# Satisfaction- A behavioral perspective on consumer: Review, criticism and contribution

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## Abstract

This paper is review of a classic marketing book (Oliver, R. L. 1996. Satisfaction: A behavioral perspective on consumer. New York: Printce Hill). Oliver's book is an advanced level book specially designed for advanced masters and doctoral students and researchers of marketing. This book can be followed in the course of consumer behavior and customer satisfaction. It almost covers all important psychological aspects related to consumer in the formation of satisfaction and applicable to both product and service consumers. First, this review summaries this book. Second, review presents the main criticism on this book followed by its contribution and impact on recent research.

*Keywords:* satisfaction; consumer behavior; post consumption behavior; marketing; social science

## Satisfaction- A behavioral perspective on consumer: Review, criticism and contribution

### 1.  Introduction

Before 1996, there was limited research in consumer satisfaction. Firstly, satisfaction was more discussed in the context of human resources management or HR focused (e.g. job satisfaction). Secondly, the research focus in consumer satisfaction was towards pre-consumption activities and its impact on satisfaction. Hence there was a great need of research in the area of post- consumption activities and their impact on satisfaction. Richard L. Oliver, through this book (Satisfaction- A behavioral perspective on consumer) tries to fill the research gap with post consumption. Oliver's effort is unique in nature because he describes the evolution of satisfaction from the beginning, and then he combines the latest approaches of satisfaction consequences or dissatisfaction consequences. Author explains his concepts with the help of latest examples and best practices in business. Consumer behavior and customer satisfaction are always interesting area of research. During the last two decades, both the academic researchers and practitioners are now focusing on post consumption satisfaction and its impacts. Oliver's book is the first one and unique in nature because he integrates, reviews, summarizes, reconciles and concludes more than 100 peer-reviewed articles in a very meaningful way. On one hand, this book provides the necessary framework to the educators for the integration of post- consumption subject area into the syllabus. On the other hand, it also provides useful suggestions to companies which are interested in managing customer satisfaction (Chung & Wirtz, 1998). First, this review summaries this book. Second, main criticism on this book is presented followed by the impact and contribution of this book on recent research.

#### 1.1  About the author of the book

Richard L. Oliver is a Professor of Management at Owen Graduate School of Management at Vanderbilt University, USA from 1990 till present. He did his MBA in 1969 and PHD in 1973 from University of Wisconsin. Professor Oliver has served in the top universities of USA like Wharton School- University of Pennsylvania, Washington University, University of Iowa and University of Kentucky. He is also a Fellow of the American Psychological Association (APA) for his distinguished research work in customer psychology. His research interests include consumer psychology, consumer satisfaction, customer loyalty and post-purchase process. He has written two books; "Satisfaction: A Behavioral Perspective on the Consumer" and "Service Quality: new Directions in Theory and Practice". His 80 plus articles have been published in reputed international journals. (Vanderbilt University, 2010)

### 2.  Main contents and structure of the book

Oliver explains the main structure of the book in a very meaningful and structured way through figure 1. He explains the whole satisfaction process and each step of the process is explained through different chapters. For the convenience of readers, author has divided his book into five parts and fourteen chapters. The chapters are shown through rectangles of different sizes and positioned according to their sequence in the satisfaction process. The first chapter "What is customer satisfaction?" is second last from the right in the figure. Satisfaction is the core concept and all the topics on the left side of the satisfaction are the antecedents of satisfaction. The topics on the right side of satisfaction are the consequences of satisfaction like long term and short term affects.

### 3.  Book brief summary

#### 3.1  Part one- What is satisfaction

Part one of the books is relatively smaller and consists one chapter. Oliver explains that what is customer

satisfaction and why to study satisfaction as a consumer concept? Oliver identifies four different perspectives to study satisfaction which are consumer, organization, industry and societal perspectives. While defining the definition of satisfaction, author is of the view that it is difficult to define due to the diversity in definitions. Also, most of the definitions are process based where the end result of the process is satisfaction. On this issue, Oliver quotes Fehr and Russell view on satisfaction. Oliver concludes that satisfaction cannot be defined but if someone insists then based upon the theoretical and empirical evidence, it can be defined as "Satisfaction is the consumer's fulfillment response. It is a judgment that a product or service feature, or the product or service itself, provided (or is providing) a pleasurable level of consumption-related fulfillment, including levels of under or over fulfillment" (Oliver, 1996, p.13). About the opposite of satisfaction, author is of the view that it is not necessary to give a separate definition for dissatisfaction i.e. one can easily replace words pleasurable with unpleasant, satisfaction with dissatisfaction etc. At the end of the chapter, Oliver compares the consumer satisfaction with the other domains of satisfaction and also its link to related concepts like the first time consumer and repeated purchase.

