

BUSINESS LINK: A METHOD FOR EXAMINING CUSTOMER SATISFACTION, DISSATISFACTION & COMPLAINING BEHAVIOUR

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ABSTRACT

This paper develops the methods for assessing customer satisfaction, dissatisfaction and complaining behaviour (CS/D & CB) for application to the evaluation of the British Business Link initiative. Business Link is an initiative to provide advice and consultancy to small business clients. Methods of using CS/D have been well developed since the 1970s as means to evaluate new product and service developments. Their application to public policy is less common. In this paper methods of CS/D & CB evaluation are developed for Business Link contrasting this approach to the Government's own assessments. The paper argues that assessing Business Link by measuring CS/D & CB in the manner proposed in this paper is the most rigorous approach for policy planning and evaluation purposes.

CUSTOMER SATISFACTION & DISSATISFACTION

The importance of assessing customer satisfaction and dissatisfaction (CS/D) has been documented extensively since 1970, when the United States Department of Agriculture's Index of Consumer Satisfaction (Pfaff, 1972) reported on CS/D information to policy makers (Churchill & Surprenant, 1982). Much of the early work on the antecedents of CS/D was undertaken by Cardozo (1964), Olshavsky & Miller (1972) and Anderson, (1973). Since that time numerous theoretical structures have been proposed and empirical studies undertaken with the aim of improving the information available for research, public policy, consumers, and markets (Hunt, 1976).

In 1976 Greyser noted that there was inadequate conceptualisation and measurement of CS/D. He proposed CS/D research must be grounded in the use of CS/D: (1) as a social indicator - an index providing a longitudinal measure for noting changes in CS/D over time; (2) as central to, and a goal of, an economic system; (3) as a guide to policy, planning and evaluation, to give policy makers conceptual and measurement support for their decision making; (4) as a guide in

specific regulatory matters; (5) to support public policy making decisions in consumer legislation; (6) as a central precept of the marketing concept to support the marketing strategy of a business; (7) in consumer activities allowing activists to focus attention on those aspects which show the lowest level of satisfaction; and (8) as a basis for developing theories of consumer behaviour.

To develop these various bases for application a wealth of approaches to CS/D has been developed. One widely accepted conceptualisation of CS is a measure of whether it meets or exceeds customer expectations (Anderson, 1973; Oliver, 1980, 1981). This has provided impetus for a number of studies that use a disconfirmation paradigm as a view of the process by which customers develop feelings of satisfaction or dissatisfaction. As Bateson & Wirtz (1991, p. 4) note "...in this paradigm, consumers evaluate consumption experiences and make satisfaction decisions by comparing perceived performance with some pre-consumption standard. The level of satisfaction is related to the size and direction of disconfirmation experienced".

Although most empirical research has modelled and measured CS/D in a commercial setting for consumer goods and services at the end of the supply chain (Spreng, MacKenzie & Olshavsky, 1996), its application to public policy has been less well developed. The application for accurate and reliable assessment of CS/D for the supply of business services delivered through organisations offering business support should be straightforward. However there has been no previous attempt to apply a comprehensive assessment of CS/D to this type of problem. It is this gap that the paper addresses. The paper first reviews the underlying concepts and the associated debates surrounding the public policy to develop services for small and medium sized firms in Britain, branded as Business Link. It then describes the main current evaluations being applied to this initiative, none of which make comprehensive use of CS/D & CB. The paper then develops a means of measuring CS/D & CB for the case of Business Link, arguing that this is the most comprehensive and rigorous assessment for

policy planning and evaluation purposes.

ENTERPRISE SUPPORT FOR SMALL & MEDIUM-SIZED FIRMS IN BRITAIN

Business Link is the latest in a line of initiatives by which the government has sought to help small and medium-sized firms develop in Britain. These initiatives began with the publication of the Bolton Committee report in 1971 which considered the role of small firms in the national economy, the facilities available to them and the problems confronting them. The Committee examined in particular the profitability of small firms, the availability of finance, and the special functions of small firms, for example as innovators and specialist suppliers.

