NEGATIVE WORD OF MOUTH: SUBSTITUTE FOR OR SUPPLEMENT TO CONSUMER COMPLAINTS?

Diane Halstead, University of Tennessee at Chatanooga

ABSTRACT

The predominant conceptualization of consumer complaint behavior argues that voice, private, and third party responses are related but independent complaint actions taken by dissatisfied consumers. Thus, negative word of mouth by dissatisfied consumers (a private complaint response) may occur in addition to other forms of complaint behavior rather than in place of it. This study focuses on whether or not communicating negative word of mouth about a dissatisfactory product experience replaces or supplements other forms of complaint behavior (e.g., voice or third party complaints). Over 400 U.S. carpet consumers were surveyed regarding their complaint practices after product dissatisfaction. The results indicate that negative word of mouth was greatest among consumers who had also voiced complaints to the seller, supporting the supplementary rather than substitution effect explanation.

SUBSTITUTE FOR OR SUPPLEMENT TO CONSUMER COMPLAINTS?

Identifying consumer needs and wants is a cornerstone of the marketing concept. Satisfying those needs is also a common marketing objective for many organizations. Increasing consumer satisfaction has been shown to lead to improved consumer retention rates, increased market share, and profitability (e.g., Reichheld 1994, 2001; Rust and Zahorik 1993; Rust, Zahorik, and Keiningham 1995). When consumers are dissatisfied, firms can often retain dissatisfied consumers and maintain market share if effective complaint management techniques are instituted. Companies that respond to consumer dissatisfaction and complaints with appropriate recovery strategies and satisfactory complaint resolution can turn dissatisfied consumers into satisfied ones, positively impacting repurchase rates (e.g., Bearden and Oliver 1985; Halstead and Page

1992). In effect, consumer complaints can give organizations a second chance to satisfy consumers. Thus, a comprehensive understanding of consumers' dissatisfaction and their complaint responses is needed to help firms retain consumers and stay competitive.

Using Singh's (1988) typology of consumer complaint responses, three distinct dimensions of consumer complaining behavior (CCB) have been verified: voice complaints (complaining directly to sellers), private complaints (complaining to friends or family members), and third party complaints (complaining to independent organizations such as the media, consumer groups, or legal agencies in order to seek redress, e.g., Better Business Bureau). These complaint actions have subsequently been tested in other research and been found to be robust across a variety of product categories and situations (e.g., Blodgett and Granbois 1992; Blodgett and Tax 1993; Blodgett 1994; Singh 1990b, Singh and Wilkes 1996).

Singh and others have argued that the three complaint behaviors are separate and independent actions, and that future research should investigate complaining at the individual dimension, i.e., voice, private, or third party. More recent research (Boote 1998) suggests that complaining behavior may be sequential in nature—that certain complaint actions are taken only after other complaint responses have been exhausted. For example, negative word of mouth (WOM) and third party complaining would occur only after voice complaints had been made. While this proposition seems logical regarding third party complaining, it is unclear why negative WOM communication could not occur either before or simultaneously with voice complaints. Accordingly, it makes sense to examine the nature and extent of multiple complaint behaviors for a single product category among a single consumer sample.

This study examines whether negative WOM complaints (i.e., private complaints) supplement

voice complaints or substitute for voice complaints. That is, do consumers who complain directly to sellers also complain to family and friends about their negative experiences? And if so, to what extent and in what manner do they communicate to others?

This is important for marketers due to the many documented effects of negative WOM (e.g., Huefner and Hunt 2000; Tax and Chandrashekaran 1992). Sellers have some level of control over voice complaints in terms of both preventive and recovery strategies. Word of mouth, however, is almost impossible to control, difficult to measure, and represents a distinct threat to firms with dissatisfied consumers. Accordingly, the following research questions are addressed: 1) What is the nature and extent of WOM behavior among satisfied versus dissatisfied consumers? 2) What is the nature and extent of WOM behavior among consumers who have engaged in voice complaining behavior? 3) What is the nature and extent of WOM among consumers who have not voiced complaints to sellers?

The paper is organized as follows. First, the literature on complaining behavior is reviewed, with emphasis on private complaint responses (WOM). The research hypotheses and study methodology are then discussed. Finally, results of a telephone survey of over 400 U.S. carpet consumers are presented, along with implications for managers and future research.

CONSUMER COMPLAINING BEHAVIOR

Most research assumes some level of dissatisfaction as a starting point for any type of complaining behavior—private, voice, or third party. Yet dissatisfaction alone may not lead to complaining. Many other factors have been found to contribute to complaint propensity including variables such as attitude toward complaining (Bearden and Mason 1984; Halstead and Droge 1991), consumer emotional states and coping strategies (Stephens and Gwinner 1998), attributions of blame (Folkes 1984), severity of the problem (Singh and Wilkes 1996), product/service costs (Kolodinsky 1993), prior complaining

experience (Bagozzi and Warshaw 1990), and more. Some researchers have specifically examined the factors underlying dissatisfied consumers' decisions to remain silent (e.g., Andreasen 1984, 1985; Andreasen and Manning 1990; Stephens and Gwinner 1998).

At the same time, some researchers have noted the incidence of complaining even among satisfied consumers (e.g., Jacoby and Jaccard 1981). Kowalski (1996) argued that some consumers complain not out of dissatisfaction but in efforts to gain fraudulently from retailers or manufacturers. Some satisfied consumers might even complain about minor service problems or product defects due to organizational commitment or loyalty, or even to reinforce their earlier buying decisions. They may have a desire to see their favorite brands or companies succeed. For example, wanting a "favorite restaurant" to improve service so that future experiences are pleasurable, so that the restaurant stays in business, or so that the consumer can recommend it to others, could all be potential motives. Thus, satisfied consumers might complain about certain attributes even though overall satisfaction is relatively high.

In summary, the extant literature indicates that not all complainers are dissatisfied, nor do all dissatisfied consumers complain. All of these issues suggest that any investigation of CCB should measure (dis)satisfaction levels in tandem. Accordingly, an exploratory research framework for this study is shown in Figure 1.

When dissatisfaction and other factors do lead to consumer complaint behavior, the choice of private, voice, or third party complaining still exists. In fact, some research has found that consumers engage in multiple complaint responses (a "supplemental effect") rather than choosing a single complaint option (a "substitution effect"), e.g., Day (1984) and Richins (1983, 1987). For example, Richins (1987) noted that complaint behaviors such as exit, negative WOM, and seller complaints are "separate processes influenced by different variables or in different ways by the same variables" (p. 29).

Singh and Wilkes (1996) later tested voice, private, and third party complaint response estimates in three service categories: banking,

medical care, and automotive repair services. While their research generally supports the notion of a supplemental complaint effect (i.e., multiple complaint responses), they measured consumer *estimates* of complaining, or the likelihood that a particular complaint response would be chosen under typical scenarios. Thus, actual complaint *behaviors* were not examined.

Figure 1
The Proposed Research Framework
Consumer Satisfaction Level and Voice
Complaining

	Complainers	Non-Complainers
Satisfied		
Dissatisfied		

Private Complaining through Negative WOM

Word of mouth behavior (private complaining) refers to the act of telling at least one friend, acquaintance, or family member about a satisfactory or unsatisfactory product experience (Richins 1983). The extent of WOM behavior refers to the number of people the consumer tells about the consumption experience. WOM can also be viewed as being either favorable or unfavorable depending on the nature or valence of the communication. Recent research has even suggested that negative WOM (private complaints) should be differentiated on the basis of intent. It might be a form of retaliatory action against sellers—an aggressive complaint behavior

with a specific intent to hurt a business. Alternatively, it may simply be a communication mechanism to warn others of a consumer risk (Huefner and Hunt 2000).

WOM behavior has received considerably less attention than either consumer dissatisfaction or other forms of complaining behavior. It was, at first, subsumed under the more general category of opinion leadership research. However, opinion leadership research has several disadvantages when applied to the study of (dis)satisfaction and complaints. First, most research in this area considered only positive and not negative WOM. Second, the research was typically limited to new rather than existing products/services. Finally, those consumers engaging in negative WOM may not actually be opinion leaders (Richins 1983). Since early research has found that consumers seem to place more weight on negative information when making evaluations (Lutz 1975, Morris 1988, Wright 1974), an exploration of negative WOM and its relationships to satisfaction and voice complaining is needed.

In the research that *has* examined WOM as a post-purchase phenomenon, the "lack of delineation between positive and negative word of mouth" has often limited the research findings (e.g., Davidow and Leigh 1998, p. 100). Furthermore, few studies have examined WOM behavior in concert with other complaint responses, as strongly suggested by Singh (1988) when his typology was introduced.

Extent of WOM and Satisfaction

Early research for the Coca-Cola Company (TARP 1981) found that at least twice as many people heard about a consumer's unhappy experience as heard about a satisfactory one. Consumers who thought that their complaints had not been satisfactorily resolved typically told nine or ten others about their dissatisfaction. If the complainants were minimally satisfied with the company's response, however, only four or five people were told about the initial bad experience. The 85 percent who were completely happy with the company's response told four or five people

how well things were handled. This oft-cited research was later followed by other studies that confirmed this same phenomenon.

For example, Westbrook (1987) also found a negative relationship between satisfaction and WOM (as satisfaction decreases, WOM increases). A seminal study by Richins (1983) found WOM to be related to several complaining, dissatisfaction, and marketplace variables. She found the tendency to engage in negative WOM behavior positively related to: problem severity, external attributions of blame, and negative perceptions of retailer responsiveness. More recently, Johnston (1998) found that the extent of private WOM complaints increased as dissatisfaction increased. He looked at the level or intensity of consumer dissatisfaction, ranging from "slightly dissatisfied" to "absolutely furious," and found that voice complaints *and* WOM increased with increasing dissatisfaction.

Contrary to conventional wisdom, however, some studies have contradicted these research findings. For example, in an early study of satisfied and dissatisfied automobile repair consumers, Engel, Kegerreis, and Blackwell (1969) found no significant differences in the extent of WOM activity between the two groups. Their sample consisted of innovative consumers, however, who may be unique with respect to their WOM activities. In a few studies, satisfied consumers have been found to participate in WOM communication more frequently than dissatisfied consumers (e.g., Holmes and Lett 1977; Naylor and Kleiser 2000; Swan and Oliver 1989). But widespread differences in these studies across product categories, consumer experience levels, and even the frequency of repeat patronage could explain the conflicting results. In contrast, Anderson (1998) found that consumers who are either highly satisfied or highly dissatisfied tend to engage in WOM activities, indicating a possible U-shaped relationship between satisfaction and WOM.

In summary, conflicting evidence exists regarding the exact nature of the satisfaction/WOM relationship. It appears that logic and most of the accumulated research suggest that the extent of WOM behavior among

dissatisfied consumers would exceed the WOM activities of satisfied consumers. This issue clearly needs further testing, however, so the following research hypothesis is proposed:

H1: The extent of WOM behavior of dissatisfied consumers will be significantly greater than the extent of WOM behavior of satisfied consumers.

Extent of WOM and Voice Complaints

WOM responses to satisfaction/dissatisfaction are considered private complaint actions according to both Day and Landon's (1977) original taxonomy and Singh's (1988) classification. As noted earlier, however, CCB is generally conceptualized as a set of multiple responses, in which some combination of voice, private, and third party complaints is made. Thus, negative WOM may occur *in addition to* other forms of complaining rather than in place of it. Each type of complaint represents an independent dimension of CCB. Each of these may also meet different objectives of the consumer. For example, voicing complaints to a retailer or manufacturer in order to obtain redress may provide the consumer with some monetary value or other benefits (e.g., a brand new replacement product). Or it may simply provide the consumer with the opportunity to vent his or her displeasure. Privately complaining to others may also allow this venting, but would not provide any monetary value. Of course, negative WOM would usually have a detrimental impact on sellers' future sales as well. To the extent that dissatisfied consumers use private complaints to retaliate (e.g., Huefner and Hunt 2000), they may choose this CCB response over a voice complaint. Thus, the choice of one form of complaining behavior may impact or even prevent other forms of CCB.

Richins (1983) found that a majority of dissatisfied consumers participates in WOM as opposed to taking no action or engaging in voice complaints, indicating a "substitution effect" among dissatisfied consumers. Several earlier studies documented the notable absence of voice complaints by consumers despite widespread

dissatisfaction (e.g., Andreasen 1984, 1985; Best and Andreasen 1977; Day and Landon 1977). These studies point to a possible substitution hypothesis as well. Richins (1983) summarized this by noting that most researchers accept that the incidence of (voice) complaints is much lower than the incidence of negative WOM.

At the same time, a "supplementary effect" would not be surprising given the similarity in some of the underlying dimensions of both voice and private (WOM) complaints. Of prime importance is that both behaviors likely have dissatisfaction as one antecedent. Both are also overt behavioral responses intended to exert some influence on others. In the case of voice complaints, it may be to obtain a refund or replacement product. Negative WOM may be communicated in order to dissuade others from buying the same brand. Thus, commitments of time, physical energy, cognitive and emotional effort, and a willingness to confront or admit to dissatisfaction are required for both (as compared to an exit response).

Finally, voice complaints may lead to greater private complaints simply because the consumer's total product experience has been expanded. That is, the consumer has more to talk about than just the initial product dissatisfaction. The consumer may now tell others of a firm's service policies, the friendliness of the staff, or perhaps of the detailed warranty knowledge he/she gained. The complaining process itself may also become part of the WOM communication—resulting in not only a supplementary effect but perhaps a greater amount of WOM as well. That is, if consumers talk about their voice complaints to others, the extent of their WOM communication is likely to be greater than the WOM of other consumers.

Empirical support for a strong supplementary effect exists as well. For example, contrary to Richins' (1983) earlier arguments, Singh (1990a) found that widespread overlap in voice and private complaints (negative WOM) occurred. Although voice complaints were more frequent than WOM complaints in two of three service industries (grocery stores and auto repair, but not medical care), consumers in all three industries engaged in both voice and private complaining. In fact, Singh

expanded the range of possible dissatisfaction responses to include exit as well, and found that multiple complaint responses occurred in all cases. Thus, a supplementary rather than a substitution effect is proposed. Furthermore, this effect should be greater among complainers due to their expanded product/service experience. Thus:

H2: The extent of WOM behavior of consumers engaging in voice complaints (complainers) will be significantly greater than the extent of WOM behavior of consumers who do not engage in voice complaints (non-complainers).

Favorability of WOM and Satisfaction

WOM favorability refers to the valence of the WOM comments that consumers make to others about their product experiences. It seems logical that dissatisfied consumers would be more likely to engage in negative WOM, whereas satisfied consumers would engage in favorable WOM activity. Theories of cognitive dissonance (Festinger 1957) and even attitude theory (Fishbein and Ajzen 1975) would explain how consumers' communication behaviors should correlate with the cognitive and affective components of satisfaction judgments. Some empirical evidence also indicates that dissatisfied consumers are more likely to engage in negative WOM as compared to satisfied consumers (Johnston 1998; TARP 1981).

Negative WOM also appears to be more powerful than positive WOM, particularly in terms of its impact on other post-purchase variables such as purchase behavior (Morris 1988). Earlier, Arndt (1967) found that only 54 percent of consumers exposed to favorable WOM bought a product while 82 percent of those who had heard unfavorable comments did not buy it. Given the greater incidence and effects of negative WOM communication, both the valence and the extent of WOM communication should be examined.

Favorability of WOM and Voice Complaints

Complainers (voice complainers) are also more likely to engage in more negative WOM communication. Not only might complainers be dissatisfied enough to engage in both forms of complaining (voice and private), but some satisfied complainers may participate in WOM as well. This may occur because they are upset about the need to complain or even the complaining process itself. Of the four possible combinations represented in the research framework (see Figure 1), it is obvious that dissatisfied voice complainers should engage in the most negative WOM communication ("most" in this case refers to WOM that is more negative than positive in terms of content). Similarly, satisfied non-complainers should make the most favorable comments (in terms of content).

Of the two remaining groups, however, the nature of their WOM communication is less obvious. Dissatisfied consumers who do not voice complaints should engage in more negative WOM behavior than satisfied complainers. This is because they are more likely to be frustrated by the lack of emotional release that voice complaining often provides. The following hypotheses are therefore proposed:

H3: The WOM communication of dissatisfied consumers will be less favorable than the WOM communication of satisfied consumers.

H4: The WOM communication of complainers will be less favorable than the WOM communication of non-complainers.

H5: The WOM communication of dissatisfied non-complainers will be less favorable than the WOM communication of satisfied complainers.

RESEARCH METHOD

Sampling and Data Collection

A nationwide study was conducted among over 400 household consumers in the U.S. The telephone surveys, conducted by an independent marketing research firm, queried respondents about their recent carpet purchases. The sampling frame consisted of new owners of a nationally advertised carpet brand who had completed and returned product warranty cards (the warranty card return rate was 25 percent). The owners had to have purchased their carpet within the last 12 months to be included in the study.

Stratified random sampling was conducted within two major groups to ensure widespread variability in (dis)satisfaction levels and other post-purchase variables. Specifically, one segment consisted of consumers who had never reported a problem with their new carpet (non-complainers, n = 208). Another group consisted of those consumers who had complained about a carpet problem in the last year and either had the problem resolved or the carpet replaced due to defects (complainers, n = 196). Focus groups were conducted prior to the telephone survey in order to tap into consumers' attitudes and behaviors with respect to carpet purchase and usage experiences. The mean satisfaction levels are shown in Table 1.

Measures

Independent Variables. *Consumer satisfaction* was assessed using a 4-point bipolar scale and the question, "Overall, how satisfied are you with your _____ carpet?" Those consumers who reported being very or somewhat dissatisfied were combined to form the Dissatisfied consumer group. Those reporting being very or somewhat satisfied were combined to form the Satisfied group. Consumers were also classified into the two *complainer* and *non-complainer* segments as discussed earlier.

Dependent Variables. *WOM extent* was measured as the "number of people told about the carpet consumption experience." This variable was operationalized as an ordinal measure (i.e., consumers indicated that they told one, two, three, or four or more people about their carpet experiences). *WOM favorability* was assessed

Table 1
Sample Sizes and Satisfaction Levels of Consumer Groups in the Research Framework

Consumer Group	N		Mean Satisfaction Level*	
Non-complainers	208		3.78	
Complainers		196		2.06
Satisfied Consumers	275		3.73	
Dissatisfied Consumers	129		1.26	
Satisfied Complainers	72		3.46	
Satisfied Non-complainers	203		3.83	
Dissatisfied Complainers	124		1.24	
Dissatisfied Non-complainers	5		1.80	
TOTAL	404		2.95	

*1=very dissatisfied
2=somewhat dissatisfied
3=somewhat satisfied
4=very satisfied

using a five-point scale ranging from 1 = "very negative" to 5 = "very positive."

RESULTS

T-tests and Chi-square analysis were performed to measure the differences in WOM extent and WOM favorability across the various groups. Results on the extent of WOM hypotheses (H1 and H2) are presented in Table 2. Table 3 shows the findings related to WOM favorability (H3 – H5).

H1 was supported in that dissatisfied consumers engaged in significantly more WOM than satisfied consumers (X^2 = 17.88, p < 0.001). For example, dissatisfied consumers were significantly more likely to tell four or more people about their carpet experience (92.7 percent) than satisfied consumers (where only 74 percent told four or more). In addition, satisfied consumers were much more likely than dissatisfied consumers to report having told only one, two, or three people about their carpet experience. This finding supports earlier research that found WOM communication to be much higher among dissatisfied consumers.

H2 proposed that a supplementary complaining effect would occur (i.e., voice complainers will engage in significantly more extensive WOM complaints than non-complainers). Table 2 shows that this hypothesis was supported as well (X^2 = 25.81, p < 0.001). Over 90 percent of complainers engaged in WOM communication with at least four other people, whereas only 69 percent of non-complainers engaged in WOM to this extent. However, it should be noted that the reverse is true for those who told one, two, or three people, where complainers (9.2 percent) actually engaged in less WOM than non-complainers (30.7 percent). This suggests that the relationship between voice complaints and private complaints may not be uniformly strong.

H3 and H4 argued that the WOM communication of dissatisfied consumers and of complainers would be less favorable than the WOM of satisfied consumers and non-complainers, respectively. In both cases, as expected, these hypotheses were supported (see Table 3). A more interesting result is found with

Table 2
Extent of WOM (Private Complaints)

Frequency
(Row %)
Expected Fr
Cell X^2

Consumer Group	Number of People Told			
	One	Two	Three	Four or More
Non-complainers	7	19	25	115
	(4.2%)	(11.5%)	(15.1%)	(69.3%)
	4.8	12.3	15.7	133.7
	1.75	3.61	5.54	2.63
Complainers	2	7	8	167
	(1.1%)	(3.8%)	(4.4%)	(90.8%)
	4.7	13.7	17.3	148.3
	1.58	3.25	5.04	2.37
X^2= 25.81, 3 df, p < 0.001				
Satisfied Consumers	8	23	28	168
	(3.5%)	(10.1%)	(12.3%)	(74.0%)
	5.8	16.9	21.4	182.9
	0.801	2.23	2.03	1.21
Dissatisfied Consumers	1	3	5	114
	(.8%)	(2.4%)	(4.1%)	(92.7%)
	3.2	9.1	11.6	99.1
	1.48	4.12	3.75	2.24
X^2 = 17.88, 3 df, p < 0.001				

H5, which proposed that the WOM of dissatisfied non-complainers would be less favorable (i.e., more negative in valence) than the WOM of satisfied complainers. This hypothesis was supported (t = 2.45, p < 0.006, one-tail test). Thus, it appears that a consumer's dissatisfaction level has a more dominant effect on the negativity of subsequent WOM communication than whether or not a consumer complained.

DISCUSSION AND IMPLICATIONS

The findings of this study support previous research in that dissatisfied consumers engaged in significantly more WOM behavior than satisfied consumers by telling more people about their dissatisfactory experiences. Preventing consumer dissatisfaction therefore continues to be of paramount importance due to its effect on the extent of WOM communication in the marketplace. Negative WOM can affect consumer expectations, brand or company image, and

Table 3
Favorability of WOM Among Consumer Groups

Consumer Group	Mean*(sd)	T	df	P-value
Non-complainers	4.50 (0.69)	12.52	274.5	0.0001
Complainers	3.04 (1.41)			
Satisfied Consumers	4.36 (0.84)	-13.56	177.3	0.0001
Dissatisfied Consumers	2.57 (1.33)			
Satisfied Complainers	3.89 (1.11)	2.45	68.0	0.006
Dissatisfied Non-complainers	2.50 (1.01)			

*1=very negative
2=somewhat negative
3=neutral comments/neither negative nor positive
4=somewhat positive
5=very positive

eventually future sales and profits. Service businesses must be especially sensitive to WOM comments. Personal sources of information play a much greater role when consumers evaluate and purchase services as compared to physical goods (Zeithaml and Bitner 2002). In addition, personal sources of information such as WOM tend to be used more than non-personal sources of information such as advertising when consumers evaluate services (Robertson 1971; Zeithaml and Bitner 2002).

With respect to the *amount of WOM* among voice complainers, this study found that the WOM communication of voice complainers was significantly greater than the WOM of non-complainers, confirming a "supplementary" effect rather than a substitution effect. That is, just because consumers complain directly to sellers does not indicate a lack of complaining to friends and family.

This has several interesting implications for managers. Current theory and practice suggest that consumer complaining should be facilitated, even solicited in order for companies to take corrective action. Complaint information is

analyzed and used to assist companies in diagnosing product and service failures, preventing future failures, and eventually offering recovery to the consumer to ensure repeat patronage. This information may only be part of the picture, however. If WOM behavior is not tracked simultaneously, important information may be missed or opportunities for satisfying consumers may be lost. Accordingly, Singh's suggestion that multiple complaint responses be included in CCB research is strengthened by these findings.

For managers, the findings on the *nature of the WOM* comments must be considered as well since only negative WOM is truly detrimental to future business. When the favorability of WOM is examined, the results suggest that the WOM of consumers who engage in voice complaints is significantly more negative than the WOM of non-complainers. Overall, WOM was most favorable among satisfied non-complainers (m = 4.55 out of 5), followed by satisfied complainers (m = 3.89 out of 5). The most negative WOM communication (in terms of the valence of the comments) occurred among dissatisfied non-

complainers (m = 2.5 out of 5, see Table 3). This finding adds further support to the idea that companies should encourage customers to articulate complaints, but does so for a different reason. The usual rationale is that complaints represent valuable feedback to companies that subsequently allows them to take corrective action vis-à-vis product or service defects. While this is certainly true, these findings also suggest that complaint articulation may lessen the negativity of customers' WOM transmissions, thereby causing less damage to the firm's reputation.

For managers, the double impact of <u>more</u> WOM activity combined with greater <u>negativity</u> in the communication suggests that private complaining must be minimized—clearly more so than voice complaining. Voice complaints at least provide managers with opportunities to provide redress. Private complaints are not only more negative but are largely out of the control of the manager.

According to Singh's suggestion, multiple complaint responses were included in this research—voice, private, and even third party complaints. An interesting finding here was the complete lack of third party complaining reported by over 400 consumers (zero responses). Since almost 200 dissatisfied consumers were included in the sample and the product category was very expensive, this result was surprising. Although third party complaining is a component of CCB typology, it is difficult for researchers to measure third party complaint <u>behavior</u> in any significant manner (as compared to third party complaint <u>intentions</u>, for example). Third party complaints can be difficult to measure due to their infrequent occurrence (as compared to other complaint types) and their proprietary nature. Few companies wish to release their third party complaint data for examination, and sample sizes large enough to include enough third party complainers are often cost prohibitive. While some data are available from secondary sources (e.g., DOT reports for the airline industry, for example), it is likely that these legal and consumer agency complaints will continue to be underrepresented in the CCB research.

Some limitations of this research should be considered when evaluating the research findings. For example, using product warranty cards to identify the sampling frame likely introduced some selection bias. Although the warranty card return rate was over 25 percent, a preferred alternative would be to maintain a database of all consumers and draw the sample accordingly. In addition, the extent of WOM variable was measured using an ordinal scale, thus limiting the analysis to Chi-square tests. While this is not ideal, the scale was developed after both focus groups and pre-tests found limited or incomplete consumer responses regarding the number of people told.

Finally, the cell size for the dissatisfied non-complainers was only five, which represents a serious limitation on any conclusions drawn about this group. It should be noted that the heavily promoted and highly successful consumer warranty program associated with this brand encouraged even the most dissatisfied and most reluctant buyers to voice complaints and seek redress via the warranty. As noted by Singh (1990a), "episodic variables are the major factors in consumers' dissatisfaction response styles" (p. 92). A comprehensive warranty program could be considered just such an episodic variable. Future research should therefore be conducted using non-warrantied products or services as well as products with less comprehensive warranty programs.

REFERENCES

Anderson, Eugene W. (1998), "Word-of-Mouth as a Consequence of Consumer Satisfaction," *Journal of Services Research*, 1 (1), 5-17.

Andreasen, Alan R. (1984), "Consumer Satisfaction in Loose Monopolies: The Case of Medical Care," *Journal of Public Policy and Marketing*, (2), 122-135.

Andreasen, Alan R. (1985), "Consumer Responses to Dissatisfaction in Loose Monopolies," *Journal of Consumer Research*, 12 (September), 135-141.

Andreasen, Alan R. and Jean Manning (1990), "The Dissatisfaction and Complaining Behavior of Vulnerable Consumers," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, (3), 12-20.

Arndt, Johan (1967), "Role of Product-Related Conversations in the Diffusion of a New Product," *Journal of Marketing Research*, 4 (August), 291-295.

Bagozzi, Richard P. and Paul R. Warshaw (1990), "Trying to Consume," *Journal of Consumer Research*, 17

(September), 127-140.

Bearden, William O. and J. Barry Mason (1984), "An Investigation of Influences on Consumer Complaint Reports," in *Advances in Consumer Research*, 11, Thomas Kinnear, ed., Ann Arbor, MI: Association for Consumer Research, 490-5.

Bearden, William O. and Richard L. Oliver (1985), "The Role of Public and Private Complaining in Satisfaction with Complaint Resolution," *Journal of Consumer Affairs*, 19 (2), 222-240.

Best, Arthur and Alan R. Andreasen (1977), "Consumer Response to Unsatisfactory Purchases: A Survey of Perceiving Defects, Voicing Complaints, and Obtaining Redress," *Law and Society Review*, 11 (Spring), 701-742.

Blodgett, Jeffrey G. (1994), "The Effects of Perceived Justice on Complainants' Repatronage Intentions and Negative Word-of-Mouth Behavior," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 7, 1-14.

Blodgett, Jeffery G.and Donald H. Granbois (1992), "Toward an Integrated Conceptual Model of Consumer Complaining Behavior," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 5, 93-103.

Blodget, Jeffery G. and Stephen S. Tax (1993), "The Effects of Distributive and Interactional Justice on Complainants' Repatronage Intention and Negative Word-of-Mouth Intentions," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 6, 100-110.

Boote, Jonathan (1998), "Towards a Comprehensive Taxonomy and Model of Consumer Complaining Behaviour," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 11, 140-151.

Davidow, Moshe and James H. Leigh (1998), "The Effects of Organizational Complaint Responses on Consumer Satisfaction, Word of Mouth Activity and Repurchase Intentions," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 11, 91-102.

Day, Ralph L. (1984), "Modeling Choices Among Alternative Responses to Dissatisfaction," in *Advances in Consumer Research*, 11, Thomas Kinnear, ed., Ann Arbor, MI: Association for Consumer Research, 496-499.

Day, Ralph L. and E. Laird Landon, Jr. (1977), "Toward a Theory of Consumer Complaining Behavior," in *Consumer and Industrial Buying Behavior*, Arch G. Woodside, Jagdish Sheth, and Peter Bennett, eds. Elsevier North-Holland, Inc., 425-437.

Engel, James F., Robert J. Kegerreis and Roger D. Blackwell (1969), "Word-of-Mouth Communication by the Innovator," *Journal of Marketing*, 33 (July), 15-19.

Festinger, Leon (1957), *A Theory of Cognitive Dissonance*, Stanford, CA: Stanford University Press.

Fishbein, Martin and Icek Ajzen (1975), *Belief, Attitude, Intention, and Behavior*, Reading, MA: Addison-Wesley.

Folkes, Valerie S. (1984), "Consumer Reactions to Product Failure: An Attributional Approach," *Journal of Consumer Research*, 10 (March), 393-409.

Halstead, Diane and Cornelia Droge (1991), "Consumer Attitudes Toward Complaining and the Prediction of Multiple Complaint Responses," in *Advances in Consumer Research*, 17, Rebecca H. Holman and Michael R. Solomon, eds. Ann Arbor, MI: Association for Consumer Research, 1-7.

Halstead, Diane and Thomas J. Page, Jr. (1992), "The Effects of Satisfaction and Complaining Behavior on Consumer Repurchase Intentions," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, (5), 1-11.

Holmes, John D. and John D. Lett (1977), "Product Sampling and Word of Mouth," *Journal of Advertising Research*, 17 (October), 35-39.

Huefner, Jonathan C. and H. Keith Hunt (2000), "Consumer Retaliation as a Response to Dissatisfaction," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 13, 61-82.

Jacoby, Jacob and James J. Jaccard (1981), "The Sources, Meaning, and Validity of Consumer Complaint Behavior: A Psychological Analysis," *Journal of Retailing*, 57 (Fall), 4-24.

Johnston, Robert (1998), "The Effect of Intensity of Dissatisfaction on Complaining Behavior," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 11, 69-77.

Kolodinsky, Jane (1993), "Complaints, Redress, and Subsequent Purchases of Medical Services by Dissatisfied Consumers," *Journal of Consumer Policy*, 16, 193-214.

Kowalski, R. M. (1996), "Complaints and Complaining: Function, Antecedents and Consequences," *Psychological Bulletin*, 119 (2), 179-196.

Lutz, Richard J. (1975), "Changing Brand Attitudes through Modification of Cognitive Structure," *Journal of Consumer Research*, 1 (March), 49-59.

Morris, Susan (1988), "How Many Lost Customers Have You Won Back Today? An Aggressive Approach to Complaint Handling in the Hotel Industry," *Journal of Consumer Satisfaction, Dissatisfaction and Complaint Behavior*, 1, 86-92.

Naylor, Gillian and Susan Bardi Kleiser (2000), "Negative versus Positive Word-of-Mouth: An Exception to the Rule," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 13, 26-36.

Reichheld, Frederick (1994), "Loyalty and the Renaissance of Marketing," *Marketing Management*, 2 (4), p. 15.

Reicheld, Frederick (2001), *Loyalty Rules!* Boston, MA: Harvard Business School Press.

Richins, Marsha (1983), "Negative Word-of-Mouth by Dissatisfied Consumers: A Pilot Study," *Journal of Marketing*, 47 (Winter), 68-78.

Richins, Marsha (1987), "A Multivariate Analysis of

Responses to Dissatisfaction," *Journal of the Academy of Marketing Science*, 15 (Fall), 24-31.

Robertson, Thomas S. (1971), *Innovative Behavior in Communication*, New York, NY: Holt, Rinehart and Winston.

Rust, Roland T. and Anthony J. Zahorik (1993), "Consumer Satisfaction, Consumer Retention and Market Share," *Journal of Retailing*, 69 (Summer), 193-215.

Rust, Roland T., Anthony J. Zahorik and Timothy L. Keiningham (1995), "Return on Quality (ROQ): Making Service Quality Financially Accountable," *Journal of Marketing*, 59 (April), 58–70.

Singh, Jagdip (1988), "Consumer Complaint Intentions and Behavior: Definitional and Taxonomical Issues," *Journal of Marketing*, 52 (January), 93-107.

Singh, Jagdip (1990a), "A Typology of Consumer Dissatisfaction Response Styles," *Journal of Retailing*, 66 (Spring), 57-99.

Singh, Jagdip (1990b), "Voice, Exit and Negative Word-of-Mouth Behaviors: An Investigation Across Three Service Categories," *Journal of the Academy of Marketing Science*, 18 (1), 1-15.

Singh, Jagdip (1996), "When Consumers Complain: Path Analysis of the Key Antecedents of Consumer Complaint Responses," *Journal of the Academy of Marketing Science*, 24 (Fall), 350-365.

Stephens, Nancy and Kevin P. Gwinner (1998), "Why Don't Some People Complain? A Cognitive-Emotive Process Model of Consumer Complaint Behavior," *Journal of the Academy of Marketing Science*, 26 (3), 172-189.

Swan, John E. and Richard L. Oliver (1989), "Postpurchase Communications by Consumers," *Journal of Retailing*, 65 (Winter), 93-107.

TARP (Technical Assistance Research Program) (1981), "Measuring the Grapevine: Consumer Response and Word-of-Mouth," *The Coca-Cola Company*, Atlanta, GA.

Tax, Stephen S. and Murali Chandrashekaran (1992), "Consumer Decision Making Following a Failed Service Encounter: A Pilot Study," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 5, 55-68.

Westbrook, Robert A. (1987), "Product/ Consumption-based Affective Responses and Postpurchase Processes," *Journal of Marketing Research*, 14 (August), 258-270.

Wright, Peter (1974), "The Harassed Decision Maker: Time Pressures, Distractions, and the Use of Evidence," *Journal of Applied Psychology*, 59 (October), 555-561.

Zeithaml, Valarie A. and Mary Jo Bitner (2002), *Services Marketing: Integrating Consumer Focus Across the Firm*, third edition, McGraw-Hill/Irwin, 39-40.

Send correspondence regarding this paper to:
Diane Halstead
University of Tennessee at Chattanooga
College of Business Administration
Department of Marketing and Entrepreneurship
615 McCallie Avenue
Chattanooga, TN 37403-2598 U.S.A.
fax: 423-425-4158
email: diane-halstead@utc.edu

USING COMPLAINT BEHAVIOR TO IMPROVE QUALITY THROUGH THE STRUCTURE AND PROCESS OF SERVICE DELIVERY

Thomas L. Powers, University of Alabama at Birmingham
Dawn Bendall-Lyon, University of Montevallo

ABSTRACT

This paper reports the impact of a complaint management program on the relative number of complaints regarding structure and process elements of service delivery in a hospital. *Structure* refers to tangible characteristics of a service and *process* refers to the interaction between the consumer and service personnel. The results indicate the number of both structure and process complaints increased as a result of the introduction of a complaint management program; however, the number of structure complaints increased at a greater relative rate.

INTRODUCTION

Complaints provide organizations with an opportunity to recover from their mistakes, retain dissatisfied consumers, and influence consumers' future attitudes and behavior (Estelami, 1999; Swan and Oliver, 1989). An effective complaint management process can be an important quality improvement tool that allows organizations to obtain customer feedback that is useful in making improvements that increase customer satisfaction, loyalty, and profits (American Productivity and Quality Center, 1999; Javetz and Stern, 1996; Mulholland and Dawson, 1998). While choice of service providers is somewhat restricted by third party payers in the healthcare industry, it has not been completely eliminated. Many choices are available when shopping for health plans, and insurers are interested to know when patients are dissatisfied with providers listed in their health plan (Nin Ho, O'Donnell, and Chen, 1998). Patients who are dissatisfied with a service provider belonging to the health plan may express their concerns directly to their employers or choose to enroll in a different health plan when given the opportunity (Bergman, 1994).

Complaint management programs enable organizations to receive complaint information in order to identify and accommodate dissatisfied customers and identify common failure points in order to improve service quality (Allen, Creer, and Leggitt, 2000). It is important for an organization to view complaints as a quality improvement tool and make it easy for customers to complain (National Performance Review, 1996). Quality has long been defined in terms of structure, process, and outcome (Donabedian, 1966). This paper reports the impact of a complaint management program on the relative number of complaints regarding the structure and process elements of care. Structure refers to tangible characteristics of a service and process refers to the interaction between the consumer and service personnel. Our real-world, one hospital, research setting did not allow us to gather outcome data as this was not tracked in the complaint management program under study. The results indicate that a greater number of process complaints than structure complaints were received, both before and after the introduction of a complaint management program. The number of structure complaints, however, increased at a much greater rate after the complaint management program was introduced.

BACKGROUND

Intense competition in the healthcare marketplace is a factor motivating hospitals to develop and implement quality improvement activities as a means to differentiate themselves from competitors and attract new patients (Holmboe, Meehan, Radford, Wang, and Krumholz, 2000). Many efforts used to evaluate healthcare delivery systems have concentrated on clinical components including medical audits and peer review. While these measures effectively evaluate the quality of care delivered by providers, they do not take into account quality from the patient's perspective (Nelson-Wernick, Currey, Woodbury, and Cantor, 1981). Quality

improvement focuses on the customer, so it requires feedback as vital input (Javetz and Stern, 1996).

Health care organizations can learn a great deal about areas in need of quality improvement by asking customers, including patients, their families, their employers, and their insurers. Customers can provide special insight on clinical areas and services that receive the most frequent complaints and/or those that are in most need of improvement. Formal healthcare complaints are important indicators of consumer perspectives about quality (Harrington, Weinberg, Merrill, and Newman, 2000). More recently, health care organizations have become more customer-oriented as patient satisfaction has increasingly been recognized as an important quality improvement initiative, and an important component in the assessment of quality of care (Burroughs, Cira, Chartock, Ross, Davies, and Dunagan, 2000; Zemencuk, Hayward, Skarupski, and Katz, 1999).

Satisfied patients serve as referrals for a healthcare organization by encouraging others to use the service provider. Patients' choices of health care organizations are influenced by the opinions of other patients (Gemme, 1997). The influence a dissatisfied patient can have on other potential customers is equally important to consider. Customer dissatisfaction can extend beyond the immediate event through conversations that disgruntled customers have with others. A provider's reputation can be damaged from negative word-of-mouth actions taken by dissatisfied customers (Clark, Kaminski, and Rink, 1992; National Performance Review, 1996; Richins, 1983). The average dissatisfied customer will tell between nine and ten other people about the unsatisfactory experience, with one in every eight customers recounting the poor service event to more than 20 individuals (Technical Assistance Research Program, 1979).

Understanding Complaints

Consumers in the healthcare industry are reluctant to complain because they fear they may receive lower service quality if and when the need

for future care arises (Tax and Brown, 1998). Less than half of the patients who have a negative experience with a hospital respond actively to change the dissatisfactory situation, which suggests that written complaints only reflect a small portion of the total complaints (Carmel, 1990). Many times customers will lodge complaints with the nearest employee they can find, so organizations could benefit from requesting that employees attempt to capture the complaint as soon as possible (Dagher, Kelbert, and Lloyd, 1995). While it is important to ensure that complaints delivered in this manner are communicated back to the organization, it is vital for a more accurate assessment of organizational performance (Tax and Brown, 1998). Hospitals that give close attention to oral complaints made to hospital personnel will receive a more accurate reflection of the level of dissatisfaction with hospital services (Carmel, 1990). Potential problems in the process of care include bottlenecks, waits, delays, queuing, and interruptions; communication failures; errors and things going wrong; misplaced charts, equipment, and other necessary tools; frustrations, irritations, and anger; rework and do-overs; and places where the phone is used to find missing paperwork or straighten out other problems (Nelson, Batalden, and Ryer, 1998).

Given the important influence of complaint management on patient satisfaction and loyalty, health care organizations will benefit from welcoming and encouraging patient complaints. In "best practice" organizations outside of healthcare, customer complaints are viewed as opportunities for improvement (American Productivity and Quality Center, 1999). However, in healthcare organizations, complaint data has only recently been recognized as a management tool (Allen, Creer, and Leggitt, 2000). While many hospitals have instituted procedures for handling patient complaints in response to accreditation requirements, some organizations still do not track complaints for improvement purposes and/or do not formally capture all complaints (Allen, Creer, and Leggitt, 2000; Pichert, Federspiel, Hickson, Miller, Gauld-Jaeger, and Gray, 1999). Complaints offer

valuable insight into areas of the organization that are in need of improvement. Organizations that do not respond to customer complaints risk a negative image in the eyes of the consumers who complained (Clark, Kaminski, and Rink, 1992). The resolution of complaints can build customer confidence in the organization (National Performance Review, 1996; Singh and Wilkes, 1996).

Structure and Process of Care

Health care delivery elements can be divided into structure, process, and outcomes. Structure characteristics of a service refer to tangible characteristics of the service system. The structure of a service includes the physical environment and physical facilities in which the service occurs, as well as billing procedures and other amenities such as food and parking. Other specific aspects of the environment that comprise the structure of a service include comfort of resting areas, layout and comfort of rooms, overall cleanliness, décor, cheerfulness of the facilities, convenient locations, and modern equipment (Fottler, Ford, Roberts, Ford, 2000). Even before the purchase, consumers commonly look for cues about the organization's capabilities and quality that are evident in the physical environment (Bitner, 1992). The physical environment delivers a message about the organization, its products, and its quality long before the actual encounter takes place, and is much more important for services than it is for most goods (Hutton and Richardson, 1995).

Consumers' judgments of satisfaction and service quality for intangible services outside of healthcare are more likely to be influenced by tangible items, such as the physical environment (Fowler, MacRae, Stern, Harrison, Gerteis, Walker, Edgman-Levitan, and Ruga, 1999). Studies in the healthcare industry indicate that the physical environment is an important determinant of patient satisfaction, and is often rated the lowest on satisfaction surveys (Bowers, Swan, and Koehler, 1994; Singh 1990).

Process characteristics are based on the interaction between the consumer and service personnel within the service environment. The process includes characteristics such as responsiveness, friendliness, courtesy, competence, access, communication, and availability of the physician and other hospital staff. Other process characteristics include interpersonal relationship between patient and caregivers, and caregiver expressions of empathy (Reidenbach and Sandifer-Smallwood, 1990). Interpersonal relations between the patient and physician include the actual healthcare delivery and play an integral part in the development of patient satisfaction.

Patients frequently rank process characteristics of communication and interpersonal aspects of the healthcare experience highest in importance (Cohen, 1996; Hall and Dornan, 1988; Ross, Steward, and Sinacore, 1993; Williams and Calnan, 1991). In fact, perceptions of quality are defined by such process elements as communication and understanding of physicians, nurses, and other medical staff, and these personal interactions are very important in influencing satisfaction (John, 1990; MacStravic, 1994; Nelson, Batalden, and Ryer, 1998). Since patients tend to judge the quality of the healthcare experience based on their perceptions of the emotional aspects of the encounter rather than clinical aspects, interpersonal relations play an important role in patient satisfaction and perceived quality (Lytle and Mokwa, 1992; Mullan, 2001; Zifko-Baliga and Krampf, 1997). The quality of the interactions between the hospital staff and patient is reflected in the patient's level of satisfaction with different aspects of care (Bell, Krivich, and Boyd, 1997).

Outcomes refer to the result of the service interaction or process, such as consumer satisfaction and quality perceptions, and encompass both physical well-being and emotional well-being (Zifko-Baliga and Krampf, 1997). Previous research has documented the importance of outcome elements such as quality of treatment received. Outcomes, such as satisfaction and perceptions of quality, are influenced by the structure and process characteristics of the service.

RESEARCH OBJECTIVE AND METHOD

The objective of this research is to identify the impact of a complaint management program on the relative number of complaints on the structure and process elements of care. Because interpersonal relations are so important to patient satisfaction (MacStravic, 1994), and patients can typically judge the process elements of the healthcare encounter (Lytle and Mokwa, 1992), the following research proposition is tested in this study:

P₁   Complaints regarding the process of care will be more frequent than complaints regarding the structure of care.

The introduction of a complaint management program in which the organization encourages complaints for quality improvement purposes should lead to more complaints being documented and tracked (Allen, Creer, and Leggitt, 2000). Fewer than half of the patients who have a negative experience with a hospital respond actively to change the dissatisfactory situation, suggesting that written complaints attached to satisfaction questionnaires reflect a conservative estimate of patients who actually have a complaint (Carmel 1990). As a result, the second research proposition tested is:

P₂   Complaints regarding both the process and structure of care will increase following the introduction of a complaint management program.

Consumer perceptions of quality are strongly influenced by tangible aspects (Bowers, Swan, and Koehler, 1994; Fowler, et al., 1999; Singh 1990). However, tangible components of the service are very difficult to control (Hutton and Richardson, 1995), and the consumer may believe their complaints will not influence these factors. Furthermore, patients may perceive that complaints regarding the environment or structural aspects of a hospital are not as serious as complaints regarding the process aspects such as care and treatment (Allen, Creer, and Leggitt,

2000). With a complaint management program present they may perceive that the organization is interested in their feedback, therefore complaints about structure aspects of care may increase at a greater rate than process complaints. Because of this, patients will provide complaints about the structure of care when solicited but otherwise would not. As a result, the third research proposition tested is:

P₃   Complaints regarding structure will increase at a higher rate than complaints regarding process following the introduction of a complaint management program.

In order to investigate the research propositions, complaints were tracked over a two-year period. A community hospital was identified that had recently implemented a complaint management program that agreed to track complaints and provide data to the researchers for analysis purposes. There was an average of 3,400 patients per year admitted to the community hospital over the past three years. The year before the complaint management program was implemented, the hospital received complaints from approximately two percent of the patients admitted. After the implementation of the complaint management program, the number of complaints from patients admitted to the hospital increased to four percent. This percentage of complaints is consistent with other hospitals that report similar complaint rates (Mulholland and Dawson, 1998; Mace, 1998).

The protocol for tracking complaints involved three steps. Patients were informed of the complaint process upon admission to the hospital and were provided with written information on how to formally initiate the complaint process. In addition, posters encouraging patients to express complaints were placed throughout the hospital. If a patient elected to file a complaint, a service representative was instructed to record the complaint on a patient complaint log and forward the log to the appropriate department manager. The formal patient complaint log contained information for patient information, date and place of occurrence that prompted the complaint, the

content of the complaint, and the action taken to resolve the complaint.

Complaints were logged and tracked for follow-up, documentation, and improvement purposes. Two researchers coded the complaint forms into structure or process complaints and were in 95% agreement. The items that were not in agreement were examined and a consensus was reached between the two researchers regarding the category they were to be placed in. Structure complaints included complaints regarding 1) food service; 2) the environment (aspects of the physical facility such as accommodations and room); 3) equipment in the facility (ranging from technological to patient bed); 4) billing (difficulties with billing process concerning insurance or patient bill); and 5) lost and found (reports of missing or lost items during the hospital visit). Process complaints included complaints regarding 1) physician; 2) all staff members other than physician; 3) communication (interpersonal interactions between the patient and hospital staff); 4) time (spent waiting on processes, procedures, discharge); and 5) continuum of care (cohesiveness of various components of the hospital stay such as care process, treatment, and discharge planning).

Complaints were tracked in two time periods. Complaints were tracked for the full year preceding the implementation of the complaint management program and for one full year after the complaint management program was put in place. This hospital was identified after the complaint management program was in place. Data had been collected by the hospital prior to the complaint management program being put into place. Although data had been collected, it had not been categorized into structure and process elements. A total of 65 complaints were received in the first period and 146 complaints were received in the second period.

RESULTS AND FINDINGS

The complaints were analyzed using chi-square analysis to determine the interaction between complaint increase and complaint type and whether these differences were significant from the first year to the second year of complaint collection. The results of the overall chi square analysis were significant at the .10 level ($chi^2(1)=3.48$, $p<.10$). The results were not significant at the .05 level, however, the .10 level may be used in exploratory research with relatively small sample sizes (Huck and Cormier, 1996). The number of process and structure complaints by year is shown in Figure 1. A breakdown of the process and structure complaints specific categories is shown in Figure 2.

