CONSUMER GRUDGEHOLDING: TOWARD A CONCEPTUAL MODEL AND RESEARCH AGENDA

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ABSTRACT

The topic of consumer grudgeholding has received limited attention in the marketing and consumer behavior contexts. The act of holding a grudge is one of great importance because it describes what seems to be an irrational, intensely emotional behavior or set of behaviors on the part of the consumer, yet the behaviors associated with grudgeholding can have devastating effects on the marketing entity. Any member of the marketing channel, including product and service marketers, retailers, and advertisers, may lose a customer while receiving little reason why, or while being subject to negative word-of-mouth or other retaliatory measures. The current research offers conceptual model of the grudgeholding response, incorporating established theoretical research such as attribution, coping, voice and exit, perceived justice, consumer loyalty, and complaining behavior. A detailed model of grudgeholding behavior is presented with an agenda for future research.

INTRODUCTION

The interaction between a marketer and each of its customers exists "to establish, maintain, enhance and commercialize customer relationships so that the objectives of the parties involved are met. This is done by a mutual exchange and fulfillment of promises" (Gronroos, 1990, p 5). Peterson adds that the definition of relationship marketing will emphasize the "development, maintenance, and even dissolution of relationships between marketing entities, such as firms and consumers" (Peterson 1995, p 279)

One form that the dissolution of a marketing relationship takes when a promise is not fulfilled is that of consumer grudgeholding. The act of holding a grudge conveys the visual image of an embittered individual, standing with back turned

to avoid the offending object, arms crossed into an impenetrable barrier to communication. Grudgeholding might be considered to be overly emotional, irrational, and counterproductive to everybody except for the person holding the grudge. To the consumer who is experiencing dissatisfaction, grudgeholding is an emotion-driven attitude, a coping response to a breach of faith. Such a response may seem to be perfectly justifiable and appropriate given the grievance held by a customer against the object of the grudge.

From the marketer's perspective, grudgeholding represents profoundly dysfunctional relationship with a prospective, or even current customer, a customer who may have removed himself or herself from any possible marketing communications, and who may have banished the offending marketer to his or her rejected set, barring consideration of any future relationship. A better understanding of grudgeholding and how this response develops is necessary, particularly given the growing importance deepening of and enduring relationships with customers.

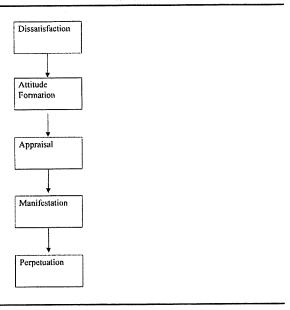
RESEARCH OBJECTIVES

The main objective of this research is the presentation of consumer grudgeholding as a distinguishable coping response, one that begins with a consumer's experience of a dissatisfying outcome to an aspect of the consumer-marketer relationship. For grudgeholding to occur, this outcome must provoke an intensely strong negative emotional reaction, a "flashpoint" that is followed by the formation of a negative attitude toward the marketer and then, either immediately or at a later time, by an appraisal of possible responses to the negative outcome.

The current research will focus on the factors influencing the bearing and perpetuation of the

grudge, including the role that the marketer plays in meeting or failing to meet the consumer's demands for redress. Finally, an agenda for continuing research will be introduced with a focus on the implications for marketers. The framework of the proposed grudgeholding process is illustrated by Figure 1.

Figure 1
Framework of the Proposed Grudgeholding
Process



These research objectives will be pursued by integrating the innovative yet infrequent research on grudgeholding with research in related areas. These areas include work on complaining and redress seeking, consumer exit, and consumer loyalty. This approach is intended to take the study of consumer grudgeholding, introduced by Twedt and developed by Hunt (e.g., Hunt, Hunt and Hunt, 1988) and add a new dimension that will examine the consumer-held motivations and perceived functionality of the grudgeholding response.

