

DO THE HOT DOGS TASTE BETTER WHEN THE HOME TEAM WINS?

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ABSTRACT

With most functionally (i.e., problem solving) oriented services, the process of accurately measuring performance and satisfaction has become fairly straightforward. However, when services are designed to involve and stimulate consumers in an experiential fashion (i.e., an entertainment event), obtaining accurate measures of service quality and satisfaction is potentially more difficult. This study investigates the premise of predictable halo effects based on the quality of performance. The results of this study suggest that measuring patron satisfaction with specific services related to an entertainment experience is subject to potential halo effects. The more closely tied the service is to the actual performance/event, the more likely a halo effect will be present.

INTRODUCTION

Research in the area of services marketing is currently at an all time high. This intense level of interest in services stems from their significant contribution to the growth of many national economies. It has been reported that in some countries as much as 75 percent of the labor force is employed in the service sector (Bateson 1989). Additionally, in many countries, including the United States, the service sector is responsible for producing nearly 70 percent of the Gross National Product (Lovelock 1991).

Services are distinguished by their simultaneity of production and consumption (Bateson 1989; Zeithaml, Berry, and Parasuraman 1985). When services are performed, in many cases, they result in a direct interaction between the service provider and the customer. Under these conditions, the evaluation of service quality is based on the customer's evaluation of both the service process and its outcome (Gronoos 1982; Parasuraman, Zeithaml, and Berry 1985). Many service providers, realizing the importance of service quality and customer satisfaction, have developed programs which measure and evaluate performance.

With some functionally-oriented (i.e., problem-solving) services, the process of accurately measuring performance and satisfaction has become fairly straightforward. However, when services are designed to involve and stimulate the customer in an experiential fashion (i.e., mentally or physically), obtaining accurate measures of service quality and satisfaction are potentially more difficult. This is especially true with the evaluation of services that support an entertainment performance, such as a sporting event or a concert.

The outcome of a sporting event (e.g., whether or not the home team won) is likely to affect the evaluation of the sporting event (e.g., it was a good game) and perhaps have an impact on the overall evaluation of the entertainment experience (e.g., I had a good time). However, does the outcome of the sporting event have an impact on the evaluation of related services (e.g., parking, concessions, etc.)? Specifically, will perceived levels of service and satisfaction be affected by the customers perceived quality of the performance? Will there be a halo effect created by the perceived quality of the performance and reflected in the subjective evaluation of related services?

While the impact of the halo effect has been studied in a variety of marketing (cf., Bass, Talarzyk 1971; Bass, Pessemier, and Lehmann 1972; Beckwith and Lehmann 1975; Han 1989; Holbrook 1983; James and Carter 1976; Johansson, MacLachlan and Yalch 1976; Lehmann 1971; Wu and Petroschius 1987) and personnel evaluation (cf., Balzer and Sulsky 1992; Becker and Cardy 1986; Mount and Thompson 1987; Murphy and Balzer 1986; Ostroff 1993) contexts, its influence on service and satisfaction evaluation has received little attention.

Research on the halo effect in personnel performance evaluations has produced fairly uniform results. If a rater generally likes the ratee, they tend to evaluate the ratee more favorably on specific performance dimensions. The question is, will a similar effect occur in a service performance situation? If a patron is

generally happy with the outcome of a performance, will they evaluate services associated with the performance more favorably?

It is the purpose of this study to explore a series of performances (basketball games) and assess how their outcome might impact the customers perception of service quality and satisfaction toward the service provider. It is the intent of this study to show that customer performance expectations and the events ultimate outcome result in a halo effect which biases individual evaluations of service quality dimensions and customer satisfaction. Since quality and satisfaction data often serve as a means of understanding service strengths and weaknesses, the existence of an uncontrolled halo effect could impair the diagnostic usefulness of the analytical results. Managerial recommendations are offered to address the halo bias.

DEFINING PERFORMANCE AND ITS CONSUMPTION

One area of services which has barely been explored is performance marketing (Deighton 1994), although some notable research exceptions exist (cf. Boissac 1987; Deighton 1992, 1994; Grove and Fisk 1983, 1992). A "performance" is defined as an action which is carried-out in order to fulfill an obligation or contract to another party (Deighton 1992, 1994). This stands in contrast to an "occurrence" which is an event which simply happens with no intent to satisfy another party (Deighton 1994). A "staged performance" is an act which is directly concerned with the impression it makes on the other party with no attempt to hide the staging (Deighton 1992, 1994). Since a staged performance requires an audience, which possesses the right to hold the actor to a set of standards, the service provider must be concerned with the management of expectations. Ultimately, it is the customers perception as to what constitutes a satisfactory performance and becomes the providers responsibility to understand their expectancies. Only then will the provider be capable of providing outcomes which maximize customer expectancies and result in a positive evaluation of the performance.

The motivation behind staging a performance might be identified by assessing the degree to

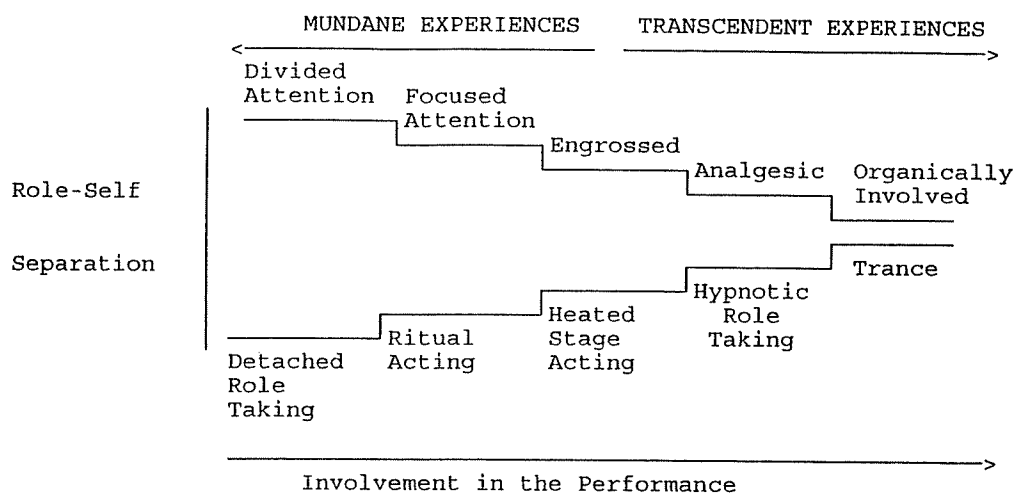
which the customers role is active or passive, and the degree to which the events emphasis is directed toward the creation of realism or fantasy (Deighton 1992, 1994). Using this framework of analysis, performances might be categorized into four groups. A "Skill" performance involves a relatively passive audience consuming the event in a naturalistic setting (competitive sports). A "Show" performance also involves a passive audience, this time, experienced in an artificial setting (ballet). In the case of a "Thrill" performance, the emphasis is on realism but, the audience is highly integrated into the event (safari). Finally, a "Festive" performance entails customer interaction in an artificially created environment (Mardi Gras)(Deighton 1992, 1994).

A Skill performance, such as a basketball game, is defined as an act requiring competence and which is exhibited in a naturalistic setting to a passive audience (Deighton 1992, 1994). A Skill performance fails when the audience perceives either a lack of competence on the part of the actor(s) or a contrived outcome (Deighton 1992, 1994). Deighton (1993) has proposed that a successful performance is one which results from a high degree of involvement. This involvement, he suggests, exists on a continuum which runs from mundane to transcendent. While most performances do not reach the level of trance, they could elevate the individual to the level of hypnotic. When experiences occur they activate both cognitive and emotional systems. This results in an amplification of the event producing a richer and more complex significance (Deighton 1994). This information is then stored in memory to be recalled at a later time.

COGNITIVE CATEGORIZATION AND THE HALO EFFECT

One concept that has been identified as an important component for understanding the cognitive process of evaluation is categorization (Feldman 1981; Ilgen and Feldman 1983). Individuals perceive and process incoming information using either abstract categories or concrete prototypes stored in memory (Mount and Thompson 1987). The information stored in these existing schema, created from a variety of formal and informal sources, serve the individual by

Figure 1
Involvement in the Performance Continuum



Source: Deighton 1994

providing "cognitive economy" through the reduction in processing requirements (Behling, Gifford and Tolliver 1980; Smith, Adams and Schorr 1978). Once information has been stored in a particular category, later retrieval and recall of that information tends to be biased by the category (Cantor and Mischel 1977). Therefore, categorization of events has important implications on halo, leniency and accuracy of evaluations.

Although, a number of models exist for explaining the halo effect (cf. Lance, LaPointe and Stewart 1994; Murphy and Anhalt 1992), we adopt for this study the initial conceptualization of the phenomenon first observed by Wells (1907) and Scott (1908) and later formally defined by Thorndike (1920). Thorndike (1920, p. 25) defines the halo effect as follows:

A marked tendency to think of a person [event] in general as rather good or rather inferior and color the judgments of the specific performance dimensions by this general feeling.

This definition suggests that halo is a within-rater phenomenon that results in the generalized or global impression of the ratee [event]. In the context of categorization this would suggest that dimensions being evaluated are

perceived as being consistent with the categorization schema. For example, the basketball game might serve as a prototype and service expectancies at the event generalized to the same categorization schema. This might be analogous to trait ratings of individuals which have been found to be recalled collectively and tend to covary with the general category (Feldman 1981). Additionally, it has been found that evaluations of the least important dimensions in a category are determined almost exclusively by the halo effect (Beckwith and Lehmann 1975).

THE IMPACT OF MOOD STATE ON CATEGORIZATION AND THE HALO EFFECT

Similar to the findings addressing cognitive processing, mood state, satisfaction, and other affective responses are thought to impact the evaluation process (Williams, Alliger and Pulliam 1988). Research indicates that affect influences the evaluation process resulting in an alteration of rating outcomes (Murphy and Cleveland 1991). For example, it has been shown that mood state alters the information retrieval process during performance appraisals resulting in judgments which are consistent with those found in mood congruency research (Bower 1981; Isen et al.,

1978; Teasdale and Fogarty 1979).

In the context of categorization and the halo effect, it has been shown that a positive affective state results in more lenient categorization (Isen and Daubman 1984). For example, O'Malley and Davies (1984), studying mood state in the context of reward allocation, found that subjects in a positive mood did not discriminate in terms of performance level when assigning reward allocations. They argued that this suggests more lenient categorization and a greater halo effect. Alternatively, those subjects in a negative mood, were much more critical of performance level and their allocation of reward. This might reflect less assimilation of information and a more stringent categorization of information. They also suggest that this might indicate greater evaluation accuracy and limited halo effect. Similar research results have been reported by Sinclair and Mark (1986).

HOW WILL THE HALO EFFECT MANIFEST ITSELF? A PROXIMITY MODEL

Factual information and the affect associated with the event, according to network theory, are stored in a configuration of linkages which form a structure resembling a web (Bower 1981; Bower and Cohen 1982). Successful retrieval of information at a later time is a function of both the formation of memory linkages (proximity) and the recency of the information (Higgins and King 1981). In addition, it has been argued that memory operates on a last-in-first-out basis (Higgins, Rholes and Jones 1977). This would suggest that the most recently processed information will be the easiest to recall given the appropriate retrieval cue (Tybout, Sternthal and Calder 1983). In the context of a basketball game, under positive mood state conditions, it would be expected that the degree of halo would decrease as the service provided became more remote (e.g., parking). Under negative conditions, although harder to recall, all services should be discriminately evaluated.

SETTING THE STAGE

The halo effect phenomenon was studied in the context of a series of basketball games played at a

large southwestern state university. A survey was developed to acquire information about the level of satisfaction among patrons for the ancillary and event services provided by the Thomas and Mack Center and the changes and renovations made in the arena.

The survey was administered at three separate games to ensure that the results were not biased by the results of any one game. All three games took place in the span of seven days. Efforts were taken to insure that the level of service in the areas studied were as consistent as possible. For example, the prerecorded music scripts and sound levels were kept consistent, as were concession stand menus and giveaways. This situation provided a good test of the possible existence of the halo effect based on the outcome of the event. The three games in the study provided a wide range of expectations and outcomes.

The first game was against a conference opponent, San Jose State University. Going into this game, the home team had a record of 8 wins and 1 loss, and had won all 23 previous contests with the opponent. In addition, the home team had a 54 game home winning streak. The visiting team had a record of 3 wins and 8 losses and was in last place in the league. On paper, the game appeared to be no contest. The game turned out to be closer than expected. The home team lead nearly the whole game by margins of 5 to 15 points, and eventually won 84-77. The local newspaper headline read, "UNLV Survives Spartan Scare." Quotes from the newspaper included, "...a stunning nail biter," and "When things get out of sync, things like this happen." The home team won but did not perform as well as expected. The home town fans went home disappointed in the quality of play by their team.

The second game was against a non-conference opponent that the home team had not previously played. Going into this game, the home team had a record of 9 wins and 1 loss, and a had 55 game home winning streak. The visiting team had a record of 5 wins and 8 losses. On paper, the home team was clearly favored, but since the opponent was a relative unknown, the crowd appeared to be nervous. The game turned out to be very close and entertaining. The home team eventually won in overtime by the score of 98-96, after trailing by as much as 12 points with less

than 10 minutes remaining in the game. The win preserved the team's 55 game home winning streak. The local newspaper headline read, "REBELS Escape in Overtime." Quotes from the newspaper included, "When UNLV made its run, it was due to some of the best defense they have played as a team," and "A disappearing first half defense showed up just in time." The home team did not perform as well as expected, but the heroic win seemed to make up for the lack of execution early in the game. The home town fans left the arena, relieved, still buzzing about the finish.

The third game was against a nationally ranked non-conference opponent that had a 5 win and 1 loss record against the home team. Going into this game, the home team had a record of 10 wins and 1 loss, was ranked 15th nationally, and had a 56 game home winning streak. The visiting team had a record of 11 wins and 1 loss and was ranked 18th nationally. It was a "big" game for both teams. On paper, the game was even, especially since the home team was coming off two closer than expected wins. The game was a blowout. The home team won by 16, 96-80, but lead 25-6 early and by as many as 35 points in the second half. The win was cause for celebration and

NCAA tournament talk for the home town fans. The local newspaper headline read, "REBELS Race by Hoyas." Quotes from the newspaper included the home team coach saying, "I hadn't never in my wildest dreams, felt we'd win this way," and "We just about had as good a first half as we possibly could have." The home team performed well above expectations. The home town fans left the arena, in a state of euphoria.

After the data was collected, but prior to the data analysis it was hypothesized that the first game would result in generally lower satisfaction evaluations, while the third game would result in generally higher satisfaction evaluations. This would be consistent with performance involvement (see figure 1) (Deighton 1994). The performance of the home team in Game 1 was below expectations and appeared to result in relatively low levels of performance involvement by the patrons. Alternatively, in games 2 and 3 the patrons were highly animated and vocal, and appeared to be much more involved in the performance.

Based on the Proximity Model discussed previously, it was postulated that the evaluation of the services and factors that affected the overall

Figure 2
Proximity Model for Predicting the Amount of Halo Effect

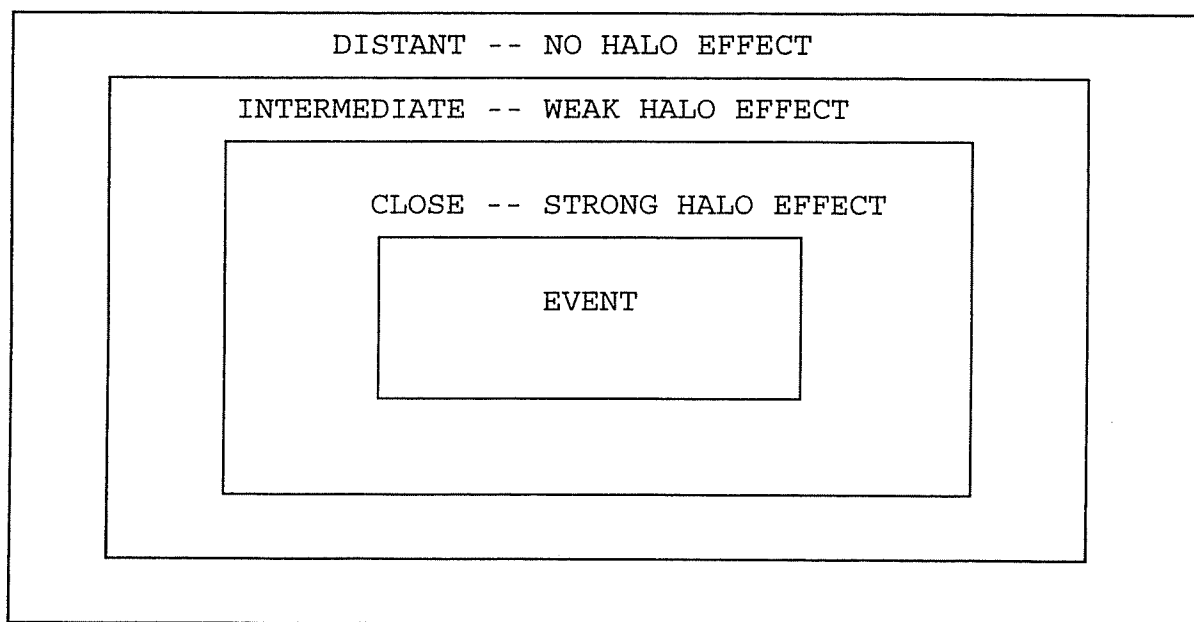


Table 1
Mean Differences Between Games

	<u>GAME 1</u>	<u>GAME 2</u>	<u>GAME 3</u>	<u>F Value</u>	<u>Prob.</u>	<u>Stat Sig.</u>
<u>REMOTE</u>						
Parking	3.908	3.964	4.038	.467	.628	No
Staff	4.519	4.507	4.439	.562	.571	No
No Smoke Policy	4.426	4.394	4.523	.533	.588	No
Start Time	3.964	3.697	3.900	2.367	.095	No
Average	4.199	4.141	4.250			
<u>INTERMEDIATE</u>						
Food	3.733	3.856	3.944	1.614	.200	No
Food Quality Impr	3.611	3.796	3.832	1.780	.170	No
Cleanliness of						
Arena	4.500	4.568	4.570	.520	.596	No
Menu Variety	3.919	4.019	3.960	.458	.633	No
Restrooms	4.217	4.361	4.236	1.552	.213	No
Directional Signs	3.929	4.170	4.113	3.330	.037	Yes
Concourse Appear	3.966	4.207	4.148	3.108	.046	Yes
Average	3.982	4.140	4.115			
<u>CLOSE</u>						
Sound level	3.663	4.206	4.129	9.547	.000	Yes
Band music	3.667	3.995	4.082	5.698	.003	Yes
Pre-rec Music	3.455	4.009	3.931	10.456	.000	Yes
Giveaways	3.098	3.797	3.854	19.508	.000	Yes
Sound Quality	3.932	4.239	4.101	3.764	.024	Yes
Average	3.563	4.049	4.015			
<u>COMPREHENSIVE MEASURES</u>						
Overall Average	3.905	4.112	4.119			
Overall Satisfaction	3.716	3.952	4.079	5.336	.005	Yes
Number of times individual measures were:						
the highest	2	7	7			
the lowest	13	2	1			
<u>DEMOGRAPHICS</u>						
Age	51	44	41	11.616	.000	Yes
Sex (% male)	58%	65%	64%	2.872	.058	No
Income	\$68,229	\$59,750	\$55,952	.615	.541	No
Adults in party	2.354	1.961	2.350	1.976	.139	No
Children in party	0.133	0.225	0.229	.995	.370	No
1st game attended						
(% Yes)	1%	8%	11%	1.926	.147	No
Zip (% Local)	99%	94%	92%	.469	.627	No
Attendance	11,729	11,386	18,723			

satisfaction experience and were close in their proximity to the event would experience a strong halo effect (see Figure 2). Those services and

factors that affected the overall satisfaction with the experience, but were intermediate in their proximity to the event would experience a weak

halo effect. Those related services and factors that affected the overall satisfaction with the experience, but were remotely connected to the event would be least subject to a halo effect.

A priori, the various factors and services were classified as remote, intermediate, and close. Those factors and services that were experienced outside the arena and/or prior to the game were classified as remote. Those factors and services that were experienced in the concourse area of the arena during the game were classified as intermediate. Those factors and services that were experienced in the arena itself, during the game were classified as close. Table 1 provides a list of the various factors and services, and their classification.

Method

Surveys were randomly distributed to 1400 patrons over a three night period. Respondents were able to return the surveys when they left the arena or by mail. As an incentive, respondents were given a coupon good for a free soft drink, a \$2.00 value. A total of 484 completed surveys were returned, resulting in a 34 percent response rate. Information was collected on perceived quality and satisfaction on a variety of factors along with demographic information to determine the composition of each audience.

Demographics

First, the survey respondents were compared on a number of demographic factors to determine the similarities and differences across the three samples. The results are presented in Table 1. The respondents were compared on seven factors including age, sex, and income. The only significant difference between the groups was age. The survey respondents at the first game averaged 10 years older than those responding to the third survey. A correlation analysis between age of respondent and overall evaluation scores did not prove to be significant. These results were encouraging and suggested that respondents were similar enough to allow for evaluative comparisons between the three events.

General Halo Effect Results

Recall, that it was hypothesized that the first game would result in the lowest satisfaction evaluations and the third game would result in the highest evaluations. This was based on the hypothesis that game 1 provided the patron, theoretically, with the poorest entertainment experience and that game 3 provided the patron with the best experience. The measure of overall entertainment experience (see Table 1) was statistically significant across the three games. Game 1 was evaluated as the least satisfying (3.716) and game 3 was evaluated as the most satisfying (4.079). Game 2 (3.952) was evaluated nearly as high as game 3. These findings support the validity of the hypothesis.

To test the general halo effect hypothesis, the 16 specific satisfaction measures were investigated. Table 1 shows these 16 measures across the three games. Of the 16 satisfaction measures game 1 had the lowest evaluation 13 times. Conversely, game 1 had the highest evaluation only 2 times. While game 2 and game 3 each had the highest evaluation score 7 times. The overall average satisfaction evaluation score was the lowest for game 1 (3.905), and virtually the same for games 2 and 3 (4.112 and 4.119). In summary, these results support the premise of predictable halo effects based on the quality of performance. In the context of this study, the game 1 evaluations are dramatically different from the other two games.

A Test of the Proximity Model of Halo Effects

Recall, that the Proximity Model of halo effects posits, that when the individual is in a positive mood, those evaluations categorized as close to the event are likely to be affected by the quality of the performance. Those satisfaction evaluations that are considered intermediate will be weakly influenced by the performance. Those evaluations that are classified as remote will be even less affected by the event itself.

Table 1 shows the data used to test this model of the halo effect as it applies to satisfaction measures surrounding a performance. A total of four satisfaction measures were classified as remote. None of the evaluations were significantly different between the games. This suggests that

the evaluations were not at all affected by the performance/game.

A total of seven satisfaction measures were classified as intermediate. They ranged from satisfaction with cleanliness of the arena to the satisfaction with the directional signs on the concourse. Two measures (concourse appearance and directional signage) were statistically different across the three games. This suggests a weak ($2/7=29\%$) halo effect. In both cases, the measures for game 1 were substantially lower than those for games 2 and 3. This finding is consistent with the predicted halo effect. It should be noted that the two factors with the significant differences were structural items that were exactly the same for all three games.

A total of five satisfaction measures were classified as close. They ranged from satisfaction with the prerecorded music to satisfaction with the sound level. All five measures were statistically different across the three games. In each case, the measures for game 1 were substantially lower than those for games 2 and 3. This finding suggests a strong halo effect for the measures that were classified as close.

In conclusion, the Proximity Model does an excellent job of predicting halo effects. For the remote satisfaction measures no halo effects were observed, with the average of the measures ranging from 4.141 to 4.250, a difference of .109. For the intermediate measures two out of seven halo effects were identified. The average measures ranged from 3.982 to 4.140, a difference of .158. Finally, all five close measures displayed a halo effect with the average measures ranging from 3.563 to 4.049, a difference of .486.

MANAGERIAL IMPLICATIONS

The managerial implications of these findings are threefold. First, researchers who are surveying patrons regarding satisfaction with services related to experiential products and services need to be aware of the potential for halo effects related to the overall experience. In these cases, it is very difficult for patrons to separate the satisfaction with specific services from satisfaction with the overall experience. This would include products and services such as, sporting events, concerts, plays, movies, amusement parks, resorts,

national and state parks, zoos, restaurants, golf courses, etc. This is problematic, since in many cases, a number of extraneous factors (e.g., weather, quality of performance) affect the overall experience, but are not controllable by the service provider.

There is no doubt that patrons at an amusement park register more complaints on a bad weather day than they would on a nice weather day. The service provider must be careful not to overreact when an increase in the number of complaints or low survey satisfaction scores are attributable to uncontrollable factors. On the other hand, personal experience suggests that most experiential service providers attempt to collect data in the best case scenario. The authors have personally experienced situations where satisfaction surveys were canceled due to "bad weather" or the fear that the performance would not be up to expectations. In fact, this practice might exacerbate measurement problems associated with the halo effect. This approach is likely to lead to a halo effect that over-states the perceived level of quality and associated satisfaction. Previous research indicates that halo effects are much more likely to be found in positive affective states (Isen and Daubman 1984; O'Malley and Davies 1984). When individuals are in a more negative mood, they are more critical and accurate in their evaluation, thus reducing the halo effect (Isen and Daubman 1984; O'Malley and Davies 1984). The simplest solution is for experiential service providers to take multiple measures of service quality irrespective of perceived patron expectancy level. Besides customer satisfaction measures, the marketer should measure and monitor inputs (e.g., number of concession stand lines per 1,000 patrons) and process (e.g., average length of waiting line time at the concession stand). By using all three types of measures a more complete evaluation of specific services is possible.

The second managerial implication is that satisfaction researchers should attempt to identify ways to minimize halo effects in the measurement of service satisfaction. The distinction between a service encounter and overall satisfaction (Bitner and Hubbert 1994) should be considered in the design and administration of satisfaction survey instruments. A service encounter has been defined as a discrete event in which a customer and service

provider directly interact, while overall satisfaction is more global (Bitner and Hubbert 1994). In practice, this suggests that researchers interested in obtaining an accurate measure of a particular service dimension should interact with the patron immediately following the encounter rather than delaying the measurement. This suggestion is consistent with research conducted by Nathan and Lord (1983), which found that memory-based evaluations were subject to greater halo effects compared to evaluations made immediately after a particular behavior. In addition, researchers should guard against creating a time pressured situation for the respondents of satisfaction surveys. Individuals that are rushed are more likely to engage in yeasaying or heuristic processing, which in turn leads to halo effects. Recommendations include shortening surveys to a few questions and avoiding those individuals that appear to be in a hurry.

The third managerial implication deals with the long-run management of the experience. Over time, few factors are truly uncontrollable. The experiential service provider needs to continue to find ways to enhance the experience. Not only will the patron be more satisfied with the overall experience, but they will also be more satisfied with the related services. While attention must be paid to the quality of services, at least some time should be spent on improving the experience and reducing the likelihood that extraneous variables are going to negatively affect the experience. An example of this is the addition of water misters at Sun Devil Stadium in Phoenix. While the hot weather is uncontrollable, the addition of the misters reduces the effect of the weather. If this enhances the overall experience, it is easily worth the time and money.

CONCLUSION

The results of this study suggest that measuring patron satisfaction with specific services related to an entertainment experience is subject to potential halo effects. The more closely tied the service is to the actual performance/event, the more likely a halo effect will be present. While the study suggests that the hot dogs don't necessarily taste better when the home team wins, the music sure sounds better.

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CUSTOMER SATISFACTION AND THE PREDICTION OF BEHAVIOR IN A HYPOTHETICAL CONTEXT

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ABSTRACT

From a company perspective, customer satisfaction and the subjective judgment of general quality are most useful when viewed as part of a chain of customer evaluations ranging from attribute perceptions up to loyalty and future behavior predictions. While they are of paramount interest to the manager, the latter items are notoriously difficult to measure well, so that their intrinsic meaning is unclear and their linkages to more familiar constructs are tenuous. These problems are vastly inflated when the behavior of interest is necessarily hypothetical. This paper describes several measures of intention in a hypothetical context, exhibits ways to ensure and check their validity, and discusses their relationship to lower-level customer judgments.

INTRODUCTION

Customer satisfaction is, by definition, a post-purchase affect, and its measurement is naturally reactive. This makes its measurement fairly easy for the customer and often its interpretation for the provider straightforward, at least when the structure of its current service is at issue. However, most managers advocate its use as an indicator of such future behavior as service usage or loyalty. Thus, for the practitioner, a crucial issue in the study of satisfaction and service quality is the link between these concepts and those of future behavior.

The difficulty, both for the customer and for the manager, of translating a retrospective attitude into a future state is enhanced when the service environment is undergoing fundamental changes, so that the customer must not only predict his future behavior in a stable business environment, but must also account for radical changes in the source, bundlings and form of the service. The question must be valid in the two senses of 1) measuring the proper customer understanding of the prediction task, and 2) predicting behavior under that environment.

Telecommunications is undergoing a

revolution that is unique in creating unconventional services from unconventional providers, yet in many ways appears to look like the plain old telephone service with which consumers have been familiar for many decades. The challenge for the satisfaction researcher is making sense of the highly hypothetical questions put to the industry's current customers, for overcoming this issue is the key to going beyond satisfaction and developing measures that more directly affect the viability of the provider's organization.

In this type of environment, customers are asked to evaluate many dimensions of the telecommunications industry: functional attributes which examine how the service performs, interaction or transaction variables, which examine the perceptions of any interactions the customer may have experienced with the service provider, behavioral intentions, which attempt to measure future behavior, and image questions, which ask about impressions of the corporation. The last two types of questions tend to be phrased hypothetically (e.g., "How likely would you be to recommend GTE to a friend or business associate?")

The research reported here utilizes data from two studies of telecommunications service (for convenience, labeled Study I and Study II) collected during 1994. Study I addressed issues of customer satisfaction with GTE's core service attributes, as well as items typically labeled as "image" items (e.g., GTE's leadership in the community.) The survey was administered to 384 GTE residential customers. Study II, administered to 1171 residential and business customers of GTE, focused on the comparison of GTE with other providers of telecommunications services, namely long distance providers, cellular service providers, and cable television providers.

The paper is organized in the following manner. After briefly discussing the relevant literature in this domain, we will examine how hypothetical questions can pose response problems for respondents and demonstrate how these problems may be overcome with appropriate question positioning and structure. Next we will

discuss the validity of the data examined in this manner. Models of loyalty for local and long distance telephone service will be presented, and the relationship of these concepts to the more popular items of service quality and value will be examined. In the three loyalty concepts the differences between an implicit and an explicit consideration of alternative suppliers will be explored. This analysis will be seen to have implications for the revelation of customer behavioral intentions, for the place of service quality in those intentions, and for the bases on which loyalty decisions will be made.

PREVIOUS WORK

Predicting the behavior of a customer based on his or her current perceptions and preferences is generally not easy, and relationships between affects, cognitions and behaviors are hard to quantify. Morwitz and Schmittlein (1992) point out that most practical methods of converting buying intentions into actual purchase rely on past purchase behavior or unreasonably arbitrary assumptions about the customer's affect intensity and purchase. When the behavior in question is not currently possible, such as the purchase of a new product, its prediction is more difficult for the customer and the interpretation of his/her prediction is problematic for the researcher. Great pains are taken, for example, to accurately estimate "intent to buy" reactions from customers, and the physical simulation of such hypothetical purchases (Silk and Urban, 1978) has been shown to be especially effective. However, we consider a situation where such simulation is not possible at all. Not only is the proposed service not yet available, but its form and the business environment in which it might be delivered are under construction. Of necessity, one must rely on verbal descriptions followed by the questioning of potential customer behavior. In that regard, past research has also shown the relationship between loyalty and image (or brand reputation) (Selnes, 1993).

There are several behaviors of particular interest to an organization whose industry is undergoing redefinition. In such times, the classical concepts of voice (e.g. word-of-mouth complaining, extolling, recommending) and exit

(unsubscribing, selective by-passing) as described by Hirschman (1970) are supplemented by the possibility of cross-industry switching, where a current service is provided by an unconventional supplier, or the conventional supplier provides service hitherto supplier elsewhere. As an example of the latter behavior, post office package delivery in the 1970s became replaceable by UPS and Federal Express, while the US Post Office later added express mail delivery.

For a conventional provider, the anticipation and preparation for these three customer behaviors is a crucial project. Their measurement takes on a particular hierarchy for a regulated utility, where customer exit is impossible or extraordinarily difficult. As shown by Fornell and Bookstein (1982), voice predominates when exit is blocked, and a popular measure of customer loyalty--or potential loyalty--is whether the customer would recommend the service in question to a friend who did have a choice of providers.

THE INCIDENCE OF DIFFICULT MEASURES

Some concepts can be very difficult for customers to understand and respond to, even for an offering as familiar as telephone service. A prime indicator of a problem question is the number of missing values it yields. A study of telecommunications services conducted by the authors (which, for convenience, will be called Study I), asked GTE customers to evaluate many aspects of their local telecommunications provider, including items about company image and behavioral intentions. Table 1 includes a selection of those survey items, and their paraphrased wordings, and shows the number of missing values.

Although the proportions of missing values for RECOMMEND and CHOOSE are at a reasonably low level, the items requiring the consideration of other companies, such as BEST CORPORATION, the explicit naming of other companies (COMP. REPUTATION), and the evaluation of other companies (ONE_SUPPLIER) have unacceptably high levels.

Apparent reasons for high numbers of missing values are:

Table 1
Study I - Missing Values

Question	No. of Missing Values (Base of 384 unless noted.)
CHOOSE If you were able to choose your own telephone company, how likely would you be to continue using GTE?	9.1% 35/384
RECOMMEND If the telecommunication industry changed so that other companies besides GTE also provided telecommunication services in your area, what is the likelihood that you would recommend GTE to a friend or someone else?	6.5% 25/384
BEST CORPORATION Next I would like you to think about any large national corporation - companies of any type of business that you might think of. When you think of large national corporations which one corporation do you feel has the best overall reputation?	40.6% 156/384
COMP. REPUTATION Compared with [...], how would you rate GTE's overall reputation?	24.1% 55/228
ONE_SUPPLIER (Would you choose GTE as a single supplier of local, long distance, cellular and CATV)	60.4% 232/384

Hypothetical situations This would be relevant in the responses to the questions CHOOSE, RECOM, and ONE_SUPPLIER. In response to these questions, customers must envision a business environment currently not in existence, and whose future dimensions are unclear (or perhaps even unknown.)

Requires Specialized Perspective The responses to the questions COMP. REPUTATION demands that the customer have some knowledge of the corporations function, for example, within a community or among others in the industry.

Requires too much cognitive processing The questions BEST CORPORATION and COMP. REPUTATION force a customer to consider 1. other corporations in any industry, or 2. their previous supplier of telecommunications services. The activity of recalling this

information and evaluating its relevance (within the scope of a telephone interview) could prove too taxing a process.

Note that items relating to competition and alternative providers constitute a sizable portion of these problems. Yet it is precisely these issues that are of most interest to the organization in evaluating its long-term viability, for these affect customer behavior in a competitive environment.

Such reluctance to respond to the alternative supplier items, however, is not inevitable. In the above survey, most of the items were concerned with GTE's performance, unrelated to any reference points. In responding to those few items where comparisons were important (BEST CORPORATION, COMP. REPUTATION), the customer was not prepared to consider alternative suppliers and integrated service.

In contrast, a second residential survey (Study II) began by asking customers for names of their

long distance, cellular and CATV providers. Customers were then asked for ratings of each cited provider, *prior to* items associated with the integration of their services and customer choices among the consequent competitors. The questionnaire for this study employed the following devices to enhance validity of the hypothetical behavior items:

1. calling to mind who the other service providers in a market may be,
2. defining the customer's perspective,
3. providing cues to aid in the recall and evaluation of relevant information called to mind, and
4. positioning items to promote attribute comparisons among the various telecommunications providers.

As seen in Table 2, this positioning of the questions addressed our three concerns above:

Table 2
Study II - Missing Values

Item	Percent Missing
CHOOSE	8.0% (93/1171)
RECOMMEND	13.7% (160/1171)
SINGLE- (If you could obtain your local , LD, Cellular and CATV from a single supplier, would you do so)	7.7% (90/1171)
ONE_SUPPLIER- (If you could choose one supplier, who would you choose)	29.3% (257/877)

The proportion of missing values for the current provider-focused items RECOMMEND and CHOOSE are about the same as for Study I,

as one might expect, but substantial improvements are apparent in the proportion of missing values for SINGLE and ONE_SUPPLIER, where other suppliers must be explicitly considered.

This is the first indication that these hypothetical behaviors can be answered by residential customers. Cognitive processing demands can be made sufficiently manageable so that answers can be supplied. The next issue is whether these answers are valid in the sense that they address the intent of the question.

THE VALIDITY OF TELEPHONE CUSTOMER HYPOTHETICAL INTENTIONS

The validity of responses to hypothetical questions about future behavior is not often discussed in many marketing and social psychology experiments. The issues here, comprising the production of a thoughtful, coherent response to a future behavior question as well as the predictive validation issue of whether the loyalty intention will be realized, are particularly prominent for local telephone service. Not only are switching possibilities highly novel, but the passivity of the service does not promote profound consumer thought.

In the past, several approximations to loyalty behavior have been created to overcome the extreme hypothetical nature of brand switching from a regulated monopoly. Customers were asked whether they would recommend the local telephone service to a friend who had a choice, while other customers were asked to imagine they were able to choose among current local exchange carriers. (Note that both are rough approximations to the desired information. In the first, the act of switching is transferred to another person, and in the second, only local exchange carriers (LECs) are allowed as switching destinations.)

Recommending GTE's service to a friend with a choice, or choosing among different local exchange carriers is mostly a hypothetical situation, so it is not possible to directly verify that a customer would carry through an intent to recommend or choose GTE, and we must therefore rely on indirect suggestions. First, measures must be correlated with each other, for they estimate similar concepts. Table 3 shows the correlation

between Recommend and Choose for each of the four alternative providers surveyed, for the residential market (recall that a correlation of one signifies perfect linear agreement, and a correlation of zero connotes complete independence):

Table 3
Correlations Among Measures

Service	Correlation between Recommend, Choose
GTE	0.675
Long Distance	0.639
Cellular	0.713
CATV	0.777

Recommend and Choose are as closely related for local service, for which there is no choice, as for Long Distance, for which there is. This suggests that both items are measuring nearly the same concept, and since this concept is actual choice or recommendation for LD and Cellular, the concept is almost surely intended choice.

Second, items measuring different concepts should be uncorrelated, indicating that the survey or customer defaults are not driving the Recommend and Choice responses. In fact, the four Choice variables and the four Recommend variables for each provider are not highly correlated, the general level being only 0.200 to 0.400. In other words, similar survey items which should address different customer thoughts, are in fact not highly related.

Finally, the regression models for Recommend and Choice for the two suppliers for which choice is a possibility should not be appreciably better (in terms of R^2) than the models for local service. The R^2 values, which in this case are upper bounds for measures of fit for each of the four services, are as follows:

Table 4
 R^2 Coefficients for Choice and Recommend

Service	Maximum R^2 Residential
Choice-GTE	0.407
Choice-Long Distance	0.300
Choice-Cellular	0.388
Choice-CATV	0.542
Recommend-GTE	0.438
Recommend-Long Distance	0.366
Recommend-Cellular	0.420
Recommend-CATV	0.643

Note that the Recommend and Choose models for GTE fit at least as well as those for the LD and Cellular models, where there is a real choice (i.e., not a hypothetical choice). Models for Small Business and Medium/Large Business customers show almost exactly the same pattern. This is further evidence that Recommend and Choose have at least as much meaning for GTE-based responses as for other suppliers.

THE ANTECEDENTS OF CONSUMER INTENTIONS

The previous sections demonstrated that intentions in hypothetical situations can indeed be validly measured, using the proper procedures. Now we discuss the antecedents of the intentions measures introduced above.

We consider whether quality and value constitute a summaries, or mediator positions between the attributes and the intention items. Alternatively, the intention items may be at least partially directly influenced by the attributes

themselves. This is parallel to the discussion of mediating variables in Baron and Kenny (1986).

Consider models of Choose and Recommend whose explanatory variables include all (potential) lower-level survey variables. Thus, Quality and Value are included in each model, as are the attribute variables Cust. First, Technical Leadership and Reliability. These analyses yield the following coefficients (asymptotic t-values shown in parentheses, where the R^2 values are derived from the individual OLS regressions):

Note that the hypothetical behavior variables apparently depend directly on some of the perceived attributes, and Price (meaning the reasonableness of the price charged) depends on those same attributes as well as on Quality. The "intermediate" concepts of Quality, Value and Price evidently capture aspects of the service's performance not included in the explicit attributes. However, it is important to notice that in the determination of RECOMM and CHOOSE, Value is not the most important input, as has been postulated (See, for example, Holbrook, 1994). On the other hand, these same intermediate concepts do not constitute a cognitive summarization of the services suitability to enter into the behavior evaluations in isolation, since the original attributes also enter into the hypothetical behavior questions. To make the customer-perceived service attributes useful, they must be related to the functional aspects of the service, preferably categorized along organizational lines.

Note also an interesting set of differences between the Choose and Recommend construct: the latter puts greater weight on reliability, quality and price than the former, and after the effect of Recommend is accounted for in Choose, the subjective variables of Value and Puts Customer First are the only ones still significant. Apparently, recommendation requires basic adequacy of the service here, but personal choice additionally requires high customer orientation and a favorable personal utility/personal cost ratio.

THE EFFECT OF ALTERNATIVE PROVIDERS

The previous section discussed the position of the concept of service quality in the structure of items concerned exclusively with a single company, namely the customer's current provider for each of several aspects of telecommunications service. Now, consider the role of questions regarding other, potentially alternative suppliers.

We have focused on measures of the hypothetical behavior of customer loyalty in terms relating to the current provider (i.e. the local telephone company) only. However, the data we have analyzed above contains three distinct measures of customer behavioral intention toward GTE, which have traditionally been termed measures of loyalty. As previously described above, the first two, Recommend and Choose, are direct items in the survey.

Table 5
Model Coefficients - Local Provider (GTE)

Explanatory Variables								
Dependent Variable	R^2	Recomm	Value	Price	Quality	Cust. First	Tech. Lead.	Rel.
Choose	0.505	0.423 (13.06)	0.098 (2.53)	0.044 (1.30)	0.065 (1.77)	0.127 (3.40)	0.059 (1.70)	0.043 (1.34)
Recomm.	0.437		0.128 (3.11)	0.162 (4.56)	0.214 (5.55)	0.142 (3.61)	0.040 (1.08)	0.129 (3.79)

The third measure is a composite of two items. A customer is considered loyal if he/she answers "Extremely . . .", "Very . . ." or "Somewhat Likely" to the item:

"If you could obtain your local telephone, long-distance, cellular or cable TV services from one supplier, what is the likelihood that you would do so?"

and subsequently identifies that single supplier as GTE. In the analysis below, this two-valued measure is named SINGLE.

From the wording of the items, it appears that CHOOSE and SINGLE differ in that CHOOSE offers the customer a choice of current local telephone providers, while SINGLE widens the choice to current suppliers of LD, Cellular and Cable providers.

The three measures of loyalty (Recommend, Choose and Single Supplier) are functions of very different kinds of variables. While Choose and Recommend depend only on GTE's own ratings, as detailed above, the choice of a single supplier depends on the comparative scores given quality or customer orientation ratings. Comparative scores, coded BEST_XXX, are exemplified by:

BEST_QUAL: GTE had the best (i.e. strictly better) QUALITY score among the local telephone, long distance, cellular, cable providers rated, and

BEST_PRICE, defined similarly.

The SINGLE variables is found to have the following model structure, based on a logistic regression.

In contrast to the RECOMMEND and CHOOSE measures, two of the three inputs are comparative ratings: for GTE to be chosen as the single supplier of local, LD, cellular and cable services, its quality must be strictly higher, and its prices strictly better than the competition. In addition, its technological leadership must be high, though not in a comparative sense, presumably to unite these different services in one package.

This analysis, which yields similar results for customer choice of other potential suppliers, is important not only for its indication of service attributes used in this hypothetical choice activity, but for its strong suggestion that such choice is dependent on service beyond that measured by one company's quality ratings.

CONCLUSIONS

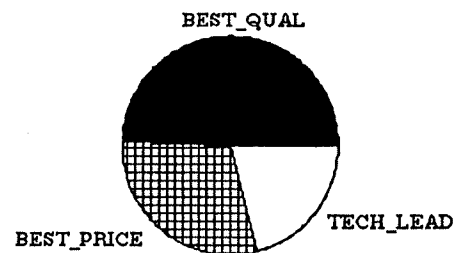
We conclude that:

Telephone customers can meaningfully respond to hypothetical questions about future behavior, when proper survey procedures are followed.

Service quality is not consistently an important ingredient in determining customer's intended behavior. More specific service attributes are of comparable importance, and suggest that

Table 6
SINGLE-Residential Customers

SINGLE	ATTRIBUTE	COEFFICIENT
	BEST_QUAL	1.049
	BEST_PRICE	0.616
	TECH_LEAD	0.448



this concept is useful as a supplement to a necessarily limited attribute list, rather than as an intermediate summarization feeding into higher level decisions.

In particular, increasing the scope of one's service to include the those currently offered by other types of providers depends on the customer's *comparative* satisfaction and his/her *comparative* rating of certain key attributes.

It follows that from a business perspective, the measurement of customer satisfaction is a fundamental requirement for favorable future behavior, but is by no means sufficient. Even though retrospective satisfaction and service quality are relatively easy to make meaningful and measurable for the customer, understanding the future health of the company is dependent on customer-oriented concepts that are vague, hypothetical, hard to interpret--and crucial.

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UNDERSTANDING SOLDIERS' RESPONSES TO PRODUCT DISSATISFACTION IN FIELD TRAINING ENVIRONMENTS

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ABSTRACT

A substantial literature has accumulated on the ways in which consumers respond to dissatisfaction with products and services. However, no research has examined if these behaviors characterize soldiers' reactions to product dissatisfaction while participating in field training exercises. To address this question, a series of focus groups was conducted with soldiers as part of a program to develop a comprehensive typology of responses to dissatisfaction in field training environments. An analysis of the discussions indicated support for the use of responses similar to Hirschman's exit, voice and loyalty as well as responses resembling Rusbult's neglect and Huefner & Hunt's retaliation. Results are discussed in terms of the impact of the field environment on responses and directions for future research.

INTRODUCTION

A substantial literature has accumulated on the ways in which consumers respond to dissatisfaction with products and services (e.g., see volumes by Day, 1978 and Day & Hunt, 1992, 1993, 1994). Although some of this research is the result of purely academic pursuits, the practical relevance of this topic cannot be overlooked. In recent decades, business has shifted its focus from simply increasing sales and profits to one in which fulfilling customer needs and wants is key (Band, 1991; Hinton & Schaeffer, 1994; Whiteley, 1991). Understanding how consumers react to a faulty product or service is consistent with this new emphasis. Although complaints made to sellers are the most direct means buyers have to communicate dissatisfaction, studies have shown that relatively few dissatisfied consumers respond this way (TARP, 1986). Therefore, determining and understanding the whole spectrum of behavioral and non-behavioral ways in which consumers react can provide business with important information to gauge performance.

Influenced by the customer orientation in business and the resurgence of concern with military quality of life issues, U.S. Army product

developers have become interested in designing products that not only meet military design and performance specifications, but also satisfy their customers - soldiers. Part of this effort has been to understand the modes by which soldiers respond to dissatisfaction with military products while involved in field training exercises. The overall purpose of these exercises is to prepare soldiers for performing in real-life combat situations. (This environment will be described in greater detail later.) Compared to the average civilian consumer, soldiers in the field have little freedom of choice. Therefore, unlike dissatisfied civilians, soldiers who are dissatisfied with a ration or a piece of equipment often lack the opportunity to place formal complaints, to obtain replacements, or to terminate their participation in the situation. Examining responses to dissatisfaction in field environments can provide product military developers with an important source of information about the status of their products once they are fielded. This work can also be used to design a formal system for soldiers in the field to express problems with items. In addition, it may also contribute to our understanding of how people in non-military environments where response options are limited handle dissatisfaction.

This paper describes the initial stage of a research program being conducted at the U.S. Army Natick Research, Development and Engineering Center (NATICK) to develop a typology of responses to military product dissatisfaction in field environments. First, existing categorization schemes are reviewed. Then the results of a series of focus groups examining the modes soldiers have used to respond to product dissatisfaction are presented, followed by conclusions and directions for further research on this topic.

A Review of Existing Typologies of Responses to Consumer Dissatisfaction

Although the Army's interest in how soldiers respond to product dissatisfaction is relatively new, a review of the literature on civilian consumers' responses to dissatisfaction indicates that several

classification schemes already exist. Many early studies (e.g., Mason & Himes, 1973; Zaltman, Srivastava, & Deshpande, 1978) drew a distinction between complainants and noncomplainants. Although simple, these categories, in fact, were comprised of several dimensions. For example, "to complain" can involve three distinct activities: (a) switching a brand or store; (b) making a complaint to a seller; and (c) telling others about the dissatisfactory experience (Richins, 1983). This confusion caused inconsistencies in operational definitions across studies which could account for the lack of consensus in their results (Kraft, 1977; Warland, Hermann & Willits, 1975).

Day and Landon (1977) grouped consumer reactions into a two-tiered hierarchy. On the first tier, behavioral responses were distinguished from non-behavioral ones. The second tier was composed of public and private responses. Public responses are behaviors directed at individuals outside the dissatisfied consumer's social network, e.g., those directly involved with the problem (retailers, manufacturers, etc.) or "third parties" (Better Business Bureau, Federal Trade Commission, etc.). Examples include placing a formal complaint and seeking redress. In contrast, private actions are behaviors aimed at handling the problem in a private or personal manner. Communications directed at one's informal social network, i.e., friends, family, and other individuals outside the "professional" sector, exemplify this category.

Hirschman's (1970) work, outlined in his classic book *Exit, Voice and Loyalty: Responses to Decline in Firms, Organizations and States*, is probably the most well-known typology of responses to dissatisfaction. Although originally proposed to explain reactions in organizations and political systems, it is easily applied to consumer situations. According to Hirschman, the two principal modes of expressing dissatisfaction available to consumers are exit and voice. Exit occurs when dissatisfied consumers "dissociate themselves from the object of their dissatisfaction." Examples include switching brands or discontinuing patronage. The probability of using exit increases to the extent that the consumer has little loyalty to the brand or the retailer and suitable alternatives are available. Voice entails open and direct articulation of a problem,

ranging from "faint grumbling to violent protest." Examples include making a complaint to a retailer or a third party. Unlike exit where the goal is to escape the problem, the purpose of voice is to change the situation. As such, it is more costly than exit in terms of the time and effort members must expend to influence the organization. For this reason, Hirschman contends that in most circumstances dissatisfied consumers will favor exit over voice. Yet, there are situations in which voice is more probable. For example, voice will be used when the buyer is confident that it will induce change. Furthermore, to the extent that an individual can contribute to the "public happiness" by an open expression of dissatisfaction, voice will be the preferred response (Hirschman, 1974). Voice is also likely when the consumer has no or only poor alternatives.

In addition to voice and exit, a third possible response to dissatisfaction is loyalty. Like voice, loyalty implies that the dissatisfied consumer will continue to buy the brand or frequent the retailer. Unlike voice, the consumer declines any direct expression of dissatisfaction. He or she may expect the situation to improve, but through the efforts of someone else.

Several authors have refined Hirschman's typology by adding responses or by clarifying the meaning of the original categories. Rusbult and Zembrodt (1983) used inductive means to verify the use of exit, voice and loyalty in response to dissatisfaction in interpersonal relationships. In contrast to deductive methods by which theorists classify behavior on the basis of their own ideas of reality, the advantage of an inductive approach is that the classification of responses is based on how individuals actually enact them. The results of Rusbult and Zembrodt's inductive study supported the use of exit, voice and loyalty in the relationship domain. A fourth response which the researchers termed "neglect" was also found. Behaviors exemplifying this category did not directly address the problem eliciting the dissatisfaction and were destructive to the relationship. In a series of studies investigating responses to dissatisfaction with restaurant food, Malafi (1992) operationalized neglect as refusing to leave a tip for the server. Sizable numbers of consumers reported enacting this response, particularly when they had not been a long-time

customer of the restaurant.

The work of Hunt and his co-workers (Huefner & Hunt, 1992; 1994; Hunt, 1991; Hunt & Hunt, 1990; Hunt, Hunt & Hunt, 1988) has focused on clarifying the meaning of exit. Like Rusbult and Zembrodt (1983), these authors have taken an inductive approach. Through content analyses of interviews with consumers, Huefner and Hunt (1992; 1994) reported evidence for three exit-related behaviors - retaliation, grudgeholding and avoidance. Retaliation involves not only terminating patronage, but deliberate efforts to get even with a seller. This response is precipitated by extreme dissatisfaction and anger. Behavioral expressions range from physically damaging the store or deliberately going out of one's way to damage the store's reputation, to causing some minor inconvenience to the retailer. Grudgeholding and avoidance are examples of "extended exit." Grudgeholding involves refusing to purchase a product or frequent a seller for a long period of time. This response carries a strong emotional component. When interviewed, grudgeholders were still visibly upset about the problem years after the incident occurred. Avoidance is also exit that continues for a long time, but it lacks the intense emotion of grudgeholding.

Singh's (1988) work has increased understanding of the voice response. Using inductive means, Singh found evidence for a typology based on identifying the object (i.e., person, group, institution) toward which a complaint is directed. The object varies along two dimensions. It is either outside of the consumer's social network (external) or part of it (not external), and it is either directly involved with the problem or not. Voice consumer complaint behavior (CCB) is addressed to objects external to the dissatisfied consumer's social circle and directly involved in the dissatisfying experience (e.g., retailer, manufacturer). Third party CCB is also geared to objects that are external to the consumer, but these entities are not directly involved in the dissatisfying transaction (e.g., Better Business Bureau, legal agencies, newspapers, etc.). With private CCB, objects of the complaint are part of the consumer's social network, yet are not directly involved in the dissatisfying experience (e.g., friends, relatives,

etc.). The final category, "not external but involved", is an "empty cell" into which no specific CCB is found.

In summary, this review indicates that several schemes are available to classify consumer responses to dissatisfaction. Hirschman's (1970) typology of exit, voice and loyalty has influenced much of the research in this area. More recent work by Rusbult (Rusbult & Zembrodt, 1983), Hunt (e.g., Huefner & Hunt, 1994) and Singh (1988) has broadened understanding of these responses. To date, no studies have examined whether the responses enacted by dissatisfied civilian consumers are made by soldiers in the field. Given the uniqueness of the military environment, it is possible that differences do exist. This topic is addressed in the next section.

Focus Groups to Understanding Soldiers' Responses to Dissatisfaction in the Field

An examination of soldiers' modes of responding to dissatisfaction with military products in the field is an important area of study for the Army to pursue. A thorough understanding of how soldiers deal with dissatisfaction would allow product developers to tap into soldiers' concerns about items, so that improvements can be made and customer satisfaction enhanced. It can also help with the development of a system in the field for soldiers to express problems with Army products. Such a system is currently unavailable. Moreover, these contributions are consistent with the Army's focus on improving soldier quality of life in field environments precipitated by the end of the Cold War and subsequent downsizing of forces.

As an initial step toward understanding the ways in which soldiers react to product dissatisfaction, a series of focus groups was conducted. The purpose was to determine if the responses demonstrated by dissatisfied civilian consumers as outlined in the preceding review would apply to soldiers in field environments. There is likely to be some overlap since soldiers do have experience in the civilian consumer market. However, there are clear differences between circumstances in the field and the civilian consumer market that make this a question worthy of empirical investigation. As stated earlier, the

goal of field training exercises is to prepare soldiers for performing in combat scenarios. The duration of a single exercise can range from one day to several weeks. During this time, soldiers live and work outdoors, exist in less than comfortable conditions, and are isolated from the larger civilian culture. With regard to consumer behavior, soldiers involved in field assignments generally lack the freedom of choice afforded in everyday living. The U.S. Army is the sole provider of most items. Products are issued to soldiers for free or purchased at a cost less than their commercial counterparts. Moreover, many products such as BDUs (Battle Dress Uniforms) are so specific to the Army that they cannot be replaced by civilian goods. Because of these things as well as the isolated nature of the field, there are no opportunities for soldiers to "shop around." How this situation affects soldiers' responses to product dissatisfaction was the subject of these focus groups.

METHOD

Five focus groups were conducted during the period of 1991-1994 to understand the ways in which soldiers respond to product dissatisfaction in the field. Two of the groups were conducted specifically to address this topic. The primary purpose of the other three groups was to obtain soldiers' reactions to particular products or issues. Questions relevant to product dissatisfaction were inserted at the end of these discussions.

Seven to fifteen soldiers participated in each group. The soldiers were selected by their commanding officers to take part in the discussions. These officers were not present during the focus groups. All groups were composed of enlisted soldiers, some of which were non-commissioned officers (NCOs). Only two female soldiers took part in the groups. All participants reported being involved in at least five field exercises during their time in the Army. Several had served in Operation Desert Shield/Storm.

The moderator presented the soldiers in each group with the following scenario for discussion: "Please think of a time when you became dissatisfied with a military product such as a ration, your uniform, or a piece of equipment

while in the field. How did you feel and what, if anything, did you do about it?"

Discussions were tape-recorded and lasted from 30 to 60 minutes. At the conclusion of the discussion, soldiers were thanked for their participation and dismissed.

RESULTS

Responses from the five groups were combined and classified by a research assistant into categories based on their similarities to each other. The research assistant was unfamiliar with any of existing typologies such as Hirschman's (1970). When the classification was complete, the categories that emerged resembled the exit, voice, and loyalty scheme proposed by Hirschman (1970). An additional response that bore similarities to neglect (Rusbult and Zembrodt, 1983) and retaliation (Huefner & Hunt, 1992; 1994) was also evident.

The first category of responses was similar to voice. It was divided into formal and informal complaining. Formal complaints to someone in a soldier's chain of command were rare, particularly among those at lower rank. This was not surprising since there is typically no formal mechanism similar to what is available to civilians by which soldiers can report dissatisfaction. Some did report taking problems to their squad or platoon leaders. However, most soldiers believed that the probability of such a complaint having an impact was low. When asked why, many were convinced that their opinions and problems meant little to those in charge. These beliefs are likely to reduce the chances of using voice (Hirschman, 1970). Social influences also discouraged formal complaints. In every focus group, several soldiers indicated that making a complaint to someone in charge carried the possibility of being labeled a "whiner" or "trouble-maker." These negative connotations increased the social costs of complaining, a factor also found to inhibit complaints among civilians (Richins, 1979). In addition, it was clear that, for many, the idea of placing a formal complaint was inconsistent with their definition of a "good soldier" who can withstand anything. As one soldier remarked, "life in the field is not supposed to be fun. It's supposed to test you." Soldiers in this group were

probably unlikely to complain since, given their low expectations for product performance, they were unlikely to be very dissatisfied when they actually encountered a faulty product. Although not every episode of dissatisfaction triggers a complaint, it is a necessary condition for a complaint to occur (Singh, 1988).

Informal complaining was the most frequently reported response to product dissatisfaction in the field. Soldiers often discussed what they did not like about a product with their peers. These discussions sometimes took on an angry tone, but they could also be relatively light-hearted. For example, several soldiers indicated that they enjoyed making fun of the deficient product with other soldiers. Although they conceded that informal complaining rarely solved the problem, it allowed them to "vent" their dissatisfaction and made them feel better.

Another category of responses was similar to exit. Although the field situation itself does not offer the array of alternative brands or sellers available to civilians to choose from, many soldiers still found ways to discontinue use of faulty military products. Three types of behavior exemplifying exit were mentioned in the discussions. Soldiers frequently substituted commercial products for military products that they found unacceptable. For example, soldiers mentioned spending their own money on commercial gloves rather than use the ones provided by the Army. Or they brought as much of their favorite commercial non-perishable food with them on a field exercise that they could pack to avoid eating military rations. Soldiers also refrained from using an unacceptable product, particularly a ration, by trading it away for something they found more acceptable. To illustrate, many soldiers who spent months in Saudi Arabia during Operation Desert Shield/Storm reported trading an entree (e.g., chicken a la king) in the Meal, Ready-To-Eat (MRE) ration they received to obtain a specific entree (e.g., ham slice) in another MRE they liked better. What was interesting in these cases is that none of the rations were viewed as especially appetizing, but soldiers were willing to trade for what they found "less bad." Huefner and Hunt (1994) have observed that even among civilians with their array of choices, brand and retailer

selection may be as much related to avoidance as it is to preference. In the final instance of exit, soldiers discontinued use of the item, but they did not replace it with another. For example, several soldiers who did not like their gloves or goggles simply did not use them, in spite of the fact that by doing this they may have jeopardized their safety or made their jobs more difficult.

What one soldier called a "grin and bear it" attitude resembled Hirschman's (1970) loyalty. Many dissatisfied soldiers decided there was nothing they could do about a product they were dissatisfied with, so they just accepted the situation and used it. This response was often accompanied by rationalizations such as "It's all part of what you put up with as a soldier" and "It's nobody's fault. It's been like this for years. There's nothing anyone can do." In contrast to the group of soldiers who thought that poor rations or uniforms were part of "toughing it out" in the field, this group of soldiers appeared to expect better performance and to be genuinely dissatisfied with military products. Moreover, while the earlier group seemed almost motivated by poor product performance, the present group could be characterized as hopeless.

The final response combined elements of neglect and retaliation. The response was best described by what one soldier called "do what you can to get by." Soldiers reporting this response seemed to have a great deal of experience with poor products. Discussing the experience made them visibly angry because to them these products symbolized the Army's disregard for them. These soldiers also reported a desire to get even with the Army. Most did this by purposely lowering the effort they gave to their assignments. In other words, they did not work as hard as they could. Like neglect, this response was passive with regard to solving the problem causing the dissatisfaction. Enacting it was also damaging to the relationship between the soldier and the Army. In addition, like retaliation, it also carried a negative, sometimes intense, emotional component and was frequently accompanied by a desire to get even.

DISCUSSION AND CONCLUSIONS

The categories of responses to product dissatisfaction in the field reported by soldiers in

these focus groups were similar to those displayed by civilian consumers. Responses connoting exit, voice and loyalty as well as a combination of neglect and retaliation were mentioned by the soldiers. Naturally, the behavioral manifestations of response categories like exit were somewhat different for them than for civilians due to differences in the two groups' environments.

Several interesting findings regarding the use of the responses were also evident. For instance, despite the lack of alternatives, few soldiers reported engaging in formal voice. This is in contrast to what Hirschman (1970) and others (e.g., Andreasen, 1985; Rusbult, Zembrodt & Gunn, 1982; Malafi, 1992; Singh, 1990) would have predicted. Although these focus groups demonstrated that soldiers sometimes "create" alternatives to poor military products, the number and quality of alternatives may be less important in determining complaints than factors like the perceived probability of the complaint having an impact. Certainly most of the soldiers in these focus groups stressed the futility of complaints made to platoon or squad leaders. In addition, the low number of formal complaints could also be highly influenced by the lack of a system to deal with such communication. It would be interesting to investigate the effect of placing such a mechanism in the field on the number of formal complaints made.

Informal voice was the most frequent response used by soldiers. Although this behavior could function like negative word-of-mouth, soldiers were more likely to report using this communication as an opportunity to "vent". This function of informal communication among dissatisfied consumers has rarely been examined (Malafi, 1991), but deserves empirical attention.

Data from these focus groups also highlight the complexity of the exit response previously suggested by Hunt and his colleagues (e.g., Huefner & Hunt, 1992, 1994; Hunt et al., 1988). In field environments which inherently offer few opportunities for comparing or switching products, soldiers enacted exit-related behaviors such as substituting commercial products for military ones and abandoning the poor product without any replacement. Delineating these types of exit behaviors can contribute to the development of alternative metrics to the standard hedonic rating

of product acceptance typically used in field evaluations.

Responses similar to neglect and retaliation were also apparent among the soldiers in these focus groups. With some exceptions (Huefner & Hunt, 1992, 1994; Malafi, 1992), these types of reactions have not received much examination in civilian consumers. Certainly for the soldiers in this study, the impact of using these responses was substantial in that their use influenced soldiers' overall performance in the field. These responses also highlight the effect of long-term dissatisfaction. Most soldiers who enacted retaliation and neglect reported frequently experiencing problems with products.

These focus groups also uncovered some of the non-behavioral or cognitive responses that accompany certain behavioral response categories. For example, many soldiers did not complain because it was incongruent with their image of a soldier, while many exhibited loyalty because they believed there was nothing they could do about the problem. Understanding these types of cognitions is important to delineating the causes of behavioral responses to dissatisfaction.

In conclusion, these focus groups are important first steps to understanding the ways in which soldiers respond to product dissatisfaction in the field. More controlled, quantitative research is needed to extend and verify the use of these responses in larger groups of soldiers. Data are currently being collected in several field evaluations for this purpose. The goal is to develop a comprehensive typology of soldiers' responses that will help product developers meet their goal of enhancing soldier satisfaction with military products.

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REDRESS SEEKING AS PLANNED BEHAVIOR

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ABSTRACT

Subjective factors associated with redress seeking were studied in a simulation experiment with two conditions. Attitudinal, normative and control influences on redress seeking were measured using a questionnaire based on planned behavior theory. The scenario for the first condition described the failure of a product (shoes); in this condition the intention to seek redress from the supplier was related most to normative influence and was particularly associated with confidence, the prospect of getting a replacement product, the influence of friends and the assertion of consumer rights. The scenario for the second condition carried additional information about the supplier's reluctance to accept complaints and was intended to reduce the likelihood of seeking redress. In this condition respondents emphasized their rights and showed no less intention to seek redress; thus the scenario manipulation failed to produce its intended effect. However the effects that were produced were of interest and the measurement of responses within the planned behavior format widens our understanding of redress seeking.

INTRODUCTION

Many companies are keen to receive complaints about their products. One reason for this is that an effective response by the company may reduce negative comment to other potential customers. A second reason is to gather information about products so that weaknesses can be corrected. However most dissatisfied consumers do not complain. Best and Andreasen (1976) found that 86% purchasers took no action over unsatisfactory low cost items; Andreasen (1988) in the US, and Stø and Glefjell (1990) in Norway, found in both cases that 60% of dissatisfied customers did nothing. Thus we need to understand the factors associated with complaining which may help us to elicit complaints from dissatisfied consumers. This study is designed to measure the range of factors that may play a part in complaining.

Factors Affecting Complaining Behavior

Redress seeking, along with negative comment to others, change of loyalty and formal grievance actions, are usually associated with dissatisfaction with the good or service. Though dissatisfaction is a necessary condition for most complaining there is little evidence that the degree of dissatisfaction has much bearing on the likelihood of complaint (Day 1984; Oliver 1987; Malafi, Cini, Taub and Bertolami 1993); this issue is reviewed by Singh and Howell (1985). This indicates that, in addition to dissatisfaction, other influences are needed if people are to complain and three types of influence are identified:

Expected outcomes - gains and losses, including opportunity costs, that follow complaining (or not).

Normative influences - what reference persons or groups think the agent should do.

Control factors - that make it more or less easy to register a complaint.

Expected outcomes. Hirschman (1970) suggested that complaining was related to expected returns and opportunity costs and generally these expected outcomes have received most attention. Positive outcomes may include replacement, apology, and better goods or service in the future, while negative outcomes may include lost opportunities, wasted time and embarrassment. Redress and the perceived likelihood of success in obtaining redress has been found to be associated with complaining in a number of studies (Day and Landon 1976, Granbois, Summers and Frazier 1977, Richins 1983, 1987, and Singh 1990); other outcomes have been researched by Richins (1980). The expected returns are dependent on the importance of the product purchased and Richins (1985) found evidence that product importance was related to the likelihood of complaining.

Normative influences. The explicit approval or disapproval of others may also be an expected outcome. Such anticipated exchanges with others

are distinguished from the internalized normative influence of referent persons or groups who may never be aware of the respondent's behavior. Normative influences on redress seeking have not been studied systematically though Richins (1981) noted instances where consumers felt that they 'ought' to complain.

Control factors. These are knowledge, skills and other resources that can make complaining easier or harder. Examples are the ease of access to key personnel, an understanding of the working of the organization causing dissatisfaction, and confidence about complaining. Control factors help us to distinguish between those who complain and those who do not. Two studies (Caplovitz 1967, and Warland, Herrmann and Willits 1975) found that non-complainers seemed powerless and had less knowledge of the means of redress; also Gronhaug (1977) found that there were more complaints to a Norwegian consumer protection agency from citizens who lived closer to it.

The Theory of Planned Behavior

The three types of influence identified above are those used in the theory of planned behavior (Ajzen 1991); this theory is a development of the theory of reasoned action (Ajzen and Fishbein 1980) and is illustrated as a diagram in Figure 1.

Figure 1 shows that intention is the principal determinant of behavior; perceived control may also affect behavior directly (as shown by the dotted line) when people have limited ability to

achieve their goal (Madden, Ellen and Ajzen 1992). Intention is explained by reference to attitude to the behavior (A_B), subjective norm (SN) and perceived control of behavior (PC) which are each measured as a whole (called a **global** measure) and as a **summation** measure of the corresponding outcome, referent or control beliefs. The relative importance of A_B , SN and PC in predicting intention (indicated by w_1 , w_2 and w_3) may be determined by regression or by structural equation analysis. A further level of explanation is reached when we identify the specific outcomes, referents and control beliefs that have most association with intention. Different behaviors will depend upon different factors but, with enough studies, we may find that there are some factors that are particularly important in many complaining situations.

Purposes of the Study

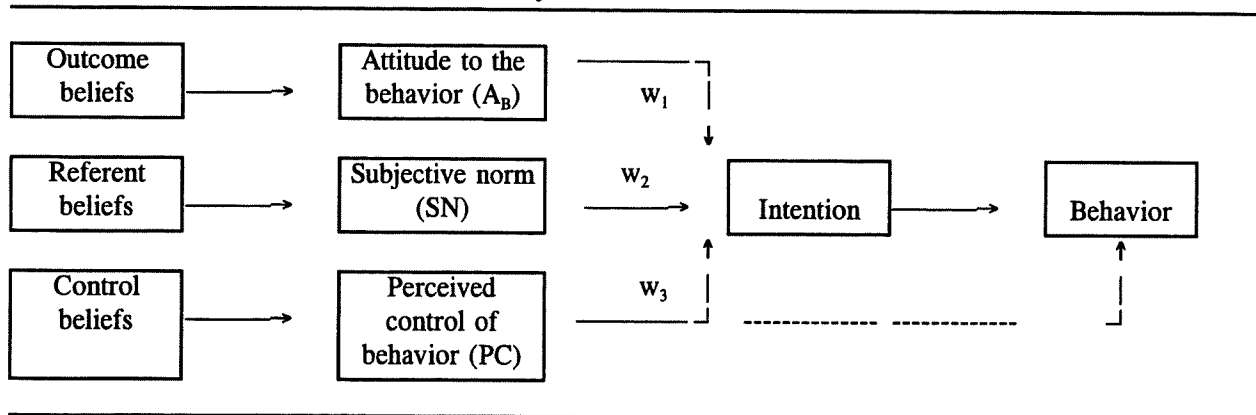
From this review we note that:

More attention has been given to attitudinal outcomes than to other factors that may affect complaining

Studies have failed to measure **all** the different influences within a common format so that the relative importance of different factors can be assessed. Planned behavior methods provide this format.

The factors controlling complaining are likely

Figure 1
Theory of Planned Behavior



to vary from context to context so that a number of different studies are required before general conclusions can be drawn. This present study begins this process. To focus the study and to explore the scope for simulation two scenario versions were used; the second scenario was intended to diminish the likelihood of obtaining redress, as compared with the first. The objectives were:

1. To evaluate planned behavior theory and measurement as a means of studying complaining.
2. To identify the specific factors most associated with redress seeking in the situation investigated.

METHODOLOGY

Questionnaire

To establish the content of the questionnaire, outcome, referent and control beliefs were elicited from thirty students who were given the basic scenario, shown below. The elicitation procedure is described by Ajzen and Fishbein (1980). Beliefs that were supported by several students were included in the questionnaire which was then drafted using the NEWACT program (East, 1991). This procedure tends to include some marginal beliefs and three items (two outcome, one control) were dropped from the analysis because they showed no significant relationships with relevant variables.

The questionnaire was headed: QUESTIONNAIRE ON COMPLAINING ABOUT POOR GOODS. Those receiving the first scenario (Condition 1) then read:

Please imagine that you have bought a pair of leather shoes for £40 from a local shop. You use them about half the time and six weeks after you bought them you notice that the stitching is going on one of the shoes. This questionnaire is about how you feel about taking the shoes back to the shop where you bought them.

The scenario for Condition 2 was identical

except for an additional sentence (in bold) inserted after the second sentence:

You recall that when you were in the shoe shop another customer was complaining to the manager about some shoes and eventually left without any compensation.

The questionnaire was framed around taking the shoes back to the shop and covered: intention, attitude, subjective norm, perceived control, outcome beliefs (*getting a refund or new pair of shoes, standing up for my rights, having an argument, being embarrassed, wasting time*), referent beliefs (*family, friends*), control beliefs (*keeping the receipt, being confident about complaining*). Responses to these items were measured on seven point scales precoded 1 to 7. In addition respondents were asked about their frequency of taking goods back (an experience measure), their age and their sex. The full questionnaire is available from the author.

Computed Measures

All belief items were measured as the product of two scale responses; for example the influence of *getting a refund or a new pair of shoes* was found by multiplying the evaluation of this outcome by its likelihood. Similarly the effect of a referent is found by multiplying the normative belief about the referent's wishes by the motivation to comply with those wishes, and the control belief effect by multiplying the power of a factor to assist action by access to that factor. Scale ranges may be treated as unipolar or bipolar. When bipolar scales are used the sign of the measures affects the products and their correlations (Bagozzi 1984, Evans 1991) and it is customary now to use the ranges that give the highest correlation between the summation measure and the global measure. This procedure was illustrated in detail by East (1993). In the present study the alternative scale ranges were restricted to -3 to +3 and 1 to 7. The optimal scalings were found to be: outcome beliefs, 1 to 7, evaluation -3 to +3; normative beliefs, -3 to +3, motivation to comply, 1 to 7; belief about the power of a factor to affect action, 1 to 7, and access to that factor, -3 to +3.

Respondent Groups

Respondents for the first questionnaire were 84 students on different business courses at Kingston University in 1993. Respondents in the second condition were 91 students on business courses in 1994. This procedure falls short of random assignment of subjects and a crosstabulation was conducted to see whether the two groups were the same on criteria that could not have been affected by the manipulation. A χ^2 test showed near equivalence between the groups with respect to sex, age and experience of complaining ($p = 0.4, 0.5, 0.4$ respectively).

RESULTS

Scenario Check

The effects of the scenario manipulation were assessed. The second scenario was intended to reduce the perceived likelihood of getting a refund or a new pair of shoes and was expected to increase the likelihood of having an argument with shop staff, being embarrassed and wasting time. If these effects occurred it was anticipated that the intention to seek redress would decline.

Subjects in the second condition did think that an argument with the shop staff was more likely ($p < 0.05$). However there were no significant effects on the likelihood of obtaining redress, being embarrassed or wasting time, and intention did not change. Furthermore, subjects in the

second condition were significantly more likely ($p < 0.05$) to have **higher** scores on subjective norm and perceived control and it seemed that they had reacted to the implied constraint on their freedom to obtain redress by emphasising their consumer rights.

The Applicability of Planned Behavior Theory

The first objective of the study was to evaluate planned behavior theory and measurement in this context. The regression analysis (Table 1) shows adjusted R^2 levels of 0.25 and 0.27 for the two conditions. In most planned behavior studies R^2 figures are higher than this but in both Conditions there was a strong bias to the positive end of the intention scale which reduced variance. In Condition 1, SN was the principal correlate of redress seeking but the change in the scenario had a strong effect since, in Condition 2, PC was dominant and SN was insignificant. Thus A_B was not the strongest predictor of complaining in either Condition.