P_1 - Complaints Regarding the Process of Care Will Be More Frequent Than Complaints Regarding the Structure of Care

There were significantly more complaints regarding the process of care than the structure of care both before and after the complaint management program was introduced. There were a total of 211 complaints for the two years. Of the 211 complaints, 169 complaints were related to process and 42 complaints were related to structure; thus Proposition 1 was supported. The process complaints involved staff members (29%), physician (16%), time (16%), communication (16%), and continuum of care (3%). The structure complaints involved equipment (7%), environment (6%), food (4%), billing (2%), and lost and found (1%).

P_2 - Complaints Regarding Both the Process and Structure of Care Will Increase Following the Introduction of a Complaint Management Program

Of the 211 complaints received, there were 65 complaints in Year 1 and 146 complaints in Year 2. This represented a 125% increase in complaints, providing support for Proposition 2. While the increase in complaints may appear to be a disadvantage to an organization, an effective complaint management program can result in more complaints with more opportunities to recover dissatisfied customers and to enhance quality improvement in the service delivery process.
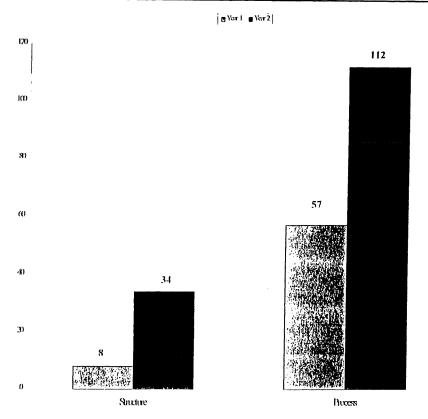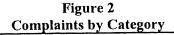
Figure 1
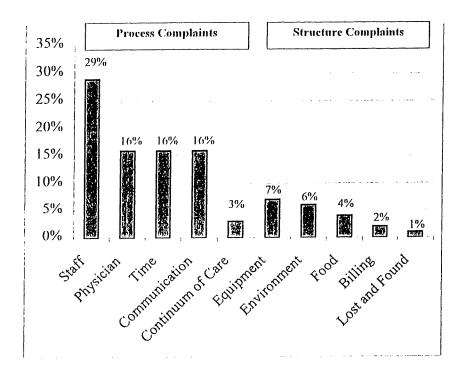**Increase in Complaints by Type from Year 1 to Year 2**

P3 - Complaints Regarding Structure Will Increase at a Higher Rate Than Complaints Regarding Process Following the Introduction of a Complaint Management Program

Of the 65 complaints received in Year 1, 8 complaints (12.3%) were related to structure and 57 complaints (87.7%) were related to process. Of the 146 complaints received in Year 2, 34 complaints (23.2%) were related to structure and 112 complaints (76%) were related to process. Structure complaints increased from 8 to 34, representing a 325% increase. Process complaints increased from 57 to 112, representing a 96.5% increase. While the process complaints continued to greatly outnumber the structure complaints, the structure complaints did increase at a much greater level providing support for Proposition 3.

DISCUSSION

The findings support previous work that suggests that a complaint management program will increase the number of complaints that the organization can use for quality improvement purposes (Allen, Creer, and Leggitt, 2000). This study also illustrates the importance of categorizing complaints, as reported by other researchers (Lim, 1998; Mace, 1998; Pichert, et al., 1999). By categorizing the complaints into structure and process elements, the organization can work toward resolving the complaints by identifying trends and making necessary improvements to ensure that those complaints do not recur. This study also provides support for previous research findings that patients complain about process elements of a service encounter more frequently than structure attributes of the

Figure 2
Complaints by Category

encounter (Lytle and Mokwa, 1992).

Our research further contributes to the complaining literature by showing that consumers, when solicited, will offer more complaints about both process and structure elements, but with a greater increase in complaints regarding structure elements. This finding is important as a complaint management program may obtain unspoken information that can help the organization further its quality improvement efforts. The increase observed in complaints related to structure elements illustrates how certain categories of complaints go unreported without a complaint management program, making it impossible for management to address those complaints.

Limitations of the research and directions for future research should be noted. Outcomes were not examined, as the objective of the research was to analyze a complaint management process as opposed to the outcomes that might derive from it;

however, future research should investigate this area. The setting was a real time complaint process rather than a controlled experiment; however, there were no institutional changes that would have influenced the results. The research reported was based on a single hospital, which may limit the generalizability of the findings. Nonetheless, the results offer important insight into the content of complaints received by an organization and the impact of the introduction of a complaint management program.

CONCLUSIONS

In this paper the impact of the implementation of a complaint management program on the number of complaints regarding the structure and process elements of care was examined. The importance of tracking complaint data has been discussed and recommendations for complaint

management have been presented. The results indicate the number of process complaints was greater than the number of structure complaints, both before and after the introduction of a complaint management program. The number of structure complaints increased at a much greater rate after the complaint management program was introduced.

The growing importance of quality improvement has prompted many organizations to make patient satisfaction a primary goal. Quality improvement is enhanced when an organization can track service failures through the development of effective complaint management programs. Health care organizations can become more customer-oriented by taking advantage of the information provided by patient complaints, increasing patient satisfaction and quality improvement in the process. By understanding the complaints in terms of structure and process of care, quality improvement initiatives can be more specifically focused on areas that are most important to customers and in need of improvement.

REFERENCES

Allen, Lisa W., Emily Creer and Mark Leggitt (2000), "Developing a Patient Complaint Tracking System to Improve Performance," *Joint Commission Journal on Quality Improvement*, 26 (4), 217-226.

American Productivity and Quality Center (APQC) (1999), *Complaint Management and Problem Resolution*, an APQC White Paper based on findings from APQC's Complaint Management and Problem Resolution Consortium Benchmarking Study (www.aqpc.org).

Bell, Ralph, Michael Krivich and Mark Boyd (1997), "Charting Patient Satisfaction," *Marketing Health Services*, Summer, 22-29.

Bergman, Rhonda (1994), "Are Patients Happy? Managed Care Plans Want to Know," *Hospital and Health Networks*, 68 (23), 68.

Bitner, Mary Jo (1992), "Servicescapes: The Impact of Physical Surroundings on Customers and Employees," *Journal of Marketing*, 56 (April), 57-71.

Bowers, Michael R., John E. Swan and William F. Koehler (1994), "What Attributes Determine Quality and Satisfaction with Healthcare?" *Health Care Management Review*, 19 (4), 49-56.

Burroughs, Thomas E., Jane C. Cira, Pat Chartock, Allison R. Davies and William C. Dunagan (2000), "Using Root Cause Analysis to Address Patient Satisfaction and Other Improvement Opportunities," *Joint Commission Journal on Quality Improvement*, 26 (8), 439-449.

Carmel, Sara (1990), "Patient Complaint Strategies in a General Hospital," Hospital and Health Services Administration, 35 (2), 277-288.

Clark, Gary L., Peter F. Kaminski, and David R. Rink (1992), "Consumer Complaints: Advice on How Companies Should Respond Based on an Empirical Study," *Journal of Services Marketing*, 6 (1), 41-51.

Cohen, Gary (1996), "Age and Health Status in a Patient Satisfaction Survey," *Social Science and Medicine*, 42 (7), 1085-1093.

Dagher, M., P. Kelbert and R. J. Lloyd (1995), "Effective ED Complaint Management.," *Nursing Management*, 26 (12), 48-51.

Donabedian, Avedis (1966), "Evaluating the Quality of Medical Care," *Milbank Memorial Fund Quarterly*, 44 (3), 166-206.

Estelami, Hooman (1999), "The Profit Impact of Consumer Complaint Solicitation Across Market Conditions," *Journal of Professional Services Marketing*, 20 (1), 165-195.

Fottler, Myron D., Robert C. Ford, Velma Roberts and Eric W. Ford (2000), " Creating a Healing Environment: The Importance of the Service Setting in the New Consumer-Oriented Healthcare System," *Journal of Healthcare Management*, 45 (2), 91-107.

Fowler, Emily, Susan MacRae, Amy Stern, Teresa Harrison, Margaret Gerteis, Jan Walker, Susan Edgman-Levitan and Wayne Ruga (1999), "The Built Environment as a Component of Quality Care: Understanding and Including the Patient's Perspective," *The Joint Commission Journal on Quality Improvement*, 25 (7), 352-359.

Gemme, Ellen M. (1997), "Retaining Customers in a Managed Care Market. Hospitals Must Understand the Connection Between Patient Satisfaction, Loyalty, Retention, and Revenue," *Marketing Health Services*, 17 (3), 19-21.

Hall, Judith A. and Michael C. Dornan (1988), "What Patients Like About Their Medical Care and How Often They Are Asked: A Meta-Analysis of the Satisfaction Literature," *Social Science and Medicine*, 27, 935.

Harrington, Charlene, Joanna Weinberg, Susan Merrill and Jeff Newman (2000), "Medicare Beneficiary Complaints about Quality of Care," *American Journal of Medical Quality*, 15 (6), 241-250.

Holmboe, Eric S., Thomas P. Meehan, Martha J. Radford, Yun Wang and Harlan Krumholz (2000), "What's Happening in QI at the Local Hospital: A Statewide Study from the Cooperative Cardiovascular Project?" *American Journal of Medical Quality*, 15 (3), 106-113.

Huck, Schuyler W. and William H. Cormier (1996), *Reading Statistics and Research, Second Edition*, New York, NY.

Hutton, James D. and Lynne D. Richardson (1995), "Healthscapes: The Importance of Place," *Journal of*

Healthcare Marketing, 15 (1), 10-11.

Javetz, Rachel and Z. Stern (1996), "Patients' Complaints as a Management Tool for Continuous Quality Improvement," *Journal of Management in Medicine,* 10 (3), 39-48.

John, Joby (1990), "Improving Quality Through Patient-Provider Communication," Journal of Health Care Marketing, 11 (December), 51-60.

Lim, H. C. (1998), "Why Do Patients Complain? A Primary Health Care Study," *Singapore Medical Journal,* 39, 390-395.

Lytle, Richard and Michael Mokwa (1992), "Evaluating Health Care Quality: The Moderating Role of Outcomes," *Journal of Health Care Marketing,* 12 (1), 4-14.

Mace, S. (1998), "An Analysis of Patient Complaints in an Observation Unit," *Journal of Quality in Clinical Practice,* 18, 151-158.

MacStravic, Scott (1994), "Patient Loyalty to Physicians," *Journal of Health Care Marketing,* 14 (4), 53-56.

Mulholland, J. and Dawson, K. P. (1998), "A Complaints Management System: Strengths and Weaknesses," *New Zealand Medical Journal,* 111 (1061), 77-79.

Mullan, Fitzhugh (2001), "A Founder of Quality Assessment Encounters A Troubled System Firsthand," *Health Affairs,* January, 137-141.

National Performance Review (NPR) (1996), "Best Practices in Resolving Customer Complaints," March Report, 1-19.

Nelson, E. C., Batalden, P. B., and Ryer, J. C. (1998), Clinical Improvement Action Guide. Joint Commission, Oakbrook Terrace, Illinois.

Nelson-Wernick, Eleanor, Hal S. Currey, Marion Woodbury and Alan Cantor (1981), "Patient Perception of Medical Care," *Health Care Management Review,* 6 (1), 65-72.

Nin Ho, F., K. A. O'Donnell and Y. J. Chen (1998), "Switching HMO Providers.," *Marketing Health Services,* 18 (1), 23-27.

Pichert, James W., C. G. Federspiel, G. B. Hickson, C. S. Miller, L. Gauld-Jaeger, and C. L. Gray (1999), "Identifying Medical Center Units with Disproportionate Shares of Patient Complaints," *Joint Commission Journal on Quality Improvement,* 25 (6), 288-299.

Reidenbach, R. Eric and Beverly Sandifer-Smallwood (1990), "Exploring the Perceptions of Hospital Operations by a Modified SERVQUAL Approach," *Journal of Health Care Marketing,* 10 (December): 47-55.

Richins, Marsha (1983), "Negative Word-of-Mouth by Dissatisfied Customers: A Pilot Study," *Journal of Marketing,* 47 (4), 68-78.

Ross, Caroline K., Colette A. Steward and James M. Sinacore (1993), "The Importance of Patient Preferences in the Measurement of Health Care Satisfaction," *Medical Care,* 31, 1138.

Singh, Jagdip (1990), "A Multifacet Typology of Patient Satisfaction with a Hospital," *Journal of Health Care Marketing,* 10 (4), 8-21.

Singh, Jagdip and Robert E. Wilkes (1996), "When Consumers Complain: A Path Analysis of the Key Antecedents of Consumer Complaint Response Estimates," *Journal of the Academy of Marketing Science,* 24 (4), 350-367.

Swan, John E., and Richard L. Oliver (1989), "Postpurchase Communications by Consumers," *Journal of Retailing,* 65 (4), 516-533.

Tax, Stephen S. and Stephen W. Brown (1998), "Recovery and Learning from Service Failure," *Sloan Management Review,* 40 (1), 75-88.

Technical Assistance Research Program (TARP) (1979), "Consumer Complaint Handling in America: A Final Report," Washington, D.C. White House Office of Consumer Affairs.

Williams, Simon J. and Michael Calnan (1991), "Convergence and Divergence: Assessing Criteria of Consumer Satisfaction across General Practice, Dental and Hospital Care Settings," *Social Science and Medicine,* 33, 707.

Zemencuk, Judith K., Rodney A. Hayward, Kimberly A. Skarupski, and Stephen J. Katz (1999), " Patients' Desires and Expectations for Medical Care: A Challenge to Improving Patient Satisfaction," *American Journal of Medical Quality,* 14 (1), 21-26.

Zifko-Baliga, Georgette M. and Robert F. Krampf (1997), "Managing Perceptions of Hospital Quality," *Marketing Health Services,* Spring, 28-35.

Send correspondence regarding this article to:
Thomas L. Powers
Professor of Marketing
University of Alabama at Birmingham
Birmingham, Alabama 35294 U.S.A.
email: tpowers@uab.edu

THE ROLE OF VALUE IN CONSUMER SATISFACTION

Ellen Day, The University of Georgia

ABSTRACT

The concept of value is central to consumer decision-making and therefore to many strategic topics in marketing management, albeit a thorough understanding of the concept has remained elusive. Although research has demonstrated a potential causal link between value and consumer dis/satisfaction, the complexities of this relationship are not fully understood, perhaps because related research remains somewhat sparse. An extension of prior value-related work, this paper reports on a qualitative inquiry into the role of value in consumer satisfaction and the dynamics of value assessment. The most theoretically and managerially interesting insight gleaned from the study is that value is not always considered during or after purchase/consumption and therefore is not necessarily an antecedent or consequent of consumer dis/satisfaction.

INTRODUCTION

The importance of the value concept in marketing probably cannot be overstated. Its importance is reflected in news headlines (Grant 2002), scholarly books and articles (e.g., Holbrook 1999; Sinha and DeSarbo 1998), books and articles written for practitioners (e.g., Albrecht 1995; Band 1991; Mittal and Sheth 2001; Vayslep 1996), subtitles of marketing textbooks (e.g., Churchill and Peter 1998), and themes of international marketing conferences (Academy of Marketing Science 2002). Indeed, Sinha and DeSarbo (1998) assert, "...value marketing has become a watchword among marketing practitioners," which accounts in part for the attention the topic is receiving among academicians. Value now challenges robust topics such as satisfaction as a strategic focus in marketing. In fact, in some cases customer value measurement programs have replaced traditional customer satisfaction research (Vayslep 1996), although "customer value and satisfaction" programs are emerging as the new benchmarks (Garver and Cook 2001).

The concept of value is central to successful marketing because value is believed to be central to consumer decision-making, albeit a thorough understanding of value and its role in consumer decision-making has remained elusive. The theoretical relationship between value and other key marketing constructs, such as consumer dis/satisfaction, also remains largely speculative. The strategic role of value is revealed in Woodruff's (1997) contention that value and satisfaction are inextricably linked and both impact a customer's desire to continue a relationship. Similarly, Jones and Sasser (1995) assert, "...providing customers with outstanding value may be the only reliable way to achieve sustained customer satisfaction and loyalty". Woodruff (1997), Woodruff and Gardial (1996), and Parasuraman (1997) also posit that competitive advantage can be achieved through an understanding of both customer satisfaction and customer perceptions of value. Band (1991) contends that customer-perceived value, and not satisfaction, is a cornerstone in relationship marketing and customer loyalty. Although his position is debatable, value clearly is a focal variable in today's highly competitive business world.

The emphasis on value has led to the popular managerial notion of value propositions that define a company's mission in terms of value delivery. In a book that focuses on value creation and is written for a managerial audience, Band (1991) stresses the importance of customer satisfaction measurement and ties it to value in saying that customer satisfaction research is "the broader application of marketing research techniques *to the value creation process* [emphasis added]". Clearly customer value has the attention—perhaps at long last—of top management. Still, many authors make unsubstantiated assertions that, while rooted in conventional wisdom, need more formal and rigorous investigation, such as relationships among key behavioral--and therefore managerial--

concepts. The purpose of this paper, however, is not to discuss the managerial view of customer value or how value may or may not lead to higher profitability in the long term. Rather, the purpose to is to examine the important concept of value from the consumer's perspective. The study reported herein attempts to discover the nature of the relationship between consumer value and consumer dis/satisfaction, free of a priori assumptions that value perceptions drive satisfaction.

VALUE AND SATISFACTION

A great deal has been written about value (cf. Gale 1994; Woodruff 1997; Zeithaml 1988), many aspects of which were stated in terms of tenets in Day and Crask (2000). The role of value in consumer dis/satisfaction, however, has received limited attention, although recent research perhaps reflects growing interest in the topic (e.g., Huber and Hermann 2000). Despite a potentially strong relationship between perceived value and customer satisfaction, Woodruff (1997) acknowledges that the integration of the concepts has been relatively recent and profiles the relationship in a disconfirmation-type satisfaction model. In addition, he stresses both the importance of focusing on the customer evaluation process to gain strategic insights into customer satisfaction and the utility of conceiving the customer evaluation process in terms of desired and received value. Practitioners, too, have recognized the value-satisfaction relationship and have begun to augment customer satisfaction research with customer value measurement, because value-oriented research addresses broader issues relating to how customers select and evaluate products and services (Vayslep 1996).

Many authors have posited a relationship between value and satisfaction (cf. Athanassopoulos 2000; Gale 1994). In fact, Oliver (1999) offers six different conceptual models of the potential relationship(s) between value and satisfaction. Some studies have documented a relationship (e.g., Licata, Mills, and Suran 2001), but to date there has been no unequivocal demonstration that any one model is

the "correct" one. Developers of the American Customer Satisfaction Index appear to have assumed that perceived value is an antecedent of overall customer satisfaction (Fornell, et al. 1996). Other literature indirectly points to a relationship between value and satisfaction. For example, according to the equity model of satisfaction (Oliver and DeSarbo 1988), satisfaction results when the consumer perceives that the outcome-to-input ratio is fair and equitable. This outcome-to-input ratio perspective parallels the popular costs-versus-benefits definition of value, which suggests that value is an antecedent of consumer satisfaction.

A more extensive review of the value and customer satisfaction literature presented in Cronin, Brady, and Hult (2000) reveals that value-satisfaction research is still in the embryonic stage. Attempts to model or otherwise empirically demonstrate links between value and satisfaction leave many unanswered questions. Among the unanswered questions is Oliver's (1999) query: What *is* the relation between satisfaction and value? He asks if satisfaction and value are the same concept; if not, is satisfaction a related but conceptually distinct concept? If distinct concepts, is satisfaction an antecedent of value or it is a consequent? The study reported herein was designed to begin answering these questions.

Building upon Day and Crask's (2000) value-related work, this paper focuses on the role of value in consumer satisfaction and on the dynamics of value assessment; it seeks not only to obtain a better grasp of the value concept but also to advance marketing theory and practice in understanding and providing customer value. Day and Crask (2000) posited that consumer dis/satisfaction is largely based on a value analysis prior to and during purchase and consumption, stating that understanding the value assessment process can lead to a better understanding of the process that results in dis/satisfaction. However, they provided no empirical support for their position. Because prior research investigating the value-satisfaction relationship is sparse, a study was undertaken which was designed to explore the potential linkage between value and satisfaction, the meaning of value, and assessment of value

from the consumer's perspective. The purpose of this paper is to present the findings from that study.

RESEARCH ISSUES

Day and Crask (2000) presented considerable evidence and testimony to the importance of understanding customer value but concluded that despite numerous articles and the centrality of the value concept in marketing, there is still relatively little knowledge about what value is or how consumers determine it. Extending prior work on the topic, especially that of Woodruff (1997), they then provided a synthesis of (largely marketing) literature on value through the identification of common threads or tenets. Several of those tenets informed the present study that explored issues relating to value and consumer satisfaction.

Tenet: No One Definition of Value is Widely Accepted

Numerous authors have provided definitions of value. Oliver (1997) refers to "the . . . complicated concept of value" and defines it as a "judgment comparing what was received (e.g., performance) to the acquisition costs (e.g., financial, psychological, effort)." This view seems widely held, yet semantic differences call into question the identicalness of various definitions. As a result, discussion and research are made more difficult because researchers may be referring to completely different constructs, depending on how each researcher defines value. Furthermore, because many of these definitions rely on other abstract terms such as consequences, perceived quality, utility, perceived worth, and perceived benefits (Woodruff 1997), researchers using the same definition still might be viewing value differently, depending on how these other terms have been defined.

One potential reason definitions vary is that value is almost universally considered to be perceptual in nature. In fact, many authors use the terms *perceived* value when discussing the concept (cf. Kashyap and Bojanic 2000; Parasuraman and Grewal 2000). Consistent with

the Marketing Science Institute's (1999) call for more research into the customer experience, specifically into understanding *value from a customer/consumer perspective,* no definition for value was imposed upon the present study. Instead, a research question was: what does "value" mean to consumers?

Tenet: Multiple Costs and Benefits Contribute to Value

Although some authors have stated that price paid serves as the reference point against which the consumer compares benefits received in assessing value received (e.g., Kerin and Peterson 2001), the more popular view is that consumers consider multiple costs. Both Zeithaml (1988) and Lai (1995) suggest, for instance, that time costs, psychic costs, and human energy costs all could be traded off against price. For some products, usage costs, maintenance costs, and disposal costs could also be factored into the decision (Best 2000).

Even though consumers may consider multiple benefits when determining the value of an item, there is little agreement as to what these benefits are. Authors have categorized benefits in different ways. Palmroth (1991), for example, delineated the types of benefits consumers seek in the objects they acquire:

> *Performance* - how well the object does what it is intended to do;
> *Durability* - how long the object will continue to provide the desired benefits;
> *Economy* - value for money;
> *Comfort* - physical and mental comfort, ease and convenience;
> *Appearance* - how the product looks to the buyer and how it will make the buyer look to others; and
> *Safety* - protection from physical danger, financial loss, mental discomfort, or emotional anguish.

The research issue related to this tenet is whether consumers think in terms of "multiple costs and benefits." Because value so often is discussed in the context of price, insights into the

role of price and other potential considerations will help achieve a better understanding of the meaning and assessment of value.

Tenet: Consumers Make Tradeoffs When Assessing Value

If, as widely assumed, consumers assess value by weighing the benefits received against the costs incurred, then a consumer can face the situation where one or more benefits must be reduced or even sacrificed entirely in return for greater levels of other benefits. Most authors acknowledge the existence of such tradeoffs (cf. Woodruff and Gardial 1996; Woodruff 1997; Zeithaml 1988). The related research issue is not whether consumers make tradeoffs but rather how they use compensatory decision rules.

Tenet: Value is Situationally and Temporally Determined

Situational influences on choice behavior have been well established. Thus, the perceived value of a product or service can be expected to vary across different types of purchase situations because consumption goals vary and therefore evaluation of attribute performance and consequences of use differs. However, even for the same type of purchase situation, the value of a product or service can change over time based upon the consumer's past experiences in the same usage or consumption situation. Hence, value can vary not only across individual consumers but also across choice situations for one individual. The related research issue was: what insights can be gained into the evaluation process across products/services and across individuals?

Proposition: Consumer Dis/Satisfaction is a Function of Value Perceptions

Day and Crask (2000) did not address possible relationships between value and other key behavioral constructs other than to contend that dis/satisfaction is largely based on a value analysis prior to and during purchase and consumption. Although intuitively appealing, their position

needs to be tested. Hence, a research question addressed in the present study was: do consumers view value as an antecedent of satisfaction?

METHOD

Prior empirical work investigating the relationship between value and consumer satisfaction typically has involved a predefined set of variables and quantitative analysis. However, to achieve a richer understanding of value perceptions and feelings of satisfaction, a qualitative inquiry was undertaken in order to hear directly from consumers, in their own words, what they consider when making different types of purchases and what leads to overall dis/satisfaction. Because both value and satisfaction are complex concepts, and because both involve subjective assessments based in part on experiences, quantitative approaches to understanding the concepts and their relationships to each other and to other factors typically fall short of the more holistic perspective possible with qualitative methods. "Despite—or possibly because of—the seasoned status of this research domain, satisfaction has not been considered thoroughly as it is experienced and expressed through the consumer's own voice" (Fournier and Mick 1999, p. 6). The same could be said about value.

Qualitative research with a cross-section of consumers was conducted to explore the research issues and questions identified above. Of primary interest was the relationship between value and consumer satisfaction. Master of Marketing Research (MMR) students enrolled in Qualitative Research in Marketing at The University of Georgia collected and analyzed the data. Nine teams, with 2-3 students per team, conducted a total of 22 one-on-one interviews, 3 focus groups involving 20 participants, 2 mini-groups with 7 participants, and 5 decision protocols. The 54 participants comprised 28 males and 26 females representing a broad age range, a variety of occupations and educational backgrounds, and several different cultures. Because bonus points were given if the research teams excluded students from their samples, only 12 of the 54 participants

were university students.

The MMR students had already completed coursework on various facets of marketing and consumer research. In addition, most students had prior work experience in at least some phase of marketing research, and some had considerable research experience before entering the program. However, students were not well acquainted with previous academic research relating to value, and they were not asked to do any background preparation. Their naiveté about the topic helped minimize bias in data collection and interpretation of results. Instructions for the project assignment, entitled "The Meaning and Assessment of Value and Its Relationship to Consumer Satisfaction/Dissatisfaction," directed students to explore the following issues: the meaning of value in the abstract; the meaning of value in product and service contexts; the assessment of value in different product and service contexts; and the relationship between value and consumer dis/satisfaction. An earlier study by Day and Castleberry (1986) on defining and evaluating quality was to serve as the exemplar. Each team was required to get instructor approval for its research design, including discussion guides, before data collection began.

Interviews were either audio- or videotaped to facilitate data analysis. Students performed a thematic analysis primarily on manifest content, using a constant comparative method (Glaser 1969). Some MMR students had prior work experience in qualitative research and all MMR students had successfully completed projects involving interviewing methods earlier in the course; therefore, their knowledge of methods was considered sufficient for collecting and analyzing data for the present study. In addition, because there were 2-3 students per project team and 3 interviewing approaches were employed, triangulation through multiple researchers and multiple methods was achieved. Of particular interest was the choice of the decision protocol method by one team, who employed 5 decision protocols in a pseudo-experimental design. Three stages of value assessment were included. Male participants were first asked to evaluate 3 similar slacks and shirts and females were to evaluate 3

similar 2-piece suits without benefit of knowing the prices, brand name, or retail source. In the second phase store name was revealed for each outfit, and in the third stage prices were also provided. Other teams employed either conventional focus-group or individual-depth interviewing. From the 9 team reports, this author along with the student researchers compared, contrasted, and consolidated the findings. Audio- or video-recordings of the interviews were reviewed when clarification or elaboration was desired.

FINDINGS

Many themes emerged from the 5 group and 27 individual interviews. Those themes tended to align with the tenets previously discussed. However, findings challenge the assumption implicit in Day and Crask's proposition—and many other authors' assertions.

Value and Satisfaction

Contrary to expectations, interview data suggested that value is not always considered in purchase decisions, which casts new light on the value-satisfaction relationship. Health care, in particular, may offer the best examples of such an exception. One research team reported that respondents indicated they "would want the best doctor and quality of service to get well even if it was not at a reasonable price." A respondent in another interview said she did not factor price into her decision to get a filling at the dentist. Therefore, it appears that in some purchase situations the consumer is concerned with quality, not with value per se.

In other cases it was sometimes difficult to disentangle the two concepts in interview discussions, despite the straightforward declaration of Day and Crask's (2000) proposition, i.e., consumer dis/satisfaction is a function of value assessment. One research team observed that post-purchase assessment of value "seemed like a circular process" wherein expectations affected satisfaction which, in turn, affected assessment of value. The same team

quoted participants who defined value as a function of "satisfaction for the dollar." In contrast, participants in other interviews "revealed that they were generally satisfied when the value they received matched or exceeded their value expectations." Not surprisingly, other teams reported that perceptions of high value lead to satisfaction and low value to dissatisfaction. However, in another set of interviews there was disagreement as to whether value is necessary to experiencing satisfaction, and in defining value another research team reported that participants equated value to personal satisfaction with a purchase and to meeting expectations. Clearly dis/satisfaction is linked to value perceptions, but the direction of the relationship is not so clear. Moreover, because discussions indicated that value is not always considered in consumer choices, it cannot be stated that dis/satisfaction is *always* related to value. Because value assessment does take place in many, probably most, consumer purchases, further investigation into the meaning and determination of value was warranted.

The Meaning of Value

Although defining value in the abstract was somewhat difficult, participants typically associated value with the price paid and benefits received. One team reported, however, "Participants felt that the concept of value differs from consumer to consumer depending upon their priorities and background." When asked what value meant in the context of specific products and services, participants' definitions varied; value received was therefore difficult to compare across product and service categories. Another team reported that in general the meaning of value related to performance, consumers' personal needs and expectations, and the price they pay. Student researchers also noted that participants identified more than one perspective on value in referring to sentimental, symbolic, monetary, and resale value.

That value is perceptual is undeniable; hence, it was not surprising to find that perceptions of value varied across individuals. Most research teams noted that perceptions of value are largely a function of expectations. Teams also discovered

that both definitions and perceptions of value are linked to personal values and that participants' notions of value usually were tied to price, which was used as a reference point or framing -- primarily *for products*, however.

Assessing Value

Even though participants often framed discussions of (received) value in terms of price, they also tended to describe value of products in terms of functions, features, and appearance, while using attributes such as ambiance and characteristics of service personnel when describing value of services. One particularly interesting finding was that ease of procuring or purchasing a product contributed to perceptions of value, expanding the scope of "product value." It appeared that many participants considered various benefits, as well as expenditure of more than monetary resources, when evaluating value offered. With respect to benefits, one research team made an important discovery: "Value doesn't always mean the highest performance and quality or the most advanced functions. Subjects claimed that only the performance, quality, or features they personally needed had value for them."

Results clearly indicated that perceptions of value are situationally and temporally determined. Student researchers reported differences in definitions, explanations, and assessment of value across product and service categories, as expected. Moreover, findings indicated that value perceptions can vary within a general category, as one research team discovered that determinant attributes differed depending on *the type of* restaurant. Students linked these differences to different purchase and consumption goals. Participants also explained that their perceptions of value sometimes change over time, largely because of greater experience with the category or brand. Having already established that perceived value is a function of expectations, one team observed that value expectations vary depending on consumer experience, circumstance, and situation. Another research team also noted that the participants' socioeconomic situation

influenced their value perceptions.

Some participants explicitly spoke of tradeoffs in assessing value. Acceptable tradeoffs mentioned included lower price for longer delivery time, or, conversely, higher price for faster service, and higher quality for more money. Convenience, not surprisingly, was sometimes traded for higher prices.

The definition and assessment of value appear to differ between products and services. Some participants revealed that their perceptions of product value were heavily influenced by their upbringing (i.e., consumer socialization), yet perceptions of service value were "more their own." In addition, participants discussed their attempts to assess value prior to many product purchases but explained that such assessment was less common for purchases of services. It appears that the meaning and assessment of value become more abstract with services; in fact, consumers' perceptions of value may even become meaningless at times, e.g., in the context of major medical procedures. Another interesting finding was that participants claimed that they did not always assess value before a purchase but rather evaluated value received after purchase and/or consumption. They stated that this situation most often occurs with low-involvement purchases.

The decision protocol method employed by one research team led to somewhat different kinds of data, which in turn led to further insights into the value concept. In the absence of price information, participants evaluated quality, not value, of the clothing by closely inspecting fabric and construction (style was similar across gendered outfits). Once retail source was revealed, participants reconsidered their previous evaluations based on expectations of value provided by the source stores. "When the store name was revealed most participants' perceptions of the clothing changed." The researchers further reported that expected value increased or decreased depending on the source -- and irrespective of prior physical inspection of the clothing. Then, after prices of the clothing were revealed, some participants experienced cognitive dissonance when they judged the new information to be inconsistent with their revised value

assessments. Revealing the actual price of the clothing items appeared to enable participants to reach a level of comfort with their final value assessment. The artificiality of the task limits conclusions that might be drawn because the only cost considered was price. Nevertheless, when price was absent from the equation, participants struggled to assess "value", suggesting that value may have little meaning outside the context of price.

DISCUSSION

Because value is perceptual, trying to get agreement upon a single definition may be futile. Unlike quality, value does seem inextricably linked to price in the consumer's mind, however. One research team concluded that satisfaction and value are not directly related. Specifically, one of their respondents explained that she was highly dissatisfied with the disposable diapers she buys because of the high price; however, she further explained that the product was of high value to her because it satisfied a need. This example illustrates the challenges in researching the topic of value, especially from the consumer's perspective. To value an object, or to place a value on something is not, of course, the same as a marketer providing value to a customer. It is essential that marketing scholars be semantically precise, noting the distinctions among concepts, and that marketing managers and researchers, as well as advertisers, insure that they are speaking the language of the consumer.

Assessment of value involves at least an informal costs/benefits analysis. Clearly the meaning and therefore assessment of value varies across product/service categories and individuals, and potentially purchase situations, although the latter was not directly addressed in the interviews. Generalizations about how consumers arrive at value estimates or determine received value may be difficult to achieve. At the conceptual level, though, it appears that consumers place value only on those attributes and benefits directly related to perceived needs or wants.

Despite debates over the years as to whether the marketing of products differs from the

marketing of services, findings from the present study point to divergent value assessment processes. Participants had little trouble articulating what value and value assessment meant in regards to products, but these same informants had difficulty discussing value when asked about specific services. This disparity is understandable considering the low level of search properties for all services and the lack of experience and even credence properties for some services. It appears that perceived quality, and not value, is the operative term when it comes to the selection and purchase of some services, especially those involving high personal risk. Possibly the emphasis participants placed on quality (or efficacy) in selection of health care providers can be attributed in part to the separation of payer and user roles. When there is a payer intermediary (e.g., insurer, parents) price may not be a concern; hence, value may not be a consideration. Instead, quality maximization may become the selection (versus purchase) goal when the consumer/user pays only a small portion or none of the financial cost of the product or service. In this situation, the payer would be the party more concerned about value-for-the-money.

As for value and consumer satisfaction, there appears not to be a true isomorphic relationship. In fact, value is not always considered, whereas overall feelings of dis/satisfaction are common. The present study also revealed that satisfaction may be a function of antecedent value assessments in some cases, but at other times satisfaction appears to precede value assessment. These findings not only indicate a need for additional research but also implore authors to note exceptions to the value-satisfaction relationship. For example, although no doubt intended as a simplified view of value and satisfaction, in drawing a right-hand arrow between high value and satisfaction (and between low value and dissatisfaction) Churchill and Peter (1998) imply a direct and unequivocal antecedent-consequent relationship. This is not only an over-simplification but also an overgeneralization, based on insights obtained from the present study.

In addition, findings lead to other theoretical implications. When the consumer finds it difficult to assess quality, on which value perceptions depend, satisfaction may be largely affect-based. For example, the quality of credence-based professional services such as primary health care, legal, and financial planning is difficult, if not impossible, for most consumers to determine since expertise required to render the service is also required to evaluate quality (or efficacy) of service delivery and outcomes. In such instances, consumer dis/satisfaction is much more likely to be based on affective factors. In addition, in discussions relating to satisfaction, it became clear that participants viewed satisfaction from the expectancy dis/confirmation perspective, just as expectations greatly affected value perceptions.

Limitations

The use of 9 student research teams may have resulted in some inconsistencies in data collection, analysis, and interpretation across groups, yet the congruence of emergent themes across the 9 independently generated reports was exceptionally high. Also, the teams employed convenience sampling, albeit the full sample reflects considerable diversity; nonetheless, minorities and low-income segments were under represented, whereas white, middle- to upper-income persons with a strong educational background were overrepresented. Because the study was exploratory, there was less rigor and structure than some people find comfortable. However, insights gleaned from the present study can inform subsequent research employing other methods.

DIRECTIONS FOR FUTURE RESEARCH

Although findings from the present study suggest that not every consumer purchase involves an assessment of value, value still plays a role in many marketplace choices and therefore warrants considerably more research. Because value assessment—and even the meaning of value—depends somewhat on the product or service category, studies comparing and contrasting the assessment process across diverse goods and services are needed to see what similarities emerge. Additional research similar to

that of Alford and Sherrell (1996) or Olshavsky and Kumar (2001) investigating the role of expectations, the role of affect, the applicability of the disconfirmation model, and the special cases of experience- or credence-based services should be especially productive. Level of purchase or category involvement should be investigated as to its role in value assessment, as there may be separate high-involvement and low-involvement models similar to those in the attitude literature.

Attention should also be directed towards the measurement of value. First, an evaluation of available measures of value is needed. If no suitable general-purpose value scale possessing good psychometric properties exists, then scale development would be required before meaningful empirical tests of hypothesized relationships between value and other key marketing concepts can proceed. From the manager's perspective, identifying means by which consumers try to increase received value and ways in which marketers can attempt to increase perceived value should be instrumental in enhancing customer satisfaction.

Some research has investigated value, quality, and satisfaction (e.g., Bolton and Drew 1991) and found a relationship between value and quality, which would be expected. However, Bolton and Drew (1991) concluded that at least for services "...perceived service value seems to be a 'richer,' more comprehensive measure of customers' overall evaluation...than service quality" (p. 383). To some extent findings from the present study contradict this conclusion. Clearly there is a need for further inquiry into the relative influence of value versus quality perceptions on satisfaction. So far, only a rudimentary understanding of the relationship between value and satisfaction has been achieved; much more research is required to answer questions raised by this and prior studies.

CONCLUSIONS

Based on his extensive review of value-related literature, Woodruff (1997) called for more research that can help develop richer customer value theory, as well as better tools with which value can be measured. Findings from the present

study both "validate" and inform some widely held views (a.k.a. tenets) about value and, at the same time, call attention to the need for more conceptual and empirical work on value and related constructs. In exploring each of the tenets and related research issues, a somewhat better understanding of value was achieved. Just as there are many definitions for value, consumers appear to take different perspectives on the meaning of value. Discussions indicated that multiple costs and benefits are often considered, although price dominates cost considerations. Less clear is how consumers make tradeoffs between costs and benefits, except for spending more money to get more in return. Participants viewed value somewhat differently depending on whether a purchase involved a product or service and on the type of product or service. In addition, individual, other situational, and temporal differences were revealed. Some insights gleaned from the findings go beyond the tenets and extend prior knowledge about value, to wit: value is not always considered in consumer choice; assessing service value (usually?) is more difficult than assessing product value; consumer expectations greatly influence value assessments; and consumer dis/satisfaction is linked to value perceptions in many, but not all, purchases.

Some marketing management and consumer behavior textbooks now include a section on the topic of value (e.g., Kotler 2000), which underscores the essential role of value in consumer decision making. As Solomon (1999) points out, the strategic value of value is that it can lead to store and brand loyalty because this type of relationship is more efficient for the consumer. Conveying that various benefits outweigh the monetary and other costs of securing a product or service, as well as insuring that a branded product or service is differentiated on the basis of benefits preferred by the targeted market, would enhance the brand's appeal. Further examining the meaning of value and explicating the value assessment process can potentially provide direction to marketing managers in gaining a competitive advantage and achieving customer satisfaction through value-oriented strategies.

Although value and satisfaction have received

much-deserved attention in recent years, research examining the relationship between the two concepts is inexplicably meager. The study reported here builds upon prior discussion and research regarding value and its role in consumer satisfaction, employing qualitative methods to insure rich, contextualized data that provide insights into the relationship beyond those obtained to date from quantitative studies or models. Hence, this study expands our understanding of a critical linkage and sets the stage for additional research addressing how and when value assessments beget feelings of dis/satisfaction. The most provocative finding in the study was not that perceptions of value and consumer dis/satisfaction are related but rather that consumers do not always assess value. In particular, services high in credence qualities that cannot be meaningfully evaluated before, during, or after purchase and situations in which payer and user roles are separated appear to be exceptions to the hypothesized value-satisfaction relationship, except perhaps at a more holistic or abstract level of contentment, pleasure, delight, or relief (Oliver 1997).

The present study did not provide definitive answers to Oliver's (1999) questions regarding value and satisfaction. Nevertheless, findings did point to a relationship, as expected. In fact, some participants' comments suggested that, at least in some cases, value and satisfaction are very similar concepts, both being based on expectations and experiences. Moreover, at times participants could not meaningfully differentiate between the two. Insofar as value could be separated from satisfaction, it was not necessarily an antecedent or consequent of satisfaction. Oliver's questions may not have been answered completely, but the many insights emerging from this study contribute to a greater understanding of two exceedingly important concepts in marketing.

REFERENCES

Academy of Marketing Science (2002), Call for Papers – 2003 Annual Conference.

Albrecht, Karl (1995), *Delivering Customer Value*, Portland OR: Productivity Press.

Alford, Bruce L. and Daniel L. Sherrell (1996), "The Role of Affect in Consumer Satisfaction Judgments of Credence-Based Services," *Journal of Business Research*, 37 (1), 71-84.

Athanassopoulos, Antreas D. (2000), "Customer Satisfaction Cues To Support Market Segmentation and Explain Switching Behavior," *Journal of Business Research*, 47 (3), 191-207.

Band, William A. (1991), *Creating Value for Customers*, New York: John Wiley & Sons.

Best, Roger J. (2000), *Market-Based Management: Strategies for Growing Customer Value and Profitability*, Englewood Cliffs NJ: Prentice-Hall.

Bolton, Ruth N. and James H. Drew (1991), "A Multistage Model of Customers' Assessments of Service Quality and Value," *Journal of Consumer Research*, 17 (March), 375-384.

Churchill, Gil and J. Paul Peter (1998), *Marketing: Creating Value for Customers*, Boston: Irwin McGraw-Hill.

Cronin, Jr., J. Joseph, Michael K. Brady and G. Tomas M. Hult (2000), "Assessing the Effects of Quality, Value, and Customer Satisfaction on Consumer Behavioral Intentions in Service Environments," *Journal of Retailing*, 76 (2), 193-216.

Day, Ellen and Stephen B. Castleberry (1986), "Defining and Evaluating Quality: The Consumer's View," in *Advances in Consumer Research*, VIII, Richard J. Lutz, ed., Provo UT: Association for Consumer Research, 94-98.

Day, Ellen and Melvin R. Crask (2000), "Value Assessment: The Antecedent of Customer Satisfaction," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 13, 52-60.

Fornell, Claes, Michael D. Johnson, Eugene W. Anderson, Jaesung Cha, and Barbara Everitt Bryant (1996), "The American Customer Satisfaction Index: Nature, Purpose, and Findings," *Journal of Marketing*, 60 (4), 7-18.

Fournier, Susan and David Glen Mick (1999), "Rediscovering Satisfaction," *Journal of Marketing*, 63 (4), 5-23.

Gale, Bradley T. (1994), *Managing Customer Value*, New York: Free Press.

Garver, Michael S. and Robert L. Cook (2001), "Best Practice Customer Value and Satisfaction Cultures," *Mid-American Journal of Business*, 16 (1), 11-21.

Glaser, B. G. (1969), "The Constant Comparative Method of Qualitative Analysis" in *Issues in Participant Observation*, G. J. McCall and J. L. Simmons, eds., Reading MA: Addison-Wesley.

Grant, Lorrie (2002), "Shoppers buying, but most putting value at top of list," *USA Today*, March 8, 2B.

Holbrook, Morris B., Editor (1999), *Consumer Value: A Framework for Analysis and Research*, New York: Routledge.

Huber, Frank and Andreas Herrmann (2000), "The Role of Customer Value in Arriving at an Assessment of

Satisfaction," in *Developments in Marketing Science,* XXIII, Harlan Spotts and H. Lee Meadow, (Eds.), Coral Gables FL: The Academy of Marketing Science.

Jones, Thomas O. and W. Earl Sasser, Jr. (1995), "Why Satisfied Customers Defect," *Harvard Business Review,* 73 (6), 89-99.

Kashyap, Rajiv and David Bojanic (2000), "A Means-End Approach to Investigating the Influence of Perceived Value on Consumer's Purchase Intentions," in *Developments in Marketing Science,* XXIII, Harlan Spotts and H. Lee Meadow, Eds., Coral Gables FL: The Academy of Marketing Science.

Kerin, Roger A. and Robert A. Peterson (2001), *Strategic Marketing Problems,* 9th Ed., Upper Saddle River NJ: Prentice Hall.

Kotler, Philip (2000), *Marketing Management: Millennium Edition,* Englewood Cliffs NJ: Prentice Hall.

Lai, Albert W. (1995) "Consumer Values, Product Benefits and Customer Value: A Consumption Behavior Approach," in *Advances in Consumer Research,* Association for Consumer Research, 381-8.

Licata, Jane W., Gregory Noah Mills, and Violaine Suran (2001), "Value and Satisfaction Evaluations During a Service Relationship," *Services Marketing Quarterly,* 22 (3), 19-41.

Marketing Science Institute (1999), *1999 Annual Alden G. Clayton Doctoral Dissertation Proposal Competition,* Cambridge MA: Marketing Science Institute.

Mittal, Banwari and Jagdish N. Sheth (2001), *ValueSpace,* New York: McGraw-Hill.

Oliver, Richard L. (1997), *Satisfaction: A Behavioral Perspective on the Consumer,* Boston: Irwin McGraw-Hill.

Oliver, Richard L. (1999), "Value as Excellence in the Consumption Experience," in *Consumer Value: A Framework for Analysis and Research,* Morris B. Holbrook, Ed., New York: Routledge.

Oliver, Richard L. and Wayne S. DeSarbo (1988), "Response Determinants in Satisfaction Judgements," *Journal of Consumer Research,* 14 (March), 495-507.

Olshavsky, Richard W. and Anand Kumar (2001), "Revealing the Actual Roles of Expectations in Consumer Satisfaction with Experience and Credence Goods," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior,* 14, 60-73.

Palmroth, William (1991), "Always Remember the Six Buyer Benefits; Qualities Buyers Look for in a Product," *American Salesman,* 36 (9), 12-18.

Parasuraman A. (1997), "Reflections on Gaining Competitive Advantage Through Customer Value," *Journal of the Academy of Marketing Science,* 25 (Spring), 154-161.

Parasuraman, A. and Dhruv Grewal (2000), "The Impact of Technology on the Quality-Value-Loyalty Chain: A Research Agenda," *Journal of the Academy of Marketing Science,* 28 (1), 168-174.

Sinha, Indrajit and Wayne S. DeSarbo (1998), "An Integrated Approach Toward the Spatial Modeling of Perceived

Customer Value," *Journal of Marketing Research,* 35 (May), 236-249.

Solomon, Michael R. (1999), *Consumer Behavior,* 4th ed., Upper Saddle River NJ: Prentice Hall.

Vayslep, Alex (1996), "Customer Value Measurement, " *Quirk's Marketing Research Review,* October.

Woodruff, Robert B. (1997), "Customer Value: The Next Source for Competitive Advantage," *Journal of the Academy of Marketing Science,* 25 (2), 139-153.

Woodruff, Robert B. and Sarah F. Gardial (1996), *Know Your Customer: New Approaches to Customer Value and Satisfaction,* Cambridge MA: Blackwell.

Zeithaml, Valerie A. (1988), "Consumer Perceptions of Price, Quality, and Value: A Means-End Model and Synthesis of Evidence," *Journal of Marketing,* 52 (3), 2-22.

Send correspondence regarding this article to:
Ellen Day
Department of Marketing
Terry College of Business
The University of Georgia
Athens GA 30602
fax: 706-542-3738
e-mail: eday@terry.uga.edu

AN EMPIRICAL INVESTIGATION OF COMPLAINT BEHAVIOR AMONG CHURCH MEMBERS

Scott W. Hansen, The University of Texas at Tyler
Barbara Ross Wooldridge, The University of Tampa

ABSTRACT

Understanding how church members complain when dissatisfied is a topic that has been neglected in the marketing literature. Academicians have done a good job in looking at complaint behavior in retail, industrial, and service environments. However, one area that has not been investigated is how church members complain. Researchers have been slow to make use of modern marketing techniques in non-profit areas. This article develops a typology of complaint behavior response styles and identifies a set of variables useful in predicting complaint styles in a church environment. This type of research is needed in order to help these organizations be pro-active in the areas of loyalty, satisfaction, and retention of church members.

