



## THEORETICAL INVESTIGATION OF TRUST IN SMALL AND MEDIUM SIZED ENTERPRISES

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**Abstract.** The hectic pace of competition pushes the sector of small and medium enterprise to adopt sophisticated marketing ideas. In this context, customers are becoming more and more selective. However, expansion possibilities are burdened by the great variety of limitations. The current study paper aims to investigate the academic perception of trust which is treated as competitive advantage for small and medium enterprises. The object of the article is trust in small and medium enterprises. It has three objectives: to analyse small and medium enterprise characteristics through the academic perspective; to consider trust from the theoretical point of view; and to present the models that centre their attention on the trust as a construct that enhances customer satisfaction. Regarding the novelty of the current study, it brings a novel approach on a great variety of collected understandings of trust and puts an important foundation for future theory and practice investigations.

**Keywords:** small and medium enterprises, trust, models, methodology.

**JEL Classification:** D11, D21, L10, L20.

## PASITIKĖJIMO SMULKIOSIOMIS IR VIDUTINĖMIS ĮMONĖMIS TEORINIS TYRIMAS

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**Santrauka.** Sudėtinga konkurencinė aplinka, didėjantis vartotojų išrankumas skatina smulkiojo ir vidutinio verslo sektoriaus įmones, turinčias ribotas veikimo galimybes, taikyti kuo išmanesnius verslo sprendimus. Šio sektoriaus įmonės, siekdamos sukurti ilgalaikius ryšius su vartotojais ir įgyti konkurencinį pranašumą, savo veiklą turi grįsti pasitikėjimu – vienu svarbiausių vartotojų lojalumą užtikrinančių veiksnių. Straipsnyje, analizuojant pasitikėjimą smulkiuoju ir vidutiniu verslu, ši savybė traktuojama kaip konkurencinis pranašumas. Tyrimo objektas – pasitikėjimas smulkiuoju ir vidutiniu verslu. Siekiant ištirti pasitikėjimo savybes ir reikšmę smulkiojo ir vidutinio verslo sektoriaus įmonių veikloje, iškelti tokie trys uždaviniai: išanalizuoti smulkiojo ir vidutinio verslo charakteristikas, pateikti akademinį požiūrį į pasitikėjimą ir išnagrinėti pasitikėjimo kaip vartotojų pasitenkinimą

didinančio veiksnio modelius. Atkreipiant dėmesį į straipsnio naujumą paminėtina, kad juo deklaruojamas novatoriškas požiūris į pasitikėjimo smulkiosiomis ir vidutinėmis įmonėmis sąvoką, padedamas teorinis pagrindas ateities akademiniams ir praktiniams studijoms.

**Reikšminiai žodžiai:** smulkusis ir vidutinis verslas, pasitikėjimas, modeliai, metodologija.

## Introduction

Culkin and Smith (2000) agree that a small and medium enterprise (SME) as a business unit benefits largely a national economy through increasing the domestic product with the help of job creation and export generation. Even Parkash and Kaushik (2013) state that an SME is the “backbone of a healthy and prospering economy”. But the tricky thing about SME sector is the fact that the implementation of marketing strategies in this particular venture is informal and haphazard (Gilmore *et al.* 2001). Therefore, investigations of past works proved that typical marketing ideas cannot be applied in an environment where ownership is driven by a sole person who responds to current questions in a chaotic manner. The scholars also note that SME marketing is informal, loose, unstructured, spontaneous, reactive and built on conformity to industry norms. While Wynarczyk, Watson, Storey, Short and Keasey (1993) have also discussed such key aspects as uncertainty of SME business. Regarding these reasons, Storey (1994) explains high rates of small business failure. Meanwhile, Bannock (2005) states that the majority of SMEs do not compete directly with larger firms at all but operate in niche markets due to the fact that they are too small to be of interest to mass-producers; therefore, a small firm may be able to charge a premium price for a product or service and this is the reason why small corner shops survive the competition with supermarkets.