Since that time numerous policy initiatives have been launched to help small firms overcome what the Bolton Committee noted as "a number of inequitable and unnecessary disabilities, mostly imposed by government which amount to discrimination against them" (Bolton, 1971 p. 91). The first of these initiatives was the Small Firms Counselling Service. This was primarily a telephone-based signposting and referral service which started in 1979 and ran until 1990, after which the budget was absorbed into the newly developed Training & Enterprise Councils in England and Wales and the Local Enterprise Companies in Scotland. During this eleven-year period a multitude of other initiatives were launched to stimulate the small firms sector. The net result was duplication of activity from a confusing range of agencies all with different primary objectives. This situation continued until there was a major review of government policy in 1992 which sought to increase the involvement of the private sector *with* government in support of enterprise (Titchener, 1996). The fundamental conclusion of this review was that existing support schemes lacked customer orientation with the result that services were too narrowly defined and more supplier- than customer-driven. There was also a low level of awareness by small and medium-sized firms of the support services available: many firms that could benefit from business support services were unaware of their existence.

The Business Link network was borne from

this review. They were launched with the key aim to "simplify the confusing array of support services"... and provide "a single point of access to the highest calibre support services" (Michael Heseltine, 1992, p. 415; then President of the Board of Trade). The launch of this new strategy by the government in July 1992 was an attempt to "improve the competitiveness of companies and provide a springboard for the development of local and national economies" (Heseltine, 1992, p. 415). Since the launch Business Links have subsequently developed into a one-stop-shop, encouraging firms to access external support through a single channel, formally branded as Business Link in England. Variations on the concept have emerged as "Business Shop" in Scotland and "Business Connect" in Wales.

Objectives of Business Link

The Business Link network was developed with a number of key objectives in mind (DTI, 1992). The first sought to provide greater coherence between the existing main suppliers of enterprise services particularly the Training & Enterprise Councils, Chambers of Commerce, Enterprise Agencies and local government. These bodies were drawn together as 'partners' in supplying Business Link services. The second objective sought to improve the professionalism and quality standards of the support services available across the country by combining government resources with local inputs from partner organisations of the Business Link and from private sector sponsorship. Third, a core focus for the Business Link is the new general business adviser, the Personal Business Adviser, who provides the one-stop-shop or diagnostic service that allows Business Link to act primarily without further referral. Fourth, the initiative sought to create a network of outlets to have a physical presence across the country. These objectives with an overt shift towards a 'partnership' approach to enterprise support have now meant that many of the existing local business support organisations have become the main partners of Business Link, a number of which are co-located and operate within or as part of the Business Link companies. Due to closer working relations many partners have contractually agreed

to link funding and staff into the single Business Link brand, whereas others have dual or joint branded services with the Business Link.

Throughout the launch and establishment of the network a number of issues have been raised by commentators about the initiative. The overriding concern has been that Business Link has been subject to a high level of government central planning and direction which has questioned whether the policy design and management can be sufficiently customer focused. An early assessment of the design by Bennett (1995) warns of four main areas of potential failure. First, the misdesign of incentives and management where "effective contracts between principle and agent require a number of simple but key principles to be satisfied" (p.36). He demonstrates that excessive control and prescription are likely to lead the Business Link to violate the basic principles for the management of an efficient and effective organisation. Second, the market demand for some of the new services is not clear. For example, it is not clear that the central and new service of the Personal Business Adviser is needed or sustainable. Third, there are high management costs and a lack of critical mass. Dividing government resources among approximately 90 companies operating from over 200 outlets in England is likely to lead to "penny parcels" (p. 34) which increases staff and premises costs and diffuse management. Fourth, Business Link has the potential to stimulate adverse selection and moral hazard, i.e. they are designed in such a way that they have the potential to target and support firms who may be those least viable, stimulating firms to take unnecessary risk. Finally Bennett (1995) highlights how the core new Personal Adviser role operates on account manager principles where they are encouraged to act selectively, in that they have targets of assisting potential growth firms, while also coming under increasing pressure to secure client fees. Overall this is distortionary to the market by giving specific aid to some firms rather than others, the net result may be to stimulate a dependent business community which ultimately may harm the growth and competitiveness of the economy, in effect achieving quite the reverse of Heseltine's original objective for Business Link.

