



## PARADIGMS OF SATISFACTION RESEARCH: A CONCEPTUAL FOUNDATION

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### Abstract

The notion of satisfaction has been the focal point of interest in the understanding of human behavior. In academic literature satisfaction has been viewed from various branches of academics. Satisfaction has been used to indicate the 'effectiveness of a marketing system' in economics, 'social well-being' in sociology, and an individuals' 'emotional feeling' in psychology). In analyzing behavior of consumers, understanding 'satisfaction' has become an area of monumental interest and addressed by the researchers extensively in the last three decades. This paper aims at presenting a comprehensive account of the major paradigms of satisfaction research understanding of which is important for marketing personnel in strategy formulation to ensure customer satisfaction.

**Keywords:** Confirmation/Disconfirmation paradigm, Customer satisfaction, Satisfaction



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## INTRODUCTION

The notion of satisfaction has been the focal point of interest in the understanding of human behavior (Tse, Nicosia and Wilton, 1990)<sup>[23]</sup> <sup>[24]</sup>. In academic literature satisfaction has been viewed from various branches of academics. Satisfaction has been used to indicate the 'effectiveness of a marketing system' in economics (Garner, 1981), 'social well-being' in sociology (Campbell et al., 1976)<sup>[4]</sup>, and an individuals' 'emotional feeling' in psychology (Rubenstein, 1982). In analyzing behavior of consumers, understanding 'satisfaction' has become an area of monumental interest and addressed by the researchers extensively in the last three decades. It became extremely important to understand how consumers satisfied and/or dissatisfied as it may influence consumer loyalty, generate positive Word of Mouth and thus reduce customer defection and enhance customer acquisition.

In last few decades researchers attempted to explain 'satisfaction' delving deep into psychological and sociological determinants and two definite lines of scholastic thinking emerged. This paper attempts to discuss these two paradigms of satisfaction to bolster the understanding of the readers of the 'satisfaction' construct.

## PARADIGMS OF SATISFACTION:

There exist two paradigms of satisfaction in the extant literature. One, the confirmation/disconfirmation paradigm and the other is the post purchase Interaction Paradigm.

### The Confirmation/ Disconfirmation Paradigm:

The *confirmation/ disconfirmation* paradigm states that confirmation/disconfirmation to a preconceived expected standard is the essential determinant of satisfaction which is viewed as a 'mental state'. Here expectations has been defined as consumer perceived probabilities of the occurrence of positive and negative effect if the consumers engages in some behavior (Oliver, 1981) whereas disconfirmation has been defined as a mental comparison of an actual state of nature with its anticipated probabilities. Expectation works as a 'frame of reference' or an 'adaptation level' (Helsen 1948, 1959). Individuals compare the outcome level of the product/ service experience with the frame of reference. If the outcome is rated below the expectation negative disconfirmation to expectation occurs which lead to consumer dissatisfaction and if perceived outcome meets or exceed expectation satisfaction occurs. The expected standard may be the expectation from *product attributes* (Boulding et al, 1993; Oliver, 1996)<sup>[2]</sup>, *desire*, (Westerbrook and Reilly, 1983) *equity expectations* (Oliver and Swan, 1989) or *experience-based norms* (Cadotte, Woodruff and Jenkins, 1983, 1987)<sup>[5]</sup> or a combination of *attributes and desire* (Spreng, MacKenzie and Olshavesky, 1996)<sup>[21]</sup>.

Oliver (1980a) presented a cognitive model of antecedents and consequences of satisfaction decisions where he proposed the following:

1. Pre-purchase attitude is the function of expectation
2. Satisfaction is a function of disconfirmation of expectation
3. Post-purchase attitude is the function of pre-purchase attitude and satisfaction.
4. Pre-purchase intention is a function of pre-purchase attitude
5. Post-purchase intention is the pre-purchase intention, satisfaction and post purchase attitude.

Subsequent researches on satisfaction argued that consumer satisfaction/ dissatisfaction is more complicated and may not only come through disconfirmation. In case of satisfaction with durable product, Churchill and Suprenant (1982)<sup>[7]</sup> demonstrated that performance impacted consumer satisfaction/dissatisfaction (CS/D) directly rather than through disconfirmation. Similar finding had been cited by Tse and Wilton (1998) and Bolton and Drew (1991)<sup>[1]</sup> for compact disc players and in the category of consumer telephone services respectively and they argued in favor of the multiple comparison processes in satisfaction

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formation. Oliver and DeSarbo (1988) also found that performance effect and disconfirmation together impact CS/D.

Woodruff, Cadotte, and Jenkins (1983) proposed a consumer satisfaction model where they replaced expectation with experience-based norms as the adaptation level for the comparison of a brand's performance and proposed that the relationship between confirmation/disconfirmation and satisfaction was mediated by a zone of tolerance.