Taking into consideration this notion, the SME should find the distinguishing features that would be appealing for clients and invest as much resources as possible in strengthening their abilities in the harsh nowadays market. In this particular case, Schneider (2011) convinces that through nurturing customer trust, a firm can build a background for value creation and gain even more – competitiveness as according to strategic advisor Bregman (2009), trust is the pioneering method for gaining competitive advantage. Moreover, trust is a significant contributor to customer satisfaction. Putting these constructs together gives a result of loyal customer base. Therefore on the basis of these ideas, the current work aims to explore the authors’ attitude towards the trust in an SME, investigate its development stages as well as categories and provide ways for gaining trust.

*The novelty of the study:* this article brings a novel approach to a great variety of collected understandings of trust and puts an important foundation for future theory and practice investigations.

*The object of this particular study is* trust in SMEs.

*The aim of the study is* to investigate the construct of trust from the theoretical point of view.

The objectives of the study are:

- 1) to analyse small and medium enterprise characteristics from an academic perspective,
- 2) to consider trust from the theoretical point of view,
- 3) to present models that centre their attention on trust as a construct that enhances customer satisfaction.

*The methods of the study are:* logical and comparative analysis of literature, synthesis and deduction.

## 1. Characteristics of small and medium enterprises

On the basis of the fact that small and medium-sized enterprises have a great variety of features in comparison with large companies, the overview of SMEs features is being explicated in this section. For instance, Chaudhury (2008) stresses these common denominators of SMEs: low risk propensity, centralization and low formalism level, diseconomies of scale and limited autonomy, cultural insularity and identity-based trust relationships. Hall (1995) points out that SMEs are much more vulnerable to a dynamic pace of the market. This idea is supported by Myles (2010) who states that SMEs are the most vulnerable business units especially during the economic crises. Meanwhile, Stokes and Wilson (2006) exclude these features: limited customer base, shortage of expertise, high dependency on intuition of the owner, low degree of activity and low focus on customers. Moreover, Vickers (1990) states that a SME’s, irrespective of the business sector in which it operates, displays these characteristics: sensitivity to competition, flexibility, cash flow restrictions, myopic strategic overview, dependency on small customer base, little attention on training and an informal quality control system.

A number of authors claim that size is also a limiting characteristic of a small business, since it causes diseconomies of scale. The idea behind this concept is the opposite of the concept of economies of scale where increased volume cuts down the costs. Interestingly, Braunerhjelm (2000) proves the contrary, saying that a number of sources of diseconomies of scale have been suggested to offset potential economies of scale and has explained the success of SMEs. The author also has enlisted those offsetting factors: limited supply of strategic factors, decreasing efficiency of factors as scale increases, disproportional increasing costs of management because of coordination and monitoring costs, decreasing motivation, and increasing selling and distribution costs.

A small size could also limit the possibility of such companies to choose from a great variety of methods for conducting a business. In fact, Raghava and Hanin (2014: 35) point out that: "Scarcity of finances is a significant barrier which prevents the SME from aggressively competing in the fast changing and competitive Dubai market". For instance, shortage of finances can restrict business expansion. Burns (2001) states that limitation of financial resources means the inability to engage in sophisticated advertising and promotional campaigns; but at the same time, there is some space for creativity and development of a network of close relationships with customers. Meanwhile, Grant, Hackney and Edgar (2010) have underscored that the lack of financial resources typically results in SME owner/managers seeking advice in a more informal manner from friends, colleagues and peers just to avoid the costs of training, consultants and vendor support. An interesting position has been offered by the Council of Europe (1994) stating that a SME's is reluctant to borrow money because this step is treated as a threat to autonomy of the business.

Another distinguishing attribute of the SME sector is low purchasing power. In this particular case, Verma and Srivastava (2008) state that the fact that SMEs do not have bargaining power due to their size means that they are not in a position to "cherry pick". It could be assumed that usually, the SME sector accepts the role of a price taker not price setter. This characteristic is also a drawback in marketing activities because higher prices can hardly seem appealing for customers in marketing channel relationships.

In addition, SMEs usually operate in a single market or a limited range of markets (Burns 2001). And this is the consequence of limited customer base, limited geographical scope as well as a small market share (Nwankwo, Gbadamosi 2011). On the other hand, a small customer base enables SMEs to build close and long-term relationships with customers. In fact, SME's closeness to customers is often constituted as their unique competitive advantage (O'Dwyer et al. 2009). Windrum and Berranger (2003) convince that close communication requires commitment and appropriate environment where a relationship can prosper. Despite this, it should be considered that a small number of customers is a warning sign. Putting all eggs in one basket shows over-dependence on a limited scale of customers and contributes to the overall risk encountered by SMEs.