INTRODUCTION

The service sector is the largest industry in the U.S. economy. Presently, the service sector represents 38.7 % of all establishments and accounts for 79 % of all employment. Projections for job creation in this sector will continue to be strong with it generating an additional 20.5 million jobs by 2010 (Berman, 2001). Given this tremendous projected growth, one might surmise that all segments of the service sector are growing rapidly. However, churches often not thought of as being part of the service sector have not benefited from the tremendous growth in the service sector. In fact, mainstream denominations in the United States have not seen any significant increase in worshipers over the last four decades ("Religious Makeup").

According to Wright (1996) the top five religions in the world are Christianity (33%), Islam (20%), Agnostics (15%), Hinduism (13%) and Buddhism (6%). Of these five religions, Christianity has had the most arduous time in satisfying and retaining worshipers (Parsons 1997). According to the U.S. Center of World Mission, the Christian religion is growing at a 2.3% annual rate, which is approximately equal to the growth rate of the world's population, while Islam is growing at a 2.9% rate, allowing this religion to capture more membership over time than any other group (Parsons 1997). Growth projections indicate that Christianity will represent only 25% of the world's population by 2025 down from 33% (Huntington 1998). Given the projections that forecast Christianity's decline, an anecdotal example is provided to demonstrate the need for retention strategies and policies to maintain a church's membership. One such retention strategy is that of managing the various forms of complaint behavior in churches.

Anecdotal Example for the Retention of Church Members

In one northeast Texas city there are approximately 456 churches that serve an area with a population of roughly 80,000 people. If one were to <u>assume</u> that everyone was an active member of a church in this town, there would be approximately 175 worshipers for each church. According to the Barna Research Group, about 36% of Americans attend church regularly, ("Religious Makeup"); leaving an average of 63 committed worshipers for each religious organization in this city. Obviously, with only 63 worshipers attending any given church, meeting the churches financial obligations just to keep the doors open would tend to be problematic. Given this scenario, all churches should recognize that maintaining their existing church body is essential to the churches' viability. In fact, the average U.S. service establishment loses half of their customers to customer disloyalty within five years, hence organizational performance declines 25 to 50% (Gnash, et al. 2000). Though the Gnash, et al.

(2000) study did not include churches, it can be inferred that the pursuit of loyal church members should be a priority. In order to create church (brand/store) loyalty, the job of managing satisfaction among church members will be key.

This paper will extend the literature in the area of satisfaction and complaint behavior to a unique part of the service sector, namely churches. Churches in today's modern world need to understand how complaining behavior is manifested by their members in order to be pro-active in protecting their loyalty, satisfaction, and retention. More specifically, church administrators need to know how church members are likely to complain and what characteristics of members are useful in predicting their complaining style. To address these issues, this research has the following objectives: (1) test for the existence of a multidimensional structure of complaint behavior in a church setting, (2) identify an appropriate number of clusters representing unique complaint response styles by church members; (3) describe each complaint response style derived from church members; and (4) identify a set of predictor variables useful in determining membership into each church complaint response style.

LITERATURE REVIEW

Cutler and Winans (1999), in a review of marketing literature involving churches, found that of all the articles published since 1976, only three papers have been empirical in nature. Several reasons have been posited for the lack of empirical research on churches. First, churches have not seen the need to market their product. Second, academicians have not seen the need to demonstrate marketing techniques relevant to churches and similar nonprofit organizations. Third, churches have tried to maintain the belief that the practice of marketing and recruitment are two unholy terms churches should not employ (Fewster 1980). Whatever the attitude or reasoning supporting the void of marketing research pertaining to churches, it should be noted that all organizations today, both profit and nonprofit are facing increasingly competitive environments.

The central theme in the academic literature regarding the marketing of religious organizations has focused on uncovering the "dynamics of consumer preferences" (McDaniel 1989). In 1995, Mehta and Mehta investigated four dimensions related to church member satisfaction that include (1) church environment; (2) pulpit ministry; (3) music ministry; and (4) and congregational participation. They found congregational participation ($R^2=76.67$) to explain more variance in member satisfaction than the other three dimensions, but all dimensions were statistically significant (church environment $R^2 = 76.08$; music ministry $R^2 = 73.24$; and pulpit ministry $R^2 = 66.74$). In addition to these dimensions, they found that the worshiper's denomination and gender were highly associated with member satisfaction, along with the number of times attending church, and the amount of charitable giving.

Saunders (1999) extended the limited empirical marketing research of churches and began to address the issue of retaining church members. Saunders explored the level of satisfaction with regards to specific church attributes. Her research identified thirty-seven attributes that were associated with member satisfaction. Using factor analysis, these thirty-seven variables were reduced into ten factors. The factors included church programs, social service opportunities, worship services, member support, physical and social ambience in the worship service, congregational harmony, church time and place, Sunday School content, Sunday School leadership opportunities, community obligations, church convenience and image, and administrative communication. These factors were found important to member satisfaction and would likely lead to increased member retention for a church.

Our study will extend the investigation of complaint behavior by employing it to the service sector, namely churches. As our guide, we will rely upon Jagdip Singh's (1988, 1990) work concerning complaint behavior. Our research is exploratory, as limited empirical research has been done on complaint behavior in a religious setting. Even though Saunders (1999) began to identify

factors likely related to satisfaction and retention of church members, the literature has not addressed questions such as what specific types of complaint behavior might arise when a member is dissatisfied, and/or what variety of complaint behavior response styles might exist in a church organization. A brief review of the consumer complaint behavior literature will guide the direction and methodology of our study.

Complaint Behavior

The study of complaint behavior began as part of the broader study of consumer satisfaction and dissatisfaction (Bearden and Mason 1984; Day 1984; Day and Landon 1977; Jacoby and Jaccard 1981; Oliver and DeSarbo 1988; Yi 1990). A general model of the complaining process supposes that as dissatisfaction within an exchange situation increases, the probability of some type of complaining behavior increases (Hansen, et al. 1997). Singh (1990) made several important contributions to the study of complaint behavior. First, he developed a typology of consumer complaint response styles. The complaint styles he developed were labeled passives, voicers, irates, and activists (Singh 1990, p. 80). Once he had identified these complaint styles he tested several variables that could predict the response styles. He found episode-specific variables such as judgments and the nature of the dissatisfying experience, along with personal variables such as prior experiences, alienation, and attitudes towards complaining to be the best predictors of complaint style. Dart and Freeman (1994) extended Singh's research to an organizational setting, using purchasers of accounting services. Finally, Hansen, et al. (1997) formulated a typology of organizational buyer complaint responses in a business-to-business environment, involving tangible products.

METHODOLOGY AND DATA ANALYSIS

In order to accomplish our research objectives, a questionnaire was developed from the items used to measure four components of worship by Mehta and Mehta (1995). These components included (1) church environment, (2) pulpit ministry, (3) music ministry, and (4) congregational participation. In addition, we decided to add a fifth component called pastoral supervision. This addition was prompted by some of the recent problems our society has had with pastor/priest ethical and moral accountability. Our study made use of the scale developed by Singh (1990) to measure dimensions of complaint behavior. After the questionnaire was developed, an administrative pastor and a retired pastor reviewed the questionnaire for content, relevancy, and clarity. After their suggestions were implemented, the questionnaire was sent to a random sample of 300 church members selected from an overall population of 900 church members in a non-denominational church located in Northeast Texas. The mailing contained a cover letter written by the administrative pastor of the church requesting participation, the questionnaire, and an envelope with return postage to the authors. The overall response rate for this study was 37%. This rate of response is in line with other complaint behavior research (Singh 1990; Dart and Freeman 1994). To assess the potential for non-response bias, a time-trend extrapolation test was used and no significant differences were found between early and late respondents (Armstrong and Overton 1977).

Data Collection

Respondents were asked to remember a dissatisfying experience that occurred at a church, not necessarily the participating church. Respondents identified their experience by selecting from a list of common dissatisfying experiences compiled and created from empirical studies on churches (Mehta and Mehta 1995). Once a dissatisfying experience was identified they were asked how they expressed their dissatisfaction using Singh's (1990) complaint behavior scale that was adapted for a church setting (the complete questionnaire is found in Appendix A). The questionnaire also made use of an adapted version of the SERVQUAL (Parasuraman, et al. 1988) scale to measure quality. The respondents indicated their quality

perception on a five-point Likert scale. The items measured were tangibles, reliability, responsiveness, assurance, and empathy. Demographic measures such age, marital status, gender, denomination, attendance habits, etc. were also measured for the purpose of predicting complaint behavior and for building a sketch of the respondents.

Data Analysis

Data analysis followed the methodology of Singh (1990) and Hansen, et al. (1997). The first step was to identify how each respondent complained given a dissatisfying experience. Once the complaint behaviors were identified a factor analysis was performed. The factor scores from this analysis were entered into a hierarchical cluster analysis to identify the number of clusters representing complaint behavior response styles in this church setting. Next, discriminant analysis was employed to check for convergent validity in the complaint behavior scale. Analysis of variance was used to create descriptions of the clusters derived from the complaint behavior, SERQUAL, and the demographics variables. Finally, stepwise discriminant analysis was utilized to identify a set of predictors useful in distinguishing between each cluster representing complaint behavior response styles in this church setting.

RESULTS

Complaint Behavior

The complaint behavior scale was factor analyzed to identify its dimensional structure. The latent root criterion and the scree test criterion were used to identify significant factors represented by the data. A four-factor solution best represented the data. These results are similar to previous studies (Singh 1990; Dart and Freeman 1994; Hansen, et al. 1997), with one exception. The previous studies had identified only three dimensions derived from Singh's complaint behavior scale. Interestingly, our factor analysis created a fourth dimension of complaint

behavior from the church data. In Table 1 we have listed the items, classified them by dimension, and reported factor loadings, eigenvalues, and coefficient alpha.

Dimension one was labeled no action because it describes the respondent as doing nothing. Doing nothing is a common complaint behavior recognized in the literature (Warland, et al. 1975; Landon 1977). However, we did not anticipate a second item (i.e. engaging in complaint behavior to a governing body of the church) to load on the same dimension. A potential explanation for this is that it might be believed complaints to such high profile representatives in a denomination probably would be unfruitful or a waste of time, with the governing body referring the complaint back to the local church. This appears to be a plausible explanation unless the complaint was prompted by an extremely high profile incident (such as a pastor/priest molesting a child), then it would be expected the governing body would act. However, in most cases of lesser importance one might consider complaining to the governing body as effective/ineffective (however one looks at it) as not complaining at all.

Dimension two was labeled voice because it describes the respondent engaging in a mild form of complaint behavior such as asking, phoning, or writing the church staff to take care of the problem. This type of behavior can be profitable because, in a rather benign manner, it alerts the church staff to a problem that exists. Therefore, the staff has the opportunity to correct the problem and satisfy the member quickly and discreetly.

Dimension three was labeled private action because it describes the respondent engaging in negative word-of-mouth communication with members of the church, friends, relatives and co-workers. It includes the respondent deciding to leave his/her existing church to attend another. One can imagine a church member deciding to leave the church after a dissatisfying incident occurs without giving the church staff much of a chance to fix the problem. In fact the consumer literature has reported for quite some time that less than half of all consumers who face a dissatisfying experience complain (Andreasen and Best 1977; Wilkie 1986; Riechheld and Teal 1996).

Table 1
Rotated Factor Pattern for the Complaint Behavior Items From Church Data

Item	No Action	Voice	Private	Public
CCB1	**-.838**	-.251	-.038	.095
CCB2	.344	**.811**	.104	.038
CCB3	.001	**.885**	.128	.151
CCB4	-.208	.125	**.858**	.133
CCB5	.209	.256	**.793**	.087
CCB6	.460	-.208	**.599**	.213
CCB7	**.618**	.121	.032	.478
CCB8	.359	.036	.186	**.782**
CCB9	.001	.093	.142	**.921**
CCB10	-.009	.078	.075	**.901**
Eigenvalues	3.537	1.724	1.329	1.129
Coefficient Alpha	**.5661**	**.7683**	**.6999**	**27**
Overall Alpha	**.7814**			

The items were as follows:
CCB1: Decided to do nothing about the dissatisfying experience.
CCB2: Immediately complained to church staff about the experience.
CCB3: Complained to church staff by phone or writing.
CC4: Complained to friends, relatives, and co-workers about the experience.
CC5: Complained to members of the church about the experience.
CC6 Decided to go to another church.
CCB7: Complained to overall governing body of the church.
CCB8: Complained to licensing authority or professional organization.
CC9: Complained to civil leaders in the community.
CC10: Decided to take legal action against the church.

Negative word-of-mouth is deleterious to a church's reputation, and the church staff should be alert to this type of activity in order to promptly react and diffuse this type of complaining behavior.

Dimension four was labeled public action because it represents complaining to a licensing authority, to civic leaders in the community, or taking legal action against the church. This form of complaint behavior represents the most detrimental type of complaining and could threaten the church's very existence.

Identification of Response Styles

In order to identify complaint response styles the factor scores derived from the factor analysis were used as input into the cluster analysis.

Cluster analysis is an exploratory method, without a-priori expectations of groupings. The purpose of this procedure is the classification of our data according to natural groupings found in complaint behavior (Hair, et al. 1998). To identify the appropriate cluster solution a dendrogram was prepared using the Ward's method and Euclidean distance solution (Green and Tull 1978). From this analysis, an initial set of four clusters were identified, each cluster representing a particular complaint behavior style.

An analysis of variance was run to determine which complaint items were significantly different across the four clusters. Table 2 lists each item and its corresponding F-statistic. The data analysis in Table 2 shows all items from the scale to be significant at the .01 level. To assess convergent validity, discriminant analysis was

Table 2
F-Ratios of Each Complaint Response Over the Four Clusters

Complaint Item	Sum of Squares	df	MS	F	p
Did Nothing	60.282	3	20.09	13.91	.000
Complained	46.838	3	15.61	10.70	.000
Write or phone	21.549	3	7.183	4.574	.005
*Complain to friends and others	42.377	3	14.12	9.255	.000
Complain to a member	45.906	3	15.30	10.00	.000
Go to a new church	89.838	3	29.94	20.66	.000
*Complain to the governing body	20.557	3	6.852	4.373	.007
Complain to the licensing body	34.685	3	11.56	18.18	.000
*Complain to the civic leaders	38.288	3	12.76	66.85	.000
Take legal action	46.840	3	15.61	86.78	.000

*These items were eliminated from final solution by discriminant analysis.

Table 3
Standard Canonical Discriminant Function Coefficients

	Functions		
	1	2	3
Did nothing	-.316	.257	.684
Complained	.265	-.489	-.783
Write/phone	.145	-.221	.690
Members	-.295	.533	-.258
Go to New Church	-.458	.788	.096
Licensing	-.186	.500	.083
Legal Action	1.127	-.011	-.022

Summary of Canonical Discriminate Functions

Functions	Eigenvalue	% of Variance	Cumulative %	Canonical Corr.
1	4.343	61.8	61.8	.902
2	1.909	27.1	88.9	.810
3	.781	11.1	100.0	.662
Test of Function	Wilks' Lambda	Chi-Square	df	Sig.
1 through 3	.036	240.732	21	.000
2 through 3	.193	119.240	12	.000
3	.562	41.828	5	.000

used. The individual complaint behavior items were used as independent variables, with the four clusters as the dependent variables. Of the ten items in the complaint behavior scale only three items were eliminated from the solution by the discriminant algorithm (complained to friends and family, complained to overall governing body of the church, complained to civic leaders in the community). Table 3 lists the three standard canonical discriminant functions, along with each variable's coefficient as well as each function's eigenvalue, the percent of variance explained by the function, and the function's canonical correlation. Each of the three functions was significant at the $p < .000$ level and was able to classify 92% of respondents in their appropriate cluster group, thus giving evidence for convergent validity.

Description of Complaint Response Styles

A profile was created of each type of church complaint response style as described by the clusters. In order to provide evidence for external validity, one-way ANOVA was used with the response styles as the dependent variable and the items in the complaint scale as independent variables. The same procedure was also used with the SERQUAL dimensions as independent variables. The ANOVA shows how each variable differs across clusters and is instrumental in developing a more precise description of the clusters (See Table 4).

Analysis of variance showed that only two dimensions in SERQUAL were significantly different across the four clusters. These dimensions represent perceptions of reliability and

Table 4
Brief Description of the Four-Cluster Grouping Using Complaint Actions

Sign. Diff.	Complaint Actions Cluster	MEANS			
		1	2	3	4
1-2,1-3	Most likely to do nothing	2.28	3.65	4.46	3.20
1-3,1-4 2-3	Least likely to complain	3.87	3.50	1.84	2.66
2-3,3-4 2-4	Less likely to write or phone	3.86	4.40	3.16	2.77
1-3,2-3 3-4	Less likely to complain to friends	3.25	2.40	4.53	2.40
1-2,2-3 1-4	Least likely to complain to members	3.55	1.90	3.38	2.22
1-2,1-4 2-3 3-4	Less likely to go to new church	4.09	2.00	4.83	2.70
1-4	Least likely to complain to governing body	4.25	3.50	3.84	2.80
1-2,1-4 2-4,3-4	Least likely to complain to licensing body	4.78	4.14	4.76	2.80
1-4,2-4 3-4	Likely to complain to civic leaders	4.85	4.85	4.76	2.80
1-4,2-4 3-4	Likely to take legal action	4.87	5.00	5.00	2.80

Table 5
Demographic Variables Significantly Different Across Clusters

ANOVA	SS	df	MS	F	P
1. Respondents were asked the number of children at home.	17.76	3	5.92	2.87	.041
2. The quality of religious experience at your church	6.26	3	2.08	3.45	.019
3. If the dissatisfying experience at your church was resolved satisfactorily would you leave the church?	12.87	3	4.29	4.42	.006

Post Hoc Tests For Differences in Clusters	1	2	3	4
1. Number of Children	1.431*	2.176	2.636*	1.600
2. Quality of Religious Experience	6.441*	6.381	6.000	5.727*
3. Not resolved would leave	4.431*	3.937	4.636	3.250*

Table 6
Description of the Four Cluster Grouping

Cluster One-The Captivated
- Most likely to do nothing about dissatisfying experience.
- Least likely to complain immediately to church staff about dissatisfying experience.
- Less likely to complain to friends, relatives, and co-workers.
- Least likely to complain to members of church.
- Less likely to go to another church.
- Least likely to complain to governing body.
- Least likely to complain to licensing body.
- Least likely to complain to civic leaders.
- Less likely to take legal action.
- Strongly agreed that when they had a problem with something or someone, they showed sincere interest in solving it.
- Strongly agreed that the church staff was always willing to help.
- Strongly agreed the church staff was never to busy to respond to their request.
- This group had the 1.43 children.
- This group was very pleased with their religious experiences in church.
- This group disagreed with statement - if the dissatisfying experience you had with the church was resolved satisfactorily, you would leave the church.

Cluster Two-The Meddler
- Less likely to do nothing about a dissatisfying experience.
- Less likely to complain immediately to church staff about dissatisfying experience.
- Least likely to complain to staff by writing or phoning.
- Most likely to complain to friends, relatives and co-workers.
- Most likely to complain to members of church.
- Most likely to go to another church.
- Less likely to complaint to licensing body.
- Least likely to complain to civic leaders.
- Least likely to take legal action.
- This group disagreed with statement but not as strongly as cluster one - if the dissatisfying experience you had with the church was resolved satisfactorily, you would leave the church.

Cluster Three-The Inquirer
- Least likely to do nothing about dissatisfying experience.
- Most likely to complain immediately to church staff about dissatisfying experience.
- Likely to complain to church staff by phone or writing.
- Least likely to complain to friends, relatives, and co-workers.
- Less likely to complain to members of church.
- Least likely to go to another church.
- Less likely to complain to governing body.
- Less likely to complain to licensing body.
- Less likely to complain to civic leaders.
- Least likely to take legal action.
- Least likely to believe that when they had a problem with something or someone, they showed sincere interest in solving it.
- Least likely to believe that the church staff was always willing to help.
- Least likely to believe the church staff was never too busy to respond to their request.
- This group had the 2.63 children.
- This group strongly disagreed with statement - if the dissatisfying experience you had with the church was resolved satisfactorily, you would leave the church.

Cluster Four-The Irate
- Less likely to do nothing about dissatisfying experience.
- Likely to complain immediately to church staff about dissatisfying experience.
- Most likely to complain to church staff by phone or writing.
- Most likely to complain to friends, relatives, and co-workers.
- Likely to complain to members of church.
- Likely to go to another church.
- Most likely to complain to governing body.
- Most likely to complain to licensing body.
- Most likely to complain to civic leaders.
- Most likely to take legal action.
- This group was most satisfied with their religious experiences in church.
- This group was neutral to this statement- if the dissatisfying experience you had with the church was resolved satisfactorily, you would leave the church.

statements of responsiveness by the church staff. Post hoc tests were run to find out where the differences were located. Results showed only one item (when you have a problem with something or someone at church, they show a sincere interest in solving it) to differ significantly across the four clusters with regards to the perception of reliability index. Two items that represented part of the responsiveness index were significantly different across clusters one and three. They included the church staff is always willing to help their members, and the church staff is never too busy to respond to your request.

The same process was done using demographics variables. Three demographic variables were found to be significantly different across clusters. They included the number of children in a family, the quality of religious experience in the church, and whether or not they would leave given the dissatisfying was not resolved (Table 5). From this analysis, a sketch representing each response style is provided in Table 6.

Identification of Predictors of Church Member Complaint Response Styles

In the last step of the external validation process, each significant index in SERQUAL and the three significant demographic variables were used to predict group membership in the clusters representing complaint response styles. Stepwise discriminant analysis was used to differentiate between a-priori groups. In this procedure, the stepwise analysis should identify the best combination of variables capable of predicting membership in the clusters. To determine which variable had the best discriminating power, partial F-values were calculated for each of the independent variables. This analysis produced an optimal solution that included the responsiveness index and the demographic variable measuring whether or not the respondent would leave the church if their dissatisfying experience was not resolved. Using these two variables, a simultaneous discriminate analysis was run. The discriminant solution was able to classify respondents in their appropriate cluster group at a

rate of 76%.

DISCUSSION

Our study is the first to develop complaint response styles using church members. In creating these complaint response styles, we relied on a well documented methodology used frequently in the marketing literature (Singh 1990; Dart and Freeman 1994; Hansen, et al. 1997). Using this method, our study found differences and similarities in our response styles as compared to previous studies. First, when measuring the dimensionality of our complaint behavior scale, we found it to consist of four dimensions of complaint behavior which we labeled no action, voice, private, and public action complaints. This is generally considered a departure from past studies, where only three dimensions of complaint behavior have been found voice, private, public dimensions (Singh 1988).

Dimensions of Complaint Behavior

The first research objective in our study was accomplished by identifying four dimensions of complaint behavior in a church setting. The first dimension, labeled no action, included two items: doing nothing about the dissatisfying experience and engaging in complaint behavior to the governing body of the church. These findings are surprising because there was no theory to indicate that two such different items would load on the same factor. One potential explanation for this result is that complaining to the governing body of the church might have been perceived by respondents as ineffective as do nothing about the dissatisfying experience. It would seem that the respondent believed that unless the dissatisfying experience was extremely controversial or high profile, the governing body of the church would probably remain neutral (See Table 1). It should be noted that complaining to a governing body of the church was an adapted item used for this study and corresponded to the item in other studies analogous to complaining to a governing board or trade association. Further research using respondents from different congregations may

prove this finding to be unrepresentative of the true dimensionality of complaint behavior in a church setting or support our unique finding.

The second dimension, labeled voice, consisted of two items: immediately complaining directly to the church staff and by writing or phoning the church staff of the dissatisfying experience. Our study found that complaining directly to the church staff loaded on a similar dimension noted by Singh (1990), and Dart and Freeman (1994) studies. In the Singh and Dart and Freeman studies, the authors found immediately complaining directly to the appropriate party to load on the voice dimension. In our study it makes sense to label these two complaint actions as a voice dimension because they are of the same nature and degree of dissatisfaction. It should be noted that this form of complaint behavior is the first type of behavior a church member might engage in when dissatisfied. It is also the kind of action a church staff should promote because it gives the church the opportunity to immediately correct the problem..

The third dimension of complaint behavior, labeled private, included: complaining to friends, relatives, or other church members and possibly finding another church. This dimension is most like Singh's (1990) private dimension in which he saw the consumer using private complaints first in order to reach a solution and then, if not satisfied, finding another vendor. In the case of the switching consumer, this form of complaint behavior represents frustration on the part of the respondent in that he/she most likely has made several attempts to resolve the problem through normal channels and has been unsuccessful. Unfortunately, many businesses and churches lose good customers / congregation members without ever knowing why they left.

The fourth and final dimension was labeled public. It included complaining to the licensing authority, to civil leaders, or by taking legal action against the church. This dimension was most like what Singh (1990) and Dart and Freeman (1994) called the third-party complaint dimension. Further testing in the non-profit and church setting needs to be done, but our results suggest that these are the four dimensions of complaint behavior in

a church setting, where doing nothing when dissatisfied (no action) and voice complaints (complain directly to the church staff, or complain by phone or letter) are considered as two different dimensions.

Complaint Response Styles

Our second research objective was accomplished when we were able to identify four distinct complaint response styles of church members. These dimensions resulted in the formation of a typology consisting of four different complaint response styles. However, since our church complaint response styles were built using four dimensions of complaint behavior, we observed a slightly different mix of complaint responses representing each cluster. Therefore, unique names were chosen to try to describe these groups.

The first group was labeled The Captivated. The captivated group was the most satisfied group of the four and demonstrated no inclination of ever using any form of complaining behavior in a church setting. One interesting characteristic of this group was that they had the least amount of children. This demographic factor may be significant in that the respondent believed any dissatisfying experience which arose at the church was unlikely to affect them in any adverse way. Since fewer children belonged to this group, they generally did not have to worry about negative aspects of their worship experience affecting their children.

The second group representing complaint response styles was labeled The Meddler. The Meddler was not quite as satisfied as the captivated group with their church experience; however they were in no means ready to give up on this church. When faced with a dissatisfying experience they were more likely to use private action complaints such as complaining to friends, relatives, and co-workers, including other church members. This group tended to rely on negative word-of-mouth communication mostly in private party situations. However, if they decided that the problem was not going to be solved, The Meddler represented the group most likely to leave. This

group is potentially the most difficult group to please, as some of their complaint actions do not allow the church staff the opportunity to solve the problem. In most cases by the time the problem was identified by the church staff, these members were likely to have left the congregation. In addition, this group of complainers tended to engage in negative comments to others outside the church, possibly preventing prospective members from joining.

The third response style was labeled The Inquirer. The Inquirer represented members of the church who complained immediately when a dissatisfying experience took place. They were also least likely to do nothing and least likely to engage in negative word-of-mouth communications to friends, relatives, or co-workers when dissatisfied. In every sense this group offers the church the best opportunity to fix the problem before any other complaint action was contemplated.

Finally, the last response style was identified as The Irate. The Irate were church members most likely to rely on public complaint action. The Irate stated they would complain to the governing body of the church, to civic leaders in the community, and even consider legal action when dissatisfied. Also, they were more inclined to leave the church when a dissatisfying experience was not resolved.

External Validity

Our third objective in this study was accomplished when we validated the complaint behavior scale by testing for predictive validity. The discriminate solution used to predict membership in each cluster was found accurate at a 76% rate. Our results were similar to past research regarding complaint behavior (Singh 1990; Dart and Freeman 1994; Hansen, et al. 1997). Our study found three variables that could be beneficial to church staff in classifying complaint behavior response styles among church members. First, our study found that most of our respondents were very forgiving when a dissatisfying experience took place in church. They stated that if the church staff and/or

administration took steps to correct the problem when notified, they would be satisfied and continue to attend that church. The other two items that were included in the discriminant solution were part of SERQUAL measuring responsiveness. The first question asked respondents if they thought the church staff was always willing to help when a problem occurred. The second question asked if they thought the church staff was never to busy to respond to their requests. All groups basically agreed with both of these questions; however, there was a significant difference between the response given by The Captivated group and the response given by The Inquirer group. As noted, the Captivated were described as totally satisfied with their church experience. Likewise, The Inquirer stated they were also generally satisfied with their church experience. However, The Inquirer's judgment on issues of church satisfaction seemed to be ultimately affected by their concerns for the child's experience at church. For this reason, The Inquirer group seemed to be the most definite about issues of satisfaction in the church. For example, when a dissatisfying experience occurred, they were most likely to complain immediately to the church staff. If they were not able to complain personally, they were likely to complain to the church staff by phone or writing. The Inquirer group also stated that if the dissatisfying experience was not solved satisfactorily, they would leave the church. Interestingly, all variables included in the final predictor solution of complaint response styles in church members had to do with church member's concern over the amounts of responsiveness, empathy, and commiseration displayed by the church staff and administrators for members of the congregation.

LIMITATIONS

Our study has certain limitations. First, the exploratory nature of the study and the use of a single congregation limit the generalizability of these results. Second our survey had a response rate of 37%. Because measures taken to determine the extent of nonresponse bias resulted in no

significant findings, we feel the response rate was acceptable, but disappointing. Third, the church respondents, who took part in this study, were predominantly made up of church members representing the Judeo-Christian faith. One could surmise that, since the respondents are currently church members, a large portion of these people would not engage in the extreme forms of complaint behaviors. Our study does give one the impression that these kinds of extreme complaint activities are few and far between in a church atmosphere. However, this conclusion may not be sound as future studies expand the population of respondents to diverse denominations. Finally, this paper assumes each complaint behavior demonstrated by the respondent is relational. A church member's complaint behavior response could vary greatly, given different situations.

CONCLUSIONS

This paper successfully merged the study of complaint behavior into a church setting. This empirical research has shown the study of complaint response styles to be just as relevant in churches as they are in retail establishments, service organizations, and industrial relationships (Singh, 1990; Dart and Freeman 1994, Hansen, et al. 1997). Our results show that the dissatisfaction of the worshiper and the type of complaint behavior he/she engages in has a direct bearing on the retention of that church member. Complaint behavior should be encouraged in a church setting, so the staff has an opportunity to correct the problem and retain the worshipper.

REFERENCES

Armstrong, J. Scott and Terry S. Overton (1977), "Estimating Nonresponse Bias in Mail Surveys," *Journal of Marketing Research,* 14 (August), 396-402.

Andreasen, Alan and Arthur Best (1977), "Consumer's Complain-Does Business Respond," *Harvard Business Review,* 55 (July-August), 93-101.

Bearden, William O. and J. Barry Mason (1984), "An Investigation of Influences on Consumer Complaint Reports", in *Advances in Consumer Research,* Thomas C. Kinnear, ed., Ann Arbor, MI: Association for Consumer Research, 490-495.

Berman, Jay M., "Industry Output and Employment

Projections to 2010", December 3, 2001, *http://www.bls.gov/emp.*

Cutler, Bob D., and William A. Winans (1999) "What Do Religion Scholars Say About Marketing? : Perspectives from the Religion Literature", *Journal of Professional Services Marketing,* 18 (2), 133.

Dart, Jack, and Kim Freeman (1994), "Dissatisfaction Response Styles Among Clients of Professional Accounting Firms," *Journal of Business Research,* 29, 75-81.

Day, Ralph L. (1984), " Modeling Choices Among Alternative Responses to Dissatisfaction", in *Advances in Consumer Research,* 11, Thomas Kinnear, ed., Ann Arbor MI: Association of Consumer Research, 496-499.

Day, Ralph L. and E. Laird Landon (1997), "Toward a Theory of Consumer Complaining Behavior, " in *Consumer and Industrial Buyer Behavior,* Arch G. Woodside, Jagdish N. Sheth and Peter D. Bennett, eds., New York: North Holland, 425-437.

Fewster, Lowell H. (1980), "Marketing And Recruitment: Two Unholy Words And Their Possible Usefulness In Theological Education," *Theological Education,* Spring, 457-463.

Gnash, Jaishankar, Mark J. Arnold, Kristy E. Reynolds (2000), "Understanding the Customer Base of Service Providers: An Examination of the Differences Between Switchers and Stayers, *Journal of Marketing,* 63, July, (3), 65-87.

Green, Paul E. and Donald S. Tull (1978), *Research for Marketing Decisions,* New Jersey: Prentice Hall.

Hair, Joseph F, Jr., Rolph E. Anderson, Ronald L. Tatham, and William C. Black (1998), *Multivariate Data Analysis,* 5th ed. Prentice Hall, Upper Saddle River New Jersey.

Hansen, Scott W., John E. Swan, and Thomas L. Powers (1997), "Vendor Relationship As Predicators of Organizational Buyer Complaint response Styles," *Journal of Business Research.* 38, 65-77.

Huntington, Samuel (1998), *The Clash of Civilizations and the Remaking of World Order,* Touchstone Books, 65-66.

Jacoby, Jacob and James J. Jaccard (1981), "The Sources, Meaning, and Validity of Consumer Complaint Behavior: A Psychological Analysis", *Journal of Retailing,* 57 (Fall), 4-24.

Landon, E. Laird (1977), "A Model of Consumer Complaint Behavior", in *Consumer Satisfaction, Dissatisfaction and Complaining Behavior",* Ralph L. Day, ed., Bloomington: Indiana University, 31-35.

McDaniel, Stephen W. (1989), "The Use of Marketing Techniques By Churches: A National Study", *Review of Religious Research,* (December), 31 (2), 175-182.

Mehta Sanjay S. and Mehta, B. Gurinderjit (1995), "Marketing of Churches: An Empirical Study of Important Attributes", *Journal of Professional Services Marketing,* 13 (1), 53-64.

Oliver, Richard L. and Wayne DeSarbo (1988), "Response

Determinations in Satisfaction Judgments," *Journal of Consumer Research*, 15 (March), 495-507.

Parasuraman A., Valerie A. Zeithaml, and Leonard L. Berry (1988), "SERQUAL: A Multiple-Item Scale for Measuring Consumer Perceptions of Service Quality," *Journal of Retailing*, 64, Spring, (1), 64-79 .

Parsons, Greg H. (1997), Executive Director, "U.S. Center for World Mission," Pasadena, CA; quoted in *Zondervan News Service*, FEB-21.

Reichheld, Fredrick F. and Thomas Teal (1996), *The Loyalty Effect, The Hidden Force Behind Growth, Profits, and Lasting Value*, Harvard Business Press.

"Religious Makeup Of The United States", *http://www.religioustolerance.org*.

Saunders, Paula M (1999), "Factors Underlying Church Member Satisfaction and Retention," *Journal of Customer Service in Marketing and Management*, 5 (3), 31-43.

Singh, Jagdip (1988), "Consumer Complaint Intentions and Behavior: Definitional and Taxonomical Issues," *Journal of Marketing*, 52, January, (1), 93-107.

Singh, Jagdip (1990), "A Typology of Consumer Dissatisfaction Response Styles," *Journal of Retailing*, 66 (Spring), 57-99.

Warland, Rex H., Robert O. Herrmann, and Jane Willits (1975), "Dissatisfied Consumers: Who Gets Upset and Who Takes Action," *Journal of Consumer Affairs*, (Winter), 9, 148-163.

Wilkie, William L. (1986), *Consumer Behavior*, New York: John Wiley and Sons.

Wright, John W. (1996), *The Universal Almanac*, Andrews and McMeel, Kansas City.

Yi, Youjae (1990), "A Critical Review of Consumer Satisfaction", in *Review of Marketing*, Valerie Zeithaml, ed. American Marketing Association, Chicago: 68-123.

Send correspondence regarding this article to:
Barbara Ross Wooldridge
The University of Tampa
Box 44 F
John H. Sykes College of Business
401 W. Kennedy Blvd.
Tampa, FL 33606 U.S.A.
fax: (913) 258-7408
email: bwooldridge@ut.edu

Appendix A

Please recall a dissatisfying experience, which arose as a result of attending church, participating in church activities, or being exposed to church activities on or off the church property. If nothing from the list matches your dissatisfying experience, please write a one or two word description of the incident. There are no right or wrong answers, so please give us your honest responses to these questions. Thank you for your time and effort. Check only ONE incident that applies:

___ a. irrelevance of pastor's sermon	___ k. ambiguous sermon presentation
___ b. over reliance on guest speakers	___ l. excellence of choir
___ c. selection of hymns and songs	___ m. lack of congregational participation due to song leader or choir master
___ d. emphasis on collection of tithe and offerings.	___ n. improper use of monies by church staff
___ e. amount of time allowed for meditation	___ o. amount of time allowed for congregational prayer.
___ f. lack of emphasis on traditional components (for example baptism, communion, responsive readings, etc.)	___ p. lack of emphasis on youth or children's ministry
___ g. inadequate supervision of children during ministry opportunities	___ q. inadequate teaching ministry at the youth or children's level
___ h. lack of oversight regarding key ministries	___ r. irrelevant or deleterious counseling provided by church leaders
___ i. moral or ethical behavior by church staff	___ s. availability of church ministers
___ j. other _____	Rank your top five potentially dissatisfying experiences. ___ ___ ___ ___ ___

After the above incident occurred how did you express your dissatisfaction?
     SA=strongly agree, A=agree, N=neutral D=disagree, SD=strongly disagree

	SA	A	N	D	SD
1. Decided to do nothing about the dissatisfying experience.	①	②	③	④	⑤
2. Immediately complained to church staff about the experience.	①	②	③	④	⑤
3. Complained to church staff by phone or writing.	①	②	③	④	⑤
4. Complained to friends, relatives, and co-workers about the experience.	①	②	③	④	⑤
5. Complained to members of the church about the experience.	①	②	③	④	⑤
6. Decided to go to another church.	①	②	③	④	⑤
7. Complained to overall governing body of the church.	①	②	③	④	⑤

Appendix A (cont.)

8. Complained to licensing authority or professional organization.	①	②	③	④	⑤
9. Complained to civil leaders in the community.	①	②	③	④	⑤
10. Decided to take legal action against the church.	①	②	③	④	⑤

In this section we are trying to obtain an overall impression of your beliefs about church.

Please indicate whether you agree or disagree with each of the following statements.
SA=strongly agree, A=agree, N=neutral D=disagree, SD=strongly disagree

	SA	A	N	D	SD
1. When the church promises to do something it does so.	①	②	③	④	⑤
2. When you have a problem with something or someone at church, they show a sincere interest in solving it.	①	②	③	④	⑤
3. The church generally performs their services right the first time.	①	②	③	④	⑤
4. The church provides services at the time it promises to do so.	①	②	③	④	⑤
5. The church keeps members informed about when services will be performed.	①	②	③	④	⑤
6. The church staff gives expeditious service to members.	①	②	③	④	⑤
7. The church staff is always willing the help their members.	①	②	③	④	⑤
8. The church staff is never too busy to respond to your request.	①	②	③	④	⑤
9. The behavior of church staff instills confidence in you.	①	②	③	④	⑤
10. You feel safe in your dealings with church staff.	①	②	③	④	⑤
11. The church staff is consistently courteous to you.	①	②	③	④	⑤
12. The church staff has the knowledge to answer your questions over a broad range of topics.	①	②	③	④	⑤

Appendix A (cont.)

13. The church staff gives you individual attention.	①	②	③	④	⑤
14. The church staff has your best interests at heart.	①	②	③	④	⑤
15. The church staff understands your specific needs.	①	②	③	④	⑤
16. The church uses today's modern technology.	①	②	③	④	⑤
17. The church's physical facilities are visually appealing.	①	②	③	④	⑥
18. The church staff always appears neat and well groomed.	①	②	③	④	⑤
19. The materials used during services are visually appealing.	①	②	③	④	⑥
20. The materials used during services are visually useful.	①	②	③	④	⑥
21. The church offers convenient service times.	①	②	③	④	⑤

These questions provide an idea on how certain general beliefs about life could determine how one responds to these situations. There are no right or wrong answers. What is important is that your answers reflect what you honestly feel.
1= Never, 2= Rarely, 3= Sometimes, 4= Often

1. I like to gossip at times.	①	②	③	④	⑤
2. There have been occasions when I have taken advantage of someone.	①	②	③	④	⑤
3. I'm always willing to admit it when I have made a mistake.	①	②	③	④	⑤
4. I always practice what I preach.	①	②	③	④	⑤
5. I sometimes try to get even rather than forgive and forget.	①	②	③	④	⑤
6. I am always courteous, even to people who are disagreeable.	①	②	③	④	⑤
7. I have never been irked when people expressed ideas very different from my own.	①	②	③	④	⑥
8. I never resent being asked to return a favor.	①	②	③	④	⑥
9. I have never deliberately said something that hurt someone's feelings.	①	②	③	④	⑤
10. At times I really insist on having things my way.	①	②	③	④	⑤

Appendix A (cont.)

Background Information	

Background Information
This section is to help us understand if different people have unique problems in their church experiences.

Membership in a church congregation is:

1. Very important   ①   ②   ③   ④   ⑤   Very unimportant.

2. Requires a lot of time   ①   ②   ③   ④   ⑤   Requires little of my time.

3. Risky to join.   ①   ②   ③   ④   ⑤   Is not a risky to join.

4. Provides many benefits   ①   ②   ③   ④   ⑤   Does not provide many benefits.

1. Please identify the denomination you are affiliated with.

① Baptist   ④ Jewish   ⑦Mormon

② Catholic   ⑤ Lutheran   ⑧ Presbyterian

③ Church of Christ ⑥Methodist   ⑨ Other _____

2. Please identify your status

① Single   ③ Divorced

② Married   ④ Widowed

3. Gender

① Male   ② Female

4. Number of children in household _____.
    Number under 10 years _____.

Number 10-18 years _____.
Number over 18 _____.

5. What is your age _____.

6. Classify your status at this church.

a. ____Non-member
b. ____Frequent visitor
c. ____Church member.
If member, how long? _____.

7. Pick the most applicable reason for going   to this church.

a. ____ family church you grew up in.
b. ____ pastor/minister.
c. ____ location.
d. ____ times of service.
e. ____ programs offered.
f. ____ other

8. Attendance Habits.

a. ___ weekly.
b. ___ 2-3 per month.
c. ___ once per month.
    d. ___ less than once per month

9. How do feel about the quality of your church and church staff?

    ①   ②   ③   ④   ⑤

Very   Satisfied   Neutral   Dissatisfied   Very
Satisfied   Dissatisfied

Appendix A (cont.)

10. How do you feel about the quality of religious experiences from your church?

①	②	③	④	⑤	⑥	⑦
Terrible	Unhappy	Mostly Dissatisfied	Mixed	Mostly Satisfied	Pleased	Delighted

11. If the dissatisfying experience you had with the church was resolved satisfactorily would you

SA=Strongly agree; A=Agree; N=Neutral; D=Disagree; Strongly disagree.

		SA	A	N	D	SD
a.	Recommend your church to others?	①	②	③	④	⑤
b.	Attend church more?	①	②	③	④	⑤
c.	Become more involved in church activities?	①	②	③	④	⑤
d.	Tithe more?	①	②	③	④	⑤
e.	Leave the church?	①	②	③	④	⑤

Thank you for participating in this survey. This information will be made available to your church at a later date.

ADVERTISING-INDUCED SOCIAL COMPARISON AND BODY-IMAGE SATISFACTION: THE MODERATING ROLE OF GENDER, SELF-ESTEEM AND LOCUS OF CONTROL

Ramesh Venkat, Saint Mary's University
Harold Ogden, Saint Mary's University

ABSTRACT

The impact of advertising-induced social comparison on two measures of body-image satisfaction (fitness satisfaction and attraction satisfaction) and purchase intent was examined using a 2 (gender) x 2 (self-esteem) x 2 (comparison direction) X 2 (locus of control) factorial ANOVA design. The results support previous findings on adverse impact of social comparisons but suggest that the effect depends on the type of satisfaction measured. Gender differences were also found, with females being more affected by upward comparisons. Purchase intent was dependent on locus of control, with internal locus subjects responding more favorably to the product.

INTRODUCTION

Physical attractiveness is considered to be an asset in North American society (Dion, Berscheid and Walster 1972). The rapid growth of the multi-billion dollar cosmetic and personal care industry (Chandler 1995; Wurdinger 1996) is a testimony to the importance of physical appearance in this culture. The pursuit of beauty through beauty-enhancing products is well documented (see Vacker and Key 1993). It is also known that individuals strive to enhance their self-concept and self-esteem through the use of certain products (Domzal and Kernan 1993; Rook 1985). Advertising that promotes the use of beauty-enhancing products has been criticized for the unrealistic expectations they set in the minds of young people (Martin and Kennedy 1993; Pollay 1986). Such advertising, it has been argued, has had a demonstrable negative effect, especially on young women (e.g., Garner et al. 1980; Zellner, Harner and Adler 1989) and has been cited as the cause of eating disorders (Peterson 1987; Stice and Shaw 1994).

The images seen in television or in magazines often serve as the basis for comparing and evaluating our own position, be it with respect to the material possessions we own or with respect to our physical appearance (Richins 1991, 1995). Advertising is seen as a factor in determining beauty standards for young people (e.g., Elliott 1994; Englis, Solomon and Ashmore 1994; Peterson 1987), and the often unrealistically high comparison standards set by advertising can lower our satisfaction with our physical appearance (cf. Pollay 1986; Richins 1991).

For young adult females, Richins (1991) found that exposure to idealized body images in advertising lowered their satisfaction with their own body image. Martin and Kennedy (1993), however, found that for pre-adolescent and adolescent females, exposure to images of attractive people raised their comparison standards but did not lower their self-perception of physical attractiveness. These two studies, taken together, suggest that perhaps the negative impact of advertising (in terms of lowering body-image satisfaction) occurs in later teen years and early adulthood. Our research focuses on young males and females (late teens to early twenties).

While these previous studies in consumer behavior have focused on females and their body-image satisfaction, so far there has been no examination of how males and females may differ from each other with respect to such social comparison effects. Further, Richins (1991) considered only upward comparisons to highly attractive professional models, while Martin and Kennedy (1993) incorporated a comparison target of moderate or average attractiveness in addition to that for an upward comparison. In this research, we also have considered the direction of social comparison (very good looking versus average looking) and its impact on body-image

satisfaction for both males and females.

Past studies have shown the impact of advertising on the comparison standards and/or body-image satisfaction but have not linked the advertising-induced dissatisfaction to any behavior or behavioral intent (e.g., Martin and Kennedy 1993; Richins 1991). For instance, if the idealized images seen in advertising lowers one's body-image, does that mean that one is likely to purchase clothes, diet products, and cosmetics that may enhance one's body image? It is not clear if and when the dissatisfaction induced by advertising will lead to purchase or purchase intent. In this context, this research examines the role of locus of control (LOC) (Rotter 1966). We consider LOC as an individual characteristic that may moderate the behavioral intent.

Thus, this research is intended to further our understanding of advertising-induced social comparisons. We specifically address the impact of both upward and average/same-level social comparisons and examine the role of LOC in determining behavior. We include both genders in our investigation.

LITERATURE AND HYPOTHESES

Social Comparison

According to the original social comparison theory (Festinger 1954), human beings have a drive to evaluate their opinions and abilities through comparisons with others, especially in the absence of objective standards. Studies in social comparison, such as Buunk et al. (1990), have found that upward comparison (comparison with someone who is superior to oneself on the comparison dimension) leads to lowering of satisfaction, whereas a downward comparison (comparison with someone who is in an inferior position) leads to a higher satisfaction.

Festinger's theory has been extended to include comparison with respect to personal traits (Wood 1989). In line with this extension, Richins (1991) has shown that very attractive fashion models used in magazine ads can be a comparison target for young women. Such social comparisons induced by ads seem to increase one's comparison

standards (Martin and Kennedy 1993; Richins 1991).

While Richins (1991) reported that in young adult women, such comparisons also lowered their body-image satisfaction, Martin and Kennedy (1993) reported that the effect on satisfaction (or self-perception of attractiveness) was similar following exposure to highly attractive versus average-looking models. It is plausible that the different results in these two studies could be explained by the age of the subjects who participated in the two studies. Martin and Kennedy (1993) did report a negative correlation ($r=-0.34$, $p<0.01$) between age of the girls and their self-perception of attractiveness. This suggests that the importance of physical appearance increases in later teen and early adulthood years, and thus, any adverse comparison (i.e., comparison with a very good-looking model) is likely to lower one's satisfaction more than a comparison with an average-looking target. We extend our investigation to both genders and propose the following:

> Hypothesis 1: Body-image satisfaction will be lower for those exposed to the pictures of the very attractive models as compared to those who were exposed to the average-looking models.

Moderating Variables

The social comparison effect, as proposed in Hypothesis 1, is moderated by other factors. There is evidence suggesting that gender (e.g., Furnham and Greaves 1994) and self-esteem (e.g., Lennon et al. 1999; McAllister and Caltabiano 1994) play a moderating role. For instance, women are more susceptible than men to social comparison of the physical attractiveness dimension (Furnham and Greaves 1994). Those with a lower self-esteem are similarly more susceptible than those with a higher self-esteem (Lennon et al. 1999).