GRUDGEHOLDING DEFINED

The dictionary definition of a grudge is "a strong, continued feeling of hostility or ill will

against someone over a real or fancied grievance" (Guralnik, 1980, p. 619). Wixen (1971) offers a psychoanalytic perspective, presenting grudgeholding as a phobic avoidance of the offending party, enacted to preserve the grudgeholder's self-esteem. The elements of this definition hold true for the adaptation of the concept of grudgeholding to the realm of consumer behavior. The strong and negative emotional reaction experience by the consumer might be called a flashpoint that provokes avoidance behavior against the marketer.

Clearly, grudgeholding is about as far from a case of consumer satisfaction as one can imagine, yet it is not as simple as an extreme case of dissatisfaction (Francis and Davis, 1990). A grudge is defined in the marketing context as an extreme exit (Hunt, Hunt, and Hunt, 1988; Hunt and Hunt, 1990), persisting over a long period of time (Huefner and Hunt, 1992). Grudgeholding is not dissatisfaction, it is an attitude formed as a coping response to the above-mentioned flashpoint.. This attitude may last for a moment or for years. It may provoke avoidance at all costs, or until the consumer realizes that avoidance is impossible or impractical. The importance of consumer grudgeholding is not only in the length of the grudgeholding, but in the affective, cognitive, and behavioral responses of the consumer while the grudge is being held.

The motivation for grudgeholding and the offended customer's behaviors during the course of holding a grudge warrant the following integration of the definitions of consumer grudgeholding:

Consumer grudgeholding is a negative attitude toward a marketer, distinguished by the persisting and purposive avoidance of the marketer (e.g., vendor or group of vendors, brand, product class, or organization) and possible other actions against the marketer as a means of coping with a real or perceived grievance attributed to the marketer.

Grudgeholding begins with the emotional

flashpoint leading to the formation of a negative attitude, driven by the emotion involved in the dissatisfying experience. Then, appraisal of the coping alternatives and the behavioral manifestation of the grudgeholding attitude will occur, leading to the grudgeholding response over some time frame.

While the above makes grudgeholding seem like a detailed process, it does not reflect the experience of grudgeholding, The negative attitude would be driven not by the usual three components (affect, behavior, and cognition), but primarily on the basis of the strong negative affect (e.g., Eagly & Chaiken, 1993). The subsequent appraisal of alternatives does recognize a cognitive element to grudgeholding, but this appraisal may occur immediately (e.g., "I have to get out of here") or it may not occur for some time after the flashpoint occurs (e.g., "the store still refuses to correct their error, I will never go back there again").

It is important to note at this point what grudgeholding is not. Consumer grudgeholding is not merely another way to say consumer dissatisfaction; in fact, grudgeholding is one of the possible emotional and attitudinal consequences of dissatisfaction that may include responses such as complaining, avoidance behavior, negative word-of-mouth, or the enlisting of an outside agent to bring about a desired change.

Just as there are several other responses to dissatisfaction beside grudgeholding, there are a number of reasons that a consumer might decide to withdraw from a relationship with a marketer on a temporary or permanent basis. A shopper might elect to buy one brand over another or to enlist the services of one vendor instead of his competition. Recall that the definition provided above states that grudgeholding is done with a purpose, and that purpose is to cope with a wrongdoing on the part of a marketer. Of course, there are other reasons for exit or avoidance behavior, such as variety-seeking, unavailability of a product (such as stock-outs or a long wait for an appointment), or the purchase of one product

or service at the expense to another because of a discount or other form of promotion. Exit or avoidance without the strong negative attitude would not fit the definition of grudgeholding. There are other ways to express dissatisfaction than exit behavior too, such as complaining or enlisting an outside agent to bring about a desired change. As proposed by the above definition, consumer grudgeholding is persisting and purposive, and results in the avoidance the object of the grudge. The next section will present the past research on grudgeholding.

THEORETICAL BACKGROUND

The seminal research that provides the background for the study of grudgeholding is that of Hirschman and of Hunt. Hirschman distinguished two broad responses to a situation that is deemed unacceptable: exit and voice. These responses were considered in several contexts, including commercial, social, political, and organizational. According to Hirschman (1971, p. 4):

Some customers stop buying the firm's products or some members leave the organization: this is the *exit option*. As a result, revenues drop, membership declines, and management is impelled to search for ways and means to correct whatever faults have led to exit.