Ownership is the next limitation of an SME. Generally, SMEs are controlled by a sole person. Consequently, decisions come from a single person avoiding a full formal bureaucratic process particular to a large company. According to Piperopoulos (2012), this kind of ownership is an advantage because the overall owner's focus is on the business. According to Grant, Hackney and Edgar (2010), this personal commitment means that owners weigh all aspects – such as personal, community, domestic and life-style – in

making their decisions. Therefore, they are truly close to the business they operate. While here, Temtime (2008) detects a problem basing this idea on a myopic view of an owner. There is some practical truth about this perception because a business proprietor takes a risk to have hands full of daily activities forgetting the long-term vision of the business. Hence, the same author offers to go hand in hand with the permanent strategy that enhances sustainable competitive advantage.

And, finally, it is also worth to mention the distinguishing features of SME marketing. Stokes and Wilson (2010) point out that typically marketing processes adopted by SME's do not conform to standard theoretical models and reveal distinctive marketing style characteristics of SMEs:

- *lack of formalized planning of marketing strategies*: SME's rely more on informal procedures, often in reaction to activity in the marketplace. Stokes (2000) also points out the fact that informal marketing forms such as word-of-mouth communication are prevalent in SMEs;
- *restricted scope and activity*: SME's shy away from wide-ranging and expensive marketing campaigns;
- *simplistic and haphazard*: owner-managers rarely indulge in sophisticated, integrated marketing approaches, relying instead on rather random and basic marketing efforts;
- *product and price orientation*: the marketing mix tends to over-rely on developing products at competitive prices, and be less adventurous in promotional activities, and in seeking different channels of distribution, or potential new markets;
- *owner-manager involvement*: the marketing strategy of SME's tends, like all aspects in the early days, to be driven by the owner-manager. The influence of their personal skills, experience and motives will be paramount in determining the nature and complexity of methods used.

Nevertheless, there are a number of limitations that can place SME sector at the outsider position with competitive disadvantage, but notwithstanding this fact, there is also a great variety of unique priorities that derive from this sector. Of course, part of the problem within the SMEs lies in their low level of competitiveness, which stems from limited resources; therefore, SME's should integrate sophisticated perspectives to strengthen their position in the harsh market. Scully and Stanley (1994) have argued that in order to survive in the competitive environment, SMEs must devote their attention to delivering and sustain competitive advantage. And Li, Zhao and Liu (2008) conclude that competitiveness of a small business depends on its ability to engage and be responsive to its customers. Therefore, the next section is dedicated to trust in SMEs, which is detected to be a factor of customer satisfaction enhancement.

## 2. Classification of trust categories and implementation

Various literature sources have elaborated on the concept of trust and as a result, it has a wide list of different definitions. Traditionally, trust is seen as a guarantee during a particular exchange or in a relationship between parties (Garbarino, Johnson 1999). Sometimes, it could be expressed as a willingness to rely (Moorman *et al.* 1993) or faith that the exchange partner will not take advantage (Dwyer *et al.* 1987) and that the counterpart would fulfil promises (Anderson, Weitz 1989). But overall, these expressions include the behavioural intentions to act; and this idea is noted by Cahill (2007). The authors Molm, Takahashi and Peterson (2000) also point out that risk is a necessary condition for trust; however, Morgan and Hunt (1994) state that the prerequisite of trust is confidence. Since nowadays customers are suspicious (Salver 2005), a number of researchers such as Morgan and Hunt (1994), Schaffer, Agusti and Earle (2009) have stressed the importance of trust as an ultimate ingredient for building long-term relationships; and Ackerman (2007) states that the goal in today's business environment is to create win-win relationships between all players, building long-term trust. Meanwhile, Buttle (2004) defines that from the financial return or reward perspective, evolution of trust is similar to an invested financial asset, which yields with interest over a long time period. Moreover, there is no doubt that relationships evolve over time, so does the concept of trust. Interestingly, Haris and Dibben (1999) provide stages of trust development: calculus-based trust, knowledge-based trust and identification based trust. And these categories are elaborated below.