In part response to such criticisms, and as part of its wider policy evaluation, a number of

investigations have taken place. The government is constantly monitoring the performance of Business Link and has commissioned a number of reports including monitoring studies (Carma, 1995); evaluation studies (KPMG, 1994; Ernst & Young, 1996; ISG, 19/96); impact studies (DTI, 1996b, 1997c); service measurement studies (Mall Research Services, 1994); best practice assessments (Browne, 1995); mystery enquirer research (BPRI, 1997); training assessments (Mall Research Services, 1998) and studies on the awareness and use of the Business Link network (MORI, 1996). In addition the British Parliament's House of Commons Trade and Industry Select Committee has investigated Business Link with particular reference to the quality of service, focus of services for start-up and micro-businesses, funding and long term viability, and relationships with other organisations (HC 302-I, 1996). Perhaps the most pertinent comment the Committee made is that customer satisfaction surveys used by Business Links are inadequate and unreliable indicators of performance as they do not seek to establish customer expectations in relation to the satisfaction construct (HC 1996, p. 49, para. 144). In addition to this criticism, they made a total of thirty-two recommendations that covered a number of structural aspects of government contracting and relations with Business Link and partner organisations. Despite a change of government in May 1997, no fundamental change in the design features of Business Link has yet been implemented. A revised five-year vision statement for Business Links (DTI, 1997a) from the new government was disappointing in that it pledged only limited modifications and hence it is likely that the debate surrounding contract reform, the design of the services, the viability of Business Links, and their potential to be customer focused will continue.

As part of the underlying rationale of Business Link is to provide customer focused and highly responsive services to help support the development needs of business, it is surprising that these assessments do not use theories of consumer behaviour to provide a fuller evaluation of the policy. A distinct lack of attention to this as a way of explaining customer responses and improving the services offered through the

initiative represents a major flaw. Hence this paper focuses on how to evaluate Business Link using the methods of CS/D & CB. It argues that as the assessment of the value and impact of the support can only properly rest with the business itself (Bennett, 1996), measuring CS/D & CB in the manner proposed here is the most suitable and rigorous approach for this policy evaluation. It also identifies that significant improvements can be made by integrating client feedback from the assessment into the local and national marketing strategies for the initiative.

MEASURING CS/D & CB FOR BUSINESS LINKS

As mentioned earlier, the Department of Trade & Industry (DTI), as the main contracting and funding partner, has commissioned a number of studies that evaluate different aspects of the initiative. Of particular interest is that they recommend the use of CS/D measurement as a tool by which the Business Link partnerships can assess their own performance (ISG 13/96). In addition information on CS/D is required for the quarterly monitoring statistics supplied via the Training & Enterprise Councils to the DTI (DTI, 1997b), and as part of the accreditation framework for the Business Link brand. For example one target specified in the funding offer letter is "at least 85% of customers satisfied or very satisfied". Also as part of the ISO 9001 criteria Business Link has to demonstrate that the survey work it carries out is robust. To encourage this assessment the DTI issues guidelines on interpreting ISO 9000 (ADEPT, 1995), yet they provide wholly inadequate information on how to undertake quantitative and qualitative research on customer satisfaction (ISG 13/96). This limited support gives a very brief overview of sampling, non-response bias, piloting, the different types of surveys, questionnaire design, and organising focus or discussion groups. The DTI does not consider a number of *essential* and underlying themes necessary for a comprehensive and rigorous assessment (1) how Business Link identifies and establish customer expectations, or the comparison standards customers use in the S/D judgement; (2) how Business Link can measure the effect of, size and direction of disconfirmation to

explain the level of the satisfaction response; (3) the value to be gained from in-depth understanding of consumer complaining behaviour; and (4) how Business Link can integrate client feedback into its marketing strategy to improve service quality. As a direct consequence across the network much of the current practice is inadequate, unreliable and is highly variable in its quality and content.