The firm's customers or the organization's express their dissatisfaction directly to management or to some authority to which management is subordinate or through general protest addressed to anyone who cares to listen: this is the *voice option*. As a result, management once again engages in a search for the causes and possible cures of the customers' and members' dissatisfaction.

Hirschman presents the above options as members of two different realms. Exit is an economic option, pragmatic and enacted when voice is not perceived to be an alternative, or the cost of expressing voice is expected to be too high. In contrast, voice is a political approach, enacted when exit is impossible or costly, or when the offended party retains hope of maintaining a relationship with the offender. Hirschman presents both exit and voice as considered responses based largely on a cognitive, situational appraisal.

Both exit and voice are means of coping with a deteriorating and unacceptable situation. Hirschman's approach is based on cognitive appraisal, and there is certainly a cognitive element to consumer dissatisfaction. Sirgy (1980) defined dissatisfaction in terms of the differences between expected (or deserved) outcome and the perceived actual outcome of an encounter, which involves cognitive appraisal. Yet Sirgy also defined dissatisfaction as "an emotional state resulting from (the) widening of the perception-cognition discrepancy" (Sirgy, 1980, page 45).

It follows that grudgeholding, recognized as "extreme exit" (Hunt and Hunt, 1988), containing elements of voice and exit (Wright and Larsen, 1997), and of emotion and appraisal, is also a coping response. (e.g., Folkman and Lazarus, 1985). The inclusion of grudgeholding as a coping response seems intuitive, and yet this integration of the research has not been pursued until now.

The emotional elements of grudgeholding were later added to the research stream, largely by the work of Twedt and Hunt. Twedt is credited by Hunt with introducing the term "consumer grudge-holding" to the marketing literature (Hunt, et al., 1988), and the work of Hunt offered several variables for consideration. Specifically, Hunt found that grudges tend to be held when a consumer becomes emotionally upset due to product performance (moreso than due to service performance), and result from infrequently made purchases (compared to more frequently made transactions). Hunt also found that grudges tend to be fairly long in duration and are more often held by older consumers than by teen-aged or collegeaged consumers (Hunt, et al., 1988; Hunt and Hunt, 1990).

Grudgeholding was also explored in detail by Wright and Larsen (1997). Wright and Larsen examined grudgeholding in the context of an passionate audience's response to the rejection of their favorite college football team (Brigham Young University) by college football's Alliance Bowl Coalition, which selects the teams that will play in post-season football games. The disappointed and angry fans demonstrated numerous manifestations of the grudgeholding response. The Wright and Larsen example is illustrative of the nature of grudgeholding, for which there is an emotional response, and there is persistence of avoidance, but the grudgeholding and the way in which a grudge is carried out is something that can vary depending on personal and environmental factors. The expression of grudgeholding will be discussed in a later section. The next section will present the elements of the grudgeholding response.

ELEMENTS OF THE GRUDGEHOLDING RESPONSE

The grudgeholding response is composed of several elements that occur in a sequence, although the elapsed time between steps in the sequence might be minimal. Preceding grudgeholding is the necessary experience of customer dissatisfaction. This dissatisfaction provokes a grievance felt toward the marketer by the consumer, and this emotional reaction that provokes the grievance can be labeled as a flashpoint.

The immediate coping response by the consumer may be a quick verbal response, a call for the store manager, even an immediate exit, yet the response of the marketer or environmental factors may mitigate or prevent the formation of the negative attitude. Next comes the consumer's assessment of the situation and the possible coping responses, including the possibility of holding and sustaining a grudge. A grudgeholding response can come in one or more of a variety of forms, and can subside quickly or continue indefinitely, and these factors are mediated by the

marketer's response and changes to the consumer's situation or marketing environment. To summarize, once dissatisfaction is experienced, consumer grudgeholding unfolds over several steps:

Flashpoint and Attitude formation Assessment Manifestation Perpetuation

Each of these steps is discussed in greater detail below.