There is also evidence linking LOC to body-image satisfaction (e.g., Furnham and Greaves 1994; Monteath and McCabe 1997). LOC is an individual-difference variable, which measures

whether an individual believes that he/she is in control of his/her life (internal locus) or that events in life happen due to external forces beyond one's control (external locus). Those with an external LOC seem to be less satisfied with their bodies than are those with an internal LOC (cf. Adame, Johnson and Cole, 1989). This link between body-image satisfaction and LOC raises an interesting question in the context of this study. Are those with an internal LOC (who feel more in control and possess higher body-image satisfaction) less susceptible to advertising that induces body-image comparison than to those with an external LOC (who possess lower body-image satisfaction)? This question, coupled with the fact that LOC has not been previously examined in an advertising context, led to the inclusion of LOC as the third moderating variable. Each variable and the hypothesized effects are described in the following sections.

Gender

It has been shown that females have a lower level of satisfaction with their bodies than do males of a comparable age (e.g., Furnham and Greaves 1994). The literature in sex-role socialization suggests that the socialization process in western culture is a contributing factor to the lower body-image for women (e.g., Striegel-Moore, Silberstein and Rodin 1986). Sex-role socialization also leads to different choice of toys for boys and girls. It has been shown that young boys like to play with action figures that denote power, success and domination, whereas girls seem to prefer dolls, which symbolize beauty and charm (e.g., Pereira 1994; Schwartz and Markham 1985). Fashion magazines promote the "thin ideal." This stereotype suggests that superslim women are more fashionable, desirable, and successful (Garner et al. 1980, Gustafson, Popovich and Thomsen 1999). Exposure to thin-ideal images of models featured in media, images which represent unattainable an beauty standard for most women, does seem to affect women's satisfaction with their bodies (e.g., Lin and Kulik 2002).

There is some evidence that changing gender

roles in the society is turning men into objects of desire. Increasing attention is being paid to men's appearance and grooming in media and magazines as a result (e.g., Neimark 1994; Neff 2002). Unrealistic male beauty standards seem to be emerging (cf. Whitsel-Anderson 2002). At the same time, it is also known that women are more likely to engage in same-sex social comparisons of their bodies than men are, and are also more likely to have their bodies noticed and criticized by others (Murray, Touyz and Beumont 1995). There is ample evidence that such social comparison of body images, especially comparisons with professional models, adversely affects women's body-image satisfaction (e.g., Richins 1991). Men are not immune to social comparison effects (Whitsel-Anderson 2002), but the literature suggests women are more susceptible to such influence (e.g., Hargreaves and Tiggemann 2002; Lin and Kulik 2002). Hence, we propose the following hypothesis:

Hypothesis 2a: After exposure to the test ads, females will have a lower level of satisfaction with their body-image than will males.

Hypothesis 2b: Females will have a lower satisfaction after exposure to upward comparison than will males, while average comparison will not affect either gender.

Self-esteem

Self-esteem is linked to body-image satisfaction, where lower/higher self-esteem is associated with lower/higher body-image satisfaction (e.g., Furnham and Greaves 1994; McAllister and Caltabiano 1994). Further, self-esteem has been shown to moderate the effect of advertising images on female body-image satisfaction (Richins 1991). Lennon et al. (1999) found support for the role of self-esteem. They found, among women exposed to advertising, that those with higher self-esteem reported less social comparison and less dissatisfaction with their appearance than those with low self-esteem.

It has been shown that self-esteem is linked to body image satisfaction/attitudes more so for

women than men (Furnham and Greaves 1994). Hence, we expect that men will focus less on body image, irrespective of their self-esteem level, when compared to women. For women, there should be a much more significant difference in body-image satisfaction between high and low self-esteem individuals after exposure to the test ads. Hence, we propose the following hypotheses:

Hypothesis 3a: Subjects with high self-esteem will be less affected by social comparisons than subjects with low self-esteem.

Hypothesis 3b: For females, there will be a significant difference in the body-image satisfaction of high versus low self-esteem subjects, whereas for males the satisfaction between two levels of self-esteem will not be significantly different.

Locus of Control (LOC)

Rotter (1966) conceptualized LOC as a construct that identifies the extent to which an individual perceives that he/she is in control of his/her life. According to Rotter (1966), some people have an internal LOC and perceive a greater ability to control the events in their lives. Other people have an external LOC and perceive a lack of control, attributing most occurrences in their lives to luck or chance.

In the area of body-image satisfaction, LOC has been shown to affect activities such as exercising and eating behavior (Furnham and Greaves 1994). For instance, Adame et al. (1990) found that those with an internal LOC engaged in more fitness-related activities and had a good body image.

Further evidence linking LOC and body-image satisfaction comes from Garner et al. (1976) and Mable, Balance and Galgan (1986), where females with external LOC were found to overestimate their body sizes to a greater degree than those with an internal LOC. Women with an external LOC seem to be less satisfied with their bodies than are women with an internal LOC (cf. Adame, Johnson and Cole 1989; Mable et al,

1986). Monteath and McCabe (1997) argue that

. . . women possessing an external LOC feel powerless to alter the appearance of their bodies and thus experience distorted perceptions of and negative feelings about their bodies. In contrast, women with an internal LOC perhaps believe that the appearance of their bodies is within their control. Their feelings of empowerment may result in more positive views of their bodies.

Extending this argument further, it seems that those with an internal LOC are more likely to feel that they can control their physical appearance. They are likely to feel that changing their body shape and making themselves more attractive to others is attainable through effort. Thus, when they are exposed to an upward comparison, they are less likely to be threatened or less likely to report a lower satisfaction. On the other hand, those with an external LOC, who do not feel empowered, are less likely to feel in control and are more likely to be vulnerable to advertising messages. Hence, an upward comparison will seem like an unattainable dream, leading to lower body-image satisfaction. Thus, we propose the following:

Hypothesis 4: Satisfaction levels of those with internal LOC will be less affected by upward comparisons than those with external LOC.

Purchase Intent

Given the greater perceived control felt by the internal LOCs, they are more likely to engage in actions, be it purchasing a product or participating in physical activities, designed to change their appearance, if they so desire. Thus, under higher dissatisfaction with body image, internal LOCs are more likely to purchase the advertised product. Hence

Hypothesis 5a: For subjects experiencing higher dissatisfaction with their body image, purchase intent will be greater if they have an internal, as opposed to an external LOC.

Alternatively, it is conceivable that those with an internal LOC may feel that the cause lies within, and may seek an internal solution. In other words, those with an internal LOC who are also low in their satisfaction may feel that the cause of their dissatisfaction is internal.

Consequently, internal LOC individuals may be indifferent to any external attempts (such as advertising) to solve their problems. On the other hand, those with an external LOC, when dissatisfied, may be more willing to embrace external solutions to their problems (such as consuming diet products or cosmetics), as they may be less likely to believe in themselves. There is also some evidence suggesting that those with an internal locus may have better body images than those with an external locus (Adame et al. 1990). It has also been suggested that externals may be overly concerned with their body shape compared to internals (Jones, Halford and Dooley 1993) and may, hence, be more susceptible to ads that promote beauty products. This leads to the following:

> Hypothesis 5b: Purchase intent for internal LOC subjects will be unaffected by their satisfaction levels, whereas external LOC subjects will be more likely to purchase the product when their current body-image satisfaction is low.

METHODOLOGY

Overview

The first step consisted of selection of pictures to be used in this study. Six pictures were selected in each gender category through the process described below, in which three pictures represented very attractive targets (upward comparison) and three represented average-looking targets (same-level or downward comparison). Following this, the study was conducted in two phases. Phase one involved measuring certain independent and potential covariate items such as LOC, self-esteem, and fashion consciousness. A week later, phase two, which involved an experiment, was conducted. In the experiment, a 2 (gender: male,female) x 2 (comparison direction: upward,downward) x 2 (self esteem: high,low) x 2 (LOC: internal,external) factorial ANOVA was employed. Subjects saw ads featuring either a very attractive or an average-looking person, who was the same sex as the viewer. After viewing the ads, the subjects responded to a series of questions. These included the dependant variables, body-image satisfaction and intent to purchase the product. Details of the picture selection process and the two phases of the study are described below.

Selection of Pictures

A variety of pictures was selected from various sources. These included magazines, catalogues, pictures from a local modeling agency, and a number of pictures supplied by the head office of Wal-Mart, which uses its employees in all its promotional materials. Wal-Mart pictures featured average-looking people. In the first phase, a series of in-depth interviews was conducted with five male and five female undergraduate students. Their age ranged from 19 to 28.

Each subject was given a set of same-sex pictures, and allowed to browse for as long as they wished during the interview. After they had browsed through the folder containing the pictures, a series of open-ended questions was asked. Information sought included whether they paid attention to pictures, whether they discussed the pictures with their friends/peers, whether they wished to have modified their behavior after seeing the pictures, and whether they affected their feelings about themselves. These interviews were useful in determining the pictures to be used in the experiment.

From the first phase, 13 male pictures and 13 female pictures were selected. They were a variety of body and head pictures with no effort to control for hairstyle, clothing, makeup or jewelry. The pictures were then shown to same-sex subjects. A total of 10 females and nine males participated in this phase. Each subject was given a folder containing 13 pictures. The pictures did

not contain any product names, logos, or slogans. After seeing each picture once, the subjects were allowed to go back to the picture again, if necessary, before responding to the questionnaire. The questionnaire included attractiveness ratings of the models, as well as an item that asked subjects if they wanted to be like the model.

Based on the same-sex ratings of the pictures, a composite score of perceived attraction was computed for each picture. The top three and the bottom three, in both the male and the female categories, were chosen for the experiment and ranged in attractiveness rating (as the sum of five 7-point scales) from 8.4 to 24.4. The three pictures rated the most attractive in each of the gender categories were significantly higher in mean attractiveness ratings (males $t(8)=6.24$, $p<.001$; females $t(9)=5.45$, $p<.001$) than those rated least attractive.

Design

A 2 (sex: male/female) x 2 (comparison direction: attractive/average) x 2 (self-esteem: high, low) x 2 (LOC: internal/external) between subjects full factorial design was used. The experiment was done in two stages. First, levels of self-esteem, LOC, fashion consciousness, and demographic information were gathered on 144 undergraduate students in an east coast university. Each subject was given a number and asked to write it down in a place where he or she would be able to refer to it a week later.

In the second stage, a week later, the subjects were divided into males and females, and then into high and low self-esteem groups. Within these groups, the subjects were randomly assigned the treatments. They were given three same-sex mock advertisements and then a questionnaire to measure a number of variables related to how satisfied they were with their appearance.

Stimulus Material and Procedure

The stimulus material consisted of mock advertisements for a cologne. The pictures used in the ads were selected based on the pretest results. Three ads for the same fictitious brand of cologne

named Sahara were created. We used cologne as the test product because the product could be used by both genders, and the product does not physically alter one's appearance (as in the case of hair-care and cosmetic products). Each advertisement contained the picture of a model (male or female) combined with the slogan, "Sahara! The Cologne for Today." The product was not shown in the ads, nor was any other information about the product provided. The picture of the model was the most prominent feature of each ad. Four groups of mock print advertisements were created, consisting of the following combinations: male/female model and very attractive/average looking. The mock ads were reproduced with a high quality color photocopier.

The subjects were informed that they were participating in a test of mock advertisements and that they would be asked to rate several ads. First, each subject was given a folder containing three different ads for the same product. The gender of the subjects was matched to that of the models in the ads. No specific time limit was set for this task. After they had seen the ads, subjects were asked to close the folders and respond to the questionnaire.

Measures

In the first phase of the experiment, self-esteem and LOC were measured. To measure self-esteem, eight items were adapted from Rosenberg (1965). The locus of control measure consisted of 12 items. These were selected from Rotter's (1966) Locus of Control Scale. From the 24 items in this scale, based on the highest combined-sex biserial correlation, the 12 items with the highest item-to-total correlation were selected. Several potential explanatory variables were measured as well. These included a three-item measure of fashion consciousness (e.g., "keeping up with styles and fashions is very important to me") and a three-item measure of the subject's tendency to compare (e.g., "I do not compare my height or weight to that of models in ads"). These measures were taken using 5-point scales. The tendency to compare scale is similar

to the Attention to Social Comparison Information (ATSCI) scale (Bearden and Rose 1990) but is specific to social comparison of body image (see Appendix A for independent variable measures) .

In the second phase of the study, after the subjects had seen the mock advertisements, several measures were taken. The dependent variable was satisfaction with the subjects' own appearance. Eight satisfaction items were used. These included satisfaction in terms of body weight and shape, and perceived physical attractiveness of oneself. Also, interest in the product and intention to purchase were measured. Seven-point scales were used for all these measures (see Appendix B for dependent variable measures).

RESULTS

Mortality

In the second phase of the study, 31 respondents either failed to return or lost their identification numbers and were excluded. The remaining 78.4% consisted of 53.2% male and 46.8% females. The mean age was 21.8 years with a standard deviation of 4.2.

To check for mortality bias, t-tests were conducted on the variables measured in the first stage of the study (age, self-esteem, fashion consciousness, LOC, and tendency to compare) by comparing respondents in the second stage to non-respondents. No significant difference ($p > 0.10$) was found on any variable. The subjects were primarily full-time (96%) domestic (92%) students.

Manipulation Check

A manipulation check for perceived attractiveness of the models in the advertisements was included in the second phase. The sum of three items was used to measure attractiveness on 7-point scales (e.g., "all the models in the pictures I saw were very good looking", "each of the models I saw can be considered physically attractive"). The attractiveness rating under upward comparison was significantly higher for both males and females (Males: $t(56)=9.34$, $p<0.001$; Females: $t(50)=6.33$, $p<0.001$), confirming the effectiveness of the social comparison manipulation.

Factor Analysis

Factor analysis was performed on the eight satisfaction items using Varimax rotation. Two factors emerged: the first factor contained items that measured satisfaction with body weight and shape ("fitness satisfaction"); the second contained items that measured perceived attractiveness to others ("attractiveness satisfaction"). The two factors explained 81.9% of the variance.

Reliability

The reliability scores (Cronbach's alpha) for the measures are as follows: self-esteem (0.81), LOC (KR-20=0.60; Split-half=0.67), fashion consciousness (0.74), tendency to compare (0.73), fitness satisfaction (0.88), and attractiveness satisfaction (0.91).

Distributions of Dependent Variables

In a range from 6 to 28, the mean self-esteem score was 12.7 (sd 3.97) out of a possible 56. Mean LOC was 17.0(sd 2.4) on a possible range from 12 to 24 where a high score represents internal LOC.

Hypotheses Tests
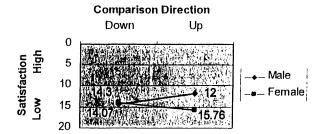
For the satisfaction variables, two indices were calculated using equal weighting of each of the variables that loaded on each of the factors above. One item, (item #3 in the satisfaction items of Appendix B) which loaded relatively evenly on each factor, was not used. Separate ANOVA's were conducted on each of the satisfaction factors using SPSS. Subjects were assigned to groups on the basis of a median split on the variables LOC and self-esteem. A four-way (2 x 2 x 2 x 2) factorial ANOVA was conducted twice, once with each satisfaction measure as the dependent variable; each with self-esteem (high/low), gender

(male/female), locus (internal/external), and social comparison information (upward/average) as the independent variables. Since the hypotheses dealt with main effects and first-order interactions (but not any higher level interactions), the sample size per cell was higher than 22 for each result reported below. This cell size gives a power value for large effect size of approximately 0.90.

Hypothesis 1, which predicted a main effect for social comparison information (SCI), whereby upward comparison will lead to lower satisfaction, was not supported for either type of satisfaction ($F(1,105)=1.634$, $p=.204$ for fitness satisfaction; $F(1,105)=.032$, $p=.858$ for attractiveness satisfaction).

Hypotheses 2a, which predicted a gender main effect, was supported for "fitness satisfaction" [$F(1,105)=6.19$, $p<0.05$] but not "attractiveness satisfaction." For "fitness satisfaction", as anticipated, females had a lower level of satisfaction than males. A significant Gender x SCI interaction was obtained for "attractiveness satisfaction" [$F(1,105)=4.89$, $p<0.05$], but not "fitness satisfaction." As anticipated in Hypothesis 2b, satisfaction level (i.e., "attractiveness satisfaction") for females was lower under upward comparison as compared to males [$t(51) = 2.69$, $p<0.01$] (see Figure 1).

Hypothesis 3a, which predicted a self-esteem x SCI interaction was not supported for either satisfaction measure. Hypothesis 3b, which suggested a self-esteem effect only for females and not males, was also not supported for both satisfaction measures. A strong self-esteem main effect was obtained for fitness satisfaction [$F(1,105)=10.03$, $p<0.005$] and attractiveness satisfaction [$F(1,105)=6.74$, $p<0.01$], where high self-esteem subjects reported higher satisfaction than those with low self-esteem.

A first-order, SCI x LOC, interaction was found for the fitness factor [$F1(1,105)=4.43$, $p<0.038$] (see Figure 2), and a similar effect was noted, that approached significance, for the attractiveness factor [$F2(1,105)=3.83$, $p=.053$] (see Figure 2). This effect was not as hypothesized in H4, however. Subjects with an internal LOC reported a traditional social comparison response, in accordance with the hypothesis, while those with an external LOC reported a reverse effect.

Figure 2
Locus of Control by Direction of Comparison Interaction on Fitness Satisfaction

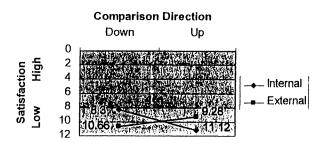**Figure 1**
Gender by Direction of Comparison Interaction on Attractiveness Satisfaction
(Note: Low scale scores = high value)

Hypotheses 5a and 5b concerned purchase intention. Using purchase intention (sum of two items) as the dependent variable, a 2 (high/low satisfaction) x 2 (internal/external LOC) factorial ANOVA was conducted for each of the fitness and

attractiveness satisfaction variables. Subjects were divided into high/low satisfaction on each of these variables based on median splits. Results for both hypotheses were not significant (Hypothesis 5a: F(1,107)=1.435, p>0.1; Hypothesis 5b: F(1,107)=0.14, p>0.5).

The lack of support for either of these hypotheses raised questions regarding the effectiveness of the ads. Did the ads really work if satisfaction level did not affect purchase intent? It is worth noting that the experiment produced different satisfaction effects for males and females - males expressed higher satisfaction after being exposed to the upward comparison, whereas females expressed lower satisfaction after exposure to upward comparison. The conflicting satisfaction effects for males and females, combined with lack of support for either 5a or 5b, led to some additional exploration. Could the ad have directly influenced purchase intent without satisfaction playing a role?

Additional Results

A further 2 (upward/downward comparison) x 2 (internal/external LOC) x 2 (gender) factorial ANOVA was also conducted with purchase intent as the dependent variable. A significant social comparison main effect [F(1,105) =10.37, p<0.005] was observed, suggesting that in the upward comparison condition there was a higher purchase intent. Also, a second-order interaction, closely approaching significance [F(1,106)=3.89, p=0.51], was observed.

Separate 2 (up/down social comparison) x2 (internal/external LOC) ANOVAs were conducted on male and female sub-samples. Males showed a significant SCI main effect [F(1,56)=7.29, p<0.01] where downward comparison resulted in a lower purchase, while females displayed a SCIxLOC interaction [(1,48)=3.65, p<0.05], where internal LOC subjects were more likely to purchase the product under upward comparison (see Figures 3a and 3b).

The results for the female sample suggest that those with internal LOC, who feel empowered and in control of their lives, are the ones who are likely to purchase a product in the light of upward

comparison information. It is worth noting that women were dissatisfied with their body-image after being exposed to upward comparison. These results clearly indicate that the effects of social comparison of body images are different for males and females, both with respect to body-image satisfaction as well as intent to purchase the product.

Figure 3a
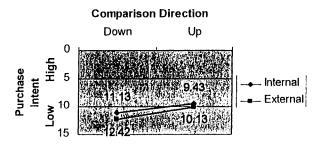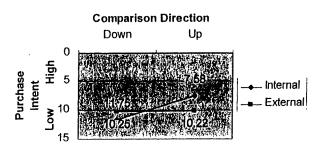**Locus of Control by Direction of Comparison Interaction on Purchase Intent for Males**

Figure 3b
Locus of Control by Direction of Comparison Interaction on Purchase Intent for Females

Relationships between some of the dependent measures, not hypothesized previously, were also explored. Pearson's correlation was computed using the measures from both phase 1 and phase 2 of the study. "Tendency to compare" and "fashion consciousness" were positively correlated (r = 0.24, p<0.005), and so were "fashion consciousness" and "attractiveness satisfaction" (r = 0.29, p <0.005). Interestingly, neither "tendency to compare" nor "fashion consciousness" was significantly correlated to "fitness satisfaction" (r = -0.06, and r = 0.13, respectively). Purchase intent was strongly correlated with "attractiveness satisfaction" (r = 0.61, p<0.001) but not with fitness satisfaction, suggesting that the advertised product category (perfume) is seen as something that enhances one's appeal to others rather than improving one's fitness.

Self-esteem was correlated with both fitness satisfaction (r = 0.34, p<0.001) and attractiveness satisfaction (r = 0.32, p<0.001); thus, those with high self-esteem had higher satisfaction on both factors. Self-esteem had a marginal negative correlation with purchase intent (r = -0.16, p<0.10), meaning that those with higher self-esteem are less likely to purchase image-enhancing products. And finally, LOC and self-esteem were correlated (r = 0.29 p <0.001), implying that those with higher self-esteem were also likely to have internal LOC.

DISCUSSION

The results provide some insights into the social comparison effect. Advertising images that the subjects saw seemed to affect their body-image satisfaction. The results show gender differences as well as differences between the two LOC groups.

Gender

As suggested by the literature, females seemed to be more susceptible to social comparisons. However, interestingly, the gender main effect seemed to hold only for the "fitness satisfaction" and not for the "attractiveness satisfaction." This raises several questions. Why do females and

males differ on one of the satisfaction measures but not the other? The socialization process conditions young women to focus on body weight and shape, whereas there is far less pressure on young males to achieve an "ideal" body weight or shape (cf. Akande 1993). Also, as noted earlier, women seem more likely to engage in same-sex social comparisons of body shape than are men (Murray, Touyz and Buemont 1995). Women are known to be more body-focused than men (Beebe 1995). As a consequence, women seem to be less satisfied with their body shape (or "fitness satisfaction") than males are (cf. Furnham and Greaves 1994).

Interestingly, when males and females were asked to rate their perceived self-attractiveness, we did not find a significant difference. Thus, it seems that while women may feel less satisfied about their body shape and weight than are males, women do not perceive themselves to be any less attractive than males do.

The significant Gender x SCI interaction showed that women were more negatively affected by the upward comparison than males, as was predicted. Males, on the other hand, had an unexpected reverse reaction. They responded to the upward comparison by responding with a higher reported satisfaction. It has been found that although exposure to ideal images may activate appearance schema for men, it does not necessarily lower their body-image satisfaction (Hargreaves and Tiggemann 2002). It is possible that men and women have different cognitive schemas for body image comparison (Fisher 1995).

Further, the beauty standards for females, exemplified by the models featured in our upward comparison condition, is fairly well established in this culture (cf. Gustafson, Popovich and Thomsen 1999). However, the same is not true for men; even though a standard of beauty for men is emerging (cf. Neimark 1994), there is far less consensus on what constitutes good looks. This was borne out in the qualitative interviews we did earlier, and also in our pretests. Lastly, since women are more likely to engage in social comparisons of body-shape (Murray, Touyz and Beumont 1995), women are, perhaps, more

susceptible to social comparison influence.

Self-Esteem

Unlike some previous studies (e.g., Brenner and Cunningham 1992), ours did not find any differences in the self-esteem of males and females (p>0.25). The main effect obtained for self-esteem was expected, whereby those with higher self-esteem felt more satisfied with their appearance/attractiveness. Contrary to our expectations, however, the self-esteem x gender interaction was not significant. The self-esteem x gender interaction was proposed based on evidence in the literature that self-esteem was linked to body image more so for women than men (Furnham and Greaves 1994). This could be interpreted to mean that men, irrespective of their self-esteem level, seem to place less emphasis on body image. Our results, however, suggest that young males with lower self-esteem are likely to have a lower body-image satisfaction level, just as young females do.

Locus of Control

As was expected, subjects with an internal LOC who were confronted with attractive ads reported lower satisfaction with their own appearance than those who saw the ads featuring average-looking models. External LOC subjects, on the other hand, showed a reverse effect, where upward comparison resulted in higher satisfaction than did downward comparison. Possibly, this was the result of making an unfavorable comparison of themselves to the model in the ad. According to Rotter's (1966) conception of LOC, those with an internal LOC are more likely to blame themselves when they fare badly and are also likely to take the credit when they succeed. When the internals were confronted with an upward comparison, they were presumably willing to accept that they were less attractive looking. On the other hand, when they were exposed to the average-looking comparison target, they saw themselves as better looking, hence the reported higher satisfaction. The external LOC subjects, on the other hand, reacted quite differently. The

exposure to the attractive ad tended to increase satisfaction with their own appearance. Based on Rotter's view of external LOC, one could argue that the external LOC subjects are likely to attribute other people's success (or good looks, in this case) to chance or luck. Such an attribution could potentially inoculate oneself from the negative effects of an adverse/upward social comparison (Venkat and Ogden 1995). In other words, when the cause of a failure or a deficiency is seen as internal, one is more likely to be dissatisfied than when the situation is attributed to luck.

Purchase Intent

LOC also had a key role in determining purchase intention for women, but not men. For men, there was a simple SCI main effect for purchase intent, where those exposed to upward comparison expressed a greater purchase intent than those exposed to a downward comparison. This is also consistent with the "beauty is good" stereotype (Dion et al. 1972). LOC did not have any effect on purchase intent. For women, as revealed in the additional results, the results were more complex with SCIxLOC interaction being significant. It is interesting that women who had an internal LOC (i.e., feel empowered and in control of their lives) had a greater inclination to buy the advertised product than those with an external LOC. Internal LOC women, when dissatisfied with their appearance (i.e., upward comparison condition), seem to be more willing to, presumably, take corrective action. External LOC women, on the other hand, do not seem to have higher purchase intent when dissatisfied (i.e., upward comparison condition). This effect may be connected to the fact that external LOC individuals sense that everything in life is due to chance or luck and that they can do nothing to change their present condition. Internal LOC individuals feel empowered, and when they are dissatisfied with something, they are willing to take corrective action.

Managerial Implications

The results support the general norm in advertising of using very attractive models. In this study, purchase intent was higher when attractive models were used. However, such a pattern was evident only for female subjects. Therefore, for products aimed at women, advertisers are likely to be successful when using attractive models.

Male subjects seemed to react adversely when exposed to pictures of attractive male models. In the case of males, the greater persuasiveness of the average-looking model is consistent with the similarity effect reported in advertising as well as social comparison studies (cf. Wood 1989). According to this effect, a similar person is more persuasive than a dissimilar person. A highly attractive fashion model may be perceived as dissimilar, whereas an average-looking person may be perceived to be similar to oneself. Advertisers may be more successful using average-looking models when appealing to a male audience.

This study found that body-image satisfaction is not a unidimensional construct. There are two distinct dimensions: fitness satisfaction and attractiveness satisfaction. While consumption of different products such as exercise machines and cosmetics may be related to one's body-image satisfaction, certain products are likely to affect fitness satisfaction and certain others attractiveness satisfaction. Exercise products and health products may be related to fitness satisfaction, while cosmetics and hair products are likely to be related to attractiveness satisfaction. While further study using multiple products is required to fully comprehend the differences between these two types of satisfaction, the results of this study suggest that different products may trigger a different type of satisfaction.

The results suggest that the use of attractive models in advertising is effective, the ads worked differently for men and women. When advertisers sell to men, using attractive models is likely to produce results. For women, attractive models (upward comparison), combined with their LOC, will determine their purchase intent. Advertisers may have to create different ads for internal LOCs

(who had higher purchase intent under upward comparison) and external LOCs (whose purchase intent did not vary by LOC level). For internal LOCs, featuring attractive models may by itself be a sufficient motivator, along with emphasis on self-fulfillment. External LOCs, who are likely to believe that they cannot change their present condition, may require an information-oriented approach to convince them that the product will work. Alternatively, advertisements focusing on external LOC consumers could portray social acceptance and social success. External LOC subjects do look for such external cues to guide their purchase decisions.

Last, but not least, businesses interested in pursuing ethical practices should also find the results of this study useful. Advertising using attractive models generally works with people of low self-esteem or external LOC. Often, these people are young, and their self-concept may not be fully developed. They may see physical attractiveness as a way to gain peer acceptance and popularity. Ethical marketers should examine the pros and cons of targeting such advertisements to such a vulnerable audience.

CONCLUSION

The results support the findings of previous studies (Kennedy and Martin 1993; Richins 1991) and also offer further insights into areas unexplored in the past. Satisfaction with one's body seems to consist of two factors: one dealing with body shape/weight, and the other dealing with perceived self-attractiveness. The results indicate that exposure to social comparison information (picture of a very attractive or average-looking person) can have different effects depending on whether one is measuring "fitness satisfaction" or "attractiveness satisfaction." Past studies have not made this distinction.

For both measures of satisfaction, the impact of social comparison information (picture of attractive or average-looking person) was dependent on other factors, such as gender and LOC. Clearly, female subjects seemed to be more affected by the comparison. Perceived control over one's life seems to define the response to the

stimuli. Those with internal LOC seemed to be less affected by the social comparison process. The role of individual difference variables such as LOC should be explored further.

Satisfaction has often conceptualized in the marketing literature in terms of expectation-disconfirmation or variations of such a model (e.g., Anderson and Sullivan 1993; Oliver 1993) and the focus has primarily been on product or service satisfaction. In this paper, we have explored the impact of social comparison in another domain of satisfaction, namely, body-image satisfaction. The findings of this study as well as other studies examining the social comparison – satisfaction link (e.g., Venkat and Ogden 1995), suggest that satisfaction judgments could be altered by social comparisons.

The findings of this study suggest several interesting avenues for future research. First, the differing impact of social comparison on the two types of satisfaction measures is interesting and should be examined further. Second, purchase intent was seen to vary across levels of LOC for women but not for men. It would be interesting to further explore why some people are influenced by advertising that promises beauty, while others seem less susceptible to such influence. Third, clearly LOC emerged as an important variable in this study and seemed to moderate satisfaction judgments as well as purchase intent. LOC deserves greater attention in this regard, perhaps using the Body Shape Belief locus scale developed by Furnham and Greaves (1994). Fourth, the cognitive processes triggered by the social comparison process also should be studied to further understand the process which leads to body-image satisfaction. Finally, from a managerial perspective, it would be interesting to see if different product types contribute to fitness versus attractiveness satisfaction. Testing with different product types will also increase the generalizability of the results. Advertising researchers have focused on end results (attitude, awareness, purchase intent etc.) and not sufficiently on the process through which advertising works. This study and the proposed research directions address this gap.

REFERENCES

Adame, Daniel D., Thomas C. Johnson and Stephen P. Cole (1989), "Physical Fitness, Body Image, and Locus of Control in College Freshman Men and Women," *Perceptual & Motor Skills*, 68(2), April, 400-402.

Adame, Daniel D., Thomas C. Johnson, Stephen P. Cole and Haukur Matthiasson, et al. (1990), "Physical Fitness in Relation to Amount of Exercise, Body Image, and Locus of Control Among College Men and Women," *Perceptual & Motor Skills*, 70 (3, Pt 2), 1347-1350.

Akande, Adebowale (1993), "Sex Differences in Preferences for Ideal Female Body Shape," *Health Care for Women International*. May-June, 14 (3), 249-259.

Anderson, Eugene and Mary W. Sullivan (1993), "The Antecedents and Consequences of Customer Satisfaction for Firms," *Marketing Science*, 12 (2), 125-143.

Bearden, William O., and Randall L. Rose (1993), "Attention to Social Comparison Information: An Individual Difference Factor Affecting Consumer Conformity," *Journal of Consumer Research*, 16 (March), 461-471.

Beebe, Dean W. (1995), "The Attention to Body Shape Scale: A New Measure of Body Focus," *Journal of Personality Assessment*," December, 65 (3), 486-501.

Brenner, Jennifer B. and Joseph G. Cunnigham (1992), "Gender Differences in Eating Attitudes, Body Concept, and Self-esteem Among Models," *Sex Roles*, 27 (7-8), 413-437.

Buunk, Bram P., Rebecca L. Collins, Shelley E. Taylor, Nico W. VanYperen and Gayle A. Dakof (1990), "The Affective Consequences of Social Comparison: Either Direction has its Ups and Downs, *Journal of Personality and Social Psychology*, 59 (6), 1238-1249.

Chandler, Susan (1995), "Au naturel? Au contraire," *Business Week*, (May 22), 50.

Dion, Karen K., Ellen Berscheid and Elaine Walster (1972), "What is Beautiful is Good," *Journal of Personality and Social Psychology*, 24, 285-290.

Domzal, Teresa J. and Jerome B. Kernan (1993), "Variations on the Pursuit of Beauty: Toward a Corporal Theory of Body," *Psychology and Marketing*, 10 (6), 495-511.

Elliott, Stuart (1994), "Ultrathin Models in Coca-Cola and Calvin Klein Campaigns Draw Fire and a Boycott Call," *New York Times*, April 26, D18.

Englis, Basil G., Michael R. Solomon and Richard D. Ashmore (1994). Beauty Before the Eyes of the Beholders: The Cultural Encoding of Beauty Types in Magazine Advertising and Music Television," *Journal of Advertising*, 23 (June), 49-64.

Festinger, Leon (1954). A Theory of Social Comparison Processes," *Human Relations*, 7, 117-140.

Fisher, Erik Anthony (1995), "The Social Comparison Theory of Body Image: An Investigation of Body Comparison Processes Using Multidimensional Scaling," Unpublished Ph.D. Dissertation, University of South Florida, USA.

Furnham, Adrian and Nicola Greaves (1994), "Gender and Locus of Control Correlates of Body-image Dissatisfaction," *European Journal of Psychology*, 8 (3), 183-200.

Garner, David M., Paul E. Garfinkel, Harvey C. Stancer and Harvey Moldovsky (1976), "Body Image Disturbances in Anorexia Nervosa and Obesity," *Psychosomatic Medicine*, 38(5), September-October, 327-336.

Garner, David M., Paul E. Garfinkel, Donald Schwartz and Michael Thompson (1980), "Cultural Expectations of Thinness in Women," *Psychological Reports*, 47, 483-491.

Gustafson, Robert, Mark Popovich and Steven Thomsen (1999), "The "Thin Ideal," *Marketing News*, 33 (6), 22.

Hargreaves, Duane and Marika Tiggemann (2002), "The Effect of Television Commercials on Mood and Body Dissatisfaction: The Role of Appearance-Schema Activation," *Journal of Social and Clinical Psychology*, 21(3), June, 287-308.

Jones, Lyndall M., W. K. Halford and Roger T. Dooley (1993), "Long Term Outcome of Anorexia Nervosa," *Behavior Change*, 10 (2), 93-102.

Lennon, Sharron J., Abby Lillethun and Sandra S. Buckland (1999), Attitudes Toward Social Comparison as a Function of Self-esteem: Idealized Appearance and Body-image," *Family and Consumer Sciences Research Journal*, 27 (4), 379-405.

Lin, Lilly F. and James A. Kulik (2002), "Social comparison and Women's Body Satisfaction," *Basic & Applied Social Psychology*, 24(2), June, 115-123.

Mable, Harriett M., William D. Balance and Richard J. Galgan (1986), "Body-image Distortion and Dissatisfaction in University Students," *Perceptual & Motor Skills*, 63 (2, Pt 2), October, 907-911.

Martin, Mary C. and Patricia K. Kennedy (1993), "Advertising and Social Comparison: Consequences for Female Preadolescents and Adolescents, *Psychology and Marketing*, 10 (6), 513-530.

McAllister, Renee and Marie Louise Caltabiano (1994), "Self-esteem, Body-image and Weight in Noneating-disordered Women," *Psychological Reports*, 75 (3, Pt 1), 1339-1343.

Monteath, Sheryl A. and Marita P. McCabe (1997), "The Influence of Societal Factors on Female Body Image," *The Journal of Social Psychology*, 137 (6), 708-727.

Murray, Sara H., Stephen W. Touyz and Peter J. V. Beumont (1995), "The Influence of Personal Relationships on Women's Eating Behavior and Body Satisfaction," *Eating Disorders The Journal of Treatment and Prevention*, Fall, 3 (3), 243-252.

Neimark, Jill (1994), "The Beefcaking of America," *Psychology Today*, November/ December, 32, pp.11.

Neff, Jack (2002), "Marketers Rush into Men's Care Category," *Advertising Age*, 70 (30), July, 6.

Oliver, Richard L. (1993), "Cognitive, Affective and Attribute Bases of the Satisfaction," Journal of Consumer Research, 20 (3), December, 418-430.

Pereira, Joseph (1994), "Girls Favorite Playthings: Dolls, Dolls, and Dolls," *Wall Street Journal*, September 23, B1, 2.

Peterson, Robin T. (1987), "Bulimia and Anorexia in an Advertising Context," *Journal of Business Ethics*, 6, 495-504.

Pollay, Richard W. (1986), "The Distorted Mirror: Reflections on the Unintended Consequences of Advertising," *Journal of Marketing*, 50 (April), 18-36.

Richins, Marsha L. (1991), "Social Comparison and the Idealized Images of Advertising,", *Journal of Consumer Research*, 18 (June), 71-83.

Richins, Marsha L. (1995), "Social comparison, Advertising, and Consumer Discontent," *American Behavioral Scientist*, February, 38 (4), 593-607.

Rook, Dennis W. (1985), "Body Cathexis and Market Segmentation," in M. R. Solomon (Ed.), *The Psychology of Fashion*, 233-241, Lexington, MA: Heath.

Rosenberg, Morris (1965), "*Society and the Adolescent Self Image*," Princeton, NJ: Princeton University Press.

Rotter, Julian B. (1966). Generalized Expectations for Internal Versus External Control of Reinforcement," *Psychological Monographs: General and Applied*, 80 (1), 1-28.

Schwartz, Lori and William T. Markham (1985), "Sex Stereotyping in Children's Toy Advertisements," *Sex Roles*, January, 12, 157-170.

Stice, Eric and Heather E. Shaw (1994), "Adverse Effects of the Media Portrayed Thin-Ideal on Women and Linkages to Bulimic Symptomatology," *Journal of Social and Clinical Psychology*, 13 (3), 288-308.

Striegel-Moore, Ruth H., Lisa R. Silberstein and Judith Rodin (1986), "Toward an Understanding of Risk Factors in Bulimia, *American Psychologist*, 41 (3), 246-263.

Vacker, Barry, and Wayne R. Key (1993), "Beauty and The Beholder: The Pursuit of Beauty Through Commodities," *Psychology and Marketing*, 10 (6), 471-494.

Venkat, Ramesh and Harold J. Ogden (1995), "Material Satisfaction: The Effects of Social Comparison and Attribution," *Proceedings of the American Marketing Association Conference*, Summer, 1995, 314-319.

Whitsel-Anderson, Stephanie Ann (2002), "Body Dissatisfaction in Males," Ph.D. Dissertation, Indiana University, Pennsylvania, USA.

Wood, Joanne V. (1989), Theory and Research Concerning Social Comparisons of Personal Attributes, *Psychological Bulletin*, 106 (September), 231-248.

Wurdinger, Victoria (1996),"Hair Care Report," *Drug & Cosmetic Industry*, 158 (4), 24-34.

Zellner, Debra A., Debra E. Harner and Robbie L. Adler (1989), "Effects of Eating Abnormalities and Gender on Perceptions of Desirable Body Shape," *Journal of Abnormal Psychology*, 98 (February), 93-96.

ACKNOWLEDGMENTS

Send correspondence regarding this article to:
Harold Ogden
Associate Professor of Marketing
Saint Mary's University
Robie St.
Halifax, Nova Scotia, B3H 3C3
CANADA.
fax: 902-420-5112
email: harold.ogden@stmarys.ca

Appendix A
Independent Variables

Locus-of-Control Scale (R=reversed)

For each of the following pairs of statements, subjects were asked to choose either a or b, which best represented their feelings.

1. (R)
a. Many of the unhappy things in people's lives are partly due to bad luck.
b. People's misfortunes results from the mistakes they make.

2.
a. In the long run, people get the respect they deserve in this world.
b. Unfortunately, an individual's worth often passes unrecognized no matter how hard he/she tries.

3. (R)
a. Without the right breaks, one can not be an effective leader.
b. Capable people who fail to become leaders have not taken advantage of their opportunities.

4.
a. Becoming a success is a matter of hard work, luck has little or nothing to do with it.
b. Getting a good job depends mainly on being in the right place at the right time

5.
a. The average citizen can have an influence on government decisions.
b. The world is run by a few people in power, and there is not much the average man or woman can do about it.

6.
a. When I make plans, I am almost certain that I can make them work.
b. It is not always wise to plan too far ahead because many things turn out to be a matter or good or bad fortune.

7.
a. In my case, getting what I want has little or nothing to do with luck.
b. Many times we might just as well decide what to do by flipping a coin.

8.
a. Many times I feel that I have little influence over the things that happen to me in my life.
b. It is impossible for me to believe that chance or luck plays an important role in my life.

9. (R)
a. As far as the world is concerned most of us are the victims of forces we can neither understand, not control.

b. By taking an active part in political and social affairs, people can control world events.

10. (R)
a. Most people do not realize the extent to which their lives are controlled by accidental happenings.
b. There really is no such thing as luck.

11. (R)
a. It is hard to know whether or not a person really likes you.
b. How many friends you have depends on how nice a person you are

12. (R)
a. Sometimes I can not understand how teachers arrive at the grade they give.
b. There is a direct connection between how hard I study and the grades I get.

Self-Esteem Scale

Subjects were asked to respond by choosing a number between "1" and "5", where 1 meant strong agreement with the statement on the left side and 5 meant strong agreement with the statement on the right side.

1. I am happy with myself most of the time -- I am often not happy with myself.
2. I like the kind of person I am -- I often wish I were someone else.
3. I feel I am a person of worth at least on an equal plane with others -- Sometimes I have doubts about my self-worth.
4. I am proud of myself -- Sometimes I feel I have little to be proud of.
5. Sometimes I do not do things that well -- I am able to do things as well as most others. (reverse)
6. Compared to others in my age group, I consider myself to be a very successful person -- Compared to others in my age group, I do not consider myself to be very successful.
7. When I answer questions in the class, I am very confident and self-assured -- When I answer questions in the class, I am often unsure and nervous.
8. I feel very comfortable when I am the team leader for group projects in my class -- I am not very comfortable in the role of a group leader.

Tendency to Compare Scale

Subjects were asked to respond by choosing a number between "1" and "5", where 1 meant strong agreement with the statement on the left side and 5 meant strong agreement with the statement on the right side.

1. When looking through magazines, I tend to compare my body to the bodies of the models in the ads -- I rarely compare my body to those of the models in ads.
2. I do not compare my height or weight that of models in ads -- I often compare my eight and weight to those of models in ads.
3. I often compare my physical appearance with that of other people -- I do not compare my appearance with that of others.

Fashion Consciousness Scale

Subjects were asked to indicate their level of agreement on a five-point scale, where five (5) represented "strongly agree" and one (1) represented "strongly disagree."

1. Keeping up with the styles and fashions is very important to me.
2. When out in public, I always try to look my best.
3. I spend a lot of money on fashionable clothes.
4. I spend a lot of money on products that improve my appearance.
5. I am regular reader of lifestyle magazines (e.g., Female: Vogue, Cosmopolitan, Mirabella. Male: GQ, Men's Health).
6. I actively engage in sporting or fitness activities.
7. I watch my diet carefully.
8. I regularly use diet products.

Appendix B
Dependent Variables

Seven-point scales were used for all of the dependent measures, where "7" represented "strongly agree" and "1" represented "strongly disagree" and "4" represented a neutral opinion with respect to the statement.

Manipulation Check Measures
1. All the models in the picture I saw are very good looking.
2. Each of the models I saw can be considered physically attractive.
3. Each of the models I saw in the mock ads would be attractive to the opposite sex.

Purchase Intent
1. If this product is marketed in this city, I would be interested in trying it.
2. If the product is in the acceptable price range, I would purchase a bottle.

Satisfaction
(F=fitness satisfaction, A=attractiveness satisfaction)
1. I am very content with my body weight. (F)
2. I am very satisfied with my physical appearance. (F)
3. I consider myself to be very attractive. (not used)
4. I am often told that I am good looking. (A)
5. I think I am good looking. (A)
6. Members of the opposite sex find me attractive. (A)
7. I feel I am sexy. (A)
8. Physically, I am in good shape. (F)

STORE SATISFACTION AND STORE LOYALTY EXPLAINED BY CUSTOMER- AND STORE-RELATED FACTORS

Josée Bloemer, University of Nijmegen
Gaby Odekerken-Schröder, Maastricht University

ABSTRACT

In this study, we use Dickson's (1982) framework as a starting point and distinguish a person antecedent (consumer relationship proneness), a situation antecedent (store image) and a person-within-situation (positive affect) antecedent of store satisfaction. In addition, we focus on trust and commitment, as these constructs are generally recognized as important mediators of the relationship between satisfaction and loyalty. Data from 357 consumers of a large European supermarket chain were analyzed using Structural Equation Modeling and provided support for our conceptual model. Our results reveal that consumer relationship proneness as well as store image as well as positive affect have a positive impact on store satisfaction and together explain 67% of its variance. Moreover, we found that satisfaction positively impacts trust which in turn leads to commitment and finally to increased word-of-mouth, purchase intentions and price insensitivity. An important implication of our study is that researchers as well as practitioners need to systematically consider different types of antecedents of store satisfaction as their joint impact adds to our understanding of the concept of store satisfaction.

INTRODUCTION

In this study we take a closer look at the relationship between store satisfaction and store loyalty. Our prime interest is in assessing some disregarded antecedents of store satisfaction in terms of store image, positive affect and consumer relationship proneness. In addition, we focus on trust and commitment, as these constructs are generally recognized as important mediators of the relationship between satisfaction and loyalty (e.g. Garbarino and Johnson 1999; Morgan and Hunt 1994). Driven by rapidly changing retail environments, more demanding consumers, intensified competition, and slow-growth markets, retailers are more than ever obliged to continually focus on establishing store satisfaction and store loyalty (Javalgi and Moberg 1997; Woodruff 1997). Understanding how or why customer satisfaction and loyalty develop remains one of the crucial retail management issues today (Pritchard et al. 1999).

Retailers generally have little knowledge of the antecedents of store satisfaction and store loyalty (Cronin et al. 2000). Dickson (1982) offers a general framework which positions person, situation and person-within-situation as theoretical legitimate and potentially useful bases for targeting marketing strategy. In this study, we use his framework as a starting point and distinguish a person antecedent (consumer relationship proneness), a situation antecedent (store image) and a person-within-situation (positive affect) antecedent of store satisfaction. In a recent study consumer relationship proneness has been shown to affect consumer satisfaction (Odekerken-Schröder et al. forthcoming). Store image is recognized as another important antecedent of store satisfaction and loyalty (Bloemer and De Ruyter 1998). Finally, positive affect has also been shown to be an important antecedent of satisfaction (Menon and Dubé 2000; Westbrook and Oliver 1991).

The remainder of this article is structured as follows. We will start with the theoretical background and the interrelationships between the concepts; followed by a description of the research design, the results, conclusions and implications, and finally limitations and directions for future research will be presented.

THEORETICAL BACKGROUND

Person, Situation and Person-within-Situation Antecedents of Satisfaction

We consider consumer relationship proneness as a person antecedent of satisfaction as consumer relationship proneness can be defined as *"a consumer's relatively stable and conscious tendency to engage in relationships with retailers of a particular product category"* (De Wulf et al. 2001). Consumer relationship proneness refers to the *stable* tendency of a consumer to engage in relationships with retailers. In addition, we emphasize a *conscious* tendency to engage in relationships as opposed to a tendency to engage in relationships based on inertia or convenience (e.g., Dick and Basu 1994). Moreover, the concept of proneness is focused on the tendency to *engage* in relationships as opposed to the tendency to maintain or enhance relationships. The latter would not be generic as it would be contingent upon a particular seller, leading to a close resemblance to the construct of relationship commitment. Finally, since several authors stress that a buyer's proneness to engage in relationships might vary across groups of sellers (Bendapudi and Berry 1997) (e.g., beauty stores versus supermarkets), we postulate that consumer relationship proneness differs across retailers of different *product categories* (e.g. supermarkets, apparel stores, and furniture stores). Storbacka, Strandvik, and Grönroos (1994) stated that consumers who are interested in relationships perceive satisfaction with a relationship to be important. This might imply that relationship prone consumers could be more easily satisfied as a result of a higher receptivity towards a retailer's efforts aimed at enhancing the relationship.

In addition to a person antecedent, we define store image as a situation antecedent of satisfaction. Many conceptualizations of store image have been advanced in the past. The dominant attitudinal perspective that is taken in the literature treats store image as the result of a multi-attribute model. Store image is expressed as a function of the salient attributes of a particular store that are evaluated and weighted against each other. It can be seen as the complex of a consumer's perceptions of a store on different (salient) attributes (e.g. Houston and Nevin 1991). In line with this multi-attribute model, we define store image as the *"summation of all attributes of a store as perceived by the shoppers through their experience of that store"* (Omar 1999, p. 103). Ghosh (1994) considers store image to be composed of eight different elements of the retail marketing mix: location, merchandise, store atmosphere, customer service, price, advertising, personal selling, and sales incentive programs. Bloemer and De Ruyter (1998) found empirical evidence for the positive relationship between store image and satisfaction.