The remainder of this paper highlights the differences in approach of that promoted by the DTI and that possible through a CS/D & CB approach. The discussion conveys four main aspects. The first section proposes a method to examine customer expectations and or other comparison standards used by consumers in making the satisfaction judgement. It argues that this diagnostic element is vital in the effective management of customer relations. The second section evaluates a number of key client focused quality dimensions that are generic to this type of service interaction, many of which are acknowledged as important to the success of service-based organisations. It also measures CS/D for a range of contextual issues about the client's business that arise from the design of the policy. The third aspect proposes a series of specific impact dimensions for evaluation that derive from aspects of the underlying rationale of Business Link. These seek to complement the CS/D measures to provide a more rigorous assessment of whether the policy is achieving its objectives. The final section of the paper proposes how to examine the outcomes of Business Link performance by detailing a number of measures.

Identifying Customer Expectations or other Comparison Standards

Although a range of CS/D measures will rate the advice satisfaction and will give an indication of the adviser's performance, for policy evaluation purposes it may be limiting to consider only the importance of the percentage of satisfied or dissatisfied customers (Woodruff & Gardial, 1996). As the House of Commons Select Committee noted (HC 302-I, 1996), customer satisfaction surveys of Business Link need also to establish customer expectations in relation to the satisfaction construct, an opinion the DTI does not endorse. However numerous theoretical and

empirical studies have proposed that performance can be compared to standards *other* than expectations in the process leading to the satisfaction judgement. As a result the expectations disconfirmation model is not the only model used to assess CS (see e.g. the work of Oliver, 1980; Woodruff, Cadotte & Jenkins, 1983). Further to this, Jayanti & Jackson (1991, p. 603) suggest that "when performance judgements tend to be subjective (as in the assessment of most business services due to intangibility) expectations may play a more minor role in the formation of satisfaction", or as Patterson, Johnson & Spreng (1997, p. 6) suggest, "satisfaction in services may be a function of performance alone".

While many of these authors have tested for the effect of different standards for particular products or services in a range of settings, a number of comparison standard categories can be identified. For Business Link purposes it is important to establish which of these standards is most relevant to their customers. This will help service delivery personnel and marketing executives understand how customers develop a perception of the service and what they anticipate will happen during the interaction. Although there is a range of comparison standards some are more relevant in this context than others, for example expected performance which is derived from expectancy theory is the most commonly used standard and has the strongest empirical support (Bateson & Wirtz, 1991). It may reflect what the customer feels performance of the Business Link advisers "probably will be" (Miller, 1976), or what the consumer predicts performance will be (Woodruff, Cadotte & Jenkins, 1983). From a Business Link viewpoint this may be one of the more easier standards to manage, control and ultimately satisfy as more recent work by Spreng, MacKenzie & Olshavsky (1996) has conceptualised predictive expectations as being easier to define and identify. From a business advisers viewpoint these may more easily be satisfied by a similar level of performance because they are potentially more explicit or overt.

Another comparison standard is ideal performance. While this is derived from the models of the ideal point of consumer preference and choice (Holbrook, 1984), it represents what

the Business Link consumer feels performance "can be". As it also represents an optimistic view of the potential interaction, it is proposed here that this may be more difficult for the Business Link adviser to manage and subsequently satisfy as it more closely reflects an overall 'desire'. Again as Spreng, MacKenzie & Olshavsky (1996) suggest these may consist of more nebulous concepts that are also potentially more discrete. In a business development context they may represent an unrealistic perception of performance as there are complex and tenuous relations between the provision of external information or advice, firm management and business growth. It is proposed here that Business Link customers making reference to an ideal, e.g. using the services to stimulate business growth, may be more difficult for the adviser to satisfy in contrast to those making comparison to expectations that are more clearly defined.