- *Calculus-based trust.* According to Lewicki and Bunker (1995), in this particular phase: “trust is based on a calculation – comparing the costs and benefits of creating and sustaining a relationship versus the costs and benefits of severing it”. And Nooteboom (2002) adds that trust could be considered as the rational evaluation of the credibility of the counterpart.
- *Knowledge-based trust.* It occurs when a person has gathered enough information and is able to predict other party's behaviour. And it also depends on regarding Buttle (2004) “the parties interactive history”. According to Robbins, Judge, Odendaal, and Roodt (2009) most organisational relationships are based exactly on this particular stage of trust. The authors also notes: “the more communication and regular interaction you have with someone else the more this form of trust can be developed and depended on”. Moreover, Thompson (2008) provides the idea that reputation is also an important element due to the fact that partners operate in the specific community in which they already have built their reputation and are eager to maintain it.

- *Identification based trust.* It is the highest level of trust. Thompson (2008) puts the emphasis on mutual trust and points out: “identification based trust means that other people have your value system – shared interests, values and reactions to jointly experienced stimuli”. On the other hand, it is not only mutual trust, but also mutual understanding. Parties can rely on one another and no additional surveillance and monitoring is needed (Deutsch *et al.* 2006). Through enhanced identification partners are able to identify the emotional makeup of other people, recognize emotions and moods, and are skilful enough in treating people according to their emotional reactions; so it could be associated with one of components of emotional intelligence – empathy.

Taking into account the trust development stages, Ratnasingham (1998) proposed the model in the context of business (see Fig. 1).

Hence, the model above depicts the situation, which could be explained as follows: the pool of relationships tends to mitigate depending on the position on the ladder of a relationship. Though, it could be assumed that in order to build a long-term and reliable rapport, counterparts tend to avoid risk and in this case mutual understanding, frequent interactions and patience stimulate the relationship. On the basis of these considerations, Andaleeb (1992) classifies trust into different categories, which are deemed to be observed on the market. In relation with this matrix, it could be elaborated that the perception of positive exchange partner's motive and the perception of counterpart's high ability to produce the desirable outcome is referred to as a bonding trust, the contrary situation would reflect the following conditions: the perception of negative exchange partner's motive and the perception of counterpart's low ability to produce the desirable outcomes is defined as distrust. So, it could be stated that trust is highly effected by other party's perception regarding the motivations which govern the other part. And the stronger the feeling that the motivations are debateble there more difficulties may arise in ganting the trust.

Peelen (2005) provides the list of features that may be associated with trust: honesty, fairness, responsibility, helpfulness and involvement. Ebert (2009) gives a different approach regarding these features: belief, trustworthiness, attitude, motivation and confidence. Doney and Cannon

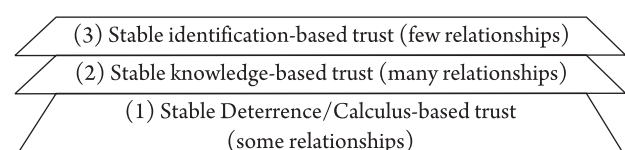


Fig. 1. Trust development stages (Ratnasingham 1998)

(1997) propose a dichotomous approach of trust distinguishing two items: credibility, which is the purchaser's belief that the vendor has enough expertise and competence to realize the needs in a reliable manner; and benevolence, which bears on the buyer's belief that the vendor acts with beneficial intentions towards the buyer. However, Buttle (2004) leads to the tri-dimensional perspective by noting that one could trust another party if benevolence, competence and honesty are present. The nature of trust is discussed by Humphrey (2008) who indicates that it derives from two elements: credibility and competence. For instance Lee, Choi and Sohn (2010) provide the list of previous studies which focused on Conceptualization of Trust in the Context of e-Commerce. Regarding the aforementioned reasons, it can be concluded that trust is a multidimensional construct. Indeed, there is a plethora of authors who have offered a concept of trust through the multidimensional or multi-faceted perspective; however, there is no consensus on the particular number or its real nature.