### 3.2 Part two- Basic satisfaction mechanisms

Part two consists of three chapters explaining the essentials of the satisfaction response through different satisfaction mechanisms. Author describes satisfaction causes in two main contexts; firstly, causes according to the emerging theories and secondly, latest best practices in this field. In chapter two, author pays current and historic attention to tangible characteristics of product or intangible characteristics of the service provided by companies to satisfy consumers. In traditional and currently practiced approach, the inadequacies of attributive performance analysis are highlighted. This is convincing reader to think about consumer satisfaction process with a greater appreciation. Author is of the view that product or services characteristics or features have no meaning for consumer unless and until he/she interprets those features in a meaningful way through his/her mental framework. Author also explores the meaning of "importance" in the context of satisfaction. According to him, what is important in buying a product/ service does not exactly means that it is also providing satisfaction judgments. While explaining performance of features, attributes and dimensions, Oliver says that not all performance analysis cover the real satisfaction scores in the whole process and, till now it can be assumed that consumers purchase the product because they expect to satisfy their wants.

In the remaining chapters 3 and 4 of part two, rather than concentrating upon the product features, Oliver concentrates upon the psychological events because they are very important in shaping satisfaction response. Chapter 3 is about expectations and related comparative standards. This chapter is particularly useful for the background information about expectancy disconfirmation model of satisfaction. This model establishes the role of expectations and standards through which performance processes can be compared and formed. Oliver explains that human response of satisfaction is not possible without comparison (e.g. the basic standard for need fulfillment is consumer's present experienced deficit). In this way, chapter 3 is providing useful information about different comparison standards like ideal and competitive offering. The strategic activities that might affect those comparison standards are also discussed in detail. Oliver concludes that expectations play a key role in the response of satisfaction because expectations give a standard to judge product performance in future. However, the variations in expectations generate theoretical and measurement problems. This might confuse researchers because he or she is not sure about the level of abstract, desire, certainty, and other comparative objects of the consumer. Expectations act as agents that provide the mechanism through which satisfaction can be influenced.

Chapter 4 is about the expectancy disconfirmation model of outcomes. Author describes the origin, development, and recent status of expectancy disconfirmation model of consumer satisfaction. The expectancy disconfirmation model of consumer satisfaction is considered as important paradigm now days in satisfaction. It involves performance observation comparison to the expectations and a subsequent judgment of the degree of discrepancy. Oliver also explains several disconfirmation types and their implications. This chapter is in part two of the book, but it is closely related to part three as comparison operations (particularly chapter 5-8) because it is important to explain the dual role of expectancy operations. Oliver concludes that expectancy disconfirmation

model which consists of expectations, performance, and outcome of comparison (disconfirmation) can provide a very good mechanism. Consumer can achieve the satisfaction judgments through this model. It depends upon a particular consumer to use all elements of the model or to select some elements (Oliver, 1996, p.126).

### 3.3 Part 3- Alternative and supplementary comparative operators

Part three of the book consists of four chapters (chapter 5-8) explains alternative comparison operators. As shown in the figure below, the first operator expectation is already been discussed in the chapter 4. It is interesting to note the last operator "nothing" which means no comparison has been made by the consumer which is commonly known as "unapprised cognition" in the literature. "Nothing" denotes that if no comparison operator is used then performance may directly influence satisfaction.

Chapter 5 is about the most important comparison operator known as need fulfillment. Oliver defines both the need fulfillment's history and its current perspectives. Author suggests that product need is generally discovered through the identification of critical attributes. Although critical attributes analysis may likely discover relevant needs, but it is not necessary in every case. By discussing the past research insights, Oliver suggests that reorientation of basic need concepts is necessary for the present and future researchers. The higher order consumer's needs are at the top of hierarchy, and commonly known as values. These values have been generally ignored in satisfaction research work. Author concludes that need fulfillment is one of the important comparative processes which can positively or negatively influence satisfaction response. It is important to note that meeting/ not meeting/ exceeding needs, and expectations (discussed in chapter 4) can give different results of satisfaction. Oliver draws the conclusion that disconfirmation and need fulfillment both are related to satisfaction but in an independent way.