A third comparison standard with potential application is normative performance. While this is derived from equity theory (Adams, 1963), it reflects the level of performance a consumer "ought to receive" or "deserves" given a set of costs (Miller, 1976; Woodruff, Cadotte & Jenkins, 1983) and is determined by the consumer's evaluation of the rewards and costs or investments and costs. In this context Business Link clients may evaluate the cost of the interaction with the Business Link adviser either in pure monetary terms by fee-paying for the support, or through time spent with the adviser (if no fees are charged) compared with the output they experience. Value for money and value for time are commonly used slogans to give a fairly basic measure.

The final standards which may be relevant to Business Link are those based on experience. While these are formed through prior experiences (LaTour & Peat, 1979), word of mouth endorsements, criticisms, and / or marketing effort (Woodruff, Cadotte & Jenkins, 1983), it may also reflect desired performance in meeting consumers' needs and wants while being constrained by the view of performance that consumers feel is possible based on the breadth of consumption experiences (Bateson & Wirtz, 1991). As many Business Link customers will have used other external sources for business information and support, experience may contribute to the

development of these standards which then play a significant role in the evaluation of Business Link performance.

Hence the *diagnostic value* of this CS/D research is dependent on the examination how Business Link customers make comparison using these standards. A CS/D evaluation of Business Link will differ significantly from that undertaken by the DTI by focusing first on identifying if and which comparison standards are being used by customers, or whether satisfaction with the service a function of performance alone. It also examines which of the comparison standards is being used, e.g. are they broader than just expectations of the service and which is the most dominant overall. The proposed evaluation assesses what customers anticipate or hope would happen as a result of using the Business Link service to establish their predictive expectations or desires from a government-backed initiative. It also examines whether customers making reference to the ideal are more demanding or difficult to satisfy. The implication is whether greater attempts should be made to create realistic and predictive expectations that are sufficiently demanding of the adviser by the average level of performance. It also secures a measure of performance by examining if the service failed, met, or exceeded those expectations. To provide a fuller analysis the customers' previous or starting expectations of performance is measured and integrated into the analysis to examine whether they experience significant variation in the size and direction of disconfirmation. Conceptualising this as a position on a disconfirmation continuum will provide a more accurate assessment of the effect of actual performance. Finally this approach examines the perceived value from the interaction with the Business Link, and for experienced users of external support services, how their assessment of Business Link performance compares to that of other providers.

A major criticism of the DTI and Business Link is that if they do not know if and which comparison standards are being used, they cannot manage customer relations effectively as empirical research has shown that each comparison standard is affected by a number of inputs, e.g. by the average product or service performance (Miller, 1976), advertising effects (Olson & Dover, 1979),

word-of-mouth communications and personal experience (Woodruff, Cadotte & Jenkins, 1983). Assessment of CS/D has greater value than that undertaken by the DTI as once the comparison standards have been identified, information relating to the inputs can be fed-back into the central and local marketing strategy of the initiative and for individual services. Adoption of a CS/D approach will therefore allow the DTI centrally and Business Links locally to manage customer relations in a more effective way, giving more accurate and reliable indicators of actual performance, and contribute more effectively to policy planning and evaluation.

The paper does not evaluate the psychological constructs of comparison standards, or develop any of the models of consumer satisfaction (for a review see e.g. the work of Erevelles & Leavitt, 1992). It is proposed here that knowledge of the psychological constructs is not necessary for the measurement and tracking of customer satisfaction over time, which can be accomplished by policy executives in Business Link without an in-depth understanding of each construct of the comparison standards.

Measuring Customer Satisfaction & Dissatisfaction with the Business Link Initiative

As Business Link is a provider of advisory services to business the success of the initiative is dependent largely on the performance of its advisers. Therefore part of any policy evaluation needs to concentrate on assessing the performance elements that contribute to advice satisfaction. To a limited degree the DTI has recognised this and issues to each accredited Business Link numeric requirements for six client-focused quality dimensions. The minimum requirements applicable across the network are shown in Table 1. While the DTI elaborates on each dimension by recommending for particular service types the minimum requirements and data sources, they encourage the use of closed (yes/no) relies thereby limiting the responses. The DTI assessment leaves no room for the reporting of mediocre or high variation performance. In contrast this paper argues that a multi-point (five-point) measurement scale of CS/D is essential to allow proper evaluation of advice satisfaction. This allows