Flashpoint

Literally, a flashpoint is the lowest temperature at which a volatile substance will ignite, hence the metaphor describing the moment at which a consumer realizes that his or her grievance has become intolerable, perhaps irreparable, and in need of a response. While the term flashpoint is derived from the natural sciences, it can be adapted for use in the current context of consumer psychology as it relates to customer dissatisfaction. In fact, the notion of an emotional flashpoint has been used in other situations not related to the natural sciences:

"When confronted, we want to give a defense. When criticized, we can hardly wait to set the record straight. And when wronged, we want to take the first opportunity to advance the argument for our cause. Anything but listen.... Flashpoints tempt us to make a quick verbal response." (Dresselhaus, 2001).

The current research introduces the term flashpoint into the customer satisfaction and dissatisfaction literature, and there are several related issues to be considered for future research. For example, just as different substances have different flashpoints, there may be personality variables that influence at what point a customer experiences an emotional flashpoint and decides to hold a grudge. Also, in which situations will a

single event ignite a flashpoint, versus the accumulation of events until the customer suffers, to use another metaphor, the straw that breaks the camel's back.

No matter what the circumstances leading to the flashpoint and the intense negative emotional reaction may be, this affect motivates the customer to form a negative attitude toward the offending party. The nature that the grudgeholding response takes is the subject of the consumer's assessment of his or her situation, discussed in the next section.

Assessment

Following the initial exit or avoidance response comes the maligned consumer's attempt to cope with his or her situation and, more specifically, the assessment of the coping responses available. While grudgeholding involves avoidance behavior by definition, this avoidance might be for an extended time or only for a limited duration. The factors that influence the assessment of and the response to a situation are many, and can include personality variables such as a state versus action orientation (e.g., Kuhl, 1981); locus of control (e.g., Folkman, 1986), complaining threshold (Kowalski, 1996), even paranoia (e.g., Wixen, 1971). All of these factors must be included in the agenda for future study, but for the purpose of the current research, the focus will remain on the factors related to the relationship between the consumer and the marketer.

The decision to expend the cognitive and emotional effort involved in grudgeholding, and the specific nature of this response are functions of several factors, including the attribution of blame for the situation and the consideration of the outcome desired by the offended party (and the perceived likelihood of the outcome being realized through the grudgeholding response). Also considered at this stage are the perceived costs involved in grudgeholding. These costs can be grouped into two broad categories: the cost of exiting the relationship (by leaving one consumer-

marketer relationship in favor of forming one with some competitor) and the cost of expressing voice (generally in the form of complaining). In addition, the consumer's attitude toward the enactment of the possible responses must be considered.

An important, preliminary step in the consumer's assessment of his or her state is the attribution of blame for the current situation. Just as the outward attribution of blame is a prerequisite for complaining behavior (e.g., Folkes, 1984, Blodgett and Granbois, 1992, Singh and Wilkes, 1996), it is also a necessary factor preceding grudgeholding behavior.

Another factor involved in the grudgeholding process involves the consumer's desired outcome of the consumer-marketer interaction. Just as complaining behavior is goal directed (e.g., Singh and Wilkes, 1996), the entire grudgeholding process is meant to achieve an end. A difference between complaining, which may or may not meet the criteria of grudgeholding behavior (e.g., it might not be persistent), and grudgeholding is that the goal of holding a grudge may range from a refund of the money spent on a product or service to, at an extreme, the hopes that a company will go out of business (but not before paying vast punitive damages for the trouble it has caused). However, desired outcomes can also include factors that preclude complaining, such as avoidance of or protection from a relationship with a marketer. For example, a homeowner might protest the construction of a gas station or fast-food restaurant that she feels was built too close to her property by steadfastly avoiding that merchant.