Chapter 6 provides the useful information about another important comparison driver "quality". The quality judgment previously considered as engineering standards, but now it is considered as a comparison to the consumer's ideal standards. Like satisfaction, the definition of quality is also under revision phase. It is very difficult to define quality particularly in service because objective engineering standards cannot be easily applied in services. The conceptual boundaries of satisfaction and quality are quite confusing but distinct to each other. Both these concepts are different in many dimensions (e.g. experience dependency, short or long term referent etc.). Quality and satisfaction relationship is also complex because of intricate interplay between performance dimensions used in quality judgments and satisfaction judgments (Oliver, 1996, p 188). Previous research shows that performance based quality comes from the best expectations and idiosyncratic preferences of consumers.

Chapter 7 is about equity; how consumer interprets fairness. Equity and inequity concepts are misunderstood in consumer behavior. Oliver explains how equity and inequity in the consumer context is different from the job/ workplace equity and inequity. Equity definitions, equity role in consumer satisfaction, historical equity interpretation, and contemporary equity interpretation have been explained. Equity related terms like fairness, fair deal, fair exchange, and equitable unfairness has been deeply explored in terms of consumer satisfaction and distinguished from the disconfirmation. Moreover, different equity operators are explained i.e. comparisons of other buyers' outcome, sales people's outcome, dealers' outcome, firm's outcome etc.

The transaction component is important in consumption activity and here equity and inequity play its role in satisfaction decisions. Consumers consider specific combination of their own or other people's inputs/ outputs which is meaningful for them. Whether fair exchange is beneficial for the consumer or not but it is a desired value. If consumer cannot achieve a fair exchange, marketers can offer a second option as a justice in the shape of product redress or improved service. The complaining process might generate fairness in perceptions. We can say that equity process can be controlled by marketers through their agents and equity is doled out to the consumers (Oliver, 1996, p.212).

Oliver discusses regret and hindsight in chapter 8. Regret is also known as "buyer remorse" in the literature and can be defined as a comparison to "what might have been"(Oliver, 1996, p.216). This term has been

overlooked by many researchers in the field of consumer satisfaction. Author concludes that regret is a powerful referent comparison and despite the imbalance in evidence, regret and hindsight have more theoretical importance. Intentionally or unintentionally, consumers generally try to avoid regret.

In order to minimize the impacts of regret, consumers normally use two ways; first, make low risk involving decisions and second, improve their immunity level against regret. Hindsight is a potential threat for learning and growth because it prohibits consumers to learn from their experience. Consumers view outcomes as unique events in the post purchase evaluation (Oliver, 1996, p.232). This may reinforce the sterile performance effect. If consumers know that their decision is bad then why consumers make the decision? It is very important to know the answer of this important question. If managers will find the answer of this question, it will help them to use the regret in an advantageous way for them as well as for the consumers. No consumer like regret and by minimizing the possibility of regret, purchasing and negative purchasing outcomes can be softened. In regret, consumers compare product or service with the other available alternatives and here management can offer price/ service guarantees to facilitate consumers for comparison.

### 3.4 Part 4- Satisfaction processes and mechanisms

After defining different complementary comparison operators in part 3, Oliver elaborates different psychological mechanisms particularly higher level mental operations (e.g. cognitive dissonance, attribution, and emotional expressions etc.) have been defined in chapters 9, 10 and 11. Chapter 12 is more linked to the part 2 (particularly disconfirmation model) of the book where author develops a model of consumption processing.

Chapter 9 is about one of the most important response "cognitive dissonance" that is pertinent to the consumption. The first response of the consumer can be referred as pre-purchase response, and it is manifested through apprehension and fear about the purchase experience by the consumer. Consumer feels fear because purchase might not fulfill the expected or desired outcome. Moreover, fear is not over even after the purchase, before use and during use. Consumers try to defend and minimize the impacts of cognitive dissonance during the whole purchase process.