Finally, we include positive affect as a person-within-situation antecedent of satisfaction, because the positive affect a person experiences is elicited by a particular store situation or environment. Most commonly, affect is characterized in terms of two independent dimensions: positive and negative (Havlena and Holbrook 1986; Mehrabian and Russell 1974; Westbrook 1987). Clark and Isen (1982) suggest that people strive to experience positive affect and avoid negative affect. In line with Watson and Tellegen (1985) we define positive affect as *the extent to which an individual affirms a zest for life.*

Westbrook (1987) showed that positive affect contributes to satisfaction judgments. Moreover, a study by Westbrook and Oliver (1991) revealed that the affective content of consumption experiences is strongly related to satisfaction. In line with these findings, also Mano and Oliver (1993) and Evrard and Aurier (1994) found that satisfaction is a function of positive affect. We therefore focus on positive affect in this paper.

Satisfaction

Satisfaction has been considered as a central concept in the marketing literature (Erevelles and Leavitt 1992; Oliver 1997). Different types of satisfaction have been identified. On the one hand, process definitions of satisfaction emphasize the expectancy disconfirmation paradigm (Oliver and DeSarbo 1988; Tse and Wilton 1988; Yi 1990). According to this paradigm, consumers form

expectations to which they compare the store's performance. A comparison of expectations and perceptions will result in either confirmation or disconfirmation. Consumers' expectations are confirmed when store perceptions exactly meet expectations. Disconfirmation will be the result of a discrepancy between expectations and perceptions. Two types of disconfirmation can be identified: positive disconfirmation occurs when store performance exceeds prior expectations and negative disconfirmation occurs when expectations exceed performance. Confirmation and positive disconfirmation will be likely to result in satisfaction, whereas negative disconfirmation leads to dissatisfaction. Process definitions enable fast evaluations of satisfaction with respect to brief service interactions as well as evaluations from service experiences that involve consumption periods of considerable duration. As a result, satisfaction can be formed on the basis of a single service encounter or on the basis of a number of service experiences.

On the other hand, a number of authors use advanced outcome-type definitions of satisfaction. According to these definitions, satisfaction may be perceived as a state of fulfillment, which is connected to reinforcement and arousal. Several outcome-types exist, according to the satisfaction-as-states framework developed by Oliver (1989). On the basis of level of reinforcement and degree of arousal the following end-states of satisfaction have been advanced: satisfaction-as-contentment, satisfaction-as-pleasure, satisfaction-as-relief, satisfaction-as-novelty and satisfaction-as-surprise. In line with Oliver (1997, p. 13) we perceive satisfaction as a post-consumption evaluation or "*a pleasurable level of consumption-related fulfillment*".

Mediators of the Store Satisfaction Store Loyalty Link

We distinguish two mediators in our conceptual mode between store satisfaction and store loyalty: trust and commitment.

Since Dwyer, Schurr, and Oh (1987) stressed the need for more attention to the trust concept, researchers in marketing have increasingly incorporated trust in empirical models of marketing relationships. Its recognized importance is partly rooted in the belief that trust leads to commitment and loyalty (Siguaw, Simpson, and Baker 1998). Consistent with Morgan and Hunt (1994), we define trust as "*a consumer's confident belief in a retailer's honesty towards the consumer.*"

Commitment is generally referred to as an enduring desire to maintain a relationship (Morgan and Hunt 1994). The concept of commitment is similar to the concept of long-term orientation that comprises the desire and utility of a buyer to have a long-term relationship with a seller (Gruen 1995). We define commitment as "*a consumer's enduring desire to continue a relationship with a retailer accompanied by the willingness to make efforts at maintaining it*" (cf. Morgan and Hunt 1994).

Store Loyalty

The conceptualization and measurement of store loyalty has often remained limited, ignoring the full range of conceivable store loyalty (re)-actions that may follow the evaluation of a store (Zeithaml et al. 1996). Cronin and Taylor (1992) for instance focused solely on repurchase intentions, while Bolding et al. (1993) measured repurchase intentions and willingness to recommend. As Zeithaml et al. (1996) argue, dimensions of loyalty, such as, willingness to pay more, and loyalty under increased pricing have often been left out in previous research. Similarly, consumer evaluations following a negative service experience have received only limited attention in scales designed to measure consumer loyalty intentions and behavior (Singh 1991). With regard to behavioral intentions in a service setting Zeithaml et al. (1996) proposed a comprehensive, multi-dimensional framework of consumer behavior intentions in services. This framework was conceptually comprised of the following four main dimensions: (1) word-of-mouth communications, (2) purchase intentions, (3) price insensitivity, and (4) complaint behavior. On the basis of factor analysis on the thirteen-item scale, five dimensions were identified by Zeithaml et al.

(1996); (1) loyalty to the company, (2) propensity to switch, (3) willingness to pay more, (4) external response to problem, and (5) internal response to problem. Conceptually, however, the five-factor solution does not appear to provide an unambiguous and consistent factor pattern. Bloemer et al. (1999) empirically showed, across four different types of service industries, that loyalty is indeed a multi-dimensional construct consisting of the conceptually proposed four-dimensional structure originally proposed by Zeithaml et al. (1996). In line with Jacoby and Chestnut (1978) we define store loyalty as the *"biased (i.e. non random) behavioral response, expressed over time, by some decision making unit, with respect to one store out of a set of stores, which is a function of psychological (decision making and evaluative) processes resulting from commitment"*. In this paper, we distinguish four biased behavioral responses: (1) word-of-mouth communications, (2) purchase intentions, (3) price insensitivity, and (4) complaint behavior (cf. Zeithaml 1996).

THE INTERRELATIONSHIPS BETWEEN THE CONCEPTS

Storbacka et al. (1994) already stated that buyers who are interested in relationships perceive satisfaction with the store to be important. Recently, empirical evidence was found (Odekerken-Schröder et al. forthcoming) in a beauty products industry for the fact that satisfaction is dependent upon consumer relationship proneness. As a result, we posit that:

H_1: A higher level of consumer relationship proneness leads to a higher level of satisfaction

In line with Stanley and Sewall (1976) we expect a direct effect of store image on satisfaction. A consumer who perceives a positive image of a particular store is more likely to be satisfied with a store than a consumer who perceives a less positive store image. Therefore, we formulate the following hypothesis:

H_2: A more positive store image leads to a higher level of satisfaction

Several studies have documented strong interrelationships between product elicited positive affect and product satisfaction (Evrard and Aurier 1994; Mano and Oliver 1993; Westbrook 1987; Westbrook and Oliver 1991) and it appears that satisfaction is naturally tied to affective reactions elicited in consumption. Affect seems to be a clear antecedent to, and necessary for, satisfaction (Hunt 1977). Therefore, we expect a positive relationship between positive affect and satisfaction.

H_3: A higher level of positive affect leads to a higher level of satisfaction

Hypotheses 1 to 3 refer to the person, situation and person-within-situation antecedents of store satisfaction, whereas hypotheses 4 and 5 relate to the antecedents of our person-within-situation construct of positive affect. In line with Dickson's (1982) framework, this construct is influenced by the person antecedent of consumer relationship proneness as well as by the situation antecedent of store image.

To the best of our knowledge, there is no study available in the literature, investigating the relationship between the recently introduced concept of consumer relationship proneness and positive affect. In our opinion it is intuitively appealing to expect that consumers who desire an enduring relationship with retailers of a particular product category will reveal a higher level of positive affect towards one particular retailer in this product category. In other words, a consumer who prefers a continuous relationship with supermarkets *in general*, is expected to experience more positive affect in the relationship with *one particular* supermarket than a consumer who has no desire for enduring relationships with supermarkets in general. As a result, we hypothesize:

H_4: A higher level of consumer relationship proneness leads to a higher level of positive affect

Donovan and Rossiter (1982), argue that consumers who perceive a positive store image reveal, as a result of this, more positive affect. In a more recent study Yoo et al. (1998) empirically investigate the impact of different store characteristics (image) on positive affect (e.g. pleased, excited and attractive). Their study reveals strong empirical support for positive paths (except for the path from store atmosphere as one of the elements of store image to positive affect). In line with this finding, we hypothesize:

H_5: A more positive store image leads to a higher level of positive affect

Several authors hypothesize a positive flow from satisfaction to trust (Siguaw et al 1998). A recent meta-analysis in a channel marketing context (Geyskens et al. 1999) suggests that satisfaction indeed precedes trust. We therefore, hypothesize:

H_6: A higher level of satisfaction leads to a higher level of trust

Considerable conceptual and empirical evidence supports the notion that commitment is the ultimate attitudinal outcome in relationships with causal precedence of satisfaction and trust (Morgan and Hunt 1994). While satisfaction and trust develop in the relatively short term, commitment develops in the longer run and is future oriented (Geyskens 1998). Relationships characterized by trust are so highly valued that parties will desire to commit themselves to such relationships, so some marketers indicate that trust should positively affect commitment (e.g., Doney and Cannon 1997). Thus we postulate the hypothesis:

H_7: A higher level of trust leads to a higher level of commitment

A desire to continue a relationship and a willingness to make efforts to maintain it, imply higher chances of behavioral loyalty. Therefore, we assume there exists a positive relationship between commitment and behavioral loyalty.

Several authors support the notion that commitment motivates buyers to act (Liljander and Strandvik 1997). We suggest the following hypotheses:

H_{8a}: A higher level of commitment leads to a higher level of word-of-mouth

H_{8b}: A higher level of commitment leads to a higher level of price-insensitivity

H_{8c}: A higher level of commitment leads to a higher level of purchase intentions

H_{8d}: A higher level of commitment leads to a higher level of complaint behavior
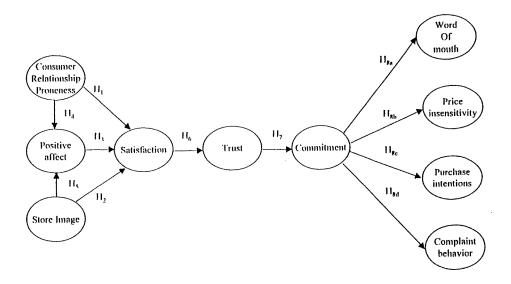
The hypotheses are visualized in our conceptual model represented in figure 1.

METHODOLOGY

Data were collected from a sample of consumers of three supermarkets belonging to the same European store chain, in three mid-sized towns in the Flemish part of Belgium. Consumers were randomly asked to fill out the questionnaire. Three hundred and fifty seven correctly-filled-out questionnaires were collected. The sample was found to be representative for the consumers of the focal supermarket-chain in terms of gender, age, number of household members, net household income and transportation mode.

The design of the questionnaire was based on multiple-item measurement scales that have been validated and found to be reliable in previous research. All constructs were measured on nine-point Likert scales ranging from completely disagree to completely agree. The measurement items of the different constructs (store image, positive affect, consumer relationship proneness, satisfaction, trust, commitment, word-of-mouth, price insensitivity, purchase behavior, and complaint behavior) and their origin are shown in Table 1.

Figure 1
Conceptual Model

RESULTS

Maximum likelihood estimation was applied to the covariance matrix in order to test the structural equations model in LISREL 8.3 (Jöreskog and Sörbom 1993). After preliminary reports on characteristics of the data, we report the modeling results for the overall, measurement, and structural model.

Overall Model Evaluation

The chi-square value is significant (1400.85 with 366 degrees of freedom), a finding not unusual with large sample sizes (Doney and Cannon 1997). The ratio of chi-square to degrees of freedom is 3.83, which can be considered as moderate. The values of GFI (0.79) and AGFI (0.75) are somewhat lower than those of CFI (0.87) and IFI (0.87). This result is mainly due to the former measures being more easily affected by sample size and model complexity. In general, the indicated fits are moderate to adequate, including RMSEA, which is 0.089, and SRMR, being 0.18.

Comparing our absolute and incremental fit indices with the generally recognized levels of fit indices (Baumgartner and Homburg 1996), it can be concluded that the support for our model is weak. But, given the fact that the model was developed on theoretical bases, and given the relative complexity of the model, no model re-specifications were made.

Measurement Model Evaluation

Table 1 provides the results of the measurement model after the unreliable items were eliminated. As a result of the removal of these unreliable items the construct of complaint behavior had to be removed completely.

We assessed the quality of the measurement model on unidimensionality, convergent validity, reliability, and discriminant validity. Evidence for the unidimensionality of each construct was based upon a principal components analysis revealing that the appropriate items (except for the second purchase intentions item) loaded at least 0.65 on their respective hypothesized component, with a

Table 1
Measurement Model

		Composite reliability	Variance explained	Loading	R^2
Store image (based upon: Ghosh 1994)	1. Supermarket X has friendly personnel	0.91	0.63	0.71	0.50
	2. Supermarket X extensive assortment			0.82	0.67
	3. Supermarket X can easily be reached			0.81	0.66
	4. Supermarket X offers value-for-money			0.88	0.78
	5. Supermarket X has a nice atmosphere			0.79	0.63
	6. Supermarket X has attractive promotions in the store			0.75	0.56
	7. Supermarket X provides excellent customer service			-*	-
	8. Supermarket X offers an attractive loyalty program			-	-
Positive affect (based upon: Watson and Tellegen 1985)	1. I feel happy in supermarket X	0.91	0.77	0.87	0.75
	2. I feel pleased in supermarket X			0.98	0.97
	3. I feel at ease in supermarket X			0.77	0.59
Satisfaction (based upon: Bloemer and De Ruyter 1998)	1. Supermarket X confirms my expectations	0.92	0.68	0.77	0.60
	2. I am satisfied with the price/quality ratio of supermarket X			0.86	0.73
	3. I am really satisfied with supermarket X			0.88	0.77
	4. In general, I am satisfied with supermarket X			0.82	0.68
	5. In general, I am satisfied with the service I get from supermarket X			0.80	0.64
Trust (based upon: Moorman et al. 1992)	1. Supermarket X gives me a feeling of confidence	0.94	0.85	0.93	0.87
	2. I have faith in supermarket X			0.95	0.91
	3. Supermarket X enjoys my confidence			0.87	0.76
Commitment (based upon: Mittal and Lee 1989; Lastovicka and Gardner 1977)	1. If products are cheaper at another supermarket than at supermarket X, then I go to the other supermarket (r)	0.65	0.49	0.65	0.42
	2. If there supermarket X is not nearby, then I go to another supermarket (r)			0.74	0.55
	3. If I intend to go to supermarket it is easy to make me change my mind, so that I in fact go to another supermarket (r)			-	-
Consumer relationship Proneness (De Wulf et al. 2001)	1. Generally, I am someone who likes to be a regular customer of a supermarket	0.90	0.74	0.78	0.61
	2. Generally, I am someone who wants to be a steady customer of the supermarket			0.88	0.77
	3. Generally, I am someone who is willing to 'go the extra mile' to purchase at the same supermarket			0.92	0.85

loading no larger than 0.30 on other components. Convergent validity was supported by a good overall model fit, all loadings being significant (p < 0.01), and nearly all R^2 exceeding 0.50 (except for the second purchase intentions item and the first commitment item) (Hildebrandt 1987). Reliability was indicated by composite reliability measures exceeding 0.70 (except for purchase intentions and commitment). Discriminant validity was tested in a series of nested confirmatory factor model comparisons in which correlations between latent constructs were constrained to 1, and indeed chi-square differences were significant for all model comparisons (p < 0.01). In addition, the average percentage of variance extracted for each construct was greater than 0.50 (except for purchase intentions and commitment). In sum, the measurement model is adequate, with evidence for unidimensionality, convergent validity, reliability, and discriminant validity.

Table 1 (cont.)

	Composite reliability	Variance explained	Loading	R^2
Word-of-mouth (based upon: Zeithaml et al. 1996) 1. I say positive things about supermarket X to other people	0.92	0.80	0.86	0.74
2. I recommend supermarket X to someone who seeks advice			0.93	0.87
3. I encourage friends to go to supermarket X			0.89	0.79
Price-insensitivity (based upon: Zeithaml et al. 1996) 1. I am willing to pay a higher price than other supermarkets charge for the benefits I currently receive from supermarket X	0.88	0.79	0.92	0.85
2. I am willing to go to another supermarket, that offers more attractive prices (r)			0.86	0.73
Purchase intentions (based upon: Zeithaml et al. 1996) 1. I go less often to supermarket X in the next few weeks (r)	0.65	0.49	0.83	0.69
2. I consider supermarket X as my first choice			0.54	0.29
3. I go more often to supermarket X in the next few weeks			-	-
4. In the near future I surely attend supermarket X again			-	-
Complaint behavior (based upon: Zeithaml et al.) 1. I switch to a competitor if I experience a problem with supermarket X	-	-	-	-
2. I complain to other consumers if I experience a problem with supermarket X			-	-
3. I complain to an external agency if I experience a problem with supermarket X			-	-
4. I complain to supermarket X's employees if I experience a problem with supermarket X			-	-

*not included in structural model
(r) item reversed

Structural Model Evaluation

Figure 2 and Table 2 contain the detailed results related to the structural model. All hypothesized paths were significant and in the hypothesized direction, implying support for our conceptual model.

CONCLUSIONS AND IMPLICATIONS

The prime objective of this study was to take a closer look at the antecedents of store satisfaction. In terms of Dickson's (1982) framework we distinguished between consumer relationship proneness as a person antecedent, store image as a situation antecedent and positive affect as a person-within-situation antecedent.

Our data reveal a positive impact of consumer relationship proneness, store image and positive affect and store satisfaction. Moreover, a positive relationship between consumer relationship proneness and positive affect has been found on the one hand and on the other hand a positive relation between store image and positive affect was found.

In line with existing research such as Garbarino and Johnson (1999) our study shows the mediating effect of trust and commitment in the relationship between store satisfaction and store loyalty. It is shown that satisfaction has a positive impact on trust and trust has a positive impact on commitment. Furthermore, our results

Figure 2
Structural Model
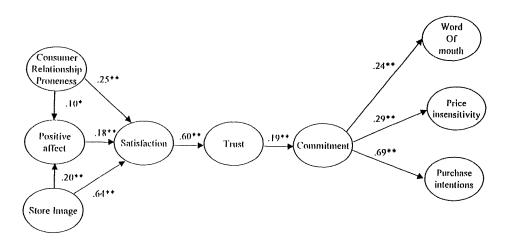
Table 2
Structural Model

Parameter	Hypo-thesis	ML estimate	T-value
Store image → positive affect	H₁ (+)	0.10*	1.74
Store image → satisfaction	H₃ (+)	0.64**	10.84
Consumer relationship proneness → positive affect	H₄ (+)	0.20**	3.33
Consumer relationship proneness → satisfaction	H₅ (+)	0.25**	5.72
Positive affect → satisfaction	H₂ (+)	0.18**	4.66
Satisfaction → trust	H₆ (+)	0.60**	9.71
Trust → commitment	H₇ (+)	0.19*	2.97
Commitment → word-of-mouth	H₉ (+)	0.24**	3.70
Commitment → price insensitivity	H₁₀ (+)	0.29**	4.30
Commitment → purchase intentions	H₁₁ (+)	0.69**	5.62

Squared multiple correlations for structural equations	Estimate
Positive affect	0.06
Satisfaction	0.67
Trust	0.36
Commitment	0.04
Word-of-mouth	0.06
Price insensitivity	0.09
Purchase intentions	0.47

show that commitment has the strongest impact on purchase intentions, followed by the impact of commitment on price-insensitivity and word-of-mouth. In sum, we were able to find support for all hypotheses except for the link between commitment and complaint behavior, due to the inadequate measurement of complaint behavior.

An important theoretical implication of our research is that the framework proposed by Dickson (1982) structures our understanding of the antecedents of store satisfaction. Our research reveals that person, situation and person-within-situation factors do have a clear yet different impact on store satisfaction. The three distinguished antecedents together explain 67% of the variance of store satisfaction, implying a rather substantial grasp of the construct. In addition to the strong impact of store image characteristics such as for example, assortment, atmosphere and location, the extent to which a consumer likes to be a regular customer of a supermarket and the positive affect experienced within the supermarket significantly add to the consumers' perceived satisfaction.

An important implication of our study for retailers is that they should seriously consider the impact of consumer relationship proneness, store image and positive affect on store satisfaction. Retailers need to attract those consumers who have a relatively stable and conscious tendency to engage in relationships with retailers in their particular product category. As far as the store's image is concerned, this implies that retailers have to make sure that the store's image is as positive as possible in the eyes of the consumers. This means that the expectations of customers towards the store's image have to be met. In the current rapidly changing retail environment, a constant monitoring of the store's image and adapting it to the consumers in the target market is required. This will result in a successful establishment of store loyalty. In the supermarket industry, loyalty programs might be helpful here. A loyalty program usually starts with the completion of a registration form consisting of a short list of questions in order to gain insights in the background of a particular consumer. This registration form should be extended by a few

additional questions measuring consumer relationship proneness and perceived store image. Especially consumers revealing high levels of consumer relationship proneness and perceiving the store image as positive should be positively reinforced in order to initially create store satisfaction and ultimately store loyalty. Positive reinforcement can be achieved by for example, offering personalized communication and adapting the retail mix to the expectations of the targeted consumers.

Finally, positive affect turned out to play a significant role in creating satisfaction, which implies that a consumer within a specific retail environment should feel happy, pleased and at ease. In fact, a retailer should create a positive ambiance. One way a retailer could achieve this is by appealing to consumers' sensory perceptions of sight, sound, scent, taste and touch (Ghosh 1994). For example, the aromas of fresh coffee and fresh bread cause many passerby to pause for breakfast. Some stores are known to use fragrances to evoke feelings of freshness and cheerfulness.

Our results also show a causal flow from satisfaction via trust to commitment. This implies that a retailer has to make sure that a consumer conceives a pleasurable level of fulfillment as a result of his shopping experience. This fulfillment is an important prerequisite for trust to evolve and therefore it is not only important that the consumer is satisfied, but s/he also has to have a confident belief in the retailer's honesty towards the consumer. This ultimately leads to consumer commitment towards the retailer. Commitment can be induced by creating a feeling for the consumer that s/he is being 'part of the family', or is being a respected stakeholder. Finally, store loyalty as expressed by word-of-mouth, price-insensitivity, and purchase intentions is explained by commitment. However, it needs to be recognized that purchase intentions could be explained best on the basis of commitment. This result implies that commitment should be the ultimate goal for a supermarket striving for positive purchase intentions.

LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

With regard to relationship proneness as a consumer characteristic, we suggest incorporating this and other consumer characteristics such as for instance variety seeking and shopping enjoyment in future research. Concerning store image, future research efforts could be directed at distinguishing the differential impact of individual elements of the retail mix. Positive affect is only one person-within-situation antecedent of satisfaction. Future research could investigate other potential person-within-situation antecedent such as for example mood and negative affect.

Our study focused on store loyalty intentions only and these intentions are an incomplete proxy for actual behavior (Keaveney 1995). They should be supplemented by behavioral measures in order to develop a composite index of store loyalty (Dick and Basu 1994).

Next, the empirical relationships reported in this article are tentative in the sense that they are based on cross-sectional data collected at one moment in time. Longitudinal research that focuses on the dynamics of the different constructs over time is needed to define the exact causal nature of the link between the constructs.

For the purpose of cross-validation, additional exploration of the relationships needs to be extended beyond the sample and setting reported here. Moreover, further conceptual and empirical research addressing aforementioned topics may yield a more in-depth insight into the nature of store satisfaction through a deductive approach.

REFERENCES

Baumgartner, Hans and Christian Homburg (1996), "Applications of Structural Equation Modeling in Marketing and Consumer Research: A Review," *International Journal of Research in Marketing, 13, 139-161.*

Bendapudi, Neeli and Leonard L. Berry (1997), "Customers' Motivations for Maintaining Relationships With Service Providers," *Journal of Retailing,* 73, 15-37.

Bloemer, Josée and Ko de Ruyter (1998), "On the Relationship between Store Image, Store Satisfaction, and Store Loyalty," *European Journal of Marketing,* 32, 499-513.

Bloemer, Josée, Ko de Ruyter and Martin Wetzels (1999) "Linking perceived service quality and service loyalty: a multi-dimensional perspective," *European Journal of Marketing,* 33, 11/12, 1082-1106.

Bolding, J., A. Kalra, R. Staelin, and Valerie A. Zeithaml (1993), "A Dynamic Process Model of Service Quality: From Expectations to Behavioral Intentions," *Journal of Marketing Research,* 30, 7-27.

Clark, M.S. and A.M. Isen (1982), "Towards Understanding the Relationship between Feeling States and Social Behavior," in *Cognitive Social Psychology,* A.H. Hastorf and A.M. Isen (1982), New York: Elsevier, 73-108.

Cronin, J Joseph and S.A. Taylor (1992), "Measuring Service Quality: A Re-examination and Extension," *Journal of Marketing,* 56, 55-68.

Cronin J. Joseph Jr., Michael K. Brady and G. Tomas Hult (2000), "Assessing the effects of quality, value, and customer satisfaction on consumer behavioral intentions in service environments," *Journal of Retailing,* 76, 193-218.

De Wulf, Kristof, Gaby Odekerken-Schröder and Dawn Iacobucci (2001), "Investments in Consumer Relationships: A Cross-Country and Cross-Industry Exploration," *Journal of Marketing,* 65, 33-50.

Dick, Alan S. and Kunal Basu (1994), "Customer Loyalty: Toward an Integrated Conceptual Framework," *Journal of the Academy of Marketing Science,* 22, 99-113.

Dickson, P.R. (1982), "Person-Situation: Segmentation's Missing Link," *Journal of Marketing,* 46, 55-64.

Doney, Patricia M. and Joseph P. Cannon (1997), "An Examination of the Nature of Trust in Buyer-Seller Relationships," *Journal of Marketing,* 61, 35-51.

Donovan R.J. and J.R. Rossiter (1982), "Store Atmosphere: an Environmental Psychology Approach," *Journal of Retailing,* 58, 34-57.

Dwyer F. Robert, Paul H. Schurr and Sejo Oh (1987), "Developing Buyer-Seller Relationships," *Journal of Marketing,* 51, 11-27.

Erevelles, S. and C. Leavitt (1992), "A Comparison of Current Models of Consumer Satisfaction/ Dissatisfaction," *Journal of Consumer Satisfaction/Dissatisfaction and Complaining Behavior,* 5, 104-114.

Evrard, Yves and Philip Aurier (1994), "The Influence of Emotions on Satisfaction with Movie Consumption," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior,* 7, 119-125.

Garbarino, Ellen and Mark S. Johnson (1999), "The Different Roles of Satisfaction, Trust, and Commitment in Customer Relationships," *Journal of Marketing,* 63, 70-87.

Geyskens, Inge (1998), "Trust, Satisfaction, and Equity in Marketing Channel Relationships," doctoral dissertation, Catholic University of Louvain.

Geyskens, Inge, Jan-Benedict E.M. Steenkamp and Nirmalaya Kumar (1999), "A Meta-Analysis of

Satisfaction in Marketing Channel Relationships," *Journal of Marketing Research*, 36, 223-238.

Ghosh, Avijit (1994), *Retail Management*, Forth Worth: The Dryden Press.

Gruen, Thomas (1995), "The Outcome Set of Relationship Marketing in Consumer Markets," *International Business Review*, 4, 447-69.

Havlena, W.J. and M.B. Holbrook (1986), "The Varieties of Consumption Experience: Comparing Two Typologies of Emotion in Consumer Behavior," *Journal of Consumer Research*, 13, 394-404.

Hildebrandt, Lutz (1987), "Consumer Retail Satisfaction in Rural Areas: A Reanalysis of Survey Date," *Journal of Economic Psychology*, 8 (1), 19-42.

Houston, M.J. and J.R. Nevin (1991), "Retail Shopping Area Image: Structure and Congruence Between Downtown and Shopping Centers," *Advances in Consumer Research*, 8, 677-681.

Hunt H. Keith (1977), "CS/D – Overview and Future Research Directions, " in *Conceptualization and Measurement of Consumer Satisfaction and Dissatisfaction*, H.K. Hunt (ed.), Cambridge, MA. Marketing Science Institute, 455-488.

Jacoby, Jacob and Robert W. Chestnut (1978), *Brand Loyalty: Measurement and Management*, New York: John Wiley and Sons, Inc.

Javalgi, Raajshekhar and Christopher R. Moberg (1997), "Service Loyalty: Implications for Service Providers," *The Journal of Services Marketing*, 11, 3, 165-79.

Jöreskog G. Karl and Dag. Sörbom (1993), *LISREL 8: Structural Equation Modeling with the SIMPLIS Command Language*, Chicago, IL: Scientific Software International.

Keaveney, M. Susan (1995), "Customer Switching Behavior in Service Industries: An Exploratory Study," *Journal of Marketing*, 59, 71-82.

Lastovicka, John L. and David M. Gardner (1977), "Components of Involvement," in *Attitude Research Plays for High Stakes*, J. C. Malony and B. Silverman (eds.), American Marketing Association, 53-73.

Liljander, Veronica and Tore Strandvik (1997), "Emotions in Service Satisfaction," *International Journal of Service Industry Management*, 8, 148-169.

Mano, Hain and Richard L. Oliver (1993), "Assessing the Dimensionality and Structure of Consumption Experience: Evaluation, Feeling and Satisfaction," *Journal of Consumer Research*, 20, 451-466.

Mehrabian, A. and J.A. Russell (1974), *An Approach to Environmental Psychology*, Cambridge, MIT Press.

Menon, Kalyani and Laurette Dubé (2000), "Ensuring Greater Satisfaction by Engineering Salesperson Response to Customer Emotions," *Journal of Retailing*, 76, 3, 285-307.

Mittal, Banwari and Myung S. Lee (1989), "A Causal Model of Consumer Involvement," *Journal of Economic Psychology*, 10, 363-389.

Moorman, Christine, Gerald Zaltman and Rohit Deshpande

(1992), "Relationships Between Providers and Users of Market Research: The Dynamics of Trust Within and Between Organizations," *Journal of Marketing Research*, 58, 20-38.

Morgan, Robert M. and Shelby D. Hunt (1994), "The Commitment-Trust Theory of Relationship Marketing," *Journal of Marketing*, 58, 20-38.

Odekerken-Schröder, Gaby, Kristof De Wulf and Patrick Schumacher (forthcoming), "Strengthening Outcomes of Retailer-Consumer Relationships: The Dual Impact of Relationship Marketing Tactics and Consumer Personality," *Journal of Business Research*, 56 (3).

Oliver, Richard L. (1989), "Processing of the Satisfaction Response in Consumption: A suggested Framework and Research Propositions," *Journal of Consumer Satisfaction/Dissatisfaction and Complaining Behavior*, 2, 1-16.

Oliver, L. Richard (1997), *Satisfaction. A Behavioral Perspective on the Consumer* New York: McGraw-Hill.

Oliver Richard L. and W.S. DeSarbo (1988), "Response Determination in Satisfaction Judgements," *Journal of Consumer Research*, 10, 250-255.

Omar, Ogenyi. (1999), *Retail Marketing*, London: Pitman Publishing.

Pritchard, Mark P., Mark E. Havitz, and Dennis R. Howard (1999), "Analyzing the Commitment-Loyalty Link in Service Contexts," *Journal of the Academy of Marketing Science*, 27, 3, 333-48.

Siguaw, Judy A., Penny M. Simpson and Thomas L. Baker (1998), "Effects of Supplier Market Orientation on Distributor Market Orientation and the Channel Relationship: The Distributor Perspective," *Journal of Marketing*, 62, 99-111.

Singh, J. (1991), "Understanding the Structure of Consumers' Satisfaction Evaluations of Service Delivery," *Journal of the Academy of Marketing Science*, 20, 223-244.

Stanley, J. Thomas and Murphy A. Sewall (1976), "Image Input to a Probabilistic Model: Predicting Retail Potential," *Journal of Marketing*, 9, 48-53.

Storbacka, Kaj, Tore Strandvik and Christian Grönroos (1994), "Managing Customer Relationships for Profit: The Dynamics of Relationship Quality," *International Journal of Service Industry Management*, 5, 21-38.

Tse D.K. and P.C. Wilton (1988), "Models of Consumer Satisfaction Formation: An Extension," *Journal of Marketing Research*, 25, 204-212.

Watson, D. and A. Tellegen (1985), "Towards a Consensual Structure of Mood," *Psychological Bulletin*, 98, 219-235.

Westbrook, A. Robert, (1987), "Product/Consumption – based Affective Responses and Postpurchase Processes," *Journal of Marketing Research*, 24, 258-270.

Westbrook, A. Robert and Richard L. Oliver (1991), "The Dimensionality of Consumption Emotion Patterns and Consumer Satisfaction," *Journal of Consumer Research*, 18, 84-92.

Woodruff, Robert B. (1997), "Customer Value: The Next Source for Competitive Advantage," *Journal of the Academy of Marketing Science*, 25, 2, 139-53.

Yi Y. (1990), "A Critical Review of Customer Satisfaction," in: Valerie A. Zeithaml (ed.), *Review of Marketing*, Chicago: American Marketing Association, 68-123.

Yoo, Changjo, Jonghee Park and Deborah J. MacInnis (1998), "Effects of Store Characteristics and In-Store Emotional Experiences on Store Attitude," *Journal of Business Research*, 42, 253-63.

Zeithaml, Valerie A., Leonard L. Berry and A. Parasuraman (1996), "The Behavioral Consequences of Service Quality," *Journal of Marketing*, 60, 31-46.

Send correspondence regarding this article to:

Gaby Odekerken-Schröder

Associate Professor of Marketing

Maastricht University

P.O. Box 616

6200 MD Maastricht

The Netherlands

fax: +31 43 3884918

e-mail: g.schroder@mw.unimaas.nl

MEASURING VISITOR SATISFACTION WITH
WESTERN AUSTRALIA'S CONSERVATION ESTATE

Dave Webb, University of Western Australia
Kate Hassall, Department of Conservation and Land Management

ABSTRACT

Protected natural areas such as national parks (NP's), marine reserves, forests and other conservation estates are developing into an increasingly important tourism resource. Forecasted growth in visitor numbers suggests that it is imperative that these areas receive the correct balance of conservation and tourism management attention. In addition to their traditional stronghold of conservation, agencies mandated to care for these estates have similarly become involved in the management of visitors as well as the environment. Consequently, the measurement and management of visitor satisfaction has become a prerequisite for these agencies. While many have a history of surveying visitors, little empirical research into "visitor satisfaction" in a natural environment context has been conducted. This paper reports on a two-year process of survey development and implementation across three survey periods. Structural modeling is used to test confirmatory and path models. Consistent structures and significant indicators of "value for money" and "overall satisfaction" are identified.

INTRODUCTION

Globally, protected natural areas such as national parks (NP's), marine reserves, forests and other conservation estates are developing into an increasingly important tourism resource. Continued growth in visitor numbers suggests that it is imperative that these areas receive the correct balance of conservation and tourism management attention. For example, growth in visitor numbers to the estate managed by the Department of Conservation and Land Management (CALM) in Western Australia rose by 8.9% (8.9 million visits to 9.7 million visits) between the period 1999/2000 and 2000/2001 (Department of Conservation and Land Management Annual Report, 2000-2001). CALM has a lead responsibility for conserving the State's rich diversity of native plants, animals and natural ecosystems. The agency also has the integrated responsibilities of managing lands and waters for the conservation of biodiversity and for the renewable resources they provide, as well as the sustainable provision of recreation and visitor services. (Department of Conservation and Land Management Corporate Plan, 2000-2005).

In addition to their traditional stronghold of nature conservation, agencies such as CALM, mandated to manage these natural areas, are also encouraging community involvement and support in the provision of services such as nature-based recreation opportunities that provide enriched visitor experiences. Recognizing the importance of visitor experiences to these areas for continued growth in visitation (*within carrying capacity limits*), the measurement and management of visitor satisfaction has become more prevalent amongst conservation agencies in recent years. The results of satisfaction surveys are increasingly being used by public sector agencies as one of the key indicators of performance provided in annual reports to Parliament. (Auditor General of WA, 1998). While many conservation agencies have a history of conducting extensive visitor surveys and, indeed, have used these as performance feedback mechanisms; empirical research into "visitor satisfaction" in the natural environment has to date been scarce.

As part of a review of the visitor satisfaction management efforts of CALM, a study was undertaken to identify and measure the underlying dimensions of visitor satisfaction. This paper summarizes the design stages of the survey review program and presents the findings generated over two years of implementation. First, a short review of the "satisfaction with natural environment" literature is offered. Second, the objectives of the study are defined. Third, an overview of the exploratory research process is presented. In this section, a review of the results and issues

associated with the further development of the survey are considered. Fourth, the methodology to implement the survey program across areas managed by CALM for the three reporting periods March 2000, September 2000 and March 2001 is covered. Fifth, an analysis of the collected data and a discussion of results are presented. And sixth, a summary of the findings together with a discussion of managerial and academic implications is covered.

LITERATURE REVIEW

To say that the literature is replete with consumer satisfaction research is perhaps a gross understatement. This journal alone has dedicated itself to publishing associated material for over 25 years covering just about every conceivable consumer context. However, a search of the database for this journal revealed just one study in the travel and tourism sector (Muller, Tse, and Venkatasubramanian 1991). No study specifically focusing on satisfaction in a natural environment context was found. To read about visitor satisfaction in the natural environment the interested reader needs to go to the dedicated "leisure", "recreation", and "environment" literatures. Even so, only a few studies published in these sources have focused specifically on visitor satisfaction.

A search of the above-mentioned literatures reveals extensive coverage given to "wilderness experience" covering in particular the nature and structure of natural environment experiences (e.g., Ittelson, Franck, and O'Hanlon 1976, Kaplan and Kaplan 1989), motivations for visiting the natural environment (e.g., Ewart 1985) and, the associated benefits of natural environment experiences (e.g., Roggenbuck and Driver 2000).

In terms of satisfaction with natural environment experiences, coverage has been given to issues such as "the relationship between hunting and satisfaction" (Stankey, Lucas and Ream 1973), "camping" (Connelly 1987), and "satisfaction with participation in a competitive leisure event" (dog agility) set in the natural environment (Hultsman 1998). Aside from activity-based satisfaction, other researchers have

turned their attention to an examination of social factors affecting recreation experiences. In addition to the effects of "unwanted social interactions" (Lieber and Fesenmaier 1985), the "consequences of crowding with respect to satisfaction" (Dawson and Watson 2000), and "satisfaction with the management of campgrounds" (LaPage 1968) have also received coverage.

In terms of the mechanics of measuring satisfaction, two studies have questioned the efficacy of satisfaction as a measure of "experience quality". Williams (1988) questions a product-centred view of satisfaction that sees the natural environment experience as something created by land managers for the visitor. Such a view treats the visitor as a humble product recipient and in doing so, fails to give credence to the role of the visitor as co-creator potentially with a rich history of associated natural environment skills, hopes and dreams. Recognising the visitor as co-creator is consistent with the services marketing literature and suggests the need for satisfaction measurement in the natural environment to identify and give consideration to intrinsic attributes of satisfaction as well as the more extrinsic functional attributes that can be managed by estate managers (e.g., the provision of associated site facilities).

More recently Borrie and Birzell (2001) offer a comparison of the various approaches used to measure "quality of the wilderness experience". Satisfaction, Benefits, Experience, and Meaning-Based approaches are reviewed. Satisfaction approaches include performance only, importance-performance and, disconfirmation of expectations measures. Focussing on the diversity of recreation experiences, benefits approaches consider the psychological outcomes of recreation experiences. Experience-based approaches recognise the multiphasic nature of experiences and attempt to capture the more salient dimensions as they unfold over time. From a management perspective, the authors note that many of the revealed dimensions occur post-experientially and are to an extent therefore beyond the control of management. Meaning-based approaches attempt to understand the wilderness experience in terms of the role that

it plays in the broader context of the participant's life. In the marketing literature, Arnould and Price (1993) adopt a similar stance in the context of white-water river rafting. They reveal the experiential themes of "personal growth", "self-renewal", "communitas", and "harmony with nature" as significant in explaining overall satisfaction.

Borrie and Birzell (2001) do not preference one approach over the others but rather suggest that the approach adopted is dependent on the use to which the resultant information is to be put. They argue, "given that the wilderness experience is a complex and emergent phenomenon, it is not surprising that multiple approaches are needed to best serve the needs of wilderness managers as they act to preserve the quality of these profound and important recreational experiences."

One of the requirements of natural environment agencies such as CALM is to provide an indication of their performance effectiveness to their auditory authorities. To this end, "satisfaction" has become one of a number of indicators widely adopted in the West Australian public sector (Auditor General 1998).

Given the scarcity of research addressing the specifics of "satisfaction in the natural environment", the research reported here not only adds to the academic literature but also, is potentially beneficial to public and private sector land-management agencies tasked with the responsibility for managing "visitor experiences" on their estate.

OBJECTIVES

Using appropriate methodologies this study sought to:

- Identify the primary experiential dimensions associated with visitation to natural environment settings managed by CALM in Western Australia (WA).
- Develop and implement a visitor survey program for recreation areas managed by the Department that incorporates valid and reliable measures of the dimensions of visitor satisfaction.

- Refine item measures to ensure that the requirements of empirical rigor are adhered to where possible.
- Standardize the survey program for subsequent periodic visitor satisfaction assessment.

EXPLORATORY RESEARCH FRAMEWORK

Information from secondary sources combined with the output from an extensive focus group session involving a number of stakeholders revealed an initial list of 42 experience items. These items essentially represented the sorts of issues that were held to be important to visitors to Department managed lands.

Given that these items would later form the basis of a visitor survey, it was seen as necessary to reduce the number of items down to a more manageable few. To reduce the number of items and also to ensure that the survey was as meaningful as possible to both visitor and CALM managers alike, a qualitative content (item) reduction process was carried out. At this stage, experts from a number of discipline areas reduced the original list of 42 to 22 "visitor experience" items based on their semantic and context relevance.

A survey questionnaire incorporating this revised list of items was subsequently subjected to a field test at the Yanchep National Park; a representative National Park located about 80km north of Perth, Western Australia. To ensure that the questionnaire was understandable to visitors, 21 on site personal interviews were conducted. This second development stage allowed for further qualitative refinement of the questionnaire.

The third stage in the development of the survey was conducted over the Easter period (April 1999) and included a pilot test of the survey across seven selected NP's and other recreation areas. The areas selected were biophysically differentiated and thus potentially the type of visitor and the activities that could be carried out within each area were held to be diverse. To ensure that survey respondents were representative of a number of demographic conditions, a quota-

sampling approach was adopted. The resulting data (n = 184) were next exposed to various statistical analysis procedures to 1) refine the survey instrument further, 2) identify the key drivers of visitor satisfaction and 3) provide meaningful insight into conservation and visitor management issues. Based on exploratory factor and reliability analysis using the Cronbach alpha 0.70 cut-off criteria (Nunnally 1967), a further reduction in the number of items down to fourteen was considered acceptable. This item reduction procedure was also consistent with a primary developmental goal of the study, namely, to design a survey that would be representative of visitor experiences whilst at the same time considering the length of the survey so as not to compromise the response rate. Exploratory factor analysis with varimax rotation revealed that the above fourteen items were best represented by four main factors explaining approximately 70.3% variation. A review of items within each factor indicated that the factors had to do with the management of facilities (MngtOp), a sense of isolation and adventure in a wilderness setting (Wilder), the provision of information (InfoFa) and, the degradation of the environment (Degrad) (Table 1). The reliability coefficients for the three factors with multiple item measures were very respectable being above 0.85, whereas for the fourth "degradation of the environment", which was only represented by a single item, a reliability coefficient was not attainable.

IMPLEMENTATION OF SURVEY - MARCH 2000, SEPTEMBER 2000 AND MARCH 2001

Research Design

Based on the above extensive 12 month development process, the final survey questionnaire incorporated: two open-ended questions to ascertain visitation purpose and potential improvement suggestions, 14 visitation items, a measure of value for money, two items to measure visitor satisfaction (one affective and one disconfirmation) and a number of visitor demographic items (Appendix 1). The value for money measure was added primarily because many conservation estate management authorities are adopting a user-pays strategy to manage visitation numbers in ecologically sensitive areas. In such cases, the determination of key "value" indicators is deemed beneficial (McCarville, 1995). Inclusion of the measure in this survey allows for subsequent and necessary interpretation of findings by relevant agency managers.

In order to determine the overall level of visitor satisfaction to recreation areas managed by the Department and, to generate trends in visitor information over time, a broad range of survey sites were selected using a recreation opportunity spectrum (ROS) framework. First, the number of survey sites within each of Western Australia's regions was determined according to the number of visits and recreation sites managed within each region (Table A, Appendix 2). Each survey site was then categorised into one of three ROS classes; "primitive", "intermediate" or "developed" according to four ROS classification factors: "access", "visitation", "on-site modification" and "management" (Table B, Appendix 2) to give a total of 19 survey sites (Table C, Appendix 2). Taking into consideration potential "peak" and "non peak" visitation period differences, the aim of the agency was to conduct the survey twice each year at all selected sites thereby allowing for seasonal comparison where relevant.

The adoption of a strict random sampling approach from transient visitors whose identity, origins and travel patterns are unknown is somewhat problematic. Often, the NP's and other recreation areas where the survey is to be distributed are managed by a small number of staff, and hence equal opportunity of access to all visitors for random selection is not feasible. A convenience sampling methodology was therefore selected. Staff administering the survey were requested as far as possible to adopt a randomised allocation procedure in an attempt to ensure adequate coverage of visitors. Generally, respondents were approached onsite by a member of staff and asked to complete the survey questionnaire and then either return the completed survey to staff or deposit it in a ballot box

Table 1
Exploratory Factor Analysis (Varimax Rotation)

Rotated Component Matrix[a]

	Component			
	1	2	3	4
mngt facilities	.794			
site condition	.785			
helpful rangers	.778			
I enjoyed the leisure activities I participated in	.732			
natural area	.710			
Road access and conditions were reasonable	.653			
no. facilities	.564			
isolation		.828		
Being here I felt close to nature		.813		
adventure		.740		
Features of cultural/historic value were well preserved		.582		
sufficient info			.860	
useful info			.746	
degradation				.970

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.
a. Rotation converged in 5 iterations.

provided on-site, or mail it back to the agency using the reply paid address provided on the form. In some cases, survey forms were handed to visitors with other local interpretive material by staff at National Park information/entry points. An incentive in the form of an opportunity to win a subscription to Western Australia's Conservation, Forests and Wildlife magazine *Landscope* was offered for completion and return. Preliminary tests comparing data based upon method of completion and seasonal variation revealed no significant differences in response patterns. Data from three survey periods coinciding with the March 2000 (n = 525), September 2000 (n = 370), and March 2001 (n = 484) agency reporting periods are discussed next (total sample size, n = 1379).

Results

Validity and Reliability Assessment. Analysis commenced with an assessment of the survey instrument for psychometric soundness. Confirmatory factor analysis was used to test the earlier derived four-factor structure for each of the three periods, March 2000, September 2000 and March 2001. These periods will be referred to hereinafter as periods 1 - 3 respectively (P1, P2, P3).

A number of measures are used to test the

overall fit of each model (P1 – P3). Given that the chi-square measure is recognisably sensitive to sample size and often discounted by researchers (e.g., Bentler and Bonnet 1980; Hoelter 1983), the comparative fit index (CFI) and the root mean square error of approximation (RMSEA) are provided throughout as tests of model fit. With respect to the CFI measure, Bentler (1990) argues that CFI values above 0.95 indicate a good overall fit, while values of between 0.90 and 0.95 suggest adequate fit. Last, with respect to RMSEA, measures between 0.05 and 0.08 are deemed acceptable (Hair, Anderson, Tatham and Black 1998). Appendix 1 highlights the items that were removed at this stage and also those included as they pertain to each of the factors, "management" (MngtOp), "wilderness" (Wilder), "information" (InfoFa), and "degradation" (Degrad).

Analysis reveals satisfactory results for all models (P1 – P3) with goodness-of-fit (CFI) values for P1 – P3 all greater than 0.95 suggesting a good overall fit (P1 = 0.95; P2 = 0.97, P3 = 0.96) and likewise, the RMSEA for each period is acceptable with measures of 0.07, 0.06, and 0.08 for periods 1 – 3 (P1 – P3) respectively. Overall therefore, each of the P1 – P3 models is deemed acceptable.

Convergent and Discriminant Validity. Convergent and discriminant validity were evaluated by calculating the average variance extracted (AVE) for each factor within each model. Convergent validity is established if the shared variance accounts for 0.50 or more of the total variance. Discriminant validity is evident when the AVE for each construct is greater than the squared correlation between that construct and any other construct in the model (Fornell and Larcker, 1981).

The results presented in Table 2 confirm both the convergent and discriminant validity of each of the models (P1 – P3) with only a few exceptions, notably those associated with the single item measure of degradation of the environment.

Internal Consistency. Internal consistency was assessed by means of the Cronbach alpha

coefficient. Values were calculated for each of the multi-item factors included in each of the three models (P1 – P3). The results presented in Table 3 attest to the high internal consistency of the instrument in that all values are above the suggested 0.70 level for scale robustness (Nunnally, 1967).

The results presented in the above sections offer consistent support for the psychometric soundness of the measures adopted across each of the three survey periods. The following section reports on the findings derived from a series of structural path models conducted to identify the key satisfaction indicators across all periods at both the factor and item levels.