As suggested above, there are costs to grudgeholding behavior, such as the cost and effort involved in exiting a relationship. This can range from the inconvenience of consciously avoiding a particular marketer to higher costs such as the termination of an existing relationship and the effort needed to begin a new one. Other barriers to exit exist, including the sacrifice of points or credits earned through an affinity program such as a frequent flyer or frequent

shopper plan, even foregoing the use of an already-purchased product. Complaining also requires conscious effort, and may be met with indifference or the denial of a desired level of customer service. It might simply be against one's nature to complain. This is an important factor in considering the dissatisfied consumer's assessment of his or her possible responses, and the costs therein: the consumer's attitude toward particular behavior (and not just toward the marketer).

The relationship between the consumer's attitude toward grudgeholding responses is moderated by the effort needed to enact such behavior (e.g., Bagozzi, Baumgartner, and Yi, 1992). For example, it might simply take less to drive some people to complaining behavior than it does others, who perhaps do not like confrontations and are thus less likely to complain. Kowalski called this the complaining threshold (Kowalski, 1996). Also, some people simply do not want to give up their use of a familiar product or service, and will maintain a dissatisfying relationship if the costs of ending it are deemed to be too high, or the likelihood of meeting their goals are deemed too low. Research has shown that the attitude toward a behavior is a function of the related outcomes and their likelihood of occurring (e.g., Ajzen, 1985). A dissatisfied consumer's attitude grudgeholding behaviors, and the perceived costs of such responses, can therefore influence their attitude toward the grudgeholding response.

the assessment aspect of grudgeholding is the comparison of the costs to the benefits of grudgeholding. One benefit is, of course, gaining a just and equitable response to one's grievance. Holding the grudge might give one a feeling of power, in that by steadfastly refusing to do business with the offending marketer, the customer is denying income to the object of the grudge. Gaining some measure of vengeance may also be a desired end. There is a German word, Schadenfreude, that refers to deriving pleasure from the suffering of others. This might be another perceived benefit of holding a grudge.

While holding a grudge a consumer must therefore engage in some cognitive appraisal of the likelihood that their behavior actually will lead to that outcome, and that the benefits will outweigh the costs. As research on complaining suggests, a response must be considered to have a high likelihood of success, whether success is measured as gaining a refund, punishing a marketer, or protecting oneself or others from future harm. (e.g., Blodgett and Granbois, 1992; also Singh and Wilkes, 1996 offer comprehensive review of theories related to complaining behavior). Otherwise, the costs to engaging in grudgeholding behavior might outweigh the benefits expected. Of course, that is just the rational perspective. The emotions propelling a grudgeholding response might very well blind the grudgeholder to the costs he or she may have to bear.

In this section, the different factors influencing the assessment of a dissatisfying and potentially grudge-inducing consumer-marketer relationship were explored. This assessment may be spur-of-the-moment or carefully considered, and if the decision is made to engage in grudgeholding behavior, the next question before the consumer is that of which specific actions to take. The manifestation of consumer grudgeholding is the topic of the next section.

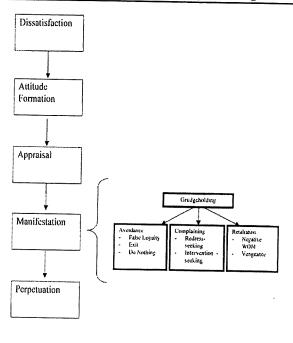
Manifestation

As the model presented in Figure 1 progresses past the assessment of responses to engaging in a particular behavior or set of behaviors, a crucial decision that the consumer must consider at this point is, if grudgeholding is deemed worthwhile, how to enact this decision. The manifestation of the grudgeholding response will be considered in this section.

The model of the grudgeholding process is expanded in Figure 2 to include the variety of behavioral responses that a dissatisfied consumer may demonstrate. These responses have been grouped into three categories: Avoidance,

Complaining, and Retaliation.