Trust is a strong contributor to commitment (Peppers, Rogers 2011). This virtue stimulates communication, enhances commitment and according to Chen (2006) it is very dynamic because it creates, develops and decreases relationships. Woodside, Golfetto and Gibbert (2008) offer an interesting observation: if a customer has several available alternatives, she or he will be less likely to develop trust with a given supplier based on value creation unless additional circumstances apply. Remenyi (2007) offers the way for gaining customer trust; strategic activity must be incorporated. Meanwhile, Doran (2008) provides twelve steps on gaining trust:

1. Smile when you greet and meet customers.
2. Always use your name.
3. Always use the customer's name.
4. Treat customers the way they want to be treated.
5. Listen intently.
6. Never offer excuses.
7. Give choices for service or product whenever possible.
8. Seek/ask for customer approval.
9. Assume responsibility: be the person "in charge" for your customer.
10. Promise/commit: deliver and do better than expected.
11. Be open and seek feedback.
12. Value, think and appreciate the customer.

The previous proposals resemble the provision of first impression and some authors emphasize the importance of the first impression due to its ability to maintain longer in the mind, while Bergeron, Fallu and Roy (2008) state that all cards are played in first few minutes. The same researchers conducted a study on comparison of effects of the first and the last impression in the selling context and indicated that

initial impression impacts the perceived quality and trust, whereas final impression effects satisfaction.

However, trust is the last step in building the loyalty (Salver 2005) and the aforementioned model has exemplified this practice. Salver (2005) also adds that the relation between satisfaction and trust is bilateral in terms of time and explains: while satisfaction is a result of past encounters, trust is future-oriented because it refers to upcoming experiences.

Moreover, the authors Gilmore and Carson (1999) agree that networking is the key to successful performance of a small business, but this network should incorporate individuals external to the organisation, company's employees and also other organisations. Andersson and Soderlund (1988) offer that this kind of socializing revolves around personal contacts, social and business networks. Consequently, through nurturing customer trust, a firm can build a background for value creation (Schneider 2011) and gain even more – competitiveness, because according to strategic advisor Bregman (2009) trust is the pioneering method for gaining competitive advantage.

### 3. Past works on trust

Lee, Choi and Sohn (2010) conducted a research, which examined the impact of multi-dimensional trust on customer satisfaction in the context of e-commerce sites. The researchers distinguished the cue-based trust (for instance, privacy policy, awards, site design) and experience based trust by proposing 3 and 6 measurement items accordingly (Table 1) including purchase intention (3 items) and satisfaction (4 items). The authors explained that once cue-based trust is built, customers build experience-based trust through the experience of dealing with online stores. After surveying 331 respondents, a positive relation between these two concepts was found as well as a positive association with customer satisfaction. In addition, the researchers noticed the precursor role of cue-based trust regarding its ability to stimulate new customers with the first impression, create the trustworthiness and convince the purchasing intention, while experience based trust has a high impact on enhancing customer satisfaction.

A comprehensive model of customer trust in two retail stores (Fig. 2) was proposed by Guenzi, Johnson and Castaldo (2009). Tri-dimensional customer-to-store associations were taken into account including customer to salesperson, customer to store branded products and customer to the store itself. The researchers obtained 393 respondent answers which covered the evaluation of an Italian supermarket retailer. In this paper, authors collected a broad list of measurement variables and sources, such as: salesperson integrity, likeability, problem solving, store environment, communication, assortment, trust in

the salesperson, trust in the branded products, trust in the store, perceived value, store loyalty behavioural intentions, frequency of visit to the store and store patronage. These were used in the questionnaire. All these items were evaluated using a 7-point scale. According to the authors, this study contributed in several ways: firstly, they investigated a broad range of relationship marketing outcomes; secondly, the study was based on tri-dimensional analysis of the focal constructs; and thirdly, they identified the concept of trust in the context of a retailer.

Another interesting research was conducted by Herrera and Blanco (2011) who concentrated on the consequences of consumer trust in protected designation of origin (PDO) food products. The distinguishing feature of this structural equation model is the fact that trust splits into two branches: satisfaction and perceived risk (Fig. 3); and quite the same part of the framework was taken by Johnson, Bardhi and Dunn (2008) where trust is the antecedent of satisfaction in the context of self-service technology, meanwhile, the majority of empirical studies propose that satisfaction is the antecedent of trust. Since Herrera and Blanco (2011) aimed to measure the impact of familiarity on the associations of perceived risk, trust, satisfaction, loyalty and buying intention, they used a series of statements based on a seven-point Likert scale and the respondents were asked to indicate their level of agreement or disagreement with selected statements. Regarding the structural equation model, the relationship among these constructs was indicated. In addition, it was noted that the greater is the experience with PDO products, the higher impact trust has on satisfaction.