More detailed analysis also shows the value of the comprehensive range of measures used in planned behavior theory. Table 2 shows the correlations between the different factors, the summation measures, the global measures and intention for both Conditions. The associations implied by the theory of planned behavior are shaded. In Condition 1 it is noted that, exceptionally, *standing up for rights* and *being embarrassed* are related more to SN and PC

Table 1
Regression Analysis. Prediction of Intention from Global Measures.

	Condition 1			Condition 2		
Multiple R	.54			.52		
Adj R ²	.27			.25		
S.E.	1.31			1.17		
F	11.0			10.5		
Sig F	.0000			.0000		
	Beta wt	t	sig t	Beta wt	t	sig t
A_B	.31	3.2	.002	.05	0.5	.63
SN	.41	4.3	.0000	.14	1.4	.18
PC	.15	1.6	.11	.45	4.5	.0000

Table 2
Spearman Correlation Coefficients

Factor	Condition 1				Condition 2			
	A _B	SN	PC	Intention	A _B	SN	PC	Intention
Get new pair	.33	.22	.16	.38	.10	.22	.30	.18
Stand up for rights	.12	.25	.15	.31	.14	.20	.31	.46
Argue with shop staff	.38	-.22	-.05	-.08	.30	-.08	.21	.07
Be embarrassed	.18	.03	.39	.24	-.01	-.02	.21	.20
Waste time	.42	-.05	.21	.14	.18	-.10	.12	.18
<i>Sum attitude factors</i>	.60	-.02	.23	.29	.27	.04	.36	.35
Friends	-.10	.78	.18	.34	.06	.60	.34	.29
Family	-.10	.60	.05	.24	.11	.41	.28	.30
<i>Sum referent factors</i>	-.14	.72	.09	.29	.10	.55	.33	.35
Keep receipt	-.04	.24	.24	.30	.15	.16	.13	.20
Be confident	.16	.14	.23	.42	.20	.15	.44	.54
<i>Sum control factors</i>	.01	.26	.30	.45	.22	.17	.35	.44
A _B	1.00	-.05	.19	.25	1.00	.20	.00	.04
SN		1.00	.12	.49		1.00	.39	.31
PC			1.00	.30			1.00	.54

Significant (p < .05) correlations in bold

respectively than to A_B. This cross-relationship reflects the multiple implications that factors often have and the difficulty of assigning such factors correctly on the basis of the elicitation. This helps to explain why A_B is not dominant; two key 'attitude' factors exert their influence through other global variables. There is one significant negative association indicating that the more the cost of arguing with shop staff, the more respondents believe that their significant others think that they should complain; morally correct actions can be costly.

When we look at Condition 2 we note that three of the 'attitude' factors correlate better with PC than with A_B. This is consistent with the assumption that subjects reacted to the change in the scenario by relating their responses to perceived control. We see this effect again when we examine the summation measures; in Condition 2 the attitude factor summation correlates better with PC than with A_B. Thus in Condition 2 the planned behavior method shows some theoretically unexpected relationships.

Specific Factors Affecting Complaining

The second objective was to identify factors most strongly associated with redress seeking in the context studied. Here we should attach more importance to Condition 1 since it is not affected by the specific scenario change. We note from Table 2 that the intention to seek redress is strongly associated with *confidence*, *replacement of the product*, the normative influence of *friends* and the need to *stand up for one's rights*. In Condition 2, *confidence* and *standing up for rights* again figure strongly.

DISCUSSION

Scenario Problems

It is difficult to study complaining behavior when it occurs. Its natural incidence is erratic and there are ethical problems about artificially creating the sort of dissatisfaction which would induce complaint. As a result much of our knowledge comes from surveys of reported practice but these studies may lack focus when

they cover a spread of complaining behaviors produced under a variety of circumstances. One way of focusing an investigation is to provide respondents with a scenario and ask them to state what they would do in such a situation. Scenarios have been used in a number of studies on complaining behavior, for example Langmeyer and Langmeyer (1979), Folkes (1984) and Malafi, Cini, Taub and Bertolami (1993).

Scenario methods raise a number of problems. The scenario may be interpreted in a variety of ways and may not achieve its intended effect. Subjects in a simulation miss out on real life cues and may make inferences that are related to aspects of the experimental design. As a result there is no guarantee that people will do in normal settings what they say they will do in a simulation. For these reasons it is important to evaluate the effect of manipulations and the planned behavior method is a means to this end.

The effect of the scenario manipulation for Condition 2 may be explained as a priming effect. Fazio, Powell and Herr (1983) and Fazio (1986) have described a process in which attitude has a central role in the coordination of beliefs and behavior. The process starts when an object or situation is perceived, stimulating an appropriate attitude which then selectively activates related beliefs, and sometimes behavior. A variety of attitudes may be aroused depending on details of the situation and it seems likely that, besides outcome attitudes, it is possible to prime normative and control dispositions. The findings of the study are consistent with this interpretation: that the change in the scenario in Condition 2 primed the control perspective and, as a result, beliefs were mobilized in relation to control. One element in the present study which may create artificiality is the need to answer questions immediately after the scenario presentation; this could heighten priming effects and produce reactions which would not occur over the longer periods that are more relevant to redress seeking.

Planned Behavior

Planned behavior theory provides a well specified and comprehensive instrument for exploring the factors associated with complaining. In this instance the overall explanation of the

intention to seek redress was rather lower than that typically obtained; this probably arose from a lack of variance in the intention measure. With improved measures we may expect the R^2 values found in other applications of planned behavior theory (Madden et al 1992 reviewed ten studies and found an average R^2 of 0.42).

Studies of complaining have focused on a limited number of individual factors that might correlate with complaining. It is argued that this approach is too piecemeal. We need instruments that embrace all (or at least most) of the possible determinants so that the relative importance of different factors can be established. The present study showed that the attitude component was not the most important of the global factors despite the emphasis that has been given to this type of correlate in previous work; such a finding was only possible because a comprehensive measuring instrument was used.

Factors Associated With Redress Seeking

This research revealed a number of specific factors associated with redress seeking. In a real setting most of these factors are likely to have little association with the degree of dissatisfaction and this helps to explain evidence that the latter has limited connection with the likelihood of complaining. The intention to seek redress is strongly affected by normative and control factors and some supposedly attitudinal factors such as *standing up for rights* and *embarrassment* exert their effect through non-attitudinal paths. Comparison between the Conditions shows that quite small changes in the scenario could switch the way in which beliefs were connected with behavior. In particular *standing up for rights* was related to intention via SN in Condition 1 and via PC in Condition 2. The second connection via PC may occur because norms such as *standing up for rights* are shared understandings and provide the basis for agreement between customer and supplier; if both share the norm redress seeking is assisted.

This study showed that the importance of factors changed with alteration of the scenario and suggests that small variations in the situation in which redress is sought could have considerable effect. This makes it unlikely that redress seeking

will have a consistent set of correlates across a range of situations. Nonetheless further research using planned behavior methods may lead us to generalisations about the way in which some factors often affect complaining. This study suggests that embarrassment is a barrier rather than a cost and that complaining will be stimulated by providing procedures that people can confidently use; it also seems likely that complaining will be increased when suppliers publicly endorse consumer rights so that customers are more confident that their complaints will be sympathetically received.

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TRIGGER EVENTS: EXPLORING THE RELATIONSHIPS BETWEEN CRITICAL EVENTS AND CONSUMERS' EVALUATIONS, STANDARDS, EMOTIONS, VALUES AND BEHAVIOR

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ABSTRACT

Over the past three decades, satisfaction research has explored the processes consumers use to arrive at various satisfaction outcomes and have begun to expand to the entire postconsumption evaluation process. However, no research has focused specifically on the critical events, or triggers, that cause the evaluation process to occur and change. In order to thoroughly understand the dynamics behind why "satisfied" customers leave some relationships and remain loyal to others, we must look for the events that have significant impact on consumers' consumption experiences, the curves and obstacles in the road that cause them to alter course. This paper explores the satisfaction and related literatures for clues on what these events might involve. Empirical results from depth interviews with health club customers suggest that changes in product use, changes in evaluations, and use of comparison standards are associated with trigger events experienced by consumers. In contrast, emotion and changes in values were not often found to be associated with trigger events for this group. These findings are discussed as well as potential directions for future research.

INTRODUCTION

Changes in Evaluations

It is generally accepted that consumers form satisfaction evaluations as a response to a particular product or service use situation. Over the years, extensive effort has been put into studying the evaluation process that leads to various satisfaction outcomes. However, one area that has often been implied or explicitly stated as a crucial one (Day, 1976; Woodruff, 1993) is that of critical incidents or triggers that initiate or impact the satisfaction process. As Day said nearly twenty years ago, "In general, something

out of the ordinary must occur either prior to the purchase process, during the purchase process, or during the consumption phase to *alert* the consumer or call his attention to some aspect of the purchase situation." (italics added: Day, 1976) This leads us to the conceptualization that something must stimulate the evaluation process itself. Day continued to state that a "...very important factor in the study of consumer satisfaction is the identification of the triggering cues which initiate an awareness or sensitivity to the purchase/consumption process and lead to conscious feelings about being satisfied or dissatisfied." Recently, Woodruff (1993) has also specifically called for research on critical incidents or trigger events that impact satisfaction and more broadly, the entire postpurchase evaluation process. Additionally, Woodruff and Gardial (1995) discussed events that trigger a change in customer values.

Even without the explicit call for an investigation of trigger events, most researchers in the satisfaction area often have alluded to critical events that impact the evaluation process. Yet, to date, not one study was found specifically exploring the types or characteristics of trigger events. The purpose of this paper is to address this gap and glean from the extant satisfaction and related literatures, information that might begin a stream of research in this area. At the very least, the literature raises important questions related to these stimulus events.

Trigger Event Defined

Although no explicit definition of a trigger event was found in the literature, a few researchers give us a place to start. As previously cited, Day (1976) stated that there were "triggering cues" that raise the consumer's awareness of the process or event. He also stated that something out of the ordinary must occur to cause an individual to be alerted to the event. Woodruff (1993) discussed

the dynamic nature of consumer satisfaction and indicated that certain events may cause a "devaluing" of the current product or service. He called for investigation into the "nature and determinants of change in postpurchase evaluations." Inherent in both approaches to the topic is that an event 1) is something specific that can be identified, 2) which causes a change in the customer's response to a product/service, and 3) is seen from the point of view of the individual being alerted. The definition we propose here is as follows:

A trigger event is a stimulus in the environment that is perceived by the consumer to be out of the ordinary and relevant to his/her product/service use, and which results in some form of change in cognitive, emotional, and/or behavioral evaluative response relative to the particular product/service/seller in question.

We used this definition to look for instances of triggers showing up in existing literature on satisfaction. In the next section, we discuss what we learned.

TRIGGERS IN THE SATISFACTION LITERATURE

There are two broad questions important to address at this stage. The first is, what kinds of triggers are there? The second is, what do triggers do? The first focuses on characteristics of the events themselves. The second focuses on consumers' responses to the triggers.

Characteristics of Triggers

Addressing the first question, two basic characteristics of triggers appear to determine the extent of their influence on product/service attitudes and behaviors: the attributed source of the trigger event and abruptness or suddenness of the event. Attribution theory suggests that consumers respond differently depending on the perceived source of an event (Folkes, 1984; Stein, Trabasso, and Liwag, 1993; Swan and Trawick, 1994; Oliver and DeSarbo, 1988.) Folkes (1984) found that attribution theory helps to explain consumer's

responses to product failures. Specifically, she found that causal dimensions are related to expectations of future interactions. In a later study (Folkes, Koletsky, and Graham, 1987), she found that attributions had direct effects on desires to complain and continuance to use the same product, and indirect effects on evaluations of the supplier company. Richins (1983) found that if customers partially blamed themselves, they were less likely to tell others. Westbrook (1987) stated that those affects whose cause is attributed to the product or seller may be expected to have "systematic" influence on postpurchase behavior.

The second important characteristic of trigger events deals with their abruptness. Abruptness as seen from the perspective of the buyer, might be viewed as how surprising, sudden, or unexpected the event was. Unexpected events and negative events are two of the categories Weber used to classify reasons people ask 'why' something happened (Weber, 1992). Weiner (1980) classified causes by their underlying dimensions: stability of the event, locus, and controllability. The most common reason people seem to evaluate why an event has occurred is when the event is unexpected.

Both the notion of attributed source and abruptness are used here to group these events. However, no research has specifically addressed trigger events directly, making this study exploratory in nature. There may be many other ways of classifying trigger events, that will hopefully evolve as research continues. In this context, two appropriate questions are:

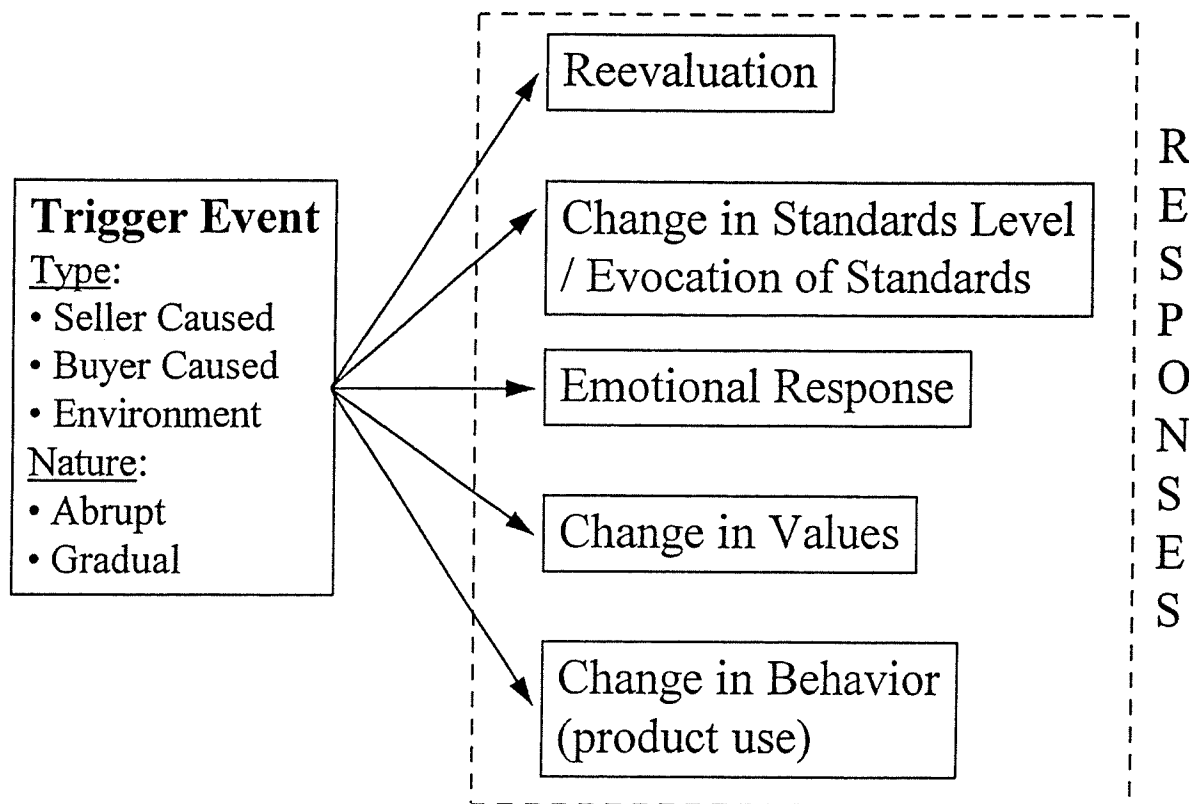
Q1a: What types of trigger events occur during product use?

Q1b: Is abruptness or suddenness characteristic of trigger events?

Role of Triggers as Motivators

Figure 1 depicts trigger events as those stimuli leading to five specific responses: a reevaluation, a change in standards level or those that are evoked, an emotional response, a change in values, and a behavioral change. Although trigger events may lead to many other responses, these five are of interest due to their importance in both

Figure 1
Trigger Response Model



satisfaction determination and the overall postpurchase evaluation process. It can be argued that there is potential interdependency among these responses (e.g., evaluation leading to emotion). For now, there will be no attempt to explore interactions among the responses.

Motivator of Evaluation. Certain events will trigger the consumer to be more attuned to the purchase/use process than normal (Day, 1976). In order to understand what they might be, we will start by exploring what we know about the postpurchase evaluation process itself. Inherent in the evolution of satisfaction research was the assumption that a product/service evaluation took place and a consumer's satisfaction response was the result of that evaluation (Cardozo, 1965; Oliver, 1980; Oliver and DeSarbo, 1988). Over the years, research has explored many aspects of

the purchase occasion such as the nature of satisfaction as the result of an immediate, transaction specific, evaluation of a product's/service's attributes (Tse and Wilton, 1988; Woodruff and Gardial, 1995), use consequences (Clemons and Woodruff, 1992), and the relationship between perceived performance and expectations (Anderson, 1973; LaTour and Peat, 1979).

An interesting set of questions arises related to all of these issues. What product/service attribute encounters would trigger a consumer to perceive a product's/service's performance differently, given that from the seller's perspective, nothing about their offering has changed? Similarly, what events would lead to a change in what is expected? What consequences will trigger a change in product use? And more broadly, what events trigger any evaluation at all?

The research on complaining behavior provides insights into events that might trigger a consumer to reevaluate their current supplier/brand/store. In particular, research suggests that if a consumer is forced to follow-up on a prior complaint made to a vendor about a particular problem, satisfaction is significantly lower than it would be had s/he not had to follow-up, even if the outcome is satisfactory (Trawick and Swan, 1981). Thus, the lack of rapid response by a vendor may trigger not only follow-up action by the customer but a reevaluation of the relationship. In a business-to-business setting, problems and crises occur regularly. Customers may expect to evaluate the vendor's response to those problems more so than the fact that the problems arose. In the context of triggers, those responses that are significantly out of the norm would be expected to trigger a reevaluation, as would merely hearing about a firm's lack of responsiveness from a third party.

Other events that might trigger a reevaluation are warnings by others (Bearden and Teel, 1983), sales person communication that is out of the norm (Oliver, 1980), or the product use itself (Churchill and Suprenant, 1982). As Westbrook and Oliver (1981) stated, satisfaction refers to the evaluation response to the perceived outcomes of experiences in the consumer's environment that include acquiring, consuming and disposing. The use experience itself can encompass an event that triggers the evaluation process. Significant influencers (purchasing agent's boss) might also trigger a dramatic response (Bearden, Netemeyer, and Teel, 1989).

In order to investigate this and the remaining four responses, an exploratory approach was taken, whereby trigger events and responses were considered very broadly. Therefore, the following set of research questions is posed:

Q2a: What types of trigger events are associated with reevaluations of products/services?

Q2b: Are abrupt or sudden events associated with reevaluations of products/services?

Motivator of Change In/Evocation of Standards. Researchers have found that consumers often compare perceived performance to certain standards. These standards act as reference points for assessing how positive or negative performance of the focal product or service is, and include, expected (Miller, 1976; Zeithaml, Berry and Parasuraman, 1993), desired (Swan and Trawick 1980), equity (Oliver and DeSarbo, 1988), minimum tolerable (Miller, 1976; Olson and Dover, 1979), ideal, deserved (Miller, 1976; Prakash, 1984), other products and brands (Cadotte, Woodruff and Jenkins, 1987), experienced based norms (Woodruff, Cadotte and Jenkins, 1983), and industry norms (Woodruff and Gardial 1995). Some sources of information for the formation of those standards include explicit and implicit communication by the seller (Woodruff et al., 1991), word of mouth (Zeithaml, Berry and Parasuraman, 1993), experience (Woodruff, Cadotte and Jenkins, 1983), and perceptions of alternatives (Westbrook and Reilly, 1983).

These studies raise certain questions related to trigger events. Do triggers influence the standards that consumers use to evaluate a product/service? If so, what types of triggers cause which standards to be evoked? More importantly, what causes consumers to switch from one standard to another? Information sources might play the role of a trigger event. Evaluations made by other members of the buying center about a purchasing agent's vendor choice may also trigger such a response (Lambert, Dornoff and Kernan, 1977).

Building on Miller's work (1976), unexpected experiences, product/situation learning, exposure to new information, advertising, word of mouth and sales promises might constitute triggers that change the level of at least an ideal standard, and possibly others. Miller also commented on the deserved standard as a function of the level of investment one must make in the purchase or consumption experience. This investment level could be viewed as a trigger event. If the consumer has a certain threshold above which s/he will still purchase but will be abnormally attuned to evaluating the experience, the consumer will feel s/he deserves more value for the investment. This investment level (money, time, effort) could be a trigger event if perceived as significantly out

of the ordinary.

Researchers have also suggested that multiple standards may be used in the comparison process (Cadotte, Woodruff and Jenkins, 1987; Gardial et al., 1993; Forbes, Tse and Taylor, 1986; Tse and Wilton, 1988; Wilton and Nicosia, 1986) and may differ between pre and postpurchase time frames (Gardial et al., 1994). If this is the case, what triggers a consumer to evoke certain standards at a given time? Are there certain situations, contexts or events that trigger specific bundles of standards?

In an attempt to examine this issue, the following broad research questions are posed:

Q3a: Are there associations between certain types of trigger events and specific standards of comparison used when consumers evaluate products/services?

Q3b: Do more abrupt or sudden trigger events associate with certain standards of comparison than do less abrupt triggers when consumers evaluate product/services?

Motivator of Emotion. Emotion in both the psychology and the satisfaction literature offers very rich and exciting opportunities for the exploration of trigger events. Emotion may even be the "key linking pin" binding together the consumption experience (Holbrook, 1986). Stein, Trabasso and Liwag (1993) point out that "the perception of unexpected changes or novel information about the status of particular goals is a necessary condition for eliciting emotion." (p.279). Izard (1977) states that emotion has "important and residual effects" (p. 32), and that the actions taken as a result of the emotion will influence and bias future perceptions of similar events and evaluations of those events.

Although emotion has been discussed in the satisfaction literature (Hausknecht, 1988; Hunt, 1977; Muller, Tse and Venkatasbramian, 1991; Oliver and Westbrook, 1993; Westbrook, 1982, 1987, Westbrook and Oliver, 1991; Woodruff, Cadotte and Jenkins, 1983), the causes of intense emotions that are relevant to postpurchase evaluations have not been explored, nor has the notion of emotion incubation. What events trigger the most intense emotions? Do those emotions

incubate or fester over time?

Essentially, emotion must be seen as something different from cognitive evaluation. And since cognitive evaluation can occur without emotion, we must explore those triggers that elicit emotional responses separately from those that elicit the evaluation process only, even if they are closely related. This raises the following research questions:

Q4a: Are certain types of trigger events associated with emotional evaluative responses?

Q4b: Are more abrupt or sudden trigger events associated with emotions during evaluation of products/services?

Change in Values. The fourth response to triggers considered in the model is that of a change in values, those beliefs centrally held by consumers that guide behavior and change relatively infrequently. As research moves from a focus primarily on satisfaction judgments to overall postpurchase evaluation processes, we have begun to explore how values influence these evaluations (Burns and Woodruff, 1992; Woodruff and Gardial, 1995).

We need to understand how these values are formed and how they change. Woodruff and Gardial (1995) state that most values are expected to change relatively infrequently. Vinson, Scott and Lamont (1977) state that global values are held near the core of the individual's system. It appears, however, that values can exist at multiple levels. A second level called domain-specific values develops through experiences in specific situations. Therefore, values at this level can be specific to relevant and related experiences and may change more frequently than core values. Most of this literature has focused on classifying values at the individual level (Gutman, 1982; Kahle, Beatty, Homer, 1986; Reynolds and Jolly, 1980) rather than identifying their sources or the nature of their changes.

Most likely because of the centrality of values, little to no effort has yet been placed on identifying and studying those critical events that cause them to change. Changes at the societal level have been discussed (Vinson, Scott and

Lamont, 1977; Williams, 1979). But changes in individual values have been untouched in the consumer literature.

In an attempt to examine this issue, the following research questions are posed:

Q5a: Are there associations between certain types of trigger events and changes in consumers' values when they evaluate products/services??

Q5b: Do more abrupt or sudden trigger events associate with changes in consumers' values than do less abrupt triggers when consumers evaluate products/services?

Motivator of Behavioral Change. Finally, behavioral changes such as an increase or decrease in product use are expected to be an outcome based on a consumer's periodic evaluation of product alternatives, as well as other factors. We are interested in seeing if any relationship exists between trigger events and these behavioral changes. Therefore, the following set of research questions is posed:

Q6a: Are certain types of trigger events associated with changes in consumers' product/service use?

Q6b: Are abrupt or sudden trigger events associated with changes in consumers' product/service use?

Means-End Hierarchy

In addition to consumers' responses to triggers, we are interested in the level of abstraction of the events themselves. In a means-end hierarchy, consumers learn that certain attributes of products are likely to lead to certain consequences (sacrifices or benefits) they deliver as a result of product/service use. Likewise, consequences are evaluated upon their ability to facilitate or inhibit the achievement of core values. It is interesting to speculate about where triggers may play a role in these means-end hierarchies. Certain attribute changes (raising the price for a service) may result in the consequence of less money available for other uses, thus triggering a

change in evaluation of the product/service. In order to examine this issue, the following research questions are posed:

Q7a: Are certain types of trigger events associated with attributes, consequences, and values, when consumers evaluate products/services?

Q7b: Do more abrupt or sudden trigger events associate with specific hierarchy levels than do less abrupt triggers when consumers evaluate products/services?

METHOD

Context

Given the preceding discussion, one of the primary objectives of this research was to begin a broad exploration of trigger events and their nature. A longitudinal study was conducted to assess, among other things, the nature of the changes taking place in the consumer's environment and the related responses. Specifically, the respondents were interviewed within the first month of product use. Approximately nine months later, follow-up interviews were conducted in order to capture any changes. For purposes of this paper, only data from the second interview will be analyzed because we were looking for experiences over time during club use after joining.

The "product" was a health and fitness center. It was chosen due to its combination of physical product and service components. This is a fairly complex product involving multiple features and high involvement at various stages of use.

Sample

Respondents for the follow-up interview were chosen based on their involvement in the initial interview. The sample size for final data analysis was 18 (90% of the 20 people interviewed in the first interview). Respondents were randomly selected from the health and fitness club member lists. Although representing a fairly broad demographic profile, the respondents were skewed towards a higher socioeconomic profile: average

age was 44 (range 27-70); 53% were female; the average income was \$50,000 (range=less than \$15,000 to greater than \$100,000); all but one respondent had at least some college education, with ten having post-graduate education; the average household size was 2.9 individuals (range 1-5); and eleven respondents' occupations were categorized as professional (including health care, sales, engineering, teaching), while other occupations included homemakers, skilled workers, and one retiree.

Interview Format

As with the initial interviews conducted with consumers close to the time they joined the health club, contact with the respondents for the second interview was made through letters on the letterhead of a local university. It reviewed issues pertinent to the study such as identifying the researchers, outlining the objectives of the study, which was to find out about consumers' health club experiences, and informing them that they would be paid for participation. A follow-up telephone call to each respondent confirmed the details, set up the interview and obtained permission to video tape the interviews.

Interviews were held at the health and fitness center and were conducted by a graduate student trained in depth interviewing techniques. An interview room was set up to provide privacy and enable videotaping of the sessions. Respondents were asked permission to tape again at the time of the interview, with this permission captured on tape. The interviewer then conducted a depth interview to probe respondents' descriptions, reactions, evaluations, and feelings with regard to the health and fitness center.

The interviews were semi-structured consisting of a series of questions common to each interview. However, the interviewer was free to probe responses and follow-up on respondent's unique observations and experiences. The questions were open-ended and provided ample opportunity for respondents to describe their experiences. **At no time during the interview were the respondents explicitly asked about triggers.** Respondents were left to mention significant events that occurred during the evaluation period as they desired.

Coding Format

The respondents' interviews were transcribed for use in protocol analysis. The transcripts were broken into "thoughts," each thought representing a distinct idea conveyed by the respondent. Due to differences in verbalization across individuals, the actual length of each thought varied across and within respondents. Two researchers independently circumscribed the thoughts within each transcript and then discussed, reconciled and agreed upon what constituted the thoughts in each transcript. A total of 4424 thoughts were identified across the eighteen transcripts, resulting in an average of 246 thoughts per subject (range 105-375).

A coding scheme was developed to identify and define processing characteristics of interest, both for this study and others which have been previously published (Gardial et al., 1993) and will not be discussed here. This coding scheme was used to classify the content of the transcript thoughts. With respect to this study, categories and definitions were created to help identify 1) references to different types of trigger events (something caused by the health center, event in respondent's personal life, event in the environment), 2) references to the speed of the change (abrupt, gradual), 3) references to a change in evaluation (trigger caused change in evaluation), 4) references to various types of comparison standards (product, other people, other situations, other time, internal ideal, marketing supplied expectations), 5) references to emotion (positive, negative), 6) references to a change in values (triggered change in respondent's personal values), 7) references to changes in use of the facility (use is higher, lower, about the same), 8) references to attributes (product, interpersonal, services, overall features), 9) references to consequences (benefits, sacrifices), and 10) references to values.

For the purposes of this paper, the data set included 355 thoughts which contained mention of a trigger event type (an unusual event perceived by the respondent to be relevant to their use of the health club and that resulted in some form of change in their relationship with the health club).

ANALYSIS

Frequency of Triggers

The relevant data for this analysis are included in Tables 1, 2, 3, and 4. These are the average number of responses per respondent which fell into the respective coding categories. A Wilcoxon Signed Rank Test for nonparametric analysis was used to test differences between means. A p value of .05 was used.

On average, these respondents mentioned unprompted trigger events 19.72 times per interview (8% of each respondent's thoughts, on average), which is high, given the nature of the concept and the fact that they were unprompted by the interviewer.

Types of Triggers

Research question 1a was whether consumers would associate various types of trigger events with product use. This was found to be the case. As can be seen in Table 1, respondents discussed all three types of trigger events defined in the coding scheme. Events that occurred in respondent's personal lives were the most often cited (mean=10.22). For example, one respondent, in discussing a daughter's use, stated that "until the flu bug hit, she was coming at least once a week." However, this mean was not found to be significantly different from the average number of thoughts associated with the health and fitness center directed triggers (mean=7.28). An example of this type of trigger used by one respondent is, "The dues went up and they took the baby-sitting (service offered by the club, previously free) as a premium piece and we just stopped using the club very much." A significant difference was found, however, between events occurring in the environment (mean=1.94, "Recently we renewed our commitment to do this...and this probably has a lot to do with the fact that the days are shorter now, which is a big positive for health clubs.") and the next highest category, things the health and fitness center did ($p < .0008$). This pattern of no significant differences between mean frequencies for club events and those for personal events but significantly less frequent mention of

environmental trigger events, repeats itself throughout the findings. In almost all cases, the significant difference involves the environmental trigger events.

Research question 1b was whether consumers associate the abruptness or unexpectedness of events in their environment with product use. Referring to Table 2, indeed consumers did mention abrupt events (mean=13.39) significantly more often than they did gradual events (mean=6.33, $p < .001$). An example of an abrupt event mentioned by one respondent is an injury resulting from using a piece of exercise equipment. A gradual event mentioned was the increase in crowdedness of the parking lot and facility over time. Each type of event triggered various responses detailed below.

Association of Triggers with Outcomes

Reevaluations. Research question 2a asked whether consumers associate various types of trigger events with reevaluations of the product. This was found to be true. On average, respondents associated trigger events with changes in their evaluations 5.67 times per interview (see Table 1). One respondent stated "I lowered my evaluation some" of the club as a result of new charges for some unique programs, such as yoga classes, on top of very high membership fees. This (product reevaluations) was the second most often associated response with trigger events, behind changes in use (mean=18.11). All changes in evaluation were associated with trigger events for all thoughts. In a broad sense, respondents discussed evaluations 58.6 times per interview, on average. This broader category, not in Table 1, includes any general evaluative statement, (e.g.: "The equipment is great."). The 5.67 mean represents changes in evaluation of the club.

An example of a trigger event causing a reevaluation of the health club was given by one respondent who took advantage of the club's policy of allowing members to temporarily place their membership on an inactive status. The respondent was considering canceling membership since he was not using it as much as he thought he should, given the cost. During the two month inactive period, he realized how much he missed it and reevaluated the facility as better than he had

Table 1
Respondents' Mean Number of Thoughts - Trigger Type
Per Coding Category
Trigger Type

Response	Club Caused	Self Caused	Environment	Other	Total in Trigger Thoughts	Total in ALL Thoughts
Change in Evaluation	3.33	2.11	0.22*	---	5.67	5.67
Standards - Overall	1.72	2.17	0.39*	0.06	4.33	43.06
Product	0.11	---	0.06	---	0.17	9.38
People	0.06	---	---	---	0.06	2.44
Situations	0.11	0.11	---	---	0.22	5.83
Point in Time	1.39	2.06	0.33	0.06	3.83	24.33
Internal Desires	0.06	---	---	---	0.06	0.78
Mktng Set Expectations	---	---	---	---	---	0.06
Emotion - Overall	0.28	0.50	---	---	0.78	10.56
Positive	0.22	0.39	---	---	0.61	6.72
Negative	0.05	0.11	---	---	0.17	3.78
Change in Values	0.22	0.61	---	---	0.83	0.83
Change in Use - Overall	6.72	9.28	1.83*	0.28	18.11	18.11
Use is higher	2.33	1.61	0.61	0.11	4.67	4.67
Use is lower	3.00*	6.50	1.11*	0.17	10.78	10.78
No change in use	1.39	1.17	0.11	---	2.67	2.67
Nature of event						
Abrupt	4.72	7.00	1.44*	0.22	13.39	13.39
Gradual	2.56	3.22	0.50*	0.05	6.33	6.33
Average for Trigger Type	7.28	10.22	1.94*	0.28	19.72	

Wilcoxon Signed Rank Test used to test for differences among pairs in rows

* Significantly different from next highest mean in row at $p < .05$

originally thought.

Research question 2b asked whether consumers associate the abruptness of events in their environments with reevaluations. This was not found. Although all changes in evaluations (mean=5.67, Table 2) were associated with trigger events, there was not a significant difference between those reevaluations associated with abrupt events (mean=2.61) and those associated with gradual events (mean=3.06, $p < .86$). An example of an abrupt event caused by the health club that triggered a consumer's change in evaluation was the awarding of a five day free guest pass. The club awarded free guest passes to members on their birthdays, and the member had a birthday in December, but wanted the pass for an important friend coming to town in November. The club provided the pass earlier than normal,

which triggered a reevaluation (in the positive direction) of the club by the consumer.

Standards. Research question 3a asked whether consumers associate various types of trigger events with standards of comparison during evaluation of products/services. This was found to be the case. On average, consumers associated comparison standards with trigger events 4.33 times per interview (see Table 1). This accounted for 10 percent of the times standards were discussed across the board (mean=43.06 over all thoughts per respondent), and it was the third most frequent response associated with trigger events, behind changes in use and reevaluations.

One respondent explained how the move into a busy time of the year (tax time and spring) triggered a comparison with alternative uses of

Table 2
Respondents' Mean Number of Thoughts - Trigger Nature
Per Coding Category
Nature of Event

Response	Abrupt Event	Gradual Event	Total in Trigger Thoughts	Total in ALL Thoughts
Change in Evaluation	2.61	3.06	5.67	5.67
Standards - Overall	2.00	2.33	4.33	43.06
Product	0.11	0.06	0.17	9.38
People	—	0.06	0.06	2.44
Situations	0.11	0.11	0.22	5.83
Point in Time	1.78	2.06	3.83	24.33
Internal Desires	—	—	0.06	0.78
Mktng Set Expectations	—	—	—	0.66
Emotion - Overall	0.72	0.06*	0.78	10.56
Positive	0.61	—	0.61	6.72
Negative	0.11	0.06	0.17	3.78
Change in Own Values	0.28	0.56	0.83	0.83
Change in Use - Overall	12.61	5.50*	18.11	18.11
Use is higher	3.61	1.06*	4.67	4.67
Use is lower	7.67	3.11*	10.78	10.78
No change in use	1.33	1.33	2.67	2.67
Total for Trigger Nature	13.39	6.33*	19.72	

Wilcoxon Signed Rank Test used to test for differences among pairs in rows

* Significantly different from next highest mean in row at $p < .05$

limited discretionary time, and the outcome of the evaluation was to use the facility less often. Another consumer explained that "before I had the operation, I played more racquet ball than I do now," reflecting a comparison of use with another point in time. A third use of a comparison standard by a respondent was his expectation of nutritional education material and classes based on observing a nutrition poster on the club's bulletin board before joining. Once he joined, he discovered that the facility didn't have any focus on nutrition education, and the poster had been taken down. In comparison to his expectations, he was "disappointed." As a final example, one respondent stated that "I guess I have gotten higher standards I think, since I have been here." Thus, the use of the facility had triggered a change

in the standard level this consumer would expect in the future from this or other facilities.

Of the standards explored (product, other people, other situations, other point in time, internal ideal, and marketing supplied expectations), comparisons to other points in time were by far the most frequently used by respondents (mean=3.83).

Research question 3b was whether consumers associated the abruptness, or suddenness, of events with standards. This was not found to be the case. Abrupt events (surgery) were associated with comparison standards (mean=2.00, Table 2) just as often as gradual events (mean=2.33, gradual increase in crowdedness of parking lot).

Emotion. Research question 4a asked whether

Table 3
Respondents' Mean Number of Thoughts - Hierarchy & Trigger Type
Per Coding Category
Trigger Type

Hierarchy Level	Club Caused	Self Caused	Environment	Other	Total in Trigger Thoughts	Total in ALL Thoughts
Attributes - Overall	5.17	5.22	0.89*	0.17	11.44	145.44
Product	1.72	2.11	0.56*	---	4.39	
Interpersonal	0.33	0.05	---	---	0.39	
Services	0.89	0.56	0.06	0.11	1.61	
Overall - no distinction	2.17	2.44	0.28*	0.06	4.90	
Consequences - Overall	1.11	0.95	---	0.05	2.11	34.50
Benefit	0.50	0.34	---	---	0.84	
Sacrifice	0.56	0.45	---	0.05	1.06	
Other	0.05	0.16	---	---	0.21	
Values - Overall	---	0.22	---	---	0.22	5.95

Wilcoxon Signed Rank Test used to test for differences among pairs in rows

* Significantly different from next highest mean in row at $p < .05$

Table 4
Respondents' Mean Number of Thoughts - Hierarchy & Nature
Per Coding Category
Nature of Event

Hierarchy Level	Abrupt Event	Gradual Event	Total in Trigger Thoughts	Total in ALL Thoughts
Attributes - Overall	7.72	3.72*	11.44	145.44
Product	3.06	1.33*	4.35	
Interpersonal	0.39	---	0.39	
Services	1.44	0.17	1.61	
Overall - no distinction	2.83	2.11	4.90	
Consequences - Overall	1.28	0.83	2.11	34.50
Benefit	0.55	0.29	0.84	
Sacrifice	0.62	0.44	1.06	
Other	0.11	0.10	0.21	
Values - Overall	0.17	0.05	0.22	5.95

Wilcoxon Signed Rank Test used to test for differences among pairs in rows

* Significantly different from next highest mean in row at $p < .05$

consumers associated various types of triggers with emotional responses. Surprisingly, this was not found to be the case. Across all respondents' thoughts, emotions were only discussed 10.56 times per interview on average (Table 1). Yet, they were associated with trigger events only a fraction of these few times, 0.78 times on average.

Within those thoughts that were associated with trigger events, no significant differences were

found among the average number of times respondents associated emotion with various trigger types. However, addressing 4b, a significant difference was found between the average number of times abrupt changes were associated with emotions (mean=0.72, Table 2) versus gradual changes (mean=0.06, $p < .002$). This lends support to the notion that something out of the ordinary must occur to elicit emotion.

Events that occur gradually do not surprise people. Abrupt ones do.

An example of an event triggering emotion resulting in a response associated with the product or service was clearly provided by one respondent. She stated that she contracted mononucleosis. "It was a major interruption in my life. It was stressful, yuck....man it really sucked...it was awful...just a bummer." As a result she used the facility less. The trigger was contracting mono. The emotion was targeted at the sickness. She later went on to state that "...I knew there was nothing I could do about it..." so her evaluation of the facility didn't change, but her use did.

Additionally, these respondents associated trigger events with positive emotions (mean=0.61, Table 1) more often than negative emotions (mean=0.17). An example of positive emotion was given by the respondent who was offered the five day free guest pass.

Changes in Personal Values. Research question 5a asked whether consumers associated changes in their values with different trigger event types. This was not found to be true. Changes in values were associated with trigger events overall slightly less than once per respondent (mean=0.83, Table 1), on average. No significant differences were found among trigger types associated with these changes.

Concerning 5b, no significant difference was found between average number of times respondents associated abrupt events with changes in values (mean=0.28, Table 2) and the average number of times they associated gradual events (mean=0.56). This lends support to the notion of the relative stability of values.

Changes in Use. Research question 6a asked whether consumers associated various trigger types with changes in use of products/services. This was found to be true. Changes in use were the most often cited response to triggers. The significant difference lies between events that occurred in the environment (mean=1.83, $p < .0008$, Table 1) and each of the other two events, those caused by the health club (mean=6.72) and events in respondents' personal lives (mean=9.28).

Examples of health club triggers changing the

level of use include increase in dues, charging for baby-sitting when it was previously free, an injury on a piece of equipment when the trainer was showing the respondent how to use the equipment, the lack of response to a respondent's suggestion for a new service, and the lack of emergency medical material (a Band-Aid) for a bleeding blister. Some examples of events respondents' stated that occurred in their personal lives triggering a change in facility use include beginning work on a house, other priorities like taxes and family taking over, becoming ill, going back to school in the evenings, and having surgery. Finally, events like the days becoming longer and construction on the route to the facility, are examples of environmental events that triggered increases or decreases in use of the facility.

Part 6b asked whether consumers associate abruptness of these events with changes in use. This was also found to be true. Respondents associated abrupt events (injury from equipment use) with changes in facility use, on average, 12.61 times per interview (see Table 2). In contrast, gradual events, (parking lot became more crowded) were only associated 5.5 times on average per interview ($p < .001$).

Within the use category, respondents discussed trigger events that caused a decrease in use (mean=10.78, Table 2) more often than they did increases in use (mean=4.72). Events in respondents' personal lives seemed to be associated more often (mean=6.5) with decrease in use than events caused by the health club (mean=3.00, $p < .008$). Increases (mean=3.67) and decreases in use (mean=7.67) were most often associated with abrupt changes as opposed to gradual ones (mean= 1.06 and 3.11 respectively, $p < .002$).

Abruptness Associated with Trigger Types. Associations between the abruptness of events and the trigger event types were also explored. Abrupt events were associated with those events in respondents' personal lives 7 times per interview on average and with health club caused events 4.72 times per interview on average (see Table 1). Although this difference is not statistically significant, the fact that respondents associated abrupt events with environmental caused events

only 1.44 times per interview on average is significantly different from the next closest category, club caused events ($p < .002$). This same pattern holds for gradual events.

Levels of Hierarchy

Question 7a asked whether consumers associated types of trigger events and abruptness of the events with different levels of the means-end hierarchy. This was found to be true. Table 3 illustrates that consumers' thoughts on critical events were concerned with attributes far more often (mean=11.44) per interview than they were with consequences (sacrifices/benefits, mean=2.11) or values (mean=0.22).

This approach reflects the broad categorization of the thought object as an attribute, consequence or value. Whereas earlier we were discussing responses to trigger events, here we were attempting to identify at what level in the means-end hierarchy consumers think when they discuss the events themselves. For example, a rise in price is an attribute change resulting in a set of responses that may include less frequent use of the facility. Of the attributes explored, respondents discussed overall features (mean=4.9, Table 3) or product attributes (mean=4.39) most often in the context of trigger events. "They offer a lot of options," and "they raised the fees" are examples. Service attributes were discussed 1.61 times per interview on average.

An injury is an example of a consequence resulting from some event (that may or may not have happened in the gym) that may also result in a change in use of the facility. This consequence may be a trigger itself or a response to a trigger. Concerning these consequences as triggers, respondents discussed sacrifices (mean=1.06) more than they did benefits (mean=0.84).

Respondents did not speak of values as triggers very often (mean=0.22). One consumer said that a family member reminded him of the value of spending more time with the family, thus triggering him to use the club less. Another example of values as a trigger would be a consumer's visit to the doctor which reveals a need to get in better physical condition. The consumer may now value health and exercise more, thus triggering an increase in use of the

health club. This is different from a change in values as a response to a trigger event. An illustration of the health club triggering a change in personal values is gained from one respondent who stated that he "had more respect for the immune system and personal health now" as a result of using the health club. This latter situation, value change as a response to a trigger event, has already been addressed under responses.

Research question 7b asked whether more abrupt trigger events associated with specific hierarchy levels than do less abrupt triggers when consumers evaluate products/services. This was found to be true. Abrupt trigger events were associated with attributes significantly more often (mean=7.72, Table 4) than gradual trigger events (mean=3.72, $p < .003$). The differences between abrupt trigger events associated with consequences (mean=1.28) and gradual events associated with consequences (mean=0.83) were not significant ($p < .09$). Neither were the differences between abrupt trigger events associated with values (mean=0.17) and gradual trigger events associated with values (mean=0.05, $p < .87$).

CONCLUSIONS

Limitations

Several limitations of this study must be noted. These results may be unique to this specific product category (a health and fitness center), the sample of respondents (fairly high socioeconomic status), and their particular stage in the consumption process (early stages). Additionally, the entire process of depth interviewing and coding is very subjective, although inter coder agreement helps to correct for this. There may also be information lost in the transcription process, e.g., emotion, inflection and intensity. Therefore, this information is not necessarily captured in the coding scheme. Emotion was only coded if an emotion word ("that excited me") was used. Finally, these analyses are based on associations within each thought. It might be necessary to reexamine the transcripts in broader groups of thoughts in order to capture the richness that is there.

Support for Triggers

Overall, these findings support the concepts of triggers and responses. Consumers do discuss critical events that impact their evaluations, standards of comparison and use of products and services. These respondents did not associate emotion very often with these critical events. This finding is surprising and could be due to several factors. It could be due to the extreme rigor and strictness with which we subjected the coding of emotion. Non-verbal cues were removed. It could also be due to the fact that events associated with the use of a health club do not elicit much emotion, people do not generally like to speak of their emotions in an interview, that the emotions were fairly transient and not recalled at the time of interview, or that no event occurred during this time frame powerful enough to elicit strong emotions. These respondents also did not often associate triggers with changes in personal values. This supports the notion of personal values being relatively stable.

The interesting findings are not that trigger events occur, but in the changes they evoke. Clearly, consumers will alter their use of a product or service if the vendor changes something unexpectedly. In this instance, raising prices unexpectedly, charging for services that were free, closing facilities like tennis courts for construction, eliminating a service such as being able to put a membership on temporary hold, all dramatically impacted consumers' use of the facility. Additionally, changes in consumers' personal lives dramatically alter use. These events also altered consumers' evaluations of the product/service and caused them to make comparisons with other points in time, expectations, and other standards.

Another interesting finding is that consumers discuss events in their personal lives as impacting product related responses just as often as they do health club events. But they speak of outside environmental events much less often. This may have something to do with controllability. Events that can be directly attributed to a cause (the club or oneself) have greater impact and are more likely to be discussed than events out of anyone's control. It may also have to do with recall. Consumers may simply better recall events that

they can attribute causality to.

We also found that consumers discuss attributes more often than they do consequences or values. For this product, of the consequences discussed, physical, time and monetary

Table 5
Sample of Triggers from Study

Trigger of Type
<p>In Health Club's Realm</p> <p><u>Negative events:</u></p> <p>Increase in fees Charge for services previously free Lack of response to suggestions Lack of emergency medical support Injury on equipment (blame club) Remove services Increase in crowds Construction in club High price of joining</p> <p><u>Positive events:</u></p> <p>Free guest passes Option to place membership on inactive Add services Listened to consumer's needs Staff gave positive reinforcement Results of physical therapy</p>
<p>In Consumer's Realm</p> <p>Surgery Illness Reduction in available time Move closer/nearer to club Injury Change in value of own health Found other exercise options Decision to train for hiking event Gaining experience on equipment Decided to go back to school Reflection of importance while membership was on hold Positive experience on first use</p>
<p>In External Environment</p> <p>Days shorter/longer Weather Construction Busy time of year (tax, holiday)</p>

consequences were referenced most. Thus, any dramatic changes in attributes of the product or service should be examined in light of potential strongly desired or strongly undesired physical, temporal or monetary consequences. These consequences will dramatically effect product related responses, such as an injury due to poor

training on the equipment, excess time due to crowds, excess money due to fee increases, or on the positive side, delight due to personalized services, positive motivation due to effective use of equipment, or extra value as a result of added services at no charge.

We have attempted to demonstrate through the extant literature in the customer satisfaction and related areas, as well as exploratory research, that trigger events are crucial to our understanding of the consumption process. This work suggests that certain events trigger evaluations, emotions, and changes in, or use of, comparison standards, all crucial responses to satisfaction theory, postpurchase evaluation theory and an understanding of overall loyalty. An initial classification was offered, based on the literature, in order to provide a starting point to explore trigger events and responses to them. A snapshot classification of some of the triggers mentioned by our respondents is provided in Table 5.

Future Research

This study merely opens the door to research addressing the concept of trigger events. At this stage, we are attempting to explore the broad categories of trigger events that impact consumers' evaluations of products/services. Future research must focus on developing an acceptable definition of a trigger event. The one presented here is a place to start. Along this line, classifications and measurement methods for trigger events must be developed. The primary classification method used here was the source (consumer, vendor, environment) and the abruptness (abrupt, gradual) of change. We began to look at another method that might be useful, the means-end hierarchy (attribute changes, consequences, value changes), as trigger groupings. Other classifications might also be helpful, such as the level of impact in terms of finances or time, the level of impact relative to one consumer, one family, one company, an entire industry or an entire nation.

We must also expand the basic response model presented here. This will include exploring both mediators and moderators. The literature discusses processes that might be viewed as influencers to the trigger event responses. For instance,

involvement (Bolting and Woodruff, 1988; Oliva, Oliver and MacMillan, 1992), experience (Day, 1976), attribution (Folkes, 1984), context (Oliver, 1980; Woodruff, 1993) an individual's perception of the event, psychological and physiological characteristics of the individual along with symbolic and social meanings of the event (Oliver, 1980), degree of normalcy of the event (Swan and Trawick, 1994), the level of controllability of the cause and the stability (variability) of the cause (Oliver and DeSarbo, 1988), may all influence the responses to critical events. Equity theory which has been shown to mediate the effect of inputs and outcomes on satisfaction (Blodgett, 1994) and the length of patronage, which has been shown to be positively related to repurchase intentions (Rust and Williams, 1994), may also influence responses to trigger events.

Essentially, events will be perceived differently and thus responded to differently depending on these and other mediators. Research should begin to investigate the relationships among trigger events and corresponding responses taking into account the mediating variables.

Marketers can also begin to look for those events that trigger changes in customers' evaluations and use of their products/services. Are there events planned by the firm or a competitor that may come as a surprise to the customer? If so, what might their responses be (emotionally, how they compare the services to competitors', their evaluation of the firm, what they value, and future repatronage)? Marketers must identify those events that arouse their customers' interests (positive and negative) and decide what to do with that information. Is there some way the firm can help the customer avoid those events that will trigger undesired responses and realize desired ones? By understanding how consumers respond to various classes of events, marketers and researcher may better serve their own as well as their customers' needs.

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"CLOUT" AND "VULNERABILITY" IN RETAIL CHOICE: MODELING COMPETITIVE EFFECTS OF PERFORMANCE PERCEPTION, SATISFACTION, AND INTENTION

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ABSTRACT

This paper provides a framework for the tactical use of service quality measures, especially in sectors where the actions of competitors may have as much impact on a firm as do its own actions. The research questions include: what criteria can guide selection of service quality attributes? How should measurement be accomplished? And, how can the resulting information be analyzed to gain competitive insight? Results from an exploratory study illustrating the model are provided.

INTRODUCTION

The potential advantage of a multi attribute conceptualization of "service quality" over a simpler "overall" judgement is that knowledge of the structure of service quality perceptions and expectations can aid diagnosis of the strengths and weaknesses of the firm's performance and suggest tactics for improving its competitive position. One problem with the multi attribute approach is that the number of attributes that might be considered is large, if not infinite. Managers need criteria to reduce the attributes considered to a practical number.

A previous paper in this journal argued that marketers need not consider all attributes potentially related to perceived service quality (Wiley and Larson, 1993). If service quality measures are to have impact on performance, managers must have motivation to use them: there must be economic consequences (benefits gained or costs avoided). Attention may be restricted therefore to a subset of all attributes consisting of those that a) may be manipulated by firms and b) will have economic consequences, especially those that increase the likelihood that customers will choose the firm rather than its competitors on a given occasion. Consequences that satisfy these criteria may be overt, such as trial, repeat, or switching; also they may be covert, such as change

of purchase intention, attitude, or expectation.

Merely determining the firm's performance on critical attributes is not adequate, however, because the performance of competitors also will influence customers' actions. The firm is not equally vulnerable to the competitive actions of all competitors, of course; neither are the competitors equally vulnerable to the firm's actions, nor are the same attributes critical to all firms. In this paper we propose a model that links the following concepts:

- previous purchase (PrP),
- purchase (P),
- purchase intentions (PI),
- satisfaction (S),
- perceptions of performance on a set of attributes (PP).

The model includes both "own" effects and "cross effects." Own effects capture the impact of customers' predispositions toward a firm on their choice of the firm. Cross effects capture the impact of customers' predispositions toward competitors on their choice of the firm. The model is similar in intent to a multi attribute formulation proposed by Laroche and Brisoux (1981) and Howard (1994) to describe "competitive vulnerability." Both the Laroche and Brisoux model and the present one are formulated as a system of simultaneous equations.

This paper is organized into six sections. The following one describes the model. The next section discusses *i*) sources for identifying attributes and *ii*) criteria for determining which should be included in the study. Section four *i*) discusses strategies for measuring constructs and *ii*) describes an exploratory study. A system of equations describing the model is evaluated using customers' choice of fast food restaurants in a restricted environment; namely, the "food court" of a mall attached to classroom buildings of a major Canadian university. Section five presents the results of the study. The final section discusses

additional research suggested by the study.

A "CLOUT/VULNERABILITY" MODEL

The conceptual framework linking customers' action with service quality perceptions is presented in Figure 1. Three sets of simultaneous equations capture the relationships among the concepts. The first set expresses *purchase* (P) as a function of *purchase intention* (PI). There is an important distinction between purchase and purchase intention in studies where investigators observe choice at the individual level and the customer typically selects only a single alternative on a given choice occasion. Under these circumstances, choice alternatives are perfect substitutes since selection of one alternative precludes the possibility of selecting another. However, in many product/service categories, such as restaurants, competitors are not equal substitutes. For example, Italian and Pizza restaurants probably are closer substitutes for one another than either are with Chinese restaurants. Including the purchase intention construct allows differential substitution effects to be detected. The model posits that purchase depends on both intentions to purchase at the firm and at its competitors. This system of equations allows the manager to detect which competitors will be most influenced by a successful increase in the firm's average purchase intention (and therefore be the ones most likely to take retaliatory action). The system also suggests which competitors are likely to have impact upon the firm should they be the ones to initiate action.

The second system of equations expresses *purchase intention* (PI) as a function of *satisfaction* (S) and *previous purchases* at the firm (PrP). The two components of this system of equations are not conceived to be the only factors that influence purchase intent. For example, awareness and other "ability to buy" attributes probably influence purchase intent. The previous purchase (PrP) variable is included in this system of equations as a surrogate for the effect on purchase intent of these other effects. Satisfaction is conceived to be a surrogate measure also, specifically for the effects on purchase intent of marketing mix variables related to service quality. This system of equations can suggest answers to key questions, such as: Purchase intentions for which competitors

are vulnerable to a successful increase in a firm's customer satisfaction? To which competitors is the firm vulnerable should these competitors initiate action?

The third system of equations expresses the relationship between *satisfaction* (S) and *perceptions of performance* (PP). This system of equations allows the manager to determine a) which attribute(s) to focus on in order to increase customer *satisfaction*, b) which attribute(s) competitors are likely to use if they retaliate, and c) which attribute(s) competitors are likely to select if they initiate action?

The relationship between the concepts and the interpretations of the variables is discussed in greater detail in the following sections.

The Relationship Between Performance Perceptions and Satisfaction

It is hypothesized that satisfaction varies with customers' perceptions of the store's performance on service attributes. The hypothesized relationship for two stores and four attributes has the following form:

$$S_{\text{Store 1}} = \gamma_{11} PP_{\text{Attribute 1}} + \gamma_{12} PP_{\text{Attribute 2}} + \gamma_{13} PP_{\text{Attribute 3}} + \gamma_{14} PP_{\text{Attribute 4}} \quad (1a)$$

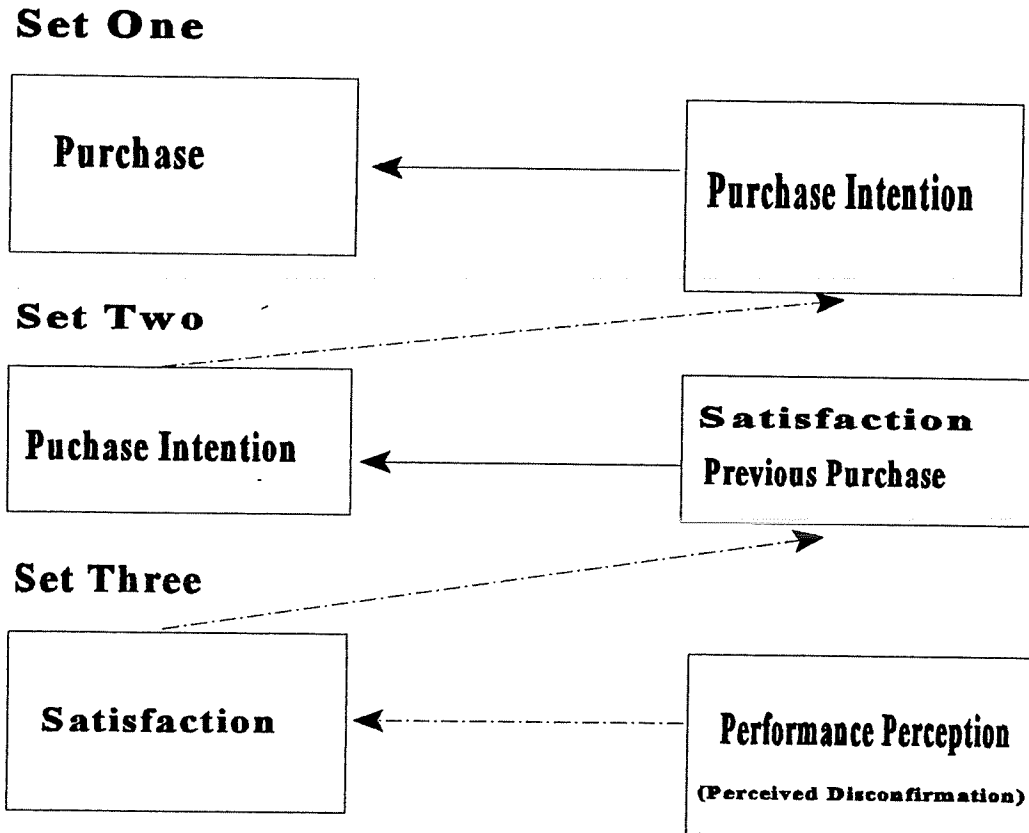
$$S_{\text{Store 2}} = \gamma_{21} PP_{\text{Attribute 1}} + \gamma_{22} PP_{\text{Attribute 2}} + \gamma_{23} PP_{\text{Attribute 3}} + \gamma_{24} PP_{\text{Attribute 4}} \quad (1b)$$

where the γ_{ik} 's are the effects of performance perception regarding store i on attribute k and satisfaction with store i . The *a priori* expectation is that the signs of the γ_{ik} 's should be positive or zero. For "important" attributes, an increase in perceived performance of a store on an attribute should be associated with increased satisfaction with the store. However, an increase in perceived performance may not affect satisfaction for "unimportant" attributes.

Relationship Between Purchase Intentions and Satisfaction

The second set of equations models purchase intention as a function of customer satisfaction with the store and its competitors. The relationship between purchase intentions and satisfaction for

Figure 1
Relationship Among Concepts



two of the firms in a four firm market has the form:

$$PI_{\text{Store } 1} = \beta_{11} S_{\text{Store } 1} + \beta_{12} S_{\text{Store } 2} + \beta_{13} S_{\text{Store } 3} + \beta_{14} S_{\text{Store } 4} + \beta_{11} \text{PrP}_{\text{Store } 1} \quad (2a)$$

$$PI_{\text{Store } 2} = \beta_{21} S_{\text{Store } 1} + \beta_{22} S_{\text{Store } 2} + \beta_{23} S_{\text{Store } 3} + \beta_{24} S_{\text{Store } 4} + \beta_{22} \text{PrP}_{\text{Store } 2} \quad (2b)$$

where β_{ij} , $i = j$ are the "own effects" of customers' satisfaction with a store on their purchase intent. It would be expected that the signs of these parameters should be positive. Previous purchase (PrP) is included as a surrogate for other factors that might affect purchase intent, such as awareness, ability-to-buy, and store loyalty. It would be expected that the sign of these parameters should be positive.

The β_{ij} , $i \neq j$ are the "cross effects" of satisfaction with other stores on purchase intent for store i . For example, the coefficient β_{12} is the effect that satisfaction with store 2 has on purchase intention for store 1. A negative sign for a β_{ij} suggests that store i is a substitute for store j , i.e., that an increase in satisfaction with store j is associated with a decrease in purchase intent at store i . A positive sign for a β_{ij} suggests that store i is a complement for store j , i.e., that an increase in satisfaction with store j is associated with an increase in purchase intent at store i . The sign for a β_{ij} also may be zero, suggesting that purchase intent at a store i is unrelated to satisfaction with store j .

"Own" and "cross effects" can be organized as follows:

$$V_2 = \begin{bmatrix} \beta_{11} & \beta_{12} & \beta_{13} & \beta_{14} & \delta_{11} \\ \beta_{21} & \beta_{22} & \beta_{23} & \beta_{24} & \delta_{22} \\ \beta_{31} & \beta_{32} & \beta_{33} & \beta_{34} & \delta_{33} \\ \beta_{41} & \beta_{42} & \beta_{43} & \beta_{44} & \delta_{44} \end{bmatrix}$$

The parameters along the main diagonal are the "own effects." The parameters in a row *i* (excluding β_{ii} and δ_{ii}) are called "vulnerabilities." They capture the effects that satisfaction with competing stores has on purchase intention for store *i*. The parameters in the column *j* (excluding β_{ji} and δ_{ji}) indicate a store *j*'s "clout." They capture the effect that satisfaction with store *j* has on purchase intention for competing stores. In the Laroche and Brisoux (1981) and Howard (1994) model, the dependent variable is purchase intent and the independent variables are attitudes toward the respective firms in a market. With this formulation, the diagonal elements of (V_2) are regression coefficients relating attitude toward firm *i* and purchase intentions for the firm. The *i*th row contains regression coefficients relating attitudes toward competitors to purchase intention for firm *i*. The *j*th column shows the effects of attitude toward firm *j* on purchase intentions for its competitors.

Relationship Between Purchase and Purchase Intentions

It is to be expected that purchase and purchase intentions are related. A simple model of the relationship might take the form: $P_{store\ a} = f(PI_{store\ a})$. However, it is likely that customers' intentions to purchase at competitors influence purchase at a store also. If this is the case, then the relationships between purchase and purchase intention for two stores takes the following form:

$$P_{Store\ 1} = \alpha_{11} PI_{Store\ 1} + \alpha_{12} PI_{Store\ 2} + \alpha_{13} PI_{Store\ 3} + \alpha_{14} PI_{Store\ 4} \tag{3a}$$

$$P_{Store\ 2} = \alpha_{21} PI_{Store\ 1} + \alpha_{22} PI_{Store\ 2} + \alpha_{23} PI_{Store\ 3} + \alpha_{24} PI_{Store\ 4} \tag{3b}$$

where α_{ij} , $i = j$, are the effects of purchase

intention toward a store on purchase at the store. It is expected that the signs of these coefficients should be positive since there should be a positive relationship between purchase intention for a store and purchase.

The α_{ij} , $i \neq j$ are the effects of purchase intentions for other stores on purchase at store *i*. The coefficient α_{12} is the effect that purchase intentions toward store 2 has on store 1 purchases. The α_{ij} 's, $i \neq j$ should be negative or zero. Since purchase from one store precludes purchase from another, increases in variables that are positively associated with a store's sales should be negatively associated with purchases from competing stores. All stores are substitutes, or unrelated. However, the degree to which they are substitutes may vary.

"Own" and "cross effects" can be organized as follows:

$$V_1 = \begin{bmatrix} \alpha_{11} & \alpha_{12} & \alpha_{13} & \alpha_{14} \\ \alpha_{21} & \alpha_{22} & \alpha_{23} & \alpha_{24} \\ \alpha_{31} & \alpha_{32} & \alpha_{33} & \alpha_{34} \\ \alpha_{41} & \alpha_{42} & \alpha_{43} & \alpha_{44} \end{bmatrix}$$

The parameters along the main diagonal are the "own effects." The parameters in row *i* (excluding α_{ii}) are the purchase intention "cross effects." They capture the effects of increased purchase intention for competing stores on purchases at store *i*. The cross effects in column *j* (excluding α_{ij}) indicate the effects of increased purchase intention at store *j* on purchases at competing stores. Cooper and Nakanishi (1988) discuss own and cross effect parameters extensively and show how coefficients having the structure of V_1 can be presented graphically to provide insights into the competitive structure of a market.

IDENTIFYING CRITICAL ATTRIBUTES

Critical service quality attributes are those that are actionable (can be influenced by management) and of managerial significance (valued by consumers). The notion of critical attributes is related to Alpert's (1971) notion of determinant attributes. Determinant attributes are ones the respondent values and believes vary from firm to

firm. Critical attributes are ones that consumers value and managers *can* cause to vary. Critical attributes may be identified from a variety of sources, such as: customer focus groups; interviews with managers; secondary sources, e.g., trade journals (e.g., *Restaurant Business*, *Restaurants & Institutions*) or customer comment cards; and academic journals. For example, SERVQUAL, a widely used instrument for measuring service quality, was developed from extensive focus group interviews (Parasuraman, et. al., 1985, 1988). For the present study, a search for critical attributes was based on a customer survey, comment cards, literature reviews, and interviews with firms.

Attributes Derived from Customer Survey

In a preliminary study, thirty-four students in a marketing course were asked to suggest up to ten attributes of service quality important to them in considering restaurants in the food court of a mall attached to the business school building. Eleven attributes were mentioned by at least ten respondents. These eleven attributes, in turn, can be placed into four groups:

- Food Related: Fresh Food, Nutritious Food, Tasty Food, and Size of Portions;
- Service Related: Fast Service, Friendly Service, and Short Waiting Lines;
- Facility Related: Availability of Seating, Cleanliness, and Menu Variety;
- Price Related: Competitive Prices.

The four most frequently mentioned attributes were the following: competitive prices (mentioned by 32 respondents), fast service (30), nutritious food (26), and friendly service (22).

Attributes Derived from Comment Cards

Comment cards in use by retailers are another source of critical attributes. Exhibit 1 summarizes the attributes found on the customer comment cards of eight restaurants in the market region. Consistent with preliminary results, the attributes

pertain to food, service, and facilities. It is interesting that five of the eight cards ask for global ratings of food quality -- rather than more specific attributes, such as taste, temperature, appearance or portion size. Similarly, two of the eight cards ask only about "service quality" -- while the other six address more specific attributes, such as friendliness and speed/efficiency of service. It is notable that "cleanliness" emerges as the most frequently collected pieces of information on the comment cards. Cleanliness was not included in the present study because the mall provided cleaning services to the restaurants and, so, the restaurants should be equal in cleanliness.

Attributes Derived from the Literature

Based on interviews with three restaurant industry experts, Stephenson (1994) offers several customer-attracting attributes: big portions, cheap (prices), lots of options, good tasting food, and healthy food. Bell (1993) reports that Generation X people (18 to 29) eat fast food 15 to 16 times a month, and prefer: cheap food, unusual menus, exciting environments, and giant portions. In a study of American restaurant chains, Ghauthry (1992 a,b) finds the following attributes to be related to customer satisfaction: food quality, menu variety, atmosphere, and cleanliness. Dube, Renaghan and Miller (1994) identify seven attributes (food tastiness, food consistency, menu variety, wait for seating, attentiveness, helpfulness, and atmosphere) for a small, independent, up-scale restaurant. Tasty food is the attribute most significantly linked to repeat purchase intentions.

Richard and Allaway (1993) study quality of home-delivery pizza service, using 28 attributes of service quality. Drawing on Gronroos (1984), they present two categories of attributes: (1) outcome or technical, and (2) process or functional. The outcome attributes are tangibles, what was delivered. On the other hand, process attributes describe how it was delivered. They add six outcome items -- delicious, nutritious, flavourful sauce, crust, a generous amount of toppings, and superior ingredients -- to a larger set of process attributes, namely the twenty-two SERVQUAL items.

**Exhibit 1
Attributes Derived From Comment Cards**

Attributes	Restaurant							
	Arby's	A&W	Boston Pizza	Embers	Red Lobster	Subway	Taco Time	Wendy's
Food Quality		x	x			x	x	x
Taste	x			x	x			
Temperature	x			x	x			
Portion Size	x		x	x	x			
Appearance	x				x			
Price					x			
Service Quality			x			x		
Friendly	x	x		x	x		x	
Helpful	x							
Speed	x	x		x	x		x	x
Knowledgeable	x							
Accuracy		x			x			x
Appearance				x				
Attentive				x	x			
Courtesy								x
Restaurant Quality						x		
Atmosphere	x							
Cleanliness	x	x	x	x			x	x
Music	x							
Decor	x							
Overall	x	x		x	x		x	x

Attributes Derived from Managers

As a last step, several managers of the restaurants included in the study were interviewed. The managers emphasized quality of food and portion size as critical attributes. It is interesting that managers did not consider menu variety to be a critical attribute because it was not actionable. The mall leasing arrangements dictate what types of food could and could not be offered by individual restaurants. For example, the Italian restaurant was precluded from offering pizza and the Pizza restaurant could not offer other Italian food. Likewise, seating was not a critical attribute because the leased location had it, or did not, and there was no possibility for the restaurant to change once the manager signed a lease.

Critical Attributes for Fast food Restaurants

Based on the above findings the following attributes were included in the exploratory study discussed below: Nutritious Food, Friendly Service, Tasty Food, Fresh Food, Size of Portions, and Availability of Seating. Availability of seating was included because though they could not change it, its impact on satisfaction and store choice was relevant to negotiations with mall management on other matters.

AN ILLUSTRATIVE STUDY

Results of an exploratory study are reported to illustrate the "Clout/Vulnerability" model. Four Faculty of Business classes (a total of 208 students) completed a seven-page survey. Respondents were given a two-dollar coupon that they could redeem at any of four restaurants. This redemption value corresponded to about half the typical cost of a lunch at the participating restaurants. Purchase Intent, Satisfaction, and Prior Purchase information was collected for the six most frequented restaurants as indicated by the preliminary study. For administrative reasons, the coupon redemptions were limited to the four most frequented of this set of six restaurants. To keep the questionnaire at manageable length, perceived performance information was collected only for the four restaurants at which coupons could be redeemed. The coupons and questionnaires were

coded so that redeemed coupons could be matched with questionnaires. Respondents were given three weeks to redeem the coupons. The concepts were operationalized and missing data were coded in the following manner.

Performance Perceptions

The satisfaction literature suggests that consumer satisfaction occurs when the perceived outcome of a transaction meets or exceeds the consumer's expectations. Expectations are predictions of the nature and level of performance that the consumer will (or should) receive. Dissatisfaction occurs when perceived performance fails to meet expectations (Oliver, 1979). Expectations in this view can be based on direct or indirect experiences. They are provider specific, but they may differ with usage context. For example, a user's expectations regarding a bank's services may depend on whether he or she is making a deposit/withdrawal or seeking a mortgage renewal. The integration of expectations-performance judgments is conceived to be compensatory in nature, i.e., unsatisfactory performance on one attribute can be compensated for by satisfactory performance on another attribute.

The so-called self-explication approach is the most widely used approach to operationalize the gap between perceptions and expectations. Respondents give direct judgements of the two constructs and the difference is taken. Many authors have identified problems with this approach. Wall and Payne (1973) show that calculating difference scores masks the true relationship between variables, even when the true relationship involves a difference. Peterson and Wilson (1992) discuss problems with the self-explication approach in consumer satisfaction research.

In the present work, the perceived disconfirmation approach is used to operationalize the performance perception construct (Rogers, Peyton and Berl, 1992). Respondents make a single, direct judgement of the perceived difference between performance and expectations. This approach offers the potential benefit of avoiding some controversy surrounding the way expectations should be defined by enabling the

respondent to use their own standard in arriving at their judgement. Tse and Wilton (1988) and others (Anderson, 1973; Churchill and Surprenant, 1982) have shown the approach gives good results in comparison with the self explanation approach. The perceived disconfirmation questions were taken from Wiley and Larson (1993). Table 1 (3 = "Greatly Exceeds Expectations," 0 = "Exactly Matches Expectations," -3 = "Greatly Falls Sort of Expectations"). Missing data on this variable was coded as 0 ("Exactly Matches Expectations").

Purchase

The measure of Purchase involved coupon redemption. If a coupon was redeemed at a restaurant, the purchase variable for the restaurant was coded as 1 for the respondent and the remaining restaurants were coded as 0. Hence, a respondent who redeemed a coupon had a 1 recorded for one restaurant and 0's for the remaining restaurants. Respondents who did not exercise their coupon had 0's recorded for all restaurants. Therefore, the parameters in Equation 3 are interpreted as the effect of purchase intentions on exercising the coupon at a restaurant versus not exercising the coupon *at that restaurant*. Enforcing that respondents -- and not others -- redeemed coupons was not possible. However, it is felt that most respondents exercised their own coupons.

Satisfaction

Satisfaction was operationalized using the Westbrook (1980) "Terrible-Delighted" scale. Missing data was, a) set equal to mean of individuals' ratings for other stores, provided the respondent provided ratings for other stores, or b) if the respondent provided no satisfaction ratings, he or she was eliminated from the sample. Ten respondents were eliminated.

Purchase Intent, Previous Purchase

Purchase Intent was operationalized with the question "How likely is it that you will buy food from each of the HUB Mall restaurants during the next month" (7 = Very Likely, 1 = Very Unlikely). Previous Purchase was operationalized

with the question "Approximately how many times during *this semester* have you bought food at these Hub Mall restaurants" (0, 1-3, 4-6, 7-9, 10+). Missing data for Purchase Intent was set to 1 (Very Unlikely). Missing data for Previous Purchase was set to 0.

RESULTS

Three stage least squares (3SLS) estimation was used to gain consistent estimates of model coefficients. It should be noted that the dependent variable in the purchase/purchase intention set of equations was coded 0/1 and probit/logit procedures were not used to estimate these equations. To do so would have entailed a mixed estimation procedure using logit/probit for one set of equations and a standard linear model structure for the remaining equations of the simultaneous system. The primary purpose of the present research is to illustrate the "clout/vulnerability" model. The focus of the illustration is on the appropriateness (or inappropriateness) of the signs of estimated coefficients (and not on prediction). The three-stage least squares approach is adequate for this task.

The presence of an entry in the following tables indicates that the coefficient is significant at beyond the .05 level. Absence of an entry indicates that the coefficient was not significant at the .05 level.

The Relationship Between Intentions to Purchase and Coupon Usage.

The shaded cells on the diagonal of Table 1 present the coefficients between purchase intent and purchase at restaurant *i*. The expectation is that the coefficients should be positive. They all have the expected sign.

The off-diagonal cells present the coefficients between purchase intent for one restaurant and purchase at another. Expectation for the signs of the coefficients is that significant ones should be negative, i.e., that high purchase intent at one restaurant would be negatively associated with purchase at another. If a coupon was exercised at a restaurant with higher intentions, it could not be exercised elsewhere. All significant coefficients are of the expected sign.

