger firms might be less able to manage their advisors. The stronger relation of younger firms to higher impact, particularly for profitability and employment, must derive from their greater ability to focus on specific advisor management, but this contradicts much SME literature. Sector is significant only for higher level of impact on manufacturing in the case of the 'ability to manage' measure. These findings are generally in line with expectations, except that the limited role of sector and the reversed sign for age are surprising. The sector measure we use is, however, a crude two-way division, so that the role of sector as well as age, merits further investigation in future.

The process variables in the model, concerning cost, intensity and distance, are significantly positively interrelated with each other, as expected for cost and intensity. However, it is a surprise that the distance effects are all positive: greater distance, not closer distance, is associated with higher service intensity and hence cost. This tends to confirm that supply constraints deriving from the main location of advisors in regional commercial centres requiring generally longer travel distances are most crucial, not localness, nor contact networks, nor the perceived transaction cost advantages of closeness (a finding in common with Bennett and Smith, 2002). However, the process variables (of cost, intensity and distance) do no relate significantly to the satisfaction or impact measures in most cases, indicating that satisfaction and impact are the outcomes less of the process by which advice is delivered than other factors such as firm characteristics and supplier characteristics.

The role of affective commitment, measured in our analysis by trust, is not significant for any relationship, nor for any impact criterion (except for the impact of trust on the subjective criterion of ability to manage), nor for any relation with the process and impact measures for the general model in Table IV, which estimate all advisors types together. We find below, however, that the role of trust varies between sources and types of advisors, indicating a specificness about trust that needs to be built into the model framework. The specificness of trust is also indicated from its one significant positive influence, that trust is chiefly an influence on subjective impact assessments.

In order to test further our expectations that relate to different supplier types, the model is re-estimated for the different sources of advice, with the coefficients shown in Table V. Because of the limited sample size, these estimates are for the model for each type of supplier separately, not for a joint estimate for all supplier types within a single model. It is not possible in the space available here to show the coefficients for all types of impact. Table V reports the estimates for the structural equation model in which impact is assessed by profitability. Most of the relationships in Table V are similar to those for the aggregate estimates across all services shown in Table IV. However, Table V allows the contrasts between

TABLE V

Coefficients γ with standard errors in brackets for each relation in the structural equation model for different sources of service advice, with impact measured by profitability. Significance tests as in Table III using the *t*-test

Relationship: From	Relationship: To	Private sector sources	Public sector and business associations	Family and friends
Firm age	impact	0.003 (0.001)**	0.006 (0.003)**	0.003 (0.001)***
Firm size	impact	–0.011 (0.003)***	0.001 (0.006)	–0.010 (0.003)***
Sector	impact	0.014 (0.077)	–0.166 (0.168)	–0.013 (0.003)
Firm size	cost	13.050 (4.596)***	18.213 (7.633)**	11.122 (3.700)***
Distance	cost	8.972 (4.264)**	95.830 (15.169)***	12.289 (3.909)***
Distance	intensity	0.002 (0.001)**	0.004 (0.006)	0.002 (0.001)**
Cost	satisfaction	–0.000 (0.000)*	0.000 (0.000)	–0.000 (0.000)*
Intensity	satisfaction	–0.291 (0.198)*	–0.488 (0.555)	–0.248 (0.171)*
Impact	satisfaction	1.165 (0.192)***	1.232 (0.411)***	1.164 (0.166) ***
Cost	impact	0.000 (0.000)	–0.000 (0.000)	–0.000 (0.000)
Trust	cost	2.711 (3.791)	5.038 (6.202)	1.797 (3.342)
Intensity	cost	7.042 (3.427)**	5.216 (4.671)	6.552 (2.798)**
Trust	intensity	0.007 (0.092)	–0.296 (0.300)	0.012 (0.078)
Intensity	impact	0.153 (0.081)**	0.107 (0.205)	0.103 (0.071)*
Impact	trust	0.018 (0.099)	0.588 (0.209)***	0.090 (0.081)
Satisfaction	trust	0.012 (0.039)	–0.199 (0.083)**	–0.015 (0.032)
Satisfaction	re-use	0.047 (0.030)*	0.113 (0.068)*	0.056 (0.027)**
d.f.		27	27	34

the groups of suppliers to be seen. The most important differences are between the public sector and business association providers, and the other two groups. The private sector and family and friends have very similar relationships between variables to that of the general model (Table IV), with important and significant positive relationships between firm age and impact, distance and intensity, cost and intensity with satisfaction, and intensity with cost and impact. In contrast, none of these relationships are significant for the public sector for which very few of the process relationships are important. There is a positive relationship of affective commitment (trust) with impact for the public sector, but there is a negative relationship of trust with satisfaction.