Cognitive dissonance is one of the matured areas of research where modern psychologists provide early insights to the consumer behavior's researchers. However, consumer researchers are not introducing new insights in this field since 1970s. Cognitive dissonance is integral to consumption decision making, but little work in this conventional wisdom is available particularly in its occurrence and minimization. Further research is required to estimate the level of dissonance experience by consumers and its impacts on satisfaction. The main objective of this chapter is "to infuse new wine into old bottles" (Oliver, 1996, p.261). This will help consumer behavior researchers to explore new insights in dissonance. Research work in dissonance area was performed in non-consumption setting. Due to this reason, it is not too much relevant with the current focus. Also, research in this area was conducted before or without reference to the recent theories of reaction like expectancy disconfirmation.

Chapter 10 covers another psychological mechanism called attribution. Here, author defines the main concepts related to attribution in the satisfaction process (i.e. attribution theory and its origin, Weiner framework, post-purchase marketing examples, causal basis for attributions, attribution measurement etc.) Attribution means natural tendency of consumers to find causality/ meaningful relations that might influence their lives. Consumers try to find sequence order in the environment, and this is possible when they discover explanations for events and attribute happenings to particular causes (Oliver, 1996, p.238).

This process is based upon the assumption that outcome of purchasing has been observed in advance or expected outcome is identified in advance. Based upon the attribution, consumers are in a position to decide further action. Oliver defines different type of casual explanations (i.e. responsible entity for outcome, if the outcome can be expected, if the outcome can be prevented etc.) to define this phenomenon. Author also examines major attribution's consequences like consumer affect. Oliver concludes that attribution is a common

phenomenon in response to the particular event like consumption experience. After initiation, this process helps consumer to predict different patterns like blame/ failure or gratitude/ success and these patterns lie in the structure of locus, stability, or controllability framework (Oliver, 1996, p.285).

Consumer emotion's role is the central topic in chapter 11. Here, Oliver explains the latest most important development in the satisfaction area of research. First, different forms of affect/emotions have been explained. Second, different representations of affect/emotion have been examined including cognitive appraisal. Third, consumer affect or emotion is explained in the context of satisfaction judgments. This can help to know where satisfaction lies within the affect representations. Finally, recent models of satisfaction (that also include emotion) are discussed in order to estimate affective and cognitive satisfaction.

By reviewing the emotion and appraisal literature, Oliver is of the view that no conclusion is possible because satisfaction's appearance in different frameworks is spotty. Satisfaction is highly variable in circumflex models, and its association is inconsistent. Literature is also unable to tell if satisfaction is an emotion. However, some indirect evidence of relationship is possible through some models (dual process model of satisfaction, Oliver attribute satisfaction models and Mano and Oliver model). In early stages of satisfaction research, most of the researchers ignored emotional involvement, but latest frameworks include effect in cognitive perspective of satisfaction. One can consider any component (cognitive or affective) from the outcome of its purchase. For example, consumer can give more preference to delight in a cognitive fulfillment product. Here, delight (affective component) is more related with satisfaction.

Chapter 12 is the last chapter of part 4. Here, Oliver integrates everything together in a framework and develops a model of consumption processing. Oliver calls it "consumption processing model of satisfaction" which is the main theme of this chapter. The model starts with the outcome and disconfirmation. Success or failure evaluation creates primary affect (either positive or negative). The "expectancy disconfirmation" is the second sequence in this model. Here, the main assumption is that comparative operators are the main players in further processing. These operators commonly known as "appraisals" and consist of disconfirmation judgments and other comparisons (equity/ inequity). Consumers process every determinant of satisfaction (i.e. attribution, emotion, expectation, performance, disconfirmation equity etc.) in the consumption processing model of satisfaction. The attribution of the model is invoked if disconfirmation/ other appraisal are acknowledged. Simultaneously, if disconfirmation/ other appraisal is not acknowledged then consumer's overall response towards the product will be determined by the positive or negative impact derived from the performance/ expectation. If attribution process is evoked through appraisal, consumer response to the product will be complex which will consist of primary affect as well as distinct emotions arisen from the consumer analysis.

Author explains through this model that satisfaction is not just one thing. In fact it involves different modes of satisfaction responding. In different situations, consumers can do different things when they claim that they are satisfied. The simple question, "Are you satisfied" is not so simple to answer because of a variety of things involved in satisfaction process. Researchers should concentrate upon the both processing stage as well as emotion stage of the satisfaction response and in this way a new post purchase research will open new doors for better understanding of satisfaction response.