Table 1
The Relationship Between Purchase Intentions and Purchase

Independent Variable: Purchase intent at ↓	Dependent Variable: Actual Purchase at ↓			
	Pizza	Burger	Italian	Submarine
Pizza	0.06		-0.02	-0.03
Burger		0.04		-0.03
Italian		-0.05	0.07	
Submarine			-0.02	0.10
Constant		0.27		

All non-blank entries significant beyond the .05 level.

Table 2
The Relationship Between Satisfaction/Previous Usage and Purchase Intention

Independent Variable: Satisfaction with ↓	Dependent Variable: Purchase intent at ↓			
	Pizza	Burger	Italian	Submarine
Pizza	0.43			
Burger		0.44	-0.19	
Italian	0.22		0.57	
Submarine				0.47
Coffee/Deli	-0.27			
Chinese			-0.12	
Previous Usage	1.32	1.14	1.20	1.19
Constant				

All non-blank entries significant beyond the .05 level.

The Relationship Between Satisfaction/Previous Usage and Purchase Intention

The shaded cells on the diagonal of Table 2 present the relationship between satisfaction with a restaurant and purchase intention. The expectation is that the relationship should be positive and it always is.

The shaded row at the bottom of Table 2 presents the coefficients relating previous purchases at the restaurant to purchase intention.

The expectation is that the coefficients will be positive. All of the coefficients have the expected positive sign.

The off-diagonal cells present the relationships between satisfaction with a restaurant and purchase intent at another restaurant. The relationship could be in either direction: positive for complements, negative for substitutes, or zero for neutral competitors.

The Relationship Between Satisfaction and Perceived Performance

Table 3 presents regression coefficients between perceived performance ratings and satisfaction with a restaurant. It is expected that the coefficients would be positive or zero, which they are for the most part. The results for tasty food agree with the results of Dube, Renaghan and Miller (1994).

However, two coefficients are negative. The nutritious rating for the Sub restaurant is negative, perhaps suggesting a confounding with perception that submarine sandwiches are not healthy. The negative sign for the Italian restaurant may suggest that it has relative limited seating and can get quite contested, especially at lunch time.

CONCLUSION

A "clout/vulnerability" model linking firm actions that influence service quality with store choice is proposed and illustrated with an exploratory study. The system of simultaneous equations of the model has 68 coefficients,

excluding the constants.

- The *a priori* expectation for 12 coefficients -- eight associated with the "own effects" and 4 associated with prior usage -- is that they should have a positive sign. All 12 coefficients have the expected sign.
- The *a priori* expectation for 12 coefficients -- those for the "cross effects" of purchase intent and purchase -- is that they should be negative or zero. All 12 coefficients have the expected sign.
- The expectation for 24 coefficients -- those for the effect of performance perception with satisfaction -- is that the signs should be positive or zero. Twenty-two of the coefficients have the expected sign. Two coefficients have the wrong sign. Anecdotal observations suggest plausible explanations for these signs, but the results suggest possible difficulty with the wording of the perceived disconfirmation measure.

Table 3
The Relationship between Satisfaction and Perceived Disconfirmations

Independent Variable: Disconfirmation on Attribute ↓	Dependent Variable: Satisfaction With ↓			
	Pizza	Burger	Italian	Submarine
Nutritious Food				-0.19
Friendly Service	0.23		0.18	
Avail. of Seating			-0.18	
Tasty Food	0.24	0.33	0.34	0.57
Fresh Food		0.12		0.26
Size of Portions	0.20			
Constant	4.58	3.97	4.57	4.16

All non-blank entries significant beyond the .05 level.

- Twenty coefficients -- those for the effects of satisfaction with store j with purchase intention at store i -- may be positive, negative, or zero depending on whether the stores are complements, substitutes, or neutral. Overall, the signs of the coefficients are plausible in the sense that they indicate that the Italian and Pizza restaurants are complements while the remaining restaurants are substitutes or neutral.

This study focuses on evaluating the face validity of the model through the mechanism of testing the appropriateness of the signs on coefficients. The results support the face validity of the model and suggest that it may have utility in suggesting which service quality attributes a firm should focus on if it wants to affect actions by its customers.

Further Research

Several areas for additional work are suggested by the present work. These include data analysis, missing data, measures, and methodology.

Data Analysis. The model does not address the issue of how difficult affecting performance perceptions would be or whether doing so would be profitable. To answer the latter question, making predictions of the impact that a change in performance perception would have on market share would be very useful. To do this, an estimation procedure is needed that predicts market share. This remains a direction for further research.

Missing Data. One problem in developing an estimation procedure that predicts market shares is that missing data has a major impact on the consistency of estimates. Missing data will be common with this kind research because respondents inevitably will not be familiar with all stores. Future research will be necessary to deal with this problem. One characteristic of data, however, potentially makes known missing data approaches applicable. It generally will be the case that if respondents have one characteristic -- being unfamiliar with a store -- then they will have

missing data on all other variables relating to it. As a result, missing data will have a patterned structure. Procedures for estimating consistent covariance matrices in these situations are known. Future research should explore the use of such approaches in an otherwise standard estimation procedure, such as LISREL or the three-stage least squares procedure used here.

Measures. Two measurement issues are suggested by the present study. The first concerns the measure of satisfaction. Satisfaction is a central construct in the system of equations. Future work should include multiple measures of this construct to increase the reliability with which it is measured. Secondly, the present research, and other research by the authors using the perceived disconfirmation measure, suggests that alternative wording of the performance perception question may be more intelligible to respondents and yet have the diagnostic value of the self explicated or the perceived disconfirmation approaches. A study currently is in progress that compares the perceived disconfirmation approach with direct judgements by respondents of their satisfaction/dissatisfaction with stores' performance on critical attributes.

Longitudinal Methodology. The present study used a cross-sectional methodology -- as did the Laroche and Brisoux (1981) study. A more appropriate methodology would be to track changes in performance perception, satisfaction, purchase intention, and purchase over time. The study mentioned in the above paragraph is a longitudinal study that will track changes in purchase, purchase intention, satisfaction, and performance perception over multiple periods. Multiple indicators are used for the satisfaction and performance perception constructs and estimation will be conducted using LISREL.

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COMPARING THE COMMUNICATION CHARACTERISTICS OF HIGH COMPETENCE AND LOW COMPETENCE CUSTOMER SERVICE REPRESENTATIVES

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ABSTRACT

When dissatisfied customers complain directly to a company, customer service representatives are responsible for communicating with these customers and resolving their complaints. Despite the importance of communication in this process, little is known about the communication characteristics of high competence and low competence customer service representatives. To address this issue, we content analyzed the communication used by high competence and low competence customer service representatives in a regional telephone service company. Our results revealed that, compared to low competence representatives, high competence service representatives talk more about attribution issues and their interactions with dissatisfied customers are significantly longer. Based on these results, we recommend that customer service managers should train their service representatives to focus more on identifying the causes of customers' problems. Also, we recommend that service representatives' performance evaluations should be based on their ability to resolve customers' complaints, not on how quickly they can process customers' calls.

INTRODUCTION

Customer service managers in progressive companies increasingly encourage dissatisfied consumers to communicate their complaints directly to company service representatives via toll-free telephone lines (Quintanilla and Gibson 1994). These managers hope that their service representatives can effectively respond to these dissatisfied consumers' complaints so that they are more inclined to engage in repeat purchase behavior and less prone to use negative word-of-mouth communication regarding the companies' products and services.

Communication is widely recognized as a

fundamental element of this complaining process (Fornell 1988; Garrett, Meyers, and Camey 1991). If customer service representatives can communicate effectively with dissatisfied consumers, there is a much greater likelihood that these consumers' complaints can be resolved to their satisfaction and to the companies' benefit. In contrast, if service representatives are incompetent communicators, they may exacerbate the complaining consumers' sense of dissatisfaction and cause their companies additional harm. Thus, customer service managers would ideally prefer to have service representatives who are highly competent communicators. But, despite the acknowledged importance of customer service representatives, little is known about the comparative communication characteristics of high competence and low competence service representatives.

OBJECTIVE

Given the paucity of research regarding communication and customer service representatives, our goal in this paper is to analyze the differences in communication characteristics between high competence and low competence customer service representatives. We first briefly review the literature in marketing regarding communication in complaint interactions, and also the literature in the communication discipline regarding communication competence. We then pose our exploratory research questions and describe the methodology we employed to address these questions. After presenting our results, we discuss the potential implications of our findings.

LITERATURE REVIEW

Communication in the Consumer Complaining Process

While research during the past two decades

regarding consumer satisfaction/dissatisfaction and complaining behavior has generated a voluminous literature (for recent reviews, see Andreasen 1988 and Yi 1990), relatively little research attention has concentrated specifically on communication in the consumer complaining process (Garrett, Meyers, and Camey 1991). Those few studies that have examined communication have shown that companies are more likely to respond to consumers' complaints as the quality of writing in a complaint letter improves (Boschung 1976; Pearson 1976). Also, the word length of companies' written responses to consumers' complaint letters is significantly greater than for responses to consumers' letters of praise (Smart and Martin 1992). Other studies in this area have demonstrated that companies' communicative responses to dissatisfied consumers' complaints may affect these consumers' attitudes and repurchase intentions. For example, consumers are most likely to be satisfied when companies offer some form of compensation (Baer and Hill 1994; Clark, Kaminski, and Rink 1992; Lewis 1983; Pearson 1976) and express an interest in remedying the consumers' problems (Krentler and Cosenza 1987). Also, dissatisfied consumers' perceptions of the appropriateness of companies' communicative responses to their complaints appear to influence their repurchase behaviors (Gilly 1987; Lewis 1983).

These studies have certainly helped to illuminate the importance of communication as a critical element in complaint interactions. However, we think these studies all share an important limitation. Specifically, most major companies with complaint management systems now receive the majority of their complaints from consumers through toll-free telephone lines (Quintanilla and Gibson 1994). Despite this increased use of verbal communication between complaining consumers and service representatives, virtually all of these previous studies have focused upon written communication (Baer and Hill 1994; Boschung 1976; Clark, Kaminski and Rink 1992; Cobb, Walgren and Hollowed 1987; Diener 1980; Kendall and Russ 1975; Krentler and Cosenza 1987; Lee 1968; Lewis 1983; Martin and Smart 1988; Pearson 1976; Smart and Martin 1992). As more companies encourage their customers to voice

complaints to service representatives via toll-free telephone lines, there is a clear need to devote more research attention to this verbal communication medium.

Communication Competence

Over the past two decades, communication researchers have become increasingly interested in determining those factors that produce competent communicators. Much of this research has been conducted on interpersonal relationships (Pavitt and Haight 1986; Spitzberg and Cupach 1984, 1989; Rubin 1990), but recently some investigators have begun to investigate competence in organizational settings as well (Diez, 1984; Monge et al. 1982; Penley et al. 1991; Sypher 1984). In general, researchers define communication competence as a "person's ability to interact flexibly with others in a dyadic setting so that the communication is seen as appropriate and effective for the context" (Rubin et al. 1993, p. 210).

Researchers in this domain have typically utilized two main conceptual perspectives to study interpersonal communication competence: social cognition and social skills (Rubin 1990). Researchers from the first perspective--social cognition--are interested in determining an individual's knowledge of which behaviors to enact. The second perspective, and the one more appropriate for this paper, involves examination of the actual communicative behaviors executed in a certain situation. This latter group of communication competence researchers (also referred to as communication skills theorists) view competence as skills specific to a given context (interpersonal, organizational, media, intercultural, etc.). For example, communication behaviors such as affiliation, social relaxation, empathy, flexibility and interaction management skills have been posited as important to the interpersonal communication context (Wiemann 1977). Likewise, interaction management and behavioral flexibility skills have been found to be important in organizational contexts (Diez 1984; Haas and Seibert 1988).

Along these same lines, understanding more fully which communication behaviors characterize competent service interactions would seem to have important and long-lasting consequences for

service oriented organizations. Certainly this information could serve an important function in customer service representative training programs. On a larger scale, being able to distinguish between high and low competence service representatives could figure into criteria development for performance evaluations, as well as hiring and firing practices. In this study, we hope to come closer to that goal by investigating the communication behaviors of both high and low competence service representatives in actual conversations with complaining consumers.

RESEARCH QUESTIONS

Because this is, as far as we could ascertain, the first research study in either marketing or communication to analyze the communication characteristics of high competence and low competence customer service representatives, we posit the following three exploratory research questions:

Q1) Are there significant differences in the communication content spoken by high competence and low competence customer service representatives?

Q2) Are there significant differences between high competence and low competence customer service representatives in terms of the overall length of their communication interactions with complaining consumers?

Q3) Are there significant differences in the relative amount of communication spoken by service representatives and consumers based on the competence of service representatives?

METHODOLOGY

The data in this paper were derived from a larger research study we recently conducted regarding communication in consumer complaint interactions with customer service representatives. In this section we first describe the category system and content analysis procedures we used for this larger research project. Then we will explain how the high competence and low competence service representatives were selected

from this larger data base to address the specific research questions posed in this paper.

Category System

Although some researchers argue that consumers do not necessarily have to be dissatisfied to register a complaint with a company (Oliver 1987), most researchers agree that complaints are generally based on consumers' perceptions of dissatisfaction with a purchase experience (Andreasen 1988; Fornell 1976). Thus, because complaints are generally viewed as communicated expressions of dissatisfaction (TARP 1985), the communication content of complaint interactions should reflect closely consumers' bases of dissatisfaction. That is, the variables that consumers use to evaluate consumption experiences should be evidenced in their externalized expressions of dissatisfaction (i.e., complaints).

While a variety of explanations for consumer satisfaction/ dissatisfaction (CS/D) formation have been advanced, we based our category system on four frequently researched bases of consumer dissatisfaction: expectations, performance, equity, and attribution (Oliver 1993; Oliver and DeSarbo 1988; Yi 1990). In addition to these four categories, a fifth category identified as "other" statements was added to our category scheme. This final category was necessary because complaint interactions contain a variety of statements which are not explicitly related to complaints. Such statements include greetings ("Hello, this is Susan. How may I help you?"), information inquiries during the telephone conversation ("What is your phone number?", "What is your address?"), closings at the end of the conversation ("That's it, OK.", "Bye-bye.", "We'll call you back."), conversational maintenance terms ("Uh-huh.", "Umm.", "I see.", "Well, you know."), and casual conversation ("How is the weather today?").

The five categories that comprise our category system then are formally defined as follows:

Expectations: Communication that concerns the anticipated, predicted, or expected performance of a product or service.

Performance: Communication that describes or explains how a customer's product or service performs, including the types of problems a customer is experiencing.

Equity: Communication that addresses the fairness of the relationship between a customer and a company, including each party's responsibilities.

Attribution: Communication that attempts to determine why a problem occurred or the causes of a problem.

Other Category: Basic communication that is used to conduct the conversational interaction, including greetings, closings, exchange of basic background information, and conversational maintenance terms.

Content Analysis Procedures

In this section we describe our data source, unitizing procedures, and coding procedures.

Data Source. A regional telephone service company permitted us to tape record telephone complaint interactions between their customer service representatives and dissatisfied consumers. This company is typical of many progressive customer service oriented companies in that it maintains a complaint management system in which dissatisfied consumers can call on a toll-free telephone line and express their complaints directly to company service representatives (TARP 1985, 1986). The purpose of this research study was explained to the service representatives in this company and they all agreed to participate. The service representatives were informed that we would periodically record some of their telephone conversations with customers over the course of several weeks. However, representatives were not informed when their individual calls were actually being recorded.

To protect the privacy interests of the company's customers, we signed an agreement in which we pledged to delete customers' names, addresses, and phone numbers from our data records for all customers whose calls were recorded for this study.

From a total of 27 service representatives employed by this company, we selected 17 for recording, based on the match between their work schedules and our authorized hours of access to company facilities. A total of 79.5 hours of complaint interactions were recorded, involving stratified random selection among the 17 representatives. Because of the prohibitively high costs of transcribing this entire data set, we selected 34.5 hours of these recordings (531 telephone calls) for transcription, again using a stratified random sample among the 17 representatives. These audio tapes were then transcribed by professional typists.

Unitizing Procedures. Unitizing is the process of identifying communication content units to be categorized (Folger, Hewes and Poole 1984; Spiggle 1994). After considering a variety of unitizing possibilities commonly used in communication research (e.g., individual words, sentences, turns-at-talk, and complete conversations), we concluded that sentences were the most appropriate unit of analysis for our research purposes. We chose sentences because consumers and service representatives appeared to express distinct thoughts in sentence form. In contrast, longer units of analysis, such as turns-at-talk or complete conversations, were not appropriate for our research because they usually contained multiple thoughts that should be coded in different categories in our category system. Also, shorter units of analysis, such as individual words, were not appropriate because they failed to capture the essence of consumers' and service representatives' conversational meaning. Unitizing rules were then developed to define complete sentences and other conversational segments that did not fit the conventional definition of a sentence. A copy of these unitizing rules is available from the authors. Using these unitizing rules, we identified and marked 17,792 content units (sentences) in these 531 calls between customers and service representatives.

Coding Procedures. Six coders (senior-level undergraduate students majoring in communication) were selected to code these 17,792 content units. These coders were provided with necessary background information regarding the

company and its complaint management system, but were not told the study's research questions. The coders were trained regarding the definitions of the categories in the category system, and practice coding sessions were conducted involving transcripts not included in the final data set. Copies of the coding instructions and the training manual are available from the authors. Given the large volume of data to content analyze in this study, we divided the coders into three teams of two coders per team, with each team coding approximately one-third of the data. We instructed the coders to work independently and not discuss their coding decisions with any other coders. The coders were directed to resolve any differences in their coding decisions when all coding was finished. If they could not reach consensus regarding the correct coding decision for any units, they were directed to consult with one of the authors for a final decision.

Intercoder reliability was calculated for each team of coders for their entire data sets. Both Cohen's kappa (1960), which has received widespread support for use in social science research, and Perreault and Leigh's (1989) statistic, which was recently introduced in the marketing research literature, were calculated. Using Cohen's kappa, the intercoder reliability results for the three teams were .89, .96, and .94. Using Perreault and Leigh's statistic, the results were .95, .98, and .97. While there are presently no universally accepted standards of acceptability for intercoder reliability results (Hughes and Garrett 1990), we believe our intercoder reliability results are quite high, especially given that this is a new line of research using a new category system.

Selection of High Competence and Low Competence Service Representatives

We asked the customer service managers (a team of three managers) in this company to identify for us, out of the total sample of 17 representatives involved in our larger research project, the 5 representatives whom they considered to be the most competent and the 5 representatives whom they considered to be the least competent. To make their selections, the managers relied on two sources of information.

First, they regularly monitor their service representatives' interactions with complaining customers. The managers then use this data to develop performance evaluations which are given to the service representatives. Second, the customer service managers in this company regularly survey their customers to determine their satisfaction with service representatives with whom they have interacted. Thus, the high and low competence service representatives were selected based on data from managers' performance evaluations and consumer feedback.

Based on these selections, we identified those interactions that involved the five high competence representatives (124 interactions) and those that involved the five low competence representatives (177 interactions) out of the total data base of 531 interactions. We then used the content units contained in these interactions to address our research questions, as we report in the next section.

RESULTS

Q1) Are there significant differences in the communication content spoken by high competence and low competence customer service representatives? To answer this research question, we compared what the five high competence and the five low competence representatives said in their interactions with complaining customers. As shown in Table 1, there are significant differences in the communication content spoken by high competence and low competence service representatives (chi-square = 20.4; $p < .001$). Most noticeably, the high competence service representatives talk comparatively more about attribution (19.8%) than do low competence service representatives (15.5%). In contrast, the low competence service representatives talk comparatively more than high competence service representatives (48.7% vs. 44.3%) about issues that were categorized in the "other" category. In the other three complaint-related categories (expectations, performance, and equity), there is relatively little difference between the high competence and low competence service representatives.

Q2) Are there significant differences between high competence and low competence customer

Table 1
Communication Content of
High Competence vs. Low Competence Service Representatives

Categories of Communication						
	Expectation	Performance	Attribution	Equity	Other	
High Competence Service Representatives						Row Total
# of units	2	96	483	774	1079	2434
row %	0.1	3.9	19.8	31.8	44.3	100.0
Low Competence Service Representatives						
# of units	5	116	419	847	1316	2703
row %	0.2	4.3	15.5	31.3	48.7	100.0
Column Total	7	212	902	1621	2395	5137
column %	0.1	4.1	17.6	31.6	46.6	100.0

Chi-Square = 20.4

significance < .001

service representatives in terms of the overall length of their communication interactions with complaining consumers? For this question we compared the average length of interactions (as measured by number of communication units spoken by both service representatives and consumers) between high competence service representatives (124 cases) and low competence service representatives (177 cases). Our results showed that interactions involving high competence representatives had an average of 36.5 units (i.e., sentences), while interactions involving

low competence representatives had an average of 30.3 units. Using a two-tailed t-test, our analysis revealed that this difference in means is significant at the .01 level ($t = 2.98$; d.f. = 299).

Q3) Are there significant differences in the relative amount of communication spoken by service representatives and consumers based on the competence of service representatives? As shown in Table 2, these results reveal that, in interactions involving high competence service representatives, these representatives speak 53.8% of the communication units, while the consumers speak

Table 2
Relative Amount of Communication Spoken by Service Representatives and Consumers
Based on Competence of Service Representative

		Competence of Service Representative		
		High	Low	Total
Service Representatives	Number of communication units	2434	2703	5137
	Column %	53.8%	50.5%	52.0%
Complaining Consumers	Number of communication units	2089	2653	4742
	Column %	46.2%	49.5%	48.0%
Total		4523	5356	9879
Chi-square = 10.99		significance < .001		

46.2% of the units. In contrast, in interactions involving low competence service representatives, these representatives speak 50.5% of the communication units and consumers speak 49.5% of the units. Thus, high competence service representatives talk significantly more than low competence service representatives (53.8% vs. 50.5%) in their interactions with complaining consumers (chi-square = 10.99; $p < .001$).

Before we discuss these results in more detail, we highlight the potential limitations associated with this study.

LIMITATIONS

Three limitations restrict the potential validity of the results we obtained in this study. First, the interpretation of the empirical results obtained in this study must take into account our use of data from one company in one specific industry (local telephone service). Future analysis of service representatives in other companies and industries may reveal differences from the results we obtained in our study. For example, research shows that industry structure affects dissatisfied consumers' response choices (Andreasen 1985;

Singh 1991). Perhaps industry structure also impacts the type of communication used by service representatives in complaint interactions.

Second, this analysis is based on data regarding just 10 service representatives (5 high competence representatives and 5 low competence representatives). This small sample size clearly limits the robustness of our results.

Third, the communication used by service representatives is likely to be impacted by the training method employed by various companies. The particular company involved in this study uses a highly standardized approach in which all service representatives are trained to follow basically identical procedures when interacting with complaining customers. Given that, it was interesting to see that differences between service representatives still emerged. Perhaps the communication differences between high competence and low competence service representatives may be even more pronounced in those companies that encourage their service representatives to customize their interactions according to various customers' needs.

DISCUSSION

Even with these limitations, we believe our study's results offer some interesting issues for discussion. In this section we take each of the three research questions we addressed and discuss our findings.

Communication Content of High Competence and Low Competence Service Representatives

When we compared the communication spoken by high competence and low competence service representatives, as shown in Table 1, we found that high competence service representatives focused comparatively more of their conversation on identifying the potential causes of consumers' problems (attribution category). The following excerpt is a good example of how one of the high competence service representatives in this company expends considerable effort to trace the likely causes of a customer's troubles:

Customer (C): Yeah, it's popping and cracking and sometimes the phone will ring and sometimes it won't and I try to dial some numbers and I get....they say my number is no longer in existence or something.

Service representatives (SR): You get recordings on the line then?

C: I get records or something like this.

SR: Okay. Do you only have one telephone at the house?

C: Yes sir.

SR: Okay, then do you feel that there could be anything wrong with the telephone? I mean, if you've got a telephone that is bad on you, like the key pad or anything? Is it a rotary or is it touch tone?

C: It's a touch.

SR: Okay. It's very possible that it could be giving you some trouble also. I've tested your line and I'm not showing any problem on the

line. Now the only way you could tell if it was your telephone would be to take your telephone over to somebody else's house where you know the service is working and see if it works there, or even borrow somebody's phone and plug it into your house and see if it does the same thing.

C: Alright.

SR: That's about the only way you can test your phone since you only have one of them.

C: Yeah.

SR: Now, I'm not showing any problem on the line. Now if you want, I can have them check the line out since you've got in-line service.

C: Do you hear that popping?

SR: Yeah, I hear that. It's very possible, you know, it could be the telephone causing that, if it's going bad on you, or it could even be a bad jack.

C: Yeah.

SR: But now I can have a repairman check the line out for you if you'd like, and in the meantime, what I would do would be to check your phone out. Don't go buy another one because it may not be the phone itself but would be to try like what I told you to try it at somebody else's house or borrow somebody's just for a moment and see if it makes a difference.

In the consumer satisfaction literature, the importance of providing quick and equitable resolutions to consumers' complaints is widely accepted (TARP 1985, 1986). But, our findings suggest that dissatisfied consumers also appreciate service representatives who take the effort and time to attempt to identify the possible causes of their performance problems, as the preceding excerpt represents. There may be a couple of potential explanations for this relationship. Perhaps complaining consumers have more

confidence in service representatives who appear to have the knowledge and expertise to identify and understand their problems during the telephone interaction. Or maybe consumers perceive that service representatives' attribution communication reveals greater caring and concern for their welfare and predicament.

Length of Communication Interactions

Regarding our second research question, we found that those communication interactions involving high competence service representatives were significantly longer than those interactions involving low competence service representatives. This finding rather clearly suggests that customer service representatives who spend more time communicating with their customers are perceived to be more competent than those service representatives who appear to rush through their interactions with complaining customers. This positive link between competence and length of conversations indicates that complaining consumers apparently value service representatives who take extra time to discuss individual customers' complaints. This finding is consistent with recent literature regarding service quality which suggests that consumers generally appreciate service representatives who personalize their interactions with customers (Bitner, Booms, and Tetreault 1990; Surprenant and Solomon 1987).

Comparative Proportions of Communication Volume for Service Representatives and Consumers

Finally, as shown in Table 2, our results revealed that, when compared to low competence representatives, high competence service representatives talk relatively more than complaining consumers in their interactions. This finding suggests that high competence service representatives "take the lead" in their interactions with complaining consumers and are more active communicators. In contrast, low competence service representatives are less active communicators in their interactions with customers. This indicates that complaining customers appear to view more positively those service representatives who are more actively

engaged in communication in these complaint interactions. Perhaps dissatisfied consumers view this relatively increased level of communication as evidence of service representatives' willingness to resolve their problems.

IMPLICATIONS

This is the first study, as far as we know, to actually investigate the communication competence of customer service representatives. While more research is obviously needed in this area, we nonetheless believe our results yield some potentially important implications for customer service managers who are responsible for training and evaluating service representatives.

The link we found between high competence service representatives and their heightened use of attribution communication suggests that service managers may want to train their representatives to spend more time discussing with complaining consumers the potential causes of their problems. If so, service representatives must progress from being merely "information gatherers" who collect basic information regarding the nature of customers' problems, and instead become "problem solvers" who are capable of interpreting information provided by consumers. For service representatives to be able to do this, however, service managers may need to provide more training for their representatives to enable them to identify more readily various potential causes of problems.

The findings from our second and third research questions suggest that service representatives who are more active communicators are seen as more competent. This finding is striking because, based on our discussions with many customer service managers in a variety of companies and industries, we have found that most companies encourage their service representatives to complete their interactions with complaining consumers quickly. In fact, many service managers have told us that they carefully monitor their service representatives to evaluate how many customers they "handle" during a given time period. In addition, this measure is often used as a basis for evaluating service representative performance and determining compensation levels. Thus, if you are a service

representative in these organizations, the more complaining customers you handle in a given time period, the higher your evaluation.

Given our results in this study, we find this practice of evaluating and rewarding service representatives based on the volume of customers handled to be highly suspect. Instead, we would assert that service managers should pursue exactly the opposite approach. Rather than pushing their service representatives to process consumers' complaints quickly, service managers should encourage their representatives to focus more on satisfying each consumer's complaint as completely as possible. This means that service representatives should feel free to take as much time as they feel is required to listen carefully and completely to each consumer problem, and then also to take as much time as needed to thoroughly discuss the possible causes of these problems and how they may be resolved. Quite simply, we believe the standard of service representative evaluation should shift from the volume of consumer complaints processed to the degree to which complaining consumers are satisfied in their interactions with service representatives.

CONCLUSION

As far as we know, this is the first study to evaluate the comparative communication used by high competence and low competence customer service representatives. Our findings revealed that high competence service representatives focus relatively more on identifying the potential causes of complaining consumers' problems (attribution). Also, we found that high competence service representatives are relatively more active communicators than are low competence service representatives. This finding is important because many customer service managers currently push their service representatives to process their interactions with complaining consumers as quickly as possible. Instead, we suggest that service managers should encourage their representatives to take as much time as necessary to satisfy each complaining consumer as completely as possible.

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AN INVESTIGATION OF THE RELATIONSHIP BETWEEN LEVEL OF SATISFACTION AND PROCESSING INTENSITY

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ABSTRACT

There is some evidence that the relationships among consumer satisfaction and dissatisfaction (CS/D) constructs differ from one group to another, and few researchers have explicitly considered that within their empirical studies such differences may exist. The present research examines the extent to which processing "intensity" (conceptualized as the ongoing use of expectations in post-experience processing) is systematically associated with different levels of CS/D. This research is based on the convergence of two streams of literature: investigations of the dimensionality of CS/D and attempts to model satisfaction formation processes. Results of two empirical studies are used to address the issue of differential processing. Study 1 examines these relationships using data collected from 377 consumers of a highly-involving service, the interstate movement of household goods. Study 2 examines these relationships using data from 187 consumers of student advising services. Results indicate that while differential processing may occur, such differences are only partially congruent with the results of previous researchers.

INTRODUCTION

Researchers attempting to model consumer satisfaction/dissatisfaction (CS/D) have focused, with few exceptions, on the structural forms of satisfaction models, that is, on the relevant constructs and on the relationships between those constructs. However, there is some evidence that the relationships among CS/D constructs differ from one group to another, and few researchers have explicitly considered that within their empirical studies such differences may exist. If the relationships between constructs in satisfaction models vary systematically between subgroups, combining the subgroups into a single sample would result in misspecified models. The present study examines the extent to which "processing intensity" is systematically associated with

different levels of CS/D; "processing intensity" is conceptualized as the degree to which consumers utilize constructs in their CS/D processing. In the present study there appear to be systematic differences, associated with level of CS/D, with regard to whether "expectations" are included in CS/D processing.

BACKGROUND

The present research is based on the convergence of two streams of research: investigations of the dimensionality of CS/D and attempts to model satisfaction formation processes. Each will be addressed.

The dimensionality of satisfaction has been questioned (Swan and Combs 1976; Maddox 1981) and the issue remains unresolved (Yi 1990). The primary issue is whether satisfaction is a unidimensional construct (e.g., with anchors of "completely dissatisfied" and "completely satisfied") or two separate constructs, one being "level of satisfaction" and the other being "level of dissatisfaction." The two-factor conceptualization is based on Herzberg's Two-Factor Theory (Herzberg, Mausner, and Snyderman 1959) and derives support from the observation that consumers who are asked to recall both satisfying and dissatisfying experiences recall different "levels" of phenomena for describing why they are satisfied versus dissatisfied (Maddox 1981). Thus, some researchers have found equivocal support for the two-construct conceptualization (Swan and Combs 1976; Maddox 1981; Westbrook and Newman 1978). However, an alternative explanation of these findings is possible. Briefly, it is possible that the satisfaction construct is unidimensional, but, given that satisfied and dissatisfied consumers may process differently, they remember different kinds of factors as being responsible for their ultimate level of satisfaction. Because the methods used in the studies cited required consumers to "retrace" their processing, it is not surprising that their responses were qualitatively different.

Given that satisfied and dissatisfied consumers tend to attribute their level of CS/D to different kinds of phenomena, it is somewhat surprising that those attempting to model satisfaction formation consistently combined satisfied and dissatisfied subjects during model development. In fact, few studies have addressed the issue of differential processing in satisfaction formation at all. Three important exceptions are Churchill and Surprenant (1982), Oliver and DeSarbo (1988), and Dröge and Halstead (1991).

Churchill and Surprenant (1982) found that both disconfirmation and performance influenced satisfaction for the plant in their experiment, but only performance (and not disconfirmation) influenced satisfaction for the video player. In other words, they observed differential processing based on product category. Oliver and DeSarbo (1988) explicitly addressed the issue of differential processing by performing an individual-level analysis of subjects in their stock performance experiment. Using cluster analysis, they found that "...preferences for performance and disconfirmation may be individual-specific" (p. 505), but they were unable to determine the basis for such processing "preferences." Some differences with regard to the importance of expectations were also noted.

Dröge and Halstead (1991), in a field study of recent carpet purchasers, found that "complainers" and "non-complainers" processed differently. Specifically, they found that non-complainers were more "disconfirmation-influenced" while complainers were more "expectations-influenced." They attributed this result for non-complainers to Oliver's (1981) suggestion that expectations usually decay over time. On the other hand, complainers were more likely to have engaged in extensive cognitive processing related to their negative experiences with their carpeting, and thus the normal decay of expectations would have been inhibited. Subsequent to the Dröge and Halstead (1991) study, research addressing the association of satisfaction processing and level of CS/D has not been published.

Dissonance theory (Festinger 1957) provides one possible explanation of a relationship between CS/D level and amount (or intensity) of processing. Dissatisfied consumers may experience dissonance since the cognition "I am

dissatisfied with X" is inconsistent with the cognition "I freely chose to purchase X." Dissonance results in some level of psychological discomfort which the subject tries to reduce. The consumer is motivated to reduce the dissonance by reexamining constructs in each dissonant relationship and so continues processing. Satisfied consumers have no reason to continue processing once they are satisfied. In some sense, they have achieved closure and are ready to move on.

Research Objectives

The objective of this research is to replicate the findings of Dröge and Halstead (1991) in additional field settings to determine whether the association between level of CS/D and processing intensity is a more general phenomenon. Another objective of the research is to address more exactly the processing differences of satisfied versus dissatisfied consumers. In the Dröge and Halstead (1991) study, complainers were compared with non-complainers. While it can be reasonably assumed that most complainers are dissatisfied, it is clear that many people who are dissatisfied do not complain (e.g., TARP 1979). Thus, the non-complainer group in the Dröge and Halstead (1991) study probably contains both satisfied and dissatisfied consumers. It is unclear to what extent this may have confounded their results.

It is hypothesized that dissatisfied consumers process more extensively than do satisfied consumers. Satisfied consumers do not feel the need to rethink or analyze the factors which are responsible for their largely positive state, probably because there has been "closure" on the process. On the other hand, dissatisfied consumers do not reach closure as easily. They are in a negative affective state and seek to understand why, perhaps because they need to rationalize their feelings (Maddox 1981), or perhaps because they want to avoid being dissatisfied in the future, or perhaps because dissatisfaction somehow "amplifies" their "sensitivity" to the process (Westbrook and Newman 1978). Whatever the motivational source of this increased processing, it is hypothesized to occur among dissatisfied consumers.

STUDY 1

To address these research objectives, we studied consumers of a highly involving service: interstate movement of household belongings. This industry is characterized by wide variance in customer satisfaction and relatively low repeat purchase. For the entire sample, overall satisfaction was modeled as depending upon customer satisfaction with specific attributes of the moving experience. Overall satisfaction then influences word-of-mouth intentions. It should be noted that, given the long repurchase cycles in this industry, firms are generally more concerned with word-of-mouth than repeat purchase intentions.

The study population consisted of households completing interstate moves within the continental United States within a three-month period. A telephone survey was conducted with 530 consumers who completed an interstate move during the study period. The analysis conducted here is based on the 377 respondents.

Five point scales were used to measure retrieved expectations ("What level of service did you expect?"), performance ("What level of service did you receive?"), and disconfirmation (Did the company meet your expectations?). A five-point satisfaction scale was anchored by "Extremely Dissatisfied" (1) and "Extremely Satisfied" (5). The word-of-mouth question was: "If asked, would you recommend this company to others," using a five-point scale anchored by "No" and "Extremely Likely," with "Somewhat Likely" as a midpoint. Note that, consistent with Dröge and Halstead (1991), retrieved expectations rather than expectations were included.

The manifestation of increased processing among dissatisfied consumers was expected to be evident in stronger correlations between retrieved expectations and other key variables. To address the research question, a two-group LISREL analysis comparing satisfied and dissatisfied respondents was planned. To split the sample into two groups, responses to the single, five-point overall satisfaction question were used. The 153 respondents who selected the scale midpoint (3) were eliminated from further analysis, resulting in a total sample of 377.

Results and Discussion

Given that the sample was split into groups based on responses to the satisfaction question, it was expected that there would be very little variance in satisfaction (in each group) to be explained by the model. Therefore, the dependent variable of interest for the analysis was WOM; that is, the antecedent variables were modeled as influencing WOM directly rather than indirectly through satisfaction.

An analysis of the distribution of each relevant variable revealed severe violations of the assumption of normality for "retrieved expectations," a key variable in the study. Therefore, it was necessary to conduct a nonparametric analysis of the data.

Table 1 presents the Spearman correlation coefficients for each pair of relevant variables for both groups. Note that the relationships presented in the top half of Table 1 are consistent with the satisfaction literature in general. In the bottom half of Table 1, the relationships involving "retrieved expectations" are summarized. Note that the correlations between retrieved expectations and the other variables are all nonsignificant for the satisfied group, while they are higher and significant in two of the three pairs for the dissatisfied group.

Table 1
Results of Study 1
Spearman Correlation Coefficients

	Satisfied Respondents (n=290)	Dissatisfied Respondents (n=87)
Disconfirmation - Word-of-Mouth	.58	.47
Performance - Word-of-Mouth	.56	.56
Performance - Disconfirmation	.70	.65
Expectations - Word-of-Mouth	.00 (n.s.)	-.13 (n.s.)
Expectations - Disconfirmation	.03 (n.s.)	-.16
Expectations - Performance	.03 (n.s.)	-.23

Though significant in two of the three pairs, the magnitude of correlations is extremely low indicating that retrieved expectations are only weakly related to disconfirmation and performance. However, these results are consistent with the findings of Dröge and Halstead (1991), that is, they are consistent with the notion that dissatisfied consumers are more likely than satisfied consumers to continue processing their consumption experience and thus inhibit the normal "decay" of expectations.

STUDY 2

Given the results of Droge and Halstead (1991) and the weak support provided in study 1, the question arises of whether differential processing by satisfied versus dissatisfied consumers is evident immediately following the experience or only becomes evident over time. To address this question, a second study was undertaken.

The second study involved 183 recipients of a moderately involving service, student advising services at a large midwestern university. Students are required to meet with an advisor at least once per year, so it is likely that all student participants had at least some personal experience with advising services. Participants were instructed to schedule their appointment as usual and not indicate that they were involved in the study. Just prior to their appointment, students stopped by the research office and completed a pre-appointment questionnaire. Immediately after the appointment, students returned to the research office and completed a post-appointment questionnaire. Students received extra course credit for participating in the study.

Both the pre- and post-appointment questionnaires were extensively pretested and revised. Expectations, performance, disconfirmation and satisfaction were each measured for ten attributes of advising services. Word of mouth was measured using a single item. Note that in this study, actual expectations (not retrieved expectations) were used.

Correlation coefficients were calculated so that study 2 results could be compared with study 1 results. In addition, covariance structure analysis (LISREL VIII) was used to estimate path

coefficients of a two-group model comparing high satisfaction and low satisfaction consumers. Once again, those responding at the center of the satisfaction scale were omitted from the analysis, leaving an effective sample size of 182 (out of 273 total respondents).

Results and Discussion

Table 2 shows the Pearson correlation coefficients for pairs of relevant variables for both the satisfied and dissatisfied respondents. In addition, significant differences between the two groups (computed using Fisher's Z transformation) is indicated in the last column.

Table 2
Results of Study 2
Pearson's Correlation Coefficients

	Satisfied Respondents (n=119)	Dissatisfied Respondents (n=81)	Sig. Diff.
Disconfirmation - Word-of-Mouth	.17	.33	NO
Performance - Word-of-Mouth	.37	.51	NO
Performance - Disconfirmation	.31	.49	YES
Expectations - Word-of-Mouth	.41	.56	YES
Expectations - Disconfirmation	.00 (n.s.)	.27	YES
Expectations - Performance	.58	.51	NO

As in study 1, there are some differences between the correlation coefficients of the two groups, though the pattern is somewhat different. Specifically, two of the three coefficients involving expectations are significantly different from zero for the satisfied respondents (compared to none in study 1). However, as was true in study 1, two of the three coefficients for dissatisfied respondents are significantly higher than the corresponding coefficients for satisfied respondents, indicating that expectations may play a greater role in the postconsumption processing of dissatisfied versus satisfied subjects. Again, these results provide some support for the differential processing

hypothesis.

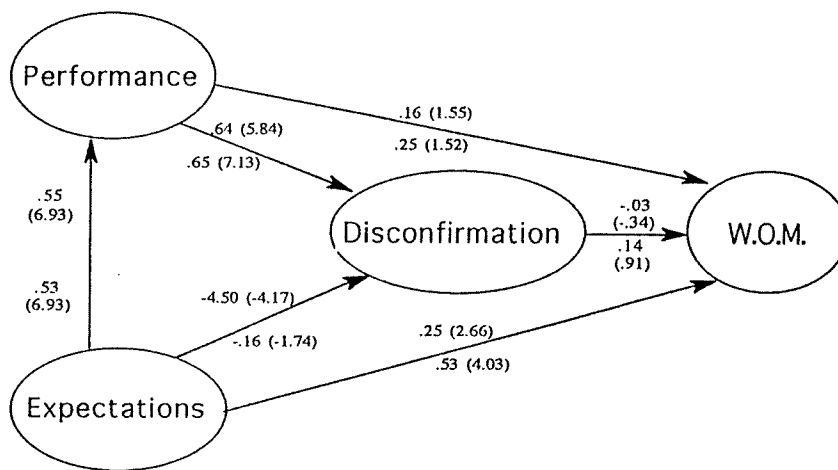
The LISREL two-group analysis results are summarized in Figure 1. Throughout the figure, the top pair of numbers for each path refer to the satisfied subsample while the bottom pair of numbers refer to the dissatisfied sample. The first number in each pair is the standardized path coefficient while the second number is the t-value for the path. Of course, the model as presented is fully saturated, so typical fit statistics are meaningless. However, in a version of the model without the direct path from performance to WOM, both the G.F.I. and the C.F.I. were equal to .99, with a chi-square of 4.65 ($p = .098$).

Note that the corresponding paths for each group are equal throughout the model except for the expectations - disconfirmation path (significant and negative for the satisfied group, not significant for the dissatisfied group), and the expectations - WOM path (significantly larger for the dissatisfied group). Differences in path coefficients were determined using chi-square difference tests. The

effects of expectations on performance are virtually identical for both groups, while the effects of performance on WOM are equal and only marginally significant. Though expectations are more strongly related to disconfirmation for satisfied subjects, these effects of expectations are not carried through to WOM due to the nonsignificance of the disconfirmation - WOM path. The expectations - WOM path is positive for both groups, but significantly stronger for the dissatisfied group. The total effects of expectations on WOM is stronger for the dissatisfied group than for the satisfied group.

Given the time between the advising encounter and administration of the post-appointment questionnaire, it would not have been surprising to find no differential effects of expectations on word-of-mouth, if such differential effects are due solely to the "decay of expectations" hypothesis. The finding of some differential effect immediately after the encounter indicates that the decay of expectations occurs extremely quickly or that expectations play a different role even in short

Figure 1
Results of Study 2
LISREL Two-Group Analysis Path Coefficients



r^2

	<u>Perf.</u>	<u>Discon.</u>	<u>WOM</u>
Satisfied	.32	.25	.19
Dissatisfied	.27	.43	.39

term post-consumption processing for dissatisfied versus satisfied consumers. Additional research will be necessary to investigate this phenomenon further. It appears, though, that the general findings here are consistent with the conclusions of Dröge and Halstead that dissatisfied consumers may be more expectations driven.

Inconsistent with the findings of study 1 is the sign of the expectations - WOM path for dissatisfied subjects. In this study, the sign is positive, indicating that higher expectations are associated with more positive WOM, whereas in study 1, the sign was negative. The reason for this finding is unclear and represents another area of study for future investigation.

IMPLICATIONS

The demonstration of differential processing implies the need for using models of greater complexity, and/or for developing a contingency processing model. In addition, it calls into question findings from previous research, as suggested by Dröge and Halstead (1991): ".... past research may have masked differences in the fundamental interrelationships among these key constructs, leading to contradictory results across studies" (p. 319).

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CUSTOMER (DIS)SATISFACTION AND DELAYS: THE ROBUST NEGATIVE EFFECTS OF SERVICE DELAYS

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ABSTRACT

The effects of service delays were investigated using a national sample of consumers who had a piece of consumer electronics repaired under warranty. It was predicted and found that dissatisfaction with the repair process, the repaired product, and the manufacturer of the product resulted both from the absolute length of service time and the relationship between the service time and the expectation concerning that time. Service times which were greater than what was expected led to dissatisfaction. Service times which were less than expected led to satisfaction. These effects were independent of each other. The robustness and impact of the effects of delay suggests that all channel operators must work to reduce all delays and manage the consumer expectation concerning service times.

INTRODUCTION

Time is valuable to the consumer (Graham, 1981; Gross, 1987). The value of time is increasing given the changing nature of families (e.g., single adult headed families) and the generally increasing demands of family and work for many consumers (Sheth, 1983). As a result, waiting for service can be an annoying, frustrating, and ultimately a determinant factor in consumer dis(sat)isfaction.

How are we to understand any relationship between delay of service and consumer dis(sat)isfaction? Customer dis(sat)isfaction has been found in certain instances to depend upon the perceived performance of the service and the gap between expectations and perceived performance (Oliver and Bearden, 1985; Parasuraman, Zeithaml, and Berry, 1988).

The two major approaches for understanding these relationships have been labeled the disconfirmation of expectations hypothesis and the gap model (Patterson and Johnson, 1993). Although there is a healthy discussion of the differences and similarities of these models (e.g.,

Patterson and Johnson, 1993), both models suggest that delays in service can be a significant cause of consumer dis(sat)isfaction.

Much of the research on customer dis(sat)isfaction has investigated how expectations and performance define dis(sat)isfaction and perceptions of quality service during the delivery of the service. Yet the actual delivery of the service may not describe the full range of possible experiential aspects of service delivery.

One interference in service delivery that may cause dissatisfaction is delay of service (Lovelock, 1990). Waiting appears to be a general negative experience (Scotland, 1991). Delays in supermarket, banks, and many other retail establishments and service experiences have been implicated as one of the top problems and causes of customer dissatisfaction (e.g., Burgoyne Research for Marketing, 1980; Clemmer and Schneider, 1989; Harrisson, Choi, and Mills, 1987).

Dube-Rioux, Schmitt, and Leclerc (1988) identified possible points of waiting pain as being before, during, and following a transaction. Some researchers have indicated that pre-transaction waits to have greatest impact on satisfaction (Dube-Rioux, Schmitt, & Leclerc, 1988; Venkatesan and Anderson, 1985). We would rather take the position that the impact of waiting will be dependent upon the nature and definition of the service experience. For example, it is reasonable to assume that if we are talking about a retail transaction the point of pain for wait is before transaction. On the other hand, if we are considering the delivery of a service following a retail transaction, the point of pain would be post-transaction.

There is ample evidence to support a hypothesis that service delays lead to negative evaluations regardless of where and when they occur. Dube-Rioux, Schmitt, and Leclerc, (1988) found pre and post-process waits in a restaurant setting led to customer dissatisfaction. (this finding has been replicated in a bank setting by Katz, Larson, & Larson, 1991 and an airline setting by

Taylor, 1994). Indeed, the natural relationship between delay and increasing dissatisfaction might be exacerbated by a natural tendency for consumers to overestimate time of delay and service providers to underestimate delay (Feinberg and Smith, 1989).

Thus, we would predict a main effect relationship between delay and customer dis(satisfaction) such that the longer the delay the greater the dissatisfaction (Hypothesis 1).

There is also ample evidence to support the contention that absolute increases in repair or service times in service delivery may not be as important as the relationship between the service time and the expectation for the service. Long service times based on an expectation for long service time will lead to less dissatisfaction than long times with short expectations (large gap between expectation and performance). Conversely, short absolute repair times should lead to satisfaction when those short delays are based on an expectation that the service will take a long time but lead to dissatisfaction when it is based on an expectation for a short time. This leads to Hypothesis 2--Dissatisfaction will be found for delays which exceed expectation and satisfaction will result when service delivery beats expectation.

In addition, there is a question of just how robustly does a negative delay experience affect consumer dis(satisfaction). Let us take the situation of a product that is being repaired. There are three possible places where consumers can place their dissatisfaction--the manufacturer of the product, the repairer of the product, or the product itself. Dis(satisfaction) for any or all of these possibilities lead to differing implications and strategies. If the consumer's dissatisfaction following a repair delay is with the repair provider, the manufacturer only needs to "whip" the repair centers into shape since the consumer may still be satisfied with the product and the manufacturer (leading to positive word of mouth for the manufacturer). Yet, if the dissatisfaction generalizes from repair provider to product to manufacturer, the problem for the manufacturer is more than simply whipping the repair provider into shape. Given the general finding in the social psychological literature and in the word of mouth studies which show the greater impact of negative information, it is predicted that the effect of

dissatisfaction following delay is a robust phenomenon affecting dissatisfaction with the repair provider, the product, and the manufacturer (Hypothesis 3).

These issues were studied within the context of a broader study for a national consumer electronics company who engaged us in a project to assess the nature and scope of their problems in warranty service repair. This company did not have its own service facilities but depended on a network of national repair centers to repair its product lines (VCR's, TV's, projection TV's, computer screens, laptop computers, audio equipment). In a national representative sample of this company's warranty repair consumers who had successful repairs within the 6 months prior to the survey we were able to do the following:

1. Assess consumer satisfaction with the product, the repair facility/ process, and the manufacturer.
2. Assess consumer's original expectation for length of repair. How long did they expect the repair to take?
3. Determine how long the repair actually took.

By measuring these three points we could determine if it is the actual delay, the gap between expectations and performance or an interaction between the two that determines dis(sat)isfaction, and the robustness of the effect of the delay.

METHODOLOGY

One thousand five hundred surveys were sent to a random sample of customers of a multinational electronics company from all customers who had warranty repair service on their products within the prior 6 months. Ninety six surveys were returned by people claiming never to have had their product repaired. Eight hundred sixty-six usable surveys were returned for a response rate of 62%. The questions used in this study were part of a broader study on customer satisfaction for this company (copy of survey is available from the authors).

RESULTS

Using a median split, customers ($n=866$) were split into two groups based on their expectations for product repair. The short time expectation group ($n=287$) consisted of customers who expected their product to be returned in six days or less. The long service expectation group ($n=579$) consisted of those individuals who expected their product to be repaired in seven days or more. This particular split was based on the median of actual repair times of these products (company records of warranty repairs).

Dis(sat)isfaction with Product Repair

A 2 (expected time for repairs - short-long expectation) X 3 (gap -relationship between expected time of repair and actual time of repair - (shorter than expectation/when expected/longer than expectation)) was completed on customer satisfaction with the product that was repaired.

A significant main effect for delay was found, $F(1,728) = 3.64$, $p < .05$. This indicated that customers who expected a longer delay were more dissatisfied generally than those who expected a short repair time regardless of how long it actually took.

A significant main effect for gap was also found, $F(2, 728) = 53.86$, $p < .01$. Tukey pairwise comparisons showed that customers who received their products before expected were more satisfied with their product than those who received their product back when expected, and they were significantly more satisfied with their product than those for whom return was greater than expected.

There was no significant interaction ($p > .05$).

Dis(sat)isfaction with Service From Service Center

A 2 (expected time for repairs - short-long expectation) X 3 (gap -relationship between expected time of repair and actual time of repair - (shorter than expectation/when expected/longer than expectation)) was completed on customer satisfaction with the service center that completed the repair.

Significant main effects for repair delay, $F(1, 737) = 33.07$, $p < .05$, and for gap,

$F(2,737) = 158.74$, $p < .05$, were found. This indicated that the longer the delay the greater the dissatisfaction. Tukey tests and replicated the findings for product evaluation. Dissatisfaction was greatest for consumers when repair time was greater than expectation. This dissatisfaction was greater than when repair was on time which was greater than if expectation for repair was longer than the actual repair.

There was no significant interaction ($p > .05$)

Dis(sat)isfaction with Manufacturer

A 2 (expected time for repairs - short-long expectation) X 3 (gap -relationship between expected time of repair and actual time of repair - (shorter than expectation/when expected/longer than expectation)) was completed on customer satisfaction with the manufacturer of the product that was repaired.

A significant main effect for delay indicated that customers who experienced longer delay of repair were more dissatisfied with the manufacturer, $F(1, 509) = 21.11$, $p < .05$. A significant main effect for gap ($F(2,509) = 148.34$, $p < .05$), with subsequent Tukey tests, indicated that once again dissatisfaction with manufacturer was greatest when the actual repair took longer than expected, than when the repair was as expected which showed less dissatisfaction than when repair occurred before expected.

No significant interaction was found ($p > .05$)

DISCUSSION

A national sample of actual consumers who had a product successfully repaired at a repair facility were surveyed within 6 months of their repair experience. Their satisfaction with product, repair service, and manufacturer was assessed along with their expectation for how long the repair would take as well as the actual repair time.

The results replicate previous findings as well as extend what we know about the effects of service delay. There was an extremely robust relationship between delay and customer dissatisfaction. Longer delays, independently, led to consumer dissatisfaction. In addition, there was a strong relationship between expectations, delay and dis(satisfaction). Delays which were longer

than expected led to greater dissatisfaction than delays which were at expectation. Greatest satisfaction occurred when expectations are short and performance beats expectation.

This study adds to what we know about delay in that a direct comparison between the absolute delay and the relationship between the delay and expectations for the length of the delay were made and shows both hypotheses of this study to be valid. The confirmation of these two hypotheses lead to direct and simple rules for business and direct implications for business strategy.

Rule 1: The longer the delay the greater dissatisfaction. The shorter the delay the greater the satisfaction.

Companies must strive to cut the time between consumer decision and performance. Pre-process, in-process, and post-process waits must be reduced to their minimum (if the corporate goal is maximum customer satisfaction). Control the amount of time that a customer has to wait so that it is at a minimum and constantly look for ways to improve operations to continue to reduce delay time (Katz, Larson, and Larson, 1991).

Rule 2: Find out what the consumer expects the delay to be and beat it.

If the consumer expects to wait 30 seconds for service in an in-process point do it in 20 seconds. If the consumer expects a repair to take 5 days repair it in 4 days. For businesses that tell consumers to pick up a product in 6 days and the repair is usually completed prior to that, call the customer and inform them that the repair is completed. For example, it is our experience that Lands' End consistently tells customers that their order will take longer than Lands' End knows it will take so that they can exceed expectations. Thus, when consumers get their order prior to their expectation (built by the company), satisfaction is higher than if the company built the actual expectation.

These results confirm Katz, Larson and Larson's (1991) contention that service waits can be controlled by managing operations or managing perceptions. However, these results add by stating that one must manage both for they are not

compensatory--each has a direct effect on dis(sat)isfaction. The robustness of the relationship is also important. Delays effected evaluation of product, service, and manufacturer making delay an issue for everyone involved in a product channel not simply the person/organization responsible for the delay.

Rule 3: Whatever the time between product repair and delivery educate the consumer so that they understand how long it will take and why it takes that long.

We have used the term delay to represent that interval. By doing so we have purposefully done a disservice to repair facilities. There is good reason for this interval but since it is not really explained to consumers they perceive it as a delay. Manage consumer perceptions by explaining the interval so that consumer develop a sense of appropriateness to that interval.

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ROLES OF NORMATIVE AND PREDICTIVE EXPECTATIONS IN EVALUATION OF PHARMACIST CONSULTATION SERVICES

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ABSTRACT

The purpose of this study was to investigate the role of normative and predictive expectations in patients' evaluation of service encounter satisfaction and perceived quality for pharmacist consultation. A 2x2x2 fully-crossed factorial design was used for collecting and analyzing data. Two levels each for normative expectations, predictive expectations, and performance level were manipulated experimentally yielding eight treatment groups. Results from repeated measures ANOVA showed that normative and predictive expectations play differential roles in patients' evaluation of pharmacist consultation services.

INTRODUCTION

The research domain for this study was pharmacist consultation defined as verbal communication between a pharmacist and patient (or agent of the patient) about medications or health. Consultation is a vital component for patient understanding of medication regimens, acceptance of medical services, compliance with treatment plans, and achieving therapeutic goals (Helling et al., 1979; McKenney et al., 1973; Svarstad, 1986).

In order to provide effective consultation services, pharmacists must change their relationship with their patients from simply a provider of prescriptions to that of concerned counselor (Hardy and Conway, 1988). Thus, these relationships need to be transformed from discrete, product-oriented exchanges into long term, patient-oriented ones (Berger, 1993; Hepler and Strand, 1990). This study was based on the assumption that patients' service encounter satisfaction (Ross et al., 1987; Ware and Davies, 1983) and their perception of service quality (Boulding et al., 1993; Ross et al., 1987) are important components for their commitment to a long term relationship with their pharmacist and willingness to actively participate in consultation services. For this study, service encounter satisfaction was defined as "the summary psychological state resulting when emotion

surrounding disconfirmed expectations is coupled with an individual's prior feelings about the experience under consideration" (Oliver, 1981). Satisfaction is an affect, or level of surprise, an individual experiences after a specific service encounter. It is of finite duration and decays into a less dynamic attitude, such as perceived service quality. Perceived service quality was defined as "an individual's assessment of the overall excellence or superiority of consultation services provided" (Boulding et al., 1993; Parasuraman et al., 1985). It is a general post-encounter attitude about the service overall, not only about a particular service encounter. Thus, the satisfaction construct emphasizes individuals' perceptions of a specific service encounter, and the quality construct emphasizes individuals' cumulative perceptions (Bitner and Hubbert 1994).

Little is known about how patients evaluate service encounter satisfaction or the quality of pharmacist consultation services. The purpose of this study was to investigate the role of patients' expectations in these evaluations. The theoretical framework on which this research was based is called the Dynamic Process Model of Service Quality (Boulding et al., 1993). This model proposes that individuals' expectations, as well as the performance of a service, play important roles in their evaluation of the service. The evaluation of a service is viewed as a function of an individual's prior expectations of what will and what should transpire during a service encounter, as well as his or her most recent contact with the service delivery system (Boulding et al., 1993). Specifically, the model predicts unique effects for expectations on how an individual perceives his or her service encounter and allows for two individuals experiencing an identical service encounter to have different perceptions of the service if they enter the encounter with different expectations.

Expectations are defined as pretrial beliefs about a product or service (Olson and Dover, 1979). Two main types of expectations are used for evaluative purposes (Boulding et al., 1993). Normative expectations represent what level of performance an individual believes he or she

should receive during a service encounter (Boulding et al., 1993; Swan and Trawick, 1980). Predictive expectations represent what level of performance an individual believes he or she will receive (Boulding et al., 1993; Swan and Trawick, 1980).

It was hypothesized that both types of expectations negatively influence individuals' service encounter satisfaction via a process called disconfirmation of expectations (Oliver, 1980; Olson and Dover, 1979). For this process, both normative and predictive expectations act as standards against which individuals compare pharmacist performance (Boulding et al., 1993; Woodruff et al., 1983). When expectations match performance, confirmation occurs. When expectations exceed perceived performance, negative disconfirmation occurs. Positive disconfirmation occurs when perceived performance exceeds expectations. More positive disconfirmation of expectations leads to greater service encounter satisfaction (Oliver, 1980; Woodruff et al., 1983). Therefore, the higher the expectation in relation to performance, the lower the level of satisfaction with the service.

Expectations also were hypothesized to play a role for individuals' evaluation of service quality. The role of normative expectations was thought to follow the disconfirmation of expectations process (Oliver, 1980; Olson and Dover, 1979). That is, individuals with higher normative expectations (what should occur) have lower perceptions of service quality after a service encounter, all else equal, than those with lower normative expectations. However, the model posits a positive relationship between predictive expectations and service quality. That is, individuals with higher predictive expectations (what will occur) have higher perceptions of quality after a service encounter, all else equal, than those with lower predictive expectations.

Based on the previous discussion, the following hypotheses were tested. The hypotheses reflect proposed relationships among normative expectations, predictive expectations, and performance level with service encounter satisfaction and perceived service quality.

H1: There is a negative relationship between patients' **normative expectations** for

pharmacist consultation services and **service encounter satisfaction**, for equivalent levels of predictive expectations and performance level.

H2: There is a negative relationship between patients' **predictive expectations** for pharmacist consultation services and **service encounter satisfaction**, for equivalent levels of normative expectations and performance level.

H3: There is a positive relationship between **performance level** and **service encounter satisfaction**, for equivalent levels of normative expectations and predictive expectations.

H4: There is a negative relationship between patients' **normative expectations** for pharmacist consultation services and **perceived service quality**, for equivalent levels of predictive expectations and performance level.

H5: There is a positive relationship between patients' **predictive expectations** for pharmacist consultation services and **perceived service quality**, for equivalent levels of normative expectations and performance level.

H6: There is a positive relationship between **performance level** and **perceived service quality**, for equivalent levels of normative expectations and predictive expectations.

Because no research was found which suggested interactive effects among the independent variables, none were hypothesized. However, an exploration of significant interactive effects was conducted statistically.

METHODS

A 2 x 2 x 2 fully-crossed factorial design was used for collecting and analyzing data. Two levels each for normative expectations, predictive expectations, and performance level were manipulated experimentally yielding eight treatment groups. To control for between-subject variation, a repeated measures design was used in which each study subject received all eight

treatment combinations in random order.

The dependent variables, service encounter satisfaction and perceived service quality, were measured using six items for each based on previously used measures for satisfaction (Crosby et al., 1990; Oliver, 1981) and perceived quality (Walbridge and Delene, 1993) (see Appendix A for items and rating scales). Items for each measure were summed to produce overall scores.

On the basis of theory and prior experiments (Boulding et al., 1993), normative and predictive expectations were manipulated through the use of hypothetical situations presented in written format (see Appendix B). Normative expectations were manipulated by telling the study subjects about their need for more information about the medication described in the situation. Predictive expectations were manipulated by telling study subjects about their prior experiences with the pharmacy and the pharmacy's reputation. Performance level was manipulated by means of two videotaped consultations by a pharmacist (Bateson and Hui, 1992). For each videotape (produced professionally in hi-8 format), the pharmacist talked directly to the video camera during taping to provide the impression that the pharmacist was talking to the person viewing the videotape. The low performance videotape consisted of the pharmacist handing the prescription over the counter and saying thank you. The high performance videotape was the same as the low performance tape in every way except now the pharmacist discussed the medication with the "patient" following the Omnibus Budget Reconciliation Act of 1990 Federal Guidelines (Omnibus Budget Reconciliation Act of 1990, 1990). Nystatin oral suspension was the medication used for this study. It was selected because (1) it was a drug that potentially could be prescribed for the study population and (2) it required consultation to assure proper administration, storage, and length of use.

Manipulation checks (Perdue and Summers, 1986) were conducted for each of the three independent variables during the development of the experiment. Manipulation checks for the two levels of performance were conducted by asking seven pharmacists to view the two videotaped presentations and rate the counseling from 1 =

terrible to 5 = excellent. The mean score for the low performance was 1.0 and for the high performance was 4.1.

Manipulation checks for the levels of normative and predictive expectations followed a two-step process. First, 18 pharmacists were asked to read a situation and report whether or not they believed there was a need for the pharmacist to talk with the patient for normative expectation situations and whether or not they believed that a pharmacist would talk with the patient for predictive expectation situations. Normative and predictive expectation situations were kept separate at this point. The results suggested that the manipulations were obtaining the desired effects. For the low normative expectation situations, only three percent of the pharmacists reported that they believed there was a need for the pharmacist to talk with the patient, while 100 percent reported there was a need in the high normative expectation situation. For low predictive expectation situations, only six percent of the pharmacists reported that they believed that the pharmacist would talk with the patient, while 100 percent reported that the pharmacist would talk with the patient in the high predictive expectation situation.

To assure that the manipulations would not have an interactive effect when combined into one form, the manipulations were tested simultaneously using a random sample of 100 college students who were not enrolled in health care programs. Situations were ordered randomly for each individual and mailed. After reading for each situation, respondents were asked to report "how necessary it is for a pharmacist to talk with you about how to use this prescription" using a scale from 1 = not at all necessary to 5 = extremely necessary" (to assess the manipulation for normative expectations). Also, they were asked "how likely it is that the pharmacist will talk with you about the prescription when you get it filled" using a scale from 1 = not at all likely to 5 = extremely likely" (to assess the manipulation for predictive expectations). To encourage response, the students were informed that two respondents would be selected randomly to receive \$100 gift certificates to the university bookstore. Of 93 deliverable surveys, 42 students (45.2 percent) responded. Results of these manipulation checks are presented in Table 1. The results show that the

desired manipulations were obtained. Also, the results show that the effects of the manipulations are independent of each other when presented together (interaction terms not significant).

The pretest for the experiment was conducted using one individual who was not trained or working in health care, but did have training in research methods. After making changes in the procedures based on her comments, the main study was conducted.

For the main study, eighteen college students (not enrolled in health related programs) were recruited from The Ohio State University campus. According to Bratcher et al. (1970), 18 subjects per group were required for $\alpha = 0.05$, power = 0.90, and $C = 1.5$. College students were selected because they were conveniently located to the research laboratory and less likely than others to have had prior experience with consultation. Little experience with consultation was desired for this study since prior experience would confound the effects of the manipulations for independent variables.

Each of the individuals who volunteered for the study visited the research laboratory on eight separate days. At each visit, subjects received one of the eight study situations in random order and

were asked to report their service encounter satisfaction and perceived service quality on a questionnaire. After the final visit, each volunteer received a \$100 gift certificate redeemable at the university bookstore.

Factor analysis was conducted for items used to measure service encounter satisfaction and perceived service quality to help support their discriminant validity. Varimax rotation was used to maintain orthogonality of factors and to have items load highly on a given factor and very little on other factors. To support validity, items used to measure each variable should have high factor loadings (≥ 0.50) for the variable they were designed to measure and low factor loadings (< 0.50) for other variables. Cronbach coefficient alpha was used to assess reliability for the measures of service encounter satisfaction and perceived service quality. Repeated measures Analysis of Variance was used, with a significance level of 0.05, for hypothesis testing and for exploring interactive effects among the study variables.

RESULTS

Table 2 contains factor loadings for items used

Table 1
Manipulation Checks for Normative and Predictive Expectations^a

Normative Expectations (n = 42)

	<u>Low Normative/ Low Predictive</u>	<u>Low Normative/ High Predictive</u>	<u>High Normative/ Low Predictive</u>	<u>High Normative/ High Predictive</u>
Normative Expectations ^a (mean)	2.7	2.8	4.4	4.4

ANOVA Results: Normative Expectation Manipulation, $F = 79.25$, $p < 0.001$; Predictive Expectation Manipulation, $F = 0.05$, $p = 0.82$; Two-Way Interaction, $F = 0.23$, $p = 0.63$.

Predictive Expectations (n = 42)

	<u>Low Normative/ Low Predictive</u>	<u>Low Normative/ High Predictive</u>	<u>High Normative/ Low Predictive</u>	<u>High Normative/ High Predictive</u>
Predictive Expectations ^b (mean)	1.7	4.4	1.8	4.3

ANOVA Results: Normative Expectation Manipulation, $F = 0.00$, $p = 1.00$; Predictive Expectation Manipulation, $F = 233.30$, $p < 0.001$; Two-Way Interaction, $F = 0.66$, $p = 0.42$.

^a Normative Expectations were measured on a scale from 1 = not at all necessary to 5 = extremely necessary.

^b Predictive Expectations were measured on a scale from 1 = not at all likely to 5 = extremely likely.

to measure service encounter satisfaction and perceived service quality. The factor structure for these two constructs supports their discriminant validity. Cronbach coefficient alpha for the six-item measure of service encounter satisfaction was 0.99 and the six-item measure of perceived service quality was 0.98.

Table 2
Factor Loadings for Items of Multi-Item
Dependent Variables
(n = 144 responses for each item)

<u>Item^a</u>	<u>Factor 1</u>	<u>Factor 2</u>
Service Encounter Satisfaction		
SAT1	0.90	0.36
SAT2	0.88	0.38
SAT3	0.87	0.43
SAT4	0.87	0.43
SAT5	0.87	0.42
SAT6	0.87	0.39
Perceived Service Quality		
QUAL1	0.46	0.84
QUAL2	0.46	0.84
QUAL3	0.38	0.86
QUAL4	0.47	0.84
QUAL5	0.30	0.88
QUAL6	0.36	0.89

^a See Appendix A for wording of items

Table 3 contains results from repeated measures ANOVA for service encounter satisfaction. The results show that Hypothesis 1 was not supported, but Hypotheses 2 and 3 were supported by the results. That is, normative expectations did not significantly affect satisfaction, but predictive expectations and performance level did affect satisfaction as hypothesized. The two-way interactions normative expectations/performance and predictive expectations/performance were statistically significant ($p < 0.0001$ and $p = 0.0011$, respectively). The three-way interaction for normative expectations/predictive expectations/performance was statistically significant as well (p

$= 0.0067$).

Table 4 contains results from repeated measures ANOVA for perceived service quality. The results show that Hypothesis 4 was not supported. Hypothesis 5 and Hypothesis 6 were supported by the results. Thus, normative expectations did not significantly affect perceived service quality, but predictive expectations and performance level did affect perceived quality as hypothesized. Also, the interaction between normative and predictive expectations was statistically significant ($p = 0.0136$).

Table 3
Repeated Measures ANOVA Results for
Service Encounter Satisfaction^a
(n = 18)^b

<u>Variable</u>	<u>t</u>	<u>significance of t</u>
Normative ^c	-0.9	0.3765
Predictive ^d	-3.0	0.0090
Performance ^e	14.6	<0.0001
Normative x Predictive	1.8	0.0979
Normative x Performance	5.6	<0.0001
Predictive x Performance	3.9	0.0011
Normative x Predictive x Performance	-3.09	0.0067

^a Service Encounter Satisfaction = the summary psychological state resulting when emotion surrounding disconfirmed expectations is coupled with an individual's prior feelings about the experience under consideration. It was measured as the sum of six items with scores ranging from 6 to 42.

^b Service Encounter Satisfaction was measured eight times for each of the 18 study subjects yielding a total of 144 observations.

^c Normative = Manipulated as high or low normative expectations (pretrial belief about what should occur).

^d Predictive = Manipulated as high or low predictive expectations (pretrial belief about what will occur).

^e Performance = Manipulated as high or low level of pharmacist consultation provided.

DISCUSSION AND CONCLUSIONS

Service performance was the key determinant of satisfaction which is consistent with previous research (Tse and Wilton, 1988). In addition, the

Table 4
Repeated Measures ANOVA Results for
Perceived Service Quality
(n = 18)^b

<u>Variable</u>	<u>t</u>	<u>significance of t</u>
Normative ^c	-1.6	0.1189
Predictive ^d	3.7	0.0016
Performance ^e	8.7	<0.0001
Normative x Predictive	2.8	0.0136
Normative x Performance	0.5	0.6067
Predictive x Performance	0.9	0.3795
Normative x Predictive x Performance	-1.5	0.1635

^a Perceived Service Quality = an individual's assessment of overall excellence or superiority of consultation services provided. It was measured as the sum of six items with scores ranging from 7 to 42.

^b Perceived service quality was measured eight times for each of the 18 study subjects yielding a total of 144 observations.

^c Normative = Manipulated as high or low normative expectations (pretrial belief about what should occur).

^d Predictive = Manipulated as high or low predictive expectations (pretrial belief about what will occur).

^e Performance = Manipulated as high or low level of pharmacist consultation provided.

significant two-way interactive effects for normative expectations and predictive expectations with performance suggest that the positive relation between performance and satisfaction is more pronounced when normative and predictive expectations are high. Thus, as suggested by Boulding et al. (1993), the level of expectations for a service might affect how service performance is perceived.

The main effect of normative expectations on satisfaction was not statistically significant. But, a significant negative relation between predictive expectations and satisfaction was found. This finding is consistent with the disconfirmation of expectations view of satisfaction and suggests that individual's with high predictive expectations are less likely to be satisfied than those with low expectations after perceiving a relatively low level of service performance. The significant three-way interaction among normative expectations,

predictive expectations, and performance is difficult to interpret since many explanations could be provided.

Taken together, these findings show the complexity of satisfaction judgments and the roles that expectations might play in them. It appears that predictive expectations serve as a "threshold" or a "sensitizing" point for individuals in that it is more difficult to satisfy individuals who have high predictive expectations with a particular level of performance. However, if these high expectations are positively disconfirmed by performance, the level of satisfaction that is experienced is actually enhanced by the high predictive expectations.

Regarding evaluation of service quality, performance level still showed the greatest effect on perceived quality, but different expectations were shown to allow for two individuals who experience identical performance to have different evaluations of the encounter (Boulding et al. 1993). The results also showed that higher expectations regarding what level of consultation the pharmacist will provide leads to a higher perception of quality which is consistent with the Dynamic Process Model of Service Quality. This positive relation is opposite to the negative relation found between predictive expectations and service encounter satisfaction. Thus, the same expectation is used differently when evaluating a specific service encounter versus the quality of the service overall. Future research is needed to help determine how individuals integrate their evaluations of specific service encounters with the assessment of the overall quality of a service. It appears that the perception of overall quality is resistant to change, even after a low level of performance might be experienced. In these cases, individuals might attribute a poor performance episode to a cause outside of the service provider's control.

This study had some limitations which should be considered when drawing conclusions from the results. While the repeated-measures factorial design provides the advantage of controlling extraneous variables that could affect the internal validity of the study, external validity suffers. Findings from this study should be confirmed by field studies in more naturalistic settings. Another limitation is that videotaped presentations were used to simulate prescription dispensing situations.

Although researchers have reported that this is a valid method (Bateson and Hui, 1992), relevance of the results to all prescription dispensing situations in general is questionable. Also, the incentive given to study subjects could have affected their responses. Finally, the study was conducted for a specific health care service that recently has been introduced to individuals. Therefore, the roles of normative and predictive expectations in service encounter evaluation might be unique to this particular health service.

In conclusion, the results showed that normative and predictive expectations play differential roles in patients' evaluation of service encounter satisfaction and perceived quality for pharmacist consultation if patients use these expectations as comparison standards. Also, the results showed differential roles that a particular type of expectation will serve depending upon the level of performance that was perceived by an individual.

These findings raise questions for future research. For example, how are expectations formed for pharmacist consultation services? Do patients in naturalistic settings use expectations as comparison standards for assessing service encounter satisfaction and service quality for these services? Do expectations exert a direct effect on evaluations or do expectations affect how performance is perceived which then exerts a direct effect on evaluations (Boulding et al., 1993)? Are normative and predictive expectations stored in memory and retrieved for use only under certain conditions? Are they used for different reasons under different service performance conditions? More research is needed to help understand the processes that are used for evaluation of health care services such as pharmacist consultation.

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APPENDIX A

Items Used for Measuring Service Encounter Satisfaction and Perceived Service Quality

Unless otherwise noted, responses were made on the rating scale 1 = very strongly disagree to 7 = very strongly agree.

Service Encounter Satisfaction

- SAT1 I was satisfied with the consultation provided by the pharmacist.
- SAT2 I was pleased with the pharmacist's consultation.
- SAT3 The consultation provided by the pharmacist was useful.
- SAT4 The pharmacist's consultation was helpful.
- SAT5 The consultation provided by the pharmacist was valuable.
- SAT6 I was thankful for the consultation by the pharmacist.

Perceived Service Quality

- QUAL1 The quality of consultation provided at this pharmacy is outstanding.
- QUAL2 The consultation provided at this pharmacy is superb.
- QUAL3 This pharmacy is a reliable source of prescription drug information
- QUAL4 The overall quality of pharmacist consultation provided at this pharmacist is (1 = terrible to 7 = excellent).
- QUAL5 When compared to an average pharmacy, consultation provided at this pharmacy is: (1 = extremely inferior to 7 = extremely superior).
- QUAL6 The overall quality of consultation services at this pharmacy is: (1 = extremely low to 7 = extremely high).