assessment of a number of generic and key client focused performance elements including (1) the overall performance of the adviser; (2) the overall professionalism of the adviser; (3) the responsiveness of the adviser; (4) the charging strategy for the service; and (5) value for money. Many of these elements have been shown to be of great importance to the success of service-based organisations (Tucci & Talaga, 1997). Similarly the DTI does not recommend or evaluate measures of CS/D for contextual issues about the client's business that arise from the initiative. This suggests the need for three further dimensions of assessment (6) the advisers accurate analysis of the business support needs; (7) the advisers understanding of the business; and (8) the advisers understanding of the market(s) within which the firm operates. These are potentially even more important indicators of the adviser's performance. Accurate analysis of the firm's operating environment including a full appreciation of the strengths, weaknesses, opportunities and threats facing the client's business will ultimately affect whether the firm is given or referred to the correct source of support. This in turn will influence the customer's evaluation of performance and it seems to be an aspect the DTI has yet to recognise.

Assessing Specific Dimensions of Business Link: Impact Measures

As mentioned earlier, Woodruff & Gardial (1996) note that for policy planning and evaluation purposes it may be limiting to consider only the importance of the proportion of satisfied or percentage dissatisfied customers. CS studies commissioned and published by the DTI and Business Link continually report a high proportion of satisfied customers, which may be explained by the use of inadequate measurement scales. However in order to apply stronger rigour to this evaluation advice satisfaction measures are supported with impact data, as a satisfaction rating alone does not address whether the interaction with Business Link has had a major impact and what the effect may be to help improve the firm's competitive position: a key original aim of Business Link.

A more rigorous assessment should use both CS/D and impact measures on the same sample

group. It should assess whether the Business Link advisers are performing satisfactorily while also measuring the impact of the support on the performance of the firm. The evaluation proposed relies on the clients' qualitative assessment of the impact of the service on their business in an approach similar to that reported in Chrisman & Katrysten (1995). It is different from the assessment proposed by the interdepartmental group of the DTI (1997c) which recommends the use of control and comparison groups, tracking and comparing a number of key and secondary performance indicators at a distance from the firm. Consequently the assessment proposed here does not have the difficult (or perhaps impossible) task of matching and controlling for innumerable significant differences between comparison firms.

As 'impact' can be interpreted in a number of ways it can also be measured using a variety of methods. The DTI recommends that Business Link uses two indicative measures of impact (see Table 1). This proposed evaluation uses a more rigorous approach than just "50% of clients reporting the service benefiting their business", and "85% of action to be undertaken by Business Link, where agreed with client, achieved". Instead it should include the client's assessment of (a) customer views of the most important aspect(s) of the service; (b) general impact measures using descriptive terms such as the overall usefulness, descriptive impact of the service now and in the medium term, and added value; and (c) specific impact measures on the turnover, employment, profitability, and productivity of the firm now and in the medium term. These impact measures will support the satisfaction assessment to give an overall evaluation of the policy, and unlike the DTI assessment, this evaluation will identify those areas of *greatest value* to customers. Feedback from this type of assessment should help Business Link realign its services to meet customer requirements, and provide evidence of whether it is fulfilling some of their original objectives. Subsequent impact assessment should look beyond the obvious measures identified from the underlying rationale of the initiative or the remit of the individual services to integrate aspects nominated by clients. This will provide a more relevant assessment of impact grounded in the value given by clients.