Table 1. Proposed dimensions and extracted dimensions to measure (Lee *et al.* 2010)

Dimensions	Items
Cue-based trust	Shopping mall retailers can be trusted completely.
	Shopping mall retailers can be counted on to do what is right.
	Shopping mall retailers can be relied upon.
Experience-based trust	I think that shopping mall retailers are honest.
	I expect I can count on retailers of this shopping mall to consider how its actions affect me.
	I expect that the intentions of the retailers of this shopping mall are benevolent.
	This shopping mall knows how to provide excellent service.
	I am quite certain what this shopping mall will do.
	I think that shopping mall is trustworthy.
Purchase intention	I am highly likely to buy products from this shopping mall.
	I will provide my private information willingly.
	I never hesitate to provide my information to shopping malls.
Satisfaction	I am satisfied with my decision about purchasing in this shopping mall.
	Purchasing in this shopping mall was a wise selection.
	I feel that my purchase in this shopping mall was a good thing.
	I am happy because I bought in the shopping mall.

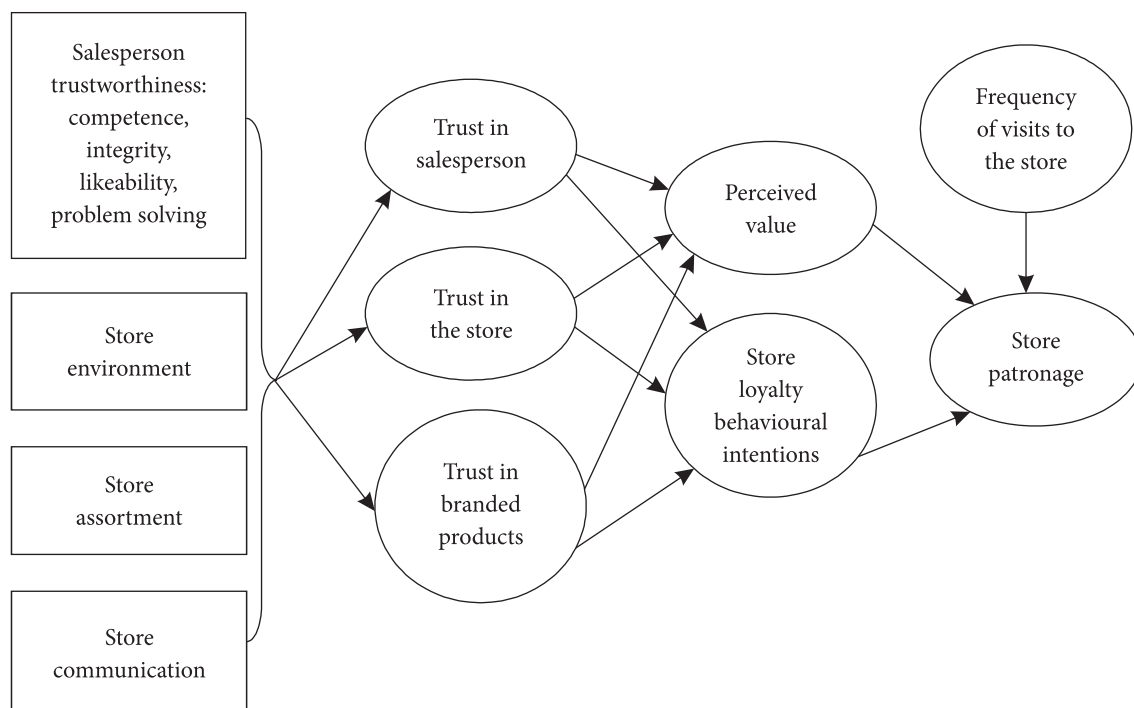


Fig. 2. A research model of customer trust in two retail stores (Guenzi *et al.* 2009)

Auh (2005) reported the mediating role of trust in the effect of hard and soft attributes on loyalty by incorporating the transformation of the key mediating variable model (KMVM) of Morgan and Hunt in the hair care service environment (Fig. 4).