APPENDIX B

Hypothetical Situations Presented in Written Format for the Manipulation of Normative and Predictive Expectations

High Normative Expectations

About a week ago you experienced a sore throat and a bad taste in your mouth. Your symptoms kept getting more bothersome so you decided to see the doctor to find out what the problem was. Your doctor diagnosed that you had an infection in your mouth and prescribed a medication to take care of the problem. You mentioned to the doctor that you've never had this infection before. The doctor said that you shouldn't worry because the medication will clear up in no time. You leave the doctor's office without receiving any information about the medication that was prescribed for you and aren't sure how you're supposed to use it. After leaving the doctor's office, you believe it is necessary to receive more information about the prescription from another source.

Low Normative Expectations

About a week ago you experienced a sore throat and a bad taste in your mouth. Your symptoms kept getting more bothersome so you decided to see the doctor to find out what the problem was. Your doctor diagnosed that you had an infection in your mouth and prescribed a medication called Nystatin to take care of the problem. The doctor explained that Nystatin is an antibiotic used to treat infections of the mouth and throat. You should take one teaspoonful four times a day. When you take it, shake the bottle, measure out one teaspoonful, and swish the medicine around in both sides of your mouth just like mouthwash. Then go ahead and swallow the medicine. The doctor said to keep taking it for about 48 hours after the symptoms go away to make sure that the infection doesn't

come back. Side effects are rare with the medication, but some stomach upset or diarrhea are possible. They should go away, but if not, give the doctor a call. You can store the bottle at room temperature. Then, the doctor asked if you had any questions and gave you some written information to remind you how to use the drug when you get home. You left the doctor's office completely confident in how to use the medication, with no need to get more information elsewhere.

High Predictive Expectations

You decide to purchase the prescription at a pharmacy that sells prescriptions at higher prices than other pharmacies, but provides personal counseling services on all prescriptions. Your friends have recommended this pharmacy to you because the pharmacists give useful information about how to use the prescriptions, what they are for, and what types of things to look out for while taking them. The pharmacists always ask how much you already know about the prescriptions and then reinforce or build on what you tell them. In your experience with this pharmacy, you've talked with the pharmacist every time you've gone there and received valuable information. You also appreciate the pharmacist's willingness to answer your questions.

Low Predictive Expectations

You decide to purchase the prescription at a pharmacy that sells prescriptions at deeply discounted prices. You have heard from your friends that, while the prices are low, the pharmacists never give out any information about prescriptions and are too busy to answer questions. You've purchased prescriptions at this pharmacy before and have never talked with the pharmacist even once.

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THE INFLUENCE OF RELATIONAL NORMS AND TRUST ON CUSTOMER SATISFACTION IN INTERFIRM EXCHANGE RELATIONSHIPS

William R. Doucette, University of Utah

ABSTRACT

A vital aspect of managing interfirm exchange relations is establishing and maintaining customer satisfaction. The objective of this study was to examine empirically the influence of relational norms (solidarity, role integrity, information exchange) and trust on customer satisfaction in interfirm exchange relationships. Responses describing 249 pharmacy-buying group dyads were analyzed in a path analysis to test the direct and indirect (via trust) effects of the relational norms on customer satisfaction. Information exchange had significant indirect and direct effects on customer satisfaction. Solidarity had only significant indirect effects on customer satisfaction. No significant effects were found for role integrity. Implications for future research are discussed.

INTRODUCTION

Preserving customer satisfaction with an exchange partner has been identified as an important aspect of maintaining interfirm exchange relationships (Anderson, Fornell, and Lehmann 1994; Anderson and Narus 1984, 1990; Frazier, Spekman, and O'Neal 1988; Ganesan 1994). The logic is that a satisfied customer will remain in the exchange relationship. Satisfaction with an exchange partner has been associated with positive relationship characteristics such as a long-term orientation, fewer terminations of relationships, and reduced litigation (Ganesan 1994; Hunt and Nevin 1974; Lusch 1976). Further support for the importance of satisfaction in exchange relationships is the finding of Anderson, et al. (1994) that customer satisfaction is associated positively with profitability.

Given the vital role of customer satisfaction in interfirm exchange relationships, identification of factors that affect it is important. Two potential influences are the relational norms of the exchange relationship and the level of trust present (Dwyer, Schurr, and Oh 1987; Frazier, et al 1988; Crosby,

Evans, and Cowles 1990). Though there is conceptual support for the associations between relational norms, trust and customer satisfaction, little empirical evidence exists. The objective of this study was to examine the influence of relational norms and trust on customer satisfaction in interfirm exchange relationships.

DEVELOPMENT OF HYPOTHESES

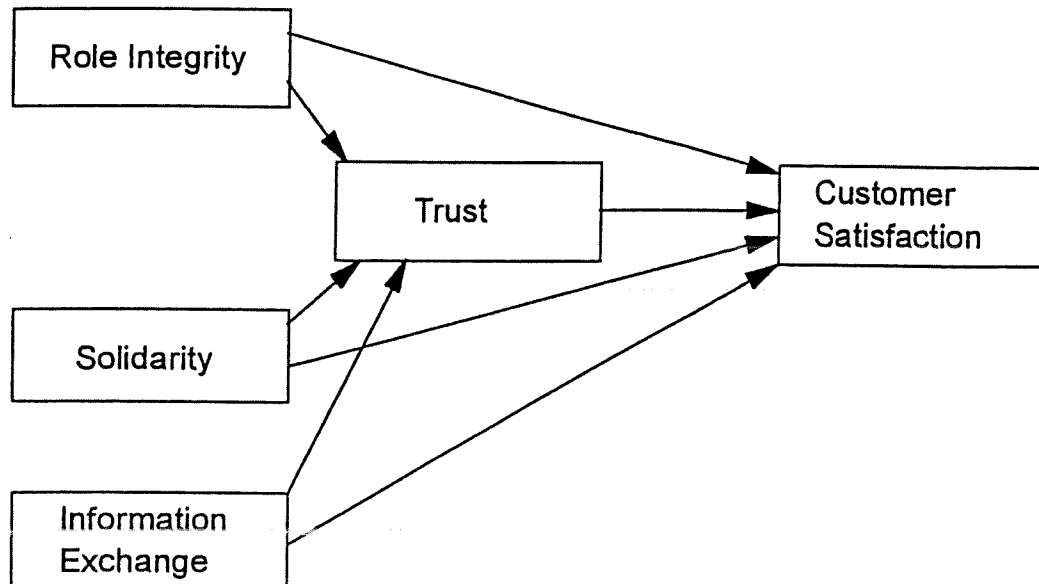
As shown in Figure 1, relational norms are hypothesized to have direct and indirect effects (through trust) on customer satisfaction. Three norms were studied: role integrity, solidarity, and information exchange. In the model, trust is presented as a partial mediator between the relational norms and customer satisfaction. In the next section we develop hypotheses for associations between relational norms and interfirm trust.

Relational Norms and Interfirm Trust

Relational norms have been used to characterize interfirm exchange relationships (Kaufmann and Dant 1992; Kaufmann and Stern 1988; Macneil 1978, 1980). The presence of relational norms has been associated with a long-term orientation, a reluctance for substitute exchange partners, and a tolerance for uncertainty (Dwyer, Schurr, and Oh 1987; Macneil 1981; Palay 1984). Exchange partners can develop relational norms that provide the basis for the partners to pursue both joint goals and their own goals. Since a long-term orientation exists, firms are willing to work together in the present, expecting future benefits.

Three relational norms that can influence exchange partners are role integrity, solidarity, and information exchange. Role integrity refers to the expectation that an exchange partner will accept and maintain a unique and complex role within the exchange relationship (Kaufmann and Dant 1992; Macneil 1980). The ability of an exchange partner to maintain a complex role creates an expectation

Figure 1
Hypothetical Model of the Influence of Relational Norms and Trust on Customer Satisfaction



of future interactions. When a firm expects an exchange partner to be available for future exchange, they will allow "debts" to remain outstanding. A capability to tolerate being owed favors has been associated with the evolution of trust (Blau 1964). Based on this logic, we predict the following.

H1: The degree of role integrity in an exchange relationship is associated positively with the trust present in the relationship.

Solidarity refers to a bilateral expectation that both parties value the relationship and will work to preserve it (Heide and John 1992; Macneil 1980). The presence of solidarity establishes activities that will maintain the relationship. Such activities include a preference for joint problem solving, treating each other fairly, and meeting obligations (Dant and Schul 1992; Macneil 1980). Because solidarity fosters these activities, it will support the development of trust (Gundlach and Murphy 1993; Macneil 1981). Thus, we state the next hypothesis.

H2: The degree of solidarity in an exchange relationship is associated positively with the

trust present in the relationship.

Information exchange refers to a bilateral expectation that the exchange partners will proactively provide information useful to each other (Heide and John 1992). By sharing useful information, the exchange partners achieve coordination of their activities (Anderson and Weitz 1992). The coordination enhances expectations of competent role performance, one aspect of trust. Information exchange fosters confidence in the continuity of the relationship (Anderson and Weitz 1989). As suggested previously, expectations of future exchange can help build trust. Therefore, we state the next hypothesis.

H3: The extent of information exchange in an exchange relationship is associated positively with the trust present in the relationship.

Relational Norms and Customer Satisfaction

As stated earlier, relational norms develop over time, as firm engage in exchange. One development is accurate expectations of the other's

role within the relationship (Frazier, et al. 1988). That is, the activities of a firm to maintain its role in the exchange relationship clarify the expectations for that role. The presence of accurate expectations will increase the likelihood of positive disconfirmation and satisfaction (Olson and Dover 1979). Following this logic, we state the next hypothesis.

H4: The degree of role integrity in an exchange relationship is associated positively with the customer satisfaction in the exchange relationship.

Solidarity in an exchange relationship derives primarily from internal mechanisms such as cooperation and development of friendship networks (Kaufmann and Dant 1992; Pfeffer and Salancik 1978). The use of internal, informal control mechanisms is preferred to more formal, external control mechanisms (Macaulay 1963). Such a preference implies a positive association between solidarity and satisfaction. Thus we predict the next association.

H5: The degree of solidarity in an exchange relationship is associated positively with the customer satisfaction in the exchange relationship.

Information exchange has been predicted to associate positively with satisfaction with an exchange partner (Mohr and Nevin 1990). The sharing of information about production scheduling, design requirements, and volume needs supports the perception of equity in the exchange relationship (Frazier, et al 1988; Heide and John 1992). Perceived equity between the partners will increase their satisfaction with the exchange relationship (Frazier, et al. 1988; Oliver and Swan 1989). Following this logic, we state the next hypothesis.

H6: The extent of information exchange in an exchange relationship is associated positively with the customer satisfaction in the exchange relationship.

Trust and Customer Satisfaction

Trust in an exchange partner means that a firm expects the other to provide competent role performance and meet fiduciary obligations (Barber 1983). Trust as expected competent performance, relates to the firm's reliability and expertise (Blau 1964; Ganesan 1994; Moorman, Zaltman, and Deshpande 1992; Swan and Trawick 1987). The expectation that another will meet its fiduciary obligations means that the trusted party occasionally will put the interests of another before its own. Further, it means that a firm can expect an exchange partner to avoid opportunistic behavior (Bradach and Eccles 1989; Lewis and Weigert 1985).

The relationship between trust and satisfaction has received some attention in the marketing literature. Anderson and Narus (1990) reported a significant positive path from trust to satisfaction in a study of distributor-manufacturer working partnerships. A positive association between trust and satisfaction also was reported in a study of relationship quality (Crosby, et al. 1990). Thus, we propose the following hypothesis.

H7: The level of trust present in an exchange relationship is associated positively with the customer satisfaction in the exchange relationship.

METHODS

Sample and Dyad Under Study

To test the hypotheses, we examined pharmacy - buying group dyads. In 1994 there were 26,585 independently owned pharmacies in the U.S. (NPC 1994). Due to economic pressures, many independent pharmacies have joined buying groups in an effort to control costs. The Federation of Pharmacy Networks is an association of 25 independent pharmacy buying groups, totaling over 11,000 independent pharmacy members. We surveyed independent pharmacies that were members of buying groups belonging to the Federation.

A two-stage cluster sample of 500 pharmacies was used. The first stage was a random sample of five buying groups, selected from a roster of

Federation buying group members. Then, a systematic random sample of 100 pharmacies was drawn from the membership rosters of each of the five buying groups. Targeted key informants were the contact person shown on the membership rosters, usually the owner-manager of the pharmacy.

Data Collection and Analysis

Using a mail survey we asked independent pharmacy key informants about their relationship with a buying group. The pretested survey booklet was mailed with a personalized cover letter. Respondents were offered a summary of the results. A follow-up postcard was mailed as a reminder.

After the measures were purified, the items for each measure were summed and used in a path analysis to test the hypothesized pathways. The measures were purified, based on Cronbach's alpha, item-to-total correlation, and exploratory factor analysis (Churchill 1979). The path analysis tested the hypothesized pathways shown in the model in Figure 1. Thus, both direct and indirect paths from relational norms to customer satisfaction were tested for significance.

Measures

Role Integrity. To assess role integrity we developed a 4-item measure that was adapted from a measure reported by Kaufmann and Dant (1992). The items asked about the complexity and uniqueness of the roles in the exchange relationship. Respondents used a 5-point Likert scale (1-Strongly Disagree 2-Disagree 3-Neutral 4-Agree 5-Strongly Agree).

Solidarity. Solidarity was measured with four items that asked about how the parties worked together to preserve the exchange relationship. The items were adapted from those used in a previous solidarity measure (Kaufmann and Dant 1992). The respondents used a 5-point Likert scale to assess the solidarity (1-Strongly Disagree/5-Strongly Agree).

Information Exchange. Information exchange, the third relational norm, was rated with

a 4-item measure. The items asked about the sharing of information by the parties. Respondents rated information exchange with the 5-point disagree/agree scale.

Trust. The trust measure had six items that evaluated both aspects of trust. Three items asked about competent role performance and three asked about meeting fiduciary obligations. Respondents used a 5-point Likert scale for the ratings (1-Strongly Disagree/5-Strongly Agree).

Customer Satisfaction. Customer satisfaction was assessed with six items that rated different attributes of the buying group's activities. Attributes assessed were: selecting dependable suppliers, membership fee structure, prices for contracted products, quality of contracted products, managing the buying group, and communicating with member pharmacies. Respondents used a 5-point scale (1-Very Dissatisfied 2-Dissatisfied 3-Neutral 4-Satisfied 5-Very Satisfied) to rate customer satisfaction.

Table 1
Mean, Standard Deviation, and Reliability
of Purified Measures

<u>Construct</u>	<u>Mean</u>	<u>Standard Deviation</u>	<u>Reliability^a</u>
Role Integrity (3/4)	9.52	1.93	0.59
Solidarity (4/4)	14.60	2.13	0.61
Information Exchange (4/4)	12.98	3.13	0.88
Trust (5/6)	17.15	3.22	0.84
Customer Satisfaction(6/6)	22.53	3.54	0.83

^a Cronbach alpha for items in purified measure.

Measure Purification

The mean, standard deviation, and reliability of the measures are shown in Table 1. Reliability was estimated by Cronbach alpha. The reliability for information exchange, trust, and customer satisfaction exceeded 0.80. However, both Cronbach alphas for the role integrity and solidarity measures were near 0.60. Given the

early stage of research with these measures, both role integrity and solidarity were included in the path analysis. All of the purified measures were unidimensional.

During the purification process, two items were dropped. One item was dropped from role integrity due to low item/total correlation. Similarly, one item was dropped from the trust measure because of low item/total correlation.

RESULTS

Of the 500 surveys mailed out, 249 were returned in analyzable form, for a 49.8 percent usable response rate. In the absence of actual nonrespondent data, late responders (n=70) were compared to the other respondents on selected variables (Armstrong and Overton 1977). The two groups were compared using t-tests on the five model constructs and the length of time of membership in the buying group. The two groups did not differ significantly on any of these variables (p < 0.05).

Path Analysis

As shown in Figure 2, two of the three pathways from the relational norms to trust were significant at the 0.05 level. Solidarity and information exchange both had significant positive pathways to trust, as predicted. The pathway from role integrity to trust was not significant. Thus, H2

and H3 are supported, while H1 is not.

Two of the four pathways to customer satisfaction were significant (p < 0.05). Both trust and information exchange had a significant positive pathway to customer satisfaction, providing support for H6 and H7. Thus, no support was found for H4 and H5.

Table 2 shows the direct, indirect (through trust), and total effects of the relational norms on customer satisfaction. For information exchange, the indirect effects on customer satisfaction that went through trust exceeded the direct effects. The direct effect of information exchange on customer satisfaction was the only significant direct effect of the relational norms on customer satisfaction. Solidarity had only significant indirect effects on customer satisfaction. No significant effects were found for role integrity on customer satisfaction.

DISCUSSION AND IMPLICATIONS

The results show relational norms and trust as significant influences on customer satisfaction in interfirm exchange relationships. The current use of relationship marketing makes these findings of interest to firms concerned with satisfying long-term customers and to researchers studying the marketing of exchange relationships.

Influences of Relational Norms on Trust

This study identified solidarity and information

Figure 2
Empirical Model of the Influence of Relational Norms and Trust on Customer Satisfaction

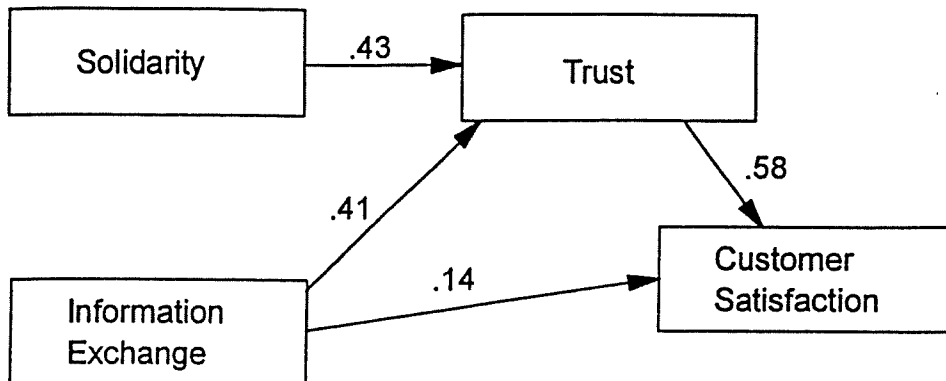


Table 2
Direct, Indirect, and Total Effects of
Relational Norms on Customer Satisfaction

<u>Independent Variable</u>	<u>Direct Effects</u>	<u>Indirect Effects</u>	<u>Total Effects</u>
Role Integrity	.00	.00	.00
Solidarity	.00	.25	.25
Information Exchange	.14	.24	.38

exchange as positive influences on trust. The presence of relational norms supports the development of trust between the exchange partners. Solidarity supports trust-building activities such as setting of mutual objectives, joint problem solving, and meeting obligations. These activities increase the likelihood that the exchange partners will have accurate expectations of each others' competencies. Also, by meeting obligations, the exchange partners foster the expectation that each will meet their fiduciary obligations within the exchange relationship. Thus, solidarity supports the growth of both expectations that comprise trust: competent role performance and the meeting of fiduciary obligations.

By exchanging information about their needs and goals, the exchange partners enhance coordination of activities. The coordination improves the perceived competence of the firms, contributing to trust between the firms. Because information exchange often involves future material needs, a long-term orientation can arise. In the presence of such an orientation, the partners can tolerate temporary inequities, trusting that things will even out in the long run.

The association between role integrity and trust was low ($\beta = 0.04$). One explanation is that the buying groups have not assumed unique and complex roles within the exchange relationship. Rather, the buying groups have been limited to a singular role, that of obtaining contracts with suppliers of generic prescription drugs. Other potential activities, such as marketing assistance and managerial support, have been provided by drug wholesalers, outside of pharmacy-buying group relationships. Thus, a pharmacy's trust in a buying group is related to the buying group's competency, the narrow generic broker role, rather than a complex,

multifaceted role. This would translate into the inconsequential association between role integrity and trust.

Influence of Trust on Satisfaction

Trust had a positive effect on the satisfaction of the pharmacies with their buying groups. A customer is satisfied when an exchange partner demonstrates its trustworthiness, by competently performing its role and meeting fiduciary obligations. By meeting obligations, an exchange partner can increase the equity perceived by the customer, which in turn contributes to customer satisfaction.

Direct Influences of Relational Norms on Satisfaction

Only information exchange had a significant (positive) association directly with customer satisfaction. The exchange of sensitive information contributes to the perception of equity in the exchange relationship (Heide and John 1992). The perceived equity between the partners supports customer satisfaction in the exchange relationship. The absence of direct effects of role integrity and solidarity on customer satisfaction shows that relational norms can have different effects with interfirm exchange relationships.

Limitations

One limitation of this study is that the relations were assessed from only the pharmacy perspective. It is likely that the buying groups view pharmacy-buying group relationships differently than do the pharmacies. For example, the buying groups may perceive information exchange much differently because they communicate with many members, while a given pharmacy uses one or two buying groups.

A second limitation is the somewhat low reliability of the measures for role integrity ($\alpha = 0.59$) and solidarity ($\alpha = 0.61$). Future work is needed to develop more reliable measures. Perhaps a role integrity measure could focus on specific roles within an exchange relationship. Similarly, the items for solidarity could be more focused.

In addition, the study was cross-sectional. We can improve our knowledge of relational influences on customer satisfaction by increasing the number of longitudinal studies of interfirm relationships. For example, a longitudinal study would allow the assessment of the covariance of trust and customer satisfaction over time. Also, the directionality shown in the model is supported by the literature. However, it is feasible that over time, satisfaction can impact on relational norms. A longitudinal study also would allow an assessment of causality not possible with a cross-sectional design.

Implications for Future Research

There are several issues that warrant future research. One issue is the need to better assess the mechanisms by which the norms and trust affect customer satisfaction. In this study, we described the results by referring to disconfirmation and equity, but did not actually measure these constructs. Future work could provide a more detailed examination by testing competing models of customer satisfaction in interfirm exchange relationships.

Our findings suggest that the development of trust and relational norms should contribute to customer satisfaction. However, little work has been done to identify activities that will foster the growth of trust and relational norms. One exception is a description of how industrial sales people gain customer trust (Swan, Trawick, and Silva 1985). Another approach would be to consider Zucker's (1986) three modes for trust production: 1) characteristic-based, 2) process-based, and 3) institutional-based. Characteristic-based trust derives from properties of the party being trusted. Process-based trust evolves through exchange experience. The third mode for developing trust, institution-based, develops trust from formal structures, such as an independent council that sets industry standards.

Another future research issue is to apply the model to other exchange dyads. Other seller-customer dyads may require more complex roles, which could make role integrity important. Also, the need for trust might vary with different levels of consumer expertise. For example, the purchase and use of a highly technical product (i.e. computer) that requires significant consumer

expertise likely involves more trust than the purchase of a less technical product (i.e. hammer). Such variations in trust requirements could affect the association between trust and customer satisfaction.

In conclusion, we showed that relational norms and trust have influence on a customer's satisfaction in an exchange relationship. However, future work is needed to determine if the associations identified in a channel relationship will be present in relations that involve the end-consumer.

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APPENDIX

Purified Measures

Role Integrity

Our pharmacy and this buying group expect a great deal from each other.

Our relationship with this buying group is much the same as any arrangement we make with other suppliers or purchasers.

There are expectations between us that go beyond the buying of pharmaceuticals.

Solidarity

Our relationship with this buying group could better be described as "arms length dealings" than "cooperative effort."

Both parties expect fairness in this relationship.

It is expected that, if this buying group has information that would help our operations, they should provide that information to us.

This relationship could better be described as a "long term joint venture" than a "series of single encounters."

Information Exchange

We provide feedback to this buying group about their

selection of suppliers.

Our relationship with this buying group is characterized by open communication by both parties.

We give and receive information from this buying group.

Our pharmacy and this buying group keep each other well informed.

Trust

This buying group really knows its business.

This buying group will put our interests ahead of its own in certain situations.

The personnel of this buying group are knowledgeable.

This buying group tries to help its members achieve their goals.

This buying group acts as a trustee for its members.

Customer Satisfaction

Selecting dependable suppliers

Membership fee structure

Prices for contracted products

Quality of contracted products

Managing the buying group

Communicating with member pharmacies

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THE ROLE OF PRODUCT/SERVICE EXPERIENCE IN THE SATISFACTION FORMATION PROCESS: A TEST OF MODERATION

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ABSTRACT

This study investigates a potential moderator of the relationship between affect and cognition and consumer satisfaction/dissatisfaction. We propose that consumer experience with the product or service category serves to alter the impact of affect and cognition on satisfaction. More specifically, for consumers who have higher levels of experience the effect of disconfirmation becomes increasingly important, while the role of affect diminishes. Consistent with this reasoning, empirical results of a field study reported here support the moderating ability of consumer experience. The findings contribute to the growing literature on the influence of situational variables on the satisfaction judgment process.

INTRODUCTION

Of all the concepts in the marketing discipline, consumer satisfaction/dissatisfaction (CS/D) is perhaps the single most important construct. Marketing practitioners are well aware of the importance that customer satisfaction plays in the success of their businesses. Likewise, marketing academicians have conducted and published literally hundreds of studies investigating the antecedents and outcomes of consumer satisfaction (see Perkins 1991). This paper presents a study expanding our current knowledge of the CS/D field by investigating the role of a situational factor -- consumer experience -- on the satisfaction formation process.

Despite its obvious importance and extensive research, the question as to how consumers form satisfaction judgments has evaded a universal, consistent answer. Early attempts at answering this evasive question were most often based on the expectancy disconfirmation model (Anderson 1973; Oliver 1980; Swan and Trawick 1981). In this model, consumers are posited to compare preconsumption expectations with observed product/service performance to form disconfirmation expectancies which strongly

influence the formation of satisfaction judgments. Considered primarily cognitive in nature (Oliver 1980), substantial research exists which indicates that consumer disconfirmation is the most immediate influence on CS/D (Churchill and Surprenant 1982, Oliver 1980, 1993; Swan and Trawick 1981; Westbrook 1987).

Although many of the previous conceptualizations of CS/D have been based in cognitive evaluation, affect, as an essential variable of purchase and usage, is increasingly attracting the attention of consumer researchers within the context of postpurchase response (Mano and Oliver 1993; Oliver 1994). Several recent studies have found strong interrelationships between CS/D and product-elicited emotions (Mano and Oliver 1993). This suggests that considerable overlap exists in the determinants underlying consumer formation of satisfaction judgments (Oliver 1989; Westbrook 1987; Westbrook and Oliver 1991). Thus, it appears -- conceptually and empirically -- CS/D is naturally tied to both cognitive evaluations and affective reactions elicited in consumption (Mano and Oliver 1993).

The intent of this paper is to investigate the nature of the relationships among cognition, affect, and CS/D. More specifically, this study examines whether consumer experience with the product or service category, acting as a moderator, can alter the influence that expectancy disconfirmation and affect have on satisfaction measures. Although it does provide evidence consistent with previous reasoning establishing the independent influences of cognitive and affective variables on CS/D, this research broadens our understanding of consumer satisfaction by documenting the ability of moderators to alter these relationships.

CONCEPTUAL BACKGROUND

The following section provides a brief overview of past research investigating the roles of cognition and affect in consumer satisfaction formation. This study accepts the increasingly

popular premise that both cognition and affect are important influences on CS/D, choosing to focus on the relative effects of these constructs.

Cognitive Predictors of CS/D

While "the concept of satisfaction has defied exact specification" (Oliver 1981, p.26), our discipline appears to have commonly treated CS/D as a state resulting largely from a comparison of the level of outcome (i.e., performance, quality, etc.) with an "evaluative standard" (Hunt 1977, p. 459; Westbrook and Oliver 1991, pp. 84-85; Westbrook 1987, p. 260; Oliver 1980; Woodruff et al. 1983). Most frequently, this evaluative standard is assumed to be the consumer's set of preconception expectations regarding the product/service (Woodruff, Clemons, Schumann, Gardial, and Burns 1991). Primarily derived from assimilation-contrast theory (Sherif 1963), this disconfirmation paradigm assumes that the contrast of a standard with perceived performance directly influences CS/D in a linear, monotonic fashion (Woodruff, Cadotte, and Jenkins 1983). This expectancy disconfirmation model is the most popular theoretical basis for examining consumer satisfaction (see Oliver 1976; Westbrook 1980; Oliver 1980; Swan and Trawick 1981; Churchill and Surprenant 1982; Bearden and Teel 1983; Oliver and DeSarbo 1988; Tse and Wilton 1988; and Woodruff et al. 1991).

While disconfirmation is the most common cognitive variable examined in the CS/D literature, more recent works in CS/D explicitly recognize that the consumer satisfaction process is more complicated than being influenced solely by expectancy disconfirmation. Specifically, researchers have also considered perceived performance, prior expectations, attributions, and equity/inequity as predictors of satisfaction, with varying degrees of success. Furthermore, several alternative approaches have been utilized to model the relationship among these constructs. For example, Churchill and Surprenant's (1982) data revealed a direct path between performance and satisfaction, as opposed to performance combining with expectations to influence satisfaction through the disconfirmation measure. Subsequent studies across a variety of product and service categories have reported corroborating results (Tse and

Wilton 1988; Bolton and Drew 1991). Oliver and DeSarbo (1988), however, provide support for both a direct and indirect (through disconfirmation) effect of performance on CS/D. Oliver (1981) has suggested that a direct path from expectations to performance may exist as well. These studies indicate that performance and expectations may both directly influence satisfaction, as well as being compared with each other to impact satisfaction through disconfirmation.

Although receiving less attention, evidence also exists that causal attributions and equity assessments can significantly effect satisfaction. Folkes (1990; Folkes, Koletsky, Graham 1987) has shown that attributing the success or failure of a product experience or service encounter to the consumer, situation, or manufacturer/service provider can influence satisfaction judgments. In a very similar vein, Oliver and Swan (1989) have suggested that consumer perceptions of equitable or inequitable treatment can also effect satisfaction.

The common thread that runs through all of these studies is that they examine antecedents of CS/D that are viewed as "primarily cognitive...mostly conscious, overt activities that consumers may or may not perform" (Oliver 1993, p. 419). Thus, one can conclude that many attempts at explaining postconsumption reactions have concentrated on the underlying cognitive processes involved in satisfaction formation.

Affective Predictors of CS/D

The majority of the research on consumer satisfaction formation has focused on cognitive variables at the exclusion of affective predictors. However, beginning with Westbrook's (1987) study of satisfaction with automobiles, affective determinants of satisfaction have increasingly gained acceptance in CS/D research. By administering the Differential Emotions Scale (DES; Izard 1977), Westbrook was able to show that affective measures significantly influenced consumer satisfaction. In addition, two relatively uncorrelated affective factors (essentially positive and negative emotions) emerged, both effecting consumer satisfaction. Perhaps more importantly, Westbrook showed that the affective variables remained significant predictors of satisfaction even with the addition of expectancy disconfirmation to

the model.

Researchers are continuing to consider the role of affect in satisfaction formation, while struggling with the precise nature of emotion. A key issue has centered on the dimensionality of affect. Westbrook's (1987) two dimensional interpretation of positive and negative affect has been challenged as researchers have utilized different measures in studies across varying contexts. For instance, Westbrook and Oliver (1991) found support for three affective dimensions: hostility, pleasant surprise, and interest. Using the same measurement device (Izard's DES), Oliver (1993) reports three subdimensions of negative affect and either one or two (depending on the product or service studied) dimensions of positive affect. Mano and Oliver (1993) then used a different set of affective items and report the existences of an arousal dimension in addition to positive and negative affect. In a broader context, Babin, Griffin, and Darden (1995) examined several different conceptualizations of emotion, including satisfaction and dissatisfaction measures, in an attempt to determine the dimensionality. They report evidence of separate positive and negative affect dimensions, but could not find evidence that these affective measures are distinct from satisfaction itself.

In sum, while considerable disagreement may exist over the dimensionality of the operational measures, strong empirical support has been offered which indicates affect plays an important role in the satisfaction process.

Cognition and Affect as Joint Predictors of CS/D

It has been established that cognition and affect are both important determinants of consumer satisfaction. Oliver (see 1980) has long proclaimed that the expectancy disconfirmation model is essentially a cognitive construct, arising from conscious and deliberate information processing in order to compare preconsumption expectations with perceived product performance. In contrast, the affective bases of satisfaction are not completely under the consumer's control. Recently, strides have been made in understanding the respective roles of cognition and affect in the formation of postconsumption reactions.

Perhaps the most explicit recognition of cognitive and affective predictors of satisfaction is the "two-appraisal" representation of determinants of satisfaction judgments (Oliver's 1989). Subsequent research has provided evidence in support of the two appraisal model. Oliver (1993) investigated both a product (automobiles) and a service offering (a marketing principles course) in an attempt to determine the predictors of satisfaction. The results for both areas studied indicate that both cognition and affect are significant predictors of CS/D. Mano and Oliver (1993) came to a similar conclusion, finding that affect and utilitarian appraisal both predicted satisfaction. Finally, Oliver (1994) showed that both disconfirmation and affect influenced satisfaction with a child's treatment at a hospital. Oliver (1994, p. 20) succinctly summarizes this research:

"Apparently two mechanisms operate in tandem in consumers' minds, one involving the assessment of functional or comparative outcomes (what the product/service gives me) and one relating to how the product/service influences affect (how the product makes me feel)."

Thus, both cognition (in the form of expectancy disconfirmation) and affect have been found to be significant determinants of satisfaction across contexts.

The relative degree of influence of cognition and affect on satisfaction judgments, however, is largely undetermined. The preponderance of current evidence appears to indicate that cognition has greater influence on satisfaction. For example, both Westbrook (1987) and Oliver (1993) found the cognitive measure (disconfirmation) to be a more powerful predictor of satisfaction than affect. Nonetheless, and despite the results of his own research, Oliver (1993, p. 428) concludes that whether "disconfirmation is the most important antecedent in a group of independent effects or is an artifact of the present data is unknown."

Situational Influences on CS/D

In comparison to other areas of study (such as brand choice), a relatively limited number of

variables have been shown to relate to consumer satisfaction. As a result, some researchers have recognized the need to focus on situational factors influencing the relationship between CS/D antecedent and consequence variables (Westbrook 1987; Westbrook and Oliver 1991). Research taking this approach is more molecular in nature, examining how the satisfaction process changes across consumption experiences.

Babin, Griffin, and Babin (1994) is illustrative of such an approach. In their study, consumer involvement with the product/service category was treated as a moderator of two relationships. First, involvement was found to moderate the relationship between disconfirmation and satisfaction, with highly involved subjects displaying relatively more extreme satisfaction scores. Second, involvement was also a significant moderator of the relationship between ambient mood and satisfaction, with mood of the respondent being significantly related to satisfaction only under the low involvement condition. This study shows that situational variables can moderate the relationship between antecedent variables and consumer satisfaction.

THE CURRENT STUDY AND RESEARCH HYPOTHESES

Prior studies have established that both cognitive and affective variables are independent influences of CS/D. While inconclusive, empirical results suggest that disconfirmation asserts greater influence in satisfaction formation than does affect. In addition, research has found that situational variables can play an important role in the satisfaction formation process.

We agree, in general, that both cognition and affect are important determinants of satisfaction. However, by combining the research findings discussed above, we propose that the relative importance of disconfirmation compared to affect is situational and can be altered by the presence of moderator variables. Specifically, we propose that the consumer's level of experience with the product/service category will serve as a moderator of the relationship among disconfirmation, affect, and CS/D.

Experience as a Moderator of Disconfirmation

The disconfirmation paradigm requires consumers to compare preconsumption expectations with observed product performance to form disconfirmation expectancies. As several researchers have noted, this is a highly cognitive process (Oliver 1980, 1981; Tse and Wilton 1988; Yi 1990). Furthermore, an essential element of the disconfirmation process is the establishment of preconsumption expectancies. LaTour and Peat (1980) identified three basic determinants of such expectations: 1) the consumer's prior experience with the product/service; 2) situational factors, such as promotional efforts by the manufacturers or retailers; and 3) the experiences of other consumers acting as referent persons. They propose, and provide empirical support, for the view that product experience is the most important determinant of consumer expectations.

What about consumers with limited product/service category experience? Since these individuals must rely on LaTour and Peat's less important determinants of expectations, we propose they will face difficulties in forming preconsumption expectations. Furthermore, we believe any expectations these consumers do form will be less strongly held than the expectations possessed by consumers relying on their own prior experience. As a result, consumers with limited experience will tend to assimilate rather than contrast performance with expectations. Conversely, experienced consumers will make more precise cognitive judgments, comparing perceived performance with firmly held expectations, yielding powerful expectancy disconfirmation. Thus, we hypothesize:

H1: The predictive power of disconfirmation in the satisfaction process is positively related to consumers' length of product/service experience.

Experience as a Moderator of Affect

Psychologists have long recognized that novel stimuli tend to be emotionally arousing (see McClelland, Atkinson, Clark, and Lowell 1953; Atkinson 1964; Helson 1964). Applying this concept to the study of CS/D, we propose that

consumers facing a new situation will respond more emotionally than more experienced consumers. Further, we propose that affective measures will be a more powerful predictor of satisfaction judgments for inexperienced consumers than for those with greater experience.

A similar effect has been reported in the study of consumer satisfaction with automobile purchases. Mittal, Katrichis, Forkin, and Konkel (1994) found that "exterior styling" played a very important role in initial (prepurchase) satisfaction formation, but a reduced role in satisfaction 3-5 months after the purchase. Conversely, "durability/reliability" was the most important predictor of satisfaction 3-5 months after purchase. We believe that consumer reaction to styling is largely an emotional one ("how the product makes me feel") versus the cognitive assessment of reliability ("what the product/service gives me"). Generalizing this finding to other settings suggests that initial reactions and/or new experiences will evoke affective responses that heavily influence CS/D. As the newness wears off and experience increases, the role of affect diminishes. Thus, we hypothesize:

H2: The predictive power of affect in the satisfaction process is negatively related to consumers' length of product/service experience.

Perhaps an example will help illustrate our hypotheses. Consider a family taking their first vacation to Disney World. On this initial trip, the family does not really know what to expect, but gets caught up in the atmosphere, the activity, the colors, the costumes, and the characters. All these highly emotional elements play a substantial role in their overall satisfaction. Contrast this with the experience of a repeat trip. On their next visit to Disney World, they begin to think about the length of the lines, the expensive prices, and the cleanliness, comparing these attributes to the expectations they formed based on their first trip. Being previously exposed to the emotional elements, the affective reaction is less powerful, but the cognitive evaluation is much more important. We believe such an effect is present across a wide variety of product experiences and service encounters.

RESEARCH METHODS

Study Description and Data Collection

A field study was undertaken to test the research hypotheses developed above. In order to enhance the validity of the study, we were interested in assessing consumer reaction to an actual consumption experience (see Scherer and Tannenbaum 1986). In addition, we desired a situation where substantial variance existed across product/service experience, preconsumption expectations, and satisfaction. The context investigated was that of student satisfaction with the class registration process. This experience evokes sufficient involvement on behalf of the consumer as they attempt to arrange desirable class schedules, involves a significant investment of their time, and the utilization of substantial resources in the form of tuition. Furthermore, wide variation exists in student experience and satisfaction with class registration.

Participants in the study were two hundred and thirty undergraduate students at a mid-sized private university in the midwest. The data were collected in eight separate classes over a three day period. Data collection took place during the week of registration, allowing virtually all of the respondents to complete the research questionnaire within thirty-six hours of registering for class. Before distribution of the survey, a brief discussion of class registration was conducted. The subjects were then asked to reflect on their personal experience with the registration process they had recently completed and were given a few minutes to write down their thoughts to insure that the registration experience was fresh in their minds.

Participants were then each provided with a two page research survey. The questionnaire contained six items assessing subjective disconfirmation, five affect items, five items measuring satisfaction, four objective experience items, and a variety of demographic questions, all imbedded in distractor items. After completing the questionnaire, another class discussion was held regarding the course registration process and the study being conducted. Based on the class discussion, there is no evidence suggesting that the subjects were demand aware.

Measurement Results

Satisfaction/Dissatisfaction. The dependent measure in this study is consumer satisfaction. Thus, a reliable measure of CS/D is a basic requirement. The (dis)satisfaction questions were patterned after previous efforts (Westbrook 1980; Oliver 1980; Holbrook and Batra 1987) and used a number of different scaling approaches to avoid common problems associated with measuring satisfaction (i.e., severe skewness and ceiling effects; see Westbrook 1980 and Peterson and Wilson 1992). The five items displayed a high degree of consistency as indicated by coefficient α (.93). Since the (dis)satisfaction items were on a variety of scales, these items were scaled to a constant metric and summated to provide a composite measure of CS/D.

Disconfirmation. The disconfirmation scale included five items assessing respondent subjective disconfirmation of various attributes of the registration process and a sixth item, assessing "overall" disconfirmation. The specific disconfirmation attributes were identified through a prior series of three focus groups discussions. The disconfirmation items were evaluated on a 7-point "better than expected - worse than expected" scale (Oliver 1980). The six items all loaded on a common factor and displayed acceptable internal consistency ($\alpha = .78$). Thus, these items were summed to obtain a disconfirmation score for each individual.

Affect. The affect items were taken from Oliver's (1994) list of affect items. All five positive affect items were included on the survey. Respondents were asked to indicate how well each of the terms described their feelings while registering for class on a 7-point "not at all - very well" scale. Exploratory factor analysis indicated that these items all load on a single factor and the items displayed high internal consistency ($\alpha = .85$). These items were also summed to form an individual affect score for each respondent.

Experience. Experience was assessed by four objective measures. Each respondent was asked to indicate their year in school, total number of credit hours, number of credit hours at this university,

and the number of times they had registered for class. Obviously, these are highly correlated measures and displayed a very high degree of reliability ($\alpha = .95$). These items were scaled to a constant metric and summed, to provide a multiple item measure of experience with the registration service.

ANALYSIS AND RESULTS

Initial examination of the data consisted of regression analysis with the disconfirmation and affect items predicting satisfaction (see Table 1). This analysis serves to establish the predictive ability of these items and provides a comparison base for the current study vis-a-vis previous research. The results are as expected, with both disconfirmation ($t = 7.06$; $p < .0001$) and affect ($t = 9.45$; $p < .0001$) significant predictors of CS/D. This "two-appraisal" representation explains a substantial proportion of variance in subject satisfaction scores ($R^2 = .63$; $F_{2,211} = 175.96$; $p < .0001$).

The results reported in Table 1 are quite comparable to previous studies of satisfaction using affect and disconfirmation as predictors. In this study, it appears that the affect measures (standardized β coefficient of .50) are stronger predictors of CS/D than disconfirmation (standardized β coefficient of .38). Nonetheless, the overall results and strength of relationship are generally consistent with other CS/D research, suggesting that the test of moderation of these relationships is reasonable with this data.

The next stage of analysis directly tests the linear moderating effects of consumer experience. Following the procedure advanced by Baron and Kenny (1986), a second linear regression model was run incorporating the moderator terms as predictors along with affect and disconfirmation. In this case, the product of the moderator (experience) and the independent variables (affect and disconfirmation) were added to the model. The overall model is significant, but displays only a slight increase in explanatory power over the regression including just affect and disconfirmation ($R^2 = .66$; $F_{4,198} = 95.02$; $p < .0001$). More importantly, the results show that experience significantly moderates the role of both affect (EXP*AFF; $t = -4.30$; $p < .0001$) and

disconfirmation (EXP*DIS; $t = 3.46$; $p < .001$) in their relationship with CS/D (see Table 2).

Examining the results further indicates that the direction of the signs is in the hypothesized direction, providing support for both research hypotheses. The standardized β coefficient for experience as a moderator of disconfirmation is .48. This provides evidence that the role of disconfirmation in satisfaction formation increases with consumer product/service experience, in support of H1. Conversely, the standardized β coefficient for experience as a moderator of affect is -.62. Thus, as predicted by H2, as experience increases, the influence of affect in determining consumer satisfaction diminishes. Overall, these results provide strong support for the research hypotheses.

Table 1
Preliminary Regression Results

Variance Explained					
Multiple R =	.79068	R-Square =	.62517		
Adjusted R-Square =	.62161	StandardError =	28.47675		
Analysis of Variance					
	DF	Sum of Squares	Mean Square		
Regression	2	285379.53116	142689.76558		
Residual	211	171105.20248	810.92513		
F = 175.95924		Signif F = .0000			
Variables in the Equation					
VARIABLE	B	SE B	Beta	T	Sig T
AFFECT	18.20926	1.92661	.50306	9.45	.0000
DISCONFIRMATION	17.46357	2.47362	.37577	7.060	.0000
(Constant)	9.16658	7.83967		1.169	.2436

A third analysis was performed to further investigate the moderating effects of consumer experience. In this analysis, the respondents were divided into three roughly equal-sized groups based on their level of experience (Baron and Kenny 1986, Case 2). Separate linear regression analyses were then performed for each subset of

respondents to allow comparison of the relationships being studied. In all three regressions, the overall model is highly significant ($p < .0001$) and explains over 60% of the variance in CS/D.

Table 2
Effects of Experience as a Moderating Variable

Variance Explained					
Multiple R =	.81085	R-Square =	.65748		
Adjusted R-Square =	.65057	StandardError =	26.71070		
Analysis of Variance					
	DF	Sum of Squares	Mean Square		
Regression	4	271169.87237	67792.46809		
Residual	198	141265.41827	713.46171		
F = 95.01907		Signif F = .0000			
Variables in the Equation					
VARIABLE	B	SE B	Beta	T	Sig T
AFFECT	9.14771	2.61213	.25742	3.502	.0006
DISCONFIRMATION	25.51483	3.28388	.56350	7.770	.0000
EXP*AFF	-.44274	.10291	-.61551	-4.302	.0000
EXP*DIS	.43485	.12623	.47757	3.445	.0007
(Constant)	5.76608	7.94356		.726	.468

Substantial differences, however, exist across the three regressions when the predictor variables are examined. Perhaps the most interesting results can be found in the "low experience" group. In the analysis for this group, affect is a significant predictor of satisfaction ($p < .0001$) and has a standardized β coefficient of .73. In comparison, disconfirmation is insignificant ($p > .10$) and has a standardized β coefficient of only .14, about one fifth of that of affect. As experience increases to the "medium" level, disconfirmation becomes a significant predictor of satisfaction ($t = 2.63$; $p < .05$) and the standardized β coefficient for disconfirmation is over 35% of that for affect (.24 compared to .67). Finally, for the "high

Table 3
Three Group Analysis

Group 1: Low Level of Experience
Variance Explained

R-Square = .68627

Adjusted R-Square = .67646

Analysis of Variance

	<u>DF</u>	<u>Sum of Squares</u>	<u>Mean Square</u>
Regression	2	78681.55806	39340.77903
Residual	64	35970.11358	562.03302
F =		69.99727	Signif F = .0000

Variables in the Equation

<u>Variable</u>	<u>B</u>	<u>SE B</u>	<u>Beta</u>	<u>T</u>	<u>Sig T</u>
AFFECT	22.48773	2.81771	.72863	7.981	.0000
DISCONFIRMATION	6.36418	4.03624	.14395	1.577	.1198

Group 2: Medium Level of Experience
Variance Explained

R-Square = .76969

Adjusted R-Square = .76260

Analysis of Variance

	<u>DF</u>	<u>Sum of Squares</u>	<u>Mean Square</u>
Regression	2	122374.33553	61187.16776
Residual	65	36617.60565	563.34778
F =		108.61349	Signif F = .0000

Variables in the Equation

<u>Variable</u>	<u>B</u>	<u>SE B</u>	<u>Beta</u>	<u>T</u>	<u>Sig T</u>
AFFECT	22.15338	2.99067	.67945	7.407	.0000
DISCONFIRMATION	11.73435	4.45675	.24150	2.633	.0106

Group 3: High Level of Experience
Variance Explained

R-Square = .65079

Adjusted R-Square = .64082

Analysis of Variance

	<u>DF</u>	<u>Sum of Squares</u>	<u>Mean Square</u>
Regression	2	76032.39156	38016.19578
Residual	70	40797.85501	582.82650
F =		65.22729	Signif F = .0000

Variables in the Equation

<u>Variable</u>	<u>B</u>	<u>SE B</u>	<u>Beta</u>	<u>T</u>	<u>Sig T</u>
AFFECT	15.69153	2.75757	.46956	5.690	.0000
DISCONFIRMATION	17.30328	3.12685	.45664	5.534	.0000

experience" group, both affect ($t = 5.69$; $p < .0001$) and disconfirmation ($t = 5.53$; $p < .0001$) are highly significant. Furthermore, a comparison of the standardized β coefficients shows that they are virtually equal (.47 to .46). This three group analysis illustrates the changing importance for both affect and cognition as consumer experience with the product/service varies.

Summary

The research hypotheses appear to be supported by the data. As illustrated in Table 2, consumer experience significantly moderates the relationship between both affect and disconfirmation and CS/D. As consumer experience with the product/service category increases, disconfirmation becomes a more important predictor of satisfaction while the role of affect decreases. However, for consumers who possess less experience with the product/service category, affect emerges as a more important predictor of satisfaction. Thus, this study provides evidence of the importance of situational variables and corroborates LaTour and Peat's (1980) contention that product/service category experience is an important determinant of consumer expectations.

DISCUSSION AND LIMITATIONS

The findings reported here are important for several reasons. First, the research replicates the importance of both affect and disconfirmation in determining satisfaction judgments. Secondly, we provide an initial test of one situational variable, experience which is shown to moderate the impact of either affect or disconfirmation on consumers' satisfaction judgments. Finally, the results indicate how consumers who possess differential levels of experience utilize either affect and/or disconfirmation when making satisfaction judgments. Therefore, this study replicates and extends our current understanding of the importance of consumers' cognitive and affective evaluations in determining CS/D.

This research represents an initial attempt to examine the moderating role of experience as a situational variable influencing the importance of cognitive and affective evaluations of a

product/service. However, additional research is needed to determine whether these findings can be generalized to other product/service contexts. For instance, the present study found affect to be a more important determinant of consumer satisfaction which contradicts previous findings (c.f. Oliver 1993; Westbrook 1987). Thus, additional research is warranted to determine when affect or disconfirmation may emerge as a more powerful predictor of satisfaction.

Additionally, further research is needed to explore other potential contextual or situational factors which could provide a moderating influence in determining the importance of either affect or disconfirmation in satisfaction judgments. As mentioned previously, consumers may form expectations based on advertising, personal sales efforts, and informal word-of-mouth communication from referent persons (LaTour and Peat 1980). Thus, research which investigates the moderating role of these variables in addition to consumer's level of experience would be warranted.

As mentioned previously, debate continues regarding the dimensionality and measurement of affect (c.f. Westbrook 1987; Westbrook and Oliver 1991; Mano and Oliver 1994; Oliver 1993; Oliver 1994). The present study utilized items taken from Oliver's (1994) list of affect items for the positive subscale. Hence, other affect items were not included in the analysis. The positive subscale was utilized by itself due to the relatively high correlation reported by Oliver (1994; -.45) among the two dimensions of affect. Furthermore, the analysis of experience as a moderator of affect would be complicated by the addition of multiple affect measures. However, researchers should continue to evaluate the dimensionality and measurement of consumer affect and strive to develop a reliable and valid measure which can be utilized across studies.

CONCLUSIONS

There is no question that, as a discipline, marketing academicians have made significant progress in gaining an understanding of the antecedents, formation, and consequences of consumer satisfaction/dissatisfaction. Hopefully the present study sheds some interesting light on

one aspect of CS/D, the role of situational influences on the satisfaction formation process. Certainly the results are inconclusive, yet intuitively and theoretically appealing. We encourage other researchers to consider these findings in their own studies of consumer satisfaction and hope that we have provided one small step toward a fuller understanding of CS/D.

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ASSESSING THE RELIABILITY AND VALIDITY OF JOINT SATISFACTION MEASURES IN THE CONTEXT OF A SYNCRATIC DECISION

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ABSTRACT

The literature is full of studies on consumer satisfaction. Little research, however, has been conducted on the validity of the measurement methodologies used. This study reports on the assessment of the reliability and validity of measures of eight separate constructs hypothesized to be relevant to joint satisfaction with husband-wife purchase of their principal place of residence. This study conceptualized the house purchase decision as a syncratic decision resulting from some degree of interaction between husband and wife. The results of a Multitrait-Multimethod (MTMM) analysis indicate the existence of individual and joint satisfaction and provide support for developing the concept of joint satisfaction.

INTRODUCTION

The notion of joint satisfaction suggests that consumers may have joint satisfaction with joint decisions. However, since its introduction (Rogers, Peyton and Berl 1992) the concept has not been empirically tested. The need for validation of the satisfaction measures in the context of joint family purchasing decisions has become more important in the face of ever changing sex roles (Jacoby 1978). The lack of standardization among empirical scales, however, continues to be a major obstacle to the development of usable constructs in husband-wife decision-making studies (Hopper, Burns and Sherrell 1989; Waldruff 1988; Thompson and Walker 1982; Davis 1976) and in consumer satisfaction studies (Oliver 1980a; Churchill and Surprenant 1982; Cadotte, Woodruff and Jenkins 1987). Thus, there seems to be a need for validation research that provides some understanding of the degree of joint satisfaction with a product which was purchased using syncratic decision-making.

The notion of consumer satisfaction/dissatisfaction (CS/D) has been widely studied (Oliver and Swan 1989; Cadotte et al., 1987). Part of the concern for the satisfaction of the consumer stems from the realization that customer satisfaction with a product often leads to repeat purchase, acceptance of other products in the product line, and favorable word-of-mouth. Unfortunately, the concern with consumer satisfaction has focused upon the individual satisfaction with individual decisions. This has caused the research into consumer satisfaction to become an individualized concept in the sense that any attempt to meet the needs of the customer must focus on individual satisfaction. Except for studies of organizational response to complaints (Yi 1990), the role of groups in the satisfaction/dissatisfaction process has been largely ignored.

In advancing the notion of joint satisfaction, Rogers et al., (1992) asserts that the relatively large number of purchasing decisions that are made by groups suggest that the notion of group satisfaction may be a concept with which the marketer needs to be concerned. Indeed, joint or syncratic decisions, resulting in possible joint rewards, may modify the satisfaction outcome in some manner. However, to date, no research has been undertaken in this area. Much of the debate in the area of husbands and wives decision-making has focused on who provides the data (Thompson and Williams 1982), on the degree of agreement between the individual responses of the individual spouses (Thompson and Walker 1982), and on the nature of husband-wife decision-making (Waldruff 1988). Researchers generally agree that husbands and wives do not always express similar perceptions concerning individual influence in family decision-making (Davis and Rigaux 1974; Thompson and Williams 1982). Douglas and Wind (1978) note that such discrepancy may result from measurement error rather than from actual spousal disagreement. However, even with joint decisions (Waldruff 1988), the debate tends to

focus on individual outcomes excluding the possibility of joint outcomes with the purchase decision.

Purpose of the Study

This study focuses on measure validation issues within the context of joint husband-wife decision-making. The main purpose is to assess the reliability and validity of the five separate measures hypothesized to be central to consumer satisfaction: norms, expectations, performance, confirmation and satisfaction. The multitrait-multimatrix (MTMM) approach developed by Campbell and Fiske (1959), has been shown to provide adequate assessment of the reliability and validity of measures of psychological constructs (Goldsmith and Emmert 1991; Hopper et al., 1989; Davis 1976; Heeler and Ray 1972; McDonald 1980). This study applies this methodology to the satisfaction constructs in the context of a syncretic decision for the purchase of a house which is to be the couple's principal place of residence. Following the approach outlined by Davis (1976), the joint, as well as the individual husbands and wives responses are viewed as belonging to different methods. Therefore, this study compared the perceptions of the three groups across different traits. The traits used were the five consumer satisfaction constructs, in addition to husband-wife consensus, husband-wife cohesion, and the degree of syncretic decision-making as outlined by Rogers et al., (1992).

VALIDATION STUDIES IN HUSBAND-WIFE DECISION-MAKING AND IN CONSUMER SATISFACTION

Husband-Wife Validation Studies

Studies in the area of husband-wife decision making have tended to focus on the role of individual influence in the decision-making process (Hopper et al., 1989; Waldruff 1988; Davis 1976). Indeed, no study could be found which focus on the satisfaction of a spouse with a family decision. Most validation research in the area of husband-wife decision making focus concentrate on the identification of individual level spousal influence as the primary construct to explain husband-wife

decision processes (Waldruff 1988; Davis 1971; Wilkes 1975; Syzbillo, Sosanie and Tenebein 1979; Seymour and Lessne 1984).

A few researchers have examined the validation of husband and wife decision influence measures (Hopper et al., 1989; Davis 1971; Wilkes 1975; Seymour and Lessne 1984). Most of these studies viewed husbands' and wives' responses as different methods and compare their perceptions of influence across differing product purchases. The results from most of these studies indicate that researchers consistently find disagreement on perceived decision influence between spouses. Davis (1976) asserts that this disagreement results because husbands and wives do not necessarily hold the same or similar perceptions of their influence in household decision making. However, Douglas and Wind (1978) argue that the most likely source of discrepancy between the responses of husbands and wives are the measurement instruments. The apparent lack of usable constructs in husband-wife studies stems, to a large extent, from the inability of researchers to compare research results across studies. Asserting that this disagreement results because husbands and wives do not necessarily hold the same or similar perceptions of their influence in household decision-making, Davis (1976) calls for scale development and replication as a means of standardizing measures of critical constructs.

Consumer Satisfaction Validation Studies

Since the early 1970's, researchers have investigated the concept of consumer satisfaction with a vast majority of them using the disconfirmation model. One of the earliest studies on the validity of consumer satisfaction measures was conducted by Oliver (1980b). He examined five constructs thought to be relevant to the measurement of consumer satisfaction. The measures examined included norms, expectations, performance, confirmation/disconfirmation of expectations, and satisfaction. Oliver found the constructs to be highly reliable and valid. Since that initial study, a number of other researchers have used and extended the confirmation-disconfirmation model (Cadotte, Woodruff and Jenkins 1983; Tse and Wilton 1988; Churchill and Surprenant 1982). However, a review of the

validity studies in the consumer satisfaction area illustrates that all the studies focused on individual satisfaction outcomes with a purchase decision.

Westbrook and Oliver (1981) used the MTMM to assess the validity of three different scale types across two product categories. They found that the reliabilities and convergent and discriminant validities were relatively high. In the development of a multidimensional scale for measuring consumer satisfaction, Oliver (1981) also found that Likert and semantic differential scales were more likely to show comparable results. His analysis supported a conclusion of relatively high convergent and discriminant validity for both types of scales. Tse and Wilton (1988) reported that the measures in the disconfirmation model showed good discriminant and convergent validity. They also found support for the variables used by Churchill and Surprenant (1982). Bearden and Teel (1983) reported reliable and valid satisfaction measures and found that expectations and disconfirmation were plausible determinants of satisfaction.

CONCEPTUALIZATION OF THE VALIDATION STUDY COMPONENTS

The constructs of norms, expectations, performance, disconfirmation, and satisfaction were included in the study to help assess the discrimination ability of the husbands and wives in their individual and joint responses about post purchase satisfaction. These constructs have been widely used to measure individual consumer satisfaction (Tse and Wilton 1988; Cadotte et al., 1983) and were used in this study to facilitate comparing the results with those obtained from prior research. If a comprehensive study of the joint satisfaction process is to be conducted, eight major concepts have to be measured as the "traits" in the validation model. The first five of these concepts (attribute importance or norms, expectation, performance, disconfirmation, satisfaction) were suggested by consumer satisfaction research and the next three (degree of syncretic decision-making, husband-wife consensus, and husband-wife cohesion) were suggested by Rogers et al., (1992). In this study, the scale used to collect all of the data had at least five points. Syzbillo et al., (1979) assert that the

use of scales with five or more points would help to eliminate any confounding between the self-report measures and the different methods of husbands, wives, and joint responses.

DISCONFIRMATION MODEL "TRAITS"

Attribute Importance (Norms)

The first step in satisfaction analysis is the identification of the salient attributes (Oliver 1981; Ajzen and Fishbein 1980; Woodruff, Cadotte, and Jenkins 1983). Attribute importance can be determined by asking the respondents to pick out the attributes which they used to purchase the product or to rate a number of product-related attributes according to the degree to which each attribute was important in the decision to purchase the product. Current attribute importance measurement is based upon the work of Fishbein and Ajzen (1975). They have suggested that attribute importance can be measured by asking the respondent to rate the relative importance of each attribute. In order to derive weighted summation scores for the attribute importance variable (norms) respondents were asked to provide ratings for seventeen product attributes considered to be important in the selection of a residence (Hempel 1976; Leigh 1987; Park 1982). Each respondent was asked to report their beliefs about product attributes such as size of the house, location, price, number of bedrooms, and number of bathrooms along a 5 point scale ranging from (1) not at all important to (6) extremely important.

Expectations

Traditionally, expectations are viewed as the anticipation of positive or negative occurrences with respect to some future event or occurrence. The full set of seventeen product attributes, restated as statements reflecting consumer expectations, was used to gather expectations data. Using statements such as "I expected the number of bedrooms in this house to be adequate," respondents were asked to indicate their level of expectation for each attribute using a six-point scale ranging from (1) strongly disagree to (6) strongly agree. A single item measure of expectation was also obtained from each

respondent. Based upon the work of Oliver (1980a) and Olson and Dover (1979), each respondent was asked to indicate their overall expectation for the house along a six-point delightful-terrible scale.

Disconfirmation of Expectations

Previous research has shown that it is possible to derive the disconfirmation of expectation measure by averaging the difference in the ratings on performance and expectations to compute a difference score. However, such a measure was not used in this study because both the performance and the expectation measures were obtained at the same time. This may result in the possible contamination of the measure. Therefore, a perceived disconfirmation measure was computed for the standard of comparison for the typical product norm. As suggested by Oliver (1980a), each perceived disconfirmation measure was a single item score using the same wording and coding format (much worse than expected = 1, worse = 2, slightly worse = 3, just as expected = 4, slightly better = 5, better = 6, much better than expected = 7), to the question "Compared to your expectations for your present house, how did it actually rate on each of these factors?" In addition to providing their perceived disconfirmation for each product attribute, respondents also provided a single-item overall measure of product disconfirmation of expectations.

Satisfaction

Given the criticisms of the different ways of measuring consumer satisfaction (Westbrook 1983; Oliver 1981), it is desirable that the satisfaction/dissatisfaction measure be deemed to be the result of the confirmation/disconfirmation of the normative standards or norms and not simply a restatement of the confirmation/disconfirmation evaluation. This approach captures the emotional response to the disconfirmation of normative standards (Oliver 1980a). This study obtained three different measures of consumer's satisfaction with their present house. The first, termed the "cognitive measure of satisfaction," used a five-point scale ranging from (1) strongly disagree to

(5) strongly agree to measure agreement with eight statements expressing non-emotional responses to the consumption experience. Six of the eight items were suggested by Oliver (1980a) and have been used by other researchers (Oliver and Swan 1989; Churchill and Surprenant 1982). Consumers were asked to respond to statements such as "the choice to buy this house was a wise one," and "living in this house has been a pleasurable experience."

The second measure, termed the "affective measure of satisfaction," was obtained using items which were affective or evaluative in nature (Churchill and Surprenant 1982). This approach measures respondents' attitude or enduring affective orientation or feeling for the product. It assumes that the individual is capable of experiencing affective or emotional responses following a cognitive evaluation of a product's performance. As such, the intensity of the consumer's affective (like/dislike) expressions following a consumption experience and evaluation is viewed as the measure of satisfaction with the house. Following the approach used by Cadotte et al., (1987), a series of six-point bipolar scales such as happy-unhappy, comfortable-uncomfortable, pleased-displeased, and contented-discontented, were used to encourage respondents to report on a variety of feelings towards the product.

The third measure of satisfaction, the attribute-specific measure, was obtained using a six-point scale to assess the degree of consumer displeasure or pleasure across the various product attributes. This approach seeks to determine which of the seventeen product attributes are critical to satisfaction. An overall measure of consumer satisfaction was also obtained. This single-item measure was expressed in terms ranging from (1) definitely dissatisfied to (5) definitely satisfied.

HUSBAND AND WIFE DECISION-MAKING "TRAITS"

Type of Family Decision-Making

The construct of perceived influence was included in the study to help assess the degree to which each spouse influenced the decision-making process. The notion of perceived influence has been widely used in husband-wife research (Davis 1971; Wilkes 1975; Syzbillo et al., 1979; Hopper

et al., 1989). In this study, perceived influence was determined by the degree to which spouses agreed that the purchase decision fell into one of four categories husband-dominant, wife-dominant, autonomic, and syncratic decision-making (Rogers et al., 1992).

Manipulation checks for syncratic decision-making were used to determine the extent to which subjects were involved in jointly purchasing the house. The syncratic decision-making check included a series of Likert statements which covered possible contributions of the parties to the decision-making process. Following Blood and Wolfe (1960), and Davis (1970; 1971; 1976), eight decision statements, such as location and style of the house, were used to generate a measure of family decision-making with respect to the housing purchasing decision. These items were coded on a five-point Likert scale ranged from (1) husband alone decided, (2) husband mostly decided, (3) joint or equal input, (4) wife mostly decided, to (5) wife alone decided. Scores on all eight items were summed to provide a multi-item manipulation check of syncratic decision-making. A single-item measure of decision-making was also obtained by asking the question "overall, how did you and your spouse make the decision to buy this specific house?"

Dyadic Consensus and Cohesion

The type and quality of the dyadic decision-making depends upon the degree to which the parties to the decision share common attitudes and meanings (consensus/congruence) and are relatively cohesive or similar in their views regarding those attitudes (Spanier 1976; Heffring 1978; Rogers et al., 1992). The consensus and cohesion constructs were measured using the scales developed by Spanier (1976). He reported using thirteen items, with a reported coefficient alpha of .90, to measure the dyadic consensus construct. A six-point Likert-type scale was used to gather this data. Coding for these items ranged from (0) always disagree to (5) always agree. The cohesion construct measures the degree to which the dyad members do things together. Five items were used to measure the cohesion construct. This data was gathered on a six-point scale (never = 0, less than once a month = 1, once or twice a month = 2,

once or twice a week = 3, once a day = 4, more often = 5). Spanier (1976) found that both the consensus and the cohesion scales exhibited high construct and criterion related validity.

HUSBAND, WIFE AND JOINT DECISION-MAKING "METHODS"

As in previous measure validation research involving husband-wife data (Hopper et al., 1989; Davis 1971; Wilkes 1975), the responses of husbands only, wives only, and the husbands and wives responding together on a single questionnaire (joint responses) were treated as three different methods. This study used the confirmation-disconfirmation of expectation model, outlined by Oliver (1980b), to explain the consumer satisfaction using four constructs: expectations, performance, disconfirmation, and satisfaction. The respondents were also asked to identify the degree to which the decision-making process was individual or joint and to record the degree of consensus and cohesion between husband and wife (Spanier 1976). Therefore, seven items were generated for assessment; four for the satisfaction process; one for husband-wife consensus; one for husband-wife cohesion; one for degree of husband-wife influence.

METHODOLOGY

The data for this study were collected from 137 couples (husband and wife) who purchased their principal place of residence within a medium size city in the southern United States. Because of the many difficulties inherent in obtaining couple co-operation for husband-wife surveys, most of the data for this study (70.8%) were gathered from couples contacted through Realtors. While not ideal, the use of convenience samples is commonplace in husband-wife decision-making and purchasing studies (Burns and Granbois 1979; Hopper et al., 1989) and the practice has been defended in methodological studies such as this one (Calder 1983; 1982; Calder, Phillips and Tybout 1981).

In order to determine the degree to which the convenience sample matched the population, a random sample of 522 homeowners were contacted through the mail. The initial mailing of letters

yielded 142 qualified prospects. Of this number, 57 couples, or 40.1 percent, agreed to participate in the study. However, only 40 of them actually participated. This provided a response rate of 28.2 percent for the group of qualified mail contacts. Considering that each couple had to complete an individual and then a joint questionnaire, this response rate seems to compare well with the reported 15 to 35 percent response rates for gathering data from an individual spouse (Thompson and Walker 1982). For comparison purposes, however, no previous studies could be found which gathered both individual and then joint data from the same respondents.

For the mail contacts, all qualified couples who chose not to be part of the study were asked to complete a non-respondent questionnaire. Since the non-response items consist mostly of the demographic questions from the individual and joint questionnaires, either the husband or the wife was asked to respond. Sixty-three individuals, or 61.76 percent of the non-respondents, completed this twenty-three item questionnaire. For the couples contacted by mail, a chi-square test, with an alpha of .05, reveal that there were no significant differences between respondents and non-respondents on the basis of the age of either the husband or the wife, number of bedrooms and bathrooms in the house, race, length of marriage, type of employment, education of the husband and the wife, price paid for the house, and family income.

The differences between the responses obtained from couples contacted by Realtors, and that obtained from the random selection of homeowners was examined to determine homogeneity between the two sets of data. A chi-square test, with an alpha of .05, reveals that there were no significant differences between the two groups based on the age of either the husband or the wife, number of bedrooms and bathrooms in the house, race, length of marriage, type of employment, education of the husband and the wife, price paid for the house, and family income. Further, no significant differences were found in the number of children living at home, and the type of decision-making process used to purchase the house. The overall response pattern indicates that the two groups are quite similar in the evaluation of their home. In sum, the data from

the two groups appear to be rather similar. This may indicate that differences in the data gathering techniques had more to do with the number of responses received than it had to do with differences in respondent perceptions. The two sets of data were therefore pooled and used in the study.

In each household, the data were collected by means of identical self-report questionnaires independently administered to each spouse by an interviewer. Upon completion of the individual questionnaire, the spouses were asked to confer in completing the joint instrument that contained the same questions asked on the individual questionnaires. Thompson and Walker (1982) and Thompson and Williams (1982) note that it is permissible to collect husband-wife data in this manner since the focus is on having the couple resolve their areas of disagreement. To the extent that the couple agrees on an item, there are little or no confounding effects stemming from having first completed the individual questionnaires.

Of the 137 respondents used in the study, 54.0 percent were white and 46 percent were black. These figures closely match the racial composition of the city. Fifty six percent of the couples were married for more than ten years. Seventy-four percent of the male and 71.8 percent of the female respondents were between 30 and 59 years of age, 72 percent of males and 62 percent of females had at least some college education, 84.6 percent of males and 59 percent of females worked full-time and 2.9 percent of males and 17.9 percent of females worked part-time. In general, most respondents held white collar jobs and median family income for entire sample was \$45,000. The median price of the house purchased was \$65,000, and most of the houses had at least 3 bedrooms and 2 baths. Based on their responses, 7.7 percent of the couples agreed that the decision to purchase the house was made by the wife; 9.1 percent agreed that it was somewhat of a husband decision, and 83.2 percent of the couples agreed that they used a joint or syncretic decision-making process in purchasing the house.

Based on their responses, 46.7 percent of the couples were first time home owners; 38.7 percent of the couples were in their second house; 10.9 percent were in their third house and 3.7 percent had purchased more than three houses for owner

occupancy. The relatively large number of couples who had purchased more than one house may have some effect on their expectations, and hence upon their satisfaction. However, this may be offset by the fact that their expectations may be more realistic.

External Validity

From the data collected on households, only one characteristic, price of the house, was common to all the houses sold between January 1986 and December 1989. Based upon an analysis of this characteristic, the respondent group generally matched the population. However, it is worth noting that some of the houses in the population were purchased by either male or female single head of household and some were purchased for investment (rental) or non-residential purposes. It was not possible, however, to separate these from the population of houses sold in the period. This may affect the external validity of the results.

Variations in the price of houses, and level of income, may also affect level of satisfaction, but this is a truism relevant to the population at large. Since the data were collected from a single city, the opinions expressed by a fairly representative sample of home-owners should reflect the feelings of the population in question. Further, since the purpose of this study was to obtain insight into joint husband-wife satisfaction with a syncratic decision, the nature and final composition of the sample, as well as any deviation of the sample from the population profile, does not detract from the findings. Therefore, the external validity would appear to be quite good.

Data analysis was conducted using a number of steps. First, the many items were factor analyzed to identify the various constructs. Second, Cronbach's (1951) alpha was used to assess the reliability for each factor dimension identified. Finally, convergent and discriminant validity of the various measures were assessed by constructing a MTMM matrix consisting of the correlations of internally consistent dimensions (Campbell and Fiske 1959).

RESULTS AND DISCUSSION

Construct Validation

The eight traits used in this study were factor analyzed, using a principal component analysis with varimax rotation, to confirm the various construct dimensions. In each case, the factor selected had an eigenvalue of at least 1.0. The constructs were divided into three groups and the scale items related to each grouping of constructs were included in the same factor analysis. The first factor analysis included the scale items related to norms, expectations, performance and disconfirmation. The second factor analysis included the items related to the three satisfaction measures. The items related to the consensus, cohesion and the syncratic decision process were included in the third factor analysis. In general, the factor analyses captured the relevant construct dimensions conceptualized. In almost every case, the items for each of the scales loaded heavily on only one factor, an indication of a single dimension within each scale. Except for the cognitive measure of satisfaction, the results from the factor analyses provide strong evidence of unidimensionality for each scale.

Reliability Analysis

One test for the unidimensionality of a multi-item measure is its internal consistency. Internal consistency is concerned with the correlations between the various items used to measure a construct (Peter 1979). If all the items in a multi-item scale measure the same underlying trait, the correlations between the various scale items should be high. A priori, the measures were partialled into initial clusters on the basis of the constructs they were intended to measure and the reliability of each cluster was assessed using coefficient alpha, a widely used method for determining the internal consistency or reliability of multi-item measures. As recommended by Nunnally (1978), a coefficient alpha which is below .70 indicates that the items perform poorly in capturing the construct meaning. The scales used in this study are consistent with those conceptualized and highly reliable. A summary of the coefficient alphas for the various scales are

presented in Table 1. For the purpose of comparison, the alpha coefficients have been determined using three levels of data: husbands only, wives only, and joint husband-wife responses. With the exception of the cognitive measure of satisfaction which has an alpha of .60 when using the joint data, the reliability coefficients are all above the .70 cut-off requirement, an indication that they are all quite acceptable for the three respondent groups. For the husbands only and the wives only, the magnitude of the reliability coefficients does not differ markedly among the ten measures, .705 to .956 for husbands only, .746 to .933 for wives only. While the range is wider for the joint husband-wife respondent group (.601 to .961), some of the individual coefficients are higher than those obtained for either the husbands only or the wives only group.

Table 1
Reliability Assessment: Coefficient Alpha for Variables in the Study Using Three Levels of Data

<u>Measure</u>	<u>Data Level</u>		
	Husband	Wife	Joint
	<u>Coefficient Alpha</u>	<u>Coefficient Alpha</u>	<u>Coefficient Alpha</u>
Product Norm	.9132 (15 items)	.9012 (15 items)	.9411 (15 items)
Expectations	.8838 (8 items)	.8544 (8 items)	.8006 (8 items)
Performance	.7622 (6 items)	.8032 (6 items)	.8308 (6 items)
Disconfirmation	.9558 (16 items)	.9268 (16 items)	.9606 (16 items)
<u>Satisfaction</u>			
Cognitive	.7048 (3 items)	.7461 (3 items)	.6015 (3 items)
Affective	.9524 (5 items)	.9331 (5 items)	.9310 (5 items)
Attribute Specific	.9223 (11 items)	.9028 (11 items)	.9180 (11 items)
Consensus	.9058 (11 items)	.8563 (11 items)	.9335 (11 items)
Cohesion	.8183 (5 items)	.8439 (5 items)	.8715 (5 items)
Syncratic Decision	.8435 (8 items)	.8156 (8 items)	.8020 (8 items)

Validity Assessment

Measure validation provides evidence of the degree to which research tools are generalizable (Peter 1981). In this study, the validation checks focused on the degree to which the various constructs exhibit high convergent and discriminant validity. The MTMM matrix can be used to simultaneously examine the reliability and the convergent and discriminant validity of the various constructs used in a study (Campbell and Fiske 1959; Heeler and Ray 1972). This method, has been used to assess the validity of some of the measures used in husband-wife research (Hopper et al., 1989; Syzbillo et al., 1979; Wilkes 1975), and in satisfaction research (Cadotte et al., 1987; Bolting 1985). The MTMM is composed of intercorrelations that result when each of two or more traits are measured by each of two or more techniques or methods. An assessment of reliability is provided on the reliability or main diagonal (1) of the matrix (Table 2).