Table 1
Numeric Requirements for Business Link Client Focused Quality Dimensions

Client Focused Quality Dimension	Indicative Measures	Service Types	DTI Minimum Requirements	Possible Data Sources
Responsiveness	1. Service delivered within deadlines agreed between Business Link and client; 2. Clients contacted within promised time scale after receipt of service.	All	1. 80% delivered within scale;	Client management system/surveys.
		All	2. 80% contacted within scale.	
Accuracy	3. Answers to enquiries accurate. The latest available updates of information in use.	Information	3. 80% accurate response.	Internal audits. Audits of information sources.
Appropriateness	4. Service provided appropriate to client needs; 5. Diagnosis of client need correct; 6. Referrals to other organisations appropriate.	All	4. 85% appropriate service;	Market research and client surveys.
		All	5. 90% accurate diagnosis;	
		Referrals	6. 80% referrals appropriate.	
Professionalism of Service	7. Staff knowledgeable and provide service in a professional manner.	All	7. 5% max. unresolved complaints.	Client surveys/records.
Long-term Relationship	8. Clients returning to Business Link for other services.	All	8. 80% clients would or do return for future services as first choice.	Internal client management system. Membership records.
Impact	9. Service benefited clients business; 10. Action to be undertaken by Business Link, where agreed with client, achieved.	All	9. 50% reported benefit;	Client surveys. Audit of outcomes against action plans.
		PBA/ Consultancy	10. 85% achievement of outcomes of action plan.	

Source: DTI (1996a) Business Link Accreditation Booklet, p. 52.

Measuring the Outcomes of Business Link Performance

Finally in terms of measuring the outcomes of performance, the DTI recommends just one numeric target, which is that "80% of clients would or do return to Business Link for future services as a first choice" (Table 1). This is very simplistic. Although research has shown that there are complex relations between satisfaction,

complaints, and repurchase intentions (Jacoby & Jaccard, 1981) many firms, and in this case the DTI, view repeat custom or the intention to repeat custom as a positive outcome of performance. This is not necessarily a measure appropriate for government supported services such as Business Link that seeks to fill market gaps. As Bennett (1995) highlights, the encouragement of the continued use of Business Link services has the potential to create a business community dependent

on subsidised services, can create unfair competition with existing private sector suppliers, and hence may have the capacity to harm the growth and competitiveness of the economy, the reverse of its objectives.

To examine outcomes in greater depth and to assess whether Business Link is stimulating a dependency on subsidised services, a fuller assessment requires outcome measures that include the client's intention to use the same service again. This will examine if sufficient value has been added to warrant continual or repeat use, and to give a measure of the evaluation of the rewards and costs as perceived by the customer. It also includes the client's intention to use other Business Link or partner services in the future, thereby examining whether poor, mediocre or high variation performance is affecting the customer's intention to use similar branded services. In addition outcomes of performance should also measure whether the service has improved the *competitiveness* of the firm as this links to the original objectives of Business Link. Using this criterion for evaluation overlaps with some of the impact measures introduced earlier and acts as a check on response accuracy.

A further outcome measure that at present the DTI seems to undervalue is information relating to the reactions of dissatisfied customers through CB. CB has been the subject of numerous studies, some of which have noted the benefits from encouraging CB, while others have suggested that dissatisfaction is a complex phenomenon. Although a number of studies have shown that dissatisfied customers often tend not to complain directly to the manufacturer, retailer, or service provider (Naumann & Giel, 1995), customer comments are vital to any customer-focused organisation--an explicit aim of Business Link. Consequently it is surprising that the DTI does not give any explicit or detailed guidance to Business Link on this matter.

The proposed assessment makes a comprehensive evaluation of CB. It does not just note the main or overriding themes of dissatisfaction which is documented as part of the ISO standard recommended by the DTI. It seeks to capture as much information on CB as possible, identifying the cause of dissatisfaction and customer action as a result of feeling dissatisfied.

If customers do not complain to Business Link or elsewhere, or take any corrective action, this evaluation examines the corresponding reasons. If clients complain to the Business Link it identifies the corrective action taken as well as the desired corrective action. Finally customers are asked to rate their satisfaction or dissatisfaction with the way their complaint was investigated, and rate the final outcome of their complaint. This is relevant to Business Link as research reported in Naumann & Giel (1995) has shown that a substantial amount (70-90%) of complaining customers will repeat use if they are satisfied with the way their complaint was handled, and the DTI issues targets for the development of long-term relationships with clients that include measures of repeat business (DTI 1996a).