Oliver and Swan (1989) attempted to connect the construct of *interpersonal equity* with satisfaction taking a cue from the insights in academic literature (Huppertz, Arenson, and Evans, 1978; Huppertz 1979, Fisk and Coney, 1982; Alessio, 1980; Harris, 1983). When an individual perceives that the ratio of his inputs to his outcomes is equivalent to those around him he feels fairly treated. According to Oliver and Swan (1989) in a transaction situation the consumers' feeling of being 'fairly treated' is a more important determinant of satisfaction rather than disconfirmation of expectation.

Oliver (1993) proposed a framework to discuss comprehensively cognitive, affective and attribute bases of satisfaction. Affect refers to the experience of feeling or emotion. Affect is a key part of the process of an organism's interaction with stimuli. Oliver proposed that positive (joy, interest) and negative (external, internal and situational) affect and satisfaction with product attributes (attributive basis of satisfaction) impact satisfaction along with disconfirmation and showed that overall satisfaction is influenced by affect and attributive satisfaction/dissatisfaction. Attributive satisfaction decreases negative affect while attributive dissatisfaction decreases satisfaction.

Spreng, Mackenzie, and Olshavesky (1996) reexamined the determinants of satisfaction. They proposed and empirically tested a new model of consumer satisfaction which was based on the disconfirmation paradigm. Gaining theoretical support from the literature (Westbrook, Newman and Taylor, 1978; Gardinal *et al*, 1994; Spreng and Dixon, 1992; Woodruff *et al*, 1991)<sup>[26] [27]</sup>, they suggested that overall satisfaction is achieved not only by the satisfaction with the product attributes ('attribute satisfaction') but also with the information ('information satisfaction') provided by the marketer that are used by the consumer in choosing the product and consumer use *desire* also alongwith *expectation* as the adaptation level for comparison. The result of their analysis clearly indicated the impact of expectations, desire and performance on attribute, information and overall satisfaction is mediated by 'attribute congruency' and 'desire congruency'. They defined expectations/desire congruency

as the consumer's subjective assessment of the comparison between his or her expectations/desire and the received performance.

Studies related to expectancy-disconfirmation paradigm dealt with psychological activities associated with the satisfaction formation i.e. 'emergence of psychological disequilibrium' (Tse, Nicosia, and Wilton, 1990).

### **The Post Purchase Interactions Paradigm:**

This paradigm holds that satisfaction is a post purchase process rather than a mental state. Tse, Nicosia, and Wilton (1990) delineated a process view of satisfaction formation. They proposed on the basis of theoretical support from satisfaction literature (Churchill and Suprenant, 1982; Oliver, 1980; Oliver and DeSarbo, 1988; Tse and Wilton, 1988; Folkes, 1984)<sup>[10]</sup> that the discrepancy between expectation from and perception of a product lead to a psychological disequilibrium (stress) in a consumer and the consumer is engaged in post purchase processes to reduce the stress. Satisfaction process is stopped when stress is reduced. The reduction of stress may be attributed to internal or external factors. Say, a dissatisfied consumer may go to the third party for redress or propagate negative word-of-mouth which is essentially external in nature. The internal stress coping mechanism may include dissonance, attribution of product failure (Folkes 1984) and change in future purchasing intention. 'Efficiency' in choosing the stress resolution strategy is a function of consumers' experience with the product. The more experienced the consumer with the product the more likely that the consumer will attribute the discrepancy in product performance to attributes of the product. Consumers make trade-offs between time and other valuable resources in their choice of stress resolution strategy. As product deteriorates over time consumer adjust their expectations from the product accordingly. They also added that consumers' subjective satisfaction judgment also attributable to consumption situation. The more a consumer perceives a consumption situation similar to the previous consumption situation, the more the previous consumption will be influential in the satisfaction judgment. Fournier and Mick (1999)<sup>[9]</sup> conducted a phenomenological study and supported the process view of satisfaction. They further contributed by positing 'the social dimension of satisfaction' which states that the satisfaction of a consumer often contributed by his/her household members. They came up with the contention of the integral role of meaning and emotion in consumer satisfaction and posited strongly that product satisfaction is linked with 'life satisfaction' of the consumer.

In the confirmation-disconfirmation paradigm, satisfaction (S), as already discussed is conceptualized a gap between consumer expectation and perception of availed product/service ( $S=E-P$ ). But, it does not consider another variable, the 'Importance' of the product/service, which is equally important in conceptualizing consumer satisfaction. This is in line of the work of Locke (1969)<sup>[13]</sup> in the context of job satisfaction. According to one group of researchers the mathematical representation of satisfaction, in terms of consumer expectation, perception and perceived importance of the product/service should stand like the following (Vavra, 1997; Szymanski and Henard, 2001)<sup>[22] [25]</sup>:

$$S = (E - P) I$$

But the conceptualization of incorporating the role of 'importance' in understanding satisfaction better than Oliver's model ( $S=E-P$ ) has not been supported empirically (Kanning and Bargman, 2009)<sup>[12]</sup>.