The convergent validity of a trait or construct is assessed by examining the correlations between different measures of the same construct or trait (Heeler and Ray 1972). Convergent validity, exhibited by the correlations along the validity diagonal (3), should be significantly different from zero and large enough to encourage further examination of validity. According to this approach, the correlations among multiple measures of the same trait should have higher correlation in the matrix than the correlations across measures of different traits.

Table 2 reveals that, with two exceptions, all the correlations on the three validity diagonals (3) are above the .40 level required for scale convergence ($p < .01$), with the exception of the scale for norms and disconfirmation. The correlation between the male or husbands only and female or wives only measures of these scales correlate at .28, and .19 respectively. However, these two scales converge when the male (husbands only) and joint data, or the female (wives only) and joint data are used in the correlation. The three satisfaction scales correlate highly with each other at a significance level above .001, regardless of whether male, female, or the joint data is used. The satisfaction scales converge with correlation coefficients ranging from .44 to

Table 2
Multitrait Multimethod Matrix: Correlation for CS/D Process Variables

	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	F1	F2	F3	F4	F5	F6	F7	F8	F9	F10	J1	J2	J3	J4	J5	J6	J7	J8	J9	J10	
MN3	0.91																														
ME3	-0.20	0.88																													
MP	-0.60	-0.22	0.76																												
MD3	-0.24	0.07	0.16	0.96																											
MSC	0.03	0.30	-0.48	-0.27	0.70																										
MSA	-0.19	0.34	-0.31	-0.01	0.53	0.95																									
MSSE	-0.13	0.47	-0.27	-0.14	0.49	0.66	0.92																								
MCN3	0.31	0.09	0.18	-0.02	0.16	0.43	0.10	0.91																							
MCH	0.09	0.32	0.23	0.10	0.06	0.11	0.10	0.52	0.82																						
MSD	-0.08	0.02	0.02	-0.09	0.19	0.06	0.04	0.19	0.16	0.84																					
FN3	0.28	-0.10	-0.04	0.16	-0.06	-0.21	-0.20	0.28	0.08	0.13	0.90																				
FE3	-0.21	0.51	-0.07	0.12	0.29	0.22	0.38	-0.10	0.12	-0.17	-0.28	0.85																			
FP	0.20	-0.11	0.58	-0.10	-0.32	0.24	-0.30	0.23	0.38	0.12	0.15	-0.21	0.90																		
FD3	0.27	-0.20	-0.24	0.19	-0.22	-0.26	-0.29	-0.03	0.06	-0.11	0.12	-0.07	0.23	0.93																	
FSC	-0.12	0.27	-0.41	-0.02	0.44	0.46	0.37	-0.24	-0.21	0.05	0.14	0.16	-0.44	-0.34	0.75																
FSA	-0.21	0.24	-0.28	0.02	0.38	0.63	0.48	-0.33	-0.28	-0.13	-0.16	0.32	-0.54	-0.26	0.51	0.93															
FSS3	-0.20	0.28	-0.21	-0.02	0.32	0.56	0.68	-0.19	-0.19	0.01	-0.22	0.47	-0.46	-0.28	0.49	0.70	0.90														
FCN3	0.38	-0.15	0.07	-0.28	-0.16	-0.39	-0.13	0.62	0.35	0.23	0.11	-0.24	0.20	-0.06	-0.30	-0.33	-0.36	0.86													
FCH	0.26	0.05	0.25	-0.00	-0.20	-0.36	-0.30	0.46	0.66	-0.11	0.18	-0.08	0.45	0.07	-0.28	-0.47	-0.40	0.55	0.84												
FSD	-0.02	-0.04	-0.04	-0.03	-0.00	0.00	-0.06	-0.04	0.06	0.53	0.03	-0.24	-0.05	0.03	-0.03	-0.09	-0.06	-0.06	-0.01	0.82											
JN3	0.82	-0.26	-0.03	-0.12	0.03	-0.16	-0.19	0.25	0.04	-0.05	0.44	-0.32	0.21	0.29	-0.02	-0.21	-0.22	-0.22	0.13	0.05	0.94										
JE3	-0.29	0.81	-0.01	-0.02	0.04	0.24	0.40	0.04	0.17	0.08	-0.23	0.47	-0.14	-0.14	0.03	0.24	0.37	-0.05	-0.04	-0.03	-0.43	0.80									
JP	0.18	-0.19	0.49	-0.24	-0.53	-0.46	-0.51	0.24	0.29	0.09	0.05	-0.27	0.50	0.15	-0.36	-0.41	-0.47	0.24	0.39	0.11	0.14	0.23	0.83								
JD3	-0.16	-0.05	0.23	0.46	-0.32	-0.02	-0.26	-0.16	-0.06	-0.06	0.13	-0.05	0.12	0.43	0.06	0.05	0.00	-0.37	-0.15	0.04	0.01	-0.08	0.24	0.96							
JSC	-0.03	0.02	-0.34	-0.02	0.56	0.34	0.35	-0.11	-0.18	-0.08	-0.24	0.32	-0.34	-0.15	0.52	0.28	0.33	-0.13	0.19	-0.03	0.10	-0.11	0.47	-0.21	0.60						
JSA	-0.15	0.29	-0.20	-0.02	0.37	0.57	0.56	-0.22	-0.17	-0.11	-0.24	0.32	-0.32	-0.15	0.41	0.57	0.64	-0.37	-0.37	-0.09	-0.17	0.44	-0.58	-0.07	0.35	0.93					
JSS3	-0.02	0.26	-0.19	-0.24	0.43	0.62	0.68	0.13	-0.16	-0.13	-0.18	0.32	-0.29	-0.27	0.30	0.52	0.64	-0.15	-0.34	-0.04	-0.06	0.37	-0.57	-0.23	0.36	0.75	0.92				
JCN3	0.29	0.09	0.06	-0.23	-0.11	-0.28	-0.11	0.63	0.47	0.38	-0.15	-0.11	0.11	-0.03	-0.16	-0.24	-0.22	-0.68	-0.48	0.22	0.20	0.08	0.29	-0.29	-0.11	-0.42	-0.20	0.93			
JCH	0.10	0.17	0.21	0.01	-0.11	-0.19	-0.21	0.45	0.78	0.30	-0.16	-0.08	0.35	-0.04	-0.12	-0.28	-0.26	0.39	0.74	0.10	0.12	0.04	0.37	-0.03	-0.15	-0.37	-0.32	0.82	0.87		
JSD	-0.05	-0.10	-0.16	-0.13	-0.01	0.10	0.08	0.13	-0.03	0.76	-0.20	-0.18	0.02	-0.16	0.11	-0.03	0.09	0.19	-0.06	-0.06	0.02	-0.12	-0.04	-0.11	0.06	-0.11	0.06	-0.11	0.21	0.80	

Where:

- * MN3 / FN3 / JN3 - Norms
- ME3 / FE3 / JE3 - Expectations
- MP / FP / JP - Performance
- MD3 / FD3 / JD3 - Disconfirmation
- MSC / FSC / JSC - Satisfaction
- MSA / FSA / JSA - Satisfaction (Affective)
- MSA3 / FSA3 / JSA3 - Satisfaction (Attribute Specific)
- MCN3 / FCN3 / JCN3 - Consensus
- MCH / FCH / JCH - Cohesion
- MSD / FSD / JSD - Synergetic Decision

* M, F and J designated husbands, wives and joint response groups

- ⊙ COEFFICIENT ALPHA
- ⊙ HETEROTRAIT-MONOMETHOD TRIANGLE
- ⊙ VALIDITY DIAGONAL
- ⊙ MULTITRAIT - HETEROMETHOD TRIANGLE

.68 ($p < .01$).

Discriminant validity, assessed after convergent validity has been determined, focuses upon the degree to which the measures of one construct differ from measures of different constructs. It requires that a measure not correlate too highly with measures from which it is supposed to differ. In other words, discriminant validity among traits is attained when the trait correlation differs significantly from 1.00, or when the chi-square difference test indicates that the two traits are not perfectly correlated (Bagozzi and Yi 1991; Schmitt and Stults 1986).

Three conditions provide evidence of discriminant validity (Campbell and Fiske 1959; Churchill 1979). First, as a minimum requirement, the correlation between two different measures of the same trait should be higher than the correlation between that trait and any other measure which has neither the method nor trait in common. As an indicator of high discriminant validity, entries in the validity diagonal (3) should be higher than those in the same row and column in the heteromethod block (4). In this study, a comparison between the coefficients in the validity diagonal (3) and those along the row and column of the heteromethod block (4) reveals that a few of the entries in the matrix do not satisfy the required conditions. Four of the thirty constructs have higher correlations with measures of different constructs (values in the row and column) than with other measures of the same construct (value in the validity diagonal). These four constructs, with their validity coefficients are female norms (.28), female disconfirmation (.19), female cognitive measure of satisfaction (.44), and joint affective measure of satisfaction (.574).

A second, and even more stringent requirement for discriminant validity is that validity coefficients (3) should be higher than those in the heterotrait-monomethod triangles (2). This is an indication that the correlation within the trait measured by different methods must be higher than the correlation between traits which have methods in common. "Failure to satisfy this requirement could indicate the existence of shared methods variance and response set or reflect non-independence of traits" (Davis 1976, p. 309). To test this requirement, the correlation in the validity

diagonal (3) that is related to each trait is compared with its correlation in the three heterotrait-monomethod triangles (2). An examination of the various coefficients reveals that this requirement is generally, though not totally satisfied by the data in Table 2. The female measures of norms, and disconfirmation and the joint measure of expectation each has a validity coefficient which is lower than one for the same trait but in the multitrait-monomethod triangle (2). Similarly, for the affective and the attribute-specific measure of satisfaction, the husband, wife and joint measure of satisfaction also exhibit lower validity correlations. The use of three different satisfaction measures may, in part, explain why this problem occurs. This is evidenced by the fact that the validity coefficients for the satisfaction measures are only lower than the correlations between these same traits in the heterotrait-monomethod triangles (2).

Third, the pattern of correlations or the rank order of the correlations present in all heterotrait triangles (2 and 4) should be the same even though the general size of the coefficients within each triangle may differ. This requirement is a check on the significance of the traits when compared to the methods and can be determined either by ranking, from largest positive to largest negative values, and then visually inspecting the correlation coefficients in each heterotrait triangle (2 and 4) or by computing a rank order correlation coefficient such as the coefficient of concordance. Generally, the pairwise correlations within each heterotrait triangle (2) are consistent in sign. In order to determine the degree of association between the relatively large number of rankings, the coefficients in the heterotrait-monomethod and heterotrait-heteromethod triangles were rank ordered and Kendall's coefficient of concordance (W) was computed to assess the similarity of the coefficient patterns across triangles (Siegel 1956). With values only possible between 0 and +1, the coefficient of concordance has a linear relationship to the average rank order correlation coefficient taken over all groups and indicates the extent of agreement among several rankings of N objects. The objects in this study are the forty-five intertrait correlations and the judges or rankings are the nine heterotrait triangles in Table 2. Siegel

(1956) notes that a high or significant value of W may be interpreted as meaning that the observers or judges are applying essentially the same standard in ranking the N objects under study. The data fully satisfy this criterion ($W = .815$, $\chi^2 = 322.878$, $d.f. = 44$, $p < .000$). This is an indication that the correlations between different traits were similar in their behavior within the same method and with different methods (Hopper et al., 1989). In other words, the pattern of trait inter-relationship is similar across the heterotrait triangles and is not sensitive to the spouse making the assessment of satisfaction with the principal place of residence.

CONCLUSIONS

The main purpose of this study was to assess the reliability and validity of the constructs used to measure the joint husband-wife satisfaction with a syncretic decision. While the reliability and validity of these measures have been examined with the MTMM matrix, they have not been explored with "joint husband-wife" data in the context of a syncretic decision. This study provides results which are encouraging. The results from this study suggest that the concept of joint satisfaction may have merit as an indicator of joint or group response to a group decision. More importantly, the results provide evidence of the reliability and validity of the satisfaction measures in the context of a joint decision. Additionally, the measures performed adequately when tested with husband only, wife only and with the joint data. This may be an indication that husband-wife data may be gathered from either the husband or the wife. This finding has implications for data gathering in husband-wife studies. However, future studies must determine whether these findings are valid across a range of products beside a house. Future studies should also investigate the applicability of the concept of joint satisfaction with such products as household appliances, automobiles and high involvement services and with other durable and nondurable goods.

Overall, the many multi-item rating scale measures performed relatively well. In most cases, the measures were highly reliable, and met or surpassed Campbell and Fiske's (1959) criteria for convergence and discriminant validity. Further

research of the MTMM using confirmatory factor analysis or some other technique (Bagozzi and Yi 1991; 1990; Kumar and Dillon 1992; Bagozzi, Yi and Phillips 1991) would be of assistance in providing estimates of validity or trait variance and correlated error or method variance (Westbrook and Oliver 1981). While researchers have cautioned about the use of the MTMM analysis, it seems appropriate that the MTMM methodology should be used for this the first attempt at measuring joint satisfaction. Indeed, the MTMM method provides an intuitively appealing analysis to be performed in an area where little work has been conducted. As measure validation theory increases in this area, the use of more sophisticated techniques will be appropriate.

The results of this study also suggest that future research is needed to refine the measurement of husband-wife decisions in a dyadic setting. The assessment of the convergent and discriminant validity provides support for further testing of the concept of joint satisfaction using other products. This is in keeping with suggestions made by Churchill (1979). He advocates that constructs should undergo additional measure validation by using new samples to repeat the measure validation process. Bagozzi, Yi and Phillips (1991) note that the assessment of construct validity is full of complexity and different measure validation methods can lead to different conclusions for the same data. Therefore, future research should test the validity of the constructs using different procedures. As a starting point, the confirmatory factor analysis (CFA) approach should be used in testing the convergent and discriminant validity of these scales. Schmitt and Stults (1986, p. 2) observe that the use of CFA is "the preferred method of analyzing MTMM matrices" in order to determine explicit estimates of trait, method and error variance that can be of help in construct validation when the underlying assumptions are met.

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NEW INSIGHTS INTO CS/D FROM A LITERARY ANALYSIS OF TOM WOLFE'S *THE BONFIRE OF THE VANITIES*

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ABSTRACT

This study uses a hermeneutical examination of Tom Wolfe's novel *The Bonfire of the Vanities* to generate fresh insights into consumer satisfaction and dissatisfaction with possessions. The theory of embedded markets, the expectancy/disconfirmation model of CS/D, and the Diderot effect are used to analyze the protagonist Sherman McCoy's satisfaction and dissatisfaction with the purchase of an apartment and legal services. The embedded markets concept accounts for McCoy's initial set of expectations about what one must own. The expectancy/disconfirmation model sheds light on McCoy's level of satisfaction/dissatisfaction with specific purchases he makes in the course of the story. And the Diderot effect explains why he adopts a new set of product expectations as the story progresses. Together, these theories provide some new insights into the satisfaction and dissatisfaction experiences of modern consumers.

INTRODUCTION

As a source of both data and theory, the arts and humanities have had an increasingly large impact on consumer research. Since art often imitates life in all its variety and complexity (Auerback 1953), works of art can serve as manageable and yet relatively verisimilar data sets within which consumer behavior theories can be formulated and tested. Recognizing this possibility, a number of consumer researchers have developed or tested their theories by examining various cultural "texts" (Holbrook and O'Shaughnessy 1988), including novels, plays, television shows, motion pictures, comic books, magazines, television and print advertisements, biographies, autobiographies, and religious documents (Belk 1987; Friedman 1985; Hirschman 1988, 1990; Hirschman and Stern 1993; Holbrook and Grayson 1986; Holbrook 1988; Holbrook, Bell, and Grayson 1989; Pennell 1993; Scott 1994; Stephens and Hill 1993; Wright and Larsen 1992).

These studies have produced new insights into the ways in which symbolic codes motivate consumption and the ways in which consumption patterns express culture. They have deepened our understanding of both consumer behavior and the various works of art.

In the tradition of these previous studies, this paper undertakes to gain new insights into the utility of and interconnections between Frenzen and Davis's (1990) embedded markets formulation, Oliver's (1980) expectancy/disconfirmation model of consumer satisfaction and dissatisfaction, and McCracken's (1988) Diderot effect, by examining their relevance to *The Bonfire of the Vanities*, Tom Wolfe's (1988) critically acclaimed (Bauman 1988; Huber et al. 1988; Lynn 1988; Quinn 1988; Rafferty 1988) novel of life in New York City in the 1980's. The first novel by the prize-winning author of such well-researched non-fiction books as *The Right Stuff* and *Radical Chic*, *Bonfire* has received considerable attention in scholarly publications dealing with American culture, legal studies, journalism, literature, and consumer research (Christol 1991; Hirschman 1990; Hurd 1990; McNiff and Lulirie 1992; Porsdam 1991; Smith 1992). Because Wolfe has the discerning eye of a seasoned journalist and social commentator, *Bonfire* may be a particularly rich source of insights into the consumer satisfaction and dissatisfaction of present-day Americans.

OVERVIEW

The main character in *Bonfire* is Sherman McCoy, a wealthy Wall Street bond trader who becomes involved in a hit-and-run felony in the Bronx. Though not the actual perpetrator of the crime, McCoy is subsequently charged with the reckless endangerment of Henry Lamb, a poor, black "honor student" from the Bronx, who was run down by McCoy's Mercedes. The case becomes a cause célèbre that focuses social, political, and racial tensions in New York City. The accident is of special interest because it breaks down at many points the barriers that separate

social groups in the city. It, thus, focuses on Sherman McCoy the full array of fears and resentments that separate these groups.

The novel is richly endowed with consumption data, for Wolfe deftly weaves into his narrative a detailed picture of the attitudes, lifestyles, and consumption habits of the lower-, middle-, and upper-class people who become involved in the case as victim, legal counsel, or the accused. We focus on the accused, Sherman McCoy in this article.

Each of the three main theories cited in this study treats a slightly different but related aspect of McCoy's satisfaction and dissatisfaction with the possessions he owns. The embedded markets concept may account for McCoy's initial set of expectations about what one must own. The expectancy/disconfirmation model may shed light on McCoy's level of satisfaction/dissatisfaction with specific purchases he makes in the course of the story. And the Diderot effect may explain why he adopts a new set of product expectations as the story progresses. Together, these theories provide some new insights into the satisfaction and dissatisfaction experiences of modern consumers.

METHODOLOGY

In this study, *Bonfire* was hermeneutically and interpretively analyzed using techniques discussed by Hirschman (1990) and Wright and Larsen (1992). Thus for hermeneutical analysis, the fixed categories of traditional content analysis (Kassarjian 1977) were eschewed in favor of open-ended categories that evolved as the data were interactively analyzed. Each researcher closely read the entire novel several times, making notes in the margins and marking phrases and paragraphs that treated one or another aspect of consumption. These notes and marked portions of the text were then hermeneutically analyzed to identify and extensively exemplify specific themes. The evolving categories and themes were challenged and expanded over the course of the several readings. The following sections detail the themes that emerged from this analysis, with special attention to embedded markets, the expectancy/disconfirmation model, and Diderot effects.

ANALYSIS AND INTERPRETATION

Guided by these three theories, we focus in particular on McCoy's satisfaction/dissatisfaction with two key acquisitions--an expensive co-op apartment he recently purchased and legal services he purchases after the accident. Both of these quite different purchases suggest that overall satisfaction/dissatisfaction depends on a network of expectations that are rooted not so much in individual as in group values. The level of satisfaction with a purchase seems to be determined by the set of expectations the group shares. This result is consistent with the concept of embedded markets.

Initial Expectations and Level of Satisfaction

Frenzen and Davis (1990; cf. Frenzen and Nakamoto 1993) use the term embedded markets to specify markets in which social relations alter market operations, making factors like mutual trust and obligation as important or more important than the purely economic attributes of price and quality. In an extended family, a religious congregation, or a club, members may build strong bonds of trust and, through mutual favors, a pool of social capital (Blau 1964; Coleman 1988) that each can draw upon in moments of need. To minimize demands on the pool of capital, the boundaries of an embedded market must be carefully defined and maintained. In *Bonfire*, New York City is cast as a collection of independent embedded markets, each populated by participants who have strong ties to their own group and who seldom interact with those in other marketplaces. Purchases can be made within or across the lines of these embedded markets. Judging from events in the story, satisfaction tends to be higher when a purchase is made within rather than across embedded markets.

Purchases Made Within an Embedded Market

McCoy is a member of the lower-upper class (Coleman 1983). His social group is distinguished by the names they give their children (last names as first names, e.g., Campbell McCoy, Pollard Browning, MacKensie Reed), by the private schools the children attend (Taliaferro's

elementary, Buckley and St. Paul's preparatory, Harvard, Yale, Stanford), by their high- six or seven figure salaries at Wall Street's merchant banks and law firms, their million or multi-million dollar Park Avenue apartments and country homes, their WASP ethnicity, Episcopalian religious affiliation, and appurtenances such as Mercedes Benz cars, \$1800 British suits, and 18th century antique furniture. This group includes the downwardly mobile Protestant aristocracy of old New York (i.e., the people portrayed in Whit Stillman's films) and such upwardly mobile outsiders as John McCoy, Sherman's father, who was born and raised in Tennessee, but on his merits, became the CEO of a Wall Street law firm with the Dickensque name Dunning, Sponget & Leach.

One of the key objectives of these upper-class WASPS is to preserve their cultural distinctness and economic advantages by avoiding associations with individuals and groups they deem inferior. They take particular care to insulate themselves from the lower-class masses.

Insulation! That was the ticket. That was the term Rawlie Thorpe [McCoy's fellow bond trader] used. "If you want to live in New York," he once told Sherman, "you've got to insulate, insulate, insulate," meaning insulate yourself from those people. (p. 56)

Along with the lower classes, these WASPS avoid upper-class ethnic professionals, preferring to trade exclusively among themselves, something that the success of Jews and Asians sometimes makes difficult:

Like a lot of other old-line, well-fixed Protestant families in Manhattan, the McCoys had always made sure that only other Protestants ministered to their private affairs and their bodies. By now, this took some doing. Protestant dentists and accountants were rare creatures, and Protestant doctors weren't easy to find. Protestant lawyers were still plentiful, however, at least on Wall Street, and Sherman had become a client of Freddy Button. (p. 287)

Though it may entail some short-term costs when

they use less competent or more expensive service providers, the commitment of this group to trade among themselves preserves the boundary between them and others and, thus, the social capital (Blau 1964; Coleman 1988) that guarantees their privileged access to wealth, status, and power (Frenzen and Davis 1990). And while their bastions of WASP privilege are no longer entirely impregnable--Jews, in particular, have broken through (McCoy's boss is a Jew)--*Bonfire* makes it clear that access to the high status, highly paid jobs in this lucrative marketplace is largely restricted to people whose culture, education, and network of relationships make them very similar to Sherman McCoy.

Already well regarded among the WASP elite on account of his job and social connections, McCoy has recently confirmed his social standing by purchasing a \$2.6 million apartment in an exclusive apartment co-op, thus more closely aligning himself with people such as Pollard Browning, President of the co-op and an old prep school acquaintance. The very design of this building seems to guarantee that McCoy and the other inhabitants will be the envy of and yet be insulated from "those people." These apartments are

built like mansions, with eleven-, twelve-, thirteen-foot ceilings, vast entry galleries, staircases, servants' wings, herringbone-parquet floors, interior walls a foot thick, exterior walls as thick as a fort's, and fireplaces, fireplaces, fireplaces, even though the buildings [are] all built with central heating. A mansion!--except that you [arrive] at the front door via an elevator (opening upon your own private vestibule) instead of the street. That was what you got for \$2.6 million, and anyone who put one foot in the entry gallery of the McCoy duplex [entered] one of those fabled apartments that the world, le monde, died for! (p. 143)

Since all its attributes are consistent with what is expected in his group, McCoy's satisfaction with this apartment is unalloyed. Comfortably ensconced in this fortress-like apartment, he can afford to ignore events in other parts of the city, e.g., a news report of a riot in Harlem. "It was

hot stuff, but Sherman hadn't paid attention to it. It had all seemed so remote . . . the sort of thing that happened out there . . . among those people" (p. 54).

Purchase Made from Outside an Embedded Market

Apart from their domestic help, the McCoy's have had very little to do with the lower classes. However, a missed turn on the expressway breaches the socially constructed barrier that normally separates the White upper classes of Manhattan from the Black Bronx, and the breach becomes permanent when McCoy's car--driven by his mistress--strikes and kills Henry Lamb. When McCoy seeks legal counsel from his Protestant lawyer, Freddy Button, on what he should do in the aftermath of the hit-and-run accident, Button refers him to Tommy Killian, an associate of the law firm Dershkin, Bellavita, Fishbein & Schlossel. Though taken aback by the ethnic names of the partners--"the torrent of syllables was like a bad smell" (p. 294)--McCoy agrees to visit Killian. He needs a specific service, and Button convinces him that, in New York, legal transactions take place in another embedded market, where to get satisfactory results as an outsider, one must buy services from a member of the fraternity:

"Dershkin, Bellavita, Fishbein & Schlossel," said Freddy. "Three Jews and an Italian, and Tommy Killian is an Irishman. Let me tell you something, Sherman. The practice of law gets very specialized in New York. It's as if there are a lot of little . . . clans. . . . If I was being sued . . . in an automobile negligence case, I wouldn't want anyone at Dunning Sponget representing me. I'd go to one of these lawyers on lower Broadway who don't do anything else. . . . They're all Bellavitas and Schlossels. They're crude, coarse, sleazy, unappetizing. . . . But . . . they know all the judges, all the clerks, the other lawyers--they know how to make deals. If somebody named Bradshaw or Farnsworth showed up from Dunning Sponget & Leach, they'd freeze him out. They'd sabotage him." (p. 295)

When McCoy visits Killian's office, his initial dissatisfaction on hearing the ethnic names is augmented. The office is nothing like the well appointed Dunning Sponget offices where Button and McCoy's father work. The nameplates are plastic, the floor is covered with dingy tile or orange industrial carpet, the lights radiate a ferocious wattage, the waiting clients are clad in leather, a jogging suit, or are "all breasts, bright red lips, raging hair, and sultry makeup, popping out of a black turtleneck sweater" (p. 381). Killian himself is dressed like a sharpie and speaks with a heavy Brooklyn accent. When McCoy comments on the bright lights, Killian replies, "That's what you get when you f--k your decorator." McCoy's dissatisfaction becomes acute:

Sherman didn't hear anything after "f--k your decorator." He took a masculine pride in the notion that he could handle all sides of life. But . . . how could he let any decision affecting his life be made by this sort of person in this sort of atmosphere?" (p. 383)

Though he needs a specific service that only Killian and others like him can provide, McCoy feels completely out of place, and his baseline level of dissatisfaction is very high. However, Killian confirms Button's claim about specialization in the law, so McCoy feels compelled to ignore his underlying dissatisfaction and focus on the specific benefits Killian promises to provide.

Expanding on Button's earlier comment, Killian explains that the criminal justice system in New York is an embedded market in favors.

Everything in this building, everything in the criminal justice system in New York . . . operates on favors. Everybody does favors for everybody else. Every chance they get, they make deposits in the Favor Bank. . . . A deposit in the favor bank is not quid pro quo. It's saving up for a rainy day. . . . If you've been making your regular deposits in the Favor Bank, then you're in a position to make contracts. That's what they call big favors, contracts. You have to make good on contracts . . . because everybody in the

courthouse believes in a saying: 'What goes around comes around.' (p. 401)

There is a strict prohibition on cash transactions within the criminal justice system since justice is not supposed to be a commodity for sale to the highest bidder. But an informal market in favors, supported by a well-established social infrastructure, has nevertheless developed. Given sufficient money--and McCoy has it--one can indirectly purchase a contract for legal favors by hiring a lawyer who has deposited sufficient social capital in the favor bank. McCoy is uncomfortable with everyone and everything in this market, but necessity compels him to make an indirect purchase by hiring Killian.

Killian soon thereafter provides the promised service. When the District Attorney's office decides that it has enough evidence to arrest McCoy, Killian contracts with a highly placed official in that office for a quiet arrest and a bail hearing that avoids making a public spectacle of McCoy: "This is not gonna be as bad as you think," Killian tells McCoy. "I got a commitment from Bernie. I can bring you up there and surrender you myself. You'll be in there and outta there. Ba-bing" (p. 439). Though he is far from satisfied with the whole package offered by Killian, McCoy is relieved that he has a contract for a quiet arrest.

REVISED EXPECTATIONS AND LEVEL OF SATISFACTION

Neither the apartment nor Killian delivers the benefits McCoy had expected when he made his purchase. As a consequence, McCoy becomes dissatisfied with both purchases. But not equally dissatisfied. Ironically, given McCoy's initial unalloyed satisfaction with the apartment and limited satisfaction with Killian, Killian's legal services ultimately prove to be the more satisfactory purchase in both the medium and the long run. In the two sections that follow, medium-term satisfaction is discussed in the context of the expectancy/disconfirmation model (Oliver 1980) and long-term satisfaction is discussed in the context of McCracken's Diderot effect.

The Expectancy/Disconfirmation Model

During and immediately following his arrest, McCoy's expectations both of Killian's favor bank and of his fortress apartment are negatively disconfirmed, and as the expectancy/disconfirmation model (Oliver 1980) predicts, he experiences a great deal of dissatisfaction with both purchases.

The arrest doesn't go as planned because the District Attorney, a Jew named Abe Weiss, is running for re-election in a county that is 70 percent Black and Puerto Rican. Most of Weiss's arrests and prosecutions have targeted people of color. This fact leaves him open to charges by an activist black preacher, Reverend Reginald Bacon--a character apparently modeled on Al Sharpton--that "Weiss justice is white justice." Weiss sees the McCoy case as an opportunity to deflect Bacon's criticisms by making a public and well publicized arrest of a white man who lives on Park Avenue. Consequently, he overrules his deputy and, with some qualms, violates the contract with Killian. McCoy is quietly arrested at home, then in a media feeding frenzy drummed up by Weiss, is taken into the courthouse in handcuffs. He there suffers the indignity of the "whole routine" (p. 479): mug shot, finger prints, losing his belt and shoelaces, getting frisked for concealed weapons and locked up for four hours with armed robbers, drug pushers, and other common criminals, who recognize his fear and weakness and harass him.

The next day, McCoy comes to Killian's office determined to fire him, a resolution that is confirmed when Killian keeps him waiting, one more violation of McCoy's expectations:

The fact that Killian would make him wait like this sealed it, nailed down the correctness of what he was about to do. This would be his last visit to this place, his last descent into the vulgarity of Favor Banks, contracts, lower-crust fops, and cheap gutter philosophies. (p. 523)

When Killian does invite him into the office, McCoy vents his dissatisfaction:

"I hope you realize I'm very unhappy about

what happened yesterday". . . . You assured me you had your special 'contacts' in the Bronx District Attorney's Office. You told me you had a 'contract' with this man Fitzgibbon. I seem to recall quite a dissertation on something called the 'Favor Bank.'" (pp. 525-526)

But before McCoy actually follows through on his intention to terminate the relationship, Killian pulls off an extraordinary coup of post-purchase cognitive dissonance reduction. He first assures McCoy that the favor bank has paid a dividend, preventing Weiss from staging the "circus arrest" as he had wanted to, on Park Avenue in front of McCoy's family and friends rather than at the courthouse. Then in a series of positive disconfirmations, he shows McCoy that he has been doing good work on his behalf: identifying the tainted eye witness on whose evidence the arrest was made, tracking down McCoy's mistress who has fled to Italy, orchestrating a media counteroffensive. He makes it clear that some of these things have been accomplished by private detectives who have not scrupled to violate the law. McCoy is impressed: "Sherman sat back in his chair and looked at Killian. He had come in here to fire him--and now he wasn't so sure" (p. 530). Killian senses and capitalizes on McCoy's doubt and new respect: "This is war," he says. "This is Abe Weiss running for re-election." Killian then continues:

"Now I'm gonna be very direct with you, Sherman. This thing is gonna cost a lot of money. . . . I'm gonna ask you for a big retainer, right up front. This is exclusive of trial work, which I still hope will not be necessary."

"How much?"

"Seventy-five thousand."

"Seventy-five thousand?"

"Sherman, what can I tell you? The law is like anything else. Awright? Yuh gedwudja pay for."

"But, good Lord. Seventy-five thousand."

"You force me to be immodest. We are the best. . . ." So Sherman, he who came to fire his lawyer, wrote out a check for seventy-five thousand dollars. (pp. 530-531)

McCoy retains the lawyer in part because satisfaction with Killian's surprise positive disconfirmations counterbalance the dissatisfaction generated by the failed favor bank contract. But another factor is at work as well, a shift in McCoy's constellation of expectations that is driven by the Diderot effect. This factor will be discussed in the next section.

McCoy's expectation that he will be protected by his fortress apartment and by the social capital of his elite circle of friends is disconfirmed when he is rejected by his employer ("I don't exist at Pierce & Pierce anymore. There is no such thing as loyalty on Wall Street") his friends ("Our own friends have been the same way. My wife can't even make play dates for our daughter"), and members of his apartment co-op (p. 550). The other members of the co-op turn against him after the press and demonstrators stake out the apartment. Thick walls, the police, and building security keep the interlopers out of the building itself, but the masses from whom McCoy and his circle have sought to insulate themselves have now invaded Park Avenue and press at the borders the elite have so carefully defined and defended. To preserve their isolation, his friends are prepared to sacrifice McCoy.

McCoy's old friend Pollard Browning is spokesperson for other members of the co-op. Turning against him the past ties he had counted on for protection, Browning tries to convince McCoy to vacate the building:

"Sherman, we've been friends for a long time. We went to Buckley together. . . . My father knew your father. So I'm talking to you as an old friend who wants to do what he can for you. But I'm also president of the board for all the tenants of the building, and I have a responsibility to them that has to take precedence over my personal preferences. . . . Have you considered . . . changing residence?" (p. 535)

McCoy confesses that he has considered several alternatives, including his Long Island country home, a hotel, and a private club, but none of them can afford him any protection from the mob. "Pollard, I'm getting death threats. Death threats" (p. 556). Browning is obdurate, insisting that if

McCoy doesn't voluntarily vacate, contract clauses will be invoked to force him out. In a fit of rage, McCoy drives Browning from the apartment. McCoy's dissatisfaction with Browning and the Co-op is much greater than his dissatisfaction with Killian. He had never invested any of himself in Killian, indeed, had generally disliked the man. But in Browning, his other neighbors, and his intimate social circle, he has invested all his hopes and dreams. And as his trust in them was greater, so is his disappointment more severe.

The Diderot Effect

While specific fulfilled and unfulfilled expectations may account for the degree of medium-term satisfaction evoked by the apartment and Killian's legal services, McCoy's long-term evaluation of these possessions depends upon how compatible they are with his entire constellation of products and personal attributes. Since this constellation changes over the course of the story, his basic level of satisfaction with the two possessions also changes.

McCracken's (1988) discussion of the Diderot effect can help explain the broad shift that takes place in McCoy's set of expectations and in his degree of satisfaction with the two products. According to McCracken, products and services are not consumed in a vacuum but rather as part of a collection of possessions. McCracken refers to these collections as Diderot unities. Discussing the same phenomenon, Solomon (1983, 1988, 1992; Solomon and Assael 1987) uses the term "product constellations." The basic point is that a possession such as a luxury apartment does not stand alone. If it is to yield any satisfaction, it must be complemented by high priced furniture, expensive art, a serving staff, \$1800 suits, \$650 shoes--all the things McCoy owns along with the apartment at the beginning of the story. If it contains no furniture or is inexpensively furnished, the cultural inconsistency of the apartment and the furniture will create dissatisfaction.

According to McCracken (1988), the Diderot effect follows from an underlying need to make product constellations culturally consistent. This need--which is rooted in the embedded exchange networks Frenzen and Davis (1990) discuss--has two aspects. One aspect is an impulse that leads

one to reject new, culturally inconsistent possessions and thus maintain the Diderot unity of an existing constellation. The other aspect is an impulse that leads one to change an existing product constellation to make it consistent with a new possession once that new, culturally inconsistent possession--called a "departure acquisition"--has been admitted to the constellation.

In *Bonfire*, the departure acquisition is the purchase of Killian's legal services. As previously pointed out, during McCoy's initial visit to Killian's office, the first Diderot impulse is very powerful. It creates the high baseline level of dissatisfaction McCoy feels during that visit. Were McCoy not constrained by forces outside his control, this impulse would have led him to reject the purchase. But he cannot ignore the fact that the police are closing in on him. He must gain access to the favor bank. So he makes the purchase and, thereby, invokes the second Diderot impulse. Due to the effects of this second impulse, McCoy's basic level of satisfaction with Killian and Killian's New York gradually increases. At the same time, he becomes increasingly uncomfortable with his apartment and all its accoutrements. He begins to feel that his old possessions mock him.

During the night before his bail hearing at the central courthouse, the second Diderot impulse works upon McCoy powerfully, creating an immense dissatisfaction with his expensive bed and bedding.

I'm going to jail.

With his heart pounding and his eyes open, he was now terribly conscious of being alone in this vast bed. Billows of silk hung down from the ceiling at the four corners of the bed. More than \$125 a yard the silk had cost. It was Judy's Decorator approximation of a royal bedchamber from the eighteenth century. Royal! What a mockery it was of himself, a throbbing lump of flesh and fear cowering in bed in the dead of night! I'm going to jail. (p. 460)

But the next morning, when he selects clothing for jail, the first Diderot impulse is again working on him. He differentiates himself, mentally and

sartorially, from the other prisoners. Nothing too good, Killian said, because the holding pens might be filthy. But a suit and tie, of course, nonetheless, since this was not an ordinary arrest. . . .

The old blue-gray tweed suit, the one made in England. . . a white shirt . . . the navy tie, which would be dignified but not at all showy. (p. 462)

In the jail, the suit differentiates him enough to cause trouble. And by the end of the novel, the first Diderot impulse has been extinguished. When he is brought to court for a second arraignment, McCoy is "dressed in an open-necked sport shirt, khaki pants, and hiking shoes" (p. 687) and is indistinguishable from the other prisoners.

By the end of the novel, the Diderot effect has so thoroughly reconstructed McCoy's expectations that he now enjoys going to Killian's once despised office on Reade Street and hates sitting in his once beloved apartment:

The truth was, Sherman didn't mind these trips down to Reade Street at all. Sitting in the apartment. . . . The very grandeur of the apartment mocked what he had now been reduced to. He sat there and waited for the next blow. Doing anything was preferable. Riding in a car to Reade Street. (p. 617)

McCoy soon thereafter moves from the expensive apartment to a culturally more consistent set of "two modest rooms in a postwar high-rise building on East 34th Street" (p. 688). The Diderot transformation is now complete. McCoy is completely comfortable on Reade Street and, all inconsistent expectations and possessions having been eliminated, is now completely satisfied with the services provided by Killian. McCoy expresses this new level of satisfaction in the following passage:

"Over the last couple of days, I've been facing up to the truth. I'm somebody else. I have nothing to do with Wall Street or Park Avenue or Yale or St. Paul's or Buckley. . . . I exist down here now, if you won't be offended by me putting it that way. I'm not

an exceptional client of Dershkin, Bellavita, Fishbein & Schlossel. I'm standard issue. Every creature has his habitat, and I'm in mine right now. Reade Street and 161st Street and the pens--if I think I'm above it, I'm only kidding myself, and I've stopped kidding myself. (p. 652)

CONCLUSION

A consumer's satisfaction/dissatisfaction with a purchase can generally be explained locally by an appeal to Oliver's (1980) expectancy/disconfirmation model. But if we are to understand where the expectations that operate in that model originate and how they change, we must draw upon larger scale global models. Frenzen and Davis's (1990) analysis of embedded markets provides one credible account of the ways in which group norms may shape an individual consumer's expectations about and satisfaction in an exchange. Their work suggests and our analysis of this novel confirms that satisfaction may be higher when products and services are purchased within rather than across embedded markets, for basic expectations about the kinds of goods and services that should be purchased and how they should be purchased are more likely to be shared when purchases are made within an embedded market. McCracken's (1988) work on Diderot effects explains how and why a consumer's degree of satisfaction with an entire constellation of products may suddenly change. It shows that a departure acquisition such as McCoy's purchase of legal services may dramatically reshape a consumer's attitudes toward all or nearly all of the possession he or she may own.

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ARE SATISFACTION AND DISSONANCE THE SAME CONSTRUCT? A PRELIMINARY ANALYSIS

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ABSTRACT

This paper discusses the possible relationship between cognitive dissonance and satisfaction following the purchase and use of a durable good. Cognitive dissonance and satisfaction were proposed to be inversely related when satisfaction is low and unrelated otherwise. The research supported this proposition. The problems associated with measuring dissonance are discussed and future research directions are suggested.

INTRODUCTION

Cognitive dissonance was one of the psychological constructs that early consumer researchers turned to in attempts to explain the "psychological consequences of buying decisions" [Engel 1963, p.55], leading to a review in the mid-1970's in which 23 relevant studies were cited [Cummings and Venkatesan 1976, p.303]. Despite this considerable research effort, few researchers have included cognitive dissonance in their research in recent years, although most consumer behavior text books continue to discuss the role that cognitive dissonance plays in the post purchase phase [e.g., Engel, Blackwell and Miniard, 1990].

Perhaps one of the reasons why dissonance is not commonly used is because other constructs, such as customers' satisfaction and/or dissatisfaction, provide the same information. In other words, dissonance, at least as presently measured, may not have discriminant validity when compared to other post purchase constructs. The present study makes use of a recently collected survey data set that included information on recent purchasers' views of the electrical appliances they had purchased to examine this issue, as both dissonance and satisfaction were measured within the survey. These two constructs and their place in the consumer decision model are outlined in the next section, while the research approach used, the results obtained and implications are discussed in subsequent sections.

THE TWO CONSTRUCTS

Cognitive dissonance in decision making can be defined as the psychologically uncomfortable state following the act of choosing between a set of alternatives, each of which has some desirable attributes (Festinger, 1957). Dissonance occurs if, after a decision, a person is faced with doubt that s/he made the correct choice. For example, a purchaser of a new refrigerator may be concerned that other models or brands might be superior in ways that are important to the purchaser. Recognizing this situation may place the consumer in a state of cognitive dissonance.

Satisfaction can be defined as an evaluation that "the (product) experience was at least as good as it was supposed to be" (Hunt, 1977, p. 459). Satisfaction is a response to the perceived discrepancy between prior expectations and the actual performance of the product after consumption (Oliver, 1981; Tse and Wilton, 1988). Satisfaction is often described as a confirmation of expectations (Cadotte, Woodruff and Jenkins, 1987), although perceived performance itself seems to contribute directly to consumers' satisfaction with durable products (Churchill and Surprenant, 1982; Tse and Wilton, 1988). There has been some discussion as to whether satisfaction and dissatisfaction are opposite poles on the same dimension (Churchill and Surprenant, 1982). Most researchers, however, seem to have accepted that dissatisfaction and satisfaction do reflect the same continuum (e.g., Woodruff, Cadotte and Jenkins, 1983; Westbrook and Oliver, 1991).

Since dissonance occurs when consumers have doubts after the purchase decision, it could be argued that dissonance occurs when consumers are dissatisfied but not when consumers are satisfied. Hence, dissonance is likely to occur when satisfaction is low or when consumers are dissatisfied but it is unlikely to occur when satisfaction is high. Both the issue of differences, or lack of differences, between satisfaction and dissonance and the specific relationship suggested

above were investigated in a study of consumers who were recent purchasers and users of electrical appliances. The study, the data analysis used and the results are outlined in the succeeding sections of this paper.

THE PRESENT STUDY

In 1993, data were collected from a large sample of over one thousand consumers who were actively shopping for electrical appliances in two major cities in Western Australia. A shopping intercept approach was used; shoppers being approached as they left the store. The data collected were used to determine which of a number of variables were predictors of people's willingness to purchase. As part of the survey, respondents were asked the price and brand of a specific model that had been considered and whether they had actually purchased the product for which they had been shopping. Of the 1,748 questionnaires distributed, 1,068 were returned, resulting in a response rate of 61%. Of these respondents, 464 had purchased the product for themselves. In early 1994, six months after the initial survey, a mail survey was used to collect further information from this reduced data base. A total of 272 useable responses were obtained from the 464 purchasing respondents [a response rate of 59%]. The data obtained in this second wave collection provided the basis for the present study.

Within the second wave questionnaire, respondents were asked whether they had used the product since it had been purchased, as well as about their satisfaction with the product, using Westbrook and Oliver's (1991) 12-item satisfaction scale. One item was dropped due to its inappropriateness to electrical appliances, making an 11-item satisfaction scale. Respondents were also asked to reply to an additional four questions designed to measure cognitive dissonance. There is no generally accepted measure of dissonance and, in many cases, the published research papers provide little information about how dissonance was measured. However, the four items chosen were derived from the relevant literature and they are shown in table 1, together with their sources.

Table 1
Dissonance Items Used

<p>I should have spent more time in shopping around for this product (Hunt, 1970)</p> <p>I feel I got a poor deal buying this product (Bell, 1967)</p> <p>It was difficult to decide which brand to buy (Menasco and Hawkins, 1978)</p> <p>It was difficult to decide which store to buy in (Menasco and Hawkins, 1978)</p>

Initially the reliability of the two scales was assessed using Cronbach's (1951) alpha. An exploratory factor analysis was used to examine the relationship between satisfaction and dissonance and to assess whether the two constructs could be used separately. It was hypothesized that Westbrook and Oliver's (1991) satisfaction items would load onto, and only onto, a single latent satisfaction construct while the four dissonance items from table 1 would load onto, and only onto, a single dissonance scale.

THE RESULTS OBTAINED

To assess the reliability of the two scales Cronbach's (1951) alpha was calculated. Reliabilities were 0.98 for the satisfaction scale and 0.83 for the dissonance scale. The reliability for the satisfaction scale can be described as high while the reliability for the dissonance scale can be described as adequate (Nunnally, 1978). In neither case could the reliability of the scales be improved by deleting an item.

An exploratory factor analysis, using Principal Axis Factoring with an oblique rotation, suggested that the constructs were, to some extent, distinct. All the satisfaction items had a high loading on a "satisfaction" construct and a low loading (less than 0.10) on the dissonance construct (table 2). Dissonance items had higher loadings on the dissonance construct than the satisfaction construct, with the exception of the item "I feel I got a poor deal buying this product", which appeared to have a stronger relationship with satisfaction than dissonance. This item possibly reflected evaluation of the product *post use* and was therefore similar

Table 2
Exploratory Factor Analysis of Satisfaction
and Dissonance Scales to Evaluate
Discriminant Validity

	<u>Factor 1</u> <u>Satisfaction</u>	<u>Factor 2</u> <u>Dissonance</u>
<u>SATISFACTION</u>		
This product is exactly what I need	0.83	
This product has worked out better than I thought it would	0.83	
I am satisfied with my decision to buy this product	0.98	
If I could do it over again, I'd buy the same brand/model	0.82	
I have truly enjoyed this product	0.89	
I feel good about my decision to buy this product	0.97	
I am happy that I bought this product	0.98	
Owning this product has been a good experience	0.85	
I'm sure it was the right thing to buy this product	0.97	
This is one of the best (PRODUCT TYPE) I could have bought	0.76	
Buying this product was a wise decision	0.96	
<u>DISSONANCE</u>		
I should have spent more time in shopping around for this product	-0.38	-0.45
I feel I got a poor deal buying this product	-0.68	-0.22
It was hard to decide which brand to buy		-0.86
It was hard to decide which store to buy in		-0.72

NB Loadings of less than 0.10 are suppressed for clarity

in nature (in a negative sense) to some satisfaction items (e.g., "Buying this product was a wise decision"). All other dissonance items used in this study, however, appeared to reflect *the lack of confidence in the purchase decision* (e.g., "It was hard to decide which brand to buy"). The

dissonance item "I should have spent more time in shopping around for this product" loaded more heavily on the dissonance factor although this item was clearly related to satisfaction also.

Overall it seems that, while there are similarities between the two constructs, there are, importantly, some distinctions. Consequently, it would seem that satisfaction and dissonance, at least as measured in the present study, are not the same constructs. Hence, the relationship between the two constructs needs to be examined.

Such an examination should take into account the suggestion that dissatisfaction occurs when consumers are dissonant, but will not exist when consumers are satisfied. In order to investigate this suggestion, the sample was divided into three equally-sized groups that reported relatively low, medium or high satisfaction and the relationship between satisfaction and dissonance was explored for each group. Responses on the satisfaction continuum were skewed, as is typical in evaluative research (Headey and Wearing, 1988; Peterson and Wilson, 1992). Satisfaction levels were relatively high overall (a mean of 5.6 and variance of 1.5 on a 7 point scale where 1 represented dissatisfied and 7 represented satisfied). For the purposes of this study the item "I feel I got a poor deal buying this product" was deleted from the dissonance construct, due to its relatively high loading on the satisfaction construct and low loading on the dissonance construct and the amended three item scale, with a reliability of 0.79, was used to represent dissonance. The mean scores of all the items representing the two scales were used as the variables representing the constructs. A simple correlation coefficient was estimated for each group to assess the relationship between the constructs. If there is no difference in the relationship of dissonance and satisfaction across the three satisfaction groups, it could be expected that the correlation between the two constructs would not vary from group to group. An examination of the results, shown in Table 3, suggested that this was not the case and that for the low satisfaction group, there was a strong significant negative relationship between satisfaction and dissonance (correlation coefficient of -0.49). As satisfaction in this least satisfied group decreased, dissonance increased, as was expected. However, for the medium satisfied and

most satisfied groups the relationship between satisfaction and dissonance was weaker and the correlation between the two constructs insignificant. This lends support to the proposition that the relationship between dissonance and satisfaction is strong and negative when satisfaction is low but that there is no relationship between satisfaction and dissonance when satisfaction is high.

Further analysis indicated that a higher proportion (79%) of those in the least satisfied group were dissonant (had an above average dissonance score) than those in the medium satisfaction group (30.0%) or the low satisfaction group (17%) (Table 4). There was a significant association between level of satisfaction and dissonance ($\chi^2=79.37, p < 0.01$).

Correspondingly, there was a significant difference in the mean dissonance scores between those in the low satisfaction group compared with

those in the medium and high satisfaction groups, those who were less satisfied reporting a significantly higher dissonance score than those who were medium/highly satisfied (t value 12.04, $p < 0.01$).

CONCLUSIONS

Cognitive dissonance was an early suggestion as a possible outcome of a purchase. However, its use has declined in recent years, although it is still included in many consumer behaviour text books. One suggestion was that satisfaction may have replaced dissonance as it measured the same type of post purchase reaction. However, the present study found that there were distinctions between the two constructs.

It was apparent from the present study that satisfaction and dissonance are negatively related, at least when satisfaction is low. The lower the

Table 3
Correlation Between Dissonance and Satisfaction for Low, Medium and High Satisfaction Groups

	LOW SATISFACTION	MEDIUM SATISFACTION	HIGH SATISFACTION
Correlation	-0.49	-0.10	-0.12
Significance of coefficient	0.00	0.18	0.14

Table 4
Above or Below Average Dissonance Score by Low, Medium and High Satisfaction Groups

	LOW SATISFACTION	MEDIUM SATISFACTION	HIGH SATISFACTION
Below or equal to average dissonance of sample	21.5%	69.7%	83.3%
Above average dissonance of sample	78.5%	30.3%	16.7%

satisfaction, the higher the dissonance. Consumers who are dissatisfied after purchasing and using a product are likely to believe that they have made an incorrect purchase decision and to experience a psychologically uncomfortable state of dissonance about the purchase decision. In contrast, those who are satisfied experience no such feeling. Results showed that consumers who were medium or highly satisfied were significantly less dissonant than those who reported low satisfaction. While high dissonance was associated with low satisfaction, lowering dissonance did not necessarily increase satisfaction, both medium and high levels of satisfaction having a low proportion of dissonant consumers. This parallels the two factor theory of hygiene and motivation discussed by Herzberg, Mausner and Snyderman (1959).

It seems that past measures of dissonance have, in reality, measured *a consumer's lack of confidence in his/her decision process*. This confidence concept would ideally be evaluated after the decision to purchase but before use of the product. Satisfaction with the product, however, is a post use evaluation. Considering this temporal ordering, dissonance (or consumer's lack of confidence in his/her decision process) precedes satisfaction and it can be argued from the relationship established in this research that dissonance influences the level of satisfaction. While this research is cross sectional and, hence, the causal influence of dissonance on satisfaction cannot be established, future research should measure these constructs at appropriate points in time (dissonance after the purchase decision and satisfaction after use) and investigate the relationship. However, it seems that, as dissonance is defined as the psychologically uncomfortable state following the act of choosing between a set of desirable alternatives, that there may be several aspects or dimensions of dissonance, one of which is the lack of confidence in the purchase decision following purchase. Another may be, for example, the perceived social or symbolic value of a purchase, while another may concern the attractiveness of rejected alternatives. Future research is needed to investigate the psychometric issues involved in developing a more coherent measure of this important construct. An examination of the relationship of dissonance with other post-purchase constructs, such as future

behavioural intentions and complaining behaviour, as well as the satisfaction construct used in the present research, would also be a valuable research direction.

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ACCOUNTS IN POST-PURCHASE BEHAVIOR: EXCUSES, JUSTIFICATIONS AND META-ACCOUNTS

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ABSTRACT

Post-purchase behavior, particularly in the event of a suboptimal consumer choice, is an area of consumer behavior in need of further research. Specifically, what happens when a consumer makes a suboptimal consumer choice which cannot be "undone" (e.g., the product cannot be returned)? This paper explores the common response to this situation in which the individual attempts to dissociate via linguistic devices employed to lessen or eliminate the negativity associated with an event. A framework of accounts is developed which employs excuses, justifications, and meta-accounts and a number of research propositions are presented.

INTRODUCTION

An individual makes a purchasing decision which in retrospect is clearly suboptimal; that is, a mistake has been made. When this situation involves the purchase of a physical product, the expected response would be to return the product for a refund or exchange in effect "undoing" the suboptimal choice. What if it is impossible to use this remedy? Furthermore what if the purchase involves a product with which the individual is highly involved? Such a suboptimal choice will often result in a personal or social predicament or an "event that casts undesired aspirations on the lineage, character, conduct, skills, or motives of an actor" (Schlenker 1980, p. 125).

This paper will explore typical responses to the situation in which the decision maker attempts to become separate from the event via accounts such as excuses, justifications, or meta-accounts. We will begin by establishing the rationale for accounts. In this we will include an examination of the basis of the personal or social predicament - the self -- and its relationship to responsibility and to one's physical possessions. The role of accounts as a response to personal and social predicaments arising from suboptimal purchasing decisions will be explored. Finally a hierarchy of excuses, justifications, and meta-accounts will be

presented with corresponding research propositions.

THE BASIS OF THE PERSONAL OR SOCIAL PREDICAMENT: THE SELF

The self or the self concept represents the answer to the question "Who am I?" It is who a person believes he/she is, or put more simply, the self is "the individual known to the individual" (Ziller 1973, p. xiv). An individual's self develops through maturity processes that differentiate the self from the phenomenal field. The basis of this developmental process is environmental interactions leading to the creation of relationships. In fact the self is formed through the establishment of relationships with other entities, and it is through these relationships that the self is expressed (Schlenker 1986; Tedeschi 1986).

The self has a distinct influence on the behavior of an individual. In the consumer behavior context, consumers are expected to engage in purchasing behavior that is congruent with their self-images (Samli 1989). Empirical research findings have generally been consistent with this view (e.g., Onkvisit and Shaw 1985; Sirgy 1982).

The self appears to play a major role in individual behavior through the channel of self-esteem (Coopersmith 1967). An individual's self-esteem represents an affective value assessment of the self (Ziller 1973). Many psychology theorists believe that the maintenance of self-esteem represents a fundamental force in motivating an individual's behavior (e.g., Adler 1927; Fromm 1941; Horney 1945). This is a contention which has received substantial empirical support (see Greenberg, Pyszczynski and Solomon 1986). Indeed James (1890) regarded self-esteem maintenance as a fundamental instinctive impulse, and Allport (1937) considered self-esteem maintenance to be "nature's oldest law" (p. 170).

Responsibility and the Self

An individual's actions directly affect the self and self-esteem by a responsibility linkage (Snyder, Higgins and Stucky 1983). Responsibility is "a judgement made about the moral accountability of a person of normal capabilities, which usually but not always involves a causal connection between the person being judged and some morally disapproved action or event" (Shaver 1985, p. 5). This responsibility linkage or attribution about how events relate to one's self is influenced by the potential effects of an action and its outcome on the self concept (Heider 1944).

It can be expected that an individual will tend to attempt to strengthen connections with and/or responsibility for positive events and to attempt to absolve the self for connections with and/or responsibility for negative events. Empirical research has provided substantial support. For example, individuals have been found readily to claim credit for positive events and to place blame for negative events elsewhere (e.g., Goleman 1985; Richins 1985; Zuckerman 1979). Along these lines, Whitehead and Smith claim "regardless of the public or private nature of responses, people attempt to present a desirable image and disclaim an undesirable image" (1986, p. 161). This process is also referred to as a self-serving bias in attribution theory (Arkin and Baumgardner 1985).

An individual can attempt to maintain self-esteem by damaging the causal linkage for negative events using attributions in either of two cases: 1) in the absence of other observers where one's own self becomes the audience for one's behavior (Greenwald and Beckler 1985; Martin 1985; Schlenker 1985); or 2) through others where other individuals are the audience (Carver and Scheier 1985; Schlenker 1985). The second case is also referred to as impression management.

Impression Management

Impression management consists of "any behavior by a person that has the purpose of controlling or manipulating the attributions and impressions formed of that person by others" (Tedeschi and Reiss 1981a, p. 3) through "the manner by which individuals plan, adopt, and

carry out the process of conveying an image of self and of the interaction context to others" (Arkin 1981, p. 311). Jones and Davis (1976) propose that individuals make attributions concerning another's behavior by seeking to eliminate any impediments to drawing a direct correspondence between the other individual's behavior and the attributed personal dispositions. Impression management involves an intervention in this process by facilitating the correspondence in the instance of positively viewed behavior and by obfuscating the process in the instance of negatively viewed behavior; therefore, an individual's explanation of why he/she engaged in a certain behavior is "meant not just to satisfy someone's curiosity, but to get someone (usually himself) out of a bind" (Antaki and Fielding 1981, p. 46).

The level of correspondence which is deemed to exist directly relates to the level of responsibility which can be assigned to an individual for a certain behavior. Indeed, "once a person has been found responsible for a morally objectionable occurrence (a negative event), that person stands liable for blame" (Shaver 1985, p. 162) unless "he can successfully account for the action." (Tedeschi and Reiss 1981b, p. 275). Since negative events are more likely to be attributable to the individual deemed responsible than are positive events (Bohner, Bless, Schwartz and Strack 1988; Weiner 1985), it would appear that impression management may play a vital role in self-esteem maintenance. Within the realm of impression management then, what matters most to an individual is "not how he views his own behaviors and their consequences, but rather how others view them" (Tedeschi and Ries 1981a, p. 6). Substantial empirical evidence verifying the success of impression management techniques exists (e.g., Tedeschi, Gaes, Norman and Melborg 1986; Wayne and Ferris 1990; Wayne and Kachar 1991).

It can be expected, therefore, that an individual will attempt to lessen or eliminate any adverse effects which a suboptimal choice may have on the self concept. A suboptimal choice can be defined as "any action or behavior on the part of a person that falls below the standards that have been established as being typical for that person or people in general" (Snyder, Higgins and Stucky

1983, pp. 39-40). The attempt to ameliorate adverse effects logically extends to suboptimal consumer choices as well.

Physical Possessions and the Self

Products have long been viewed as being an integral part of our "selves" (Belk 1988; James 1890; Veblen 1934). Prelinger (1959) and Dixon and Street (1975) empirically tested this view and found support. Based on the results of these studies, McCarthy (1984) suggested that the self may be rooted to a greater extent in an individual's possessions than in the individual. An individual's self concept, therefore, appears to be intrinsically tied to owned material possessions.

Given the relative visibility inherent in many consumer choices, an individual may be "forced" to deal with a suboptimal consumer choice through impression management. Mills (1940) and Peters (1960) observed that when faced with an unexpected or anti-normative choice, an explanation for the choice is often actively sought by others. The individual's response is then likely to have some bearing on the impression of that individual held by others.

When an individual attempts to lessen or to eliminate the perception of a negative suboptimal choice whether viewed by others or by one's self, two ways are available: 1) the individual can weaken or deny responsibility for the occurrence or 2) the undesirability of an action/outcome can be minimized. Both of these outcomes can be achieved through the use of accounts. Since an individual's possessions can be an integral part of the self, it can be expected that accounts may also be a viable means by which the self can be protected from the negative impact of a suboptimal consumer choice.

ACCOUNTS

An individual can attempt to lessen or to eliminate any negative effect associated with a suboptimal consumer choice through the use of accounts which are "linguistic devices (spoken or unspoken) employed whenever an action is subjected to a valiative enquiry" (Lyman and Scott 1970, p. 112). The purpose of accounts is to provide an explanation of an action such as a

suboptimal consumer choice and to bridge the gap between the expectation and the action (Toby 1952) with the goal of lessening or eliminating any negativity associated with the action. In other words, accounts are explanations that "lessen the negative implication of [one's] performance, thereby maintaining a positive image for one's self and others" (Snyder, Higgins and Stucky 1983, p. 45). This is accomplished by providing "a protective mechanism whereby a person tries to shield himself from unpleasant or anxiety-producing realities" (Wahlroos 1981, p. 2). Two key types of accounts are agency accounts and morality accounts.

Agency accounts attempt to explain why an action was performed by addressing the decision maker's motivations and intentions. Morality accounts, however, address the "rightness" or "wrongness" of an action (Pettit 1976). In morality accounts, "the questioner here knows enough about the action and what brought it about to make him want to ask about its propriety ... [the account] will need to persuade his audience not just that things took place for certain reasons, but also that these reasons made what took place all right" (Antaki and Fielding 1981, p. 29). These two types of accounts are often referred to as excuses and justifications. The objective of justifications is to minimize the undesirability associated with an action/outcome, whereas the objective of excuses is to weaken or deny responsibility for the occurrence. (It should be noted that some researchers (e.g., Snyder, Higgins and Stucky 1983) use the term "excuse" to apply to both excuses and justifications).

Since an individual's possessions are often an integral part of the self, it can be expected that accounts can serve as a viable means to protect the self concept from the negative effects associated with a suboptimal consumer choice. Hence, the following proposition is offered.

Given a suboptimal consumer choice,

P1: one possible response is the use of an account.

The propensity to use accounts can be expected to be affected by the perceived degree of negativity in the situation in question. The term "perceived degree of negativity" refers to the

magnitude of the difference between the perceived desirability of the optimal purchasing decision and of the choice actually made. A situation perceived as involving a greater degree of negativity will have a greater potential to affect adversely an individual's self concept thereby increasing the probability that accounts will be used.

Given a suboptimal consumer choice,
P2: the greater the perceived negativity, the greater the probability that accounts will be used.

The perceived degree of negativity is affected by qualities associated with the situation. These qualities include the strength of the responsibility connection (Kelly 1967, 1971, 1973) and performance issues (Snyder, Higgins and Stucky 1983). These qualities relate directly to excuses and justifications and will be discussed below.

It should be noted that no previous published work has developed a sequential ordering of accounts. This paper will present a hypothesized

hierarchy of accounts with the objective of providing a basis for empirical research. The hierarchy assumes that when faced with a suboptimal consumer choice, consumers will first consider the accounts which have the greatest possible outcome; i.e., where consumers can separate themselves from the choice. If these accounts are not viable given the particular circumstances of the situation, it can be expected that consumers will consider both increasingly complex accounts and those with potentially lesser outcomes.

Given this conjecture, logically it can be expected that consumers first will attempt to sever their responsibility for the suboptimal choice. By severing this connection, consumers will be able to separate themselves from not only the negativity associated with the choice, but also from the choice itself. This is the goal of excuses. If consumers cannot effectively sever the relationship through the use of excuses, it can be expected that they will attempt to minimize the negativity associated with the choice. This is the goal of

Figure 1
Overall Posited Process

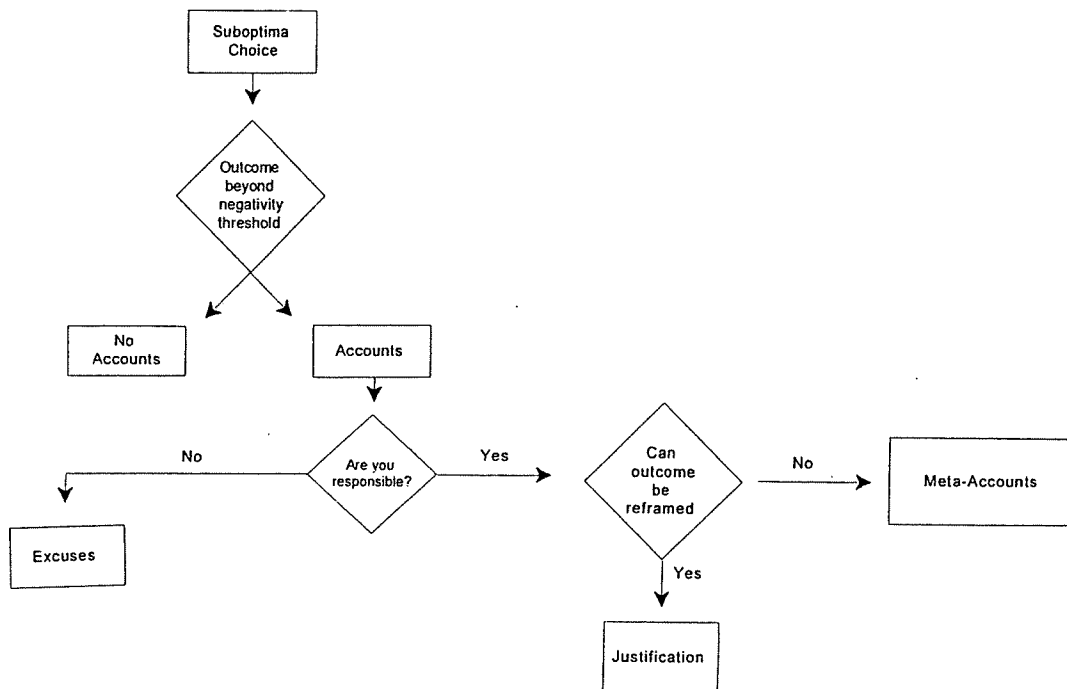
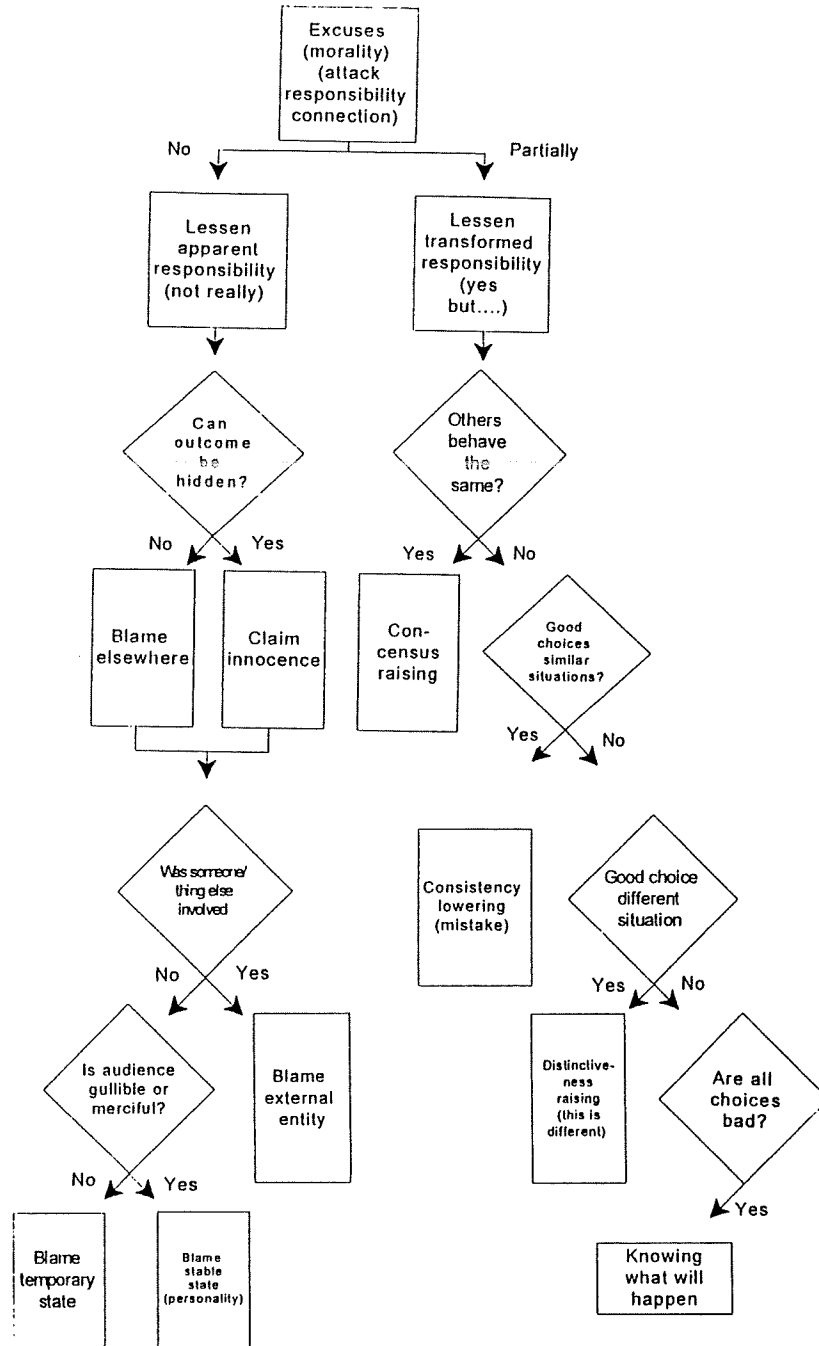


Figure 2
Posited Hierarchy of Excuses



justifications. Finally if consumers cannot sever the relationship and if they cannot minimize the negativity, the use of meta-accounts appears to be the likely option. Meta-accounts involve an attempt to avoid an explanation of the suboptimal choice. Figure 1 provides a decision tree of the overall posited process.

It is further hypothesized that consumers will decide to use excuses, justifications, and meta-accounts in order of increasing complexity of implementation. Figures 2, 3, and 4 are the

respective decision trees for these.

Because most of the propositions are predicated on the inability of the decision maker to use simpler means, very long and complex propositions can result. As an aid to clarity, the following system has been adopted in specifying the propositions. Unavailable options are stated at the beginning of each proposition. When a condition can be specified a priori for the successful use of a technique, that condition is indicated by underlining. When a simple name could be provided, it appears in all capitals.

Figure 3
Posited Hierarchy of Justifications

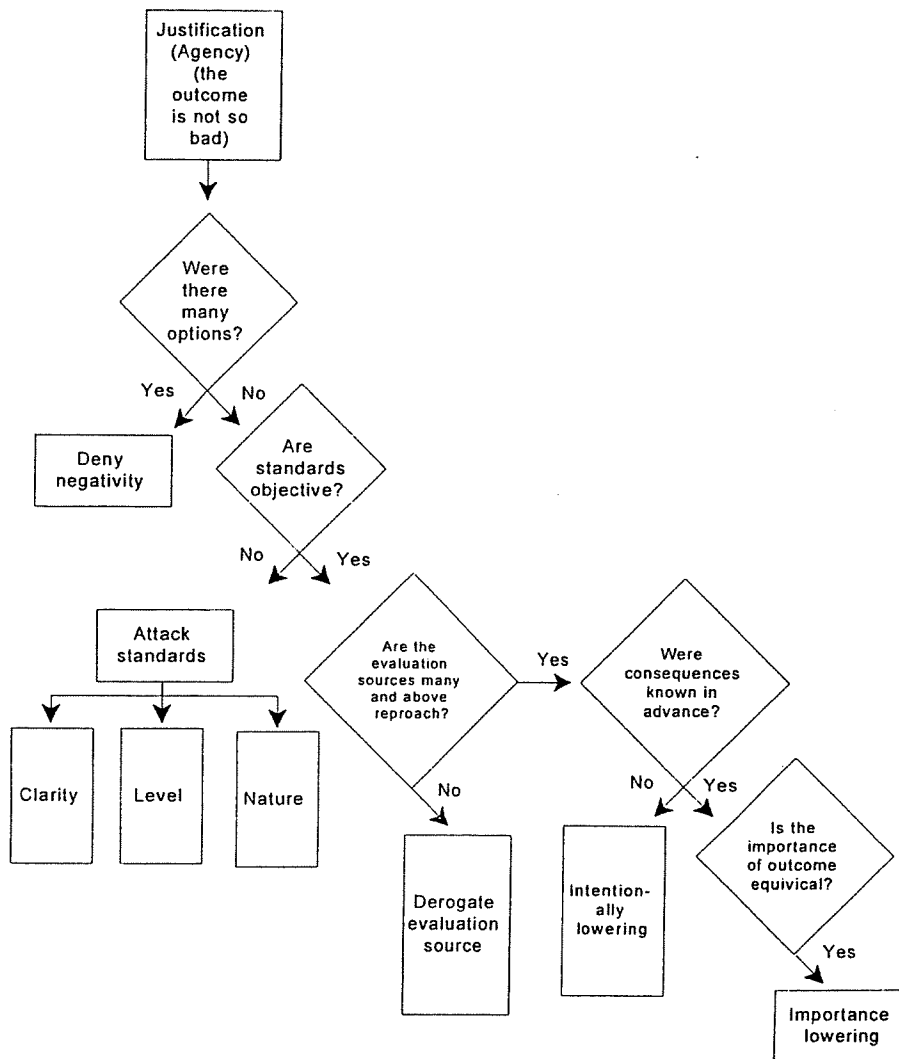
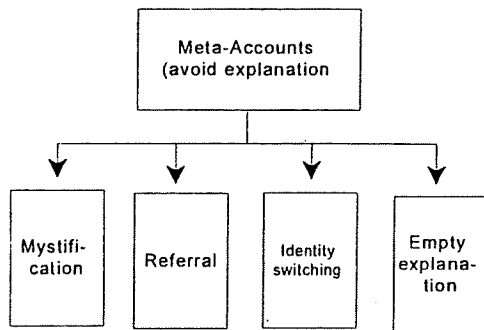


Figure 4
Classes of Meta-Accounts



TYPES OF EXCUSES IN POST PURCHASE BEHAVIOR

The objective of excuses is to "move the locus of causality (or more accurately, the locus of responsibility) for bad outcomes from sources that are relatively more central to the person's sense of self to sources that are relatively less central" (Snyder and Higgins 1988, p. 23). Excuses often involve the deception of one's self or others to the belief that only one choice was possible or reasonable given the set of circumstances facing the decision maker (Wahlroos 1981). Retrospective excuses are of two types: lessening apparent responsibility and lessening transformed responsibility. The order in which retrospective excuses are likely to be employed is depicted in Figure 2.

Lessening Apparent Responsibility

Lessening apparent responsibility involves an attempt to sever or to ameliorate the responsibility connection. When successful this tactic will free an individual from negative effects to the self concept.

The most simplistic form of this type of excuse is claiming INNOCENCE. Essentially this says, "I didn't do it" or "It wasn't me" (Snyder, Higgins and Stucky 1983), and either explicitly or implicitly will involve the process of lying. This form of excuse may be effective in protecting an individual's self from the adverse effects of a suboptimal consumer choice if the choice can be hidden from others or if the individual can

effectively "forget" making the choice. If the choice itself or the outcomes from that choice (i.e., the product) cannot be hidden from others or from one's self, then the viability of this alternative is greatly limited.

Given a suboptimal consumer choice,

P3: the more completely it can be hidden,
the greater the likelihood that
INNOCENCE will be claimed.

Another means by which apparent responsibility can be lessened is through BLAMING, where the typical response will be, "It wasn't me (or it wasn't my fault), it was the ..." (Snyder, Higgins and Stucky 1983). The possible objects of the blame can be classified into three forms: an external physical entity such as another individual (e.g., spouse, friend, salesperson), any group such as a family unit or colleagues (Johnston 1967; Schlenker and Miller 1977), or even objects or animals (e.g., computer or dog did it) (Bowerman 1981). Indeed Richins (1985) observed that marketing institutions are often blamed for product failures.