DISCUSSION

This paper has reviewed a selection of work on the conceptualisation and measurement of CS/D since the 1970s. It starts from Greyser's (1976) proposal that CS/D measures can be used for policy planning and evaluation purposes to give policy makers conceptual and measurement support for their decision making. It also identifies the value for Business Link of integrating customer feedback into the national and local marketing strategies. It draws on the more recent work of Woodruff & Gardial (1996) to argue that CS/D measures are rigorous and suitable measures if combined with other indicators of performance that arise from the underpinning philosophy or objectives of the policy. The paper applies these approaches to the case of Business Link to propose an independent assessment method as an alternative to that being used by the DTI. It suggests a more rigorous approach which (1) examines customer expectations and other comparison standards used in the S/D judgement to establish if and which standards are being used by customers. It also examines how actual performance measures up to these reference points through integrating the level or size and direction of disconfirmation into the analysis; (2) measures CS/D for a range of generic and contextual client focused performance dimensions taken from the underlying rationale of the policy; (3) collects a range of descriptive and quantifiable impact data

using a number of methods; and finally (4) measures the outcomes for clients of a number of aspects of Business Link performance.

The paper also highlights the differences in approach of that adopted and recommended by the DTI for Business Link implementation and what a full assessment of CS/D & CB requires. It shows how the DTI promotion of satisfaction measurement has a number of severe shortcomings. For example, although the DTI issues guidelines on how to undertake evaluations of CS they do not address a number of essential themes argued as necessary for a comprehensive and rigorous assessment of the policy. The main criticisms of the DTI approach are that (1) the numeric performance targets are limiting in that they encourage closed responses so that mediocre or high variation performance is not reported; (2) they do not evaluate satisfaction with contextual issues about the client's business and operating environment arising from the initiative, which it is argued here will undoubtedly influence the customer's evaluation of performance; (3) they do not make any attempt to understand how customers make the satisfaction judgement. The DTI evaluations do not have any diagnostic value; they do not assess if clients are using comparison standards, and once identified, establish what they are, or whether satisfaction with Business Link services is a function of performance alone. Consequently the DTI approach cannot assess effectively the inputs to the standards being used by customers so that customer relations cannot be fully understood; (4) they do not assess the impact of the support on the same sample group as that used for assessing advice satisfaction. Critically it is argued here that a satisfaction rating alone does not indicate if the Business Link has helped to improve the competitive position of the firm (thereby achieving one of the Business Link objectives). A proper assessment should be holistic. Finally (5) the DTI assessment methods do not consider in any great depth outcomes of performance measures. Detailed consumer CB and customer feedback to improve the service is neglected and represents a major flaw in the DTI evaluation of this policy. Overall existing surveys and current practice is superficial, provides inaccurate measures of performance, and is an unreliable indicator of the effectiveness of this

government policy.

A wider approach to CS/D & CB can provide comment on (1) whether the expectations, ideal, normative or experienced-based disconfirmation paradigm is being used by Business Link customers, or whether the S/D judgement in this context is more a function of performance alone; (2) if the comparison standards are common across the sample, and how (if evident) the standards are being influenced by marketing inputs; (3) what customers expect, anticipate, or hope will happen as a result of using the Business Link. It should be able to comment on whether they are 'realistic', and reflect what are the commonly held beliefs of why business owner-managers use external support organisations; (4) if there is evidence of mediocre or high variation performance through CS ratings. Which aspects of performance need additional training and whether a general business adviser can provide a satisfactory diagnosis of the contextual operating environment which is critical for correct referral onto associated forms of support; (5) whether a qualitative impact study is effective in securing 'meaningful' data. It should comment on the customers' ability to evaluate the impact of Business Link performance in descriptive and quantifiable terms, identifying from clients those aspects most highly valued; (6) whether dissatisfied customers are complaining. It should establish the redress customers want, whether complaints monitoring is an accurate way of securing constructive customer feedback in this context, and hence whether complaints monitoring can be used to evaluate the policy; and finally (7) detail a range of outcome of performance measures linked to the underlying philosophy and remit of the policy. Only when this full evaluation takes place will reliable indicators of performance be available. These methods are now being applied in further empirical research on Business Link by the author.

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