### **STRATEGIC IMPLICATIONS FOR THE MARKETERS:**

Understanding satisfaction is necessary for the marketers as satisfaction influences other constructs. Satisfaction has an influence on consumer loyalty. Loyalty implies a deep held commitment in the mind of the consumer for repurchase or patronage (Oliver, 1997)<sup>[14] [15] [16] [17] [18] [19]</sup>. It may be because of the attitudinal outcome (Attitudinal Loyalty) of the consumers (Czepiel, 1990)<sup>[8]</sup> about the products and services which results positive Word of Mouth (WOM) or may be the action of actual repurchase (Behavioral Loyalty) (Blodgett, 1997 cited by Butcher, 2001)<sup>[3]</sup>.

Satisfaction plays a pivotal role on influencing both forms of loyalty. Satisfaction influences behavioral action of repurchase (Musa, 2005; Chiou and Droge, 2006, Fornell et al. 1996)<sup>[6] [11] [20]</sup>. As Satisfaction also influences Attitudinal Loyalty (Jualander and Soderlung, 2003), it is instrumental in generating positive Word of Mouth.

For both product and services context managing satisfaction is extremely important. As, satisfaction is viewed as a confirmation or disconfirmation of consumer perception against consumer expectation, it is imperative for the marketer to manage consumer expectation.

Three factors that are important to understand to ensure customers satisfactions are:

1. Understanding formation of customers' expectations;
2. Developing capabilities to fulfill consumer expectation and
3. Ensuring consistency in satisfaction delivery.

Understanding formation of customers' expectations: It is imperative for marketer to have a proper understanding of consumer expectation.

Expectations are formed primarily from four sources:

- a. Customer needs and problems: Customers buy product or services to fulfill certain need or overcome problem. Thus the expectations are primarily formed in terms of the ability of the offerings to fulfill the need. Thus it is important to fully understand customers' current and emerging need/s that the product is likely to fill, so that it can be taken care during design stage and modification stage.
- b. Competitors offering: Expectations are also formed based on the competitors' offerings especially for new entrants. Since to achieve preference there should be something extra to offer, best available option should be benchmarked to cross to gain customers offerings.
- c. Company past performance and communication: Expectations are formed based on the customers past experience with the brand. Thus it is important ensure consistency in the product offerings and services through use of standard operating practices.

One of the most important sources that lead to expectation formation is marketing communication initiated by marketer (Parasuraman et al, 1985). Exaggeration of facts about the product is a common practice, and customers have also learnt to discount on tall claims made in advertisement. However, this may lead to mismatch in the customers' expectations and experience resulting into dissatisfaction. Putting a clamp on the unrealistic claims through marketing communication is one of the best ways to ensure satisfaction. So, marketer should be very careful while communicating the customers about the products and especially the services. It is more important to be careful while marketing the services as because services are intangible and its production and consumption happens simultaneously, any exaggerated communication will invariably dissatisfy the consumers and distort his/her perception which in turn may generate negative WOM and affects the brand equity.

Developing capabilities to fulfill consumer expectation: Having developed understanding of customers' expectations it is important to ensure that the offering fulfills. Thus developing capabilities to meet expectations is a must. Plan to build capacity should be implemented from before the product launch rather than gradual. Any negative impression formed in the beginning will be difficult to erase from customers memory.

Ensuring consistency in satisfaction delivery: It is important to keep customers hooked by serving them consistently as per their expectations and changing expectations. Companies should have service recovery plans in place to compensate for any loss to customer due to technical or human error while serving a customer.

It is imperative for a firm to have a proper understanding of consumer expectation and the firm's own capability of meeting such expectations so as to ensure satisfaction. If there is a disparity, consumers will be dissatisfied.

### **CONCLUSILON:**

In this era of shifting loyalty, it is essential to ensure loyalty of customers by way of delivering satisfaction. Companies also need to keep track of changes in factors resulting into satisfaction. These factors keep changing due to dynamism in customers' expectations and competitor's offerings resulting into changes in expectations from the offering.

Two paradigms of satisfaction as discussed above encapsulate the extant research on satisfaction especially from the customer satisfaction point of view. Both the scholastic lines of thinking have their own significance and contribute to our understanding of 'satisfaction' which is instrumental for achieving consumer loyalty and develop consumer advocacy in favor of the offerings of the marketer.

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