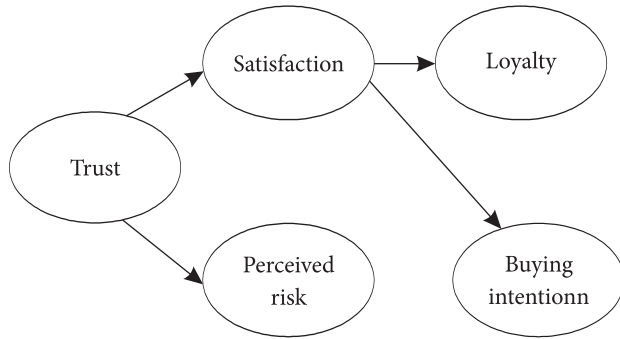


Fig. 3. The research model of PDO products (Herrera, Blanco 2011)

According to the explanation of the author, hard attributes are related to the key service performance, while soft attributes are associated with both human and non-human – for instance, physical atmosphere – aspects such as in an interaction between a service provider and a client. After the research, it was concluded that trust plays a fully mediating role for soft attributes and partially mediating role for hard attributes.

The antecedents and consequences of consumer trust in the context of service recovery were analysed by Pizzutti dos Santos and Von der Heyde Fernandes (2008). The study was carried out in the context of banks and airline companies by collecting answers from complainers and adapting a structural equation model where trust was classified in two dimensions: trust in the company and trust in employees (Fig. 5). Two constructs were selected for trust measurement: consumer trust in frontline employees and consumer trust in management practices and policies that were evaluated by five point Likert scale. After the research,

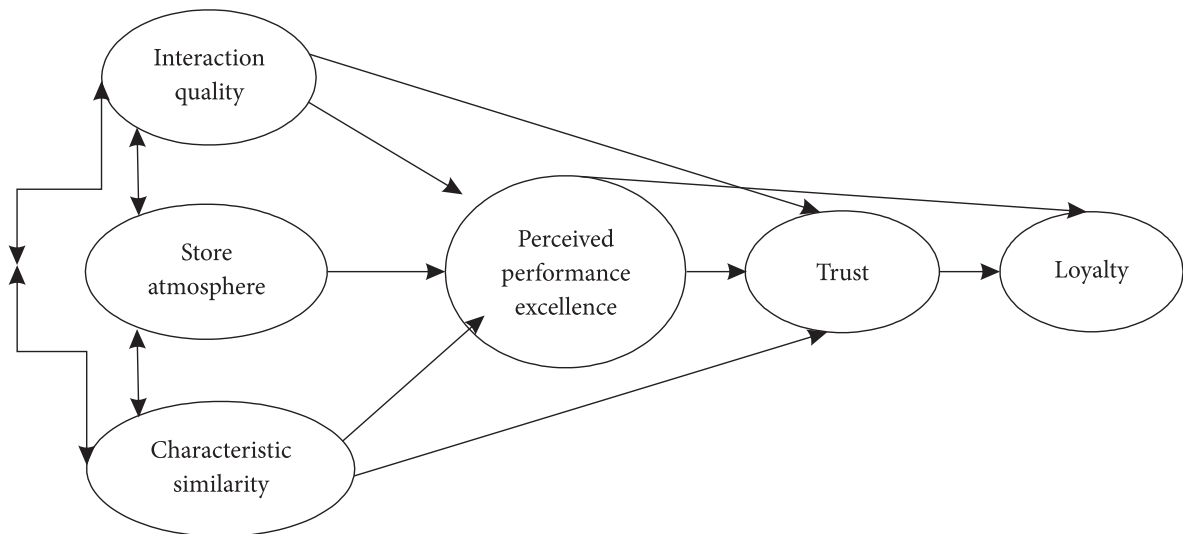


Fig. 4. The research model of the effects of soft and hard service attributes on loyalty: the mediating role of trust (Auh 2005)