Structural Path Testing. The path models tested incorporate the measure of value for money as a criterion variable alongside the measure of overall satisfaction. No position is taken with respect to the causal relationship between value and satisfaction in this paper. Across the three periods, the structural path models reveal in each case satisfactory model fit statistics (P1: CFI = 0.96, RMSEA 0.06; P2: CFI = 0.98, RMSEA = 0.06; P3: CFI = 0.95, RMSEA = 0.08). The standardised path coefficients for each model (Figures 1 – 3) reveal for all periods significant path coefficients for "wilderness" and "management" with respect to satisfaction and, "information", "wilderness", and "management" with respect to value. To ascertain indicator hierarchies across the three periods, further structural path models were conducted incorporating indicators from each of the three factors. Multiple models were tested using the LaGrange multiplier test for adding parameters and, the Wald test for dropping parameters (Bentler 1990). A number of modifications resulted in the final model solution and included only those indicators whose paths in the previous rounds of testing were significant. It should be noted that the single item "degradation of environment" was removed from the analysis at this stage due to the non-significant path coefficients revealed between it and both "satisfaction" and "value" (Fig 1 – Fig 3). Figures 4 – 6 reveal satisfactory model fit statistics across

Table 2
Convergent and Discriminant Validity

	March 2000 (P1)				Sept. 2000 (P2)				March 2001 (P3)			
	M	W	I	D	M	W	I	D	M	W	I	D
Convergent validity	.62	.69	.54	.21	.51	.55	.66	.28	.50	.60	.64	.20
(Correlation)^2	.61	.49	.61	.05	.44	.44	.44	.35	.31	.48	.48	.09
Discriminant validity	1.02	1.41	.90	4.1	1.16	1.25	1.5	.80	1.61	1.25	1.33	2.22

M = Management; W = Wilderness, I = Information, D = Degradation of environment
AVE = Average Variance Extracted $=\Sigma$ of std. loading$^2/\_\Sigma$ of std. loading$^2 + \Sigma$ of ε_j
Conv. = Convergent Validity (AVE >0.50)
Disc. = Discriminant Validity = AVE/(Corr)$^2 >1$
(Corr)^2 = Highest (Corr)^2 between factors of interest and remaining factors

Table 3
Reliability Assessment (Coefficient = Cronbach Alpha)

Period/ Construct	March 2000 (P1)	September 2000 (P2)	March 2001 (P3)
Management & Operations	0.9075	0.8244	0.8445
Wilderness	0.7846	0.7586	0.7447
Information	0.7356	0.7896	0.7808
Degradation of Environment	NA (Single item)		

all three periods for these models (P1: CFI = 0.964, RMSEA = 0.07, P2: CFI = 0.971, RMSEA = 0.07, P3: CFI = 0.915, RMSEA = 0.06).
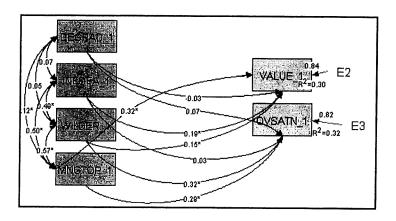
FINDINGS AND DISCUSSION

With respect to "overall satisfaction", Figures 1 – 3 indicate fairly consistent results with the highest path coefficient being for "wilderness" in two out of the three periods (P1 = 0.32, P2 = 0.47). The next highest coefficient is for "management" (P1 = 0.29, P2 = 0.26). For P3 this situation is reversed with the highest coefficient being for "management" (0.40) followed by "wilderness" (0.37). In P2 the only other significant indicator of satisfaction albeit weak, is "information" (0.10).

In terms of "value for money", the highest significant indicator for P1 is "management" (P1 = 0.32) followed by "information" (0.19) and "wilderness" (0.15). For P2 the highest coefficient is for "information" (0.26), followed by "wilderness" (0.24) and then "management" (0.19). Last, for P3 the highest path coefficient relates to that found for both "information" and "management" (0.26) followed by "wilderness" (0.22). Thus to an extent the results are equally consistent, only in this case for the "information" indicator. These results indicate the importance of providing useful and sufficient information with respect to visitor perceptions of "value for money". This is perhaps not unusual given that
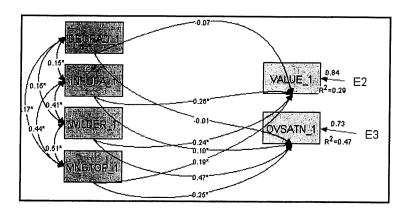
Figure 1
Structural Path Model period 1 (March 2000)

Model fit: CFI = 0.96, RMSEA = 0.06

DEGRAD = Degradation of environment, INFOFA = Information, WILDER = Wilderness, MNGTOP = Management and operations
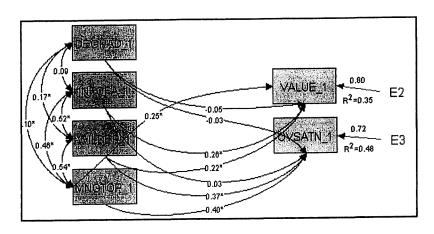
Figure 2
Structural Path Model Period 2 (September 2000)

Model fit: CFI = 0.98, RMSEA = 0.06

DEGRAD = Degradation of environment, INFOFA = Information, WILDER = Wilderness, MNGTOP = Management and operations
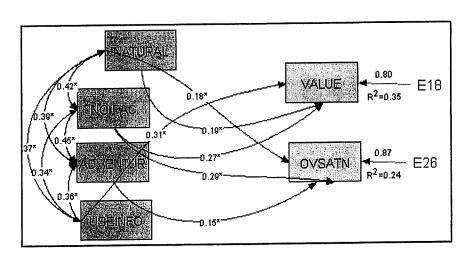
Figure 3
Structural Path Model Period 3 (March 2001)

Model fit: CFI = 0.95, RMSEA = 0.08

DEGRAD = Degradation of environment, INFOFA = Information, WILDER = Wilderness, MNGTOP = Management and operations

Figure 4
Period 1 - Structural Path Model (March 2000)

Model fit: CFI = 0.964, RMSEA = 0.07

NATURAL = I thought this was an attractive natural area, No.FAC = The facilities provided were ideal (type, location and number), ADVENTUR = This area provided a sense of adventure, USEINFO = The information provided was useful
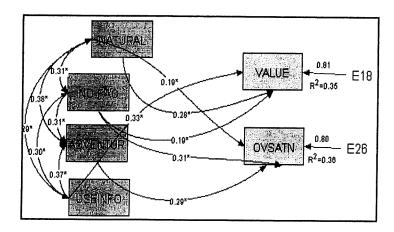
Figure 5
Period 2 - Structural Path Model (September 2000)

Model fit: CFI = 0.971, RMSEA = 0.07

NATURAL = I thought this was an attractive natural area, No.FAC = The facilities provided were ideal (type, location and number), ADVENTUR = This area provided a sense of adventure, USEINFO = The information provided was usefu
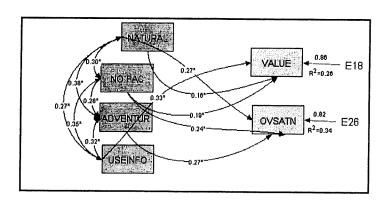
Figure 6
Period 3 - Structural Path Model (March 2001)

Model fit: CFI = 0.915, RMSEA = 0.06

NATURAL = I thought this was an attractive natural area, No.FAC = The facilities provided were ideal (type, location and number), ADVENTUR = This area provided a sense of adventure, USEINFO = The information provided was useful

"information" represents what could be considered to be the more tangible aspects of the experience, often resulting from direct interaction between the visitor and member of staff within the National Park or recreation area. In addition to paper-based information material (i.e., brochures etc.), NP guides such as rangers, and tour operators act as information providers and environment interpreters. Interpretive signage provides another form of information for visitors about aspects of the area.

The within factor indicators incorporated in the final path models (Figures 4 – 6) include "the facilities provided were ideal" (nofac); "I thought this was an attractive natural area" (natural); "this area provided a sense of adventure" (adventur); and "the information provided was useful" (useinfo). To reiterate, these items pertain to those whose path coefficients were significant across all three periods when introduced into a series of competing models incorporating the original 14 survey indicators. With respect to overall satisfaction, for P1 – P2, the strongest significant indicator was for "the facilities provided were ideal" (0.29, 0.31 respectively) whereas for P3 the two items, "this area provided a sense of adventure" and "I thought this was an attractive natural area" revealed the same significant coefficient for both (0.27, 0.27). The next strongest indicator for P1 was, "I thought this was an attractive natural area" (0.18), followed by "this area provided a sense of adventure" (0.15). For P2 this position was reversed with "this area provided a sense of adventure" revealing a significant coefficient of 0.29 and "I thought this was an attractive natural area" a significant coefficient of 0.19. For P3, the least strong of the significant indicators related to "the facilities provided were ideal" (0.24), thereby reversing the condition found in P1 and P2.

With respect to "value for money", a consistent picture is presented with the strongest indicator across all three periods being "the information provided was useful" (0.31, 0.33, 0.33 respectively). The next strongest for P1 and P3 was "the facilities provided were ideal" (0.27, 0.19 respectively) whereas for P2 the next strongest was "I thought this was an attractive natural area"

(0.28) which for P1 and P3 was the least strong of the indicators (0.19, 0.16 respectively). The least strong indicator for P2 was "the facilities provided were ideal" (0.19). These results again identify the importance of information in terms of "value for money". Based on these findings, it would be logical to suggest that it is the "usefulness" of the information (i.e., quality) that is important rather than the sufficiency (quantity) of information. In terms of overall satisfaction, no clear picture is evident, although, adopting a crude weighting schema based on relative position in each period, "the facilities provided were ideal" would appear to be marginally more important. It should be noted that this is a crude tool and it would be erroneous to attempt to prioritize resources accordingly. Clearly all three are important. Noticeably, no significant path coefficient was evident for "usefulness of information" with respect to overall satisfaction. This is not to say that this issue does not contribute in some way to visitor satisfaction, but rather, it might suggest that when present, the "usefulness of information" does not add significantly to satisfaction. Further, it could be suggested that visitors expect information to be provided and what is provided is therefore consistent with expectations. Linked to this, failing to provide an acceptable (consistent with expectations) level of information could lead to dissatisfaction. This issue is presented at the end of the following section as an area for further research.

A final comment in this section pertains to the strength of the coefficients reversing for "wilderness" (0.47, 0.37) and "management" (0.25, 0.40) with respect to satisfaction in P2 and P3. The successful implementation of a number of management initiatives following the March 2000 and September 2000 study periods might offer an explanation for revealed differentiation. Following each study period separate reports are submitted to each of the contributing parks. Based on findings, Parks managers are not only able to initiate small changes where funding permits, they are also invited to tender for additional funds to work on specific larger initiatives. Realistically, a time lag of between 6 months and one year would be expected before any significant effects are noted.

In addition, seasonal variations which might affect the importance of items and their potential contribution toward satisfaction may similarly provide for further clues as to the basis of differentiation. Subsequent studies across parks over time will permit further address of this issue.

SUMMARY

The main items contributing toward visitor "satisfaction" and "value for money" relate to those that could be described as "managerially provided" and "experiential". Managerially, the "type, location and number of facilities" proved consistently throughout the analysis to be the strongest indicator of satisfaction. The strongest indicator of "value for money" was as discussed above, the "usefulness of information". Experientially, visitor perceptions of the environment as being "natural and attractive" and likewise, providing a "sense of adventure" were the strongest experiential themes for both "satisfaction" and "value for money". It is interesting to note the identification of the "natural attractiveness of the environment" visited as a strong indicator of "satisfaction" and "value for money". This notion is likewise consistent with the requirements for sustainable tourism, i.e., that an environment be conserved in its natural state (Middleton and Hawkins 1998). This would seem to provide further testimony of the need for a balanced approach to sustainable destination management. Environmental impact studies would prove invaluable toward this end and conservation agencies are urged to collect such data. While perhaps somewhat obvious, it is nonetheless worth noting that the role of managing the environment does not rest with conservation agencies alone. Tourism operators and visitors alike need to be aware how to behave in a manner consistent with the conservation needs of each area. Environmental education, interpretive and promotional programs would assist in this regard. In terms of the environment providing "a sense of adventure", and also being "natural" and "attractive", it is perhaps not surprising to find these two items proving to be key indicators of both "satisfaction" and "value for money". Not

only are they consistent with the "action-excitement" and "nature" (recreation experience preference) motivation to experience the natural environment items (Driver 1977) but also, one of the six benefits of non-facilitated use of wilderness identified by Roggenbuck and Driver (2000). This would suggest the presence of a relationship between visitor motivations, benefits, perceived value and satisfaction for these items. The nature of this relationship was not addressed in this study though clearly further research in the area is warranted. In this regard, exploring the effect of consistency between motivations and perceived benefits with respect to satisfaction and perceived value may prove a useful starting point for future studies.

Of particular interest in this study is the finding that the identified indicators include both "expressive" and "instrumental" satisfaction factors (Swan and Combs 1976). Expressive factors are feeling, affect-based, whereas instrumental factors consist of those items that when absent, can create "dissatisfaction" (Czepiel and Rosenberg 1974, cited in Neal, Sirgy and Uysal 1999). Distinction between the instrumental and expressive attributes was also evident in a study conducted by Lieber and Fesenmaier (1985) in which they examined visitor satisfaction with a walking trail experience in a Chicago reserve. The authors revealed that instrumental attributes such as surface, length, terrain and proximity to residence contributed less to satisfaction than did expressive attributes relating to visual perspective and preference. The emotionally positive experience of sightseeing was found to be more important than the access or trail-way that afforded the experience. The findings of this study are generally consistent with those of the above authors, in that for two of the three periods, "wilderness" incorporating affect-based experiential attributes proved to be the strongest indicator of visitor satisfaction. While the findings were not altogether consistent across all three periods, perhaps of greater importance is the finding that both expressive and instrumental indicators are important satisfaction and value for money indicators. Not only does it appear necessary to include items pertaining to both

dimensions in such visitor surveys, it also indicates the need for managers to manage both dimensions. Similarly, if indeed there is some foundation to the notion that "instrumental" attributes are "dissatisfiers" and "expressive" attributes "satisfiers" (Herzberg 1966), the need for a balanced management approach is clearly warranted. Further research to identify not only those factors that contribute towards satisfaction, but also those that could lead to visitor dissatisfaction would prove invaluable. Oliver's (1997) introduction of mono and bivalent satisfiers/dissatisfiers would prove a useful framework toward this goal.

CONCLUSION

This paper has provided some insight into the key indicators of "satisfaction" and "value for money" as reported over three time periods by over 1300 visitors to the natural environment of Western Australia. Further visitor studies of the type described in the above sections would serve to build upon the findings of this study thereby assisting agencies operating in a natural environment context with their management initiatives. The success of agencies responsible for both the maintenance of the natural environment and the provision of nature-based visitor experiences is clearly dependent upon many criteria. Positioning the human-made and natural environment dimensions as the "product" and the visitor as the "consumer", this paper has provided an overview of a structured program of research to measure visitors' satisfaction whilst in a natural setting. The main purpose of the review of CALM's visitor survey program was to obtain a reliable and valid measure of visitor satisfaction whilst also enabling valuable visitor feedback to assist with decision-making regarding the management of the recreation areas surveyed. With this as a primary goal, this study has been successful with the survey program now fully integrated across all regions managed by the Department.

As with most surveys, this one reported on here is likewise open to further refinement. For example, the inclusion of an extra item (in addition to "degradation") to measure the conservation "state of the environment" is suggested. This would enable this factor's reliability to be assessed over time. The fact that the degradation item was removed from structural path testing is not reason to remove the item altogether from future surveys. The aesthetic condition of the environment is an important consideration for visitors to the natural environment. Visitor sentiment concerning the level of witnessed and/or perceived degradation is important given that "caring for the environment" is a primary remit of CALM and indeed, other such estate management agencies. Their efforts to this end should be monitored whether for visitor experience and/or conservation management emphasis.

Consideration should also be given to the addition of other items into the survey dependent on the needs of the agency concerned. Similarly, methodological refinement taking into consideration the interpretation and presentation needs of agencies at a local, regional and corporate level is necessary.

Overall the study reviewed in this paper will be useful to any natural environment management agency considering either adopting a survey to assess visitor experiences in the natural environment or, refining existing measurement instruments. Managers adopting the survey as presented should note that this survey was designed in an arguably unique context, that of Western Australia. Managers would be well advised to examine the appropriateness of including the items presented here on managerial grounds. Indeed, the uniqueness of the environment and context in which this survey was developed constitutes a potential limitation of the study in that it may not adequately cover the items necessary to assess all "possible" natural environment experience dimensions. Further comparative work in other natural environment localities would prove beneficial to this end.

This article has outlined the development of a project the aims of which were ultimately to serve as a useful source of information for natural environment managers tasked with managing the diverse natural environment of Western Australia.

The appropriate measurement and management of visitor satisfaction with respect to these areas is just one of many crucial conservation management tasks.

REFERENCES

Arnould, Eric J. and Linda Price (1993), "River Magic: Extraordinary Experience and the Extended Service Encounter," *Journal of Consumer Research*, 20, 24-45.

Auditor General, Western Australia (1998), *Listen and Learn; Using Customer Surveys to Report Performance in the Western Australian Public Sector*, Report No 5, June.

Bentler, Paul M. (1990), "Comparative Fit Indexes in Structural Models." *Psychological Bulletin*, 107(2), 238-246.

Bentler, Peter. M., and D. G. Bonnet (1980), "Significance Tests and Goodness of Fit in the Analysis of Covariance Structures". *Psychological Bulletin*, 88, 588-606.

Borrie, William T. and Robert M. Birzell (2001), "Approaches to Measurng Quality of the Wilderness Experience," in Wayne A. Freimund and David N. Cole, comps., *Visitor Use Density and Wilderness Experience Proceedings*, 2000, June 1-3; Missoula, MT. Proc. RMRS-P-20. Ogden, UT: US Department of Agriculture, Forest Service, Rocky Mountain Research Station.

Connelly, Nancy A. (1987), "Critical Factors and their Threshold for Camper Satisfaction at Two Campgrounds," *Journal of Leisure Research*, 19, 3, 159-173.

Czepiel, John A. and L. J. Rosenberg (1974), "The Study of Consumer Satisfaction," in *AMA Educator's Proceedings*, American Marketing Association, Chicago, 119-123.

Dawson, Chad P. and Alan E. Watson (2000), "Measures of Wilderness Trip Satisfaction and User Perceptions of Crowding," in David N. Cole, Stephen F. McCool, William T. Borrie, Jennifer O'Loughlin, comps, 2000, Wilderness Science in a Time of Change Conference, *Volume 4: Wilderness Visitors, Experiences, and Visitor Management*, 1999, May 23 27; Missoula, MT, Proceedings RMRS-P-15-VOL-4, Ogden, UT: US Department of Agriculture, Forest Service. Rocky Mountain Research Station.

Department of Conservation and Land Management (2000), Corporate Plan, 2000-2005.

Department of Conservation and Land Management (2001), Annual Report, 2000-2001.

Driver, Bev. L. (1977), "Item Pool for Scales Designed to Quantify the Psychological Outcomes Desired and Expected From Recreation Participation," Ft. Collins, CO, USDA Forest Service Rocky Mountain Forest and Range Experiment Station.

Ewart, Alan (1985), "Why People Climb: The Relationship of Participant Motives and Experience Level of Mountaineering", *Journal of Leisure Research*, 17, 3, 241-250.

Fornell, Claes and Doug F. Larcker (1981), "Structural Equation Models with Unobservable Variables and Measurement Error: Algebra and Statistics," *Journal of Marketing Research*, 18 (February), 39-50.

Hair, Joseph., Rolph E. Anderson, Ronald L. Tatham and William C. Black (1998), *Multivariate Data Analysis*, 5th Edition, Prentice-Hall International Inc., NJ.

Herzberg, Frederick (1966), *Work and the Nature of Man*, World Publishing, Cleveland, OH.

Hoelter, J. W. (1983), "The Analysis of Covariance Structures: Goodness of Fit Indices," *Sociological Methods and Research*, 11, 325-324.

Hultsman, Wendy (1998), "The Multi-Day, Competitive Leisure Event: Examining Satisfaction Over Time," *Journal of Leisure Research*, 30, 4, 472-497.

Ittelson, William H., Karen Franck, Timothy J. O'Hanlon (1976) in S. Wapner, S. Cohen and B. Kaplan, edn *Experiencing the Environment* Plenum Press, New York, 187-206.

Kaplan, Rachel and Stephen Kaplan (1989), *The Experience of Nature: A Psychological Perspective*, Cambridge University Press, Cambridge.

LaPage, Wilbur F. (1968), "The Role of Customer Satisfaction in Managing Commercial Campgrounds," *US Forest Service Research Paper NE-105 (1968)*, Northeastern Forest Experiment Station, Upper Darby, PA., Forest Service, US Department of Agriculture.

Lieber, Stanley. R. and David R. Fesenmaier (1985), "Physical and Social Conditions Affecting Recreation Site Preferences". *Environment and Planning*, 17, 1613-1625

McCarville, Ronald E. (1995), "Pricing for Public Leisure Services: An Ethical Dilemma?". *Journal of Applied Recreation Research*, 20 (2), 95-108.

Middleton, Victor. T. C. and Rebecca Hawkins (1998), "Sustainable Tourism: A Marketing Perspective," Butterworth Heinemann, Oxford, U.K.

Muller Thomas E., David K. Tse and Ramesh Venkatasubramanaian (1991), "Post Consumption Emotions: Exploring their Emergence and Determinants," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 4, 13-20.

Neal, Janet. D, Joseph M. Sirgy and Muzaffer Uysal (1999), "The Role of Leisure Travel/Tourism Services and Experience in Satisfaction with Leisure Life and Overall Life" *Journal of Business Research*, 44, 153 - 163.

Nunnally, Jum C. (1967), *Psychometric Theory*, McGraw-Hill, NY.

Oliver, Richard L. (1997), *Satisfaction: A Behavioral Perspective on the Consumer*, McGraw Hill, NY.

Roggenbuck, Joseph W. and Bev L. Driver (2000), "Benefits of Non-facilitated Uses of Wilderness," *USDA Forest Service Proceedings*, RMRS-P-15, 3.

Stankey, George H., Robert C. Lucas and Robert R. Ream

(1973), "Relationships Between Hunting Success and Satisfaction," *Transactions of the Thirty-Eighth North American Wildlife and Natural Resources Conference,* Mar 18-21, 1973, Wildlife Management Institute, Washington, DC. 20005.

Swan, John and Linda Combs (1976), "Product Performance and Consumer Satisfaction," *Journal of Marketing Research,* 40 (April), 25-33

Williams, Daniel R. (1988), "Great Expectations and the Limits to Satisfaction: A Review of Recreation and Consumer Satisfaction Research," in Alan Watson, comp, *Outdoor Recreation Benchmark 1988.*

Proceedings of the National Outdoor recreation Forum, Gen. Tech. Rep. SE-52. Ashville, NC: US Department of Agriculture, Forest Service. Southeastern Forest Experiment Station, 422-438.

Send correspondence regarding this article to:
Dave Webb
University of Western Australia
Dept. of Information Management and Marketing
Nedlands, Perth, WA, 6009
fax: (61) 89380-1004
email: dwebb@ecel.uwa.edu.au

Appendix 1
Visitor Survey (Item Bank)

Visitor Survey Items	Factor Group	Inclusion in Figs 4-6 (SPM)
I enjoyed the leisure activities I participated in (strongly disagree/agree)	MngtOp	Removed
The condition of the site was excellent	MngtOp	Removed
The rangers and other CALM staff were helpful	MngtOp	Removed
The facilities were well managed (quality and cleanliness)	MngtOp	Removed
Road access and conditions were reasonable	MngtOp	Removed
The information provided was useful	InfoFA	Useful
Being here I felt close to nature	Wilder	Removed
Sufficient information was provided about the area	InfoFA	Removed
Areas such as this provide solitude and isolation	Wilder	Removed
I thought this was an attractive natural area	Wilder	Natural
Features of cultural/historic value were well preserved *(where applicable)*	Wilder	Removed
I saw evidence of environmental degradation (erosion, littering, vandalism) (rev)	Degrad	Removed
This area provided a sense of adventure	Wilder	Adventure
The facilities provided were ideal (type, location and number)	MngtOp	No. Fac
My visit today provided value for money *(applicable only if fee charged)*	N/A	Value
How did you feel about your visit today (extremely displeased/pleased)	N/A	Satisfaction
How would you rate your visit overall (much worse/better than expected).	N/A	Satisfaction

Appendix 2
Table A - Number of Visits and Recreation Sites per CALM Region

CALM Region	No. of visits 98/99 (% of total no. of visits to all Regions)	No. of recreation sites (% of total no. of recreation sites)
Goldfields	86000 (1%)	11 (1%)
Wheatbelt	39000 (1%)	26 (3%)
Kimberley	186000 (2%)	53 (5%)
Midwest	689000 (8%)	64 (6%)
Pilbara	321000 (4%)	104 (11%)
South Coast	518000 (6%)	166 (17%)
Southern Forest	988000 (11%)	144 (15%)
Central Forest	2035000 (24%)	168 (17%)
Swan	3806000 (43%)	246 (25%)
TOTAL	8668000 visits (100%)	982 sites (100%)

Note: The figures provided in the above table were used as a general guide to determine the number of sites surveyed in each Region (as shown in the ROS Classification Matrix – Table B).

Appendix 2
Table B - ROS Classification Factors

Factor	ROS Class		
	Primitive	Intermediate	Developed
ACCESS			
Distance from nearest town	Over 80kms.	50-80kms.	Less than 50kms.
Access	Foot/Bicycle/4WD/limited 2WD	2WD gravel.	2WD bitumen/public transport/bus & caravan access.
Parking Capacity	Up to 3 cars (non designated parking area).	4-10 cars and 2 buses (designated parking area).	Over 10 cars and 2 buses.
VISITATION			
No. of recorded visits per year	Less than 20,000 visits.	Between 20,000-80,000 visits.	Over 80,000 visits.
ON-SITE MODIFICATION			
Visual Impact/Facilities	Minimal, only those for conservation purposes.	Basic facilities e.g. barbecues, pit toilet, picnic tables.	Modified site with large scale developments and/or substantial facilities.
Disabled access	Unsuitable for disabled.	Site accessible with assistance to a degree.	Disabled facilities provided.
Information/ interpretation	Minimal, possibly site orientation.	Site/park brochure or information, panels.	Visitor centre, organised activities, display/information shelters.
Appropriate Use	Activities requiring little or no equipment e.g. bird watching, bushwalking, swimming, fishing.	Activities requiring equipment and/or vehicle access e.g. vehicle based camping.	A range of activities.
MANAGEMENT			
Management presence	Irregular, as required (approx. once a month).	Regular (daily at certain times of the year, and at other times, once a week).	All year round, daily.
Visitor management	Subtle guidance e.g. tracks.	Definition of use areas by provision of facilities e.g. bollards to guide vehicles.	Provision of different access routes e.g. vehicle, foot, bicycle and/or parking areas for different vehicles provided.

Note: The ROS class (primitive, intermediate or developed) for each survey site was determined where the majority of the factors were applicable for the site.
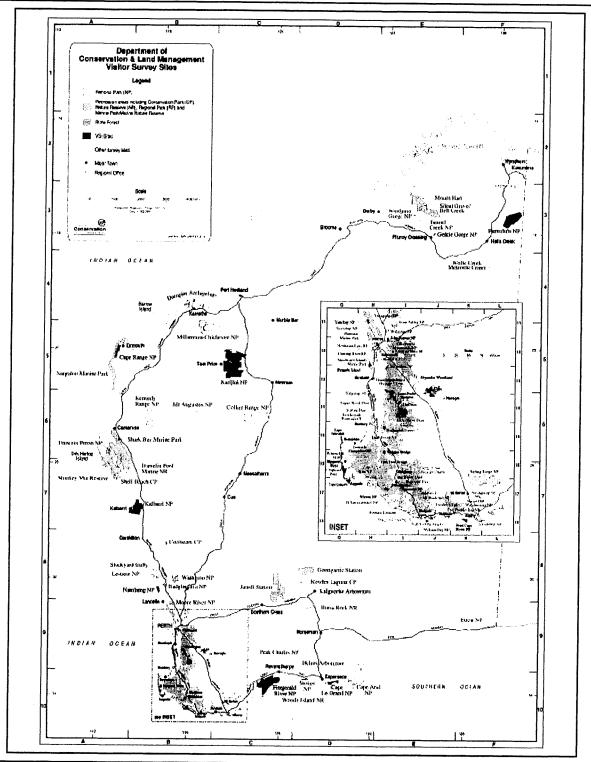
Appendix 2
Table C - Recreation Opportunity Spectrum (ROS) Classification Matrix

The distribution of the survey was determined using the following parameters:

- Survey sites were classified into one of the three ROS classes; primitive, intermediate or developed as shown below in Table a, with the number of sites in each class to be approximately 10% (primitive), 30% (intermediate) and 60% (developed) of the total number of sites surveyed (19 sites). The factors used to determine the appropriate ROS class for each survey site is shown in Table B.
- At least one survey site in each CALM Region.
- Number of visits to each Region (taken from 1998/99 VISTAT figures), see Table A.
- Number of recreation sites in each Region (taken from Recreation Data), see Table A.

CALM Region	ROS Class			TOTAL
	Primitive	Intermediate	Developed	
Goldfields			*Kalgoorlie Aboretum*	1
Wheatbelt			*Dryandra Woodland*	1
Kimberley	*Purnululu National Park*			1
Midwest			*Nambung National Park, Kalbarri National Park*	2
Pilbara		*Karijini National Park*	*Cape Range National Park*	2
South Coast		*Fitzgerald River National Park*	*Cape Le Grand National Park*	2
Southern Forest		*Diamond Tree, Warren National Park*	*Gloucester National Park*	3
Central Forest		*Blackwood recreation sites*	*Leeuwin Naturaliste National Park, Wellington Forest National Park*	3
Swan			*Yanchep National Park, John Forrest National Park, Penguin Island, Lane Poole Reserve*	4
TOTAL survey sites	1	5	13	19

Appendix 3
Western Australia

APPLICATION OF SATISFACTION THEORY TO A PREDICTED EVENT: THE Y2K COMPUTER PROBLEM

Carol C. Caughey, Oregon State University
Sally K Francis, Oregon State University
Deana Grobe, Oregon State University
Eunyoung Hyunchang, Yuhan College, Korea

ABSTRACT

This study applies expectations based disconfirmation models of satisfaction to the unusual case of the Y2K computer bug. Four possible determinants of satisfaction were investigated: the moderating role of knowledge, the disconfirmation of expectations paradigm, level of involvement, and the view of technology. Subjects selected in a random sampling procedure were interviewed both before and after January 1, 2000. Results indicated only positive disconfirmation, e.g., the actual event was perceived by the subjects to be better than that which was expected. Few significant correlations between satisfaction with Y2K problems and other factors were found. Only "view of technology" was negatively and significantly correlated with satisfaction.

INTRODUCTION

On the cover of an issue of *Time* magazine (Lacayo, 1999, January 18) devoted to the Y2K problem, the message on a sandwich board asked, "The End of the World!?!" Beginning with a lone scientist in 1979 (Taylor, 1999), experts and laypeople alike predicted disaster of various magnitudes when our millennial clock turned from 12-31-99 to 01-01-00. These expectations were based upon the fact that when computers were in their infancy, dates were recorded as six-digit numbers; so January 26, 1968, was recorded in the computer memory as 01-26-68. Therefore, January 1, 2000, would appear to a computer to be the same date as January 1, 1900.

During the last several years of the twentieth century, this event loomed before us, capturing the attention of much of the public. Based upon the widespread preparations for and speculation about Y2K, the authors thought it would be interesting to apply satisfaction theory to this predicted event. Some provocative research questions emerged. If we expect the worst, and it actually happens, are we satisfied? Is it similar to being terrified while riding on terrifying rides at an amusement park? Does one feel vindicated, saying, "I just knew that was going to happen?" Alternately, if we have negative expectations yet nothing bad happens, will we be dissatisfied? The purpose of this study was to apply expectations based disconfirmation models of satisfaction to the unusual case of the Y2K computer problem.

The Setting

Governments and industry expended a great deal of effort and money to ensure that critical computer systems, such as air traffic control, the military, and financial institutions were properly "debugged" (MacGregor, 2000). Although it may be impossible to estimate the amount of money and resources spent on preparation for Y2K, estimates in the media have suggested that $100 billion was spent in the United States alone and possibly $450 billion was spent on a world wide basis (MacGregor, 2000).

Some of humankind seemed worried about greeting the new millennium in the dark, though many were unaware of the possibility of chaos. In fact, what actually happened was almost nothing. The biggest problem many people had was using up all of that extra canned tuna fish and other staples they had stockpiled (Levy, 2000). The millennium bug did not bite. There were very few glitches in any of the computer-related devices upon which we all rely. Many in the computer field claim that the absence of serious problems was due to the fact that most of the best minds available were put to work on solving the problem years ahead of the impending event. They succeeded in fixing almost all of the predicted

problems caused by the date change before the deadline date.

Many people in many nations stockpiled food, cash, and supplies, though this phenomenon was more common in the U.S. than elsewhere (O'Neill, 1999). And among certain groups there was undeniably a Second-Coming, millennialist theme to the preparations and to the countless religious tracts which were produced about the subject (O'Neill, 1999). Even those with no stated religious view saw the impending disaster in a theological light (von Hoffmann, 1999). Articles about Y2K in the popular press increased in number as the millennium approached. Between November, 1997, and March, 2000, there were 258 mentions in a major West Coast metropolitan newspaper, reaching a monthly maximum of 62 articles in December, 1999 (Grobe, 2002). An analysis of the Y2K-related articles appearing during this time period in this newspaper (Grobe, 2002) indicated that the most frequent type of article (23%) concerned the status of Y2K preparedness among government and business firms. The next most common Y2K-related article (16%) concerned the preparedness of the general public, and the third most common type of article (12%) concerned consumer expectations about problems caused by the computer bug. Other broad categories represented in articles in this newspaper were personal money issues, costs related to fixing the Y2K bug, concern about widespread panic, threats to small businesses, predictions of outcomes, industry growth selling Y2K-related products, and concerns with air transportation.

Conceptual Framework and Model

In the past, researchers have studied the possible antecedents of satisfaction, such as expectations and the level of involvement with the product or event. After searching the popular press on Y2K and consumer satisfaction literature for clues about satisfaction/dissatisfaction with the preparation for and the response to the Y2K phenomenon and what factors might predict satisfaction/dissatisfaction, we chose to focus on four possible determinants that seemed to be worth

investigating: the moderating role of knowledge, the confirmation of expectations paradigm, the level of involvement, and the view of technology.

The Moderating Role of Knowledge. De Ruyter & Bloemer (1997) found that consumers with greater knowledge about a particular subject have more distinct expectations than consumers with lesser knowledge. Therefore, they view knowledge as playing a mediator role between expectations and customer perceived service. Because of the extensive popular press coverage of Y2K, we believed that consumers had been exposed to a great deal of information on this problem such that it would be likely to inform their expectations and influence their decisions regarding the event.

The Disconfirmation of Expectations Paradigm. Is a major adverse scenario an appropriate event to which to apply the expectations paradigm of satisfaction/ dissatisfaction? To what extent is the Y2K millennium computer problem a special case? If one expects a negative outcome but it does not occur, would the expectation be negatively disconfirmed or positively disconfirmed? We consider this unusual situation to be of interest particularly because nearly all satisfaction research is positively oriented.

Level of Involvement. Another factor considered to be related to satisfaction is the individual's level of involvement with the event, product, or service. Studies reported in the consumer satisfaction literature linking level of involvement with satisfaction include Zaichovsky (1985), Richins and Bloch (1991), Park and Choi (1998) and Celuch and Taylor (1999).

From an involvement point of view, it might be argued that satisfaction with the outcome of the Y2K problem may be related to how much money and effort one spent on preparation for it. If one spent little or nothing (because of expectations or because of lack of knowledge or interest), one had very little stake in the outcome, and therefore might be predicted to be neither highly satisfied nor highly dissatisfied because of low

involvement. On the other hand, if one read lots of predictions about Y2K, prepared for the worst case scenario, and then discovered that virtually nothing happened, through the disconfirmation process one might be expected to form definite feelings of satisfaction or dissatisfaction.

The View of Technology. It might be posited that one's confidence about the role of computers and related technology in one's life would correlate with satisfaction with preparation for, and outcomes of, Y2K. Being comfortable with, or resigned to, the predominance of computers in our lives may increase confidence in the ability of computers and computer scientists to solve any problems encountered in preparing for Y2K.

METHODS

The Y2K issue differed from natural disasters such as earthquakes or tsunamis because its timing was known precisely. People anticipated it and made plans for it well before the actual event. Unlike much previous research about consumer satisfaction (e.g., Voss et. al, 1998), the study herein was not based on an experimental model. This study of the Y2K problem was planned within the context of the real event.

Respondents

The data were collected in two waves, as described: (1) a Pre-Survey conducted by telephone between November 18 and December 4, 1999, by a survey research laboratory at a university; and (2) a Post-Survey administered by telephone between January 4 and January 9, 2000, by the researchers and trained assistants at a different university. Pre-Survey respondents who said they were willing to answer further questions about Y2K comprised the Post-Survey respondents.

Variables

The key variables were derived from the expectations paradigm, satisfaction literature, and

our understanding of the Y2K phenomenon. The variables were knowledge, expectations, level of involvement, and view of technology. These variables were operationalized as follows:

Knowledge was based on asking those respondents who were aware of Y2K (94% of Pre-Survey sample) whether they had "heard or read a little, some, or a great deal" about Y2K (little=1; great deal=3).

Expectations was operationalized by a categorical variable equal to one if the respondent expressed no anticipated computer mistakes due to the Y2K issue, equal to two if they anticipated minor problems, and equal to three if they anticipated major problems.

Level of involvement was measured by asking respondents about their preparation for potential Y2K problems (none=1; plan to take action=2; took action=3).

View of technology was operationalized by an indicator variable equal to one if the respondent had a favorable opinion about the use of computer technology in our society today, and equal to zero if he/she did not.

Satisfaction was measured in the Post-Survey by asking respondents (1) to indicate their level of satisfaction with the number of Y2K problems they experienced, (2) how satisfied they were with the preparations they made for Y2K and (3) their level of satisfaction with the information they received about preparing for the Y2K computer problem. A 7-point, Likert-like scale (delighted=1; terrible=7) was used for all three variables.

Pre-Survey

The target population was all adults over the age of eighteen in a Northwestern U.S. state. A pretest was performed in mid-November, 1999. The survey instrument was revised based on interviewers' and pretest respondents' input. The

Pre-Survey interviews were conducted using a Computer-Assisted Telephone Interview (CATI) system. Telephone calls were made at all times of day and evening, including weekends. However, most interviews were completed in the evening and on weekends. To avoid nonresponse bias, a minimum of 15 calls was made to each working, randomly-selected telephone number.

The data collection resulted in 420 completed surveys from randomly selected households (Table 1). Interviews were conducted with the person identified as a household resident "who is age 18 or older." The response rate for the entire sample frame was 57.6%. Only respondents who were aware of the Y2K computer bug problem (94% of entire sample) were asked to respond to the entire Pre-Survey. Respondents unaware of the millennium bug (6% of the entire sample) were asked to provide only their demographic information.

Table 1
Sample Sizes and Response Rates

	Sample Size	Response Rate
Pre-Survey	420	57.6%
Post-Survey	342	76.6%
Subsample of Respondents who Completed both the Pre and Post-Surveys	262	-

Post-Survey

At the completion of the Pre-Survey, interviewers asked the respondents whether they would be willing to answer further questions on Y2K after January 1, 2000.

The Post-Survey sampling frame consisted of the 342 respondents from the Pre-Survey who said they were willing to answer further questions (Table 1). A total of 262 interviews averaging 2 minutes in length were completed between January 4 and 9, 2000. The adjusted response rate for the Post-Survey was 76.6%. Fifty-five percent of the Post-Survey sample respondents were female. The typical respondent was 53 years of age, with an average household size of 2.66 persons. The median income of the respondents

was $35,000 to $50,000, and forty-four percent of the respondents had at least some college education.

RESULTS

Pre-Survey Findings

The eligibility criterion in the Pre-Survey was: "have your heard or read anything about the Y2K computer bug problem?" Nearly all, 94%, of the respondents were aware of Y2K. Those who were not aware of it were asked only demographic questions and were not included in the Pre-Survey sample. It is interesting to note that of the 24 respondents who were not aware of Y2K, 86% identified themselves as very or extremely religious, as opposed to only 57% of the respondents who were aware.

As the millennium approached, media involvement was high (MacGregor, 2000). Eighteen percent (n=47) of the 262 respondents reported having received a little information, 34.7% (n=91) reported receiving some information, and 46.9% (n=123) reported having received a great deal of information about the Y2K computer bug (see Table 2).

When asked whether they anticipated potential computer problems due to Y2K, 36.2% (n=95) of the respondents replied that they expected no problems, 59.1% (n=155) expected minor problems, and 2.2% (n=6) expected major problems (see Table 2). Thus, 98.3% expected no problems or minor problems, so expectations were that there would be no major problems.

When asked if respondents had taken or plan to take any steps "to prepare yourself or your family for potential Y2K problems," 36.6% (n=96) of the respondents reported having no plans, 16.7% (n=44) of the respondents planned to take steps, and 45.0% (n=118) had already taken some action to prepare (see Table 2). Thus, while only 2.2% expected major problems, 45% had taken some actual action to prepare themselves . To the extent that "actions speak louder than words" 45% had a strong enough expectation of problems that they took special steps to prepare.

In response to the question, "do you have a

Table 2
Summary Statistics (n=262)

Measurement	Frequency	Percentage
Knowledge		
"Would you say you have heard or read a little, some, or a great deal?"		
Little	47	17.9%
Some	91	34.7
A great deal	123	46.9
Don't know/No answer	1	<1
Expectations		
"Do you anticipate that potential computer mistakes due to the Y2K issue will cause major problems, minor problems, or no problems at all for you personally?"		
No problems	95	36.2%
Minor problems	155	59.1
Major problems	6	2.2
Don't know/No answer	5	1.9
Level of Involvement		
Have you taken or plan to take any steps "to prepare yourself or your family for potential Y2K problems"		
No plans	96	36.6%
Plan to take steps	44	16.7
Took action	118	45.0
Don't know/No answer	4	1.5
View of Technology		
"Do you have a favorable or unfavorable opinion about the use of computer technology in our society today?"		
Favorable	215	82.0%
Unfavorable	40	15.2
Don't know/No answer	7	2.6

favorable or unfavorable opinion about the use of computer technology in our society today?" 82.0% (n=215) of the respondents reported favorable opinions, and 15.2% (n=40) reported unfavorable opinions (see Table 2).

Post-Survey Findings

In the Post-Survey, respondents were asked whether they had experienced any problems as a result of the Y2K computer bug. Only 5 respondents reported any problems. The problems that were reported included the loss of home accounting records on one respondent's home computer, a cell phone that went dead, and a local cable access channel reader board that read January 5, 1990. One respondent indicated trouble prior to January 1, 2000: "I had an insurance bill which kept showing it was unpaid because the company was updating its computers for Y2K." Another comment by a respondent reflected disappointment in what did not happen: "I was

disappointed that utilities didn't have problems which would cost them profits." It is possible that this attitude reflects a grudge, which suggests another avenue of research. Overall, very few incidents were actually attributed by the respondents to the Y2K computer problem.

As part of the Post-Survey, respondents also were asked to respond to several items about their satisfaction with the outcome of the Y2K computer problems they had expected to occur (see Table 3). First, respondents were asked to indicate their overall satisfaction with the number of Y2K problems they experienced. On a scale of 1 (delighted) to 7 (terrible), the mean response for satisfaction with the number of problems was 1.11 (sd=.48). Respondents in this study reported a very, very high degree of satisfaction with the number of Y2K problems they experienced. The respondents to this survey experienced almost no problems as a result of Y2K, and they were delighted that such was the case. So, rather than forming negative assessments of a problem-free experience that was contrary to the problem-laden experience that was expected (see Table 2), positive assessments were formed. Second, the 282 respondents were asked to indicate howsatisfied they were with the preparations they made for Y2K (see Table 3). The mean response

for satisfaction with preparations was 1.39 (sd=1.11). That is, respondents reported a very high level of satisfaction with the preparations they had made for Y2K. Table 2 indicates that 45% of the respondents had taken steps to prepare for Y2K problems. Rather than forming negative evaluations of their preparation efforts, positive assessments were formed. Third, respondents were asked about their satisfaction with the information about Y2K which they received. The mean response for satisfaction with information was 2.37 (sd=1.85) (see Table 3). During the Post-Survey phone interviews, a number of the respondents indicated that they believed that generally there had been too much media attention to the Y2K computer bug, especially in light of the fact that almost nothing had gone wrong. A greater degree of dissatisfaction with the amount of information about Y2K had been expected than was observed among these respondents. Perhaps this finding is reflective of a sense of relief at escape from potential disaster.

A preliminary analysis indicates few significant correlations between satisfaction with Y2K problems and other factors (Table 4). Only "view of technology" was negatively and significantly correlated (-0.224) with satisfaction. That is, those who had a favorable opinion of

Table 3
Summary Statistics for Satisfaction Measures (n=262)

Measurement	Mean	Standard Deviation
Overall Satisfaction On a scale of 1 to 7, with 1 being delighted and 7 being terrible, how satisfied are you overall with the amount of Y2K problems you experienced?	1.11	0.48
Satisfaction with Preparation On a scale of 1 to 7, with 1 being delighted and 7 being terrible, how satisfied are you with the preparations you made for Y2K?	1.39	1.11
Satisfaction with Information On a scale of 1 to 7, with 1 being delighted and 7 being terrible, how satisfied are you with the information you received about preparing for the Y2K computer bug?	2.37	1.85

Table 4
Correlation [Matrix]

	knowledge	expectations	involvement	view of technology	satisfaction	satisfactio prep	w/ satisfaction w/ info	gender	age	education	hhsize	religion	income
knowledge	1	-0.022	0.105	0.073	-0.064	-0.077	0.024	-0.126	0.101	0.083	-0.115	-0.057	-0.083
expectations		1	0.347	-0.019	0.040	0.004	0.086	0.155	-0.109	-0.086	0.073	0.023	-0.014
involvement			1	-0.038	0.059	0.064	0.014	0.129	-0.010	-0.071	0.014	0.129	-0.040
view of technology				1	-0.224	-0.041	0.117	-0.029	-0.134	0.139	-0.034	-0.017	0.093
satisfaction					1	0.144	0.102	0.025	0.002	-0.029	0.008	-0.032	0.010
satisfaction w/ prep						1	0.199	-0.032	-0.177	-0.036	0.044	-0.011	0.019
satisfaction w/ info							1	-0.065	0.028	0.067	0.036	0.069	-0.083
gender								1	0.097	-0.128	-0.091	0.259	-0.166
age									1	0.072	-0.390	0.191	-0.004
education										1	-0.087	-0.051	0.331
hhsize											1	0.115	0.083
religion												1	-0.048
income													1

[a] Given most of the data is categorical, a correlation coefficient of 0.2 is considered fairly high. (Source: D. A. Hensher and L. W. Johnson, *Applied Discrete Choice Modeling* (Halsted, New York, 1981)).

Table 5
Anticipation of Problems and Preparedness Variable

Measurement	*Frequency*	*Percentage*
No problem expected		
No action planned	56	21%
Plan to take action	14	5
Took action	24	9
Minor problems expected		
No action planned	38	15
Plan to take action	29	11
Took action	86	33
Major problems expected		
No action planned	1	<1
Plan to take action	1	<1
Took action	4	2
Don't know/No answer	9	

technology were more likely to be delighted with the Y2K problems they experienced. Because the satisfaction responses were not normally distributed (i.e., 96% of the respondents indicated a 1 or 2 on the 7-point delighted to terrible scale), further statistical analysis of satisfaction predictors could not be performed.

Table 4 also indicates a positive and significant relationship between expectations and involvement (0.347). To investigate this relationship further, the researchers created a new variable by combining the extent to which respondents anticipated problems and the level of involvement/preparedness reported (Table 5). Twenty-one percent (n=56) of the respondents expected no problems and planned to take no action; and of the 6 respondents who anticipated major problems, 4 indicated that they had already prepared for Y2K. An interesting finding was that a relatively large number of respondents (n=86, 33% of sample) anticipated only minor problems but nevertheless took action to prepare for Y2K.

CONCLUSION

The primary purpose of this study was to examine reported satisfaction in the condition when a negative outcome was expected but did not occur, with the specific setting being the non-occurrence of Y2K problems. Were people satisfied that no problems occurred or were they dissatisfied because actual was contrary to expected? In the context of the new millennium and the much hyped and anticipated Y2K problem, the researchers had raised the question of whether, in fact, people might actually be dissatisfied with the occurrence of no problems, particularly if they had made advance preparations. Respondents in this study reported very high levels of satisfaction, or positive disconfirmation, with an experienced outcome that was contrary to that which they had expected.

REFERENCES

Celuch, Kevin and Steven A. Taylor (1999), "Involvement With Services: An Empirical Replication and Extension of Zaichkowsky's Personal Involvement Inventory,"

Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior, 12, 109-122.

de Ruyter, Ko and Josee Bloemer (1997), "Evaluating Health Care Service Quality: The Moderating Role of Knowledge," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 10, 43-50.