Figure 2
Consumer Behaviors Representing the
Manifestation of Grudgeholding



As suggested throughout this research, the most familiar manifestations of consumer grudgeholding behavior are complaining and exit (which is included in the avoidance category). Wright and Larsen (1997) found many different manifestations of voice and avoidance behaviors in their research on fans' reactions to the rejection of Brigham Young University's (BYU) football team's by college football's Bowl Alliance. There was a particular post-season game, the Tostitos Fiesta Bowl, that the BYU fans felt was the rightful destination of their favorite team. With the rejection, a Tostitos chip-burning was organized to protest BYU's exclusion from the football game that Tostitos sponsored. Some fans suggested boycotting all business related to the slight: Tostitos; Frito-Lay, which markets Tostitos; PepsiCo, Frito-Lay's parent company; ABC Television, which televised the game; and the other Bowl games arranged by the Alliance.

It is important to note the wide variety of grudgeholding manifestations that occurred. The goals of the grudgeholding behaviors ranged from aforementioned enjoy the desire to Schadenfreude to making the offending parties "feel as guilty as possible" (Wright and Larsen 1997, p. 178). One informant vowed that he was "throwing out my Tostitos" (p. 179) while others urged their senators to involve the Justice Department and the Federal Trade Commission in their dispute. Grudgeholding does not necessarily signify the end of all future commercial relationships between a consumer and the object of the grudge. One fan allowed for the eventual relinquishing of the grudge by admitting that "we may slip up someday" (p. 180), and another promised "to eat bags full (of Tostitos) if they repent." (p. 180). To include stories such as these as examples of the grudgeholding response is noteworthy, in that it suggests that a grudge might not be held forever, but rather may be held over a short- or long-term period during which the grudgeholding behaviors such as avoidance are exhibited. Of course, holding a grudge is only one of several possible responses to consumer dissatisfaction, or to be more precise, one of several ways in which the dissatisfaction might be expressed. Again, the key determinants of grudgeholding behavior remain the persistent and purposive nature of the behaviors.

Many of the responses included in the framework, such as redress-seeking, complaining, negative word-of-mouth, and exit behavior have been the topics of extensive research, and the current research presents them in the grudgeholding context. The focus of this section therefore will turn to two subjects that have been less frequently considered: false loyalty (part of the avoidance category) and vengeance (from the retaliation category).

Jones and Sasser (1995) presented the topic of false loyalty, which can be misinterpreted by marketers as genuine loyalty borne of customer satisfaction. This is similar to what Dick and Basu (1994) called "spurious loyalty," which can also be mistaken for loyalty due to customers' high

level of repeat patronage despite a low relative attitude toward the marketer. Similarly, false loyalty comes about when a firm's customers stay with the marketer because they have little or no choice. Regulatory limits to competition, high switching costs, proprietary technology, and affinity programs can all serve to effectively make a customer bound to a particular marketer (Dick and Basu, 1994; Jones and Sasser, 1995). Such customers are referred to as "hostages," forced to accept "the worst the company has to offer (Jones and Sasser, 1995, p. 97) because of the monopolistic status that the marketer enjoys.

While these customers might be viewed from a marketer's executive offices as loyal customers, Jones and Sasser found that once competition is introduced (due to deregulation, reduced switching costs, the expiration of patents, or the expenditure of affinity points) customers that are not completely satisfied tend to act like non-loyal marketing competitive customers in environments. Furthermore, it follows that customers that have been dissatisfied or feel abused while held at a disadvantage by the marketer may very well flee from the marketer at the first opportunity, exhibiting grudgeholding behavior because they finally can.

Vengeance, like redress-seeking, illustrates that while a consumer may be engaging in grudgeholding behavior, there may still remain interaction between the consumer and the marketer. Vengeance is a form of retaliation and is an extreme manifestation, which may be in the form of threats or lawsuits against the object of the grudge. It may also take the form of venting one's frustrations via the Internet, through the establishment of or participation in an online hate community (e.g., untied.com, a community hosting complaints against United Airlines or sucks500.com, hosting complaints against many corporations). Phenomena such as "hotel rage" (Drucker, 2001) illustrate how over-stressed and low-threshold customers may lose all sense of decorum and engage in vengeful and even destructive behavior. In fact, such customers have been labeled as "disruptive," given their negative attitudes and negative behavior toward the marketer (Rowley and Dawes, 2000). These types of behaviors may be meant as vehicles for seeking redress or equity is response to a dissatisfying transaction, but may also be punitive in nature or intent, motivated by the desire to cause damage to the offending marketer.