These results suggest the surprising conclusion that service support from family and friends operates in a way that is most similar to the commercial sector suppliers. This can be explained by how social contacts are often used. They are usually seen as low cost (or zero cost) substitutes for accountants, banks, etc. So that they are used for similar purposes, with similar processes and outcomes, albeit at low or zero costs. The public sector and business associations however, are filling a different service market, where process variables are of little significance in many cases (perhaps because of subsidies), but affective commitment measured by level of trust is a more important phenomenon. Even though public sector and business associations have generally lower level of impact and satisfaction than all other suppliers, trust remains important to the way they are perceived. These are tentative conclusions, however, and further analysis is needed with larger scale surveys of different supplier and service types.

4.6. *Robustness of the model*

To test the robustness of the conceptual model a number of alternative definitions of the relationships between the variables was estimated, the major of which are shown in Table VI. We should not read too much into different levels of goodness of fit, the crucial methodological aspect of structural equation models being that the definition of the conceptual model should be credible and realistic in the first place. The importance of the comparative results in Table VI is, therefore, not the relative goodness of fit, but the degree to which they reflect stability of the core model structure even when some of the directions and focus of relationships are redefined.

The first alternative tested in Table VI is the same as the general model in Figure 1, except that the distance variable is excluded. This reduces the degrees of freedom but does not change the general pattern of relationships. The second alternative model estimated puts our measure of affective commitment (trust) in a similar role to that developed by Shemwell et al. (1998). Affective commitment now directly influences only continuing commitment, is influenced by satisfaction, and the possible relationships of trust to service costs, intensity and impact are all removed. In this case the relative goodness of fit of the four impact measures in Table VI remain the same as Table III, though goodness of fit is improved slightly in one case. The third model, which is the same as the second but removes all roles for the distance variable, also has a similar pattern of results. The

TABLE VI

Alternative models defined by adjustments to the conceptual model in Figure 1. Values of the chi-square goodness of fit criterion (with degrees of freedom) for each source and impact measure. Significance tests as in Table III. Each model is a modification of Figure 1 by including or excluding particular links. These alternative models are not shown in Figure 1

Model	Impact on reducing costs	Impact on increasing profitability	Impact on increasing employment	Impact on ability to manage	d.f.
1. Distance excluded	33.8*	21.4***	29.8**	38.8	20
2. Trust directly influences reuse but no link of trust to cost	37.4**	25.5***	34.0***	44.6*	27
3. As model 2 but distance excluded	32.3**	20.8***	29.8***	39.2*	22
4. Satisfaction model: distance excluded and re-use excluded	22.0**	16.1***	21.7**	23.6*	13

fourth model changes our conceptual model into a pure satisfaction model. Continuance commitment is now removed and we also remove distance. The model is now considerably simpler but the general pattern of results and goodness of fit is very similar to all the other models.

These tests of alternative specifications confirm the general robustness of the conceptual model in terms of the relation of our exogenous variables of firm size, age and sector as constraints on impact and service cost (i.e. for a given firm of a particular sector, age and size), which interact through different service processes (measured by intensity, costs and levels of affective commitment), to produce a given level of impact and influence on satisfaction and continuance commitment. Because of our uncertainty about the role of distance in framing the hypotheses, the tests of robustness are used to confirm that the general pattern of results differs little with distance excluded. This suggests that distance is probably a redundant variable in the satisfaction and commitment model, even if distance may be significant as a process variable. We also conclude from the positive effect of distance on intensity that it is probably geographical supply constraints that are most important in influencing the locations from which advisors are chosen rather than transaction cost benefits of closeness. This is in line with other analyses of the dominant role of supplier location in advisor choice (e.g. Bennett and Smith, 2002).

5. Conclusion

Customer satisfaction, impact, and re-use intentions have been demonstrated in this paper to be as important to business client-advisor relationships for SMEs as they are to marketing of personal consumer services. This confirms the results of studies such as those by Patterson and Spreng (1997), Priest (1998), Shemwell et al. (1998) or Nowak and Washburn (1998). A conceptual model has been developed to understand how these marketing objectives relate to the character of the firm (strongly to size, age, and sometimes to sector), the character of the supplier (private sector, friends/family, or public sector and business associations), and the process of advisor-client interactions that vary by intensity and cost of advice and the distance between the SME and advisor. The value of the conceptual model for the relation of outcomes, satisfaction and re-use intent has been strongly substantiated.