Grobe, D. (2002), "Media Coverage of Y2K: Content Analysis from a Single Newspaper, 1997-2000." *Psychological Reports*, 90, 412-414.

Hensher, D. A. and L. W. Johnson (1981), *Applied Discrete Choice Modeling*, New York: Halstead.

Lacayo, R. (1999, January 18), "The End of the World As We Know It?" *Time*, 60-70.

Levy, S. (2000, January 10), "The Bug That Didn't Bite," *Newsweek*, 135, 41.

Lyons, J. S. (2000, January), "The Challenges of Measuring Consumer Satisfaction," *Outcomes and Accountability Alert*, 5, 12.

MacGregor, D. G. (2000, May), "Public Perception of Y2K: Application of a Social Amplification Framework," *Decision Research*, Report No. 00-5, Eugene, OR:

O'Neill, P. (1999, October 27), "United States has More Than its Share of Y2K Paranoia, Psychologist Says," *The Oregonian*.

Park, Jong-Won and Jiho Choi (1998), "Comparison Standards in Consumer Satisfaction Formation: Involvement and Product Experience as Potential Moderators," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 11, 28-39.

Richins, Marsha L. and Peter H. Bloch (1991), "Post-Purchase Product Satisfaction: Incorporating the Effects of Involvement and Time," *Journal of Business Research*, 23, 145-158.

Sandberg, J. (2000, January 10), "Why Y2K Won't Die," *Newsweek*, 135, 38-39

Taylor, C. (1999, January 18), "The History and the Hype," *Time*, 72-73.

von Hoffmann, N. (1999, May), "Who's Afraid of Y2K? What to Expect From the Infamous Computer Bug," *Architectural Digest*, 56, 110-114.

Voss, G. B., A. Parasuraman, and Dhruv Grewel (1998), "The Roles of Price Performance and Expectations in Determining Satisfaction in Service Exchanges," *Journal of Marketing*, 62 (4). 46-60.

Zaichkowsky, Judy L. (1985), "Measuring the Involvement Construct," *Journal of Consumer Research*, 12, 341-352.

Send correspondence regarding this article to:
Carol C. Caughey
App, Inter, Housing & Merch
Milam Hall 224
Oregon State University
Corvallis, OR 97331-5101
fax: 541-737-0993
email: caugheyc@orst.edu

A CASE STUDY OF ORGANIZATION-LEVEL CUSTOMER SATISFACTION

Robert A. Westbrook, Rice University

ABSTRACT

Despite ample study of the satisfaction of individual customers, little is yet known about organizational practices with respect to customer satisfaction. To encourage the development of further knowledge, this paper reports a case study of the development and evolution of a customer satisfaction program at a large U.S. solid waste services corporation. The program was based on a sophisticated measurement system, and the implementation of the system is considered in some detail. The results obtained are traced over time to correspond to actions being taken to improve customer satisfaction. The institutional context presented in the case is helpful for identifying a number of interesting issues for future study.

The vast majority of studies in the customer satisfaction/dissatisfaction and complaining behavior (CS/D&CB) literature have focused on understanding customer satisfaction at the level of individual buyers or consumers. In contrast, there has been only very limited study of organizational practices with respect to customer satisfaction, and the evidence available has been limited to customer satisfaction measurement and analysis procedures (Mentzer et al 1995; Sharma et al 1999). There is very little evidence of what organizations actually do to improve customer satisfaction or reduce dissatisfaction (for exceptions, see Menezes 1991; Keiningham et al 1999). Nor is there evidence of the interrelationships between customer satisfaction practices and organizational processes and outcomes. Such inquiry is termed here organization-level customer satisfaction, and it is deserving of study, since it concerns the very application of our knowledge of CS/D&CB.

Given that little is yet known about organization-level customer satisfaction, basic description and discovery are particularly appropriate as objectives for research. Particularly attractive for achieving these objectives is the case study method, defined as "an empirical inquiry that investigates a contemporary phenomenon within its real-life context, when the boundaries between the phenomenon and context are not clearly evident, and in which multiple sources of evidence are used" (Yin 1994). Case studies are well suited because they integrate such varied sources of evidence as archival records, in-depth personal interviews and participant observation, all over an extended period of time. They have found more use in the organizational behavior and strategic management literatures (e.g. Child et al 2001; Collins and Porras 1994; Haspelagh and Jemison 1991; Marks and Mirvis 1998) than in marketing (for other marketing examples, see Workman 1993; Woodside 1995).

To add to knowledge of organization-level customer satisfaction, this paper reports a case study of the development and evolution of a customer satisfaction measurement program at Browning-Ferris, Inc. (BFI), a leading provider in the North American solid waste industry, over the period 1991-1999. The principal source of evidence for the study was extended participant observation by the author, who served as a technical consultant to the company. The author had wide access throughout the organization on issues relating to customer satisfaction, and relied on a variety of information sources, including meetings, interviews, special events, annual reports, sales literature, internal documents, memoranda and correspondence. The author interviewed corporate officers and staff, managers and employees across all business functions and at all levels of the corporate and field organizations. The following broad questions guided the study:

1. How and where does focus on customer satisfaction begin in an organization?
2. What role does measurement play in a customer satisfaction program?
3. What is needed to implement customer satisfaction in an organization?

4. How does a customer satisfaction program evolve within a company?

5. How do customer satisfaction data come to be effectively used?

Company Background

In 1991, BFI was one of the largest providers of service to the North American solid waste industry, with corporate revenues of $3.1 billion. The solid waste industry is defined as including both privately-owned firms and public organizations that provide four basic services: (1) waste collection at its points of generation, (2) transportation of collected wastes to the disposal sites, (3) processing of wastes to remove recyclables or potential contaminants, and (4) permanent disposal of wastes. The customers served by the industry were commercial and industrial businesses, residential households and municipalities on behalf of their business and residential constituents. Waste disposal is usually accomplished in North American by burying it in specially constructed landfills engineered for groundwater protection, reduction of air emissions, sanitation and aesthetic appearance.

BFI grew spectacularly rapidly by consolidating a highly fragmented industry comprised of thousands of small local trash haulers, as well as the landfills accepting municipal solid waste, into a modern, technologically-able multi-city company. Their consolidation of the industry was fostered by the growing environmental regulation of the 1960's and 1970's that was costly and difficult for small local operators as well as municipalities to meet. Today BFI participates in all segments of the industry; in 1991 it operated 274 solid waste collection districts, 76 landfills, 54 recycleries and various related processing facilities (e.g. tire shredding plants). The collection and transportation segment was the source of 2/3 of BFI's revenue.

The total solid waste market served by BFI was valued at $20.3 billion in 1990, of which collection and transportation was approximately $12 billion, or 60%. The market was expected to grow by 50% by 2010. The disposal segment was

expanding more quickly than collection and transportation, however, as large industrial concerns, which had previously buried their own process wastes on site were increasingly relying on vendors to dispose of it in permitted landfills.

The players in the North American waste services industry in 1990 consisted of large national firms such as BFI and Waste Management, smaller national or regional firms, very small local independent haulers, and local municipalities providing their own public waste collection service. Despite the consolidation that had already taken place, most of the providers were still small independent haulers, though they handled less than a third of the total waste volume. Each of the large national firms had market shares in excess of 20%.

BFI, like industry co-leader Waste Management, was a highly decentralized company with an operations-driven, entrepreneurial culture. Its regionally-based field organization performed not only all the business functions, but was also responsible for business development (i.e. acquisitions). Regions were led by BFI vice presidents, who were allowed great discretion in how they operated. The corporate office set goals for revenue and profitability as well as requirements for environmental compliance. District managers who also had considerable management discretion led local collection operations.

Initial Efforts at Customer Satisfaction

BFI had a relatively new CEO in 1991, who came from outside the industry in order to help restore investor and regulator confidence the company following an unsuccessful attempt to enter the hazardous waste business. CEO William Ruckelshaus was known for his integrity and environmental commitment, having previously served as head of the Environmental Protection Agency as well as Deputy Attorney General. His first initiative at BFI was securing full compliance with environmental regulations for the company's operations. In 1991 Ruckelshaus had turned his attention to building customer focus within the organization, which he saw as lacking, yet

necessary for achieving quality service and premium pricing.

As commercial and industrial collection defection rates were rising in 1991, the Customer Satisfaction Council was created to identify means of reducing customer losses. Among its key recommendations was developing a more accurate and comprehensive customer satisfaction measurement system. This was a priority because the existing customer feedback mechanism was crude. The Focus Card program sent a postcard to all customers annually, as well as to all new customers within the first 90 days, asking for ratings of several service attributes. Response rates averaged from 15% to 20%, but it was not known whether the cards reached or were completed by the correct individuals within customer organizations. After data processing, returned cards were forwarded to districts so that appropriate action could be taken with respect to individual customers who had replied. Few districts made use of the tabulated results, but many attempted to follow up with customers giving BFI low ratings or registering complaints.

The Customer Satisfaction Council saw an opportunity to develop an improved customer satisfaction measurement system when they attended a talk by the author in late 1991. The author's presentation critiqued current industry measurement practices and suggested a new approach known as latent variable causal modeling, which would improve the measurement accuracy as well as actionability. Senior management subsequently engaged the author to develop and test such a measurement system for BFI's commercial and industrial solid waste collection customers.

CSI Development

Over 1992-93, a new measurement system for customer satisfaction was developed in conjunction with Market Sciences, a Houston-based market research firm. The focus of the measurements was to be BFI's commercial and industrial customers of its solid waste collection service, who would be randomly sampled within districts and surveyed by telephone using a comprehensive measurement instrument. The survey questionnaire contained some 45 items dealing with overall customer satisfaction, loyalty intentions, and evaluations of BFI service performance on such specifics as reliability of service, courtesy of drivers, condition of containers, etc. Most items involved ratings using an anchored 0 to 10 scale. Telephone interviews averaged 15 minutes in length.

A latent variable causal model was developed to examine the relationships between global expectations, BFI service performance and overall satisfaction and loyalty. Each latent construct had multiple indicators in the form of customer ratings of attributes. Partial Least Squares, or PLS (Wold 1975) was used for estimation, and it indicated satisfactory levels of measure reliability and discrimination, as well as high coefficients of determination for the endogenous latent constructs (79% for satisfaction, 30% for loyalty intentions). The overall satisfaction metric was termed the Customer Satisfaction Index, or CSI, and was calculated from the estimated parameters for the satisfaction latent construct. CSI was stated on a scale from 0 (not at all satisfied) to 100 (completely satisfied).

The results were presented to senior management at a high level using only simple charts and graphs. In addition to measures of central tendency, the report also included an importance-performance table, which focused attention on the service performance improvements most likely to impact customer satisfaction and thereby retention. Management approved moving forward with implementation of the new measurement system, which was based on the research design tested successfully. Results were to be reported by district on an annual basis, each based on a random sample of 240 key decision makers.

CSI Launch

In conjunction with survey data collection and modeling, which began in fall 1992, considerable attention was given to organizational and implementation issues necessary for successfully establishing the CSI program. Responsibility for

CSI was placed under the VP of Sales and Marketing. Training sessions for district managers were done in several stages, the first of which took place at the time of kickoff. Reference manuals and instructional videos were prepared and distributed to the field. A recognition program for high CSI performance was established for district and regional managers, but not implemented until the second year of the program, so that district managers could gain some experience with the measurement system first. Similarly, goal-setting for CSI performance was to be instituted, but not until the third year.

The first company-wide CSI report indicated an index score of 80.1 (out of a possible score of 100), with individual districts receiving scores from the low 70's to the upper 80's. A cross-sectional analysis of district scores found that district CSI was inversely related to customer defection rate, and in turn that customer defection was inversely related to district profitability. Though no action was required on the part of districts or regions during the following year, and while no corporate actions were taken specifically to improve customer satisfaction, the company-wide CSI for 1994 saw an increase to 81.2 (p<.0001).

Despite a number of improvements to the CSI program in its third year (1995) and continued strong support from the CEO and President, CSI began to slide. At the end of 1995 it stood at 80.3. Districts with reduced CSI scores outnumbered those with increased scores by a 1.3:1 ratio, which meant that by year-end more managers were penalized under the incentive plan than were rewarded. During this period opposition to the CSI program began to emerge. CSI continued to drop in seven of the next eight quarters, reaching an all-time low of 79.7 by the end of 1996. As CSI fell, the customer defection rate correspondingly increased.

Corporate management took a number of actions to halt the CSI erosion:

1. A new incentive compensation plan for district managers and regional VPs was installed and took effect for 1995. It provided for up to 20% of the bonus for district and

regional managers to be based on CSI results. In the past, these individuals had received bonuses often in the six-digit range, primarily based on profits earned.

2. A list of the best and worst practices in selected high- and low-CSI districts was compiled to assist district managers seeking corporate assistance with customer satisfaction.

3. The new position of Director of Customer Satisfaction was created, reporting to the Chief Operating Officer and participating in the weekly meeting of senior operating management.

4. A permanent training program on customer satisfaction was established for district managers, managed by a highly customer-focused and successful district manager.

5. An electronic CSI reporting system via the company's intranet was developed for faster dissemination of results to the field. Previously, the quarterly customer satisfaction reports had been mailed via the internal company mail distribution service.

6. A special analysis by the author revealed that district employee satisfaction evaluations were found to be significantly correlated with district CSI scores. The finding gave impetus to efforts to boost employee satisfaction.

None of these measures appeared to have any effect on the downward CSI trend.

Resistance to CSI

Not surprisingly, during the CSI freefall resistance to the new measurement program began to emerge. During the kickoff training, some district managers expressed opposition to the CSI program. Increasingly, however, they voiced their opposition or disagreement with the CSI results or methodology. At the corporate level, a consultant-led study team of BFI managers, assigned to identify opportunities for profit improvement in the collection business, recommended the CSI program for elimination. However, the CEO and President acting jointly rejected this proposal.

Political resistance threatened the CSI program once again, this time during the program's fourth year of operation, when several senior executives in the corporate office attempted to kill it by hiring an academic consultant ostensibly to provide an independent review of the validity of the results. However, the consultant pronounced the program "state of the art" and the corporate opposition quickly dissipated.

The Turnaround

In mid-1997 the CEO and board of directors concluded that BFI could no longer continue to rely on growth by means of acquisition, owing to the rapid run-up in the price at which small haulers were selling. The only feasible growth strategy for BFI was by means of improved customer acquisition and retention, rather than acquiring competing haulers. An analysis by the author showed that if customer defection could be increased by just one point, the resulting lengthened customer lifespan would translate into a gain in pre-tax earnings that would total $41 million, ceteris paribus.

To pursue the new growth strategy, the North American operating organization was significantly re-structured, becoming more centralized to achieve coordination across core business functions as well as across districts. Five functional groups were created at the corporate level to take a stronger hand in bringing about internal growth, each led by a Senior Vice President reporting to the Chief Operating Officer. Regional management positions were eliminated, and 13 North American market areas took their places. Area VPs for each corporate function were appointed to manage activity in the market areas and oversee that function across districts. Market Area VPs were to coordinate the five new functional Area VPs in each market area.

The new Senior VP of Collection assumed responsibility for the CSI program from Sales and Marketing. At his request, the author examined the correlation between CSI and defection, and observed that an increase one point in CSI could be expected to bring about a 1% reduction in customer defection, and hence the added $41

million in earnings. Rather than relying on the importance-performance analysis, however, the Senior VP decided to focus on the most powerful driver of CSI, which the modeling had revealed was customers' perceptions of the dependability of waste pickup service. This analysis revealed that a 1.8 point change in the service dependability score would produce a one point improvement in overall CSI.

Accordingly, the Area VPs of Collection were directed to focus district management on making operational changes to increase the service dependability scores in CSI, and to hold them accountable for specific improvements in this driver of CSI. A detailed root cause analysis of service failure was performed, identifying root causes such as excessive driver turnover, inadequate driver check-in procedures, lack of driver accountability for missed pickups, poor communication with central dispatch and inconsistent service standards. The most leverageable root causes were identified, and the Area VPs of Collection directed all district managers to implement them. Thus, a centralized strategy of satisfaction improvement was sought, rather than the decentralized one implicit in the design of the original CSI program.

The Senior VP of Collection also took several other noteworthy actions to focus the organization on customer satisfaction. A significant internal promotion campaign was launched to rally employee support for customer satisfaction, featuring stories in the weekly company newsletter, posters, banners and progress charts. To facilitate employee understanding, a letter grading system was introduced for CSI numeric scores. The CEO and Executive VP took an extended tour of districts in North America to observe customer satisfaction efforts at work. CSI performance was included as a required element in all field and corporate review meetings. A major systems project was initiated to provide field management with real-time information on the occurrence of customer problems and the status of their resolution efforts.

Within six months the company-wide CSI began to increase (Fall 1996), and continued to grow over the succeeding quarters. To reinforce

the progress, a new incentive program incorporating customer satisfaction performance was adopted for 1997. The new "Share the Success" plan provided rewards for all employees, including the CEO and all members of senior management, for company-wide improvement in CSI. Company-wide goals of 1-point improvement in CSI for 1997 and 1998 were set, along with specific district goals that differed depending on district characteristics and market circumstances. The upward trend in CSI continued for seven straight quarters over 1997-98, and the customer defection rate correspondingly declined.

Closing Chapter

Despite improved CSI and earnings per share, BFI's stock continued to be undervalued in 1998. A year earlier, when industry leader Waste Management's stock fell in the wake of serious accounting improprieties, it was acquired by USA Waste, a much smaller concern looking for growth. Senior management worried about a similar fate for BFI, and made extensive layoffs along with adopting severe cost-cutting measures at the end of 1998 in an effort to boost earnings. The belt-tightening was devastating to morale within the company, and in late summer 1998 company-wide CSI leveled off for a quarter, and began to drop again.

In the spring of 1999, Allied Waste made a tender offer of $45 per share of BFI, far higher than the prevailing share price. With the end in sight, top management then cancelled the CSI Program. In June 1999, BFI's board of directors accepted the offer as in the best interests of its shareholders, and the transaction was completed a month later. Almost immediately, the BFI corporate office in Houston was closed and virtually all employees terminated.

Lessons Learned

The case study suggests a number of interesting issues concerning organization-level customer satisfaction that are deserving of study:

- What is the scope of organization-level CS/D? Measurement, reporting, communication and training, rewards and recognition systems, goal-setting, organizational change and choice of improvement strategies would appear to be but a few of the topics that are included, and there are no doubt others as well.
- What is the relationship between customer satisfaction as measured, and customer defection rates actually achieved? At the individual customer level, loyalty is the consequence of high satisfaction, but how if at all is this relationship changed when considered across all customers, for an entire organization? This study observed a 1:1 relationship, but it would appear to be highly dependent on context, e.g. on the measurement procedures employed, extent of competitive rivalry, previous gains in satisfaction and reduction of defection, etc.
- One particularly interesting issue is the role of measurement per se in organization-level customer satisfaction. Assuming improvement in customer satisfaction desired, is a measurement system sufficient condition for realizing the goal, or simply one of several necessary conditions? What other elements of a customer satisfaction program are required for success? Related to this is the question of the return on measurement sophistication, i.e. to what extent must a company invest in sophisticated measurement technology if it seeks to boost satisfaction?
- Another intriguing issue is that concerning the financial accountability of CS/D. It concerns both how an organization justifies its expenditures on customer satisfaction efforts to begin with, as well as how an ongoing customer satisfaction program meets the expectations of management. In the current business environment, such economic or cost-benefit assessments are critical to the adoption and retention of programs.
- What are the obstacles that customer satisfaction initiatives face in organizations? Are they systematic or idiosyncratic to the

organization in question? When are they stronger or weaker, and why? This study saw a major obstacle in the resistance of a key group of field managers who were expected to take action to realized desired improvements. Had they not resisted, would the initiative have succeeded earlier and prevented the acquisition of the company that began the industry consolidation?

■ Finally, the case study points to a disciplined thinking process potentially useful to any area of management decision-making. It is illustrated by how BFI management elaborated both the effects and causes of customer satisfaction. Once the profit impact of increased satisfaction was ascertained, analysis of its likely causes, and the causes of causes, etc. ultimately led management to identify the most promising strategy and tactics for increasing customer satisfaction. Epstein and Westbrook (2001) refer to the generalization of this process as the development of "action-profit linkage models."

REFERENCES

Child, John, David Faulkner and Robert Pitkethly (2001), *The Management of International Acquisitions*. Oxford, U.K.: Oxford University Press.

Collins, James C. and Jerry I. Porras (1994), *Built to Last: Successful Habits of Visionary Companies*. New York: Harper Business.

Epstein, Marc J. and Robert A. Westbrook (2001), "Linking Actions to Profits in Strategic Decision," *Sloan Management Review*, 42, (Spring 3), 39-49.

Haspeslagh, Philippe C. and David B. Jemison (1991), *Managing Acquisitions: Creating Value Through Corporate Renewal*. New York: The Free Press.

Keiningham, Timothy L., Melinda K. M. Goddard, Terry G. Vavra and Andrew J. Iaci (1999), *Marketing Management*, 1 (1) 57-63.

Marks, Mitchell Lee and Philip H. Mirvis (1998), *Joining Forces*. San Francisco: Jossey-Bass Publishers.

Menezes, Melvyn A. J. (1991), "Xerox Corporation: The Customer Satisfaction Program," Harvard Business School Publishing Division, 9-591-055.

Mentzer, John T., Carol C. Bienstock and Kenneth B. Kahn (1995), "Benchmarking Satisfaction," *Marketing Management* 4(1), 41-46.

Sharma, Subhash, Ronald W. Niedrich and Greg Dobbins

(1999), "A Framework for Monitoring Customer Satisfaction: An Empirical Investigation," *Industrial Marketing Management*, 28, 231-243.

Wold, H. (1973), "Nonlinear Iterative Partial Least Squares (NIPALS) Modeling: Some Current Developments," in *Multivariate Analysis*, P.R. Krishnaiah, ed. New York: Academic Press, Inc., 383-407.

Workman, John P. Jr. (1993), "Marketing's Limited Role in New Product Development in One Computer Systems Firm," *Journal of Marketing Research*, 30 (November), 405-421.

Woodside, Arch G. (1995), "Pricing an Industrial Technological Innovation: A Case Study," *Industrial Marketing Management*, 24, 145-150.

Yin, Robert K. (1994), *Case Study Research: Design and Methods*, 2nd edition, Newbury Park, CA: Sage Publications.

ACKNOWLEDGMENTS

Send correspondence regarding this article to:
Robert A. Westbrook
Jones Graduate School of Business
Rice University
P.O. Box 1892
Houston, TX 77251 U.S.A.
fax: 713-932-9666
email: westbro@ruf.rice.edu

CONSUMER RETALIATION: CONFIRMATION AND EXTENSION

Jonathan C. Huefner, Girls and Boys Town
Brian L. Parry, Brigham Young University
Collin R. Payne, Brigham Young University
Sean D. Otto, Brigham Young University
Steven C. Huff, Brigham Young University
Michael J. Swenson, Brigham Young University
H. Keith Hunt, Brigham Young University

ABSTRACT

A national mail survey confirms the voice-exit-retaliation factor structure first presented in Huefner and Hunt (2000). Partial correlations clarify the independence and interdependence of the three factors. The MILOV scale (Herche 1994, Bearden and Netemeyer 1999) and a religiosity subscale were used to assess the relationships between the MILOV/religiosity values and the voice-exit-retaliation factors. Only self-respect and religiosity predicted exit. Religiosity was negatively related and self-respect and self-fulfillment were positively related to voice. Fun and enjoyment in life along with religiosity were both negatively related to retaliation, while security was positively related. Of the MILOV values that significantly predicted voice-exit-retaliation, none yielded an R-squared above .05 suggesting the possibility that other values scales might better predict voice-exit-retaliation.

INTRODUCTION

This article is an extension of Huefner and Hunt (2000) and does not repeat the literature and theory presented in that paper.

There are parallel opposite behavioral responses to consumer satisfaction and dissatisfaction, ranging from the most frequent response, doing nothing, to more extreme responses such as retaliation. (see Table 1)

Huefner and Hunt (2000) extended the Hirschman (1970) Exit-Voice-Loyalty model to include retaliation, which is an aggressive behavior done with the intention of getting even, perhaps the most extreme behavioral response to consumer dissatisfaction. In 1991, Hunt

Table 1
Parallel Opposite Behavioral Responses To Satisfaction and Dissatisfaction

Satisfied	Dissatisfied
do nothing	do nothing
positive comment to individual (compliment)	negative comment to individual (complain)
positive comment to manager/owner (compliment)	negative comment to manager/owner (complain)
short-term return (repurchase)	short-term avoidance (buy elsewhere/other brand)
long-term return (brand/store loyalty)	long-term avoidance (grudgeholding)
word of mouth - positive (alert others)	word of mouth - negative (negative - warn others)
word of mouth - benefit (aid/assist/help seller)	word of mouth - damage (harm seller)
substantial helping (do nice things pick up, straighten)	substantial hurting (retaliation)
compliment to outside agency	complain to outside agency (BBB, FTC)

hypothesized three outcomes to consumer dissatisfaction: voice, exit, and retaliation. Later, Huefner and Hunt (2000) presented two studies of dissatisfaction-induced retaliation.

First Study

Their first study was "...intended to discover

the types of retaliation behaviors in which dissatisfied consumers engage. With no previous verification of retaliatory consumer behavior, the principal task in the first study was to establish that consumer retaliation exists." (p. 63)

Based on 185 consumer retaliation stories, Huefner and Hunt (2000) identified six broad categories of consumer retaliation.

Create Cost/Loss is a specific effort to cost the store money by creating extra work, spoiling products, placing false orders, etc. (p. 65)

Vandalism consists of the destruction or damage of something in order to "get back" at the business. (p. 65)

Trashing involves making a mess by either dumping clothes or product on the floor, or making a mess in a restaurant. (p.66)

Stealing is taking a product without paying for it in order to "get back" at the business, not just to obtain the product for nothing. (p. 66)

Negative Word of Mouth is telling others of one's dissatisfaction experience (or some exaggerated version) with the intent to hurt the business. Excluded from this category were stories in which the intent seemed to be warning others of a consumer risk. The intent had to be clearly one to hurt the business. (p. 67)

Personal Attack is a specific effort to in some way hurt the salesperson or manager either through abusive language, negative feedback to supervisors, or physical aggression. (p. 67)

The first study, based on 185 first-person stories, established that sometimes consumers retaliate in response to unsatisfactory consumer experiences and are willing to share their retaliation stories under conditions of anonymity. (p. 71) Further, the consumer retaliation

categories were significantly different in terms of respondents' emotional responses, being different on 5 of 10 emotional responses to the retaliation, and on age and education. (Huefner and Hunt 2000 pp. 71-73)

Second Study

Their second study was based on questionnaires from 393 respondents. Respondents received a questionnaire listing 28 responses to consumer dissatisfaction based on stories told to the authors in previous research (Huefner and Hunt, 2000 p. 75) and were instructed to respond to each item indicating how many times they had done it during the past six months. The 28 behavioral items were combined into three subscales with marginally acceptable Cronbach's alphas: voice =.67, exit =.79, and retaliation =.71. Factor analysis confirmed the voice and exit subscales. However, the retaliation questions were split between five factors, a finding important for the current study because the same finding reoccurred. Venn diagrams of partial correlations showed the independence and overlap of the three subscales. (p. 76) Sex and age were significant predictors of the retaliation subscale.

Current Study

The opportunity arose to include the 28 voice-exit-retaliation items as part of an omnibus survey sponsored by the Skaggs Institute of Retailing, now named the Institute of Marketing, at the Marriott School of Management at Brigham Young University. Several researchers included their items in the omnibus study, including the LOV scale (Kahle, 1983, Bearden and Netemeyer 1999), the MILOV scale (Herche, 1994, Bearden and Netemeyer 1999), and a five-item religiosity subscale added at the end of the MILOV scale, which allowed us to investigate the relationships between values and voice-exit-retaliation responses. Whereas studies one and two were based on students obtaining completed questionnaires, the omnibus survey would be sent to a cross section of the U.S. population. We took advantage of this research opportunity.

METHOD

The Sample

The omnibus survey was mailed to names and home mailing addresses for male and female household heads, being evenly divided between male- and female-heads-of-household. The mailing list was obtained from a professional mailing list company. The initial mailing included a cover letter, a four-page questionnaire, and a prepaid self-addressed business-return envelope. Ten days later a reminder post card was sent to all members of the original sample. Two weeks after the postcard mailing a third mailing was sent containing a reminder letter, a second copy of the questionnaire, and another business-return envelope. The only incentive offered was a promise of a copy of summarized results for respondents who wrote their mailing addresses on the return envelope. By the cutoff date, 757 usable responses had been received, for a usable return rate of 21.6 percent.

The Questionnaire

The questionnaire was introduced as being about shopping behavior in malls. The introduction stated: "This is a study about shopping and shoppers. We will be asking you about many shopping issues and values. Do not worry or puzzle over individual items. It is your first impression we want. On the other hand, please do not be careless because we want your true impressions." The questionnaire then was divided into nine parts. Part 1 asked if they had visited a mall in the past two months. Part 2 asked which mall they visited, how many times they visited, how many items they purchased, how much they spent, and how many minutes they spent in the mall. Part 3 asked 25 questions about their shopping in general. Part 4 asked about specific clothing and colors. Part 5 contained our 29 voice-exit-retaliation items. Part 6 asked questions about household services. Part 7 was the MILOV scale. Part 8 was the LOV scale. Part 9 asked for demographic information.

Part 5 contained our 29 items. Twenty-eight of the items were those used in the Huefner and Hunt (2000) study. The 29th item, new for this study, "Because of a problem, I took a weapon with me when I went to the store to complain," was added in an attempt to get some measure of consumers' potentially violent behavior reported in Huefner and Hunt (2000) as documented by the Northwestern National Life Insurance Company and the Bureau of Labor Statistics.

Our instructions for the exit-voice-retaliation items were: "Below are some things people have told us they do when they have had a problem with a store. Maybe you haven't done any of these things, but maybe you have done a few of them (or even a lot of them). For each statement, please circle the approximate number of times you have done that thing during the past six months. If you have not done it at all, circle "0" for "none." The 29 items are shown in column 2 of Table 3 and are numbered for convenience of discussion although no numbers appeared on the questionnaire.

The response scale following each statement was:

How many times in the past six months?

<u>none</u>	<u>once</u>	<u>twice</u>	<u>3 or more</u>
0	1	2	3

Coding and Data Entry

The questionnaire was designed so no coding was necessary. The data were entered into the database directly from the questionnaire by the data entry staff at Brigham Young University.

RESULTS AND DISCUSSION

Confirming the Factor Structure

An exploratory factor analysis was conducted to compare the degree to which the Huefner and Hunt (2000) factor structure matched the present study. Our comparison showed that SPSS deleted item nine due to its low frequency of 2 but retained frequencies of three and above; the more extreme the retaliation, the lower the frequency. In Table 2, factor 2 is voice and factor 3 is exit.

Factors 1, 4, 5, 6, and 7 are different forms of retaliation. Factor 1 is retaliation by deliberately hurting the store in some way. Factor 4 is retaliation against an employee. The remaining factors contain only one item, and it's difficult to name such factors. Factor 5 is "placing a food product where it would not be found and would spoil." Factor 6 is "deliberately staying past closing so employees would have to stay late." Factor 7 is "getting even by taking something from the store without paying for it."

Huefner and Hunt (2000) also found a seven-factor solution with one factor being voice, one being exit, and five being different forms of retaliation (p.74).

The current factor structure confirms the Huefner and Hunt (2000) factor structure.

Cronbach's alphas for the current study are .83 for voice, .73 for exit, and .93 for the five combined retaliation factor items. Huefner and Hunt's (2000) Cronbach's alphas were .67 for voice, .79 for exit, and .71 for the combined retaliation factor items.

Table 2
Varimax Rotated Factor Matrix of Exit, Voice, and Retaliation Items

	1	2	3	4	5	6	7
ITEM23	0.965						
ITEM22	0.965						
ITEM25	0.945						
ITEM18	0.888						
ITEM29	0.793						
ITEM20	0.724						
ITEM16	0.638						
ITEM7		0.775					
ITEM4		0.706					
ITEM15		0.689					
ITEM1		0.646					
ITEM13		0.621					
ITEM2		0.572					
ITEM3		0.558					
ITEM26		0.527					
ITEM19			0.684				
ITEM11			0.655				
ITEM21			0.586				
ITEM12			0.578				
ITEM8			0.538				
ITEM14				0.919			
ITEM24				0.629			
ITEM27				0.563			
ITEM10					0.862		
ITEM6						0.891	
ITEM5							0.92

Comparing Frequencies and Percentages

Table 3 facilitates the comparisons with the current study of the factor loadings, frequencies, and percentages of the Huefner and Hunt (2000) study.

Five of Huefner and Hunt's (2000) 28 items

shifted factors in the current study. Item three shifted from exit to voice. Items four, 15, and 26 shifted from retaliation to voice. Item 17 shifted from voice to retaliation. All five items can have multiple interpretations and need to be made more explicit for future use. In Table 3 an asterisk in column 6 flags the 5 shifted factors.

Table 3
Because of a Problem...
Frequencies, Percentages, and Categorization of the 29 Statements

1	2	3	4	5	6	7	8	9
item #	wording	HH V-E-R	HH freq n-393	HH %	Curr V-E- R1-R2- R3- R4-R5	Curr Freq n=7 57	Curr %	sig diff bet HH and curr p<0. 5**
1	I complained to a store clerk.	V	286	72.8	V	414	54.7	Yes
2	I warned friends and family so that they would not have the same problem.	V	299	76.1	V	366	48.3	Yes
3	I canceled an order.	E	154	39.2	V*	217	28.7	Yes
4	I threatened an employee that I would go to their supervisor if the problem wasn't corrected.	R	86	21.9	V*	108	14.3	Yes
5	I got even by taking something from the store without paying for it.	R	14	3.6	R-5	6	0.8	Yes
6	I deliberately stayed past closing hours so that employees would have to stay late.	R	22	5.7	R-4	3	0.4	Yes
7	I complained to the store manager.	V	143	36.4	V	193	25.5	Yes
8	I stopped buying at that business and have never gone back.	E	218	55.5	E	256	33.8	Yes
9	I intentionally broke or damaged a product in the store.	R	9	2.3	deleted low freq	2	0.3	Yes
10	I placed a food product where it would not be found and would spoil.	R	8	2.0	R-3	11	1.5	No
11	I stopped buying for a while, but have since gone back.	E	150	38.2	E	188	24.8	Yes
12	I stopped buying a brand and have never bought it again.	E	210	53.4	E	277	36.6	Yes
13	I complained to regional or national headquarters.	V	88	22.4	V	161	21.3	No
14	I struck an employee.	R	1	0.3	R-2	3	0.4	No
15	I threatened to tell everyone I could if the problem wasn't solved.	R	63	16.0	V*	71	9.4	Yes
16	I disturbed other customers so that they would leave and thus hurt the business.	R	31	7.9	R-1	20	2.6	Yes
17	I made a formal complaint to the BBB or Board of Health.	V	29	7.4	R-1*	46	6.1	No
18	I got even by eating a product in the store without paying for it.	R	13	3.3	R-1	5	0.7	Yes
19	I left the business and purchased the product elsewhere.	E	228	58.0	E	370	48.9	Yes
20	I intentionally left a mess so that the employees would have to do extra work.	R	40	10.2	R-1	16	2.1	Yes
21	I only shop at that store when I absolutely have to.	E	181	46.1	E	215	28.4	Yes
22	I placed a fake order or reservation in order to run up business expenses.	R	3	0.8	R-1	3	0.4	No

23	I damaged some part of the building or facilities of the business that upset me.	R	6	1.5	R-1	4	0.5	No
24	I left a full cart or moved items around in order to create work.	R	23	5.9	R-2	22	2.9	Yes
25	I took a weapon with me when I went to the store to complain.	new	new	new	R-1	3	0.4	new
26	I told everyone possible in order to hurt the business.	R	101	25.7	V*	68	9.0	Yes
27	I used name calling or obscenities in venting my frustration.	R	45	11.5	R-2	20	2.6	Yes
28	I cut up that store's credit card.	R	34	8.7	delete low freq	68	9.0	No
29	I filed a lawsuit that asked for more than just damages.	R	4	1.0	R-1	5	0.7	No

Percentages do not total 100 because of multiple responses.
** HTTP://www.answers research.com/calculators/significance.htm, "Difference of proportions test."

Column 1 shows the order of this item in the original studies.
Column 2 shows the wording of the item.
Column 3 shows whether the item, in the original studies, was Voice Exit, or Retaliation.
Column 4 shows the frequency of each item in the original studies.
Column 5 shows the percent of each item in the original studies.
Column 6 shows for the current study whether the item was Voice, Exit, or Retaliation.
Column 7 shows the frequency of each item in the current study.
Column 8 shows the percent of each item in the current study.
Column 9 shows whether there was or was not a significant difference ($p<.05$) between the frequencies in the original study and the frequencies in the current study.
An asterisk in column 6 indicates that the item was not consistently voice, exit, or retaliation in both studies.

Comparing the Partial Correlations

Venn diagrams were created to describe both the frequencies and coefficients of determination for each category of consumer response to dissatisfaction (voice, exit and retaliation). For comparison in the current study, Huefner and Hunt's (2000) original Venn diagrams are illustrated in Figure 1-A and 2-A.

Comparing the Frequencies. Figure 1 shows the frequencies of occurrence for each category of consumer response to dissatisfaction, alone or combined. For example, Figure 1-A shows that 7% of Huefner and Hunt's (2000) sample displayed only voicing behavior as a response to dissatisfaction in the past six months, whereas 3% displayed only exit behavior, and 45% displayed a combination of voice and exit behavior.

The current study's 28-item Venn Diagram (Figure 1-B) shows the frequencies and percentages based on the original Huefner and Hunt (2000) factor structure. The current study's

29-item Venn Diagram (Figure 1-C) includes the new 29th item (took weapon to store) and uses the new factor structure for voice, exit, and retaliation. This allows both the comparison of the current data with the original data using the same factor structure and allows the comparison of the 29-item data with the original Huefner and Hunt (2000) structure.
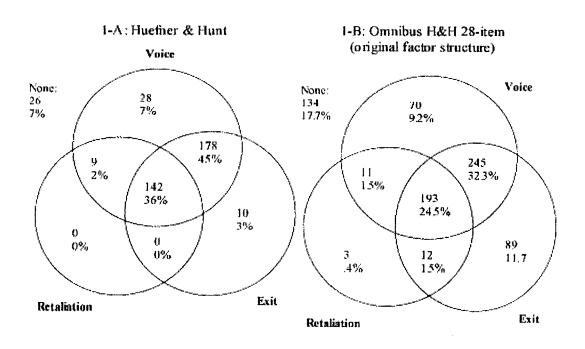
Huefner and Hunt's (2000) partial correlations and those of the current study with 28 items are substantially the same with the exception that exit combinations shifted to be solely exit and an additional 10% did not exhibit any of the three behaviors.
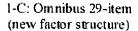
In comparing the current study with 28 items and the current study with 29 items, the changed factor structure resulted in more voice-exit combination and less voice-exit-retaliation.

Comparing Variance Accounted For. When comparing Figure 2-A and 2-B, the partial R-squareds are substantially the same with differences being due to the explained variance

Figure 1
The Number and Percent of Individuals Who Said They Had Done One or More
of Each of the Three Categories During the Last Six Months

1-A: Huefner & Hunt

Voice

None:
26
7%

28
7%

178
45%

9
2%

142
36%

10
3%

0
0%

0
0%

Retaliation

Exit

1-B: Omnibus H&H 28-item
(original factor structure)

Voice

None:
134
17.7%

70
9.2%

245
32.3%

11
1.5%

193
24.5%

3
.4%

12
1.5%

89
11.7

Retaliation

Exit

1-C: Omnibus 29-item
(new factor structure)

Voice

None:
134
17.7%

108
14.2%

375
49.5%

2
0.3%

58
7.6%

78
10.3%

2
0.3%

0
0%

Retaliation

Exit
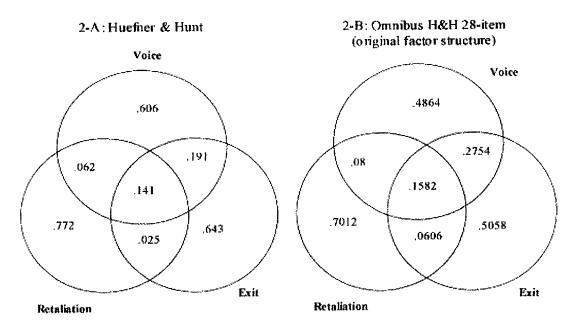
Figure 2
The Percent of Variance in Each of the Subscales that is Independent of or Predicted by One Other or All Three of the Subscales Based on Adjusted R-squared

2-A : Huefner & Hunt

2-B: Omnibus H&H 28-item
(original factor structure)

2-C: Omnibus 29-item
(new factor structure)
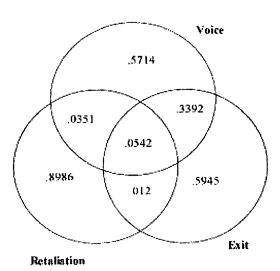
Table 5
Varimax Rotated Factor Matrix

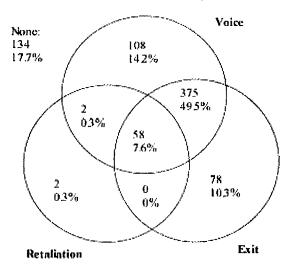|	1	2	3	4	5	6	7	8	9	10	11
MILOV2	0.737										
MILOV2	0.714										
MILOV1	0.714										
MILOV1	0.712										
MILOV2	0.588										
MILOV4	0.524										
MILOV4		0.651									
MILOV4		0.645									
MILOV3		0.632									
MILOV3		0.619									
MILOV2		0.597									
MILOV4			0.841								
MILOV4			0.801								
MILOV4			0.752								
MILOV4			0.734								
MILOV4			0.709								
MILOV1				0.786							
MILOV2				0.742							
MILOV1				0.685							
MILOV3				0.528							
MILOV1					0.688						
MILOV2					0.636						
MILOV4					0.607						
MILOV2					0.578						
MILOV3					0.571						
MILOV2						0.778					
MILOV5						0.762					
MILOV7						0.72					
MILOV6							0.751				
MILOV9							0.708				
MILOV8							0.652				
MILOV2								0.77			
MILOV2								0.75			
MILOV1									0.726		
MILOV1									0.722		
MILOV1									0.717		
MILOV3										0.606	
MILOV3										0.547	
MILOV2											0.783

Items loading at less than .50 were not included in the factor matrix.

shifting from loading on the sole variables to loading on the combined variables.

Comparing Figure 2-B and 2-C, the changed factor structure resulted in more variance accounted for by the three sole variables, confirming the independence in the factor structure. Furthermore, there was a small increase in the voice-exit combination.

Comparing both the frequency/percentage and explained variance confirms that the original factor structure and the new factor structure are very similar.

Validating the LOV and MILOV Scales

The Multi-Item List of Values (MILOV) (Herche, 1994, Bearden and Netemeyer 1999) and List of Values (LOV) (Kahle, 1983, Bearden and Netemeyer 1999) scales were both included in this study. The MILOV scale was originally designed as a social values measurement that "was a generation of items to represent each of the nine values (or dimensions) in the LOV" (Herche, 1994, p. 21). Also, five items measuring religiosity were placed within the MILOV section of the questionnaire. A factor analysis was conducted to assess the degree to which the MILOV items loaded on the original factors found by Herche (1994). The varimax rotated factor matrix in Table 5 show an 11-factor solution, which resulted in loading patterns that approximate Herche's original findings. The MILOV and LOV items were also included in another factor analysis to confirm whether the forty-four MILOV items derive from the corresponding nine LOV values. Two of the nine LOV items loaded correctly with the corresponding MILOV items. The other seven LOV items loaded as an independent factor, not corresponding with any MILOV items (see Appendix A).

In reference to the above table, the MILOV factor names are provided with their corresponding items and the Cronbach's alpha for each subscale.

Factor 1: **self-fulfillment** "=.82
   21 The finer things of life are for me.

23 Meeting my desires is a full time job for me.
18 I like to buy the best of everything when I go shopping.
16 I deserve the best, and I often give myself what I deserve.
24 I work hard on having fun. (Herche: Fun and Enjoyment of Life)
43 I consider myself a thrill-seeker. (Herche: Excitement)

Factor 2: **sense of accomplishment** "=.78
42 Feedback on my job performance is very important.
44 I tend to set and strive to reach my goals.
35 I am disappointed when I am unable to see a project through to the end.
39 "Getting things done" is always high on my "to-do" list.
28 I need to feel a sense of accomplishment from my job.

Factor 3: **religiosity** "=.84
46 Religious observances are very important to me.
47 I believe in God.
45 I think something is wrong if a person has no religious feeling.
49 I believe in a life after death.
48 I feel I am true to my beliefs in everyday life.

Factor 4: **fun and enjoyment of life** "=.82
12 Recreation is an integral part of my life.
29 Recreation is a necessity for me.
11 Having fun is important to me.
38 I strive to fill my life with exciting activities. (Herche: Excitement)

Factor 5: **self-respect** "=.78
15 My self-respect is worth more than gold.
20 Even though others may disagree, I will not do anything to threaten my self-respect.
4 If one loses one's self-respect, nothing can compensate for the loss.
22 More than anything else, I must be able to respect who I am.
31 I will not compromise on issues that could cause me to lose my self-respect.

Factor 6: **being well-respected** "=.77
25 I care what others think about me.
5 I am easily hurt by what others say about me.
7 The opinions of others are important to me.

Factor 7: **sense of belonging** "=.70
6 I play an important role in my family.
9 I feel appreciated and needed by my closest relatives and friends.
8 I need to feel there is a place I can call "home."

Factor 8: **self-respect** "=.84
26 I will do what I know to be right, even when I stand to lose money.
27 Knowing I am doing the right thing in a given situation is worth any price.

Factor 9: **security** "=.71

10 Knowing that I am physically safe is important to me.

13 My security is a high value for me.

1 I am often concerned about my physical safety.

Factor 10: **warm relationships with others** "=.64

36 Without my close friends, my life would be much less meaningful.

37 I value warm relationships with family and friends very highly.

Factor 11: **self-respect** (single item)

2 I try to act so I can face myself in the mirror the next morning.

Our factor labels remain consistent with Herche's except for the value of self-respect splitting into three factors and the excitement value being left out. Where an item loaded on a different factor in the current study than it did on Herche's study, we make note of the Herche loading at the end of the statement.

To What Extent Do the LOV and MILOV Scales and the Religiosity Subscale Explain Voice, Exit, and Retaliation: Regression Analyses

Multiple regression tests were run to establish the relationships between certain values as well as demographic variables and the response behaviors of exit, voice, and retaliation. Each of the consumer response behaviors were run as dependent variables and the values and demographics were fitted as independent variables. We chose to use the stepwise approach because no previous literature was found to ascertain the correct order of entry for the independent variables.

Voice. Religiosity was negatively correlated with voice (ß= -.458, p<.001), and the MILOV values of self-respect (ß=.391, p<.01) and self-fulfillment (ß=.297, p<.05) were positively correlated with voice. With the "turn the other cheek" philosophy taught among the majority of American religions, it is possible to assume that people high on religiosity are less inclined to voice their concern when they feel wronged. On the other hand, people who have a higher sense of self-respect and self-fulfillment are more likely to take action to "fulfill" the respect they demand for

themselves. The LOV value, excitement, was the only value found to significantly predict voice (ß=.176, p<.01). With the inherent arousal involved in voicing a disapproval, the relationship between excitement and voice is apparent. Finally, just is was the case with exit, age was negatively related to voice (ß= -.195, p<.001), suggesting that younger people are more likely to speak about the seller than are older people. Also, personal income was found to be positively correlated with voice (ß=.141, p<.05), which suggests that, from a consumer's standpoint, the more wealthy people are the more accustomed they are to getting what they want. Thus, when impeded from the attainment of their objective, wealthy people will use voice as a means with which to cope.

Exit. Of all the MILOV variables, only self-respect (ß=.280, p<.01) significantly predicted exit as a consumer response. Religiosity (ß= -.232, p<.05) also significantly predicted exit as a consumer response. Therefore, it would seem that people who are high on self-respect and low on religiosity tend to discontinue their business with the seller when they are upset. Interestingly, when exit was regressed with the LOV variables, self-fulfillment was the sole value that was related (ß=.149, p<.05). This finding is intuitive with the notion that people high on self-fulfillment will give their business to another seller instead of the seller with which they are disgruntled. Finally, age was negatively related to exit (ß= -.102, p<.001), and education was positively related to exit (ß=.123, p<.05). This finding would suggest that younger people are more inclined to leave the negative situation than are older people. In addition, those who are more educated will seek out a more agreeable seller rather than remaining with the offensive seller.