To summarize, there are a variety of consumer responses to a dissatisfying relationship with a marketer. To meet the criteria of grudgeholding behavior, the response must be persistent and purposive, in hopes of coping with the discrepant consumer-marketer environment. When these criteria have been met, the marketer will be in the precarious position of recognizing and coping with the consumer's potentially silent response from the of avoidance group, the possibly destructive response from the retaliation category, or any other voiced complaint behavior. This leads to the next section, on the perpetuation of grudgeholding behavior.

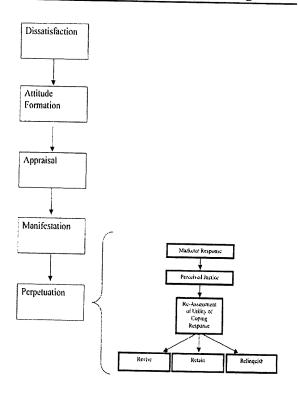
Perpetuation

The next grudgeholding response is that of perpetuation. It is not until the grudge is manifest that the marketer can respond, and if the grudgeholding takes the form of silent avoidance, the firm may not even know that it has lost a customer or that its rival might have gained one. The marketer's attempt at recovery is a key to this stage, as is whether the customer feels that the response has been equitable and that the grievance has been resolved. Note that the response of the marketer can occur at any stage that has been described above. The marketer might intercede immediately, perhaps even before a customer complains. The marketer might respond to a verbal complaint or a letter written to a central office. The object of the grudge might even respond by ignoring the customer or contending that the situation is not the marketer's fault.

After the marketer's response, the grudgeholder might revise his grudgeholding behavior toward the marketer, maintain the current behavior or set of behaviors, or relinquish

the grudge, allowing for re-established relations with the marketer. These response categories are presented in Figure 3.

Figure 3
Consumer Options Regarding the
Perpetuation of Grudgeholding



A grudgeholding consumer may see fit to revise his selected coping response, while still maintaining a grudge against the marketer. Recall that there are several elements discussed above that can influence the assessment of coping responses. The environment surrounding the customer-marketer relationship can change over time, leading to a change in behavior. For example, if the competitive situation has changed due to new competition or deregulation, the cost of exiting a relationship would change too. Whereas at one point the cost of exit was high relative to the cost of voice (e.g., complaining), the addition of a new competitor, and a new option for the consumer, could conceivably lead

the dissatisfied customer to stop complaining and simply move on to a new vendor. Another example involves the desired outcome and the perceived likelihood of a grudgeholding response bringing that outcome to bear. If a dissatisfied customer learns that other customers are also suffering from similar purchase outcomes, the likelihood of gaining a desired outcome (e.g., put the offending marketer out of business) will increase dramatically through the involvement of a legal or regulatory agency and a class-action lawsuit compared to before this knowledge available. In either case, hecame grudgeholding attitude is maintained but the behaviors related to the grudgeholding have changed.

In the absence of new information or other environmental changes, a consumer may simply continue her current grudgeholding response. There are several possible reasons for this approach, including the customer's desire to gain closure for any action she might have taken, or to save face if she has made her dispute known to the public. Similarly, once our customer has made her dissatisfaction known to the marketer or any third parties, she might not want to seem hypocritical or weak-willed by relinquishing her grudge before the discrepancy has been resolved to her satisfaction..

Both the revise and the retain perpetuation strategies are bad news for the marketer, particularly if the coping strategy chosen is a voiceless one (e.g., the avoidance responses of exit or false loyalty; see Figure 2). After all, it is well-established that while many customers do not complain even when dissatisfied, those who do complain provide a service to the marketer by pointing out deficiencies in some aspect of the customer-marketer relationship.