Given a suboptimal consumer choice and innocence cannot be claimed,

P4: and the greater the involvement or proximity of other people or objects to the choice process, the greater the likelihood of BLAMING AN EXTERNAL ENTITY.

Another class of possible objects of blame include some enduring or STABLE PREDISPOSITION of the individual such as a personality characteristic. For instance, some supposedly innate trait or habit pattern can be used as an object to blame (e.g., "I just do not have the patience to shop around" or "I can never resist a sale") (Wahlroos 1981). Indeed, it has been observed that "people cling tenaciously to the labels which help them feel that their destructive actions (or lack of constructive actions) are unavoidable" (Wahlroos 1981, p. 29). Due to the circular reasoning inherent in blaming a personality characteristic, the viability of this alternative will depend upon the gullibility or desire of the audience to free the excuse-maker

from the predicament. This is particularly true if the excuse is directed to one's self as the audience.

Given a suboptimal consumer choice and innocence cannot be claimed, or an external entity blamed,

P5: and the greater the gullibility or mercy of the audience, the greater the likelihood that one's STABLE PREDISPOSITION will be implicated.

The TEMPORARY STATE of an individual's mind or body represents the final possible object of blame. For example, "I was feeling sick" (Wahlroos 1981). Such an excuse is less easily refuted than when one's personality characteristics are blamed since the target of the blame, in this instance, is generally a temporary infirmity. The employability of this excuse is very limited since repeated usage will result in the inference of a permanent rather than a temporary state of mind or body.

Given a suboptimal consumer choice and innocence cannot be claimed, external entities blamed, or stable predispositions implicated,

P6: the greater the likelihood that one's TEMPORARY STATE of mind or body will be blamed.

Lessening Transformed Responsibility

Lessening transformed responsibility involves accepting **partial** rather than the **total** responsibility for the choice. This process often results in the use of "yes, but ..." (Tedeschi and Reiss 1981b).

Kelly (1967, 1971, 1973) suggests that three information factors affect the level of transformed responsibility: consensus, consistency, and distinctiveness. This suggests the existence of three types of excuses with the common goal of lessening the perceived level of transformed responsibility: consensus raising, consistency lowering, and distinctiveness raising (Mehlman and Snyder 1985). Wahlroos (1981) furthermore, suggests "knowing what will happen" as an additional lessening transformed responsibility excuse.

Consensus refers to the likelihood that others

would act similarly when faced with the same circumstances (Kelly 1967). CONSENSUS RAISING involves presenting the choice situation in such a manner that almost anyone placed in the same situation, or anyone with the same background, would tend to make the same suboptimal choice. Examples of such excuses may include stressing the difficulties faced by the decision maker caused by time pressures, product complexity, etc. (Wills 1981; Zuckerman 1979).

Given a suboptimal consumer choice and apparent responsibility cannot be lessened,

P7: and the greater the likelihood that similar others would behave the same, the greater the likelihood that CONSENSUS RAISING will be used.

Individuals concerned with maintaining a public image of competence may be less likely to use consensus raising as an excuse since it implies that the decision maker's competence is insufficient to overcome "ordinary" hindrances and this can often be easily refuted (Smith and Whitehead 1988; Whitehead and Smith 1986).

P8: The more the individual desires a public image of competence, the less the likelihood that CONSENSUS RAISING will be used in impression management situations.

Consistency refers to an individual's choices in **similar** situations over time (Kelly 1967). A level of responsibility is typically perceived for those decisions which are different or not in keeping with one's typical behavior. If a suboptimal choice can be set within the framework of a history of optimal choices in similar situations, then it more easily can be cast as a "mistake" or "exception" (Snyder, Higgins and Stucky 1983). This process is CONSISTENCY LOWERING where the occurrence is set as one out of character and not representing what an individual is capable of doing as proven in the past (Mehlman and Snyder 1985).

Given a suboptimal consumer choice and apparent responsibility cannot be lessened, or consensus raising employed,

P9: and the more the choice negatively varies from the individual's norm, the greater the likelihood that **CONSISTENCY LOWERING** excuses will be used.

Distinctiveness refers to how an individual's action relates to his/her choices in **different** situations (Kelly 1967). An individual who consistently makes optimal choices in most consumer decision making areas may appeal to such successes when confronted with a suboptimal choice in a different consumer decision making area. This is the process of **DISTINCTIVENESS RAISING** (Hollander 1958). For example, an individual who has just made a suboptimal automobile purchase may appeal to a record of optimal choices in other product areas.

Given a suboptimal consumer choice and apparent responsibility cannot be lessened, and consensus raising or consistency lowering cannot be employed,

P10: and the more the choice negatively varies from the decision making norm of the individual for other product areas, the greater the likelihood that **DISTINCTIVENESS RAISING** will be used.

The excuse of **KNOWING WHAT WILL HAPPEN** may appear initially to be the pretense of having a crystal ball (Wahlroos 1981). But this excuse is actually a Murphy's law excuse. It consists of expressing the sentiment that a predicament would have resulted for any of the alternatives which may have been present. In a sense the decision maker states that one's decision making ability is essentially useless in the instance in question.

Given a suboptimal consumer choice and apparent responsibility cannot be lessened, and consensus raising, consistency lowering, or distinctiveness raising employed,

P11: the greater the likelihood that **KNOWING WHAT WILL HAPPEN** excuses will be used.

TYPES OF JUSTIFICATIONS IN POST PURCHASE BEHAVIOR

At times it may not be possible to lessen the responsibility connection between the suboptimal choice and one's self through the use of excuses. In such instances a justification aimed at lessening the perceived negativity of the choice may be an effective self protection mechanism. Basically "the actor implicitly or explicitly agrees that the actor is responsible for the consequences in question but denies that the act was wrong or bad or faulty" (Tedeschi and Reiss 1981b, p. 287). There are of five types of justifications: denying the existence of negativity, attacking the standards for a "bad" choice, discrediting the source of negative feedback, lowering the perceived intentionality of the choice, and lowering the product's importance to one's self (Snyder, Higgins and Stucky 1983). The order in which retrospective justifications are likely to be employed is depicted in Figure 3.

DENIAL or the "see no evil, hear no evil" justification involves perceptual reframing whereby the negativity associated with a choice is underestimated or denied. It has been shown that the greater the degree of freedom within which a consumer choice is made, the greater the tendency for the individual to deny any negativity associated with the choice (Brock and Buss 1962). This phenomenon was termed the choice-harm de-escalator effect by Snyder, Higgins and Stucky (1983).

Given a suboptimal consumer choice and excuses are not acceptable,

P12: and the number of choice alternatives is large, the greater the likelihood that **DENIAL** of negativity will be employed.

When the circumstances are such that the negativity associated with a suboptimal choice cannot simply be denied, it can be reframed as a more "acceptable" choice. The fact that a choice can be evaluated as having negative consequences expressly implies the existence of standards upon which such evaluations can be made. Indeed a negative outcome consists of "any action or behavior on the part of a person that falls below the standards that have been established as being

typical for that person or people in general" (Snyder, Higgins and Stucky 1983, p. 39-40). The clearer or more apparent the standard for a particular performance, the easier substandard performance can be determined (Jellison 1977) creating the potential for a more negative evaluation; therefore, it is logical that a change in the standards can have the effect of changing one's perception of the negativity involved in a choice.

If the standards are in any way subjective or open to disagreement, the negativity perceived in a choice can be lessened by ATTACKING THE STANDARDS for a bad choice (Snyder, Higgins and Stucky 1983). Three techniques by which the evaluation criteria can be altered include attacking: 1) the clarity of the standard (Festinger, Riecken and Schachter 1965), 2) the level of the standard whereby a case for lowered standards is made, and 3) the nature of the standard whereby the standards are adapted to fit the choice made.

Given a suboptimal consumer choice and excuses are not acceptable and outcome negativity cannot be denied,

P13: and the more subjective evaluation standards are, the more likely that MANIPULATED STANDARDS will be employed based on clarity, level, or nature.

Negative feedback is regarded (Halperin, Snyder, Shenkel and Houston 1976) and remembered (Snyder and Newburg 1981) more readily from a high-status information source. Furthermore the greater the number of such negative evaluations and the more unanimity among the sources, the greater the impact unfavorable feedback will have upon a person's self. If the sources of negative evaluation are few and can be discredited, then the negativity associated with that choice can be lessened or eliminated. This discreditation can be attempted by SOURCE DEROGATION (Snyder, Higgins and Stucky 1983). For example, if an article antagonistic to the choice is published by Consumer Reports, one can simply attack the magazine as biased (Snyder and Clair 1976).

Given a suboptimal consumer choice and excuses are not acceptable, outcome negativity

cannot be denied, or the standards attacked,

P14: and the more the evaluations arise externally, the greater the likelihood of SOURCE DEROGATION.

The INTENTIONALITY attributed in the making of a suboptimal choice will affect perceived negativity. Assigning intention assumes that the individual making the decision knew what the outcome would be and believed in the connection between the means used and the outcome obtained (Tedeschi and Reiss 1981b). Hence the higher the perceived intentionality, the greater the negativity associated with the choice since the negativity would be viewed as being planned (Fincham and Jaspers 1979; Rotenburg 1980); therefore, casting the choice as a "mistake" or an "exception" is a likely form of justification. Although the justification itself may not differ in form from consistency lowering excuses, the desired outcome does. As opposed to consistency lowering where lessened transformed responsibility is sought, the desired outcome here is merely to lessen the level of negativity associated with the choice.

Given a suboptimal consumer choice and excuses are not acceptable, outcome negativity cannot be denied, the standards attacked, or sources derogated,

P15: and the more that a suboptimal consumer choice negatively varies from the individual's decision making norm, the greater the likelihood that INTENTIONALITY LOWERING justifications will be used.

In those instances where an individual desires to project an "expert" image, the idea of committing a "mistake" is not acceptable. Therefore:

P16: The more an individual desires to project an "expert" image, the less the likelihood that INTENTIONALITY LOWERING justifications will be used.

A suboptimal consumer choice involving a product which is strongly connected to one's self

concept will be viewed more negatively than a choice involving a product which is seemingly only weakly connected (Walster, Walster and Bercheid 1978). Indeed an individual's perception of the importance of the product has been shown to play a critical role in determining the negativity associated with a particular outcome (Snyder, Ford and Harris 1987); therefore, a suboptimal consumer choice can be perceived as more acceptable to the decision maker by **PRODUCT IMPORTANCE LESSENING** (Snyder and Higgins 1988).

Given a suboptimal consumer choice and excuses are not acceptable, outcome negativity cannot be denied, sources derogated, or intentionality lowered,

P17: the greater the likelihood of **PRODUCT IMPORTANCE LESSENING**.

META-ACCOUNTS

If excuses or justifications do not appear to be viable alternatives in addressing a predicament arising from a suboptimal choice, or if the use of excuses and/or justifications have proven inadequate, an individual may rely on the use of meta-accounts (Lyman and Scott 1970). The use of meta-accounts usually involves the acknowledgement that negativity may have resulted from a particular choice. As opposed to excuses and justifications, meta-accounts are attempts to avoid the explanation of the choice. Four types of meta-accounts are likely important in consumer behavior contexts: mystification, referral, identity switching, and the empty explanation (Figure 4).

MYSTIFICATION involves the acknowledgement that a "good" explanation exists for the choice made, but the reasons for the choice cannot be communicated at this time. The most common form of mystification involves stating, "It's a long story" (Lyman and Scott 1970) which implies that an explanation exists, but it cannot be shared. Other common appeals include the complex nature of the decision or that the explanation cannot be made public (Tedeschi and Reiss 1981b).

Individuals may also use **REFERRAL** in which responsibility for a choice is ascribed to someone

else such as a spouse, employer, or doctor. Within such a context, the individual is essentially stating that the choice was made by someone else, and that other person is in a much better position to provide an explanation.

Another meta-account involves the audience's right to question a choice. **IDENTITY SWITCHING** involves the claim that one's audience does not have the right to question the propriety of that choice. The success of this meta-account depends to a large extent on the relative power and/or status distribution among the parties involved such that the individual holds a significant power or status advantage over the audience.

Finally when all else fails, the **EMPTY EXPLANATION** of stating "I wanted to" can be employed. This alternative is a "last-ditch" effort as a result of not being able to develop a better explanation. Similar to the effect of the other meta-accounts, the empty explanation allows an escape from providing a more developed explanation while still leaving the possibility that one may exist.

Given a suboptimal consumer choice and excuses and justifications are not acceptable,

P18: the greater likelihood that meta-accounts (**MYSTIFICATION**, **REFERRAL**, **IDENTITY SWITCHING**, or the **EMPTY EXPLANATION**) will be employed.

SUMMARY

The purpose of this paper has been to propose a framework based on existing research and theory for the examination of responses to a relatively unrectifiable suboptimal consumer choice. One appropriate response to the model should be an awareness that account-making is a complex concept which possesses a distinct role in the maintenance of one's self-esteem.

Accounts can perform the role of self-esteem maintenance whereby a person's self can be at least partially shielded from the effects of a private or social predicament (McFarland and Ross 1982). The use of accounts also can be expected to affect future decision making behavior. "Once an excuse [account] is proffered, the excuse [account] giver continues to evaluate the excuse's [account's]

effectiveness and may modify it accordingly" (Snyder and Higgins 1988, p. 24); therefore, one's use of an account in a particular situation will be contingent on the relative success or failure in employing it in the past.

Although each of the accounts presented has been acknowledged in non-consumer settings, they have not received much research attention in suboptimal consumer situations. Furthermore the relative success of accounts has received little research attention in any setting. Given that the relative success of excuses employed can be expected to have an affect on subsequent behavior (e.g., the establishment or maintenance of brand or store loyalty), it would also appear that this is an area worthy of study.

The unique contribution of the model is the postulation of a specific sequential hierarchy between the various types of accounts which will allow for systematic investigation. Until now no hierarchy has been proposed or empirically tested. The proposed sequential hierarchy was based on the supposition that individuals will first attempt to sever any connection with the suboptimal choice (excuses), then attempt to minimize the negativity associated with the choice if severance cannot be achieved (justifications), and finally simply attempt to confuse the situation (meta-accounts) as a last resort.

In the context of the model, research is needed not only to verify the hypothesized sequential relationships, but also to examine interproduct and interpersonal variations. For instance, do the accounts used and the order of their usage vary across products and/or individuals? Research is also required to determine how the use of accounts can be minimized.

Research into the use of accounts can be expected to follow three primary avenues. The first approach involves relying on respondents' self-reports of their reactions to various suboptimal consumer choices experienced in the past. Though valuable as an initial step, the results from self reports can be expected to be biased due to under reporting. In situations in which accounts were successful in removing the negativity or separating the individual from the suboptimal choice itself, the event may no longer be viewed as suboptimal. A second research approach can consist of identifying individuals who have made

a suboptimal consumer choice and examining their responses to that situation. One example might be when a manufacturer has closed leaving poor products in the hands of consumers who now have no ready recourse. A third approach would involve the exposure of individuals to a suboptimal consumer choice event within a laboratory setting.

Implications for Practitioners

It has been estimated by some that up to 25 percent of consumer purchases result in dissatisfaction for the consumer either in terms of the performance of the product or the customer's interaction with the store. Furthermore, this percentage appears to be increasing (Koepp 1987). It is logical to assume, therefore, that reacting to suboptimal consumer choices through avenues such as account-making may be relatively common consumer activities. Indeed, the prevalence of account-making can be expected to affect consumers' future product and store choices. An understanding of accounts in the consumer decision making context may allow practitioners to affect repeat purchasing behavior.

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THE RELIABILITY OF DIFFERENCE SCORES: A RE-EXAMINATION

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ABSTRACT

This article re-examines the reliability issues of difference scores. It demonstrates that in many practically possible situations, difference scores can still be very reliable. The perceived unreliability of difference scores is partly due to unrealistic assumptions by the classical reliability formula. This article also discusses some strategies in using difference scores.

INTRODUCTION

The measurement of constructs related to customer satisfaction and perceived service quality has become increasingly important, and researchers from both the satisfaction and the service quality research streams have called for more attention to measurement issues (e.g., Cadotte, Woodruff, and Jenkins 1987; Yi 1990). One recurring issue is the usefulness of "gap" or difference scores. The difference between perceived performance and some standard has a long history as a measure of disconfirmation (satisfaction literature) or as an operationalization of perceived service quality (service quality literature). While the satisfaction literature has generally moved away from difference scores toward a direct measure of disconfirmation, some in the service quality literature have maintained the use of difference scores (e.g., Brown and Swartz 1989). Others advocate using difference scores in other ways, such as measuring customer perceptions of both your firm and all your competitors, and calculating a difference score between perceptions of your firm and an average of your competitors. This difference will be positive for attributes for which your firm exceeds the industry average, and negative for attributes that are perceived to be below the industry average. Other research areas in marketing using difference scores include equity theory, price perceptions, decision making, and organization buying and selling (see Peter, Churchill and Brown 1993 for a review). Thus, there continues to be interest in difference scores as a way of operationalizing certain constructs.

However, difference scores have been criticized for a number of shortcomings, such as unreliability, spurious correlations, discriminant validity, and variance restriction (e.g., Johns 1981; Peter, Churchill, and Brown 1993; Prakash and Lounsbury 1983). Most of these weaknesses stem from the purported lack of reliability of difference scores, and the basis of this comes from classical educational and psychological research (e.g., Cronbach and Furby 1970; Lord 1963; Mosier 1951; Wall and Payne 1973). The general conclusions of these studies are against the use of difference or gain scores. In a review article of the use of difference scores in consumer research, Peter, Churchill and Brown (1993) recommend that "difference scores should generally not be used in consumer research" (p.662).

While researchers may need to be cautious about the reliability issues of difference or gain score, unconditionally discarding the use of these types of measures may not be an adequate strategy either. In fact, in many practically possible situations, difference scores can still be very reliable. The purported unreliability of difference scores is partly due to unrealistic assumptions by the classical reliability formula. This article will show that the reliability of a difference score measure may be high if more realistic assumptions are made.

This article is divided into three major parts. First, we will summarize key counter arguments about the low reliability issue of difference scores made by several scholars in educational and psychological research. Second, we will discuss and clarify the meaning of the reliability of a difference or gain score and its relationship with statistical tests. Finally, we will provide several practical strategies for future studies.

THE RELIABILITY OF DIFFERENCE SCORES

Suppose that we have an initial measure, x , and a replicate post measure, y on each individual in a group. The difference, $d=y-x$, can be called a difference, gain, or change score. For simplicity, this article uses difference scores to

represent the three alternative titles. One of the most cited formulas for the reliability of difference scores is given by Lord (1963).

$$\rho_{dd'} = \frac{\sigma_x^2 \rho_{xx'} + \sigma_y^2 \rho_{yy'} - 2\rho_{xy} \sigma_x \sigma_y}{\sigma_x^2 + \sigma_y^2 - 2\rho_{xy} \sigma_x \sigma_y} \quad (1)$$

$\rho_{dd'}$: the reliability of the difference score

$\rho_{xx'}$: The reliability of the pretest score

$\rho_{yy'}$: The reliability of the post-test score

ρ_{xy} : The correlation between pretest and post-test score

σ_x^2 : The variance of the pretest score

σ_y^2 : The variance of the post-test score

if $\sigma_x^2 = \sigma_y^2$ and $\rho_{ExEy} = 0$
then

$$\rho_{dd'} = \frac{1/2(\rho_{xx'} + \rho_{yy'}) - \rho_{xy}}{1 - \rho_{xy}} \quad (2)$$

if $\rho_{xx'} = \rho_{yy'}$, then

$$\rho_{dd'} = \frac{\rho_{xx'} - \rho_{xy}}{1 - \rho_{xy}} \quad (3)$$

Based on Equation 3, the reliability of a difference score is a function of the reliability of and correlation between its component scores (pretest and post-test scores). The higher the reliability of its component scores, the higher the reliability of the difference score. On the other hand, the higher the correlation between the pretest and post-test score, the lower the reliability of the difference score. Therefore, in order to increase the reliability of the difference score, researchers not only have to make sure that they have highly reliable pretest and post-test measures, but also need to reduce the correlation between pretest and post-test scores. However, the correlation between component scores is normally expected to be high and positive (Johns 1981; Peter, Churchill, and Brown 1993; Prakash and Lounsbury 1983). As Prakash and Lounsbury (1983) stated "if the correlation between the two component measures is low, it creates doubt as to whether the same product attributes are being measured" (p.248). If the correlation between the

pretest and post-test score is always positive, the reliability of the difference score will never be higher than the average reliability of its component scores. This is the classical argument about the low reliability of the difference score.

Thus the criticism of difference scores based on low reliability may be reasonable at first glance. However, it must be recognized that these conclusions are based on several assumptions. If these assumptions are not met in some practical situations, the conclusions may not be valid (Rogosa, Brandt, and Zimowski; Rogosa and Willet 1983; Zimmerman and Williams 1982). In the following section, the key assumptions will be critically reviewed.

Equal Variances and Reliability of the Pretest and Post-test Scores

Since pretest and post-test score are measured by the same test or parallel forms of a test, it is usually assumed that the pretest and post-test scores have equal reliability, variances, and equal correlations with other variables (Zimmerman et al. 1985). However, in most experimental research, these assumptions do not hold. Experimental treatments may alter the statistical properties of the test measure (Zimmerman and Williams 1982), especially when there is a treatment by subject interaction effect (Hunter and Schmidt 1990). For example, Zimmerman et al. (1985) analyzed the YLSI (Youth Level of Service Inventory) data base to see whether pretest and post-test measures follow the parallel form requirement. The results show that in only two out of the twelve cases did the pretest and post-test scores have approximately the same variances and reliability. There were no cases in which the pretest and post-test measures had approximately equal correlations with other criterion variables. Further, in the situation in which the two components of the difference score are a pre-use standard (such as expectations or desires) and a post-use perception of performance, it would be reasonable to expect that the variances of these components will not be equal and that they would have different correlations with other criterion variables.

If the assumptions of equal variances and reliability of the pretest and post-test scores are not

met, one needs to use Equation 1 to calculate the reliability of the difference score.

If $a = \sigma_x / \sigma_y$, then

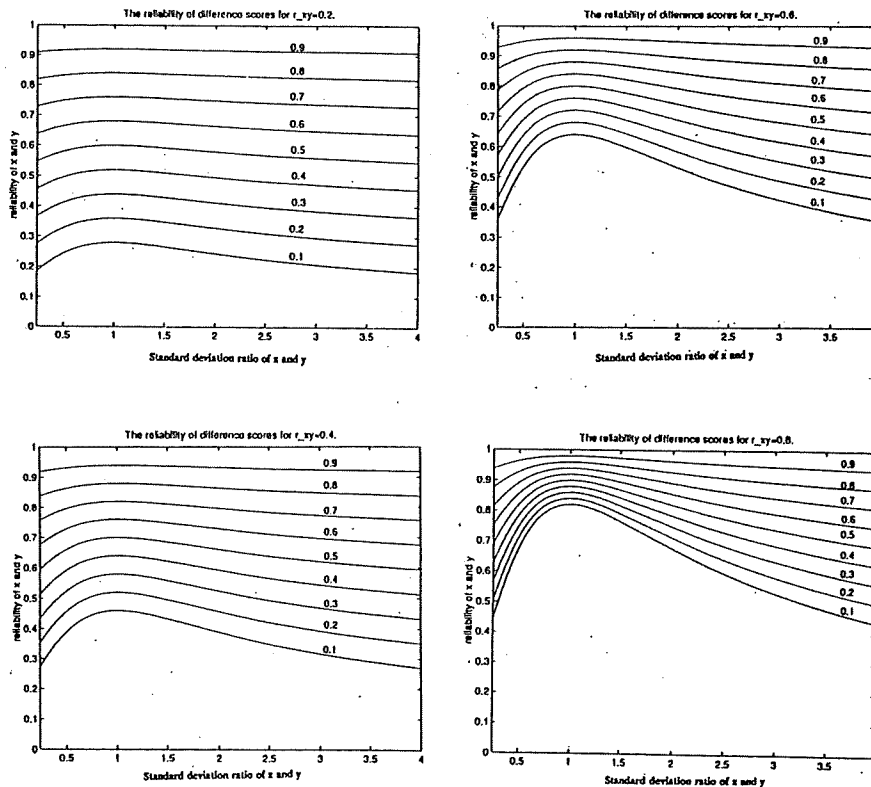
$$\rho_{dd'} = \frac{a\rho_{xx'} + a^{-1}\rho_{yy'} - 2\rho_{xy}}{(a + a^{-1}) - 2\rho_{xy}} \quad (4)$$

Based on Equation 4, the reliability of the difference score will be influenced more by the component with higher standard deviation than by the component with lower standard deviation. For example, if the standard deviation of the post-test measure (y) is higher than the pretest measure (x), the reliability of the post-test measure will influence the calculated reliability of the difference score more than the reliability of the pretest measure. This is a possible situation. The error component of Y is determined by the error

components of x and (y-x). A treatment may produce reliable gains and at the same time promote the reliability of the post-test scores relative to that of the pretest scores. Therefore, reliability of the post-test scores and difference scores can be better than the pretest score because of the reliable treatment effects. As Zimmerman and Williams (1982) stated "adding reliable increments to scores can produce augmented scores more reliable than original scores" (p.152).

We can use Figure 1 to explain the above arguments. The vertical axis is the reliability of pretest and post-test scores (we assume the reliability of the pretest score is the same as the post-test score), while the horizontal axis is the ratio of standard variance between the pretest and post-test score. The four diagrams represent four different pretest and post-test score correlations -- 0.2, 0.4, 0.6, and 0.8. The reader can easily find that the greater the correlation between the pretest

Figure 1
The Reliability of Difference Scores



x: The pretest score

y: The post-test score

and post-test score, the stronger the effect of the unequal standard deviation between the pretest and the post-test score on the reliability of difference scores. For example, assume that the reliability of pretest and post-test scores are both 0.8 and the correlation between the pretest and post-test score is 0.2. One can see that the reliability of the difference score will be around 0.75 when the standard deviations of the pretest and the post-test scores are equal. If the ratio of the standard deviations is changed to 0.33 or 3, the reliability of the difference scores will be improved to 0.77. The difference is even more dramatic as the correlation between the pretest and the post-test increases. For example, at a correlation of .60 and equal standard deviations of the pretest and post-test scores, the reliability of the difference score will be about .50. When the ratio of the standard deviations are .33 or 3 the reliability of the difference score is .69. Therefore, the unequal standard deviation between pretest and post-test score can significantly improve the reliability of the difference score especially when the correlation between the pretest and the post-test score is high.

We can use the following formula to explain this assertion (a formal mathematical expression about the minimum reliability of the difference scores in different conditions is presented in Appendix A). If the reliability of the pretest and post-test measures are the same, Equation 4 can be transformed to be Equation 5.

if $a = \sigma_x / \sigma_y$ and $\rho_{xx'} = \rho_{yy'}$

$$\rho_{dd'} = \frac{(a + a^{-1}) \rho_{xx'} - 2\rho_{xy}}{(a + a^{-1}) - 2\rho_{xy}} \quad (5)$$

Based on Equation 5, the calculated reliability of the difference score will always be higher when variances of the component scores are different from each other than when they are equal (the summation of a and a^{-1} has the lowest value when a is equal to 1). Therefore, if the equal variance assumption is not met, the reliability of the difference score will be significantly improved.

The Correlation between the Pretest and Post-test Scores

As mentioned above, the higher the correlation between pretest and post-test scores, the lower the reliability of the difference score. The correlation between pretest and post-test is normally used as the measure of the stability of the test (Rogosa, Brandt, and Zimowski 1982). The higher the correlation between pretest and post-test score the higher the stability of the measure. Other things being equal, the smaller the variance of the individual true change score, the higher the stability of the measure. Therefore, in order to have high stability of a measure, the variance of the individual true change should be kept small (Rogosa, Brandt, and Zimowski 1982). However, if the variance of the individual true change is small, the reliability of the difference score will be very small. We can use Equation 6 to explain this assertion.

$$\rho_{dd'} = \frac{\sigma_{Ty-Tx}^2}{\sigma_{Ty-Tx}^2 + \sigma_{Ey-Ex}^2} \quad (6)$$

Based on Equation 6, if the variance of the individual true change is equal to zero, then the reliability of the difference score will become zero. In other words, if all individuals have almost the same amount of true change, the difference score cannot assume the role of distinguishing the true change interindividually. Consequently, the reliability of the difference score will be small (Rogosa and Willett 1983). Therefore, in order to pursue a highly stable measure, the reliability of the difference scores will be sacrificed. Rogosa et al. (1982) argued that "Certainly information on the stability of individual differences is important; the concern here is that questions about stability not confuse or even preclude the study of individual change" (p.732), and "Whether or not the variable being studied retains its meaning over time cannot be resolved by the value of the Time 1 -Time 2 correlation" (p.732). Actually, if there is a treatment by subject interaction effect, the coefficient of stability is a poor estimate of reliability (Hunter and Schmidt 1990).

If the correlation between a pretest score and a difference score is highly positive, the variances

of the individual true change can be large without requiring a large correlation between pretest and post-test score. However, in traditional mathematical analysis of change, pretest scores and difference scores are normally assumed to be negatively correlated (Linn and Slinde 1977). This assumption is the result of the implicit standardization of the variables in both the pretest and post-test scores. If a variable is standardized to have equal variance over time, the correlation between change and pretest score must be less than or equal to zero. Therefore, in the traditional approach, in order to have a high correlation between pretest and post-test scores, the variance of the individual change must be kept small. The small variance of the individual change produces the low reliability of the difference score. In the next section, it will be shown that the correlation between pretest and difference score need not necessarily be assumed to be negative or zero.

The Correlations between Pretest and Difference Scores

As discussed above, it is generally assumed that pretest and difference scores are negatively correlated in traditional psychometric studies. That is, those who score high in the pretest will tend to have less change in post-test than those who score low in the pretest. Other things being equal, the greater the positive correlation between the pretest and difference score, the greater the variance of the individual change scores (Appendix B). The greater the variance of the individual change score, the higher the reliability of the difference score (Equation 6). Therefore, if the correlation between pretest and difference score is positive instead of zero or negative, the reliability of the difference score will be significantly improved. According to studies by Zimmerman and Williams (1982) and Rogosa and Willett (1983), in many practically possible situations, the correlation between the pretest score and difference score can be positively correlated. Some experimental treatments may have more influence on subjects with higher initial scores than those with lower initial scores. Rogosa and Willett (1983) demonstrate that the reliability of difference scores improve as the correlation between pretest and difference score increases. The positive correlation between the

pretest score and the difference score can cause the variance of the post-test score become greater than the pretest. Consequently, the unequal variance make the difference score become more reliable (as discussed in the first section).

Other Arguments

In a recent article, Zimmerman (1994) argues that the correlation between pretest and post-test scores is actually a function of the reliability of the component scores themselves. Researchers tend to substitute the reliability values of pretest and post-test scores into Equation 1, while assuming the ρ_{xy} and ρ_{TxTy} remain the same. This calculation method overlooks one important consideration; i.e., the correlation between pretest and post-test score itself depends on the reliability of the pretest and post-test scores. If $\rho_{xx'} = \rho_{yy'}$ and then $\rho_{xx'} = \rho_{xy} / \rho_{TxTy}$. Equation 2 can be transformed to the following Equation:

$$\rho_{dd'} = \frac{\rho_{xy} (1 - \rho_{TxTy})}{\rho_{TxTy} (1 - \rho_{xy})} \quad (7)$$

Based on Equation 7, the difference score can be very reliable when the correlation between true pretest and post-test scores is nearly the same as the correlation between the observed pretest and post-test scores, while reliability of the difference score is significantly reduced when the two correlations are markedly different.

Finally, the reliability of the difference score is also influenced by the correlated pretest and post-test errors (Williams and Zimmerman 1977). In modern developments of test theory, a true score is defined as the expected value of an individual's observed score. This definition implies that true scores are not correlated with error scores within the test. However, this definition does not imply that error scores on distinct tests x and y are necessarily uncorrelated. If we relax this assumption and let the errors of the pretest and post-test score be correlated, the equation will become Equation 8 as provided by Williams and Zimmerman (1977).

$$\rho_{\text{diff}} = \frac{\sigma_x \rho_{xx'} + \sigma_y \rho_{yy'} - 2\rho_{xy} \sigma_x \sigma_y + 2\rho_{(E_x, E_y)} \sigma_x \sigma_y [(1-\rho_{xx})(1-\rho_{yy})]^{1/2}}{\sigma_x^2 + \sigma_y^2 - 2\rho_{xy} \sigma_x \sigma_y} \quad (8)$$

Based on Equation 8, the reliability of the difference score will be improved as long as the correlation between pretest and post-test errors are positively correlated. Suppose again that the reliability of both the pretest and the post-test score are 0.8 and the correlation between the pretest and post-test score is 0.4. As calculated in section one, the reliability of the difference score is 0.67 based on Equation 1. If we allow the pretest and the post-test errors to have a correlation of 0.2, the reliability of the difference score will be 0.73; if the correlation between the errors is 0.4, then the reliability of the difference score will be 0.8.

A PARADOX FOR THE CHANGE MEASUREMENT

The final issue to discuss in this article is the paradox of the measurement of change. When researchers conduct a within group design (pretest and post-test measures), if there is no treatment by subject interaction effect, this means that every subject has the same amount of change. From the perspective of a statistical analysis, the non-interacted effect may significantly improve the power of the statistical test in measuring the change (assume the reliability of the pretest and post-test score remain the same across comparisons). However, if all subjects have the same amount of change, the reliability of the difference score will become zero, since the variances of the individual true change is equal to zero (Equation 6). This is what Overall and Woodward (1975) called "a paradox for measurement of change." They state that "the loss in reliability due to calculation of difference score is not a valid concern because the power of the tests of significance is maximum when the reliability of the difference score is zero" (p.85).

The key problem here is the confusion between the definition of reliability and the treatment main effect test. In order for a measure to have high reliability, the measure must be able to distinguish individuals; i.e., the inter-person variances should be as high as possible. However, in order to have high power in the statistical test

for treatment effect, there must be low variation in individual scores. For t-test or ANOVA, the inter-person variation is treated as an error term. To have a significant experiment effect, the error term should be as small as possible. On the other hand, if the inter-person variances of the true change scores are small, the reliability of the measure will become very low. If the researcher measures the pretest and post-test score reliably, this unreliability of the difference score certainly does not mean that the researchers have not precisely measured the difference or change. Rogosa, Brandt, and Zimowski argue that "low reliability (of difference score) does not necessarily imply lack of precision" (p.731). It is because of the low variation of the change scores. Therefore, the low reliability of the difference score can be caused by the reliable pretest and post-test measure or by the low variance of true change among individuals. Researchers must be able to distinguish between these two. We can use Table 1 to explain this point.

In Table 1, there are two dimensions for this classification scheme. The first dimension is whether the score is reliably measured in pretest and post-test. The second dimension is whether there is a true change differences among the individual subjects or not. Basically, the reliability of the difference score is positively related to the reliability of the pretest and post-test score and the variance of the true change among the individual subjects.

HOW TO USE DIFFERENCE SCORES

For a researcher, the most important thing is to make sure that s/he measures the pretest and post-test score reliably for a within group design. As long as the pretest and post-test score are reliable, the difference score can be very useful for further data analysis. If there is no treatment by subject interaction effect (every subject shows the same true change), then based on the definition of the reliability formula, the difference score will be very "unreliable" even if the pretest and post-test score are reliably measured. This unreliability is caused by the low variation of the difference score across subjects, but not because of the measurement errors. Under this situation, the difference score is just like a constant. It is not suitable for correlation or LISREL analysis. This

Table 1
The Reliability and Statistical Power of Difference Scores

Difference scores Pre & post Scores	No intersubject true change differences	Intersubject true change differences
Reliable pre & post scores	High statistical power Low reliability of difference scores	Low statistical power High reliability of difference scores
Unreliable pre & post scores	Mediam statistical power Low reliability of difference scores	Low statistical power Mediam reliability of difference scores

"unreliable" difference score, however, can be very powerful in a statistical test for a main effect (ANOVA or t-test) for within group design as long as the pretest and post-test score are reliably measured (cell 1) (Humphreys and Drasgow 1989; Hunter and Schmidt 1990; Overall 1989). The result of the statistical test can effectively show the effect of the treatment.

On the other hand, if the reliability of the pretest and the post-test score are fairly high and there is a treatment by subject interaction effect, the difference score can be very "reliable." In a within group design, the treatment by subject effect means the treatment effect (post-test score minus pretest score) is different for different subjects. This is the necessary condition for a reliable measure (Equation 6). In addition, the interaction effect cannot only make the variances of the pretest and the post-test score become less equal, but also reduce the correlation between pretest and post-test scores. Both can increase the reliability of the difference score based on the discussion in the first part of this article. Therefore, the difference score will become a very important variable for identifying the interaction effect (Hunter and Schmidt 1993).

Let us use an example to explain the above two points. Suppose in a satisfaction study, a researcher manipulates a high (low) expectation on

subjects, gives them a low (high) performance product to create disconfirmation, and then measures subjects' satisfaction. If the researcher expects that all subjects will respond to the expectation and product experience as manipulated, then the subjects' objective disconfirmation score (perceived product performance minus product expectation) will have little variances interindividually. Consequently, the "reliability" of the objective disconfirmation score will be very low. However, based on the classical experiment design (Campbell and Stanley 1963), this research design can effectively show how positive and negative disconfirmation affect the product satisfaction.

Assume that the researcher believes that there is a treatment by subject interaction; i.e., the objective disconfirmation score will be different among subjects. If the variance of the objective disconfirmation score is very large, the objective disconfirmation score can be very reliable. It has at least two important applications (We still assume that the expectation and perceive product performance is reliably measured). First, the researcher can use it to explain how different disconfirmation levels affect product satisfaction. Second, the objective disconfirmation score can be used to identify what variables can cause the different disconfirmation levels. Some subjects

may tend to assimilate product experiences into their expectations, while some may exhibit a contrast effect. The difference may be caused by the subject's product class experience, knowledge, personality, motivation, etc. A researcher can correlate the objective disconfirmation to the above variables to have a better understanding about the disconfirmation differences. This task definitely can not be accomplished by measuring perceived disconfirmation. In the case of perceived disconfirmation, the consumer subjectively compares his/her perceived product performance to his/her recalled expectation. The recalled expectation is different from pre-trial expectation because of cognitive dissonance, assimilation or contrast effect (Oliver 1977).

CONCLUSION

Although researchers should be cautious about the reliability of difference scores, they should not unconditionally discard the measure. As discussed in this article, difference scores can still be very reliable under many practically possible situations. As long as researchers make sure they reliably measure the pretest and post-test scores, the difference can be an important construct in a model or statistic test.

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Appendix A

$$\rho_{dd'} = \frac{a\rho_{xx'} + a^{-1}\rho_{yy'} - 2\rho_{xy}}{a + (a^{-1}) - 2\rho_{xy}} = \frac{a^2\rho_{xx'} + \rho_{yy'} - 2a\rho_{xy}}{a^2 - 2\rho_{xy} + 1}$$

$$\frac{d\rho_{dd'}}{da} = \frac{a^2\rho_{xy}(1 - \rho_{xx'}) + a(\rho_{xx'} - \rho_{yy'}) + \rho_{xy}(\rho_{yy'} - 1)}{[(a + a^{-1}) - 2\rho_{xy}]^2}$$

To find the min. value

$$\frac{d\rho_{dd'}}{da} = 0$$

$$a = \frac{\rho_{yy'} - \rho_{xx'} \pm [(\rho_{yy'} - \rho_{xx'})^2 + 4\rho_{xy}^2(1 - \rho_{xx'})(1 - \rho_{yy'})]^{\frac{1}{2}}}{2\rho_{xy}(1 - \rho_{xx'})}$$

It is obvious that the min. value of the difference score is

$$a = \frac{\rho_{yy'} - \rho_{xx'} + [(\rho_{yy'} - \rho_{xx'})^2 + 4\rho_{xy}^2(1 - \rho_{xx'})(1 - \rho_{yy'})]^{\frac{1}{2}}}{2\rho_{xy}(1 - \rho_{xx'})}$$

Some interesting points

$$\rho_{xx'} \vee \rho_{yy'} = 1 \Rightarrow a = \rho_{xy}$$

$$\rho_{xy} = 1 \Rightarrow a = 1$$

$$\rho_{xx'} = \rho_{yy'} \Rightarrow a = 1$$

Appendix B

This is a formula provided by Rogosa and Willett (1983).

$$\sigma_D = \sigma_{Tx} \left(\frac{(1 - \rho_{TxTy}^2)^{1/2}}{\rho_{TxTy} (1 - \rho_{TxD})^{1/2} - \rho_{TxD} (1 - \rho_{TxTy})^{1/2}} \right)$$

$$D = Ty - Tx$$

Based on the Equation, the greater the correlation between true pretest and difference scores, the greater the variance of the individual true change scores.

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IMPACT OF SOCIAL COMPARISONS ON MATERIAL SATISFACTION: THE ROLE OF SIMILARITY

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ABSTRACT

The impact of social comparison information on consumer satisfaction with material possessions was examined in an experiment. A 2 (dis/similarity of target) x 2 (up/downward comparison) design revealed that a similar comparison target had an inoculating effect on the subjects, whereby levels of satisfaction did not vary between upward and downward comparisons. But a dissimilar target led to greater satisfaction for downward and lower satisfaction for upward comparison. Results indicate that in the case of a similar/close comparison target, subjects had a greater tendency to identify and empathize with the target, which appears to be the mechanism for the inoculating effect. In the case of the dissimilar other, traditional social comparison predominates. Overall, there is strong evidence that our satisfaction with material possessions is affected by social comparisons.

INTRODUCTION

If John, who drives an old car, sees an elegant looking luxury car pass by, how would this alter John's feelings towards his car? Consider Jane, who has a clerical job. She visits an old friend after many years, and finds out that her friend lives in a posh neighborhood, owns two expensive cars and is leading a luxurious life. How is Jane likely to feel about her life and possessions? In both these cases, individuals have been exposed to social comparison information in a consumption context. When we are exposed to information about others' material possessions in our social environment, how does such social comparison information affect our attitudes towards or satisfaction with our material possessions?

Social comparison is a pervasive phenomenon (Wood 1989) that affects every aspect of our lives, including the domain of consumption activities, hence the common expression "keeping up with the Jones'." We live in a society where upward mobility is appreciated and material success applauded, whereby our status in society is often

defined by what we own or do not own (cf. Hirschman and LaBarbera 1990; Richins and Dawson 1992). In such a consumption based society, we have many motives and opportunities to engage in social comparisons. What are the affective consequences of such social comparisons? Currently, the impact of social comparison information on consumer satisfaction at a product-specific level or, more generally, satisfaction with our material possessions has not been studied. This paper investigates this issue which is very pertinent to the study of consumer behavior.

BACKGROUND

According to the original social comparison theory (Festinger 1954), human beings have a drive to evaluate their opinions and abilities through comparisons with other people, especially in the absence of objective standards. In consumer contexts, objective standards for appropriate behaviors may often be lacking, making social comparisons commonplace. A social comparison occurs when an individual seeks (or is confronted with) information from the social environment, directly or indirectly, about his or her relative position (say, with respect to material possessions). A social comparison may be upward (meaning that the "other" person is better off than oneself on the comparison dimension) or downward (meaning that the "other" person is worse off than oneself).

In the realm of consumer behavior, it has been proposed that social comparisons may play an important role in shaping consumer judgements (Folkes and Kiesler 1991; Moschis 1976; Richins 1991). Social comparisons may be product-specific (as in John's case) or may be more global, involving a comparison of material possessions in general (as in Jane's case). It seems even images in advertisements can trigger social comparisons (cf. Richins 1991), thus making direct social interaction unnecessary for social comparisons to occur.

The present research focuses on overall satisfaction with material possessions, and examines how social comparison information

affects our thoughts and feelings towards our possessions. We live in a materialistic culture, where ownership and possession of goods often defines our status and position in the society (Hirschman and LaBarbera 1990; Richins and Dawson 1992). Materialism has been cited as a cause for lower life satisfaction (e.g., Belk 1985). The social comparison process may provide an explanation for the mechanism by which materialism lowers life satisfaction (e.g., Richins 1992; Richins and Rudmin 1994).

Even though there is evidence that distributive justice is related to material well-being (Alwin 1987), a direct investigation of how social comparison impacts our judgements of material satisfaction has not been carried out yet. Hence the construct of "satisfaction with possessions" and how it is influenced by social comparison information is the focus of this research.

Before examining the effects of social comparison on material satisfaction, let us pause for a moment to look at the effect of social comparisons in other domains. In the area of pay satisfaction, it has been reported that when deciding if they are being paid fairly, people consider not just the "absolute" amount of pay, but also the "relative" amount of pay, which is determined by engaging in social comparison with others in similar positions (Taylor and Vest 1992). Also in an employment related context, Laventhal (1980) had suggested that social comparisons may play a crucial role in the individual's perception of fairness within organizations. Equity theory, which has been used in explaining pay satisfaction (e.g., Jasso and Rossi 1977), does indeed use the social comparison process in a specific manner, where the comparison includes explicit assessment of inputs and outputs. Even in areas considered to be "private" domains, such as marital relationships, VanYperen and Buunk (1991) have documented that the social comparison process plays a significant role in determining marital satisfaction. Fox and Kahneman (1992) also found that social comparison was more related to global life satisfaction for private domains (such as love life and friends), where social information is scarce and is traditionally seen as unimportant. In summary, social comparisons not only are ubiquitous, but also significantly impact on satisfaction judgements in different domains.

These findings provide a strong case for examining the impact of social comparison information in a consumer setting.

THE STUDY

The objectives of this study were twofold. Firstly, to examine the extent to which social comparisons affect satisfaction with material possessions. Secondly, to examine if the similarity of the comparison target to the individual (who is engaging in the comparison) moderates the effect of social comparison on satisfaction. Given the evidence that people generally prefer to make comparisons with similar others (see Wood 1989), it is logical to examine if social comparison information from different sources, varying in similarity, will impact differently on satisfaction judgements. A discussion of the independent variables and the hypotheses follows next.

Social Comparison Effect

The direction of social comparison (whether one seeks upward or downward comparisons) has been the topic of debate for a long time (e.g., Latané 1966; Wood, Taylor and Lichtman 1985). In proposing his theory of social comparisons, Festinger (1954) argued that individuals will generally have an "upward drive" for social comparisons, meaning that they will prefer to compare with someone slightly better off. In a society which values progress, upward mobility as well as materialism, such a proposition may have merit. Others have argued that individual motivation for seeking the comparison will dictate the direction of comparison. For instance, someone interested in reaching the next stage of the social class ladder (i.e., an emulator) may seek upward comparisons, and someone interested in self-esteem protection may seek downward comparisons (cf. Tesser and Campbell 1985).

In this study, it is not the motivation underlying the comparison direction, but the consequence of a forced upward or downward comparison that is of interest. Social comparisons in consumer settings can occur naturally through casual observation, without ever explicitly communicating with another person. For instance, in an office one is able to observe the clothes and

fashion-consciousness of one's colleagues. Social comparisons are also often thrust on unsuspecting individuals by the social environment (Wood 1989), giving the individual no choice but to engage in the comparison. Hence, examining the effects of such forced social comparisons is relevant in a consumer behavior context.

Will upward comparisons always lead to lower satisfaction and downward comparisons to higher satisfaction? The traditional view is that upward comparison (on any dimension such as performance in examination or status of material possessions owned) should be threatening and should lead to lower satisfaction (cf. Buunk et al. 1990). On the other hand, in a society where upward mobility and material success are valued, a downward comparison should be more gratifying and should lead to greater satisfaction with one's possessions. Hence, we can hypothesize as follows:

H1: Consumer satisfaction will be influenced by social comparison information, such that downward social comparison information will lead to higher satisfaction and upward social comparison information will lead to lower satisfaction with material possessions.

Similarity Effect

Festinger (1954) proposed that there will be a propensity to engage in comparisons with similar, as opposed to dissimilar others, for a variety of reasons, including greater credibility or attractiveness of a similar source. Also, it has been argued that in the domain of consumption behavior, where preferences are subject to personal taste, the opinion of someone similar (who presumably shares common values, tastes, and beliefs), is more relevant (Goethals and Darley 1977). In one study, subjects who lost money on a stock market simulation game felt worse about themselves when they received help from a similar person (rather than a dissimilar person), even though the operationalization of similarity (attitude on several topics) was clearly unrelated to the comparison task (Nadler and Fisher 1976). Further evidence pertaining to the similarity effect comes from Brickman and Bulman (1977) who found that subjects felt more inferior when helped

by a similar other than a dissimilar other.

While these results acknowledge the importance of similarity in social comparisons, there is less consensus on how to operationalize similarity. In previous research, similarity has often meant "similarity on the comparison dimension" (Wheeler, Koestner & Driver 1982; see also Wood 1989). This definition would suggest that when people engage in social comparisons of material possessions, they will choose to compare with someone who shares a "similarity in terms of material possessions." Since similarity is inferred based on the social comparison information, there is no clear distinction between social comparison information (upward or downward) and similarity.

Goethals and Darley (1977) provided an attributional analysis of social comparison, and argued that information on performance alone (on any comparison dimension) is not sufficient for making a valid inference about who is "better" or "worse." Additional information pertaining to what are known as "surrounding attributes" (information on background such as age, experience, gender etc.) not only indicates degree of similarity, but is often necessary to making a valid inference (Tesser 1986). In the same vein, knowledge about shared common values or orientation to life also contributes to perception of similarity (Moschis 1976).

When consumers engage in social comparisons, it is very likely that they take into account such "surrounding attributes" of the comparison target. In other words, mere knowledge that another person has better things may not have any effect without additional knowledge about this individual. Additional information on the comparison target's social class, age/gender or personal values can indicate if the comparison is meaningful or not (Miller 1982). For instance, a university professor is more likely to engage in social comparisons with someone who has similar employment or lives in the same suburb, as opposed to a famous movie star.

If similarity is operationalized in terms of such surrounding attributes, similarity and social comparison information (upward or downward) can be conceptually separated and treated as two independent factors. In this study, similarity has been operationalized using surrounding attributes

(e.g., shared values and hobbies, close friend versus acquaintance from the same neighborhood). Thus, the term "similarity" in this case refers not only to similarity in terms of surrounding attributes, but also to "psychological closeness."

In light of the above, how does the impact of social comparison information from a similar versus a dissimilar other differ? Social comparison information from a dissimilar comparison target, whether upward or downward, can be explained away due to the dissimilarity and can, hence, be discounted (Brickman and Bulman 1977). In other words, the social comparer's satisfaction should not be affected by a dissimilar comparison. When the comparison other is known to share the same values, beliefs, and preferences (i.e., is similar) it should be difficult to discount social comparison information emanating from such a source. Thus, the traditional social comparison effect (where upward/downward comparison leads to lower/higher satisfaction) should be observed when the comparison target is similar, but not when the target is dissimilar (see Figure 1a). Tesser's self-evaluation maintenance model (Tesser 1986) suggests that when engaging in social comparisons on self-relevant dimensions (such as comparisons on one's material possessions), individuals will attempt to improve their self-evaluation by contrasting their own performance to those of an inferior friend. Upward comparisons with a friend or close other will lead to more negative affect. On the other hand, social comparisons with a stranger (dissimilar other) on self-relevant dimensions would have a very marginal effect on self-evaluation or affect. Thus:

H2: The difference in satisfaction levels of upward and downward comparisons will be greater when the comparison target is similar, rather than dissimilar.

If indeed a similar comparison target is more relevant, and people discount the dissimilar target as irrelevant, then this should be reflected in the extent to which a similar target makes individuals think about their own material possessions. In other words, a similar comparison target should make individuals think more about their possessions than a dissimilar target. Hence:

H3: When the comparison other is similar, rather than dissimilar, individuals will think more about their own material possessions.

METHODOLOGY

Design

The experiment consisted of a 2 (similar or dissimilar) X 2 (upward or downward comparison) between-subjects design, wherein the degree of similarity of the comparison target and the direction of the social comparison were manipulated. The subjects were randomly assigned to one of the four treatment conditions.

Subjects

One hundred and thirty-six subjects participated voluntarily in the study. These consisted of students (42%) as well as non-students (58%), including staff and faculty, from an East Coast University. In the student group, a vast majority were employed mature students and many were taking part-time summer courses.

Procedure

Each subject received a booklet containing the stimulus and the dependent measures. Subjects were told in the cover page that they would read a one page scenario describing a high school reunion and would then be required to complete the following questionnaire. They were asked to not read ahead. All materials were collected from the subjects when completed. The students were asked to speculate as to the nature of the hypotheses being tested. The administration was done either in classroom groups for the students, or individually for the subjects from the university community. The task was completed in about 10 minutes. After the subjects finished the task, they were fully debriefed and thanked for their participation.

Stimulus

A scenario experiment was employed for ease of manipulation of the independent variables. The

scenario involved a high school reunion which the subject was to imagine s/he was attending. This context was selected as it should be involving and relevant to the subjects and it is a situation in which social comparison would naturally occur. Further, the participants in this study were old enough to make the high school reunion scenario meaningful. Both manipulations were embedded in the scenario. The first paragraph of the scenario described comparison target as either similar/close or dissimilar, and the second paragraph provided information on the social comparison dimension. The comparison target was called "Chris", which some subjects interpreted as male and others as female.

Manipulations

Similarity. First, both similar and dissimilar individuals were described as people that the subject knew back in high school, but the similar other was an ex-classmate who used to be a good friend (who had shared same hobbies, values, and had lives in the same area back in high school, had spent a lot of time together in high school), and the dissimilar other was merely an acquaintance in high school (who was never part of subject's social circle, came from different part of town, had different beliefs and interests back in high school).

Direction of Social Comparison. For the upward comparison, the target was described as "wearing stylishly tailored expensive clothes", "driving a convertible Mercedes", "has just returned from a month long vacation to the far-east", and "owns a large house in a upscale neighborhood." For the downward comparison, the comparison target was described as "wearing out of style and well-worn clothes", "taking a city bus", "has not had a vacation in years", and "lives in a rented apartment in a rough part of the town."

Measures

After reading the scenario, subjects were first asked to write down everything they would be thinking on their way home from the reunion. The rest of the questionnaire consisted of seven-point Likert scales. The main dependent variable of interest was overall satisfaction with material

possessions. This was captured with two items ("I am satisfied with the things I own", "I am happy with things I own"). Impact of the social comparison (extent to which the reunion experience caused the subject to think about what s/he owned) was also measured. Manipulation check for *similarity* consisted of three items (e.g., "Chris and I are very much alike", "This person and I share many common values"). A single item measure was used as manipulation check for *direction of comparison* ("This person is doing better than I am"). A measure of "closeness" (perceived closeness to the target) and a measure of "threat" (perceived threat based on comparison) (Buunk et al. 1990) were also included.

Covariates

Attention to Social Comparison Information (ATSCI) (Bearden and Rose 1990), an individual difference variable that contributes to different levels of social comparison impact was measured. Since the subjects' economic condition in life might affect their reaction to the social comparison, household income and economic trend in the subjects' lives (improving or declining) were also measured.

RESULTS

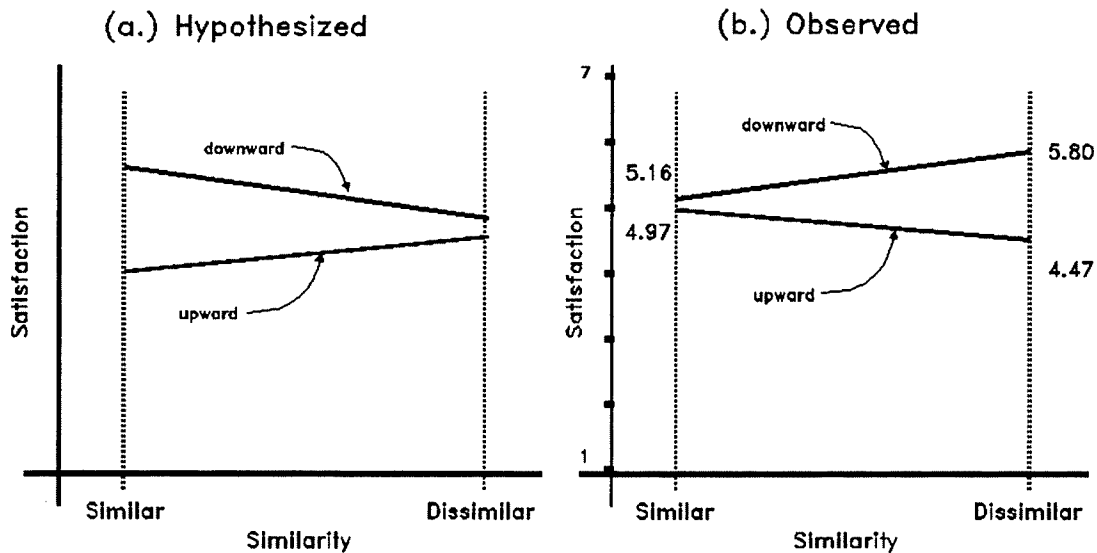
Sample Characteristics

The average age of the subjects was 31 years, with a standard deviation of 9 years. In terms of gender, 48% were male and the rest female. A wide range of socioeconomic status is also suggested by the distribution of household incomes, with the modal income being in the \$40,000 - \$50,000 range, with the distribution fairly even from the highest (\$80,000 plus) to the lowest (less than \$20,000) income categories.

Reliability of Measures

The Cronbach's alphas for the satisfaction and similarity measures were 0.79 and 0.93 respectively.

Figure 1
Effect of Similarity on Satisfaction



Manipulation Checks

T-tests revealed that the manipulations were effective. For the direction of comparison, the upward target [Mean=4.71] was seen as being more prosperous than the subjects, whereas downward target was not [Mean=2.06], with $t(134)=9.02$, $p < 0.001$.

The similarity manipulation also had a significant effect [$t(133)=12.87$, $p < 0.001$] on the average of three item measure of perceived similarity, with perceived similarity being higher for the similar target [Mean=5.13] as compared to the dissimilar target [Mean=2.29]. Since it could be argued that similarity might also have been inferred from the direction of the comparison (i.e., subjects may say they are more similar to the well-off person or the poor person described in the scenario), a t-test was conducted with perceived similarity as the dependent variable and the two comparison directions (upward/downward) as the groups. The comparison direction did not affect perception of similarity [$t(133)=.07$, ns], thus ensuring no contamination of the manipulations.

Hypotheses Tests

A two-way Analysis of Variance was conducted, with satisfaction as the dependent measure. The result indicated a main effect for direction of social comparison information [$F(1,133)=13.46$, $p < .001$] whereby upward comparison resulted in lower reported satisfaction.

As Figure 1b shows, while the direction of the effect is the same in the similar and dissimilar conditions, a significant two-way interaction between similarity and direction of social comparison was observed [$F(1,133)=7.69$, $p < 0.01$]. It can be seen that the effect is the opposite of that proposed in hypothesis 2. For a similar comparison target there was no significant difference in the satisfaction levels for the upward [Mean=4.97] and downward [Mean=5.16] comparisons to dissimilar [$t(66)=0.66$, $p > .50$]. On the other hand, when the comparison was with a dissimilar target, upward comparison led to lower satisfaction [Mean=4.47] as compared to the downward [Mean=5.80] comparison, with $t(67)$, $p < .001$.

No difference was observed in the overall level of impact (extent to which the comparison

made them think about their possessions) for similar [Mean=5.38] and dissimilar targets [Mean=5.41], with $t(134)=0.1$, ns. Thus, hypothesis 3 was not supported. From the value of the two means, however, it is clear that the reunion scenario was realistic and made the subjects think a lot about their possessions. Also, neither of the covariates (economic trend and ATSCI) was significant.

Cognitive Responses

In order to untangle the interaction effect observed, the cognitive response data were analyzed. The procedure was as follows. The experimenters randomly selected five cases from each of the four treatment conditions and examined the cognitive responses. Four categories of thoughts were created: (i) thoughts favorable to the comparison target (e.g., praise, pride, inspiration, feeling of happiness, compassion), (ii) thoughts unfavorable to the comparison target (e.g., envy, put down or sarcasm, being threatened by the target), and (iii) other thoughts (e.g., mention of possessions with no reference to target, completely unrelated thoughts), and (iv) curiosity thoughts (expression of curiosity about the target's life). After the categories were established, two independent judges, blind to the hypotheses and the manipulations, coded the thoughts based on the category definitions provided to them. There was a 83.5% agreement (for a total of 133 thoughts) between the two judges. All disagreements were resolved through discussion between the judges, resulting in 100% agreement.

Based on the ANOVA results, the expectation was that the friendship, used to create similarity, may have inoculated the subjects from the effects of social comparison. In order for such a speculation to hold, one would have to observe more favorable thoughts towards the similar target as opposed to the dissimilar target. Further, one might also expect to see more unfavorable thoughts were directed at the dissimilar target, as opposed to the similar target.

Two separate chi-square tests were conducted for favorable and unfavorable thoughts, in each case comparing similar and dissimilar targets. For the favorable thoughts, there was strong support for the inoculation hypothesis, with $\chi^2(1) = 14.73$,

$p < 0.005$. For the unfavorable thoughts there was a directional support (8 unfavorable thoughts directed to similar and 12 directed to dissimilar), but the difference was not statistically significant [$\chi^2(1) = 0.80$, $p > 0.10$].

Additional chi-square tests on the "other thoughts" [$\chi^2(1) = 1.45$, $p > 0.10$] and "curiosity thoughts" [$\chi^2(1) = 2.96$, $p > 0.10$] showed no difference between the similar and dissimilar comparison targets. Overall, the cognitive responses indicate that subjects were more likely to have thoughts favorable to the comparison target, when the target is seen as someone similar or close.

Additional Analysis

Subjects indicated that they felt closer to the similar target [Mean=5.38] as compared to the dissimilar target [Mean=1.79], with $t(133)=15.79$, $p < 0.001$. The closeness measure and the measures of perceived similarity were highly correlated, implying that closeness is part of perceived similarity (cf. Tesser 1980).

Subjects also felt more threatened after the comparison, in the case of a similar-downward comparison [Mean=3.03], but not in the dissimilar-downward comparison [Mean=1.17], with $t(60)=2.14$, $p=0.03$. This suggests that a similar other, who is not doing well in life, can induce fear as the individual sees a greater likelihood of being in that same unfortunate position.

DISCUSSION

The objective of this study was to demonstrate that social comparison information can indeed affect consumer satisfaction with material possessions. The result did strongly support this proposition. The similarity effect was hypothesized as an interaction with comparison direction. Contrary to expectation, a similar comparison target did not lead to different levels of satisfaction for upward and downward comparisons, whereas a dissimilar target did.

In the similarity condition, subjects displayed some degree of emotional attachment, as evident from the cognitive response data. The positive nature of thoughts in the similarity condition

appeared to reduce the effect of social comparison on the subjects. It seems that the comparison target has to be somewhat distant, yet relevant as a comparison target, in order for the social comparison effect to occur under upward and downward conditions.

Previous research using closeness to operationalize similarity, indicates that when the comparison is on a dimension that is important to the individual, as is the case in this study, an adverse comparison should cause more distress (Tesser 1986). For instance, studies on sibling rivalry indicate that superior performance of a close other can produce conflict (Tesser 1980). The results of the present study, however, suggest that closeness can actually inoculate the subjects against effects of social comparisons. Very recent work (Ybema and Buunk 1994) has identified a possible explanation for the inoculation effect, involving greater "identification" and "empathy" towards a close/similar other.

Recently, Ybema and Buunk (forthcoming) have suggested that individuals are more likely to identify with someone who is a friend or a close other, as compared to a stranger. Such identification would lead to a greater perceived probability of being in the same position as this close/similar other in future (Ybema and Buunk 1994). In addition to identification, friend/closeness/similarity is likely to trigger greater empathy toward the target (Ybema and Buunk 1994). "Subjects may be glad for their friends' success or pity their friends' failure," (Ybema and Buunk 1994, p2), rather than viewing the social comparison situation from a competitive perspective.

In the present study, subjects reported greater number of favorable thoughts for the similar condition than the dissimilar condition. Feelings of pride in the accomplishments of the target, praise for the comparison target, feelings of happiness, and feelings of compassion/pity towards the target were significantly more prevalent in the similar condition. In the dissimilar condition, while not significant, thoughts indicating envy, sarcasm or put down were more frequent. This pattern of cognitive responses suggests that subjects felt greater empathy or identification with a similar target. Thus, it seems, closeness or similarity can lead to greater identification or

empathy, which in turn might inoculate the subjects from the effects social comparisons. In the case of a similar target, feelings of identification and empathy would prevent the development of feelings superiority or inferiority in the subject. On the other hand, for a dissimilar target, lack of empathy or identification facilitates the traditional mechanism of social comparison, whereby a downward comparison would generate feelings of superiority and vice-versa.

The limitations of this research include the fact that all the effects were studied in one social context. One would have to be cautious in generalizing these results to all contexts. In the study, mature students constituted the samples, thus lending validity to the findings. It has been suggested that comparison targets need only be imagined for the social comparison effect to occur. Hence, the use of a scenario may not be a cause for concern. Future research could, however, take place in more naturalistic settings.

Similarity has been operationalized in many different ways, ranging from simple non-distinctive characteristics (e.g., age) to more complex relationships (e.g., family ties). In this research similarity was based on friendship-ties and commonality of values. The results of the study indicated that a similar other was not seen as a competitor, whereas in past research similarity has been known to induce competitiveness (Tesser 1980). When does a similar other become a competitor? Do individuals use different types of closeness or similarity to achieve different goals? It seems that the effects of different dimensions closeness or similarity, and the circumstances under which each type of similarity will be effective in a social comparison is not clearly known.

While much of the previous research has used social comparison as a post-hoc explanation for reduced satisfaction, this study explicitly tests the relationship between social comparison and reduced material satisfaction. This work leads to several interesting avenues for future research. Two such areas are, (i) do different kinds of similarities (for instance, those with or without emotional ties) differ in their effect on satisfaction?, and (ii) when and how do individuals decrease the relevance of a comparison dimension? Other issues worth examining include, effect of

social comparisons on product and product-class specific (e.g., public versus private) satisfaction judgements, and cross-cultural studies examining social comparison effects on material satisfaction in materialistic versus non-materialistic cultures. A better understanding of the role of social comparison in consumer satisfaction formation process will eventually contribute to more effective marketing. Given the sparse research in social influences on consumer behavior, this appears to be a promising area for future research.

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CANADA

SATISFACTION WITH HOMEOWNERSHIP: AN EVOLUTIONARY PROCESS

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ABSTRACT

Using in-depth interviews and the autodriving photoelicitation technique, this longitudinal study examines satisfaction with the purchase of a new home, and demonstrates that homeowner satisfaction is a dynamic concept. As the homeowners change their homes physically and symbolically by divestment and possession rituals, fantasizing, and the acquisition of possessions, their satisfaction with the home changes. This study concludes that satisfaction is a process directly linked to the evolutionary nature of the home, rather than an end state.

INTRODUCTION

The purchase of a house is probably the largest single expenditure most consumers will make during their lifetimes (Hausknecht and Webb 1991). Further, the house is consumed over an extended period of time, lasting from a few months to several decades (Claiborne and Ozanne 1990). As such, it can be transformed into a home and become a very meaningful possession to its owners (Belk, Wallendorf, and Sherry 1989; Csikszentmihalyi and Rochberg-Halton 1981). Or it can be a daily reminder to consumers of their dissatisfaction with this largest of purchases. Since the home is consumed over an extended period of time, the purpose of this paper is to longitudinally examine consumer satisfaction and dissatisfaction with the purchase of a home.

SATISFACTION AND HOMEOWNERSHIP

Comparatively little research has been conducted about the purchase of the house. This is surprising, given that the nature of the purchase and the duration of the consumption experience. Most consumer behavior studies to date focus primarily on decision-making (Munsinger, Weber, and Hansen 1975; Park 1982; Silver 1988; Wilk 1986) or experiential aspects of homeownership (Belk 1992; Belk, Wallendorf, and Sherry 1989; Claiborne and Ozanne 1990; Hill and Stamey 1990; Hill 1991; McCracken 1989; Mehta and

Belk 1991; Wright 1993). Only a few studies directly address consumer satisfaction with the house or house purchase process (Hausknecht and Webb 1991; Kaynak and Stevenson 1982; Onibokun 1974; Rent and Rent 1978), and none of these have examined the stability of satisfaction over an extended period of time (Woodruff 1993). Further, satisfaction with the home may be a nebulous concept, as one may be satisfied with the neighborhood, but not the actual dwelling and satisfaction may actually be a process rather than an end state (Claiborne and Ozanne 1990). The purpose of this study is to longitudinally examine homeownership and to understand more fully the fundamental aspects of satisfaction or dissatisfaction with the home over an extended period of time.

METHODOLOGY

Overview

Since the goal of this research was a deep understanding of homeownership satisfaction, an interpretive approach and the various associated methodologies were employed (Arnould and Wallendorf 1994; Hirschman 1986; Hudson and Ozanne 1988; Swan and Trawick 1994). This is in harmony with a recent call for more study of the actual consumption experience (Granbois 1993). Specifically, I used in-depth interviews (Briggs 1986; McCracken 1988b; Spradley 1979) and autodriving of photographs (Belk, Wallendorf, and Sherry 1988; Heisley, McGrath and Sherry 1991; Heisley and Levy 1991) to achieve this understanding.

All informants selected for this study had either recently purchased their first house, or purchased a larger house after living in a smaller house for a period of time. All initial interviews and most follow-up interviews were conducted in the informants' homes.

This study is longitudinal in nature, since informants were interviewed and contacted multiple times over a fifteen month period (see Table 1 for more detailed information about each informant). A total of four house purchasing

Table 1
Characteristics of Informants

	<u>Age</u>	<u>Marital Status</u>	<u>Employment</u>	<u>Children</u>	<u>Est. Income</u>	<u>Cost of House</u>	<u>Number of Contacts¹</u>	<u>Total Interview time</u>
Charles	46	M ²	Professor	3	\$80-100K	\$152K	8	6 hours 15 min.
Cindy	33	M	Professor					
Eric	37	M	Hospital Admin.	4	\$50-60K	\$120K	3	3 hours 30 min.
Ellen	35	M	Homemaker					
Frank	27	M ³	Police Officer	0	\$40-50K	\$58K	5	3 Hours 30 min.
Francine	28	M	Beautician					
Gary	33	M	Computer Services	3	\$50-65K	\$108K	4	3 hours 10 min.
Georgia	37	M ⁴	Copy Shop Worker					

M=Married, D=Divorced

¹ Includes number of interviews, follow-up phone calls, and chance meetings, but does not include the initial contact to set up the appointment.

² Both Charles and Cindy have been married previously.

³ Frank and Francine were married to each other once before. That marriage was annulled, and they were remarried to each other six months later.

⁴ Georgia's two oldest daughters are from a previous marriage. The youngest daughter is also Gary's daughter.

situations were experienced by the eight informants in this study. In all cases, both the husband and wife participated in the interview process. Consistent with other interpretive studies, sampling stopped when redundancy was apparent (e.g., Bergadaà 1990; McCracken 1988a, 1988b; Mick and Buhl 1992; Schouten 1991; Thompson, Locander, and Pollio 1990; see also Arnould and Wallendorf 1994).

Data Collection

Indepth Interviews. Indepth interviews proceeded in two phases. The first phase involved indepth, unstructured interviews in which the informants took the lead in discussing their home and possessions. During the interviews, I asked to take a tour of the informants' homes, at which time I also photographed the informants' homes and possessions in the home. In the second phase, I employed follow-up interviews with these same informants to probe emerging themes and

unresolved issues that came up during the analysis of the first round of interviews. Table 1 contains detailed information about the number and duration of the interviews.

Autodriving. I also used the autodriving photo-elicitation technique in follow-up interviews. Here, I showed the informants the pictures I had taken of their homes and possessions during the first interview. I then asked the informants to talk to me about the pictures of their homes and possessions. This technique allowed the informants to talk freely about their experiences as homeowners without any further prompting, and elicited some very interesting stories (Hunt 1993).

Data. Data for the study consisted of transcripts of recorded interviews, researcher field notes written after each interview, transcripts of photographic autodriving sessions, written descriptions of photographs, and the actual photographs.

Analysis

The data for the study were interpretively and iteratively analyzed using the methods of McCracken (1988b) and Spradley (1979). The first step is to textualize all of the data. This textualization is accomplished by transcribing the recorded interviews and describing the photographs. The researcher field notes were written as the data were collected. The textualizing process produced several hundred pages of double spaced typed data. The analysis of the textualized data required an iterative, back-and-forth process between the reader and the text, for instead of the fixed categories used in traditional content analysis (Kassarjian 1977), hermeneutical analysis uses evolving categories which expand as the data are iteratively analyzed.

Specifically, data analysis proceeded in two stages. The first stage consisted of an analysis within each set of interviews and field notes for each homeowner. During this stage, I found emergent themes that described the home purchase or building experience for the informant couple or individual. This analysis required three readings of the data, and generated over one hundred double spaced typed pages of notes from the data. The second stage was an analysis between the various interviews, field notes, and themes, comparing the results from the different informants. Several iterations were needed to challenge and expand the evolving themes and to form them into a coherent interpretation. The first and second stages were time intensive, and, in total, I spent six weeks reading through and analyzing the textualized data. As I wrote up the results, I continually referred back to the primary data, and made minor and major changes to the analysis as writing proceeded.

THE HOUSE AS AN EVOLVING ENTITY

The house is not a static entity, but rather a dynamic one. That is, the house is constantly in a state of change and flux, as the homeowners improve, redecorate, remodel, or otherwise change the dwelling to meet their needs. Because of the longitudinal nature of this study, I was able to witness the evolving nature of the home. Hence, the issue of satisfaction with the house is not

entirely captured once it has been purchased, as major changes also impact the homeowners' satisfaction with their house purchases and the many ways in which they interact with the home. Thus, before examining the issue of satisfaction, one must understand the evolving nature of the home.

In a very real sense, the houses of the informants are evolving and constantly changing. Because informants were interviewed and photographed in their homes multiple times over a fourteen month period, I was able to convincingly document the evolution of the houses. Sometimes the changes were slight (e.g., rearranging furniture) and other times dramatic (e.g., knocking out the wall between two small rooms). But with all informants, there was a constant change in the house as homeowners shaped their environments.

Claiborne and Ozanne (1990) suggested that for builder/owners of custom houses, the building of the house was a process. This process included anticipating, planning, and actually building the house. But the evolving nature goes beyond the actual process of constructing the house. The home is continually being constructed, both in a physical and a symbolic sense. To understand fully homeowner satisfaction, one must be aware of the physical and symbolic changes to the home.

Three Means of Physical and Symbolic Evolution

This section will discuss three ways by which houses and their meanings evolve: 1) possession and divestment rituals; 2) fantasizing; and 3) possession acquisition. An understanding of the evolution of the home is necessary before detailing how this evolution impacts satisfaction with the home.

Possession and Divestment Rituals. McCracken (1986, 1988a) identified possession and divestment rituals as two ways by which consumers extract meaning from possessions. These two rituals were very evident in the data for this study. A possession ritual, according to McCracken, is when consumers claim possessions as their own by cleaning, altering, discussing, comparing, reflecting, showing off, and photographing them in an attempt at

personalization. Divestment rituals, on the other hand, involve eliminating the residue in a possession of the previous owners.

One of the first things informants who purchased previously owned homes did was to remove symbolically the residue of previous owners. Eric and Ellen purchased a large, well cared for house with new carpeting that did not need any repairs. Despite the near pristine condition of the house, they still had all the carpeting cleaned in a clear example of a divestment ritual. (Note: I stands for "interviewer," M for "male informant," F for "female informant." Left brackets, "[", mark overlaps in informant utterances).

I: When you moved in, did you have to do anything, like paint a room, or [lay carpet?

F: [No, it was, no, all the carpet was new. We just shampooed it, just to make sure, to make it feel like ours. But they had, the man worked for a carpet shop and so he put all new carpet in... And, and everything was real nice. They were very meticulous.

Frank and Francine purchased a house that was five years old, and even though they said it did not need it, the first thing they did was paint the inside walls. During a follow-up interview, Frank indicated that the house did not even really need to be painted, but that they did it to make it feel like their house.

M: We didn't really need to even paint, but we thought because it was empty it would be easier to paint it now than it would be in a couple of years. So that's why we painted it.

In both cases, the informants indicated the changes were made to the house "to make it feel like ours."

Each of the informants who moved into a previously owned house followed a similar course of action. Charles and Cindy initially lived in a house Charles had shared with his previous wife. Cindy described in detail the divestment rituals in which she engaged before she felt comfortable living in the house.

F: [R]ight before Charles and I got married... we decided that we'd move in together... And this was that house that he'd lived in with his ex-wife.... Well, I had to go through and do a lot to the house before I felt comfortable.... It was like, it was like gross, I mean, things, you know, like this, this was black [pointing to a knob on a drawer] and there was, on top of the phone there was like, you know a quarter inch of filth [laugh]... Two things that really made the house seem more like mine, was clean, well a number of things, cleaning it, other than the kitchen and the bathroom, we painted every single room and that just transforms the place and we recarpeted, the recarpeting was unbelievable... It was, it was, it was obscenely cheap. This room's, this room's pretty, this room's where we do most of the living, and it's comfortable, but it was really, really, really dark. Charles had a darker paint, darker carpet, he had blinds that were always closed... Casey and Charles both lived like that they live in really dark areas and it just drives me up the wall. I have to have the windows always open have, always the walls painted white, and light carpet, and, I relate to the outside, I like the house to integrate with the outside.

Cindy's wanted to rid the house of "ghosts from the past" and make it feel like her house by putting her own personal touches to the house and yard.

Divestment rituals were very evident in the data. However, the distinction between a divestment ritual, whereby residue of a previous owner is erased, and a possession ritual, whereby the house is personalized and claimed as one's own, is indistinct. For example, Cindy continued transforming her new husband's house up until the time they jointly purchased their new home by planting over 100 shrubs and bushes, buying new furniture, rugs, and wall hangings. At some point these activities probably ceased being divestment rituals and started being possession rituals. When Charles and Cindy purchased the new house, the distinction between possession and divestment

rituals became even more blurred. Before ever moving in, they started renovating the house, and the renovation continued through the first year of occupation, without an end in sight. The following paragraphs will discuss possession rituals, but, in cases where the informants purchased a previously owned home, there probably is an overlap between divestment and possession rituals.

Charles and Cindy purchased a much larger home that needed a lot of work. Before they even moved in, they had the hardwood floors restained, they created one large room out of two smaller rooms, they removed paneling from the kitchen area and the TV room, and they had the entire house recarpeted. They started moving in before some of these projects were completed and began several others. In short, they planned a complete transformation of the home before it would meet their standards.

Though she was excited about the house she had just purchased, Cindy kept mentioning that she "hated" certain aspects of the house, and that the things she "hated" would have to change before she became comfortable with the dwelling. In fact, she expressed such negative emotions about the house that I wondered why she had purchased it in the first place. The following is an extract from my analytical notes, which I wrote during the intensive reading of the data.

Cindy mentioned in several places that she didn't like certain aspects of the house, and that they would have to be changed before she did begin to like them. At one point in this analysis, I said to myself, "If you like this house so little, why did you buy it?"

She was clearly dissatisfied with the present condition of the house, yet she did have an image of what the house could become. Charles and Cindy planned to spend thousands of dollars renovating their home and mentioned at various times a five or a ten year renovation plan to make the home into the type of home they wanted.

M: And so we thought we could put in twenty to twenty-five grand into this place and make it the kind of house that is more common around this neighborhood which

runs into about the 180 to 190 [thousand] range, okay? And we will still be comfortable in terms of what we bought it for and the amount of money we put into it. Actually, what will happen, is that we'll put a lot more money than that into it but it'll be like a hundred dollars here, two hundred dollars there.

Some of the changes will be contracted out to professionals, but most will be done by Charles and Cindy themselves as they actively participate in the ritual divestment of the residue of previous owners and possession of their dwelling. As Cindy herself said of this process,

F: I'm enjoying the house a lot more than I thought I would. It feels like home. It feels like my space, where I think it took me a little bit longer than maybe, to feel that way, and I'm enjoying it more than I anticipated, because, as I had told you, I was uncomfortable with the style [colonial] but now, I'm designing to kitchen to be consistent with that style. I'm really getting into it a lot more.

Hence, the process of changing the house to meet her ideal image of the house ultimately led Cindy to feeling comfortable with the dwelling.

To a person, each informant engaged in some type of possession or divestment ritual where they physically changed the house into which they moved. Some possession rituals were elaborate, expensive, and time consuming, and others were fairly simple. The important idea here is that through possession and divestment rituals, the homeowners were changing their homes and in the process symbolically making the homes "their own." This implies a certain level of dissatisfaction with the home as it was purchased and a requirement for change before true satisfaction could occur.

There was one exception to this, however. Some of the informants changed the appearance of their homes out of boredom and a desire for change. For example, Eric frequently rearranged the furniture in his house when he became bored with the existing arrangement. This used to drive Ellen crazy, but after several years of marriage,

she got used to it. In this instance, the interior of the house is changed, but there is not necessarily any special meaning attached to the changes. Rather, it reflects Eric's need for change.

Hoyer and Ridgway (1984) define variety seeking as the "internal need for stimulation" (p. 114) and proposed that individual difference characteristics such as extroversion, liberalness, creativity, ability to deal with complex stimuli, need for change, need for uniqueness, curiosity, and need for risk offered some explanations for variety seeking. Some of these factors may explain Eric's desire to continually rearrange the furniture.

Other informants offered some evidence of changes in their houses related more to variety seeking behavior than anything else. For example, Gary and Georgia rearranged furniture frequently, and Francine rearranged pictures and craft work hanging from her wall. Frank, who cut the grass and did the exterior yard work for his homeowners' association, experimented with different types of flowers and bushes to give the town house complex in which they lived a different look.

Variety seeking behavior does change the dwellings and the possessions in the dwellings in a physical sense, but it is unclear whether it changes symbolic meaning. To the extent that variety seeking behavior reflects mastery of one's environment or dominance, such changes may have symbolic content. However, they may merely reflect boredom and need for change and stimulation. In either case, variety seeking behavior does provide further evidence that the house and the home are not static, but in a constant state of flux and change.

Fantasizing. Fantasizing was a second way by which the informants changed their homes. All of the informants had a fantasy or ideal home, against which they compared the homes they examined and the one they actually purchased. Invariably, the "real" house could not compete with the "fantasy" house, but the vision of a fantasy house helped the informants to transform their actual houses in ways that approximated the fantasy ideal. The fantasy house would sometimes engender feelings of dissatisfaction with the actual house, but the

fantasy would also push the informants to alter their homes to make them come more in line with their fantasy vision.

The fantasy house for most of the informants was clearly distinguished from the real house. Georgia said her fantasy home "is more than I could afford.... and I just know I'll never get that, so, you know, I just didn't think about it." She went on to describe a fantasy home with high ceilings, lots of windows, and everything in wood. Her husband Gary, on the other hand, said that in his fantasy home he "wanted a bedroom, a bathroom, and I want an office and I'm happy." His fantasy house stressed the more utilitarian aspects of a house, which is similar to findings from the Csikszentmihalyi and Rochberg-Halton (1981) study. The house Gary and Georgia eventually purchased was a compromise between Gary's vision of utilitarianism and Georgia's fantasy. The fantasy element is still alive, however, as they change their new house to meet their expectations of what a house should be.

Frank compared the house they purchased with a hypothetical ideal house.

M: My ideal home would be, uh, probably a thousand feet in the basement and a thousand feet of kind of a rambler style home, and probably four bedrooms, family room, living room, three baths. And then we'd want downstairs a, a pool table.

The fantasy house Frank described was reminiscent of the types of houses in which he and Francine had grown up (Hill 1991). Though their actual house did not meet this ideal, they are both satisfied with the house they have, as they could not afford anything else. But both fantasize about one day obtaining their ideal house, which is causing them to take good care of their current house and pay it off early. By doing this, they can sell their house and use it as a stepping stone to purchasing a house more in line with their fantasy. Hence, the fantasy is driving the evolution of the current house, which included making changes to the interior and the lot.

When Charles and Cindy first decided to move out of their old house, they chose to build instead of buy, and contacted a builder, who helped them

design the house of their dreams. They purchased an ideal piece of land, and began planning their fantasy house. However, because of the escalating expenses associated with the construction of their fantasy house, Charles and Cindy backed out of the arrangement. But they discovered when they went back on the market that none of the houses they examined could compete with their fantasy house.

M: We didn't know it at the time and when we were looking for other houses, but the problem was, is that every house we looked at was competing with this design and it wasn't a real thing. It was completely, every house we looked at was competing against a fantasy. Was competing against an idea of what could be.

I: Uh huh.

M: And, nothing, nothing can compete with that you know. Unless it was a \$500,000.00 house or something.

After a long search, they eventually settled on a colonial-style house they could afford, but that needed a lot of work. However, this house was nothing like their fantasy house. The fantasy house was sacrificed for one more in line with their financial means.

But the fantasy is not dead. Charles and Cindy have a vision of what they want their house to become, even though it is not currently their ideal house. Now they have reoriented their fantasy to the house they purchased, and are making efforts to transform it into their fantasy house.

F: I guess the fantasy house is not here, it's gone, but fantasizing about your house, fantasizing about spaces, [and..

M: [It's evolving.

F: And then making the fantasy come alive, it still exists for us.

M: Yeah.

The fantasy house is at once gone and present. It is gone, because they did not build their fantasy home. But it is also present, in that they have a fantasy vision of what their new house can be.

This fantasy vision is driving much of their renovation efforts. Through fantasy, the house is still evolving and continuing to come "alive."

In summary, fantasizing can lead to symbolic and physical changes in the house as the informants try to mold the houses they own to conform with their own personal visions of what their houses can be. These fantasy ideals thus contribute to the satisfaction or dissatisfaction of homeowners as their actual homes progress toward or fail to meet the fantasy ideal.

Acquisition of Possessions. Acquisition of possessions constitutes a third way by which the house is physically and symbolically changed. When first purchase, the house is an empty shell. The right mix of possessions is necessary to create a comfortable home (Rybczynski 1986), a homey home (McCracken 1989), an open home (Claiborne and Ozanne 1990), etc. The house thus functions as a shelter for the possessions of the occupants and as a symbolic second skin (Belk 1988; Csikszentmihalyi and Rochberg-Halton 1981). As possessions are acquired and installed in the house, the meaning of the house changes. Certain possession "fit" or correspond with cultural categories such as age, gender, status, role, etc. (McCracken 1986, 1988a). Changing the complement or constellation of possessions in and around the home can also change the meaning of the home as the possessions correspond with new cultural categories.

For Gary and Georgia, there was a sense of incompleteness in their house when they first moved in because it lacked the necessary symbols of a home: furniture, wall hangings, lawn and garden, etc. As they gradually furnished their house with these possessions and landscaped the lot, the meaning of the house changed, and as Georgia said, it began to "feel more like a home." It's not that she was dissatisfied with the house, she just wasn't fully satisfied without the necessary furnishings. It felt less like a home without the symbols of a home, but as the house was filled with the necessary possessions corresponding to the cultural categories they occupied, and as the weed infested lot was transformed into a lawn, the meaning of the house changed, creating a "home." It was this transformation process that gave Gary and Georgia great satisfaction with the home.

Frank and Francine, a childless couple who had been trying to have children for several years, finally had a pregnancy that they hoped would make it to full term. Having experienced six previous miscarriages, however, they were cautious. During the first interview, when I toured their home, Frank and Francine showed me the TV room. According to Francine, "Some day hopefully this will be the nursery." Between the first and second interviews, they became pregnant, and the prognosis was looking good for a successful childbirth (ultimately, they gave birth to a healthy baby girl). During this transitory period, however, Francine refused to validate her parental status by purchasing or acquiring possessions symbolic of motherhood (Wicklund and Gollwitzer 1982).

- I: Okay. Have you and Frank been buying stuff for your baby?
- F: Do you know what, we haven't really bought anything. I've been too scared.
- I: Been too scared?
- F: Both Grandma's have bought things for the baby but we haven't really bought anything...
- I: Ah, when are you going to buy or obtain some of the stuff?
- F: Actually, my Mom has got a bunch of stuff that she's going to let be borrow. The crib, and like the little bassinet and stuff like that. I'm not going to buy a bassinet. And a crib, I think my Mom's going, my Mom has one or else [my sister-in-law], she might have one that I can borrow. I don't know, I just, things like that I don't mind just putting the baby in used stuff.
- I: Yeah. [Laugh]. Okay.
- F: But as far as little blankets and stuff, you know, my Mom is really handy that way and she loves to make all that kind of stuff. She's already made the baby a bunch of stuff. I don't have it yet, though.
- I: Ohh. [Laugh].
- F: I told her, don't give it to me yet. I don't know, they did all that before and it, you know and I put the bassinet all together and everything and it was just too hard on

me to have to tear it all down and not have a baby.

The acquisition of baby paraphernalia, the redesign of the TV room into a nursery, and all other acquisitions indicative of parenthood will come as the baby is about to be born. Frank and Francine have chosen to remain in their liminal state rather than risk disappointment another time by uselessly acquiring consumer goods symbolic of a role that they may not reach. However, they talked in detail about the transformation they would make to the house and the possessions they would acquire once they were certain the child would indeed be born. Both also mentioned their house would never quite be a home without a child or children living therein.

Some of these possessions sheltered in the home are special and take on sacred meanings as time passes (Belk et al. 1989). This sacred property can come from several sources, including creation, inheritance, and bequeathing. As possessions become sacred, they become symbolically significant, and influence the meaning of the homes in which they are sheltered. Charles, Frank, and Gary made some of the furniture in their homes, and in the process of creation, the objects became sacred. Ellen created journals and photo albums for each of her children until they were old enough to take over the writing and photography. Francine and Ellen created craft items that adorned the house, and Cindy paid people to craft possessions by hand. Francine collected cherished items from her parents and grandparents, and kept them in a trunk owned by her great-grandmother. Cindy purchased expensive items such as china and Persian rugs with an eye to passing them down to her descendants. The point is that over time, many of the possessions in the house take on sacred meanings, and as time passes and more sacred possessions are sheltered in the house, the meaning of the house again changes. This process is evolutionary, and over time changes the meaning of the house as new possessions are acquired and as the meaning of the possessions changes.

Acquisition of possessions functions to change the meaning of the home, but it can also change the home itself. As more and more possessions are acquired, space constraints become an issue.

Eric and Ellen purchased a second, larger house precisely because they were running out of space for their growing family and all of their associated possessions. Hence, as possessions are acquired, they can change both the physical and symbolic meaning of the home.

Summary. The physical and symbolic meanings of the house and home change constantly. This section has identified divestment and possession rituals, fantasizing, and acquisition of possessions as evidences of the evolving nature of the physical and symbolic properties of the home. Hence, to more fully understand the concept of homeowner satisfaction, the constantly changing and evolutionary nature of the home must also be understood. The next section explicitly examines the concept of homeowner satisfaction during the evolutionary process.

Satisfaction as a Process

Satisfaction with the home is more than just satisfaction with the empty dwelling or the home purchase process, as other studies have suggested (Hausknecht and Webb 1991; Kaynak and Stevenson 1982; Onibokun 1974; Rent and Rent 1978). To be properly understood, homeowner satisfaction must also include the concept of change as previously mentioned. Hence, satisfaction becomes more of a process, as homeowners become more and more satisfied with their homes as they actively change the physical and symbolic properties of their homes.

Many informants received a great deal of satisfaction from working on their houses and yards. Here, they were actively shaping and changing their environment. They did not take satisfaction from merely having a house, as is suggested by the literature on materialism (Belk 1984, 1985; Richins 1987; Fournier and Richins 1991; Richins and Dawson 1992), but rather, the satisfaction comes from the process by which they change their houses and yards through hard work and self-investment. Gary and Georgia provide an excellent example of this process.

F: In the summer, we'll sit out on the deck on the front or the back and we'll look out, especially after a week-end when

we've spent, cause during the summer all week-end long, we're out in the [yard...

I: [Uh huh.

F: ...doing something. And we always cook out on [our...

I: [Uh huh. .

F: ...back deck all summer long and so at the end of the day after you know, you've sweated and you've showered and you've cleaned up and you can see that you've done something in your yard and you're sitting out on your deck and you have all this lovely weather and all this great stuff around you and you can smell your, you know, your chicken cooking on the grill and it's just really a neat, a comfortable feeling, I mean, you know I used to think, I go this is so nice. It's just [so nice...

M: [You feel [good...

F: [Yeah, you just do. You know I just look out and I look at it and when I see some of the trees blooming and doing things or when the garden's doing well or you can see little patches of the lawn you've just put in coming up and growing up and I'm always out there envisioning whether I put this kind plant here or what if I put this flower this year because last year I didn't like the flowers that I put in and stuff like that.

M: I guess it's like, it's virgin territory [you...

I: [Uh huh.

M: ...know. Everything that is going into this house or going into landscaping, it's the first time we've done it.

The satisfaction they receive from this process resembles the satisfaction an artist has when creating a tangible object. After a lot of hard work, they sit back and view the fruit of their labors and feel content.

To a person, each informant expressed similar feelings of satisfaction as they worked to change their homes. The satisfaction was not in the owning of the house, but in the transformation of a profane house into a sacred home (Belk et al. 1989). The deep levels of satisfaction these homeowners exhibited were always tied up with the idea of investment of self in the creation

process. Curiously, at the same time informants expressed deep satisfaction with the transformation process, they often expressed dissatisfaction with the house for various reasons (e.g., "there is a lot of work to make it livable," financial constraints, etc.). While for some informants (e.g., Frank and Francine) buying their first house was a satisfying experience, the deeper levels of satisfaction were associated with changing and personalizing the home. Hence, the homeowner satisfaction of the informants for this study was more of a process that increased as changes were made to the house and yard. This process is hard to capture by taking a snapshot of one moment in time. Indeed, it was only evident due to the longitudinal nature of this study.

CONCLUSION AND IMPLICATIONS

This longitudinal study has examined consumer satisfaction and dissatisfaction with the purchase of the home. The major finding was that homes are continually evolving and that satisfaction is more of a process than an end state.

In this case, the construct of consumer satisfaction becomes very complex, as it interacts with macro cultural forces and the process of self-investment. This has implications for the traditional disconfirmation model of consumer satisfaction, because expectations not only arise about the product itself, but also with the "fit" of the product in the entire constellation of possessions. It is conceivable that such products may meet all of a consumer's performance expectations, yet still cause dissatisfaction because they are not consistent with the consumer's larger constellation of possessions. Or, as this study has demonstrated, consumers may not be completely satisfied with their purchase because it does not currently live up to expectations, but the evolving nature of the home allows consumers to derive satisfaction from the process of transforming the home to meet future expectations.

LIMITATIONS AND FUTURE DIRECTIONS

There are several limitations to this study. Though it makes a contribution to the study of homeowner satisfaction through a longitudinal study, home ownership is something that can span

decades. Despite the fourteen month period of data collection, the full impact of home ownership satisfaction is probably not possible to ascertain in such a limited period of time. One possible direction is to continue interviewing these informants yearly for the next five or six years to chronicle changes in their relationships to their houses and to see how their satisfaction changes. Another possibility is to interview additional informants who have lived in their homes for different lengths of time and assess their satisfaction.

A further limitation is that this study specifically examined homeowners who recently purchased houses, and who were by and large happy with their houses. In this instance, the house had positive meanings for the informants. It would be useful to also interview consumers who had purchased a new house but who, for whatever reasons, were dissatisfied (e.g., dissonance, poorly constructed houses, serious financial constraints, etc.). For example, though Ellen loved the second house she and Eric bought, she mentioned she never liked the first house they purchased from the day they moved in. Further probing revealed that the contractor had cut many corners, and that the house was very poorly built. Further study in this direction may lead to other interesting insights.

This study focused on informants who left a smaller place of residence and moved to a larger house. One possible future direction would be to interview homeowners from different lifestyles, such as those moving down to a smaller house or moving into a retirement community. These types of informants may relate to their houses differently than the informants interviewed for this study.

Another limitation deals with the generalizability of these results. The purpose was to study deep meaning, which is inherently context-bound and idiographic in nature (Hudson and Ozanne 1988). While concrete specifics probably do not generalize, some of the general themes may have broad-based applicability. For example, most people probably invest some meaning in their homes. Also, all homes probably evolve physically and symbolically, but the details would vary from the results of this study.

The knowledge, values, experiences, and perspective of the researchers constitute another

limitation. In exploratory research, it is very likely that other researchers with different backgrounds and divergent sets of conceptual tools could take the same data and produce some very different interpretations. The first author's background as a homeowner also influenced the way he looked at the data. Indeed, during the data collection, analysis, and write-up, he sold one house and purchased another, and this experience had an impact on his analysis and interpretation.

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CUSTOMER PERCEPTION OF QUALITY OF SERVICE AND RESPONSE TO THE COMPLAINT-HANDLING PROCESS OF A RENTAL CAR COMPANY

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ABSTRACT

The purpose of this research was to investigate the level of satisfaction with the complaint-handling process of a major rental car corporation. The study focused on two concepts: customer perception of service quality and customer response to the complaint-handling process. Scores on the SERVQUAL instrument measured customer perception of quality of service, while patronage and word-of-mouth items measured customer response. Comparisons were made on the basis of gender and type of complaint. A telephone survey was chosen as the means of data collection. The population for this study consisted of 2,135 customers with complaints resolved three months prior to the study. Of this number, 466 yielded usable surveys. Significant differences in quality of service by gender and type of complaint were determined by t-tests. Significant differences in patronage and word-of-mouth by gender and type of complaint were determined by Chi-square tests. Analysis revealed no significant difference in perception of quality of service by gender and in response to complaint handling by gender or type of complaint. A significant difference was found in perception of quality of service by type of complaint. Additional Chi-square analyses revealed relationships between customer satisfaction with action taken and the variables, patronage and word-of-mouth.

INTRODUCTION

As the U.S. continues to move from a manufacturing to a service economy, the need for improved customer service is critical. Estimates reveal that services now comprise approximately 75% of the Gross National Product (Heinzerling, Hook, & Metzen, 1990; Zeithaml, Parasuraman, & Berry, 1990) and account for nearly 9 out of 10 new jobs created by the economy (Zeithaml et al, 1990). With the increasing empowerment of the consumer and increased economic levels of certain groups within the economy, expectations

for customer service are rising. Product proliferation has exacerbated this issue by giving consumers more choices with different criteria for evaluating companies, and by increasing competition among companies. American business is being forced to respond by addressing the issues of customer satisfaction and customer perception of quality of service.

Hanna (1989) stated, "One mechanism adopted by some corporations to promote profits and/or consumer satisfaction is the corporate consumer affairs office" (p. 12). It is assumed that enhancing customer satisfaction will have the dual effect of improving customer loyalty and thereby company profits. The consumer affairs departments in American business are charged with this responsibility.

STATEMENT OF THE PROBLEM

This study was concerned with the handling, resolution, and analysis of customer complaints by a major rental car company and the subsequent consumer reaction to service rendered during the complaint process. The problem lay in isolating and then evaluating the determinants of customer satisfaction as they specifically related to service and even more specifically to corporate handling of customer complaints. Such an assessment could benefit the consumer in that problem areas or weaknesses could be identified by the business and corrected. Successful satisfaction of customer needs could presumably lead to repeat business or re-patronage and to favorable word-of-mouth communications.

A rental car company was chosen for this research since the industry deals with a large volume of customer complaints and has a high rate of complaint resolution, 72.6% (Council of Better Business Bureaus, 1989).

The company selected for this research has only relatively recently taken on a corporate format (1985) and has a growing global presence. The primary contributions of this study are the national sample from which it was drawn and the

focus on rental car companies, notorious for customer problems.

CONCEPTUAL FRAMEWORK

The major premise for perceived quality of service was derived from the conceptual framework set forth by Zeithaml et al. (1990).

Their definition of perception of quality of service included ten dimensions: tangibles, reliability, responsiveness, competence, courtesy, credibility, security, access, communications, and understanding the customer. These were narrowed empirically to include tangibles, reliability, responsiveness, assurance and empathy in the development of the SERVQUAL instrument.

The concept of customer response to complaint handling was adapted from the instrument used by Martin (1985). It focused on the reaction of the customer toward the company in terms of patronage and word-of-mouth communication after resolution of their complaint.

LITERATURE REVIEW

Quality of service has been difficult to measure (Armstrong & Symonds, 1991; Kotler & Bloom, 1984), probably due to the intangible quality of the purchasing experience. In fact, consumers have reported general satisfaction when purchasing goods, but were much less satisfied when it came to services (Zemke & Schaaf, 1989). There is a general feeling that service in the U.S. is poor and may be getting worse (Albrecht, 1988; Davidow & Uttal, 1989; Dubinsky, 1994; Innis & LaLonde, 1994; Marley, 1994; The American Salesman, 1994; Zemke & Schaaf, 1989). Several explanations are offered for poor service, including, a more sophisticated and demanding consumer, workers who consider service work beneath them, and a change in American demographics resulting in fewer entry-level workers. Companies may bear the brunt of poor service through reduced sales and diminished customer loyalty (Zemke & Schaaf, 1989).

In response to this concern over U.S. service quality, corporate consumer affairs offices are one resolution adopted by business to maximize profits and improve customer satisfaction (Fornell & Westbrook, 1984; Hanna, 1989). Goldsmith and

Vogel (1990) reported that membership in The Society of Consumer Affairs Professionals in Business (SOCAP) has steadily increased since it began in 1973, reflecting business' growing interest in consumer affairs. Hanna (1989) contends that companies with good procedures for handling complaints do relatively well in their industries.

Complaint Handling

Making a complaint to the seller or to a third party was one of three potential responses to customer dissatisfaction outlined by Richins (1983). Through the socialization process, people have come to expect restitution for wrongs done to them. This has carried over into the marketplace, and consumers expect "an apology, a tangible response, and an empathetic contact person" (Goodwin & Ross, 1990).

Customer Perception of Quality of Service

A number of researchers view quality to be an overall evaluation of a product or service, similar to attitude. (Holbrook & Corfman, 1985; Olshavsky, 1985; Parasuraman, Zeithaml, & Berry, 1985). The evaluation of service relies solely on the customer's level of satisfaction and is made more difficult since the sale, production and consumption of a service takes place simultaneously. Zeithaml (1988) found perception of service quality to be a function of the 10 overlapping dimensions mentioned in the conceptual framework.

Customer Gender

There is some suggestion that complaining behavior may be affected by gender (Martin, 1985). Mayer (1983), in a study of husband-wife coping differences with product malfunctions, found that males and females coped differently even within the same household and suggested that data gathered from the members of one gender are not generalizable to those of the other gender.

Type of Complaint

The Technical Assistance Research Program

(TARP, 1986) found product/service quality and billing disputes the most common types of consumer problems handled by business consumer affairs departments. The most common complaints against car rental companies were found to relate to overcharging (billing errors), having no cars available (reservation errors), insurance coverage complaints, and complaints regarding the condition of the vehicle (Dorfman, 1980; Gilson, 1981).

CUSTOMER RESPONSE TO COMPLAINT HANDLING

Hirschman (1970) suggested three responses to dissatisfaction: exit, voice, or loyalty. Richins (1983) detailed three similar responses: switching brands (patronage), making a complaint to the seller or third party, and telling others about the experience (word-of-mouth). Day (1984) reported that consumers were much more likely to stop buying a product and complain to their friends than they were to voice a complaint to the seller or to a third party. Other researchers have found similar results (Landon, 1977; Singh, 1991).

Patronage

The purpose for successful complaint resolution lies in maintaining brand loyalty. TARP (1979) showed that the strongest continued brand-loyal consumers were those whose complaints had been successfully handled. Non-complainers who were dissatisfied were the most likely to change brands. Other researchers showed similar results across industry types (Lewis, 1983; Gilly, 1987; Kraft, 1977).

Word-of-mouth

Word-of-mouth (WOM) or telling others about a purchasing encounter is one response consumers may choose following a marketplace experience. In one instance, WOM was found to be even more influential than mass marketing or advertising (TARP, 1980). A strong relationship between complainant satisfaction and WOM has been found to exist. Arndt (1967) supported this finding and added that negative WOM had a stronger effect on purchase decisions than did positive WOM recommendations. Richins (1983) found that, as

the severity of the problem increased, the tendency to engage in negative WOM also increased. In addition, retailer responsiveness was also found to be a factor. If responsiveness to dissatisfaction was poor, customers were more likely to spread negative WOM and not complain.

Perceived Justice

A number of researchers have stressed the importance of the concept of perceived justice to the complaint process (Hirschman, 1970; Richins, 1987; Singh, 1990). Blodgett et al. (1993) suggest that perceived justice is a "major determinant of complainants repatronage intentions and negative word-of-mouth behavior". These findings have been borne out by other researchers as well (Gilly, 1987; Goodwin & Ross, 1989; Tax and Chandrashekar, 1992). According to this theory, once a consumer decides to complain, responses (repatronage and WOM) are dependent upon their perception of justice or fairness of the redress offered during the complaint process.

Blodgett et al. (1993) believe perceived justice is interrelated with several other concepts: distributive justice, procedural justice, and interactional justice. When applying these notions to complaint behavior, distributive justice relates to the perceived fairness of the response offered by the retailer or service provider. Procedural justice relates to the perceived fairness of complaint policies, while interactional justice relates to the manner in which the retailer or service provider responded to the complaint.

METHODOLOGY

Data Collection

A telephone survey was chosen as the means of collecting data for this research. Calls were made from the Customer Relations Department of the rental car company. After-hours calling was initiated since it was assumed that many consumers who had filed complaints would be working during business hours. The phone calls were follow-up calls to customers who had their complaints resolved three months prior to the onset of the study. The population consisted of 2,135 complaints which had been resolved and closed

according to company records. The questionnaire dealt with the level of satisfaction derived from the complaint process and how the customers responded to the company following the resolution of their complaint.

Population and Sample

Complaints to this company are handled by the Customer Relations Department of this company and customers can access this department by writing a letter of complaint or by calling the 1-800 number specifically designated for this purpose. In addition to handling complaints, this department handles questions, comments, requests, and suggestions from the public. The company receives many thousands of calls to its 1-800 customer service number each month.

This study utilized a national sample drawn from customers who had complained to the rental car company three months prior to the study. A systematic quota sample with a random start taken from four designated customer groups provided the format for sample selection. The company had identified these four areas of complaint origination to be included in the study: Franchise Group, Corporate Locations, 1-800 Inbound, and International. An attempt was made to equalize the number of respondents in each of these four groups to ensure a cross-section of their customer base. Descriptive statistical results according to these groups were analyzed for the corporation.

The Customer Relations Department provided detailed and completed records of 2,135 resolved complaints. Only 5.6% of respondents refused participation in the study. More problematic was the number of respondents who were unable to be reached because they either were not at home or had changed phone numbers. Consequently, three call-backs were made to each complainant before eliminating them from the sample. Calls were made at various times during the day and evening in an attempt to reach customers who were not at home. The final sample consisted of 466 usable surveys: 115 from the Franchise Group, 118 from Corporate Locations, 116 from 1-800 Inbound, and 117 from the International Group. This resulted in a 22% response rate. Although this data was analyzed in groups for the corporation, they were combined and analyzed as a whole for the present

study. Eight complaint categories were represented: accounting; coverage; mileage, articles and gas; qualifying; rates; reservations; service; and vehicles. These were designated by the company and consisted of the groupings by which customer service representatives categorized in-coming complaints.

Definitions

The following definitions related to the study:

Accounting Complaint--Complaint to the car rental company regarding the accounting procedures of the company, such as: overcharging, double billing, calculation errors, deposit not refunded, etc.

Coverage Complaint--Complaint regarding insurance coverage on a rented vehicle, such as: charged, but did not want, damages, theft, etc.

Mileage, Articles or Gas Complaint--Complaint regarding the amount charged per mile, the number of miles driven, price per gallon of gas, lost articles and/or damaged articles.

Qualifying Complaint--Complaint regarding qualifications for renting, such as: age minimum or maximum for renting a vehicle, local rental policies, drivers license requirement or cash rentals.

Rate Complaint--Complaint regarding rate disputes, such as: reservation center errors, travel agent errors, promotional rates, one-way fees, unauthorized drops, advertised rates, government rates, corporate rates, reserved rates not honored, etc.

Reservation Complaint--Complaint regarding reservation errors, such as: no record of reservation, no car available, etc.

Service Complaint--Complaint regarding behavior of employees, such as: slow service, hours of operation, etc.

Vehicle Complaint--Complaint regarding condition of the vehicle, such as: dirty vehicle, high mileage on rented vehicle, improper vehicle registration, etc.

Examination of Hypotheses

Six hypotheses were tested in the present study. Null hypotheses were evaluated on the basis of statistical analysis. A significance level of

.01 was the established level for rejection of null hypotheses. Table 1 contains the results of hypotheses testing.

Table 1
Summary of Null Hypotheses Testing

<u>Null Hypothesis</u>	<u>Results</u>
Concept 1: Customer perception of quality of service	
HO1: perception of quality of service by gender	Not Rejected
HO2: perception of quality of service by type of complaint	Rejected
Concept 2: Customer response to complaint handling	
HO3: patronage by gender	Not Rejected
HO4: patronage by type of complaint	Not Rejected
HO5: word-of-mouth by gender	Not Rejected
HO6: word-of-mouth by type of complaint	Not Rejected

Instrumentation

A combination of two instruments was chosen to collect the data. The first portion of the questionnaire dealt with customer response or reaction to the complaint resolution process. This was an adaptation of the questionnaire utilized by Martin (1985). Most of the questions in this section were in Likert-type format, although several open-ended questions were included. These unstructured responses were of particular interest to the rental car company. This portion measured satisfaction with response, promptness in gaining a response, courtesy of personnel, and feelings toward the company. In addition, patronage and WOM were measured. Information on gender and type of complaint were secured from company records.

The second portion of the study, a subset of the SERVQUAL instrument devised by Zeithaml, Parasuraman and Berry (1990) was also in Likert-style format. Measured were five distinct dimensions: tangibles, reliability, responsiveness, assurance, and empathy. The segment of the instrument selected for this study included the

portion which dealt specifically with evaluation of service received during complaint resolution and was analyzed as an additive score. The SERVQUAL instrument has been shown to have trait and content validity as well as total-scale reliability (Zeithaml, et al., 1988).

Treatment of the Data

The data collected by the telephone questionnaire were coded for the BMDP statistical program. Significant differences in perception of quality of service by gender and type of complaint were determined by *t*-tests. Significant differences in patronage and WOM by gender and type of complaint were determined by Chi-square goodness of fit tests. The relationships between satisfaction level and type of complaint, patronage, and WOM were determined by Chi-square goodness of fit tests. The variable satisfaction was measured against the dependent variables, patronage and WOM.

RESULTS

Description of Sample

The final sample for this study consisted of 466 usable surveys from four customer groups: 115 Franchises, 118 Corporate Locations, 116 1-800 Inbound, and 117 International. Of this sample, 62.5% were male ($n = 292$) and 37.5% were female ($n = 174$). Eight complaint categories were represented. Table 2 shows types of complaints.

Table 2
Type of Complaint

<u>Type of Complaint</u>	<u>n</u>	<u>%</u>
Accounting	251	54.0
Coverage	16	3.4
Mileage, Articles, & Gas	25	5.3
Qualifying	5	1.1
Rates	93	19.9
Reservations	23	5.0
Service	27	5.7
Vehicle	26	5.6

Satisfaction With Action Taken

Of the respondents, 16.9% (n=79) were fairly satisfied, 21% (n=98) were satisfied, and 40% (n=187) were very satisfied with corporate action taken on their complaint. This totaled nearly 78% of subjects who expressed some level of satisfaction with the complaint handling process. The remainder were either dissatisfied (10%, n=46) or very dissatisfied (12%, n=56) with the company response.

Customer Perception of Quality of Service

Type of Complaint. The SERVQUAL score was calculated as an additive score. Accounting complaints were overwhelmingly represented in the study, 54%, (See Table 2). Although rate complaints represented a sizable number, 19.9%, the remaining six complaint categories totaled 26%. Under statistical analysis, these would have canceled each other out. The number of responses in some categories were so low there would not have been enough remaining degrees of freedom to produce a valid statistical analysis. Therefore, these seven categories were combined and considered as "other" for purposes of statistical analyses.

At a significance level of .01, there was no significant difference in scores on SERVQUAL between males and females. Analysis of the *t*-test yielded $t = 1.65$, $df = 1$, and $p = .099$. At the .01 level there was a significant difference in scores on the SERVQUAL instrument by type of complaint ($t = 3.24$, $df = 1$, $p = .001$). In evaluating accounting complainants satisfaction with action taken, 18.3% (n=46) were fairly satisfied, 16.4% (n=41) were satisfied, and 41.1% (n=110) were very satisfied with corporate action taken on their complaint. This totaled nearly 76% of accounting complainants who expressed some level of satisfaction with the complaint handling process.

Customer Response to Complaint Handling

Patronage. Complainants were asked to respond to the degree to which they rented vehicles following complaint resolution. As shown in Table 3, in the short period following the

resolution of their complaint, three-fourths of the respondents rented as often or more often than before their complaint with this rental car company.

Table 3
Level of Customer Patronage Since Complaint Resolution

Patronage	n	%
Rent much more often than before	22	4.7
Rent more often than before	24	5.1
Rent about the same as before	304	65.2
Rent less often than before	40	8.6
Rent much less often than before	76	16.6

Statistical tests were run to determine if there was a relationship between patronage and gender. There was no significant difference in whether customers rented vehicles since filing their complaint by gender. The obtained $\chi^2 = 4.15$, $df = 2$, and $p = .125$ was not significant at the .01 level. The issue of degree of rental since complaint resolution was measured against type of complaint. When results were analyzed between the degree of rental since complaint resolution and type of complaint, there was no significant difference at the .01 level ($\chi^2 = 8.24$, with $df = 4$, $p = .083$).

Word-of-Mouth. In order to measure WOM communications, complainants were asked whether they had told others about their complaint, about how many people they told, and whether they would recommend the company to a friend. Descriptive results for these three questions are presented in Tables 4, 5, and 6. These items were then examined to determine if relationships existed between them and the variables of gender and type of complaint. No significant differences were found for any of these comparisons at the .01 level. In this study, the web of WOM extended to 2,230 others (Table 5), with each complainant telling about five people. Findings also indicated

that dissatisfied complainants told more than twice as many others as satisfied complainants, telling an average of 7.67 others. Satisfied complainants told an average of 3.12 others. In addition, over

Table 4
Word-of-Mouth (WOM) Following Complaint Resolution

<u>Told Others</u>	<u>n</u>	<u>%</u>
Yes	292	62.7
No	174	37.7

Table 5
Word-of-Mouth (WOM) Following Complaint Resolution

<u>Number Told</u>	<u>n</u>	<u>%</u>
0	168	36.2
1	35	7.5
2	42	9.0
3	36	7.7
4	36	7.7
5	37	7.9
6	29	6.2
7	2	.4
8	5	1.1
9	2	.4
10	29	6.2
12	10	2.1
15	9	1.9
20	14	3.0
21	1	.2
25	2	.4
30	1	.2
40	3	.6
50	3	.6
100	2	.2

Table 6
Word-of-Mouth (WOM) Following Complaint Resolution

<u>Recommendation</u>	<u>n</u>	<u>%</u>
Yes	360	77.3
No	106	22.7

three-fourths of all respondents would recommend the company to a friend (Table 6).

Further statistical analyses were performed to examine whether relationships existed between the independent variable of customer satisfaction with corporate response and the dependent variables, customer perception of quality of service, patronage, and WOM. Analyses revealed that a relationship did exist among these variables. When patronage (degree of rental since filing complaint) was measured against customer satisfaction with action taken, a moderate relationship was found ($\chi^2 = 123.4$, $df = 4$, $p < .0001$) and was significant at the .01 level. When PWOM (would you recommend the company to a friend?) was measured against satisfaction with action taken, a moderate relationship was found ($\chi^2 = 108.4$, $df = 1$, $p = < .0001$). This means, the more satisfied a customer was, the more likely they were to recommend the company to a friend. In addition, a negative relationship was found to exist between customer satisfaction with action taken and the number of people told about the response. The finding, $t = 4.0$, $df = 1$, $p = .0001$, was significant at the .01 level. That is, the less satisfied a customer was, the more people the customer told about the experience.

SUMMARY

Customer satisfaction, when viewed as part of the consumer decision making process, is key to understanding post-purchase evaluation and behavior. In studying satisfaction with the complaint-handling process, this study examined the responses of complainants regarding their feelings toward the company following complaint resolution.

The corporation examined in this research deals with a large volume of complaints/inquiries which originate from four sources: Franchises, Corporate Locations, 1-800 Inbound, and International Locations.

Of the six hypotheses offered, only one yielded a significant difference. There was found to be a significant difference in customer perception of quality of service by type of complaint. In addition, some degree of relationship did exist between customer satisfaction with action taken and customer perception of quality of

service, patronage, and WOM.

DISCUSSION

The respondents who participated in this research were customers who had rented vehicles with the rental car company primarily in June, 1991 and had experienced problems with the rental in one way or another. The discussion which follows examines specific results and makes generalizations based upon these findings.

Analysis disclosed a significant difference in the perception of quality of service and the variable, type of complaint. Accounting complaints were overwhelmingly represented in this study, 54%. The findings of this research are compatible with those of Dorfman (1980) and Gilson (1981) who maintained that the most common complaints against rental car companies relate to overcharging and billing errors. Several researchers have shown that complaint behavior may be linked to the expense of the transaction (Andreasen, 1977; Kraft, 1977; Landon, 1977). Results of this study seem to support this notion since auto rental can be a relatively expensive proposition, approximately \$200 for an average rental. It may also be that consumers consider economic issues a valid reason for complaint.

In the instance of this company, accounting complaints were the easiest to resolve from the perspective of customer relations personnel. They had specific guidelines to follow and were authorized to refund or compensate a fixed amount depending on the circumstances of the rental. This research indicated that nearly 76% of accounting complainants showed some level of satisfaction with the complaint handling process. This would seem to support the findings of Goodwin and Ross (1990), that consumers preferred a tangible response to their complaint.

In this study, nearly 10% of respondents reported that they intended to rent from the company more often than before filing their complaint. This indicated that successful handling of complaints may have resulted in even greater brand loyalty than before. A total of 75% reported that they intended to patronize the company at least as often as they had before, illustrating that customers who take the time to complain tend to be more brand loyal. This is

consistent with past research which shows a tendency for complainants to be brand loyal (Gilly, 1987; Hirschman, 1970; Lewis, 1983; Singh, 1991; & TARP, 1986). By complaining, consumers are expressing an interest to stay with the service provider and help solve their problems.

Analysis revealed a relationship between customer satisfaction with action taken and WOM. In this study, 77.9% of all respondents showed some level of satisfaction with action taken on their complaint. In addition most of these respondents, 77.3%, would recommend the company to a friend. This is consistent with past research which found a strong relationship between satisfaction and positive WOM (Arndt, 1967; TARP, 1980).

Results for accounting complainants showed a higher level of positive WOM, since 81% would recommend the company to a friend as compared with 77.3% of all respondents. This too supports the notion of a relationship between satisfaction and positive WOM.

The propensity of respondents in this study to repatronize the service provider, and their willingness to recommend the company to a friend (positive WOM) may also be compatible with previous researchers' connection of the concept of perceived justice with repatronage intentions and negative WOM (Blodgett et al., 1993; Goodwin and Ross, 1989; Gilly, 1987, Tax and Chandrashekar, 1992). This may explain the higher number of accounting complainants who are willing to recommend the company to a friend, since these complainants received an immediate, tangible response from the rental car company.

Findings also indicated that dissatisfied complainants were more likely to tell others (negative WOM) than those who were satisfied. In this study, dissatisfied complainants told more than twice as many others as satisfied complainants. This is consistent with the TARP (1980) study which showed the same result.

In general, as customer satisfaction with action taken increased, willingness to do continued business with the company also increased, slightly. However, as dissatisfaction with action taken increased, the propensity to tell other about the experience increased. The results of this study suggest that business must take measures to maintain customer satisfaction in order to increase

patronage and decrease negative WOM.

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EFFECT OF DEMOGRAPHIC VARIABLES ON SELF CONCEPT OF POSITIVE AND NEGATIVE WORD-OF-MOUTH

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ABSTRACT

The purpose of the study was to investigate the ability of demographic variables including sex, education, household income, personal income and age to predict consumers' self-concept of positive (complimenting) word-of-mouth and negative (complaining) word-of-mouth (WOM). The sample was 757 consumers who responded to a national mailed questionnaire to 4,000 households. Demographic variables had an effect on consumers' self-concept of their typical complaining and complementing behavior of the consumers surveyed. However, demographic variables effected complaining and complementing behavior differently. Sex, educational level, and age were found to be effective in predicting positive WOM (complimenting), and household income and age were found to be effective in predicting negative WOM (complaining).

INTRODUCTION

Postpurchase behavior is a series of steps taken by consumers to compare perceived performance to expectations. Gilly and Gelb (1982) described post purchase behavior as the comparison of expectations to the perceived reality of a purchase of a good or service, resulting in either satisfaction or dissatisfaction. They stated "each [person]... views satisfaction/dissatisfaction as a function of the degree of discrepancy between expectations and actual results" (Gilly & Gelb, 1982, p. 323). Similarly, Woodruff, Clemons, Schumann, Gardial, and Burns (1991, p. 104) postulated that "Consumer[s] ...compare perceived experience with the standard, noting whether there is a difference." Woodruff et al., therefore defined consumer satisfaction/dissatisfaction as "... the evaluative reaction to that difference perception and can be cognitive (e.g., good or bad for me) and/or emotional (e.g., pleasing, happy, disgusting to me)."

Self-concept has been used to help explain consumer behavior. Sirgy (1982) reviewed the literature of self-concept in consumer behavior and

concluded that self-concept was useful and contributed to consumer attitude modeling and consumer decision-making research. Self-concept along with attitude research can help predict social behavior (Sirgy, 1982). No literature was found that specifically addressed self-concept in relation to positive or negative WOM. Therefore, the literature review will present several conceptual models and empirical studies of WOM behavior.

Several theories and models have been used to help understand and explain consumer complaint behavior. Hirschman provided a framework to help understand and explain the postpurchase consumer process. According to Ping's (1993) interpretation of Hirschman, consumers have "...three options when responding to organizational 'lapses' in performance (problems): they could exit the relationship, they could use voice, or they could do nothing and remain loyal"(p. 323). Exit was defined by Hirschman (1970) as not purchasing a particular product again or shopping at a particular store or business. In the case of exit, dissatisfied consumers do not complain. Instead they silently vow to never purchase the product or shop at the firm again and take their business elsewhere (Blodgett, Granbois & Walters, 1993). Voice was defined by Hirschman (1970) as expressing dissatisfaction directly to a company or to friends, family or anyone who will listen. Loyalty refers to continuing to purchase a product or continuing to frequent a business regardless of satisfaction/dissatisfaction (Hirschman, 1970). Ping (1993) described loyal behavior as including suffering in silence, thinking and hoping that the situation would improve. However, Hirschman's definition of loyalty does not incorporate the total meaning of loyalty which includes being faithful or devoted (Huefner & Hunt, 1994).

Word-of-mouth (WOM) is a component of voice in Hirschman's (1970) work. However, according to Hirschman WOM only encompasses telling friends and family and does not include seeking redress from the firm. According to Tax, Chandrashekar and Christiansen (1993) WOM is a primary source of information consumers use to

determine prepurchase decisions and a "way to express satisfaction or dissatisfaction with a product [or] experience" (Tax et al., 1993, p. 74). Negative WOM has been found to be used more frequently if consumers feel satisfaction will not be gained by complaining to the firm (Bearden & Oliver 1985). Blodgett et al., (1993) stated that dissatisfied customers who complain to a firm will not engage in negative WOM unless they are dissatisfied with the response or action of the firm following their complaint.

Bearden and Oliver (1985) hypothesized that personal characteristics influenced complaint behavior and satisfaction or dissatisfaction. Prakash (1991) postulated that overall attitude toward complaining (negative WOM) had an effect on consumer complaint behavior. However, this has not been supported by research. Bearden and Oliver (1985) did not find propensity to complain to be an important factor in predicting complaining behavior. Similarly, Blodgett (1994) found attitude toward complaining had no effect on negative WOM behavior. Demographic variables of income and sex have been studied to determine if complaint behavior and positive or negative WOM are related to these variables. In Bearden and Oliver's (1985) study income was found to be only modestly related to public complaining and not to negative WOM. The findings were not significant enough to use income as a predictor of who was more likely to complain. In a study by Parker, Funkhouser, and Chatterjee (1993), men were found to have a higher propensity to complain than women. This finding was unexpected because other studies generally found a weak relationship between sex and response of satisfaction or dissatisfaction or complaint behavior. Dabholkar and Thorpe (1994) studied the relationship between consumer satisfaction and postpurchase intentions relating to positive WOM. They found a strong positive relationship between satisfaction and postpurchase intentions.

To explain WOM in the context of postpurchase behavior Bearden and Oliver (1985) developed an abbreviated model of postpurchase consumer process. Bearden and Oliver (1985) extended Hirschman's (1970) work by adapting ideas from previous models developed by other researchers (see Bearden & Oliver, 1985 for specifics) to help explain consumer postpurchase

behavior. In Bearden and Oliver's (1985) model, after a problem has been identified by the consumer he/she has two choices: either to "take some action" or "take no action." Consumers who decide to take some action can express themselves either publicly or privately. Bearden and Oliver's (1985) model focuses on the public or private complaint action and how this effects resolution satisfaction. It also separates complaining privately or using negative WOM from complaining publicly to seek redress from the firm.

In Bearden and Oliver's (1985) model taking public action includes seeking redress directly from the firm. Hirschman (1970) included this behavior as part of voice. Bearden and Oliver (1985) made a distinction between public action and private action. Bearden and Oliver (1985) reported findings that supported the hypothesis that public complaining as opposed to private complaining was more likely if consumers felt that their complaints would be resolved. Public action not only includes seeking redress directly from the firm, but also extending the complaint action to include taking legal action or complaining to a private or government agency. Private action includes either not shopping at a particular store again or not purchasing a particular product and warning others about a product or store. Hirschman (1970) used the term exit to describe consumers who decided to stop shopping at a particular store and voice to describe consumers who warned others about a store or product. The consumers who warned others about a store or brand have been further studied as negative WOM behavior. The Bearden and Oliver (1985) model helps explain the actions taken by consumers after a problem was identified.

In past research, most attention has been on complaining behavior which includes negative WOM and has excluded complimenting which includes positive WOM behavior (Hunt, 1993). The next step is to study how self-concept of typical complimenting or complaining relates to behavior and whether this leads to why consumers use positive WOM (compliment) or use negative WOM (complain). The purpose of this study was to investigate the ability of demographic variables including sex, education, household income, personal income and age to predict consumers'

self-concept of positive (complimenting) and negative (complaining) WOM.

METHOD

The data were collected as part of a larger survey, conducted by a team of researchers from a major western university. A probability sample of 4000 was drawn from U. S. household heads. The names and home mailing addresses for male- and female-heads of household were obtained from a professional mailing list company (Compilers Plus 1993).

The questionnaire included questions on shopping mall activity (visits, purchases, dollar amount spent, and travel time), personal lifestyle descriptors (35 items), strategies for problem-resolution in shopping (29 items), use of household services (10 items), multiple item list of values (MILOV) scale (49 items), list of values (LOV) scale (9 items), and demographics. It was pretested by a number of consumers identified by the researchers to determine if there were any problems with readability and understanding of the questions. The consumers who participated in the pretest were assumed to be representative of consumers in general.

The data were collected by mail during the first week of September, 1994. Questionnaires were mailed to the home addresses of household heads. The sample was evenly divided between male- and female-heads of household. The initial mailing included a cover letter, a four-page questionnaire, and a prepaid self-addressed business-return envelope. Ten days later, all household heads included in the initial sample were sent a reminder postcard. Two weeks later, a third mailing which contained a second copy of the questionnaire, a reminder letter, and a new business-return envelope went to everyone in the sample. The incentive given was a promise of a copy of summarized results for respondents who wrote their mailing address on the return envelope. The data were derived from 757 usable responses, for a usable rate-of-return of 18.9 percent.

The dependent variables were two measures of self-concept of generalized complaining/complimenting behavior. Consumers were asked to indicate how descriptive of them complaining and complimenting was on a Likert type scale with

the qualifiers ranging from Extremely (1) to Not at All (5) descriptive. In Sirgy's (1982) review of self-concept in consumer behavior research, he concluded that knowledge gained from self-concept research can add to consumer attitude modeling and consumer decision making research. He further stated it was valid to study consumer attitudes by having self reports and the knowledge gained will help social science research.

In the present study consumers' self-concept of their typical positive WOM behavior (complimenting) was measured by a single item: When I have a good shopping experience I tell my friends about it. Consumers' self-concept of their typical negative WOM (complaining) was also measured by a single item: If I have a bad shopping experience, I tell my friends not to shop there. Demographic variables were analyzed in relation to consumers' self-concept of positive WOM (complimenting) and negative WOM (complaining) using SPSS multiple stepwise regression. Two separate regressions were done on the positive WOM and the negative WOM. Paired *t*-tests were also conducted to compare consumers' means for self-concept of complaining and complimenting.

RESULTS

Of the 757 consumers who responded to the survey, 71 percent were female, 27 percent were male, and 2 percent did not specify sex. In regard to education, 25 percent of the respondents were high school graduates, 26 percent attended some college, 18 percent were college graduates, and 10 percent received a post-graduate degree. About 9 percent of the respondents reported household incomes under \$10,000 and 11 percent from \$10,000 to \$19,999. About one-third had incomes between \$20,000 and \$39,999. Twelve percent reported household incomes between \$40,000 and \$49,999. Almost one-third had incomes of over \$50,000. The frequency distribution of personal income appeared to be somewhat different from household income. About 5 percent of respondents reported no personal income and almost 15 percent of the respondents had personal incomes of less than \$10,000. Nineteen percent reported personal income between \$10,000 and \$19,999. Over one-third had personal income

between \$20,000 and \$30,999. About 8 percent of the respondents had personal income between \$40,000 and \$49,999. Twelve percent of the respondents had personal income over \$50,000. In terms of age almost 35 percent of the respondents were between 31 and 45 years old, about 30 percent were between 46 and 65 years old, and 19 percent of the respondents were over 65 years of age.

Table 1
Sex of Respondents

Sex	N	%
Male	207	27.3
Female	536	70.8

Table 2
Educational Level of Respondents

Years of Schooling	N	%
Grade school	12	1.6
Some high school	43	5.6
High school graduate	187	24.7
Some college	195	25.8
Technical school	51	6.7
College graduate	133	17.6
Some graduate school	56	7.4
Post-graduate degree	78	10.3

Table 3
Household Income of Respondents

Income Categories	N	%
No income	8	1.1
Under \$10,000	63	8.3
\$10,000 - \$19,999	82	10.8
\$20,000 - \$29,999	120	15.9
\$30,000 - \$39,999	134	17.7
\$40,000 - \$49,999	89	11.8
\$50,000 - \$74,999	129	17.0
\$75,000 - \$99,999	55	7.3
\$100,000 - \$150,000	28	3.7
Over \$150,000	8	1.1
Not reported	41	5.4

Stepwise multiple regression analysis was used to examine the ability of sex, educational level, household income, personal income, and age to predict self-concept of positive WOM

Table 4
Personal Income of Respondents

Income Categories	N	%
No income	40	5.3
Under \$10,000	119	15.7
\$10,000 - \$19,999	144	19.0
\$20,000 - \$29,999	159	21.0
\$30,000 - \$39,999	104	13.7
\$40,000 - \$49,999	61	8.1
\$50,000 - \$74,999	62	8.2
\$75,000 - \$99,999	13	1.7
\$100,000 - \$150,000	13	1.7
Over \$150,000	3	.4
Not reported	39	5.2

Table 5
Age of the Respondents

Age	N	%
Under 18	4	.5
18 to 25	54	7.1
26 to 30	73	9.6
31 to 35	81	10.7
36 to 40	98	12.9
41 to 45	84	11.1
46 to 50	56	7.4
51 to 55	67	8.9
56 to 60	39	5.2
61 to 65	60	7.9
66 to 70	54	7.1
Over 70	83	11.0

(complementing) and negative WOM (complaining).

Complimenting

Stepwise regression analysis using SPSS was conducted with the dependent variable being consumer responses to the statement: When I have a good shopping experience I tell my friends about it. Sex (dummy variable), educational level, household income, personal income and age were the independent variables. Sex was the first variable to be entered in the model with a significance level of .0001. Women were more likely to see themselves as complimenters than men. After adjusting the model to account for sex, educational level was included as the next

variable with a significance level of .0015. As educational level increased consumers were less likely to view themselves as complimenters. After adjusting the model for sex and educational level, age was included in the model with a significance level of .0030. As age increased consumers were more likely to view themselves as complimenters. Personal income and household income were not significant predictors of complimenting and were not included in the final model. By observing the betas, sex was the most important variable included in the model (beta = .25). Educational level (beta = .12) and age (beta = -.11) were much less important predictors of self-concept of complimenting. The adjusted r squared for the final model for complimenting was .09 indicating that about 9 percent of the total variance of complimenting was accounted by sex, educational level and age.

Table 6
Stepwise Regression of Word-of-Mouth on
Demographic Variables

<u>DEPENDENT VARIABLE</u>				
<u>Independent Variables</u>	<u>B</u>	<u>Beta</u>	<u>t</u>	<u>p</u>
POSITIVE WORD-OF-MOUTH (COMPLIMENTING)				
Sex	.65	.25	6.80	.0001
Educational level	.08	.12	3.19	.0015
Age	-.04	-.11	-2.98	.0030
Constant	2.02	--	12.78	.0001
r squared adj = .09				
NEGATIVE WORD-OF-MOUTH (COMPLAINING)				
Household income	-.10	-.15	-4.03	.0001
Age	.06	.13	3.36	.0008
Constant	2.91	--	16.71	.0001
r squared adj = .04				

Complaining

A second stepwise regression analysis using SPSS was conducted with the dependent variable being consumer responses to the statement: When I have a bad shopping experience, I tell my friends not to shop there. Sex (dummy variable), educational level, household income, personal

income and age were the independent variables. Household income was the first variable to be entered in the model with a significance level of .0001. As household income increased consumers were more likely to tell their friends about a bad shopping experience. After adjusting the model to account for household income, age was included as the next variable with a significance level of .0008. The older the consumer, the less likely they were to tell their friends about a bad shopping experience. Sex, educational level and personal income were not significant predictors of complaining and were not in the final model. By observing the betas household income (beta = -.15) and age (beta = .13) were of about equal importance in predicting self-concept of complaining. The adjusted r squared for complaining was .04 indicating that about 4 percent of the total variance of complaining was accounted by household income and age.

It was decided to conduct a paired t-test to determine if an individual was likely to perceive him/herself as a complimenter and as a complainer. Results, ($t [736] = -10.51, p = .001$) revealed a significant difference indicating that respondents more frequently perceived themselves as complainers ($M = 2.86, SD = 1.36$) than as complimenters ($M = 2.27, SD = 1.17$). That is, the mean for complaining was higher than the mean for complimenting. Apparently, consumers do not just talk about their shopping experiences, both positively and negatively, but they react differently to positive and negative experiences.

The two regression equations also seem to support the t-test that consumers who compliment are different than consumers who complain, because different variables were included as predictors of self-concept of complaining/complimenting. Further, age was the only variable included in both models and the signs of its coefficient were different in each equation, one being positive (complimenting) and one being negative (complaining).

CONCLUSIONS AND SUMMARY

The purpose of the study was investigate the ability of demographic variables including, sex, education, personal income, household income, and age to predict self-concept of positive

(complimenting) and negative (complaining) word-of-mouth. The sample was 757 consumers who responded to a national mailed questionnaire of 4,000 households.

Overall, demographic variables analyzed in this study were found to be useful predictors of self-concept of complaining and complementing behavior of the consumers surveyed. However, demographic variables included in the models were different for complaining and complementing except for age. Age was a significant predictor of both, although the sign of its coefficient was different in each equation, one being positive (complimenting) and one being negative (complaining).

The present findings were inconsistent with past research. Bearden and Oliver (1985) hypothesized that income would be positively related to satisfaction with complaint resolution. They predicted that consumers with higher incomes would complain more frequently because they would gain satisfaction to their complaints. However, this was not supported by Bearden and Oliver's (1985) results. Unlike the present study, their study was based on individuals that had reported some complaining behavior during the six months between mailings. The current study on the other hand, asked respondents to describe how characteristic a behavior was of them, or to "average" their experiences. Some respondents may not have complained in the past six months and these factors may account for the difference in findings. Two income variables were used in each equations and household income was only included in the model for complimenting. As income increased consumers were more likely to tell their friends not to shop at a particular store.

In this study sex did not have a significant effect on complaining behavior. This was contrary to past research by Parker et al. (1993) who reported a significant relationship between sex and propensity to complain, with men having a higher propensity to complain than women. However, in the present study, sex was found to have a significant effect on complimenting. Women characterized themselves more as complimenters than did men. Perhaps since women shop more than men, they may also tell their friends more about shopping experiences than do men.

Age had a significant effect on both

complimenting and on complaining. As age increased consumers were more likely to view themselves as complimenting. Conversely as age increased consumers were less likely to complain. These findings are consistent. Perhaps as people age they are more accepting and not as quick to be dissatisfied or complain.

Educational level was identified as a predictor of complimenting behavior. As educational level increased consumers were less likely to view themselves as complimenters. Perhaps as educational level increases perhaps consumers have higher expectations for their shopping experiences. This would help explain why they are less likely to compliment.

Results from the paired t-test indicated different consumers complained than complimented. This showed that consumers in this study did not just talk about their shopping experiences, both positive and negative, but that different consumers talk about their negative experiences and their positive experiences. Marketers might want to know who the complimenters and complainers are so they could target these separate people and meet the needs of both groups.

Further research could be done using more items in the scales to measure complainers and complimenters instead of relying on a single item measure. Survey responses over time and asking generalized behavior patterns may produce different results than asking consumers to provide generalized self-concept responses based on recall of an actual experience or episode. Investigating the effects of the other variables such as product importance, propensity to complain, or emotions as suggested by Hunt (1993) and Prakash (1991) on complaining and complimenting behavior could further increase the understanding in this area.

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CONSUMER SATISFACTION WITH MARKETING EDUCATION: EXTENDING SERVICES THEORY TO ACADEMIC PRACTICE

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ABSTRACT

The following study examines the argument that marketing educators should integrate emerging service quality/satisfaction knowledge into marketing education as a means of (1) enhancing pedagogy and (2) helping academic organizations better monitor and control their performance as a service firm. The study first asserts that academic institutions can be appropriately described as a service. The study next argues that satisfying the internal and external constituencies of academic institutions should be a primary organizational concern for academic institutions. Based on this argument, the author concludes that it appears reasonable to assert that business schools should be measuring the satisfaction of these constituencies in much the same way that consumer satisfaction is measured in general service environments. The study then identifies the emerging model of satisfaction from the services literature and applies the model to several student settings within an academic institution of higher learning. The study demonstrates that both pedagogical and organizational purposes can be met by using marketing research classes as a means of measuring stakeholder satisfaction on an ongoing basis. Recommendations for marketing academicians are presented and discussed.

INTRODUCTION

The following study begins with the premise that academic institutions can be appropriately described as service firms. Quinn (1992, pp. 5-6) argues that while there does not exist a complete consensus on definitions related to services, "...most authorities consider that the services sector includes all economic activities whose output (1) is not a product or construction, (2) is generally consumed at the time it is produced, and (3) provides added value in forms (such as convenience, amusement, timeliness, comfort, and health) that are essentially intangible concerns of its purchaser." Lovelock (1983) specifically identifies education as an intangible service act directed at people. Thus, it does not appear

controversial to suggest that marketing education can be considered within the domain of the services sector when we consider that:

- education is neither a product nor a construction in the traditional manufacturing sense.
- education is consumed as it is produced both in and outside the classroom. That is, while knowledge can be inventoried in libraries and textbooks, education does not occur until this knowledge is consumed.
- education provides an intangible value to its recipients. For example, few would argue the benefits of a liberal arts education, while at the same time we often struggle as marketing educators to relate associated abstract concepts and ideas to "real world" applications and training.

Marketing academic institutions, like other types of service firms, also produce a "product." Mangold, Brockway, and Niffenegger (1994) argue that the educational product can be defined as "learning" based on an apparent assumption that students are a primary stakeholder of academic institutions. The author of the current research accepts this perspective but adds that knowledge itself appears the primary product for other stakeholder groups such as local communities and the general business world who often depend on the business-oriented body of knowledge from the social sciences.

There also appears to be strong consensus in the marketing and management literatures that one of the attributes of successful service firms is their ability to satisfy their "customers" better than the competition (c.f., Heskett, Sasser, and Hart 1991; Quinn 1992; Rust and Oliver 1994). Thus, given the preceding argument that marketing educational institutions are service firms, it appears a reasonable assumption that satisfying the "customers" of academic institutions should be a primary concern of marketing academicians. The following study furthers this perspective by first

examining the arguments for and against academic institutions concerning themselves with satisfying "customers." The conclusion of this examination is that there appears no compelling reason why marketing educators should not measure stakeholder satisfaction with at least some aspects of marketing educational products. Second, a brief review of the literature related to conceptualizing and operationalizing the customer satisfaction construct is presented. Third, the methods and results of a study extending the identified model of customer satisfaction to a number of settings students encounter within an academic institution are explicated. Finally, the implications of the study are presented and discussed.

SATISFYING "CUSTOMERS" IN MARKETING EDUCATION

There are a number of obvious customers or stakeholders of academic business programs, including among others (1) students who directly consume the educational process, (2) parents and other key influences in students' lives who often pay for the academic product, (3) organizations that hire college graduates from college of businesses, (4) local communities that rely on the economic impact and access to knowledge and expertise of universities, (5) academic staff and the faculty who actually produce knowledge and the educational product, and (6) society-at-large which relies on the body of knowledge in business to provide this country with a competitive edge in the emerging world economy. However, before moving on to a discussion of *how* to measure satisfaction of these constituencies, a discussion of *why* we should measure stakeholder satisfaction in academic institutions appears in order.

The first reason we should consider measuring stakeholder satisfaction in the case of marketing education concerns the growing criticism of existing marketing curricula as well as the academic community of the United States. For example, Anderson (1992) presents a scathing argument that the academic community in the United States is ignoring the needs of its constituencies (for purposes of self glorification). Wright, Bitner, and Zeithaml (1994) argue that business education is no longer preparing students to become effective employees and leaders.

Ronchetto and Buckles (1994) appear to support this assertion by stating that business schools have historically been ineffective in teaching interpersonal skills, teamwork, or negotiation skills. Roach, Johnston, and Hair (1994) review the literature and conclude that four major issues appear important in impeding the production of the marketing educational product: (1) faculty work activity time allocation, (2) career development and training, (3) research on marketing education, and (4) curriculum relevance.

The second reason we should consider measuring stakeholder satisfaction concerns the relevancy of marketing education. In terms of the learning dimension of marketing education, Rotfeld's (1995) argument that one outcome of poorly managing the marketing educational product is that the number of marketing majors in the United States is rapidly declining. He specifically cites marketing's failure to appropriately respond to direct competition within the realm of academics as the primary reason for enrollment declines. Rotfeld suggests that what has resulted is a situation where students see a diminishing level of relevance in marketing curricula to their efforts to obtain training at universities, and placement upon graduation. Berry (1993) similarly argues for relevancy in the knowledge dimension of the marketing educational product, which he defines as whether or not our research addresses and resolves real problems in the practice of marketing.

In short, there appears to be a great deal of stakeholder dissatisfaction with both the practice and relevancy of today's business education in the United States. However, there is evidence that marketing educators are beginning to be moved by these criticisms. Swartz (1994) recently appropriately points out that while business schools (and faculties) are in a state of confusion, there does appear to be a growing call for emphasizing services marketing theory in both curricula and the production of the academic product as one means of overcoming this confusion. For example, Stuart and Tax (1994) develop a framework based on the "House of Quality" technique that provides a means for cross-functional integration of quality into marketing courses. Carter (1994) similarly states that the heightened awareness of the importance of service quality has led universities to incorporate TQM and service quality issues into

marketing curricula. The argument would be that adding such concepts helps teach teamwork, interpersonal skills, and the importance of a customer orientation. Therefore, at a minimum, there appears to be at least some initial interest by marketing faculty in investigating the possible marriage of services theory with marketing educational practices.

Stafford (1994) implicitly supports this assertion by arguing that a limitation of the marketing efforts of academic institutions to date has been conducting marketing practices related only to recruitment and promotion. Mangold, Brockway, and Niffenegger (1994) similarly argue that one reason why there appears to have been so little improvement in teaching quality in the United States has been the fact that American educators have not felt the pressures for quality improvement apparent in the manufacturing sector. However, these authors further assert that this scenario is changing and that there are increasing demands for teaching quality and accountability. Gwinner and Beltramini (1995) argue that the importance of satisfying students' expectations is growing, and calls for measuring alumni satisfaction and behavioral intentions using rigorous analytical methods, a call met by the current research.

These increasing demands for improved service quality and stakeholder satisfaction in business education signal support for the extension of general services theory to the product of colleges of business. In fact, there have been some very recent efforts to generalize service quality measurement theory to the marketing educational process. Butler, Laumer, and Moore (1994) review practices related to graduate teaching assistants in college of businesses and conclude that a majority of the schools they investigated are making some efforts to improve the quality and effectiveness of their teachers. However, these authors further identify that the marketing discipline has a long way to go in the area of ensuring quality teaching in colleges of business in the United States and present a suggested instructional program for graduate teaching assistants. Wright, Bitner, and Zeithaml (1994) identify an emerging educational paradigm in response to the criticisms noted above that focuses on both teaching quality and instructional methods that also appears promising in terms of addressing many of the identified

issues.

A third major reason why marketing educators should begin engaging in measurement of the satisfaction of stakeholders relates to the argument that such controls are inevitable given that outcome-based education (OBE) will appear influential in the educational landscape of the United States over the foreseeable future. For example, Nicastro (1995, p. 1) characterizes OBE as, "Essentially, OBE focuses directly on relating curricular and instructional decisions to preestablished exit outcomes for students." She states that there are two reasons why marketing professors should consider the eventual impact of OBE on marketing curricula: (1) changes in the American workplace that have precipitated the shift in primary and secondary levels of education to OBE-based education are beginning to affect college graduates (e.g., increased diversity, increased competition, a trend toward more participative management styles, and the need for employees with higher-order cognitive skills); and (2) colleges will have to be able to respond to OBE-educated students' different set of perceptions and expectations of their college experience. In short, a situation appears to be developing wherein marketing education will increasingly be held to OBE standards.

The call for OBE is consistent with the previously identified calls for controlling the provision of the marketing educational product. This raises the interesting dilemma of whether or not marketing educators wish to proactively establish these standards themselves, or have them imposed by external stakeholder groups through the legislative process. We are fortunate in that the rapidly growing body of knowledge from the services marketing literature provides direction for appropriately measuring stakeholder satisfaction and service quality as key components of proactively developing such control processes. The purpose of the study reported herein is to demonstrate how marketing research classes can be used in this control process on an ongoing basis, while at the same time serving a pedagogical purpose by demonstrating the most recent satisfaction theory from the services marketing literature.

However, in fairness, it appears important to point out that not all marketers will support efforts

to use service quality perceptions and stakeholder satisfaction judgements for purposes of controlling the production of the marketing educational product, particularly in the case of students. In fact, Giacobbe and Segal (1994) suggest that one of the key underlying problems underlying any long-term solution to the problems in marketing education such as identified above relates to closing the "chasm" between marketing academicians and practitioners. The gist of this "chasm" appears to be related to whether marketing students should be "educated" or "trained."

There appears to be a view among some marketing educators that an emphasis on "training" and job placement, such as recently advocated by Rotfeld (1995) in relation to students as a stakeholder group, leads to a "trade school" mentality. These scholars might argue that such an approach may work well for the trades (e.g., plumbers, electricians, and carpenters), however, the purpose of a university education is to expose students to a broad range of knowledge accumulated over the course of history. Thus, understanding of the extant body of knowledge is the objective of a university education rather than the more pragmatic considerations of applicable job skills and placement post-graduation.

The author of the current research suggests that what emerges from a consideration of these two perspectives is the existence of a false dichotomy (i.e., these ends are not mutually exclusive). Berry (1995) touches on this issue and concludes that the ability for all organizations to deliver great service requires both "training" and "education." Berry (1995, p. 188) distinguishes the two terms as follows:

"Training helps servers build their skills, education helps them to build their knowledge. Training supports the 'how' of service delivery, education supports the 'why.' Education provides the context for skill building."

Thus, Berry accurately points out that training alone is not sufficient for service organizations. In other words, it does not appear reasonable to assume that just anyone can be trained to be a contributing member of a successful service firm.

Rather, there appears a necessary ambient level of cognitive skill necessary to properly function in a service economy such as that found in the United States, a position that appears consistent with those of Drucker (1992), Quinn (1992), and Herrstein and Murray (1994).

This is the reason the author of the current research asserts that the apparent controversy between "education" and "training" is inappropriate. There is no question that the economy of the United States is now largely service-based (c.f., Heskett, Sasser, and Hart 1991; Quinn 1992). Within this service economy, the fundamental unit of analysis, and where the vast majority of value is added to products, is knowledge based (Drucker 1992, Quinn 1992). In a nutshell, a knowledge-based, technology-driven, service economy appears to require participants with higher levels of cognitive abilities than necessary in the rapidly disappearing manufacturing-based economy. It is this trend that in part has led Herrstein and Murray (1994) to conclude that the educational system in the United States is intimately linked to the overall economy by serving as a conduit for and gatekeeper of the cognitively privileged in our society. In fact, it appears clear that opportunity in the emerging service economy will be highly correlated with levels of education for the foreseeable future in the United States. Thus, the idea that universities should focus on developing less cognitively challenging skills (i.e., training) is simply not consistent with nor will support the emerging service economy. In short, Berry (1995) correctly asserts that the service economy of the United States appears to require an "educated" pool of people that can be "trained" based on a foundation of advanced cognitive skills. This perspective appears consistent with the previously identified definition of the marketing educational product in the current study as comprised of at least the dimensions of "knowledge" itself and "learning."

However, this position does not also suggest that total control of curricular issues and research activities in college of businesses should continue to rest with faculty and administrators. Rather, if we are to appropriately generalize services theory to colleges of business and the marketing educational process, we should involve all of our stakeholders in the product development process

(i.e., curriculum and development of research agendas) as well as control processes (i.e., measurement processes such as those implied by OBE). For example, if businesses suggest that marketing graduates generally lack the sound communication skills or basic abilities to manage information technology required for adequate training, then colleges of business have a responsibility to strengthen emphasis on these concepts in courses of study. To do less would simply not be truly customer centered.

One question that may arise concerns the ability of stakeholder groups other than faculty to *knowledgeably* contribute toward the development of the marketing educational product. For example, Olshavsky and Spreng (1995) appropriately point out that students may lack the ability to assess the core components of marketing learning (e.g., rigor, relevance, substance). In such cases it is clear that faculty should retain the lion's share of input in curriculum development. However, this does not mean that we should not be developing measures of student satisfaction with the *service* quality students perceive from faculty (e.g., responsiveness, empathy, availability, and respect) as well as supplementary services (e.g., housing, financial aid, food service, book stores, and parking). Simply put, it appears reasonable to hypothesize that student satisfaction with the delivery of core and supplementary services will contribute to students' overall evaluations of their educational experience.

In summary, a careful consideration of whether or not colleges of business should measure stakeholder satisfaction as part of a process of applying services theory to marketing academic institutions leads to the conclusion that there appears no compelling reason to treat the educational service product, or educational service institutions, as somehow different from other (high involvement) service organizations. Based on this conclusion, the next section identifies how stakeholder satisfaction can be conceptualized and operationalized in order to achieve this objective.

THE EMERGING MODEL OF CONSUMER SATISFACTION

While the influence of the marketing concept has identified the important role of achieving

consumer satisfaction in the successful practice of marketing for some time, it has only been recently that marketing knowledge has significantly progressed concerning the appropriate conceptualization and operationalization of the consumer satisfaction construct. Oliver (1993a,b) recently proposes a model of consumer satisfaction which arguably represents the leading edge in empirically validated consumer satisfaction research to date. In short, Oliver (1993a) argues that consumer satisfaction can be conceptually defined as *a filling or fulfillment*. Oliver (1993b) operationalizes his proposed definition of consumer satisfaction using measures of affect and cognitive disconfirmation. Equation 1 presents a model of consumer satisfaction for academic environments based on Oliver's (1993a,b) models.

$$\text{Satisfaction} = f(\text{Affect}, \text{Disconfirmation}) \quad [1]$$

Oliver (1993b) essentially argues that consumer satisfaction judgements are comprised of both emotional (i.e., affect) and cognitive (i.e., disconfirmation) elements. Thus, satisfaction in academic settings can be thought of as the sum of (1) how consumers feel about the service they have received, as well as (2) how they perceive the performance of the academic service compared to some comparison standard. The next section presents a study that tests the presented model specific to students in an academic setting.

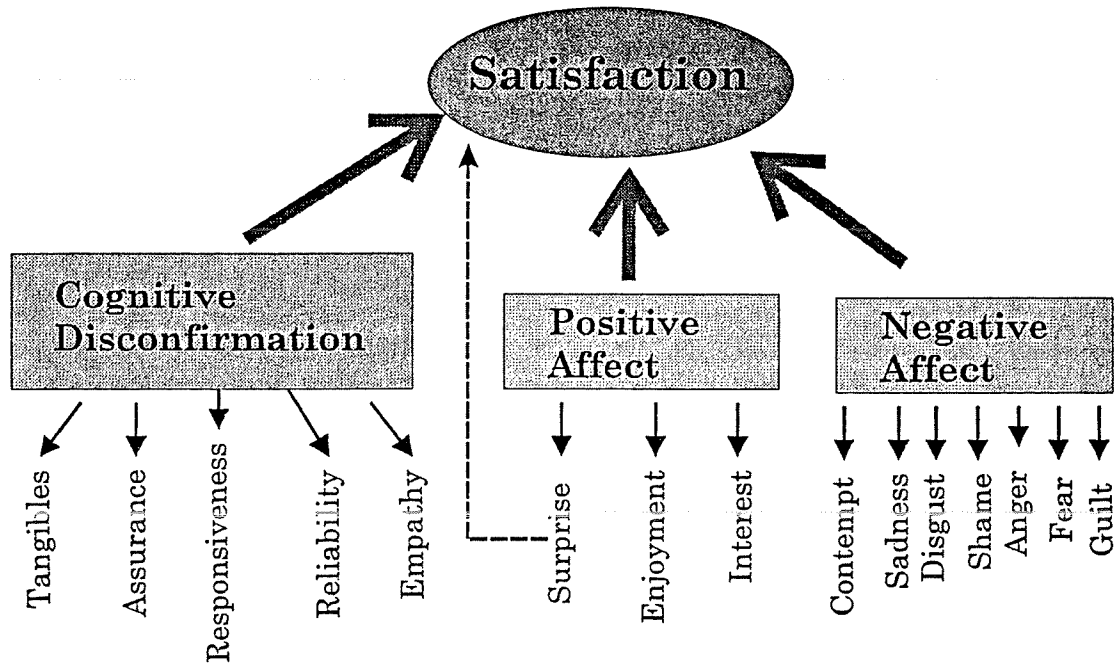
METHODS

The following section presents a study to test the efficacy of the presented model of satisfaction specific to an educational service setting. First, the measures employed in the current research are discussed. Second, the research hypotheses are explicated. The statistical methods employed in the current study are also presented in this section. Finally, the sampling frame and setting for the current research are overviewed.

Measures

The items used to operationalize the constructs in the current research are reported in Appendix A. The research model is presented in Figure 1 and necessitates the operationalization of three

Figure 1
The Research Model



general constructs: overall satisfaction, emotion or affect, and cognitive disconfirmation. Satisfaction is operationalized in the current research using six 9-point Likert-type scale items based on the items reported in Oliver (1980) that are generally considered reliable and valid in services research. Affect is operationalized in the current research using Izard's (1977) DES emotions scale based on the recommendations of Oliver (1993b). Ten specific emotions are identified as relevant and measured based on the development of Izard's scale of emotions. Oliver cites a number of studies that have validated the reliability and validity of this scale in previous research. Cognitive disconfirmation is operationalized in the current research by five 9-point Likert-type scale items with "better than/worse than" poles. These types of items are recommended by Westbrook and Oliver (1991) to operationalize disconfirmation over alternative operationalizations of the gap between performance perceptions and expectations. For purposes of simplicity, each of the five items used to operationalize disconfirmation corresponds

to a proposed dimension of service appraisal as identified by Parasuraman, Zeithaml, and Berry (1988): tangibles, empathy, assurance, reliability, and responsiveness (see Parasuraman, Zeithaml, and Berry 1988 for comprehensive definitions of these components and a detailed discussion of their conceptual and empirical origins).

The Research Hypothesis

A number of research hypotheses are tested in the current research. First, Oliver (1993b) argues that positive and negative affect are believed to make independent contributions to satisfaction/dissatisfaction judgements. In other words, Oliver asserts that positive experiences with a service may not be inversely correlated with negative experiences, a phenomenon known as independence. Oliver further asserts that the independence argument appears particularly relevant to product and service consumption where a variety of attributes appear to exist at different levels of abstraction. The implication of the

independence argument with regards to positive and negative affective responses is that care should be taken in regression-based models such as used in the current research to ensure that the positive and negative responses are captured independently in analysis. This leads to the first three research hypotheses

H1: Affect is a multidimensional construct reflecting separate dimensions for positive versus negative affective responses.

H2: Positive affect is positively related to overall student satisfaction.

H3: Negative affect is negatively related to overall student satisfaction.

Hypothesis 1 is assessed via exploratory factor analysis using the Factors module of SPSS for Windows (version 6.1). The method for factor extraction is principal components using Varimax factor rotation. The standard for factor extraction in the current research is the traditional standard of eigenvalues greater than one. Hypotheses 2 and 3 are assessed using the Regressions module of SPSS for Windows (method=enter). Contributions to satisfaction judgements are assessed based on the overall significance of the regression equations as well as the t-values associated with the independent variables. If the significance level is $\leq .05$, then evidence is presented that the associated independent variable statistically contributes to satisfaction judgements as a dependent variable.

Oliver (1993b) identifies two additional points that merit consideration in the current research. First, he points out that *negative* experiences are believed to be generally more strongly perceived by individuals (i.e., with greater intensity) as well as perceived as more salient. Therefore, we anticipate in the current research that negative emotions will contribute more strongly than positive emotions to satisfaction judgments. We can test this assumption by assessing whether the regression coefficient for the negative affect variable is larger than the regression coefficient for the positive affect variable. This leads to Hypothesis 4.

H4: Negative affect contributes more to

overall student satisfaction than positive affect.

Second, Oliver (1993b) points out that the "surprise" variable in Izard's scale used in the current research is a bivalent affect (i.e., positive, negative, and neutral), therefore, the items may be suspect in revealing the subject's intended valence. For purposes of the current research, surprise is treated as a positive or negative affective response in situations where the variable (1) loads with the other affective variables in exploratory factor analysis, and (2) contributes to a reliable set of affect items (i.e., coefficient $\alpha \geq .7$). In those situations where the surprise variable does not contribute to an affective dimension in a statistically reliable manner, surprise is treated as a separate independent variable in regression analyses as noted by the dotted line in Figure 1.

Cognitive disconfirmation is widely recognized to underlie the psychological processes that motivate satisfaction responses (c.f., Oliver 1993a,b). The model studied herein accounts for the influence of cognitive disconfirmation on satisfaction judgements as Hypothesis 5.

H5: Cognitive disconfirmation is positively related to overall student satisfaction.

Hypothesis 5 is also assessed in the current research using the Regression module of SPSS for Windows 6.1 software package (method=enter). The overall explained variance for satisfaction judgements in each service setting is subsequently assessed using the R^2 value.

Sample

The sample for the reported research was collected at a medium-sized Midwestern university. A total of 1,361 surveys were collected by the students of two undergraduate marketing research classes relevant to nine unique service settings located on the campus. The samples from two groups (Group 7 and Group 8) were not included in subsequent analysis as the student interviewers failed to follow instructions correctly by not collecting the full set of affect items from Izard's scale, leading to an effective sample size for

analysis of 1,149 completed surveys. The sampling frame for the research was all of the students of the university. Surveys were captured at alternative times of the day (during normal working hours) by personal interviews at the campus union in a form of modified mall intercept. Because of the experiential nature of satisfaction (c.f., Rust and Oliver 1994), respondents were initially queried to determine whether or not they had personally experienced the service they were assessing within the last six months prior to participation in the study.

Table 1 presents the samples collected by the twelve student research teams. The student groups assessed student satisfaction with the following services on campus: parking services (two groups), residence hall dining facilities (two groups), the

university book store, a competitor bookstore on campus, the university's efforts directed toward minority recruitment and retention, the residence halls in general, cleaning services at the university, and student health services (two groups). The services selected for evaluation by students were chosen because they are services that (1) students deal with on a relatively regular basis, (2) students are comfortable evaluating with some degree of confidence, and (3) represent supplementary rather than core educational services. Table 1 further identifies that some differences exist between samples in terms of proportions of gender and ethnic backgrounds, however, the distribution of the summed categories appear very similar to the distributions actually found in the student population and/or usage patterns of the specific services.

Table 1
Sample Characteristics

Group No.	Service	N	Gender		Ethnic Background				
			Male	Female	White	African-American	Hispanic	Asian	Other
1	Minority Efforts	79	29	50	41	27	9	1	1
2	Parking Services	74	50	24	60	6	3	3	2
3	Student Health Services	80	45	35	73	3	4	0	0
4	Student Health Services	96	37	59	83	10	5	0	0
5	Residence Halls-Living	83	46	37	77	3	2	0	1
6	University Book Store	98	52	46	88	6	2	1	1
7	Residence Halls-Dining	116	Sample not used due to failure to follow instructions in data collection.						
8	Parking Services	96	Sample not used due to failure to follow instructions in data collection.						
9	Competitor Book Store	98	47	51	90	3	2	2	1
10	Residence Halls-Dining	357	120	237	323	19	8	2	5
11	Physical Plant-Cleaning	104	49	55	100	2	0	0	2
12	Safe Ride	80	6	74	66	9	1	2	2
Totals		1361	481	668	1,001	88	34	11	15

Table 2
Correlation Matrix of (Averaged) Variables in Regression Analysis

	Disconfirmation	Negative Affect	Positive Affect	Satisfaction	Surprise
Disconfirmation	1				
Negative Affect	-.28	1			
Positive Affect	.37	-.18	1		
Satisfaction	.56	-.36	.38	1	
Surprise	.17	.27	.26	.14	1

Table 3
Results of Hypothesis Testing

Group Number	Service	Dimensions		Coefficient Alpha Scores	Mean Satisfaction Score	Regression Equation	R ²
		Affect	Disc ¹				
1	Minority Efforts	2	1	.8810 ² /.9178 ³ .9057 ⁴ /.8779 ⁵	5.85	Satisfaction = .55 ^a Disconfirm ⁶ + .30 ^b PosAffect ⁷	.67
2	Parking Services	3	1	.7078 ² /.8269 ³ .7869 ⁴ /.8495 ⁵	5.83	Satisfaction = .31 ^b Disconfirm + .29 ^b PosAffect - .25 ^a NegAffect ⁸	.32
3	Student Health Services	3	1	.6871 ² /.7796 ³ .8315 ⁴ /.9671 ⁵	6.10	Satisfaction = .57 ^a Disconfirm - .21 ^a NegAffect	.60
4	Student Health Services	3	1	.7839 ² /.8296 ³ .8734 ⁴ /.9261 ⁵	6.40	Satisfaction = .63 ^a Disconfirm - .18 ^a NegAffect	.57
5	Residence Halls-Living	3	1	.7028 ² /.8110 ³ .8213 ⁴ /.8814 ⁵	5.03	Satisfaction = .35 ^a PosAffect + .34 ^a Disconfirm - .24 ^b NegAffect	.49
6	University Book Store	3	1	.7790 ² /.8640 ³ .8371 ⁴ /.8939 ⁵	6.12	Satisfaction = -.46 ^a NegAffect + .25 ^a Disconfirm	.33
7	Residence Halls-Dining	Sample Not Analyzed Due To Improper Data Collection.					
8	Parking Services	Sample Not Analyzed Due To Improper Data Collection.					
9	Competitor Book Store	3	1	.7108 ² /.8686 ³ .8645 ⁴ /.8927 ⁵	6.10	Satisfaction = .41 ^c Disconfirm - .28 ^b NegAffect + .19 ^a PosAffect	.41
10	Residence Halls-Dining	3	1	.7758 ² /.8317 ³ .8485 ⁴ /.9251 ⁵	5.36	Satisfaction = .32 ^a PosAffect + .31 ^c Disconfirm - .18 ^a NegAffect	.39
11	Physical Plant-Cleaning	3	1	.7175 ² /.8669 ³ .8070 ⁴ /.9049 ⁵	5.73	Satisfaction = .45 ^a Disconfirm	.31
12	Safe Ride	3	1	.7203 ² /.8089 ³ .8843 ⁴ /.8283 ⁵	5.95	Satisfaction = .32 ^b Disconfirm + .26 ^a PosAffect	.22

- | | | | |
|---|--|---|---|
| 1 | Disc = Cognitive Disconfirmation | 6 | Disconfirm = Cognitive Disconfirmation Independent Variable |
| 2 | Coefficient Alphas score for Positive Affect | 7 | PosAffect = Positive Affect Independent Variable |
| 3 | Coefficient Alphas score for Negative Affect | 8 | NegAffect = Negative Affect Independent Variable |
| 4 | Coefficient Alphas score for Cognitive Disconfirmation | a | p ≤ .05 |
| 5 | Coefficient Alphas Score for Satisfaction | b | p ≤ .01 |
| | | c | p ≤ .001 |

Reliability and Validity of the Measures

Prior to discussing the results obtained in statistical analyses, it is important to address whether or not the measures used in the current research are valid and reliable.

Correlation matrices can be used to assess the relative degree of convergent and discriminant validity in the sets of items. Table 2 presents an averaged correlation matrix of the variables used in hypothesis testing. Given the difficulties associated with obtaining discriminant validity in services measures, the intercorrelations compare quite favorably with those often found in services research (c.f., Cronin and Taylor 1992, Taylor and Baker 1994). Thus, some evidence is apparent for the validity of the measures used in the current exploratory analyses.

Reliability of the obtained measures is assessed by looking at the factor structure of the scales as well as their coefficient alpha scores (Nunnally 1978). Hypothesis 1 asserts that the affect construct is multidimensional reflecting both positive and negative emotions. Table 3 demonstrates that the affect construct consistently exhibits three factors in exploratory factor analysis, one positive and two negative factors. Thus, Hypothesis 1 is confirmed in every sample setting in the current research.

However, the position can be maintained that issues related to the factor structure of the Affect construct outside the identification of positive and negative affective influences are not relevant for purposes of the current research. The measures used to operationalize the constructs in this study are treated as indexes as opposed to scales in accordance with the recommendations of Cronin and Taylor (1992, 1994). These authors argue that the difference is that an index is an exact linear combination of observed items. The dimensionality of the items of an index used as an observed variable is not relevant because any conclusions drawn by comparing models are not invalidated by the psychometric properties of the items that compare indices. The ability to treat the measures in the current research as indexes rather than scales allows for summing-and-averaging the positive affect, negative affect, and disconfirmation sets of items into single independent variables that can then be regressed upon overall satisfaction

judgments as a dependent variable.

Table 3 further demonstrates that the coefficient α scores for the summed-and-averaged variables support the argument for reliability of the measures. Based on these standards, the samples from groups 1, 4, 10, and 12 exclude the "surprise" affective variable from the positive affect set of items and treats "surprise" as a unique independent variable.

RESULTS

The results of hypothesis testing are presented in Table 3. Readers are initially directed to the finding that it is apparent that treating "surprise" as a unique independent variable in some samples does not affect the results reported herein as the variable fails to be independently related to satisfaction judgements in any of the investigated cases. Therefore, consistent with the recommendation of Oliver (1993b), it appears that the "surprise" variable in measures of affective responses in service-based research should be treated with caution.

Hypothesis 2 states that positive affect contributes to satisfaction judgements. Hypothesis 2 is partially supported in the current research as seen in the samples obtained by groups numbered 1, 2, 5, 9, 10, and 12. Hypothesis 3 states that negative affective responses will contribute to satisfaction judgments. The results of the current research again partially support Hypothesis 3 in the samples from groups numbered 2, 3, 4, 5, 6, 9, and 10.

Hypothesis 4 assesses Oliver's (1993b) argument that negative affective responses are stronger and more salient than positive affective responses. Support for Hypothesis 4 is evident when the regression coefficient is larger for the NegAffect than the PosAffect independent variable in Table 3. Here again we see mixed results as Hypothesis 4 is supported only in the samples collected by groups 3, 4, 6, and 9. In fact, we see essentially the same amount of evidence in the current research for the alternative argument that PosAffect is more generally a stronger contributor to satisfaction judgments in the samples from groups 1, 2, 5, 10, and 12.

The final research hypothesis assesses whether cognitive disconfirmation contributes to satisfaction

judgements in marketing educational settings. Hypothesis 5 is supported in every sample collected in the current research. These results provide additional support for Oliver's (1980, 1993a) assertion that subjective disconfirmation is most closely related to satisfaction judgments. The next section investigates the implications of the reported study.

IMPLICATIONS & RECOMMENDATIONS

The results reported herein demonstrate that the level of satisfaction of students, as one of the constituencies of marketing academic institutions, with the product they receive from marketing-based program of studies can be easily measured using recent advances in satisfaction theory. This finding supports the basic argument underlying the current research that services theory can, and should, be generalized to marketing academic service settings. The results further demonstrate how such efforts in relation to satisfaction measurement can be used for pedagogical purposes in undergraduate marketing research classes.

The author of the current research adds his voice to those suggesting that marketing educators begin to consider the level of satisfaction (and quality perceptions) of stakeholder groups in efforts to produce the marketing educational product. This study demonstrates that this can be easily accomplished in student stakeholder groups, and encourages such efforts with other stakeholder groups. Given the trend in the United States toward greater accountability in the outcomes of marketing education, it is the sincere hope of the author of the current research that marketing educators begin to engage in a serious dialogue concerning how to best incorporate evolving services theory into marketing educational processes.

The results of the exploratory research reported herein can provide some initial direction in accomplishing this end. First, the mean scores for overall satisfaction in the current research range from 5.03 in the sample from group 5 (Residence Halls-Living) to 6.40 for group 4's sample concerning Student Health Services (see Table 3). Given that these values were derived using nine-point scales, it appears fair to suggest that the students assessed in the current research

perceive that there is substantial room for improvement across all of the supplemental service settings investigated. This conclusion is strengthened by the recent evidence presented by Peterson and Wilson (1992) demonstrating a consistent and general pattern of positivity bias in satisfaction research. The author of the current research is fairly suspicious that replications of the study reported herein will yield similar results in other academic settings. Capturing these indices of stakeholder satisfaction can thus provide colleges of business with ongoing strategic marketing information based on insights into the nature of affective and cognitive evaluations by key stakeholder groups. Interestingly, the R^2 values reported in Table 3 reflect good explanatory values for services research (Bolton and Drew 1991).

Second, it is intriguing that cognitive disconfirmation appears to contribute to satisfaction judgements in academic environments in every instance considered herein whereas positive and negative affect appear somewhat less robust (see Table 3). Further research appears warranted to better understand the antecedents and consequences of this phenomenon. For example, what is the nature of the factor structure of affective responses? Is there a causal ordering of affective and cognitive responses in satisfaction judgements? Is the nature of any interactions between affective and cognitive responses in satisfaction judgements additive, multiplicative, linear or nonlinear?

Third, further research appears warranted that investigates more fully where and when negative and/or positive affective responses contribute to satisfaction judgements. The results reported in Table 3 demonstrate heterogeneity within different groups of student respondents. There is no reason not to assume that such heterogeneity exists in populations of other constituencies of marketing academic services. This information may make it easier for marketing academic institutions to develop marketing strategies for key stakeholder groups based on either minimizing negative affective responses, maximizing positive affective responses, or both.

Fourth, the results reported herein further support Oliver's (1980, 1993a,b) arguments for measuring subjective disconfirmation in all efforts related to satisfaction measurement. The results

reported herein clearly suggest that students employ cognitive evaluations of the academic services they receive. Further research might consider ways of developing a better understanding of which comparison standards influence the disconfirmation component of these satisfaction judgements in academic settings (e.g., alternative forms of expectations, availability of alternatives, or norms).

Finally, we suggest that replication studies of the results reported herein be undertaken to investigate the robustness and generalizability of the results. Given the general heterogeneous nature of services, it is not unlikely that different academic institutions in different parts of the country will obtain different results. The key point of this study is that we should begin the process of seriously measuring the satisfaction levels of the key constituencies of academic institutions on an ongoing basis, and then using this information in the administrative decision-making process.

LIMITATIONS

The exploratory research reported herein has a number of limitations that readers should consider. First, only one stakeholder group (i.e., students) is investigated relative to a single academic institution making the ability to generalize the reported results an unknown risk. Second, the services selected for evaluation do not include essential services such as financial aid, and evaluations of faculty. An imperative of future efforts by administrators of marketing educational programs to overcome both of these limitations and incorporate services theory into the production of the marketing educational product will be the education of faculty as to the importance and necessity of control processes related to teaching and research. Only when faculty learn to appreciate the necessity of applying a customer focus within academics can serious efforts be undertaken to develop adequate measures for controlling the production of the marketing educational product. Critical to the success of these efforts will be the exposure of faculty and other key stakeholder groups to emerging services theory, and consequent role development.

CONCLUSION

In conclusion, the results of the exploratory study reported herein support the primary recommendation of this research that marketing/management research classes can be employed by academic institutions to aid in the achievement of integrating services theory into marketing educational practices while simultaneously serving pedagogical needs. The simple fact remains that there is clear evidence that marketing education will continually be held more accountable by stakeholder groups for the foreseeable future. If marketing educators wish to proactively participate in the process of setting these standards of accountability, then attention must be proactively directed toward developing ways of synergistically melding the goals and objectives of all relevant stakeholder groups in the delivery of marketing education.

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Appendix A The Measures

Affect Items

1	2	3	4	5	6	7	8	9
Not at				Average			Very	
All							Much	

___ Interest - defined as attentive, concentrating, or alert.

___ Enjoyment - defined as delighted, happy, joyful.

___ Surprise - defined as surprise, amazed, astonished.

___ Sadness - defined as downhearted, sad, discouraged.

___ Anger - defined as enraged, angry, mad.

___ Disgust - defined as feeling of distaste, disgusted, feeling of revulsion.

___ Contempt - defined as contemptuous, scornful, disdainful.

- ___ Fear - defined as scared, fearful, afraid.
 ___ Shame/Shyness - defined as sheepish, bashful, shy.
 ___ Guilt - defined as repentant, guilty, blameworthy.

Cognitive Disconfirmation Items

1 --- 2 --- 3 --- 4 --- 5 --- 6 --- 7 --- 8 --- 9
 Worse About Better
 Than I What Than I
 Expected Expected Expected

Tangibles are the physical facilities, equipment, and appearance of the employees of XYZ. Would you say that the tangibles of XYZ today were _____.

Responsiveness is the willingness of the company to help customers and provide prompt service. Would say that the level of responsiveness you received from XYZ is _____?

Assurance is the knowledge and courtesy of the employees of XYZ and their ability to inspire trust and confidence. Would you say that the level of assurance you received from XYZ is _____?

Reliability is the ability of XYZ to perform our promised services dependably and accurately. Would you say that the level of reliability you received from XYZ is _____?

Empathy is the caring, individualized attention a firm provides its customers. Would you say that the level of empathy you received from XYZ is _____?

Overall Satisfaction

1 --- 2 --- 3 --- 4 --- 5 --- 6 --- 7 --- 8 --- 9
 Strongly Neither Strongly
 Disagree Agree Nor Agree
 Disagree

I am satisfied with my decision to use XYZ as a source for ABC services.

If I had it to do over again, I would choose XYZ as the source for my ABC services.

My choice to use XYZ as the source for my ABC services was a wise one.

I feel **bad** about my decision to use XYZ as the source for ABC services.

I think that I did the right thing when I chose XYZ as my source for ABC services.

I am **not happy** that I did what I did in coming to XYZ for my ABC services.

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EFFECTS OF DISSATISFYING EXPERIENCES ON REPATRONAGE INTENTIONS AND NEGATIVE WORD-OF-MOUTH BEHAVIOR OF UNIVERSITY STUDENTS

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ABSTRACT

While the effects of dissatisfying retailing shopping experiences on retail consumers' repatronage intentions and negative word-of-mouth behavior have been widely studied, much less research has been devoted to the study of the effects of dissatisfying experiences on university students. This study uses the framework developed by Blodgett, Granbois and Walters (1993) in a retailing situation to examine repatronage intentions and negative word-of-mouth behavior for university students who have encountered a dissatisfying experience. Results indicate the framework is a useful starting point for the study of dissatisfied university students, but other variables not included in the model also affect behavior, and need to be identified.

INTRODUCTION

Student recruitment and retention are increasingly of concern to university administrators as changing demographics have reduced the pool of available college students. Administrators may increase retention by decreasing the extent to which students are subjected to dissatisfying experiences, and by successfully resolving potentially dissatisfying student experiences. Both of these actions may also decrease negative word-of-mouth behavior on the part of students. Negative word-of-mouth has been shown to have both an immediate and a long term effect on judgments by consumers (e.g., Arndt, 1967; Bone, 1995; Richins, 1983). Decreasing the extent of negative word-of-mouth about the university could reduce or eliminate the creation of wide spread and long lived negative perceptions about the university, which may be difficult to overcome (e.g., Griffin, Babin, & Attaway, 1991; Tybout,

Calder, & Sternthal, 1981).

Given the potential importance of the effects of dissatisfying experiences on present and potential students, an understanding of these effects could be of critical importance to university administrators. However, while research has examined general satisfaction and dissatisfaction of all students with the university experience (e.g., Hatcher et al., 1992; Hendershott, Wright & Henderson, 1992) and dissatisfaction of a specific university subgroup (e.g., Lapidus & Brown, 1993), there has been little research examining the specific consequences of dissatisfying experiences of students (Weir & Okun, 1989).

However, consequences of dissatisfying experiences of consumers in retail settings have been explored much more extensively. Blodgett et al. (1993) proposed a model integrating previous work in the area of dissatisfaction, complaining, and negative word-of-mouth behavior into a comprehensive model. They theorized that dissatisfaction may result in either negative word-of-mouth behavior (i.e., telling friends and acquaintances of the negative experience, or of the negative aspects of the retailer or product), or intentions not to repatronize the retailer. Negative word-of-mouth and repatronage intentions may also be affected by likelihood of successful redress (perceived likelihood that the retailer will solve the problem to the consumer's satisfaction), attitudes toward complaining (how likely the consumer is to complain if dissatisfied), level of importance attached to the product, and whether the consumer believes the problem to be stable (relatively long term in nature, as opposed to a temporary situation) or controllable (within the retailer's ability to affect). Besides their direct effects on repatronage and negative word-of-mouth, these variables may also have an indirect affect on repatronage and negative word-of-mouth through

their effects on perceived justice (if the consumers feel they have been treated fairly), which in turn affects negative word-of-mouth and repatronage behavior. Blodgett et al. found their model fit their data fairly well, with the independent variables explaining 49% of the variance of negative word of mouth, and 68.5% of the variance of repatronage intentions.

The Blodgett et al. model is a fairly comprehensive and integrative description of consumer dissatisfaction with retail interactions. Because this framework covers the basic interaction between consumers and providers of a product or service, it may be useful for the investigation of dissatisfied consumers in situations other than retailing.

Students at a university are engaged in an ongoing relationship with many possible experiences which may result in student dissatisfaction. Given the potential importance of the behavior resulting from this dissatisfying experience (i.e., negative word-of-mouth and refusal to repatronize the university), it is imperative that administrators are aware of factors affecting the relationship between dissatisfaction and negative word-of-mouth and repatronage. The Blodgett et al. model incorporates previous findings in the area of behavior of dissatisfied consumers, and thus provides a starting point for examining negative word-of-mouth behavior and repatronage intentions of students who reported having undergone a dissatisfying experience while at a university.

The items measuring each construct were modified to apply to a university setting, but the basic constructs were identical to those used by Blodgett et al.

RESEARCH METHODOLOGY

Unit of Analysis

This study was exploratory in nature. The study was restricted to students who reported their most dissatisfying experience at the university.

Method

A total of 177 surveys concerning student satisfaction and ratings of various aspects of the

university experience were distributed to students in a random sample of classes at a small, midwestern university. All students receiving the survey completed the survey. Students were asked to describe and answer survey questions concerning their "most dissatisfying experience at the university." This wording was used to ensure that students reported on an experience that was important to them. A total of 77 of the students responded to the questions concerning their most dissatisfying experience while a student at the university, and thus their responses were used for this study. Due to the small sample size, regression analysis was used, rather than the structural equations analysis used by Blodgett et al. (1993) in their study.

Descriptive Statistics

Of the 77 respondents, 61% were female and 39% were male. Approximately 39% were between 18 and 24, 38% were between 25 and 29, 9% were between 30 and 34, 9% were between 35 and 39, 4% were between 40 and 44, and 1% were between 45 and 49. In terms of hours worked each week, approximately 16% worked up to 9 hours per week, 6% worked 10-19 hours per week, 23% worked 20-29 hours per week, 16% worked between 30-39 hours per week, 27% worked 40-49 hours per week, 8% worked 50-59 hours per week, and 4% worked over 60 hours per week. The demographics indicate that the students were somewhat older than traditional university students, and most of the students worked part-time or full-time, which is typical of students at this university.

All students sampled were taking courses in the business curriculum. Core business courses had four or five courses as prerequisites, while elective courses had at least one core course as a prerequisite. Thus, these students were taking classes which would be taken by students involved in a degree granting program, rather than classes which might be taken to acquire "general knowledge." There were few alternative universities available for the students to attend if they left this university. However, because most of the students were employed, the degree was not necessary to many students in order for them to obtain a job. Thus, the students might be more

likely than non-working students to not repatronize the university if dissatisfied. However, the students would lack the wide range of alternatives available to retail consumers if they refused to repatronize a particular store. Given the phrasing of the question regarding dissatisfying experiences, a variety of dissatisfying experiences was expected to be reported by the students. However, the dissatisfying experiences reported all seemed to be rather major, and most fit into three major categories. Approximately half of the dissatisfying experiences dealt with interaction with administrators and staff concerning payment for classes, and/or receipt of financial aid. Approximately 35% of the dissatisfying experiences concerned registration for classes, and attempting to gain entrance into certain classes. Approximately 10% of the dissatisfying experiences concerned interactions with instructors. The remaining 5% of the dissatisfying experiences were widely varied, involving such experiences as rude treatment by administrators, faculty, and staff in a variety of circumstances. Thus, the dissatisfying experiences seemed to be fairly similar in seriousness as perceived by the students. Problems in payment for classes, receipt of financial aid, and interactions with instructors all would seem to be key components affecting the satisfaction of students with the university experience.

Measures

Scales were taken from Blodgett, et al. (1993). Slight changes were made in wording to make the phrases more meaningful to students in a university setting. The variables were measured using 5 point (strongly agree=5, strongly disagree=1) scales, except for the response to "number of friends told about your dissatisfying experience", which was open ended. The average number of friends told about a dissatisfying experience was 7.3 people (with a 95% confidence interval of 5.5 to 9.0). Eighty-three percent of the respondents told at least one person of their experience.

Constructs

Likelihood of success referred to the students'

perceptions concerning the likelihood that a problem would be handled in a satisfactory manner by the university. Attitude toward complaining referred to how the students felt, in general, about complaining when they encountered a problem. Product importance measured the level of importance the students attached to receiving a degree from the university. Stability/controllability referred to the degree to which students felt that the dissatisfying experience was something that happened on a regular basis at the university, and whether the university could have prevented the dissatisfying experience from occurring. (Following Blodgett et al., the controllability items were each multiplied by a stability item. These items were then summed to get a value for the construct.) Perceived justice measured the extent to which the students felt they were treated fairly by the university regarding their dissatisfying experience. Repatronage intentions measured the extent to which the students would enroll in another degree program at the university, as well as whether they would have enrolled in the first place if they knew then what they know now, and whether they would recommend the university to a friend. This construct had to be rather broad, because many students may not have had an interest in another degree program before the dissatisfying experience. However, the other two items capture the idea of repatronage by phrasing the behavior in terms of coming again to the same university if they had it to do over again, or recommending the university to a friend. Negative word-of-mouth behavior was measured by responses to the question "How many friends or relatives (not living in your home) have you told about your dissatisfying experience at _____?"

Reliabilities were fairly high for exploratory research with a relatively small sample. Reliabilities, as measured by Cronbach's Alpha, ranged from .63 to .88 for each construct (see Table 1 for a list of the constructs and reliabilities).

RESULTS

OLS regression was used to examine relationships in the data. The first regression equation regressed negative word-of-mouth on

Table 1
Cronbach's Alpha for Each Construct

Likelihood of Success	.70
-..... encourages students to get the most satisfaction from their university experiences.	
-When I began taking classes at, the university had a reputation for "Satisfaction guaranteed!"	
-If any problem occurred, I was confident that the university would handle it to my satisfaction.	
Attitude Toward Complaining	.67
-If I do not like something about ..., I usually keep quiet rather than talk to someone about it.	
-I am usually reluctant to complain to someone at ... regardless of how bad a situation is.	
-In general, I am more likely to complain about dissatisfying experiences at ... than most people I know.	
*(reverse scored)	
Product Importance	.79
-I depend upon getting a degree at ... a great deal.	
-This degree means a lot to me.	
-Compared to other personal expenditures that I make, this degree is fairly important for me to get.	
Stability/Controllability	.63
-This type of thing probably happens all the time at	
-This university hardly ever makes mistakes. *(reverse scored)	
-.... could have taken steps to prevent this problem from occurring.	
-If the school had just paid more attention to what it was doing, the problem would never have happened in the first place.	
Perceived Justice	.66
-I was very dissatisfied with the university's response to my problem! *(reverse scored)	
-Overall, I think that the university treated me fairly regarding my complaint.	
-When I complained to the university about this problem, I got pretty much what I asked for (regarding policies or procedures, etc.)	
Repatronage Intentions	.88
-Knowing what I do now, if I had to do it all over again, I would not go to	
-Because of what happened, I will never enroll in another degree program at	
-I would recommend to a friend that he/she take classes here. *(reverse scored)	
Negative Word-of-Mouth	Average = 7.3
-How many friends or relatives (not living in your home) have you told about your dissatisfying experience at	
_____ people	

likelihood of successful redress, attitude toward complaining, level of importance attached to the service, and whether or not the student believed

the problem to be stable or controllable.

Likelihood of success ($b = -1.10$, $p = .004$) and attitude toward complaining ($b = -.86$, $p = .010$) were both significantly related to negative word of mouth. The independent variables together explained 20% of the variance, with an adjusted r squared of .18. Thus, the higher the perceived likelihood of success of complaining behavior, the less negative word of mouth behavior was undertaken by the consumer. In addition, the less likely a consumer was to complain about a dissatisfying experience, the less negative word-of-mouth the consumer engaged in. Neither stability/controllability nor product importance was significantly related to negative word of mouth.

The direct effects of these same independent variables on repatronage were then examined. Stability\controllability ($b = .07$, $p = .042$) and likelihood of success ($b = -.56$, $p = .000$) were related to repatronage, and product importance ($b = -.26$, $p = .051$) was marginally related to repatronage. The R squared was .41, with an adjusted R squared of .39. Because the repatronage construct was reverse scaled (i.e., measured in terms of not repatronizing), the greater the likelihood of success when complaining, the lower the likelihood of not repatronizing. Similarly, because stability/controllability was measured in negative terms, those who felt the dissatisfying experience was due to a more stable and more controllable cause were less likely to repatronize the university. The more important the degree was considered by the student, the less likely was the student to not repatronize in the future.

Perceived justice was found by Blodgett, et al. to be an intervening factor in the decision as to whether to engage in negative word of mouth or repatronize. To see if perceived justice was an intervening variable in this situation, the previously discussed independent variables were regressed on perceived justice. Stability\controllability was the only one of the four constructs significantly related to perceived justice ($b = -.09$, $p = .000$). This construct explained 20% of the variance in perceived justice, with an adjusted R squared of .19. The more stable and controllable the student felt the dissatisfying experience was, the less perceived justice the student was likely to feel.

Perceived justice was then regressed separately on repatronage ($b = -.68$, $p = .000$, $R^2 = .20$), and negative word of mouth (N.S.). Thus, the fairer the student felt he or she was treated, the more likely was the student to repatronize. Surprisingly, the perceived justice had no effect on negative word-of-mouth, contrary to the Blodgett, et al. (1993) findings.

The correlation between repatronage and negative word of mouth was $r = .31$. Thus, those who were less likely to repatronize the university were also more likely to engage in negative word-of-mouth behavior with more people.

DISCUSSION AND IMPLICATIONS

The results of this study show that the consumer complaining behavior process model of Blodgett et al. (1993) was an appropriate starting point in beginning to understand the effects of dissatisfying experiences on students at a university. However, while perceived justice was a key intervening variable in the consumer retailing situation, it was much less important as an intervening variable in the university situation. Perceived justice was significantly related to all four independent variables in the Blodgett et al. (1993) study, and was also significantly related to both repatronage intentions and negative word-of-mouth behavior. In this study, perceived justice was significantly related to only one independent variable, controllability/stability. In addition, while perceived justice was significantly related to repatronage intentions in this study, it was not significantly related to negative word-of-mouth. Thus, perceived justice may be a less important factor in a university situation than in a retailing situation.

The differing effects of perceived justice on retail consumers and student consumers may be related to the situational differences between student consumers and retail consumers. Retail consumers typically shop by themselves. If they encounter a dissatisfying experience, they may have no friends nearby to express immediate dissatisfaction to. They may then wait for a resolution of the situation before deciding whether they have been treated fairly or not. After they ascertain whether they have been treated fairly (i.e., the perceived justice of the situation), they

then decide whether to engage in negative word-of-mouth behavior, and also whether or not to repatronize. Thus, both dependent variables are affected by perceived justice. A different situation faces the student as a consumer. The student would often be in contact with other students on campus. Thus, it would be likely that a student would encounter other interested students shortly after a particular dissatisfying experience. The dissatisfied student might immediately engage in negative word-of-mouth, before even attempting to gain redress. Thus, perceived justice would not be related to negative word-of-mouth. However, the decision concerning repatronage would typically be made at some more distant time. Thus, the student would have an opportunity to seek redress, and determine if the complaint had been successfully handled before making the decision whether or not to repatronize. This would explain the relationship between perceived justice and repatronage. The significant relationship between perceived justice and repatronage intentions shows that if university students have the perception that their complaint has successfully been resolved by the university, they will be more likely to repatronize the university in the future. However, if the complaint is not resolved in a satisfactory manner, students are more likely to refuse to patronize the institution in the future.

However, because perceived justice has no effect on word-of-mouth behavior, while successful complaint resolution may encourage student return, it may not affect student negative word-of-mouth behavior. The decision to engage in negative word-of-mouth is independent of perceived justice for university students. In the Blodgett et al. (1993) study, only likelihood of success and product importance were directly related to negative word-of-mouth. In this study, only likelihood of success and attitude toward complaining were directly related to negative word-of-mouth. Similarly to consumers in a retailing situation, those students who perceived that their complaint would be resolved engaged in the least negative word-of-mouth behavior. Thus, if universities develop an atmosphere where students have confidence that potential problems will be successfully resolved, this may greatly reduce the problems of negative word-of-mouth.

In contrast to the results for retail consumers,

those students who were more likely to complain, in general, were also more likely to engage in negative-word-of-mouth behavior, regardless of perceived justice. Based on these results, it may be important for university administrators to target those frequent complainers who are in fact prospective "opinion leaders," in order to ensure that they are satisfied with the resolution of their complaints. The handling of the complaints of frequent complainers may be of crucial importance in stemming the flow of negative word-of-mouth.

One limitation of the research is the fact that the model only explained approximately 20% of the variance of negative word-of-mouth. Thus, the model may be missing some important constructs related to negative word-of-mouth behavior.

While the Blodgett et al. (1993) study found only stability/controllability to be directly related to repatronage intentions, this study found stability/controllability, likelihood of success, and product importance to all be directly related to repatronage intentions. Again, a key difference between the retailing study and this study of university students is the diminished effect of perceived justice as an intervening variable.

Altogether, the variables explained 41% of the variance in repatronage (with an adjusted R squared of .38). Students who perceived the cause of their dissatisfying experience to be relatively stable and controllable were more likely to not repatronize the university than those who perceived the cause as relatively unstable and uncontrollable. Thus, students seem to be able to understand that certain occurrences may be quite rare and/or beyond the power of the university to control. These dissatisfying experiences do not cause the students to leave the university and not return. However, if the cause of the dissatisfying experience is under the control of the university, and is a frequent occurrence, the students will express their dissatisfaction by exiting the university, and not returning. It is important to realize that the sample of students at the university under study consisted of mainly part-time students, many of whom were employed on a full time basis. These students may be much more likely to exit before completion of their degree requirements than students at more traditional universities, who need a degree to obtain a job. Thus, administrators with more non-traditional students

should make every effort to be aware of possible dissatisfying experiences, and take immediate steps to reduce their frequency, or eliminate them altogether. Administrators should also be sure to inform students of temporary problems, or problems that are out of the university's control that might result in dissatisfying experiences for the students. This procedure could significantly reduce student dropouts.

Those students who feel they have a high likelihood of success of having their dissatisfying experience taken care of are also more likely repatronize the university in the future. Thus, the university that has a reputation for taking the time to satisfy students will both encourage repatronage, and decrease negative word-of-mouth.

For the university students, the more important the degree is, the more likely the student is to repatronize the university, despite the dissatisfying experience. If the degree is very important to students, the students may be reluctant to exit the university before completion of the degree. Thus, administrators should stress the importance of the university degree to students to encourage repatronage by students who may have had a dissatisfying experience.

Contrary to the situation found by Blodgett, et al., (1993), only stability /controllability had an indirect effect on either of the dependent variables. Stability/controllability had a significant effect on perceived justice, which in turn had a significant effect on repatronage. Thus, the more the students perceived the cause of the dissatisfying experience to be stable and controllable, the less was their sense of being satisfied with the university's response to the problem. The students perceived that the problem could have been addressed by the university, and that the problem had been rather long term in nature. Therefore, the students believed that the university had the ability and the time to resolve the problem, but had not.

One key finding of this study is that for students in a university setting, attitude toward complaining and likelihood of success are key predictors of negative word-of-mouth behavior. These results indicate that university administrators should be very aware of those students who frequently complain, and attempt to address their concerns, to lessen negative effects of word-of-mouth on other students or potential students. In

addition, it is imperative for administrators to ensure that students realize that problems will be addressed and corrected.

Stability/controllability, likelihood of success, and product importance all have significant direct effects on repatronage, and stability/controllability also has a significant direct effect on perceived justice, which has a significant direct effect on repatronage. Contrary to what might be thought to be the case, repatronage can be affected by university response to problems at a university with a large number of non-traditional, part time students. Administrators should be certain to make students aware of problems which are out of the university's control, or of problems that are temporary in nature. As previously noted, administrators should be responsive to student problems, and make this responsiveness known. Further, the university should stress to students the importance of a degree. Those students whose degree was more important to them were more likely to repatronize the university.

This study also shows the usefulness of applying models across very different consumer purchase situations. Although the purchase of a product from a store and the purchase of an education from a university seem to be very different situations, the Blodgett et al. (1993) model proved to be a very useful first step in beginning to understand student dissatisfaction and complaining behavior. In both the retailing and university situations, the repatronage model explained about 20% more of the variance than the negative word-of-mouth model. In addition, three of the four independent constructs from the retailing model were found to have significant or marginally significant direct effects on repatronage in a university setting, and two of the four independent constructs from the retailing model were found to have significant direct effects on negative word-of-mouth behavior in a university situation. Moreover, the stability/controllability construct had both a significant direct and indirect effect on repatronage in both the retailing situation and the university situation.

This study also shows how, while some major factors made be similar across contexts, specific effects of constructs may be altered due to situational differences.

This study was exploratory in nature, with a

relatively small sample size, and was limited to students at a single university. Thus, the results may not be generalizable to other universities. Future researchers should apply this model to different universities to see how relationships in the model might be affected if characteristics of the university and the student body differ.

In addition, the percentage of the total variance explained by the independent variables was relatively low for both repatronage intentions and negative word-of-mouth behavior. Future research should seek to uncover variables not included in the model which might affect repatronage intentions and negative word-of-mouth behavior. Such variables might include number of courses already taken (investment in education), whether the student was full or part time, the student's general attitude toward the educational experience, the student's expectations concerning a university education, and similar variables.

In addition, use of a larger sample size would allow use of a structural equations model, which would allow for more direct comparisons to the Blodgett et al. model.

As the issues of student recruitment and retention become ever more critical to university administrators, administrators need to be more aware of the possible effects of dissatisfying experiences on students' repatronage intentions and negative word-of-mouth behavior. This exploratory study should give administrators some insight into possible approaches for reducing negative word-of-mouth behavior and increasing the likelihood of repatronage of students.

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UK RETAIL CONSUMERS - ARE THEY BEING SERVED?

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ABSTRACT

The essence of this paper is an investigation of consumers' experiences, identifying sources of satisfaction and dissatisfaction, and methods of resolution. The empirical work engenders a perspective in this paper which extends beyond the usual parameters of the marketer. The findings reveal that any complacency that the product and service providers may have about levels of consumer satisfaction are misplaced. In addition to discussing the extent and nature of consumer dissatisfaction, the paper proposes a key means of redemption. The specific context of the research is the UK retail industry which, it is argued, merits concentrated focus due to the significance of its economic, social and consumer characteristics.

THE RETAIL CONTEXT

The past decade has seen a transformation (Kay 1989) and rapid growth in UK retailing, an experience shared by other mature economies (Gattorna 1985). Retailing now plays a significant role in the UK economy in terms of contribution to Gross Domestic Product, consumer expenditure and employment capacity (Maxwell 1992). It is not, however, only economic stature that renders UK retailing a relevant context for research. Rather, its research relevance is based on two further factors.

First, retailing represents a reflection of wider societal change in the UK. The post-industrial society is characterised by a decline in the male working class, feminisation of labour, and fragmentation of the workforce, with a substantial increase in part time, flexible work (Gardner & Shephard 1989 pp. 63-69). The structure of the retail industry closely mirrors these characteristics: the majority of employees in the sector are female, with few exceptions, retail work is increasingly associated with female labour, and staff structures typically observe the core (full time) and peripheral (part time) model (Maxwell Vol 2 #2), advocated by Atkinson (1984) for economic viability.

Second, retailing constitutes a manifestation of contemporary consumer behaviour, which in itself is a further reflection of societal - and even sociological - change. Consumer behaviour may be defined as 'the study of the decision-making units and processes involved in acquiring, consuming and disposing of goods, services, experiences and ideas' (Mowen 1990). An understanding of consumer behaviour is an essential pre-requisite to retail success, not least due the increasing sophistication and complexity of consumer behaviour (East 1990 p.23). A useful model of analysis of consumer behaviour is Mowen's three tier analysis (East 1990 p.6). The primary level of analysis is the individual consumer's exchange, where the focus is on the peculiar processes influencing individual buyers. Secondly, there is the micro-environment level, where buying behaviour is affected by inter-personal and situational factors. Thirdly, there is the macro-environment level of analysis which consists of the broad set of forces that influence large numbers of consumers to act similarly, for example economic conditions like rates of inflation and interest rates.

Therefore it can be asserted that the UK retailing context provides an important backdrop for research due to economic, societal and behavioural factors. Though inter-related and inter-dependent (Kennedy 1989), the most important of these factors is, arguably, consumer behaviour, a contention succinctly supported by Wilkie (1990): 'consumer behaviour in fact performs a very important role in the economic (and social) fabric of society'. The primacy of this dimension is due to the precipitate effect of positive consumer behaviour: the inescapable truism is that only if service encounters result in exchanges of products and services for money are the other dimensions relevant. The corollary is that consumer behaviour generally, and consumer satisfaction specifically, within the retail context merits research attention.

RESEARCH AIMS AND METHODOLOGY

The particular focus of this paper is an

investigation of retail consumers' experiences, identifying sources of satisfaction and the main areas of expressed complaint and methods of resolution/ levels of satisfaction with the outcome/s. Thus, according to Mowen's typology outlined earlier, the levels of research analysis relate to the perspective of individual purchasers and to the micro-environment. The contextual specificity of the research is two retail sectors, namely fashion and fast food. These sub-sectors have a number of common features such as an increase in consumer expenditure, financial and physical accessibility, employment profiles, the immediacy and disposability of product offerings, and the importance of the experiential dimension of the product to consumers. Furthermore, the sub-sectors of fashion and fast food are linked by their reliance on youth: in fashion retailing in terms of purchaser demand and supply through staffing, and in fast food retailing by employer reliance predominantly on young staff for labour.

The youth consumer and labour market is, in itself, worthy of attention due to demographic changes. It is estimated that the number of young people in the UK will decline by some 25% by the mid/ late 1990s (NEDO 1989), a statistic of acute implication for organisations which are heavily dependant on young people as external and/ or internal consumers. Fashion retailers may, however, take comfort from the prediction that, despite numerical decline, the 7 million strong UK youth consumer market will have a relatively higher spending propensity than in earlier generations of young people (Mintel 1989).

The primary data collected and analysed from the fashion and fast food industries for this paper forms part of wider, longitudinal studies in the two retail sub-sectors. The principal instrument of data capture in both the fashion and fast food environments was questionnaire. In the case of fashion retailing, a consumer questionnaire was developed, piloted and amended in November 1994. One hundred and twenty fashion shoppers were surveyed by interviewer-completed questionnaire using random sampling methods in January/ February 1995 at eight sampling points throughout Scotland.

In the case of the fast food sector, the questionnaire design was underpinned by focus group interviews with regional managers in one

major and expanding national fast food operator in order to determine appropriate language and terminology in the questionnaires. From the focused interviews, a staff questionnaire was developed and piloted in November 1994. The final questionnaire, revised from the pilot, was administered in all of the company's Scottish units by briefed Unit Managers. The questionnaire respondents were self-selecting. No reasons for non-response bias were identified and the respondents represented a cross-section of branch employees. The absolute number of respondents was 81, 31% of the sample population.

The scale of the empirical research patently precludes any claims of universality of findings; nevertheless the findings provide a sound basis for evaluation and discussion of key aspects of consumer satisfaction and, in effect, the management of consumer satisfaction in a highly relevant context, as justified earlier.

CONTEXTUAL CHARACTERISTICS

Fundamental to any evaluation of consumer satisfaction in fashion and fast food retailing is an appreciation of the characteristics of these particular contexts: the essential characteristics act as sources of insight, first, into bases of consumer satisfaction and, second, into management strategies and tactics which may be developed to meet the identified sources of consumer satisfaction. Whilst detailed analysis of the features of fashion and fast food retailing is clearly outwith the scope of this paper, recognition of the key features is integral to development of the research aim.

Fashion is a phenomenon that encompasses and represents external manifestations of the wearer's psyche (Horn & Gurel 1981), a 'social adhesive' which denotes social position and group membership (Holman 1980), and an application of mundane and practical uses, such as those relating to modesty and climatic protection (Horn & Gurel 1981). It is ultimately the role of the fashion marketer to manage these diverse sociological and psychological elements and so present a fashion proposition that is attractive, relevant and purchase-inducing. Despite general neglect as a research field, fashion is, however, of vital importance to the marketer. Fashion, as a process,

provides a prime example of the type of behavioural change outlined above, which is precipitated by the impact of social and environmental influences. Additionally, fashion provides a dynamic exemplar of products utilised as a mode of self-expression, signalling social position and feelings relative to others (Fromkin 1973). Finally, fashion provides an opportunity to study consumer inclination shift as opposed to static consumer preferences.

In market specific terms, the UK fashion consumer is more affluent, active [UK fashion spending has increased by 30% in the past decade (Economics Intelligence Unit 1993)] and sophisticated in product expectation. Coupled with the aforementioned sophistication of the consumer is the increase in the number of market participants, with the concomitant emergence of a highly competitive UK retail fashion sector.

Similarly, competition the UK fast food sector has become intense since the first outlet opened here 21 years ago, reflecting the 'worldwide phenomenon of more people than ever consuming fast food products' (Ball 1992). The increased popularity of fast food consumption, again, is reflective of the changes in life-style in the UK's post-industrial society. As products and services, like fashion and eating out, increasingly become the primary means of individual self-definition, consumption ceases to be purely functional, but becomes also 'symbolic and material' (Gardner & Shephard 1989 p. 48).

The number of meals consumed outside the home in the UK has risen steadily as a proportion of total consumer expenditure since 1987 (Hotel and Catering Training Company 1994). In particular, the fast food sector has enjoyed the greatest growth in destinations for such meals in the past decade (Hotel and Catering Training Company 1994), with a doubling of financial turnover (Hotel and Catering Training Company 1994). The dramatic success of the fast food sector in recent years is based upon operators' ability to satisfy consumers' requirements for 'convenience, speed and consistent quality' (Hotel and Catering Training Company 1994) with a highly standardised product and, until very recently, a highly standardised service (Harris 1985).

Thus the recency of business success for fashion and fast food retailing is attributable to

societal change in general and precision in life-style target marketing strategies in particular. Both sectors have recognised that consumer purchase decisions are not solely based upon the evaluation of the substantive nature of the product, but that the intangible dimensions which are the deposits of marketing intervention - such as brand image, life-style associations and peer group value references - are the most dominant influences on product selection, brand loyalty and the maintenance of the customer franchise (Levitt 19983). This recognition is in accord with Levitt's (1983) realisation that most consumer products are generically non-differentiable and that it is the non-substantive elements which effect product uniqueness in the mind of the consumer. Previous research similarly indicates that competitive advantage is rarely gained through product development alone and that the only clear means of generating a differentiated offering is through the imprimatur of branding, packaging, advertising and promotion.

In effect, competitive advantage is established through the creation of a brand/ product 'personality'. Effective differentiation ensures a relationship between business and consumer, the undoubted basis of the relationship marketing movement (26). As to the manner of achieving this relationship in the studied retail sectors, the emphasis to date has been place on substantial resource investment in advertising and promotion activity in an effort to produce a unique image positioning which would satisfy the consumer's psychological and social needs and aspirations (Lewis & Hawksley 1990). But yet again, in markets that are highly competitive, image uniqueness is invariable impossible to maintain and protect since it inevitably becomes diluted and rendered ineffective from the replication of 'me-too' images and offers from other competitors within the market.

CONSUMER SATISFACTION: THE MARKETER'S PERSPECTIVE

How then is competitive differentiation to be achieved in the fashion and fast food markets characterised by homogeneity in both product and representational dimensions? Referring once more to Levitt's seminal discourse (Evans 1989), the

only credible means of achieving competitive advantage within post-industrial markets is through customer service delivered before, at and after the point of purchase. Levitt argues that excellence in customer service provides an insulation from competitor attack since it requires not only significant resource investment, but the creation of an internal culture and a business approach which is more difficult for rivals to emulate. Perhaps the most obvious and important benefit of all is that service signifies to the consumer a commitment and desire for a long-term relationship on the part of the business.

With the major fashion and fast food retailers publicly claiming a marketing-led approach to their business, the resultant corporate values are declared to be built upon the successful identification of consumer objectives. Although there exists an abundance of literature examining the processes by which retailers in the UK organise their consumer research activity, the same research suggests that the essential reference is consumers' potential requirements at the expense of measurements of customer satisfaction (or otherwise) with the service encounter. The fact that the service encounter represents both the reality of the retailers' offering (Moore 1994) and commercial catalyst, as highlighted earlier, is apparently largely ignored.

This research neglect is symptomatic of the fact that many UK retailers choose to measure performance mainly in strictly financial terms, resulting in failure to systematically identify, far less respond to, consumer opinion and satisfaction levels in relation to their experience of the retailer offer. This omission is ironic given the fact that the very premise of retailing marketing success is recognition and satisfaction of consumers' psychological and social needs. The methods used by the majority of retailers to measure consumer performance relies on evaluation of quantitative data such as sales turnover, takings per head of staff, volumes of goods returned, and direct complaints received by head office functions (Lewis & Hawksley 1990). In so doing, retailers lose an invaluable fund of information: what more direct way to solicit consumer satisfaction than tracking and acting upon consumer feedback, as in other service industries, notably the hospitality sector.

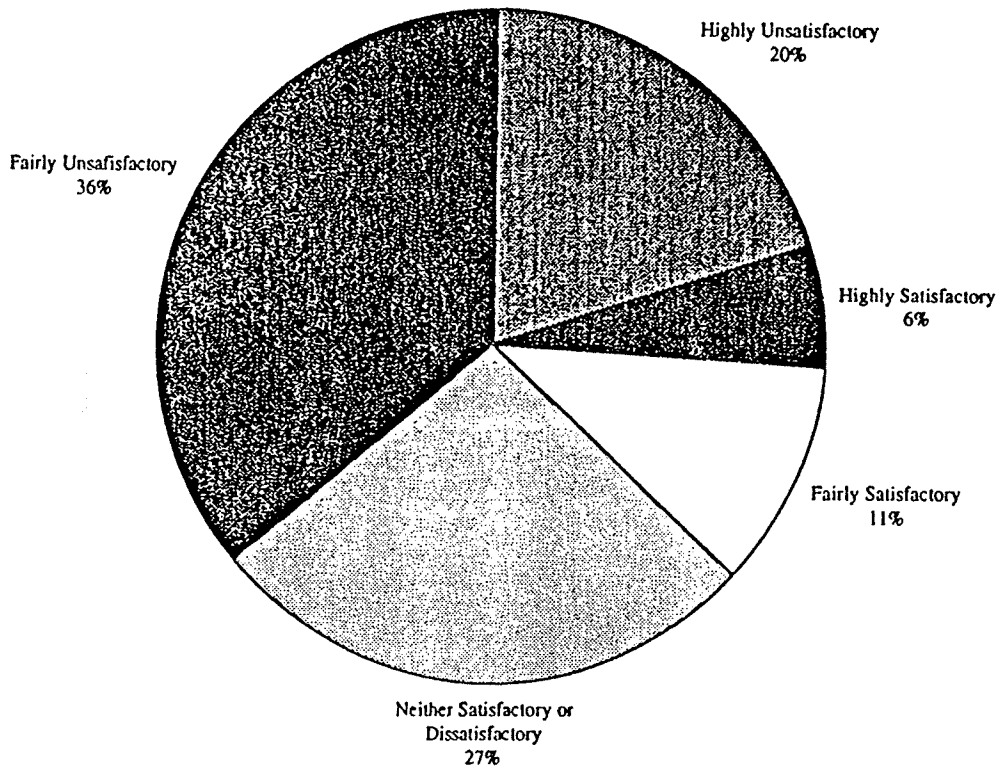
Other sectors of UK retailing, for example food retailing, have, nominally, sought to assign specific responsibility for the management of consumer feedback. In practice, though, this activity merely comprises offering expedient, point of sale solutions, rather than generating consumer feedback - both negative and positive - to build up a body of information on the dynamic of consumer wants and needs. Customer service departments, where they exist, are mainly responsible for the management of customer information and the facilitation of customer ordering, with little evidence to suggest that the staff responsible for customer service are sufficiently trained for the demands of customer complaint handling etc (Mintel 1994). In short, there is little indication that customer service departments have any credible powers by which to influence the direction and formulation of consumer-related strategies (Mintel 1994).

The absence of any attempt to directly and qualitatively gauge consumer feedback raises the all important question of the extent to which revenue from fashion and fast food businesses is being maximised. This question assumes greater importance in direct correlation with the intensifying competitiveness within the sectors and growing importance consumers attach to the service component of their retail experience, as noted above. The questionnaires sought to shed light on consumers' impressions of the quality of service they received. The results, discussed below, strongly support the contention that retailers neglect, and are consequently ignorant of, consumers' levels of satisfaction.

CUSTOMER SATISFACTION: RESEARCH FINDINGS

Overall, and contrary to the pattern of business success implied in quantitative business information, the surveyed consumers reported a high rate of dissatisfaction with the standard of service received when fashion shopping, as can be seen in Figure 1. A mere 17% of respondents recorded their level of satisfaction as either fairly or highly satisfactory. Such a proportion renders risible claims of knowledge of consumer needs inherent in marketing-led business approaches.

Figure 1
Rating of Standard of Service



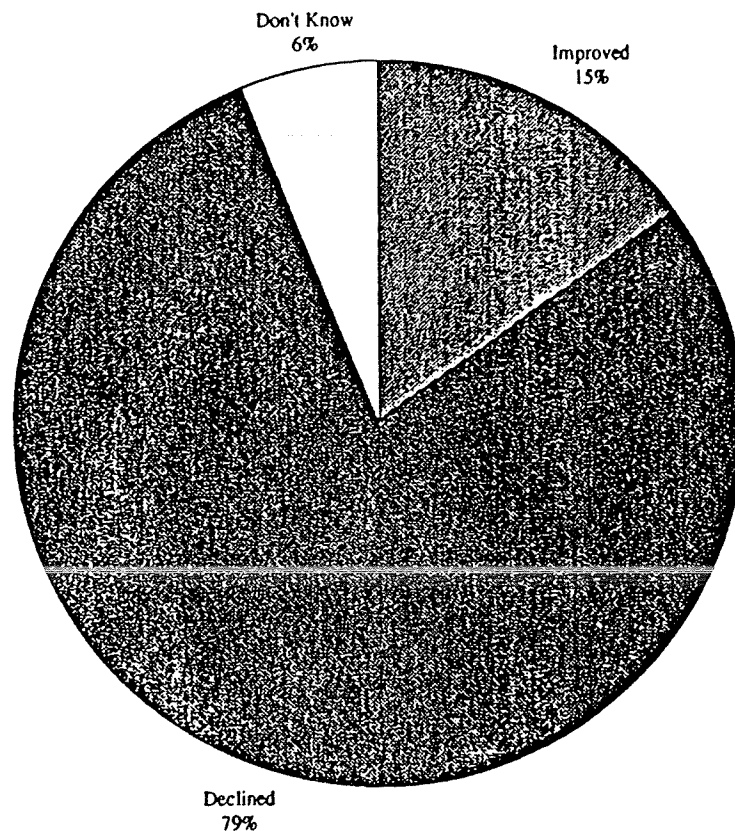
More damning still is the consumers' overwhelming impression that the standard of service as actually deteriorated in the past five years, a period when evidence from a wide range of perspectives proved that consumers were expecting more from service in retail exchanges. An astonishing 79% of respondents opined that the standard of service has declined in the last five years, as Figure 2 illustrates.

The culpability of the retailers in their lack of quality service provision is established when the consumers' expressions of dissatisfaction are considered. For the majority (88%) of respondents reported that they articulate their dissatisfaction in the store to either a member of staff or management. Only a minority (9%) express their complaint to the retail head office. Any reliance on the number and nature of complaints directed to head office level for interpretations of qualitative consumer feedback, therefore, seems unrepresentative of the totality of customer

Table 1
Manifestations of Consumer Complaints

<u>Method</u>	<u>% of Respondents</u>
complain verbally to a member of staff	49
complain verbally to a manager or supervisor	39
telephone a complaint to head office	5
write a letter of complaint to head office	4
write a letter of complaint to the retail outlet	3

Figure 2
Change in Standard of Service in Past Five Years



feedback and, consequently, a poor business indicator. Table 1 shows the respondents' manifestations of complaints.

Nearly two-thirds of respondents (61%) felt that their complaint was met with no response, again reflecting less than consumer oriented performance. Small wonder then that 63% of respondents felt that their complaint was taken seriously. Some 29% of respondents did, however, report that they had received either a verbal apology or explanation, suggesting that complaint handling and management is, in most incidences, confined to a localised level.

Thus any opportunity to use consumer complaints as a source of feedback upon which to adapt offerings is irretrievably lost. Clearly, the retailers experienced by the respondents are eschewing the principles and practices of 'learning environments'. In organisations which are learning environments the basis for continuing organisational transformation (Schon 1991 p. 203)

is critical reflection and action on information provided by staff acting as scanners of consumer behaviour in their routine episodes of consumer interaction (Schon 1991 p. 222). In the light of the foregoing consumer perceptions, it comes as little surprise that only a minority (14%) of respondents rate as either fairly or highly effective the ability of staff in handling their complaints (Table 2).

In view of the general deficiencies in consumer satisfaction that are emergent in the questionnaire results, it is rather curious to note that the respondent complainants do not appear to typically complain about their perceptions of service received. Only 11% of respondents stated that the reason for their complaint was the behaviour of members of the retail staff, compared to 51% and 23% respectively who attributed their complaint to product non-performance and lack of adequate staffing levels, as can be seen in Table 3.

Table 2
Effectiveness of Staff in Consumer Complaint Handling

<u>Degree of Effectiveness</u>	<u>% of Respondents</u>
highly effective	2
fairly effective	12
neither effective nor ineffective	25
fairly ineffective	39
highly ineffective	22

Table 3
Reasons for Complaints

<u>Reason</u>	<u>% of Respondents</u>
product non-performance	51
lack of adequate staffing levels	23
behaviour of members of staff	11
administrative error (pricing, etc)	6
method of merchandising (eg layout, signage, etc)	5
dissatisfaction with range available	4

Nonetheless, the damaging effects of poor service should not be under-estimated, especially in a crowded marketplace. Although consumers may not feel sufficiently moved to express their dissatisfaction with the service they experience with members of the retail organisation, the majority (89%) do express their dissatisfaction with a friend and 18% encourage others not to shop with the offending retailer. Further, a third of respondents stated that as a result of the negative

experience they would not shop with the retailer again and 5% actually translated their grievance into a letter to the press, thereby inviting particularly unwanted publicity. Table 4 summarises the other actions taken in response to a complaint apart from direct complaint to the retailer concerned.

It is obvious from these survey findings that the consumers' views are generally regarded as unimportant to retailers. The consumer therefore has, in a sense, an unheard, ineffective voice and only a passive role to play in the retailer-customer relationship. Yet consumer satisfaction levels indicate much capacity for improvement. Presumably, only if consumer dissatisfaction reached the point of substantial sales loss would the retailers take a proactive approach to customer expectations of service. In the meantime, it seems reasonable to assert that retailers are failing to maximise their revenue. Consequently, it becomes difficult to authenticate the claims of retailers that they are market-led and customer focused: in terms of consumer satisfaction with service received the retailers are demonstrably failing to meet or respond to their needs.

Table 4
Consumer Complaint Responses (other than direct complaint)

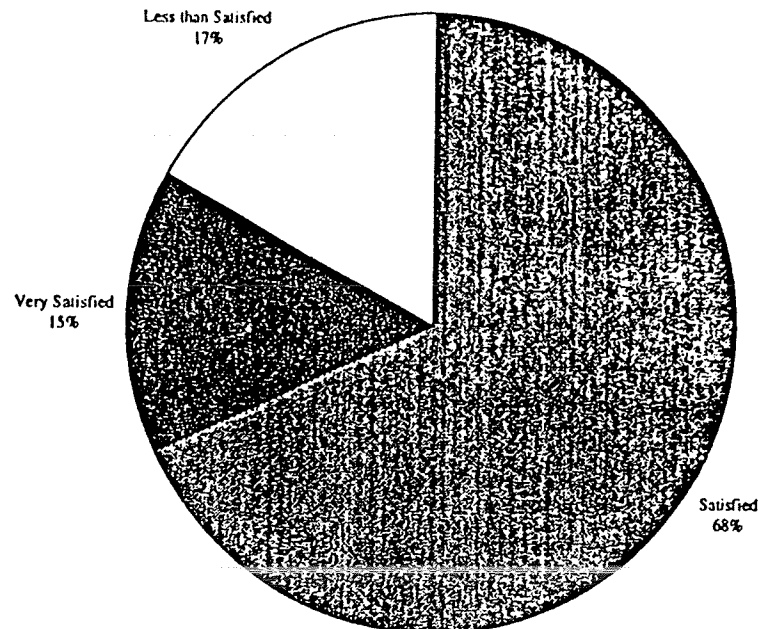
<u>Action Taken</u>	<u>% of Respondents</u>
told a friend about the experience	89
refused to shop with the retailer	33
encouraged others not to shop with the retailer	18
written to the press	5

Note: this question invited multiple responses

**CONSUMER SATISFACTION:
EXTENDING THE MARKETER'S
PERSPECTIVE**

The survey results from the comparable fast

Figure 3
Employee Job Satisfaction



food sector distinctly suggest that the explanation for, or at the very least a key contributor to, the cause of sub-standard service lies beyond simply the performance of staff - the internal consumers - and in the attitudes and management of the staff. The research into the motivational forces influencing staff performance reveal that for the majority of the staff surveyed, their customers assume only a marginal importance in their working life.

The most frequently cited primary reason for the respondents' participation in work at all was, predictably, to earn money (73% of respondents); the second most frequently cited motive was career development (25%). Tellingly, in terms of occupational choice supporting these motives, the incidence of customer contact being given as a motive was statistically insignificant. As most retail occupations involve substantial customer contact, the negligible amount of interest the respondents have in working directly with them seems a precarious foundation on which to expect quality customer service. Somewhat paradoxically, however, the overwhelmingly majority of respondents (83%) reported that they were either satisfied or very satisfied with their job, as Figure 3 portrays.

The work factors generating these high levels of satisfaction, in rank order, are presented in Table 5. This table also underscores the relatively low priority of consumers for staff, with fewer than half (42%) of respondents noting dealings with customers as a motivator.

Indeed, most respondents appear to simply tolerate their consumers for pragmatic reasons, as indicated in the following comments proffered:

- *'it is part of my job to treat customers politely';*
- *'without customers I would not have a job';*
- *'good customer service is one of the most important aspects of my job';*
- *'treating a customer correctly and politely ensures that they will feel happy and come back';*
- *'most of them [customers] are peasants [sic], however, my job requires me to be polite'.*

It has to be said, though, that there were an isolated few more positive comments, for instance:

- *'it gives me a good feeling to receive compliments from my customers'.*

Figure 4
Consistency of Treatment of Customers

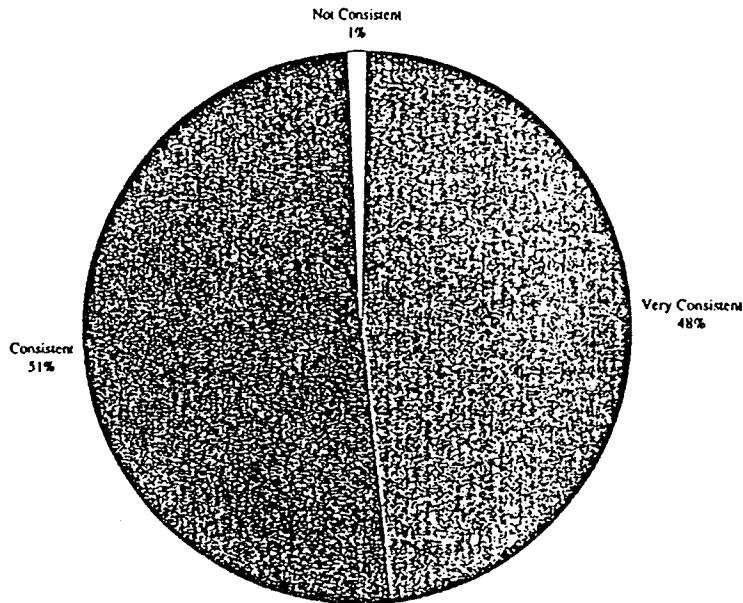
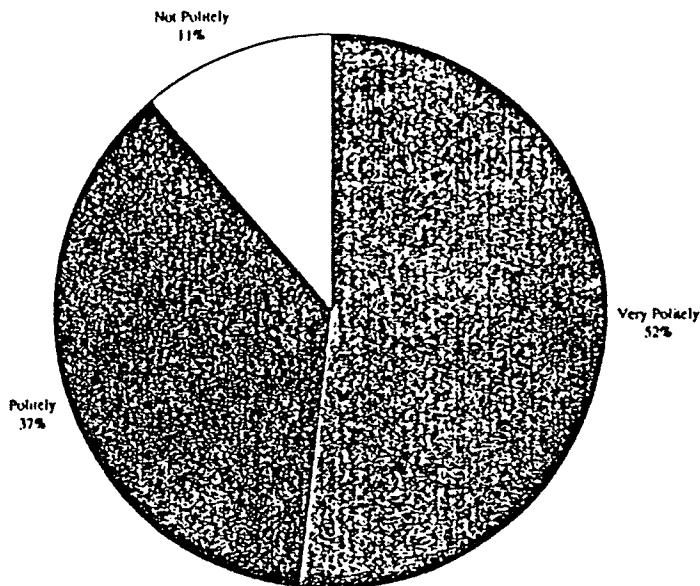


Figure 5
Nature of Treatment of Customers



Whilst the respondents, by their own admission and by a number of indicators, consider dealings with their consumers peripheral to their job satisfaction, they propound that, nevertheless,

they consistently treat consumers well. Figures 4 and 5 illustrate this point.

Evidently, therefore, there is a contradiction in the perceptions of external and internal customers

on the standard of service provision. This is a credible position when consumers' disinclination to express their dissatisfaction with service, detailed above, is recalled. The responsibility for this perceptual disparity can only rest with the retailers' management collectively. It was established earlier in the paper that marketing managers' consumer research is wanting. Now it appears that those charged with management of service staff - arguably both human resource specialists and operational managers (Storey 1992) - are wanting. The specific inadequacy of these managers is in employee recruitment, development and appraisal as the commercially imperative centrality of consumer satisfaction - customer focus - is not manifest in staff attitude.

Table 5
Intrinsic Motivational Factors

<u>Motivational Factor</u>	<u>% of Respondents</u>
teamworking	84
having responsibility	78
management style	67
working environment	53
receiving training	52
physical work	42
dealing with customers	42
shiftwork	35
pay and conditions	35

In addition to signalling the nature, extent and causes of consumer dissatisfaction, the empirical work also acted to expose the principal means of resolution of consumer dissatisfaction: service staff. From the external consumers' perspective, they hold the view that staff are the conduit for improvement in the management of customer complaints, as is implied in Table 6. Explicitly, as identified before (in Table 1 above), most complainants address their complaint at store level. It is at store, point of sale level, therefore, that customers should be informed of the reason for the

situation which gave rise to the complaint and the actions taken in response.

Table 6
Means of Improvement in Customer Complaint Management

<u>Method of Improvement</u>	<u>Number of Responses</u>
better staff training	18
letter of apology	10
dedicated staff for compliant handling	8
letter of apology/restitution (eg gift voucher)	5

Furthermore, as Figures 1 and 2 illustrated, staff themselves are the source of consumer dissatisfaction in their provision of increasingly sub-standard service. From the internal customers' perspective, the means to improving customer service is indirect, as is implicit in Table 5 (above) and Table 7 (below). For the respondents recorded that they were motivated by teamwork, personal responsibility, management style, their working environment, receiving training and physical work before dealing with customers. However, as Table 7 displays, one of the main effects of these motivators in positive customer service. The transparent message in terms of employee management is that improvements in the main motivating factors will be the route for enhanced customer service, supported, of course by appropriate direction, supervision and training.

CONCLUDING PROPOSITION

The route to improved consumer satisfaction in the UK retail contexts studied lies in effective co-incident of consumer marketing and employee management at the point of service encounters. It is insufficient to focus principally or exclusively on the patterns of consumer behaviour as, ultimately, consumers' needs are met by the internal consumers. Thus equal emphasis deserves to be

placed on their management. In short, the empirical work on which this paper is based patently suggests that:

an opportunity exists for entrepreneurial retailers in mature markets, which are dependant on young people for their internal and external markets, to be differentiated through an emphasis on a functionally integrated, receptive and adaptive consumer relations strategy.

Table 7
Effects of Motivators

<u>Effects of Positive Aspects of Work</u>	<u>% of Respondents</u>
work harder	73
treat customers well	72
co-operate with management	69
treat workmates well	65
show initiative	64
stay with the company	62
feel happy	52
volunteer for extra hours	48

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