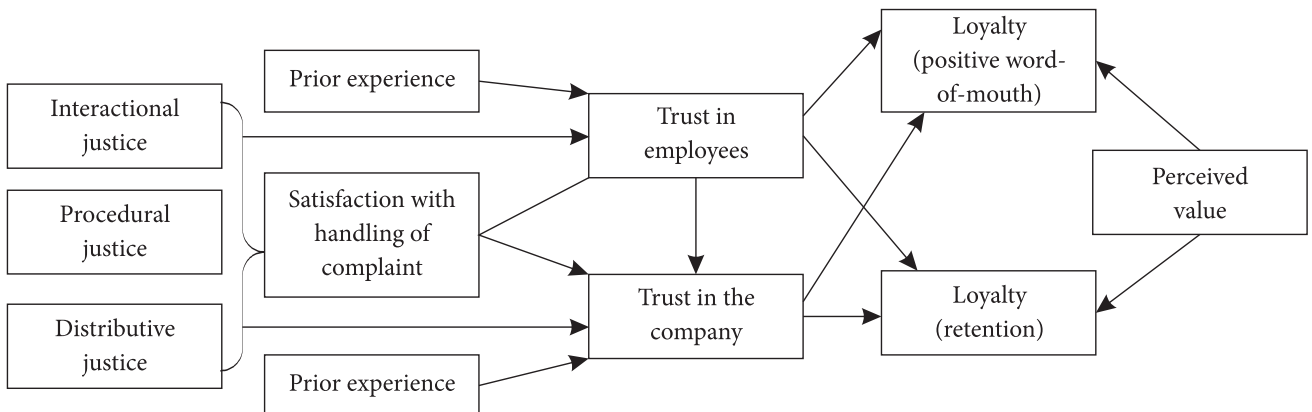


Fig. 5. Theoretical model of the antecedents and consequences of consumer trust in the context of service recovery (Pizzutti dos Santos, Von der Heyde Fernandes 2008)

it was proposed putting the interactional fairness on the centre stage by suggesting that customers value courteous and respectful treatment. According to the data it was indicated that trust in the company has a positive impact on the behavioural intentions such as repurchase and positive word-of-mouth.

Concluding on the construct of trust, it could be assumed that literature examined this domain in a multi-faceted perspective. One thing is clear: building trust requires time. But consequently, invested time pays off in the form of increased confidence in products and services, customer satisfaction, engaging customers and generally, delivering competitiveness.

## Conclusions

The hectic pace of competition pushes small and medium enterprise sector to adapt sophisticated marketing ideas. In this type of context, customers are becoming more and more selective. But the great variety of limitations burdens the abilities to expand. Despite this fact, the current study paper aimed to investigate the academic perception of trust.

Taking into consideration the analysis of the theoretical perspective on trust, it could be noted that small and medium enterprises are seen as a significant contributor to a national economy. A great variety of academic papers distinguish a number of limitations regarding this particular sector and these include: ownership, limited size, small range of customer base, geographical scope limitation, shortage of financial resources, low risk propensity, centralization, low formalism level, dis-economies of scale, limited autonomy, cultural insularity and identity-based trust relationships. Regarding the last characteristic, it could be assumed as an advantage due to the fact that it enables to create unconventional marketing strategies.

The scholarly perception on trust suggests that it can be presented as a multi-faceted concept with development stages and categories. A plethora of authors presented and elaborated on three major categories of trust, which include: calculus based trust, knowledge based trust and identification based trust. In addition to this, the scholars also gave practical implementation methods that can be incorporated in the activity of small and medium enterprises. And this is based on the idea that gaining trust plays a significant role in achieving the competitive advantage in the dynamic market.

Moreover, the past works on trust presented in the form of visualized models have demonstrated that trust highly affects customer satisfaction, loyalty and also perceived value. In addition, it was identified that trust incorporation can play an important role in attracting new customers via first impression, also create the trustworthiness and convince the purchasing intention. Moreover, it was indicated that trust in a company has a positive impact on the behavioural intentions such as repurchase and positive word-of-mouth.

Therefore, SMEs should devote their attention to nurturing of trust with the customers and the external environment.

Taking into consideration the novelty of this study, it is worth noting that this article brings a novel approach regarding a great variety of collected understandings of trust and puts an important foundation for future theory and practice investigations.

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