If the customer remains attractive to the marketer, or if the consumer's grudgeholding behavior is creating problems for the marketer (e.g., bad publicity, lawsuits), then the marketer's ideal outcome would basically be for the consumer to relinquish the grudge and resume the relationship. If the consumer does complain and

seeks redress for his or her distress, the speed and degree to which the marketer reacts can mean the difference between a recovered loyal customer and one that cannot be consoled. The recovery paradox (e.g., McCollough, 2001; see also Jones and Sasser, 1995) describes how, in the face of a discrepant situation, the marketer's prompt, equitable reaction to the discrepancy can leave a customer even more satisfied than before. Jones and Sasser (1995) cite one example in which one company won back 35% of its defecting customers by contacting them and listening to their complaints.

If the costs of holding the grudge become too high, the grudge may also be relinquished. This carries with it the risk that the customer remains dissatisfied and is only waiting for a reason to exit the relationship, exhibiting what was described above as false loyalty.

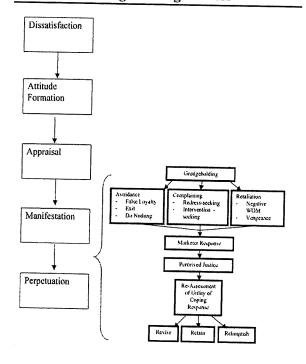
CONCLUSION

The objective of the current research has been to present a conceptual view of the consumer grudgeholding response. Grudgeholding is just one of many possible responses to consumer dissatisfaction, and the dissatisfying event or events may be viewed through a very subjective lens. If the negative emotion is intense enough to reach a consumer's flashpoint, igniting negative attitude, then grudgeholding may follow. The elements of the grudgeholding response are illustrated as an expanded framework in Figure 4.

The current research is intended to represent an advance in the study of consumer grudgeholding. Its anticipated contribution will be in the integration of grudgeholding research with research in related areas, providing a deeper understanding of consumer motivations for and manifestations of what might seem to be an otherwise irrational or dysfunctional behavior. Marketers will also benefit from understanding the concept of grudgeholding, a perspective of lapsed and lost relationships that will enable retailers, service-providers, and other marketers to heed the direct and indirect signals that a

disgruntled customer might send.

Figure 4
Expanded Framework of the Proposed
Grudgeholding Process



Managerial Implications

The current research has introduced a framework describing the grudgeholding process, but the question remains, what do the different types of grudgeholding responses mean to the marketer? There are several other variables that need to be considered before addressing this question, such as the importance of the product or service to the consumer, the purchase cycle for items in the particular product class, and, of course, the marketer's ability to recover from the customer's grudgeholding response.

A proactive marketer will also be interested in learning how to best negate the effects of grudgeholding and how to create a profile of customers that are prone to engage in different types of grudgeholding responses. This might represent a massive undertaking on the part of the

marketer, but if customers who have exited, complained, or enacted other responses to dissatisfaction can be segmented by means of measurable attributes, the marketer can prepare specific communication programs, and recovery plans and policies designed to maintain customer satisfaction and effectively recover from dissatisfying episodes.

Future Research

Future research should consider the marketerdriven factors that affect the likelihood and characteristics of grudgeholding behavior. Furthermore, how does consumer grudgeholding influence a marketer's strategic and competitive goals, and what influences does it have on the marketing environment?

A conceptual overview such as this naturally leads to many other questions, thereby establishing a provocative research agenda. Other questions were raised in the above research that provide additional directions for future research:

At what point does the accumulation of dissatisfying events surpass some threshold and result in the flashpoint and grudgeholding behavior? What is the nature of the threshold-surpassing interaction, compared to interactions leading up to that point?

What other factors influence the assessment of and the response to a discrepant situation? These factors might include personality variables such as state versus action orientation (e.g., Kuhl, 1981); locus of control (e.g., Folkman, 1986), even paranoia (e.g., Wixen, 1971).

The benefits realized from grudgeholding, and the variety of reasons for holding grudge, suggest that a categorization of the different types of grudgeholding responses is in order. Such a typology, examining the different motivations, different perspectives, and different implications of grudgeholding for

the consumer and for the marketer, also represents an important topic for subsequent research.

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