Retaliation. Regression tests revealed that the MILOV factor of fun and enjoyment of life (ß= -.184, p<.001) as well as religiosity (ß= -.157, p<.01) were both negatively related to retaliation. Similar to voice and exit, people low in religiosity may be more likely to act out their aggression as

opposed to repressing and/or forgiving. Also, our results would indicate that people who act out aggressively do not value fun and enjoyment of life as highly. A second MILOV factor, security, significantly predicted retaliation (β= .150, p<.01). We suppose that a high sense of security would be required to retaliate against a seller. The LOV values significantly related to retaliation were being well-respected (β= -.09, p<.05) and self-fulfillment (β= .139, p<.01). Respect from others would not usually be gained from aggressive acts, which supports the negative relationship found in our study. Finally, just as in exit, self-fulfillment is a value that may spur behaviors such as retaliation.

It should be noted that none of the models fitted to the three consumer response behaviors of exit, voice, and retaliation yielded an R-squared above .05. Therefore, the MILOV and LOV value variables as well as the demographics employed in our study do not predict well for exit, for voice, and for retaliation. Nevertheless, these values and demographics tend to be stable contributors to the overall exit, voice, and retaliation models. This stability is evidenced by the significant predictability of religiosity in all three consumer responses and of age, self-fulfillment, and self-respect in two of the three behavioral responses.

A Note About The Factor Structure in Common Between MILOV and LOV

The MILOV scale is intended to be an expanded multi-item version of the LOV scale. We were surprised that a factor analysis of the items included in both scales found the "fun" and "excitement" items from both scales loading on the first factor, all the remaining seven LOV items loading (with no MILOV items) on the second factor, and the remaining 3-13 factors loading only MILOV items. We report this for anyone interested in the LOV and MILOV scales.

CONCLUSION

The current study has confirmed that voice, exit, and retaliation occur as responses to consumer dissatisfaction. Voice and exit are well-

documented in the literature. This study is primarily a confirmation of consumer retaliation. Retaliation occurs frequently enough to be considered one of the standard responses to dissatisfaction and is, to a substantial extent, independent of voice and exit. Consumers can tell stories of their own retaliation (Huefner and Hunt (2000), study one). Consumers retaliate in a variety of ways (Huefner and Hunt (2000), studies one and two). Retaliation occurs much less frequently than do voice and exit, and the frequency of occurrence reported in the current study is lower than in the Huefner and Hunt (2000) study two. Estimating from the more conservative current study, a cross section of U.S. heads-of-households reported frequencies of retaliation within the last six months of approximately 8%.

Expanding this to the U.S. population, even in a most conservative manner, forces the recognition that a lot of retaliation occurs every day, often costing a business or its employees substantial money, inconvenience, and distress, just as the retaliating consumer intends it to do. Reviewing through the specific retaliatory behaviors in Table 2 forces the recognition that a lot of serious retaliation is occurring daily. How does a seller train its employees to work with customer complaints knowing that 0.4% of those complainers have taken a weapon with them to complain in the past six months or that 0.4% of them have struck an employee in the past six months. How much building damage and product destruction is due to retaliation when 0.3% report intentionally breaking or damaging a product in the store during the past six months, and 0.5% say they damaged some part of the building or facilities of the business that upset them in the past six months. Understanding consumer's motivation to retaliate and sellers' potential to defuse dissatisfaction and retaliation continues to be a worthwhile research topic.

REFERENCES

Bearden, William O. and Richard G. Netemeyer (1999), *Handbook of Marketing Scales, Second Edition,* Thousand Oaks, CA: Sage Publications.

Herche, Joel (1994), *Measuring social values: A multi-item adaptation to the list of values (MILOV) (working paper report number 94-101)*. Cambridge: Marketing Science Institute.

Hirschman, Albert O. (1970), *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States*, Cambridge, MA: Harvard University Press.

HTTP://www.answersresearch.com/calculators/ significance. htm, "Difference of proportions test, Answers Research Inc., 10/10/02.

Huefner, Jonathan C. and H. Keith Hunt (2000), Consumer retaliation as a response to dissatisfaction, *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 13, 61-82.

Hunt, H. Keith (1991), Consumer satisfaction, dissatisfaction and complaining behavior, *Journal of Social Issues*, 47, 107-117.

Kahle, Lynn R. (1983), *Social values and change in*

America: *Adaptation to life in America*. New York: Praeger.

ACKNOWLEDGMENTS

Send correspondence regarding this article to:
H. Keith Hunt
Department of Business Management
Marriott School of Management
Brigham Young University
Provo, UT 84602 U.S.A.
fax: 801-226-7650
email: hkhunt@byu.edu

Appendix A
LOV, MILOV, and Religiosity Rotated Factor Matrix
(MILOV item identification follows Table 5, LOV factor names appear in this table, Religiosity subscale items are factor 4 in this table and item identification follows Table 5.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
MILOV43	0.764												
Excitement	0.75												
MILOV38	0.722												
MILOV40	0.68												
Fun	0.616												
MILOV24	0.572												
MILOV29	0.541												
MILOV12	0.532												
MILOV33	0.524												
Self-fulfillment		0.696											
Accomplishment		0.674											
Self-respect		0.649											
Well-respected		0.612											
Relationships		0.602											
Belonging		0.582											
Security		0.561											
MILOV42			0.676										
MILOV44			0.619										
MILOV35			0.617										
MILOV28			0.6										
MILOV39			0.596										
MILOV46				0.837									
MILOV47				0.81									
MILOV45				0.755									
MILOV49				0.741									

MILOV48				0.696									
MILOV21					0.784								
MILOV16					0.743								
MILOV18					0.742								
MILOV23					0.547								
MILOV14					0.502								
MILOV20						0.647							
MILOV15						0.642							
MILOV4						0.608							
MILOV22						0.538							
MILOV31						0.523							
MILOV25							0.761						
MILOV5							0.736						
MILOV7							0.712						
MILOV13								0.751					
MILOV10								0.712					
MILOV1								0.706					
MILOV6									0.761				
MILOV9									0.716				
MILOV8									0.595				
MILOV36										0.687			
MILOV37										0.537			
MILOV26											0.764		
MILOV27											0.711		
MILOV19												0.574	
MILOV34												0.563	
MILOV17												0.541	
MILOV2													0.809

CONSUMER COMPLIMENTING BEHAVIOR: EXPLORATION AND ELABORATION

Collin R. Payne, Brigham Young University
Brian L. Parry, Brigham Young University
Steven C. Huff, Brigham Young University
Sean D. Otto, Brigham Young University
H. Keith Hunt, Brigham Young University

ABSTRACT

Consumers' compliments and sellers' responses to them are investigated. The Kraft and Martin motives for consumer compliments are confirmed and further elaborated using a different research method. Compliment receivers' responses are classified using Herbert's categories with the general finding that the frequencies are very different for responses to consumer compliments than for compliments in general. Consumer compliments were found to be most frequently due to (1) seeking positive response from the seller, (2) great satisfaction, and (3) enjoying giving compliments, flattery, and ingratiation.

BACKGROUND

Until recently little was known about consumer compliments. Robinson and Berl (1977) compared complimenters with complainers and noted that in the lodging and food-service industries nearly 70% of all feedback was positive in nature (reported in Robinson and Cadotte 1979). In one of their implications Robinson and Berl say "It may be that the motives for complimenting behavior are more socio-psychological than economic." (1979 p. 147)

As one of his "CS/D&CB Research Suggestions and Observations for the 1990's" Hunt (1993) observed that

Almost all our attention has focused on complaining behavior to the total exclusion of complimenting behavior. Yet, if you will think about your own personal experience, you probably hear as many complimenting communications as you hear complaining communications. We hear of good restaurants, good movies, good books, good stores, good churches. But we never study these positive, complimenting communications. Now is the time to start. (p. 42)

There was no congestion at the starting line.

Finally, in 2001, Kraft and Martin published their foundation article on consumer complimenting behavior. Early versions of the Kraft/Martin paper and this paper were first presented at the 2001 CS/D&CB conference. Having the advantage of knowing the Kraft/Martin findings, part of the current study elaborates on the Kraft/Martin work. Kraft and Martin identified eight motives for complimenting behavior (lettered A-H). They directly address the question raised by Robinson and Berl 22 years earlier. Our study further addresses that question.

The Kraft and Martin Compliment Motives

Kraft and Martin (2001) have provided us with an excellent introduction to consumer complimenting behavior. After discussing the relationship between dissatisfaction and complaining and between satisfaction and complimenting they identified, based on their research, eight motives for complimenting behavior.

A. Delight or great satisfaction
B. Dissonance reduction
C. Reciprocity / social norms
D. Improve relationship with a service person
E. High involvement with product or service
F. Voting behavior to continue special services or products
G. To buffer complaints and increase effectiveness
H. Flattery: to get a tangible reward

Complimenting Behavior's Home Base is in Linguistics

Our interest in compliments is based in the consumer satisfaction and dissatisfaction literature. However, compliments are primarily researched in linguistics.

Holmes (1986 p. 485) defines compliments as "... a speech act which explicitly or implicitly attributes credit to someone other than the speaker, usually the person addressed, for some 'good' (possession, characteristic, skill, etc.) which is positively valued by the speaker and the hearer."

Wolfson and Manes (1980) say

By definition a compliment involves a favorable judgment or opinion, saying something nice to another individual. In the case of friends who have been out of touch or of strangers meeting at a party, for example, it is easy to see how the giving of compliments may contribute to the reestablishment or establishment of the relationships. Similarly, by showing approval and giving reassurance, compliments serve to reinforce solidarity in situations where they are used as thanks or in day-do-day interactions between colleagues, neighbours or close friends. The fact that we have recorded cases in which people who did not receive an expected compliment expressed anxiety as to whether they (or their taste, abilities, etc.) were approved of suggests the importance of compliments not only in establishing or reestablishing but also in maintaining solidary relationships. (p. 399)

An examination of the structure of compliments reveals a remarkable lack of originality both in choice of lexical items and in syntactic structure. Compliments are, in fact, formulas, although this is not immediately obvious, partly because their patterning is not limited to a single level and partly because formulaic compliments serve a number of different discourse functions and may occur at almost any point within an interaction. ...whatever their immediate discourse functions may be (thanks, greetings,

etc.) the underlying function of compliments involves the creation and maintenance of solidarity and that both the formulaic nature of compliments and the fact that their formulaic nature is not obvious are intimately connected to this function. (p. 392)

They go on to say "...the theme which runs through all interactions of which complimenting is a part is the establishment of reaffirmation of common ground, mutuality, or what Brown and Gilman (1960) have termed solidarity." (Wolfson and Manes 1980 p. 395)

Wolfson and Manes (1980 p. 395) add that "A compliment may occur at almost any point within a speech event and, indeed, may be completely independent of the utterances which immediately precede it."

They add

Furthermore, the fact is that compliments despite their formulaic structure frequently are exactly what they seem: sincere and spontaneous expressions of admiration occurring in situations where they appear to serve no immediate social function. Although they undoubtedly work to maintain solidarity, their immediate function is purely and simply that of complimenting." (p. 406)

They conclude saying

The great advantage and, we hypothesize, the underlying reason for the high degree of lexical and syntactic regularity in compliments is that the use of such a formula prevents misunderstanding and minimized differences which might interfere with the solidarity-creating function of compliments. However, in order for the compliment to succeed as a social strategy it must be interpreted as sincere and spontaneous, an interpretation which would be much less likely if people were to recognize compliments for the formulas they are. It is the combination of their freedom of distribution in discourse and their spontaneous occurrence outside of ritualized use which

Table 1
Herbert's Responses to Compliments

	Herbert
1 = APPRECIATION TOKEN. A verbal or nonverbal acceptance of the compliment, acceptance not being tied to the specific topic.* That's a great cake; Thank you**	29.38%
2 = COMMENT ACCEPTANCE. Addressee accepts the complimentary force and offers a relevant comment on the appreciated topic.* I like your hair long; Me too, I'm never getting it cut short again.* That's a sharp looking car; Yeah, I did the body work myself.* Tina, you have a gorgeous tan; It's my Empire Lake tan, I've been working on it all week.* You have such a nice house; It's given us a lot of pleasure.**	6.59%
3 = PRAISE UPGRADE. Addressee accepts the compliment and asserts that the compliment force is insufficient.* Well, you have a great haircut; That's because I have the greatest hairdresser in the world; who; me; boy, talk about being modest.* Looks like a good tan this year; Thanks, kinda makes me look even more handsome doesn't it.* I really like this soup; I'm a great cook.**	.38%
4 = COMMENT HISTORY. Addressee offers a comment (or series of comments on the object complimented; these comments differ from (2) in that the latter are impersonal, that is, they shift the force of the compliment from the addressee.* That's a cute shirt; Every time I wash it the sleeves get more and more stretched out.* Those are great shorts, Wendy; They have their own little underwears [sic] in them.* I like your shoes, they're cute; I got these two years ago, my dress shoes wore out, so I went to the mall with twenty dollars and got these, and everybody was telling me how dumb I was to get clogs in the winter, but I sure did wear them a lot.* I love that suit; I got it as Boscov's.**	19.3%
5 = REASSIGNMENT. Addressee agrees with the compliment assertion, but the complimentary force is transferred to some third person or to the object itself.* Debbie's (3-year-old-daughter) hair looks so cute in braids; Oh, I didn't do it, we were at Kretsmer's today.* I like that top; Thanks, it's not mine.* That's a beautiful necklace; It was my grandmother's.* You're really a skilled sailor; This boat virtually sails itself. **	3.01%
6= RETURN. As with (5) except that the praise is shifted (or returned) to the first speaker.* You're funny; No, you're a good audience.* I like you skirt, Sharon; Thanks, Deb , I like yours too.* You sound really good today; I'm just following your lead.**	7.25%

7 = SCALE DOWN. Addressee disagrees with the complimentary force, pointing to some flaw in the object or claiming that the praise is overstated.* That's a nice watch; It's all scratched up and I'm getting a new one.* Hey, that's a really nice car; You should have seen it two years ago when it was new, it didn't have the dents then.* That's a nice tie, I like the colors; Yeah, its a little too wide, I'd like to get it narrowed down.* Super chip shot; It's gone rather high of the pin.**	4.52%
8 = QUESTION. Addressee questions the sincerity or the appropriateness of the compliment.* Nice sweater; You like it?* That dress looks real nice on you, Deb; Are you sure it's not too dressy for this place? I never know what to wear.* That's a nice outfit; What? are you kidding?* That's a pretty sweater; Do you really think so?**	4.99%
9 = DISAGREEMENT. Addressee asserts that the object complimented is not worthy of praise; the first' speaker's assertion is in error.* Your hair looks good; It's too short.* Charlie, your haircut looks nice; %@$$#%#&! She cut it too short.* You look good in that outfit; No, I don't, I should go on a diet.* Your shirt is smashing; Oh, it's far too loud.**	9.98%
10 = QUALIFICATION. Weaker than (9); addressee merely qualifies the original assertion, usually with "though," "but," "well," etc.* Your portfolio turned out great; It's all right, but I want to retake some pictures.* You look good in a moustache; Yeah, but it itches.* I like your haircut; But I wanted it even shorter.* Your report came out very well; But I need to redo some figures.**	6.59%
11 = REQUEST INTERPRETATION. Addressee, consciously or not, interprets the compliment as a request rather than as a simple compliment. Such responses are not compliment responses per se as the addressee does not perceive the previous speech as a compliment.* That's a nice bike; Let me know if you want to borrow it.* I like those pants; Well, you can borrow them anytime.**	2.92%
14 = NO ACKNOWLEDGEMENT. Addressee gives no indication of having heard the compliment: The addressee either (a) responds with an irrelevant comment such as a topic shift or (b) gives no response.* That's a beautiful sweater. Did you finish the assignment for today?* Love that outfit, Ed. /silence/* You're the nicest person. Have you finished that essay yet?**	5.08%
* Herbert (1986) ** Herbert and Straight (1989)	

permit the compliment formula to pass unnoticed and thereby to succeed as a solidarity-producing interactional routine." (p. 407)

How Receivers of Compliments Reply

The linguistics literature also investigates how the receiver responds to a compliment. A compliment naturally elicits some type of response. Herbert (1986) and Herbert and Straight (1989) identify categories of responses that are in general use. These responses are given to compliments across the complete spectrum of complimenting behavior. Table 1 explains and gives examples of the 14 Herbert response categories to compliments as well as the frequencies for each response category. Herbert studied the full spectrum of compliments. Our study focuses only on consumer complimenting behavior. Do responses to *consumer* compliments follow the same pattern as responses to all compliments?

METHOD

Procedure and Respondents

Twenty-eight students in an undergraduate consumer behavior class, participating in an optional class research project for class credit, solicited consumer complimenting stories from family, friends, and acquaintances, obtaining responses from three respondents in each of 3 different age groups (under 30, 30-50, over 50) with one of each sex in each set of 3 plus at least one additional story of either sex. Ages ranged from 17 to 94. Complete respondent anonymity was guaranteed. The research findings were discussed in class as part of the consumer satisfaction, dissatisfaction and complaining behavior segment of the course.

Instrument

Each respondent received a packet containing a cover letter and instructions for providing a story. Responses were returned by regular mail or by email. The cover letter from the professor and

students is found in Appendix 1. In addition to the cover letter instructions, shorter instructions were repeated at the start of each questionnaire as shown in Appendix 2.

Coding

Two of the authors served as coders, reading all the stories twice before doing any coding. During the second reading of the stories a code sheet was prepared for coding the information in the stories. Then the coders individually coded each of the stories. Finally, the coders, together, reconciled any coding differences. The code sheet is shown in Appendix 3.

Some stories were about compliments, some stories were about gratitude statements, and some stories were about both compliments and gratitude statements. This article focuses solely on consumer complimenting behavior and analyzes the compliment stories (whether or not a gratitude statement was present). We were not expecting to receive gratitude statements, especially so many of them, singly or in combination with compliments. We do not yet have a framework for thinking about gratitude statements.

Later in the paper when discussing the regression findings and in the coding form we use *comp/grat* to refer to any combination of compliment and gratitude statement. The coding protocol was the same whether for a compliment or for a gratitude statement. Variables 9 and 10 identified whether the story was about one or the other or both. The data were subsequently entered in an SPSS data file which was accessible only to the authors.

FINDINGS AND DISCUSSION

Respondents

A total of 209 complete stories were returned. However, only 169 qualified as consumer behavior complimenting stories. The 169 consumer compliment stories came from 96 females and 73 males ranging in age from 17 to 93 with a median age of 35.

Our Expanded Set of Kraft and Martin Motives for Complimenting

After reading our set of 169 complimenting stories we decided to use an extended and revised set of complimenting motives based on Kraft and Martin's (2001) set but expanded. We developed a set of 16 motives. Other than a little rewording, our complimenting motives (numbered 12-28 to match with the coding form in Appendix 3) include all the Kraft and Martin motives (A-H) listed earlier plus six additional motives suggested by the readings of the 169 stories.

k/mB: Dissonance reduction.
our15: Compliment reassures self they made a good choice - dissonance reduction.

k/mD: Improve relationship with a service person.
our19: Compliment intended to improve current relationship with seller.

k/mE: High involvement with product or service.
our24: Subject of compliment was high involvement, extraordinarily important.

k/mF: Voting behavior to continue special services or products.
our25: Compliment was a vote to continue special service or product.

k/mG: To buffer complaints and increase effectiveness.
our26: Compliment paired with complaint to buffer complaint.

Based on the attention in recent years to "delight" as being something more than great satisfaction we chose to use two motives, 12 and 13, in place of A, with motive 12 requiring an explicit expression of surprise coupled with great satisfaction and 13 requiring only great satisfaction. It is important to remember that 12 and 13 both involve great satisfaction but differ on whether surprise was present.

k/mA: Delight or great satisfaction.
our12: Compliment caused by delight (surprise plus great satisfaction).
our13: Compliment caused by great satisfaction but lacking surprise.

Based on our readings of the stories it seemed there was enough of a difference to warrant dividing C into motive 17 which was a compliment responding to a seller's positive comment and motive 18 which was a polite response, socially acceptable, courteous thing to do.

k/mC: Reciprocity / Social Norms.
our17: Compliment responding to seller's positive comment.
our18: Compliment was a polite response, socially acceptable, courteous thing to do.

Based on the reading of our stories it seemed that some flattery/ingratiation was intended for gain while other was solely because the complimenter was a "natural" flatterer or ingratiator. We divided H into 27 for flattery and ingratiation as a personal style and not for gain and 28 for flattery and ingratiation done hoping for gain.

k/mH: Flattery: to get a tangible reward.
our27: Compliment was flattery, ingratiation, just because person is a flatterer or ingratiator, not for gain.
our28: Compliment was flattery, ingratiation, hoping for gain (not reciprocity).

Our reading of the stories led us to think the following motives, not included in the Kraft and Martin motives, ought to be included in the set.

our14: Compliment because seller tried so hard to serve me.
our16: Compliment seeking positive response from seller.
our20: Compliment intended to improve future relationship with seller, to be recognized by the seller.
our21: Compliment given to improve future

Table 2
16 Complimenting Motives

Motives	Frequencies
12. Compliment caused by delight (surprise plus great satisfaction)	66
13. Compliment caused by great satisfaction but lacking surprise.	74
14. Compliment because seller tried so hard to serve me.	135
15. Compliment reassures self they made a good choice - dissonance reduction	4
16. Compliment seeking positive response from seller.	9
17. Compliment responding to seller's positive comment.	2
18. Compliment was a polite response, socially acceptable, courteous thing to do.	8
19. Compliment intended to improve current relationship with seller.	9
20. Compliment intended to improve future relationship with seller, to be recognized by the seller.	10
21. Compliment given to improve future service for others.	1
22. Gave compliment to be a role model for other people.	0
23. Complimented because giver enjoys giving compliments.	9
24. Subject of compliment was high involvement, extraordinarily important	47
25. Compliment was a vote to continue special service or product.	10
26. Compliment paired with complaint to soften complaint.	1
27. Compliment was flattery, ingratiation, just because person is a flatterer or ingratiator, not for gain.	9
28. Compliment was flattery, ingratiation, hoping for gain (not reciprocity)	5

service for others.
our22: Gave compliment to be a role model for other people.
our23: Complimented because giver enjoys giving compliments.

Our 16 complimenting motives and their frequencies are shown in Table 2. Kraft and Martin did not provide frequencies for their eight motives.

Exploring the Kraft and Martin Compliment Motives

Having expanded the set of complimenting motives from eight to 16, the question was then whether there was enough overlap between some of the 16 motives to warrant condensing the set. A correlation matrix showed that there was substantial correlation between some of the motives. Motive 22 had a frequency of zero. The remaining 15 motives were submitted to a principle components factor analysis. The rotated varimax solution yielded 8 factors. We used a criterion of .5 for factor loading inclusion. As shown in Table 2, motives 15 (4), 17 (2), 21 (1), 26 (1), and 28 (5) had low frequencies but were included in the analysis. The eight factor rotated matrix is in Table 3.

Table 3
Factor Structure - Rotated Component Matrix*

	1	2	3	4	5	6	7	8
12	-.078	-.897	-.139	-.008	.127	.122	-.124	-.040
13	-.025	.922	-.084	.019	.069	.089	-.077	.050
14	-.246	.026	-.369	-.439	.101	.441	-.097	-.003
15	-.078	-.111	-.036	-.211	.755	-.077	.004	.021
16	.771	.035	.010	.004	.126	.030	-.100	-.037
17	-.098	.184	.331	-.359	-.098	.099	-.534	-.295
18	-.110	.135	.216	-.216	-.099	.021	.770	-.115
19	.851	.044	.070	-.011	.079	.031	-.031	-.012
20	.234	.158	.273	.386	.641	.062	-.074	-.013
21	-.043	.074	-.001	-.068	.016	.069	-.029	.897
23	.212	-.070	.716	.160	.075	.002	.215	.085
24	-.015	-.106	-.315	.057	.278	.313	.335	-.304
25	-.134	.030	.047	.808	-.059	.053	-.095	-.083
26	-.047	.014	-.079	-.049	.076	-.889	-.012	-.066
27	-.047	.079	.830	-.021	.033	.024	-.082	-.061
28	.808	-.039	.059	-.046	-.210	-.079	.090	.020

*The numbers in the left column correspond to the complimenting motives from the coding protocol. See Table 2.

Understanding the factors

Motives 19, 28 and 16 load on factor 1, *seeking positive response from seller,* which explains 13.7% of the variance.

19 (.851) Compliment intended to improve current relationship with seller.
28 (.808) Compliment was flattery, ingratiation, hoping for gain (not reciprocity).
16 (.771) Compliment seeking positive response from seller.

Motives 13 and 12 load on factor 2, *great satisfaction,* which explains 11.1% of the variance. Great satisfaction did not exist for every respondent. However, if great dissatisfaction did exist it would be coded either 12 or 13 depending on whether surprise was mentioned; thus, subjects would have opposite answers for 12 and 13, as seen in the positive and negative loading of variables 12 and 13 on factor two.

13 (.922) Compliment caused by great satisfaction but lacking surprise.
12 (-.897) Compliment caused by delight

(surprise plus great satisfaction).

Motives 27 and 23 load on factor 3, *enjoys giving compliments, flattery, ingratiation,* which explains 10.7% of the variance.

27 (.830) Compliment was flattery, ingratiation, just because person is a flatterer or ingratiator, not for gain.
23 (.716) Complimented because giver enjoys giving compliments.

Motive 25 loads on factor 4, *continue special service or product,* which explains 7.8% of the variance.

25 (.808) Compliment was a vote to continue special service or product.

Motives 15 and 20 load on factor 5, *unnamed,* which explains 7.4% of the variance.

15 (.755) Compliment reassures self they made a good choice - dissonance reduction.
20 (.641) Compliment intended to improve future relationship with seller, to be recognized by the seller.

Motive 26 loads on factor 6, *buffer complaint,* which explains 7.1% of the variance.

26 (-.889) Compliment paired with complaint to soften complaint.

Motives 17 and 18 load on factor 7, *reciprocity and social norms,* which explains 6.9% of the variance.

17 (.770) Compliment responding to seller's positive comment.
18 (-.534) Compliment was a polite response, socially acceptable, courteous thing to do.

Motive 21 loads on factor 8, *improve future service for others,* which explains 6.4% of the variance.

21 (.897) Compliment given to improve future service for others.

Motive 14, Compliment because seller tried so hard to serve me, loaded between -.439 and .441 on five of the eight factors. Due to the consumer setting of this study many compliments had something to do with substantial efforts by the seller to provide excellent service or product to the consumer resulting in this motive loading on several factors.

Motive 24, Subject of compliment was high involvement, extraordinarily important, loaded between -.315 and .335 on six of the eight factors. Remembering compliment situations with high involvement and extraordinary importance was common across all factors.

Motive 22, Gave compliment to be a role model for other people, had a frequency of zero.

Confirming The Kraft and Martin Motives

We were hoping that one or two factors might match up with the Kraft and Martin motives. To our delight (surprise coupled with great satisfaction) five of the factors were direct matches with Kraft and Martin motives and a sixth factor matched with half of a complex motive.

Factor eight is from a new motive not part of the Kraft and Martin motive set. Thus, there is a direct match in six of the seven possible matches. And, there is a partial match with the remaining factor. Motives 27 and 28 come from Motive H. Motive 27 loaded on factor 3 and is a match, while Motive 28 loaded on factor 1 and is not a match. Thus. of possible matches, our study confirms the Kraft and Martin motive structure in 6.5 out of 7 possible matches, a remarkable confirmation and totally unexpected.

Regression

We ran a multiple regression for each of the 8 factors for the dependent variables and regressed 15 independent variables on each factor using a stepwise approach. The results of the analysis produced few cases of significance. Where significance occurred, it supported the factor structure.

Table 4
Matching Factors with Kraft and Martin Motives

Factor	1-16 Motives (this study)	A-H Motives (Kraft and Martin)
1	19 28 16	D H new
2	13 12	A A
3	27 23	H new
4	25	F
5	15 20	B new
6	26	G
7	18 17	C C
8	21	new

For example, for factor 1, *seeking positive response from seller*, whether or not the compliment was focused on the business, employee, or person was highly predictive (ß= -.688, p< .020). The focus of the compliment accounted for an R^2 of .105 (p<.020).

An index of variables (involvement with the contact person, purchasing from the person or business, the intention of purchasing from the person or business, giving positive word of mouth about the person or business, becoming a loyal customer, and becoming friends with the contact person) which was compiled to explain the range from none to great satisfaction after the compliment was given, significantly predicted (ß=.122, p<.004) factor 2, *great satisfaction*. The strength of the compliment was also significantly predictive of great satisfaction (ß=.637, p<.013). The index and strength of compliment variables accounted for an R^2 of .245, (p<.001).

For factor 3, *enjoys giving compliments, flattery, ingratiation,* the following five variables:

the reason for interacting with the seller (ß=.145, p<.024); the focus of the compliment (ß=.417, p<.013); the number of times the compliment was given (ß=.763, p<.008); the motivation of the giver of the compliment (ß= -.400, p<.028); and whether or not the nature of the compliment was hedonistic (ß=.687, p<.044) were all significantly predictive. The above variables accounted for an **R^2** of .436 (p<.000).

For factor 4, *continued special service or product*, no variables were significantly predictive.

Factor 5, *left unnamed,* was highly predictive from the motivation of the giver of the compliment (ß=.490, p<.031), which accounted for an R^2 of .302 (p<.031).

For factor 6, *buffer complaint*, the focus of the compliment was highly predictive (ß=.213, p<.038), yielding an R^2 of .292 (p<.038).

For Factor 7, *reciprocity and social norms*, the number of times the compliment was given (ß=-.954, p<.009) and the focus of the compliment

(ß=.478, p<.023) were highly predictive (R²=.205, p<.004).

For Factor 8, *improve future service for others*, the purpose for interacting with the seller was highly predictive (ß= -.019, p<.017) and accounted for an R² of .332 (p<.017).

Of the 15 key variables regressed on the eight factors, seven were significant on at least one factor. The regression tests predicted 11% for seeking positive response from the seller, 25% for great satisfaction, 44% for enjoys giving compliments, flattery, ingratiation, 30% for our unnamed factor, 29% for buffer complaint, 45% for reciprocity and social norms, and 33% for improve future service for others. According to Cohen (1977), an R² of .26 or above indicates a large effect size. Four of the effect sizes in this study were above this standard.

Exploring the Herbert Response Categories for Consumer Compliments

Our 169 consumer complimenting stories had very different response category frequencies than occurred in the Herbert studies. We propose that this difference occurred because Herbert's compliments were from the whole range of compliments while our 169 stories were strictly consumer compliments. Also, even though we explicitly prompted the respondent asking "How did the person or store react to the compliment?" only 64 of the 169 stories included any information regarding how the receiver responded to the compliment. Future studies focusing more directly on responses to consumer compliments may find that their frequencies more closely approach those of Herbert. Such studies would need to have receivers tell about their response to the compliment rather than have the compliment giver report the response.

Herbert and Straight (1989 p. 40) categorized responses to compliments into three categories shown below. Their percentages for responses to general compliments are in parentheses. Our percentages for responses to consumer compliments are in brackets. In general, two-thirds of sellers' responses to consumer compliments fall in the "Accepting" category.

Only after puzzling over this finding did we notice while confirming some of the wording of the response categories that Herbert (1986 p. 82) explained that "...acceptance, especially appreciation tokens, should be most common among strangers, that is, those who do not share solidarity; indeed, acceptances are the dominant pattern within this group." To the extent that most compliments are given to sellers who are relative strangers (no shared solidarity), our finding matches with Herbert's explanation.

Also, the "no acknowledgement" response is not countable in our data set because we did not ask whether the seller gave a response. We have no way of knowing how many of those who did not respond to the compliment were "no acknowledgement" and how many gave a response that was not remembered. The differences are large enough that the 5% "no acknowledgement" found in Herbert and Straight would not substantially alter our findings.

1. Accepting (36%) [65.6%]
   Appreciation Token (29.4%) [40.6%]
   Comment Acceptance (6.6%) [25%]

2. Deflating, deflecting, rejecting (31.4%) [12.6%]
   Reassignment (3%) [1.6%]
   Return (7.3%) [4.7%]
   Qualification (agreeing) (6.6%) [0%]
   Scale Down - Praise Downgrade (disagreeing) (4.5%) [6.3%]
   Disagreeing (10%) [0%]

3. ,Questioning, ignoring, reinterpreting (32.7%) [21.9%]
   Question (query or challenge) (5%) [0%]
   Praise upgrade (often sarcastic) (.4%) [9.4%]
   Comment history (19.3%) [12.5%]
   No acknowledgement (5.1%) [0%]
   Request interpretation (2.9%) [0%]

So What

The combination of our work and that of Kraft and Martin confirms not only that consumer

Table 6
Herbert's Categories of Responses to Compliments

	Herbert	Current
1 = APPRECIATION TOKEN. A verbal or nonverbal acceptance of the compliment, acceptance not being tied to the specific topic.	29.38%	n=26 40.63%
2 = COMMENT ACCEPTANCE. Addressee accepts the complimentary force and offers a relevant comment on the appreciated topic.	6.59%	n=16 25%
3 = PRAISE UPGRADE. Addressee accepts the compliment and asserts that the compliment force is insufficient.	.38%	n=6 9.38%
4 = COMMENT HISTORY. Addressee offers a comment (or series of comments on the object complimented; these comments differ from (2) in that the latter are impersonal, that is, they shift the force of the compliment from the addressee.	19.3%	n=8 12.5%
5 = REASSIGNMENT. Addressee agrees with the compliment assertion, but the complimentary force is transferred to some third person or to the object itself.	3.01%	n=1 1.56%
6= RETURN. As with (5) except that the praise is shifted (or returned) to the first speaker So's yours.	7.25%	n=3 4.69%
7 = SCALE DOWN. Addressee disagrees with the complimentary force, pointing to some flaw in the object or claiming that the praise is overstated.	4.52%	n=4 6.25%
8 = QUESTION. Addressee questions the sincerity or the appropriateness of the compliment.	4.99%	n=0
9 = DISAGREEMENT. Addressee asserts that the object complimented is not worthy of praise; the first' speaker's assertion is in error.	9.98%	n=0
10 = QUALIFICATION. Weaker than (9); addressee merely qualifies the original assertion, usually with "though," "but," "well," etc.	6.59%	n=0
11 = REQUEST INTERPRETATION. Addressee, consciously or not, interprets the compliment as a request rather than as a simple compliment. Such responses are not compliment responses per se as the addressee does not perceive the previous speech as a compliment.	2.92%	n=0
14 = NO ACKNOWLEDGEMENT. Addressee gives no indication of having heard the compliment: The addressee either (a) responds with an irrelevant comment such as a topic shift or (b) gives no response.	5.08%	n=0

compliments occur but that there are eight motives underlying the giving of consumer compliments. Furthermore, in some cultures, such as the United States and United Kingdom, once a consumer compliment is given, a response from the seller is expected, indeed it is required, by social practice. Failure to respond to the compliment is usually interpreted as rejection of the compliment and is a negative nonverbal response (rejection) of the consumer's compliment. (Herbert 1986) It is possible that a consumer who experiences satisfaction with a consumer-seller interaction might compliment the seller, only to receive back no response or an inadequate response signaling rejection of the compliment, with the end state being dissatisfaction, and the change being due solely to the seller's inappropriate response to the consumer's compliment. (Wolfson and Manes

1980 p.399) Further research on this fascinating interchange is encouraged.

From a philosophical and human kindness perspective, compliments assure others of their self worth, of their contribution, that they are an "okay" person, and of their solidarity with others. Others' compliments similarly reassure us. In our world where negative comments, signals, and symbolic expressions abound, every truthful compliment accentuates the positive and may offset the negative in another person's life. As each of us become authentic compliment givers, we, by our individual complimenting actions, increase the joy and happiness of those who receive our compliments.

CONCLUSIONS

Based on 169 consumer compliment stories we have confirmed the eight motives introduced by Kraft and Martin (2001). We also found that, for our 169 stories, comments from sellers in response to compliments do not match the standard response frequencies found in Herbert's research. We think the disparity is due to our stories being nonintimate stories which Herbert says are usually in the "accepting" category rather than spread through all the categories. Regression of 15 key variables on the variable scores of the eight motive factors found some significance but did not add understanding beyond what was already obvious in the factor analysis.

REFERENCES

Brown, Roger and Albert Gilman (1960), "The Pronouns of Power and Solidarity," *Style in Language,* ed. Thomas A. Sebeok, Cambridge, Mass: MIT Press, 253-276.

Cohen, J. (1977), *Statistical Power Analysis for the Behavioral Sciences.* New York: Academic Press.

Herbert, Robert K. (1986), "Say 'Thank You' -- Or Something," *American Speech,* 61.1, 76-88.

Herbert, Robert K. and H. Stephen Straight (1989), "Compliment-Rejection Versus Compliment-Avoidance: Listener-Based Versus Speaker-Based Pragmatic Strategies," *Language and Communication,* 9, 35-47.

Holmes, Janet (1986), "Compliments and Compliment Responses in New Zealand English," *Anthropological Linguistics,* 28 (4), 485-508.

Hunt, H. Keith (1993), "CS/D&CB Research Suggestions and Observations for the 1990's," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior,* 6, 40-42.

Kraft, Frederic B. and Charles H. Martin (2001), "Customer Compliments as More Than Complementary Feedback," *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior,* 14, 1-13.

Robinson, Larry M. and Robert E. Berl (1979), "What About Compliments: A Followup Study on Consumer Complaints and Compliments," *Refining Concepts and Measures of Consumer Satisfaction and Complaining Behavior,* Papers from the fourth annual conference on Consumer Satisfaction, Dissatisfaction and Complaining Behavior, Bloomington, Indiana, October 3-5, 1979, 144-148.

Robinson, Larry M. and Ernest R. Cadotte (1979), "Measurement of Customer Satisfaction in the Food Service Industry," Washington, National Restaurant Association, 1979.

Wolfson, Nessa and Joan Manes (1980), "The Compliment as a Social Strategy," *Papers in Linguistics: International Journal of Human Communication* 13 (3) 1980, 391-410.

ACKNOWLEDGMENTS

Send correspondence regarding this article to:
H. Keith Hunt
Department of Business Management
Marriott School of Management
Brigham Young University
Provo, UT 84602 U.S.A.
fax: 801-226-7650
email: hkhunt@byu.edu

Appendix 1
Cover Letter

CONSUMER COMPLIMENTS STUDY

CONSUMER BEHAVIOR STUDENTS, FALL SEMESTER, 2000

INSTRUCTIONS TO PARTICIPANTS

There are lots of stories told about consumers complaining to stores or companies or sales people about something that the consumer didn't like. Often the complaints are very justified.

We don't hear very many stories about consumers complimenting stores or companies or sales persons.

Our class research project this semester is to gather consumers' stories about when they personally have complimented a store or company or sales person or manager.

Please tell us one, two, or three stories of your own personal experience when you have complimented a store or company or sales person or manager.

Please include lots of detail in your story so we can fully understand everything that happened. For example:
    Were you buying something? or returning something?
    Were you shopping for something?
    What happened that led you to give the compliment?
    Did you give the compliment face-to-face? by phone? by letter?
    Tell us in detail about the compliment you gave.
    How did the person or store react to the compliment?
    What kind of involvement have you had with the person or store since you gave the compliment?
    Tell us everything you can remember about the complimenting experience.

And, very important, tell us about your feelings during this complimenting experience.

For each story, tell us how old you were at the time of the store and how old you are now.

How long should the story be? As long as it takes you to tell us all about it. SMILE. If you are wondering whether to include some bit if information, definitely include it.

Thank you for your help.

Cordially,

Professor H. Keith Hunt and the students in the Consumer Behavior Class.

If you have any questions please contact Professor Hunt at:
    Phone:
    Fax:
    Email:

Appendix 2
Instructions

CONSUMER STUDY

INSTRUCTIONS

You have probably heard or read stories about things consumers have done to stores, to sales people, to service people, and others to retaliate for poor customer service and poor product satisfaction.

No one seems to be telling stories about nice things consumers have done for companies or company employees that have pleased them.

Will you please share two or three stories with us.

Each story should tell of a specific instance when you did something nice for a company, for a sales person, or for a service person and why you did it.

It helps us most in our story gathering if you will tell us 2-3 quite different stories about three different companies or people, rather than three stories that are about the same.

We will appreciate as many stories as you are willing to tell us.

Return your stories to the student who asked you to participate.

Notice that your name does not appear on the story sheet. Your stories are anonymous once the student who obtained them puts them into the general pool.

Be sure to tell us as much of the story as you can because there is no way for us to come back to you for clarification or additional information.

Student's Name _____

This is my story of something I did nice for _____.

My age when I did the nice thing ____.
My current age ____.
Circle One: Male Female

MY STORY

Remember as you tell your story to explain in detail what you did and explain why you did it.

_____

_____

_____(26 lines were provided, filling the sheet)

_____

Appendix 3
Code Sheet for Complimenting Stories

I. ID / DEMOGRAPHIC

__ __ 1. student ID (01-28, 28 student participants)
__ __ 2. respondent ID (01-??)
__ 3. story number, used for multiple stories from same respondent
__ __ 4. age when happened
__ 5. sex of respondent
    1=female
    2=male
__ 6. respondent's relationship to student
    1=self
    2=immediate family [parents, siblings]
    3=extended family [grandparents, in-laws, aunts/uncles/cousins]
    4=non-family [friends, coworkers, etc.
__ 7. sex of receiver of comp/grat
    1=female
    2=male
    3=can't tell
    4=company or organization
__ 8. sex of third party
    1=female
    2=male
    3=can't tell
    4=company or organization

II. PRESENCE OF COMPLIMENT OR THANKS/GRATITUDE

__ 9. Was there a compliment?
    1-no
    2-yes
__ 10. Was there a thank you or gratitude statement?
    1=no
    2=yes

II/III. IS THIS A CONSUMER BEHAVIOR STORY?

__ 11. Consumer behavior includes the mental, emotional, and physical activities that people engage in when selecting, purchasing, using, and disposing of products and services to satisfy needs and desires.
    1=no
    2=yes

III. KRAFT/MARTIN VARIABLES

    1=no
    2=yes
    3=can't tell
__ 12. Compliment caused by delight (surprise plus great satisfaction)
__ 13. Compliment caused by great satisfaction but lacking surprise.
__ 14. Compliment because seller tried so hard to serve me.
__ 15. Compliment reassures self they made a good choice - dissonance reduction.
__ 16. Compliment seeking positive response from seller.
__ 17. Compliment responding to seller's positive comment.

Appendix 3 (cont.)

__ 18. Compliment was a polite response, socially acceptable, courteous thing to do.

__ 19. Compliment intended to improve current relationship with seller.

__ 20. Compliment intended to improve future relationship with seller, to be recognized by the seller.

__ 21. Compliment given to improve future service for others.

__ 22. Gave compliment to be a role model for other people.

__ 23. Complimented because giver enjoys giving compliments.

__ 24. Subject of compliment was high involvement, extraordinarily important

__ 25. Compliment was a vote to continue special service or product.

__ 26. Compliment paired with complaint to soften complaint.

__ 27. Compliment was flattery, ingratiation, just because person is a flatterer or ingratiator, not for gain.

__ 28. Compliment was flattery, ingratiation, hoping for gain (not reciprocity)

IV. VARIABLES SUGGESTED IN INSTRUCTIONS TO PARTICIPANTS

__ 29. Why were you interacting with the seller?
    1=buying something
    2=returning/exchanging something
    3=shopping for something
    4=complaining
    5=correcting mistake by seller
    6=returning for repair

__ 30. Was the comp/grat given to the contact person or to a 3rd party?
    1=given to contact person
    2=given to third party
    3=given to both (contact person and third party)

__ 31. How did the person receiving the comp/grat respond?
    Herbert categories (see Table 1 for Herbert categories)

__ 32. If a third party was involved, how did the third party respond?
    Herbert categories

__33. How great was the imposition on the person receiving the comp/grat?
    1=no imposition, just doing job
    2=small imposition
    3=moderate imposition
    4=substantial imposition

__34. How much effort did the giver go to to give the comp/grat?
    1=no effort
    2=very little effort
    3=some effort
    4=substantial effort

__35. To what does the comp/grat statement refer?
    1=gift given
    2=something special, not part of job, more than normal for job
    3=reward given
    4=service given as part of job
    5=favor given

__36. How did person respond to comp/grat statement?
    1=not accepted
    2=accepted

__37. For comp/grat given to contact person, did you give the comp/grat face-to-face, by phone, by letter? (this includes the oral or written code)
    1=face-to-face
    2=by phone
    3=by letter or email

Appendix 3 (cont.)

    4=face-to-face plus phone
    5=face-to-face plus letter/email
    6=phone plus letter/email
    7=other

___38. For comp/grat given to third party, did you give the comp/grat face-to-face, by phone, by letter?
    1=face-to-face
    2=by phone
    3=by letter or email
    4=face-to-face plus phone
    5=face-to-face plus letter/email
    6=phone plus letter/email
    7=other

___39. Meant to give comp/grat but never did.
    1=meant to comp/grat face-to-face
    2=meant to comp/grat by phone
    3=meant to comp/grat by letter

___40. How strongly did the person or store react to the comp/grat?
    1=no reaction
    2=mild reaction
    3=moderately strong reaction
    4=strong reaction
    5=gushing super-strong reaction.
    6=can't tell from story

___41. How did the person or store react to the comp/grat?
    1=no reaction
    2=acknowledged it but that was all
    3=thanked for comp/grat, other mild response
    4=strong thank you
    5=stronger than strong thank you
    6=can't tell from story

___42. Had any involvement with contact person after the comp/grat was given?
    1=no
    2=yes
    3= can't tell
    4=almost certainly no
    5=almost certainly yes

___43. Have purchased from the person/business after giving the comp/grat?
    1=no
    2=yes
    3=can't tell
    4=almost certainly no
    5=almost certainly yes

___44. When the opportunity next arises do you intend to purchase from this person/business?
    1=no
    2=yes
    3=can't tell
    4=almost certainly no
    5=almost certainly yes

___45. Have given positive word of mouth about person or business after giving the comp/grat?
    1=no
    2=yes
    3=can't tell
    4=almost certainly no
    5=almost certainly yes

Appendix 3 (cont.)

__46. Have become loyal customer of person or business after giving the comp/grat.
    1=no
    2=yes
    3=can't tell
    4=almost certainly no
    5=almost certainly yes
__47. Have become friends with person after giving the comp/grat.
    1=no
    2=yes
    3=can't tell
    4=almost certainly no
    5=almost certainly yes
__48. Were any feelings during the comp/grat experience reported in the story?
    1=no
    2=yes
    3=can't tell
    4=almost certainly no
    5=almost certainly yes
__49. If feelings were reported, how positive or negative?
    1=very positive
    2=somewhat positive
    3=slightly positive
    4=slightly negative
    5=somewhat negative
    6=very negative

V. OTHER CODES

__50. Was comp/grat given with the intent to make the person receiving the comp/grat perform their job better?
    1=no
    2=yes right now
    3=yes in the future
__51. Pollyanna, was comp/grat given to "make her day a little brighter," not because of actual comp/grat-able behavior.
    1=no
    2=yes
__52. Hedonism - Was the comp/grat given to make the giver feel good about them self?
    1=altruistic, no self benefit
    2=slightly
    3=somewhat
    4=very much
53. deleted
__54. Was comp/grat for one time or for repeated times?
    1=one
    2=more than one
    3=can't tell
__55. Was comp/grat for service only, combined service and product, or product only?
    1=not relevant
    2=service only
    3=mostly service, some product
    4=equally combined service and product
    5=mostly product, some service
    6=product only

Appendix 3 (cont.)

__56. In the story, did the giver say they expected a gracious reply?
    1=no
    2=yes
__57. How strong was the comp/grat?
    1=neutral
    2=slightly strong
    3=somewhat strong
    4=very strong
    5=can't tell
__58. How motivated was the giver of the comp/grat?
    1=not relevant
    2=not at all motivated
    3=slightly motivated
    4=somewhat motivated
    5=very motivated
    6=can't tell
__59. Overall, the focus of the comp/grat was
    1=Not relevant
    2=primarily on the business, quality of product/service
    3=primarily on the employee, quality of service
    4=primarily personal, friendliness
    5=altruistic, to make person feel good, not tied to quality
    6=can't tell
60-to-end. What was category setting for which the comp/grat was given?
note: each statement is an independent variable and receives a 0 or 1 coding.
note: there will usually be only one code for each story
note: format - needs to all be on one coding page
    1=no
    2=yes
__60. Auto/vehicle purchase
__61. Auto/tires, parts purchase
__62. Auto/vehicle repair
__63. Restaurant
__64. Fast food
__65. Grocery store
__66. Hardware / home repair
__67. Department/clothing store
__68. Discount store (Kmart, WalMart, Fred Meyer, Target, etc)
__69. Electronics / computer / video store
__70. Financial - bank, insurance, charge card
__71. Jewelry store
__72. Specialty store (sports, shoe, kitchen, book, scrapbook, pet, yarn, dry cleaner, bakery, music, guitar, Post Office, etc.)
__73. Appliance/furniture purchase
__74. Appliance/furniture repair
__75. Wedding clothing
__76. Wedding supplies
__77. Hotel / motel
__78. Health related (doctor, eyes, nurse, hospital, pharmacist)
__79. Communications (TV, cable, phone)
__80. Purchase by phone or internet or catalog
__81. Home remodel and repairs
__82. Transportation (airlines, reservations, taxis)
__83. Personal service (hair, nails, massage, trainer, coach, photographer, etc.)
__84. Other - describe: