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Abstract

Both the strengths and weaknesses of three standards of comparison are discussed. The standards evaluated are ideal points, focal brand expectations, and product class experience. A number of new hypotheses are generated by this evaluation. Taken together, these hypotheses suggest a relationship between satisfaction/dissatisfaction and standards of comparison which is more complex than suggested previously.

Introduction

It is generally agreed that the degree of satisfaction/dissatisfaction with a consumption experience of a brand is a function of the discrepancy, if any, between a standard of comparison and post-purchase beliefs. (Satisfaction can exist at both a global and an attribute-specific level. The emphasis herein is with attribute-specific satisfaction.) Different standards have been suggested. Probably the prevailing view is that focal brand expectations serve as a standard of comparison. This standard probably is associated most strongly with Oliver (1977, 1979, 1980). Woodruff, Cadotte, and Jenkins (1983), based partly on LaTour and Peat's (1979) formulation of a comparison level, recently suggested that a typical level of experience with different brands within a product class may be used as a standard. Miller (1977), Day (1977), and Westbrook and Reilly (1983) have discussed the use of ideal points as a standard.

The advancement of competing standards provides an incentive to thoroughly evaluate both the comparative strengths and weaknesses of each proposed standard. In spite of this incentive, such an evaluation has not been undertaken in this writer's opinion. One possible reason for the lack of such an evaluation is that a particular standard frequently has been advocated. In an advocacy situation, the tendency is to ignore both the strengths of nonadvocated standards and the weaknesses of the advocated standard. For example, advocates of the focal brand expectations standard (Oliver 1980, Churchill and Surprenant 1982, Bearden and Teel 1983, LaBarbera and Mazursky 1983) have not responded to LaTour and Peat's criticisms of the model; and Woodruff, Cadotte, and Jenkins did not discuss the limitations of using product class experience as a standard. A second possible reason for the lack of such an evaluation is a tendency to use social science theories or studies, which are not directly applicable to satisfaction with goods and services, to support a particular standard without discussing how and why the theories or studies are applicable. For example, Oliver (1979, 1980) used the results of Weaver and Brinkman's (1974) study to support his contention that the effects of disconfirmation and expectation may be additive. However, the expectation in the Weaver and Brinkman study pertained to subjects' confidence in their ability to win a card game involving skill. This type of expectation, which seems to tap a personality variable, is quite

different than an expectation about product performance. In spite of this difference, Oliver did not discuss how and why the Weaver and Brinkman study is relevant to product performance expectations. Another example is LaTour and Peat's use of Thibaut and Kelley's (1959) comparison level theory to support their contention that promotional claims have little impact upon the comparison level. Yet, since Thibaut and Kelley were concerned with interpersonal relationships, they did not even discuss promotional claims. They discussed special expectations created by the present interaction. Thus, to use comparison level theory to support their contention about promotional claims, LaTour and Peat needed to demonstrate that promotional claims are analogous to special expectations created by the present interaction. They made no attempt to do so.

The primary objective of this paper is to conduct a thorough evaluation of the three standards of comparison mentioned in the first paragraph. Sixteen hypotheses, identified in the last part of this paper, are generated by this evaluation. It should be stressed that although this paper evaluates the use of focal brand expectations and product class experience as standards of comparison, it does not evaluate the impact of either of these factors upon cognitive beliefs. For example, an assimilation effect, which predicts that cognitive beliefs are influenced by focal brand expectations, is not evaluated in this paper.

An Evaluation of an Ideal Points Standard

Strengths

One strength of ideal points is that since satisfaction is an affective or emotional construct, it is intuitively appealing to assume that satisfaction should be at least partly a function of the "desires," "wants," or "wishes" of consumers. Ideal points provide a partial understanding of the nature of the wants and desires of consumers, while neither focal brand expectations nor product class experience provide such an understanding.

A second strength, which is derived from the first one, is that ideal points are needed to translate a cognitive discrepancy on a salient attribute between postpurchase beliefs and either focal brand expectations or product class experience into an affective discrepancy (i.e., positive or negative). For example, assume that Coors is perceived as tasting "stronger" than expected. This would be a negative discrepancy if the ideal point is at the "light" end of the attribute, a positive discrepancy if the ideal point is at the "strong" end of the attribute, and either positive or negative if the ideal point is around the middle of the attribute. A caveat to this strength should be mentioned. If expectancy disconfirmation is measured directly at an affective level (e.g., better/worse than expected), ideal points are not needed to translate cognitive into affective disconfirmation. However, direct measurement of affective disconfirmation

bypasses a step that multiattribute attitude theorists believe that consumers usually need to either consciously or subconsciously perform, namely the translation of a cognitive into an affective perception.

A third strength is that, unlike both focal brand expectations and product class experience, ideal points can be formulated by consumers even when they have limited brand or product class information. This is because ideal points are derived largely from the values of consumers rather than product information. As a result of this strength, it is feasible to use ideal points as a standard when it is not feasible to use focal brand expectations or product class experience (e.g., a new product).

Weaknesses

Ideal points provide an extremely stringent standard of comparison since all discrepancies between ideal points and postpurchase cognitive beliefs must be negative discrepancies. As a result of this limitation, it is extremely unlikely that an ideal point will be used as a boundary between satisfaction and dissatisfaction. Based upon both this weakness and the concept that an ideal point defines the level of optimal satisfaction, ideal points probably should be viewed as satisfiers rather than dissatisfiers. In other words, they will tend to be used to determine the degree of satisfaction rather than whether satisfaction or dissatisfaction exists.

Ideal points with many attributes are not at a finite level. For example, a quality conscious consumer might desire that an automobile last a lifetime. Since the magnitude of the discrepancy between a nonfinite ideal point and a postpurchase cognitive belief cannot be determined, it is difficult to use nonfinite points to determine the degree of either noncomparative satisfaction or dissatisfaction.

When and How Might Ideal Points Be Used as a Standard

As discussed above, ideal points are needed to determine whether a cognitive discrepancy between postpurchase beliefs and either focal brand expectations or product class experience is positive or negative.

Ideal points may serve as the sole standard when consumers formulate comparative satisfaction judgements (i.e., how much more satisfaction exists with one brand than with another brand). The weaknesses of ideal points are irrelevant in this situation. A standard which serves as a boundary between satisfaction and dissatisfaction is not needed to determine if satisfaction is greater with one brand than another. Thus, the difficulty of using ideal points as this boundary is irrelevant with comparative satisfaction. In addition, the relevant discrepancy with comparative satisfaction is that between one brand and another brand rather than between an ideal point and a brand. Thus, nonfinite ideal points can be used to formulate comparative satisfaction judgements. Comparative satisfaction judgements may be made when the degree of satisfaction with some aspect of product performance is used to help make a purchase decision

when two or more brands are being actively considered and information is processed by attribute. Comparative satisfaction judgements also may be elicited in some word-of-mouth situations. Although comparative satisfaction judgements may be made in the real world, they have not been measured in any of the cited empirical studies which have explored the antecedents of satisfaction/dissatisfaction.

Finally, the distance between a finite ideal point and a postpurchase cognitive belief may need to be less than a specified amount in order for a high degree of satisfaction to exist. Such a standard insures that a consumer will be highly satisfied only when his or her desires are fulfilled. In other words, fulfillment of ideal points may be a necessary, but not a sufficient, condition of a high degree of satisfaction.

An Evaluation of a Focal Brand Expectations Standard Strengths

Even though focal brand expectations do not represent values, there are some intuitively appealing reasons why these expectations may serve as a standard of evaluation.

First, expectations based either upon first-hand experience with a brand, promotional claims, or price may serve as a normative standard. If the expectation is based upon experience, the most likely interpretation of a negative expectancy disconfirmation is that the firm has either unintentionally, through insufficient quality control, or intentionally changed performance for the worse. This interpretation, combined with a norm that a brand's performance should not change for the worse, will tend to result in dissatisfaction. If the expectation is based upon a promotional claim, the most likely interpretation of a negative disconfirmed expectation is that the promotion is deceptive. This interpretation, combined with a norm that promotion should not be deceptive, probably will result in dissatisfaction with both the promoter and the performance of the promoter's brand. The level of dissatisfaction in this situation might depend partly on the extent that the promotional claim influences the purchase decision. Dissatisfaction will tend to be substantial when a brand would not have been purchased without the promotional claim. If the expectation is based upon the price, a normative belief might exist that a brand's performance level should be consistent with the price level. Thus, a negative expectancy disconfirmation will be viewed as a normative deficit and dissatisfaction probably will exist.

Second, unlike ideal points, focal brand expectations have two characteristics, namely that they exist at a finite level and frequently are removed in distance from ideal points, that make it feasible to use them as a boundary between satisfaction and dissatisfaction.

Weaknesses

It is difficult to ascertain the degree of satisfaction based upon focal brand expectations when an expectation is confirmed. This is a likely occurrence since firms try to achieve consistent performance over time with their brands. Since the degree

of satisfaction can range from low to high when expectations are confirmed, at least one other standard is needed to determine the degree of satisfaction in this situation.

Oliver (1977, 1979, 1980) has proposed a modification of the expectancy disconfirmation model which empirically solves the above problem. He suggests that the effect of focal brand expectations and expectancy disconfirmation is additive. This modification allows Oliver to predict that the degree of satisfaction will be higher when a "favorable" or "high" expectation is confirmed than when a "low" expectation is confirmed. However, the proposal in this paper, that product class experience and ideal points should be used to predict the degree of satisfaction when focal brand expectations are confirmed, seems to be conceptually more appealing than Oliver's "additive" model. More specifically, two conceptual problems exist with the additive model. First, it generates the counter-intuitive hypothesis that any change in a focal brand expectation will have no net impact upon the degree of satisfaction/dissatisfaction. For example, when a negative expectancy disconfirmation exists initially, a change to a more favorable expectation will increase the negative disconfirmation, which will tend to increase the degree of dissatisfaction. However, this increase would be negated by the decrease in dissatisfaction generated by the expectation becoming more favorable. Second, neither of the sources cited by Oliver in support of the additive model, namely Helson (1948, 1959) and Weaver and Brinkman (1974), directly support Oliver's contention that satisfaction is influenced both by the level of focal brand expectations about product performance and by the extent that these same expectations are disconfirmed. This second problem is discussed in more detail below.

Two problems exist in using Helson's adaption level theory to support Oliver's additive model. First, Helson's standard seems more closely related to product class experience than to a focal brand expectation. For example, he was interested in a situation in which subjects lifted a heavy weight and then lifted a series of weights and judged the weight of each item in the series. The first weight is more analogous to another brand in a product class than to the focal brand since subjects probably believed that any item lifted in the series was different than the specific item lifted initially. Also it is unlikely that the initial weight lifted created an expectation about what later items would weigh. The initial weight was an experience which served as a frame of reference. Second, Helson's theory was developed to explain cognitive perceptions. Standards may be different with cognitive constructs than with affective constructs such as satisfaction. More specifically, normative standards about what should exist or what is desired are more likely of being used with affective constructs than with cognitive constructs.

One problem exists in using Weaver and Brinkman to support Oliver's additive model. Although Weaver and Brinkman did predict an additive effect, they were concerned with a different type of expectation than Oliver. As mentioned earlier, Weaver and Brinkman's expectation (i.e., perceived likelihood of winning a game of skill) seemed to tap either a motivational factor related to a need to achieve or

a personality factor related to self confidence. This allowed them to present the intuitively appealing explanation that highly motivated people will tend to magnify the effect of either an expectancy confirmation or disconfirmation due to high anxiety about dissonance. Oliver is concerned with an expectation about the performance of a brand. Since this type does not seem to tap a personality or motivational variable, Weaver and Brinkman's explanation should not be used by Oliver.

A second weakness is that focal brand expectations cannot be a standard when they are weak or nonexistent. Assuming that recent first-hand experience has the strongest impact upon expectations, weak expectations probably exist either with a brand not used previously or with a brand which has not been used recently. They also may be weak with brands that have been consumed recently on certain attributes with which variance has been experienced (e.g., food quality on an airplane, waiting time in a bank). Finally, even if expectations are relatively strong prior to purchase, they may decay over time so that they become weak during the post-purchase period in which expectancy disconfirmation is supposed to take place.

The impact of a negative expectancy disconfirmation upon dissatisfaction with a brand probably depends upon the perceived reason for the disconfirmation. If the reason is not attributed to the brand, the impact of a negative disconfirmed expectation upon dissatisfaction with the brand will tend to be limited. Other attributions may exist, particularly when focal brand expectations are strong. For example, if a set of automobile tires lasts for a shorter time than expected prior to purchase, rather than being attributed to the tire, this could be attributed either to unexpected situational factors such as doing more driving on roads with potholes than expected; to an unexpected characteristic of the car such as improper alignment; or to unexpected driving habits such as a teenaged son, who likes to brake quickly, driving more often than expected.

A final weakness with focal brand expectations is that negative disconfirmed expectations are unlikely to have much impact upon dissatisfaction with a brand when expectations are derived from a source of information other than the seller. Here dissatisfaction may focus on the source for providing bad information rather than with the brand itself.

When and How Might Focal Brand Expectations Be Used as a Standard

As discussed in the "strengths" section, focal brand expectations may serve as a normative standard and normative standards are likely to be used to assess an affective concept such as satisfaction/dissatisfaction. Thus, if (1) focal brand expectations are reasonably strong and derived from either past experience, price, or promotion; and (2) a negative disconfirmed expectation is attributed to the brand; a confirmed expectation is likely of being a necessary, but not a sufficient, condition of attribute-specific satisfaction with the performance of a brand. In addition, if the above two conditions exist, as the degree to which focal brand expectations are negatively disconfirmed increases, the degree of dissatisfaction will

increase. However, the magnitude of the disconfirmation may have little direct impact upon the degree of satisfaction when an expectation is positively disconfirmed. As mentioned previously, the primary value of focal brand expectations is that they can serve as a boundary between satisfaction and dissatisfaction. This type of standard, which is similar to a minimally tolerable level, will not necessarily be used to determine the degree of satisfaction once the level is exceeded.

An Evaluation of a Product Class Experience Standard

Strengths

The use of product class experience as a normative standard of comparison is intuitively appealing. The brand within a product class that, based on a consumer's experience, has performed the best establishes a level of current technology. Many people may feel that a brand should perform at the level of current technology, particularly if its price is comparable to the best brand's price. Thus, people may tend to be less than highly satisfied if a brand performs at a level less than that experienced by another brand in the product class.

Another strength of product class experience, compared to focal brand expectations, is that the former will exist in a larger number of situations since it is a broader concept, particularly if experience is the primary source of expectations. Strong focal brand expectations will tend to exist only when experience exists with the focal brand, but product class experience exists either when focal brand experience or when experience with any other brand(s) in the product class exists.

Still another strength, compared with both ideal points and focal brand expectations, is that product class experience is a flexible standard, primarily because it usually represents a range of performance. Due to this flexibility, product class experience can be used to determine the boundary between satisfaction and dissatisfaction (e.g., the 50th percentile), between "high" and "moderate" satisfaction (e.g., the 80th percentile), and between "high" and "moderate" dissatisfaction (e.g., the 20th percentile). The flexibility also allows consumers to change the specific level that serves as a standard depending on the situation. The level used as a standard may increase as (1) the importance of an attribute to a consumer increases; (2) the extent that an attribute is stressed in the promotional campaign of a particular brand increases even when the claim does not influence expectations; and (3) the comparative price of a brand increases.

Weaknesses

Consumers may not be highly satisfied with attribute-specific performance of a brand which performs at the highest level of product class experience when a gap exists between perceived and ideal performance. There are at least two reasons why consumers may not be highly satisfied in this situation. First, consumers may perceive that no firm in a product class is taking full advantage of currently available technology. Particularly if the failure to take full advantage of available

technology is attributed to a conscious decision based upon the profit motive (e.g., planned obsolescence), it is unlikely that a high degree of satisfaction will exist just because a brand performs at the highest level of product class experience. Second, consumers may perceive that the highest level of product class experience represents the level of currently known technology but that this level is less than an achievable level. Particularly if this technology gap is attributed to a lack of industry interest (e.g., automotive safety), it is unlikely that a high degree of satisfaction will exist just because a brand performs at the highest level of product class experience.

It was mentioned previously that product class experience can serve as a normative standard when it provides a good indication of currently available technology. However, product class experience will not be an indicator of current technology unless the experience is relatively recent, particularly in a changing competitive environment. Thus, product class experience probably has little impact upon satisfaction when interpurchase time is greater than six months or a year.

A final weakness is that it is difficult for a researcher to determine the location of the level of product class experience used as a boundary between satisfaction and dissatisfaction. (This weakness exists even when a researcher is able to identify the relevant brands within a product class. As Woodruff, Cadotte, and Jenkins suggest when they hypothesize that the relevant brands depend upon the relevant use situation, it may not be easy to identify the relevant brands.) The basic reason for this weakness is that, unlike focal brand expectations, product class experience represents a range of performance and the standard potentially can be at any location within the range.

When and How Might Product Class Experience Be Used as a Standard

Since the reason for product class experience serving as a normative standard to determine whether satisfaction or dissatisfaction exists (i.e., an indicator of currently available technology) is different than the reasons for using focal brand expectations (e.g., a brand's performance should not change for the worse), product class experience and focal brand expectations can be viewed as complementary standards. Thus, both are likely of being necessary conditions, but neither is likely of being a sufficient condition, of satisfaction. In addition, due to its flexibility discussed earlier, product class experience probably is useful in determining the degree of satisfaction when focal brand expectations are confirmed.

Conclusions

The primary value of examining the strengths and weaknesses of different possible standards of comparison used to assess satisfaction/dissatisfaction with attribute-specific performance of a brand is that it generates a number of new hypotheses. These hypotheses are identified below. Since these hypotheses follow directly from the previous evaluation, the rationale for each hypothesis is not presented below.

- H1. Comparative satisfaction judgements often are made both in word-of-mouth communication and when two or more purchase alternatives are evaluated.
- H2. Ideal points serve as the sole standard with comparative satisfaction judgements.
- H3. Finite ideal points serve as the sole standard of comparison when a consumer has had no previous product class experience.
- H4. Even when focal brand expectations are used as a primary standard, ideal points are needed to translate a cognitive disconfirmation into an affective disconfirmation.
- H5. Focal brand expectations are likely to be relatively weak unless they are derived from first-hand experience and unless little variance over time exists with the experience.
- H6. A negative expectancy disconfirmation will not result in dissatisfaction with a brand's performance unless the disconfirmation is attributed to the brand and the expectation is derived from a marketing-dominated information source.
- H7. Strong focal brand expectations are more likely to be confirmed than disconfirmed.
- H8. Product class experience will serve as the primary standard in determining the degree of satisfaction when focal brand expectations are confirmed.
- H9. If a consumer either perceives that firms in an industry make a conscious decision to take less than full advantage of known technology (e.g., planned obsolescence is thought to exist) or that firms are uninterested in improving the level of known technology, a high degree of satisfaction will not exist even when focal brand expectations are confirmed and when a brand performs at the highest level of product class experience.
- H10. Dissatisfaction probably will exist when only one of the three discussed standards is not met.
- H11. A high degree of satisfaction will not exist unless all of the following factors exist:
 a) focal brand expectations are confirmed;
 b) perceived performance is above a relatively high level of product class experience; c) perceived performance is less than a specified distance from ideal points.
- H12. Ideal points are more likely to be used as a satisfier than as a dissatisfier.
- H13. Focal brand expectations are more likely to be used as a dissatisfier than as a satisfier.
- H14. Product class experience is likely to be used as a satisfier and as a dissatisfier.

In addition to testing these hypotheses, future empirical research needs to determine both the relevant brands included as part of product class experience and the level of product class experience used as a boundary between satisfaction and dissatisfaction.

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