However, the affective commitment measure used, of trust, has been shown not to be a significant influence except for the use of the public sector and business associations and some subjective impact measures. The importance of trust in these cases may be the result of their filling a complex area for which *ex ante* signalling of quality is important so that the regulatory or self-regulatory frameworks provided by government or associations plays a particular significance, as suggested by Shapiro (1983) or Lynch and Schuler (1990). Further investigation is required of the role of affective commitment for business services but the results found here tend to confirm the more general findings of Hill and Neeley (1988) that advice is chiefly used to fill gaps of internal capacity for which affective commitment is not particularly important to the client and continuous commitment is not sought by the client (although it may be sought by the advisor).

The paper thus confirms the importance of comparing different types of suppliers of advice and the institutional governance regimes within which they operate. Our analysis finds that different supplier types operate through different processes and produces different levels of impact and satisfaction for their customers. However, comparing *between broad sector categories* (social, public, private and association advisors) we find that affective commitment (trust) is generally only weakly associated with increased satisfaction and impact. These findings are generally in line with Clark (1995) and Bennett and Robson (1999), that trust, cost and interaction intensity vary between different types of supplier and depend on both client-supplier formality of relations, and on contrasts between the governance regime and other external mechanisms for controlling quality, and developing reputation and brand. These structures also influence the outputs that are evaluated by clients who generally receive higher impacts and satisfaction the higher the interaction intensity during service delivery.

Our results also confirm that trust, service cost and service intensity tend to be positively associated with each other. Direct causality in these relationships cannot be deduced from our results, but out structural equation path model indicates that as service intensity increases, which is strongly related to higher service costs, trust is also involved to a greater extent. This is expected. As advice becomes more intense, and hence more potentially significant to a firm, greater effort is made to use both personal relationships and trusted suppliers either in supplier selection, or in the management of advisor relationships.

An important public policy implication of our findings is that there is generally low satisfaction and impact from public sector supply of advice. This is similar to Priest (1998) for the case of Business Link. Hence, the attempt to raise fees from public service advice may be ill-advised, since attempts to increase intensity leads to higher levels of dissatisfaction and lower assessments of impact for the public sector. This may result either from bottlenecks in the capacity of public sector advisors to intensify (there is only limited skill and capacity available within the sector), and/or that clients perceive the attempt to charge for the public advice they seek as contrary to the ethic of trust expected from the public sector. This suggests that the stated ambition for Business Link to raise at least 25% of its incomes from fees, which existed from 1993 to 2002, was fundamentally flawed.

The paper also suggests that localisation is not an effective strategy for marketing of advice services. Distance between advisor and client is usually an insignificant influence. Where it is significant, greater distances produce higher intensity and greater impact and satisfaction. In common with the findings of Bennett and Smith (2002), this appears to be chiefly a supply side effect; i.e. the most technically intensive, and consequently high cost, advisors are found at greater distances from the main regional commercial centres. The localisation effect, which should reduce transaction costs, does not appear to be present. This also has important public policy implications as well as private sector marketing consequences. It suggests that a large network of 45 local outlets for Business Link advice services is unnecessary. The same service could be provided from a small number of regional centres.

Clearly further research is needed using larger scale and broader survey bases to replicate these results, particularly to examine the different service submarkets of different types of advisors that will allow more detailed assessment for different markets, credence structures, and trust/regulatory/self-regulatory relationships. Further research is also required on the role of firm age and sector in how the advice process operates. However, the present research is significant in pointing towards these lines of further inquiry, and in showing how standard marketing concepts can be applied to the predominantly relational exchange that governs SME business advice, including that from the public sector. Whilst further research is clearly required, the results do tend to confirm that the structure of the conceptual model used by Shemwell et al. (1998) applies: that there is a chain of relationships between outcomes, satisfaction and continuance commitment. But for the case of business services the results suggest that there is a predominance of objective outcome measures (such as impact on reduced costs or enhanced profitability), a relatively lower degree of emphasis on subjective outcomes (such as ability to manage), and a low role for affective commitment (trust) in most cases.

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