*3.5 Part 5- Satisfaction consequences. What happens next?*

After describing the antecedents and causes of satisfaction in the previous chapters, Oliver defines the outcomes and consequences of satisfaction in the final part of the book. The final part consists of two chapters. Chapter 13 explains the short term consequences of satisfaction while chapter 14 explains the long term consequences of satisfaction. In chapter13, Oliver describes the immediate impacts of satisfaction. Both complain, and complements topics have been discussed in detail and complaint handling model is proposed. Author suggests companies to consider both complaints and complements. Author also explains consumer's response to dissatisfaction and response impact on consumer profile. The consumer profile proves that

consumers normally use two types of complaining (Either public or private/ word of mouth complaining).

The most important and frequent response of consumption is "do nothing". Here, Oliver is of the view that most of the consumers do not report their success or failure response to the company. Companies should take necessary steps to get feedback response from "do nothing" type of consumers. No matter if consumers are satisfied or not but in fact consumers normally say little about the outcome of purchase. "Nothing to say" does not mean that consumers are satisfied. More problematic are the consumers who are not satisfied, but they remain invisible. These types of consumers create negative word of mouth, and switch to other products. More research is needed to unearth the hidden agenda of do nothing type of consumers. In order to remain competitive, companies should promote the complaints systems and encourage the complements.

The final chapter of the book explains the long term consequences of satisfaction. The most important impact or consequence is the consumer loyalty. This is also the ultimate test to see long term impact of satisfaction. Oliver also explains true loyalty and compares it with happenstance loyalty. Other consequences like behavioral intention and attitude of consumers are also discussed. Finally, Oliver also links satisfaction to the profitability of the firm by providing the research evidence. Loyal consumers purchase again and again and improve the demand for the product or service that may lead companies towards profitability. However, research suggests that this relationship is not perfect because several companies routinely dissatisfy consumers but still survive. Also, many companies with satisfied consumers were declared bankrupt. In spite of all this, satisfaction is one of the most important ingredients of the success formula for any organization and cannot be ignored by any company.

## 4. Some criticism

As described by (Giese & Cote, 2002), Lack of consensuses on satisfaction definition creates three main problems for consumer satisfaction research:

> ➤ How to select appropriate definition for research.

> ➤ How to operationalize the definition.

> ➤ How to interpret and compare empirical results.

These three problems affect basic structures and outcomes of marketing research and theory testing. When a theory is discussed or tested, it is very important to for researchers to know the conceptual domain. Choosing constructs and appropriate conceptualization are required in this process, and when constructs have the consensus definition, it is easy for researchers. However, multiple, unclear and contradictory definitions create problems for researchers. In this case, researchers should define, convince and justify their definition's selection. Researchers should also see if a particular definition is appropriate for their research purpose. Gardial, Clemons and Robert (1994) suggest that a clear definition of satisfaction is needed along with what phenomena it is, and what it is not. Though Oliver gives a good definition of satisfaction, but he is also treating satisfaction as a controversial and difficult to define (Peyton, Pitts & Kamery, 2003).

### 4.1 Key contribution and impact on recent research

> ➤ Oliver book combines the knowledge about what is known about satisfaction & other post purchase processes.

> ➤ It assist decision makers, program evaluators & researchers with methodological & measurement suggestions related to post-delivery & post consumption.

> ➤ Standard reference for consumer behavior & satisfaction. It fills the gap of post consumption research. As Oliver suggests, post consumption behavior can be taught as a separate subject or at

least as a portion of consumer behavior subject.

➢ Fills the existing gap with firm's understanding & practices to achieve higher levels of consumer satisfaction, value, loyalty & profitability.

➢ Study of consumer satisfaction also leads towards the sustainable and ethical marketing.

Before 1990s satisfaction was generally defined in terms of need fulfillment, pleasure, cognitive stage, attribution or benefit by different researchers (Chung & Wirtz, 1998). However, Oliver is considered among those early researchers who define consumer satisfaction in terms of different interrelated variables. Furthermore, Emotional aspects of consumer response towards the product/ service experience are also included in satisfaction (Peyton, Pitts & Kamery, 2003).

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