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Customer Satisfaction: An Interpretation of Theories with Disconfirmation Paradigm

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Abstract:

Customer satisfaction measurement is essential for business survival. The concept of customer satisfaction occupies a central position in marketing thought and practice. Satisfaction is a major outcome of marketing activity and it serves to link the processes culminating in purchase and consumption with post purchase phenomena such as attitude change, repeat purchase, and brand loyalty. Most of the studies in customer satisfaction have used some modification of disconfirmation paradigm which identifies that satisfaction is related to the level and direction of the disconfirmation experience and it is related to an individual's initial expectations.

Keywords: *Customer satisfaction, disconfirmation, expectation*

1. Introduction

In business environment customer satisfaction is the key focus of concentration. There is a great amount of literature on customer satisfaction in many academic disciplines and the evaluation given below primarily defines the term customer satisfaction in reference to concepts resulting from the prevailing literature. With that, the discussion of theories that are considered as the antecedents and effect of customer satisfaction are emphasized.

2. Customer Satisfaction

Satisfaction is defined as an attitude, similarly to the order of judgment which interprets a purchase act or a series of customer product interactions or a person's feeling of pleasure or disappointment achieved after product or service consumption (Fararah & Al-Swidi, 2013; Guo, Ling & Liu, 2012; Ardabili & Daryani, 2012; Orsingher, Marzocchi & Valentini, 2011; Bose & Sarker, 2012; Tudoran, Olsen & Dopico, 2012; Syed et al., 2011; Lovelock & Wirtz, 2007).

There are wide variance in the definition of satisfaction but in a detail analysis it is consist of three common components of identification: one, satisfaction is a judgment response based on feeling, emotional or cognitive; two, the response is related to a concentration i.e. product performance, consumer or customer value experiences in consumption and expectations or some other norm of performance; finally, the occurrence of a response to concentration at a given time (Kayabasi et al., 2013; Vazquez et al., 2013; Hunt et al., 2012; Ardabili & Daryani, 2012 ; Syed et al., 2011; Giese & Cote, 2002).

3. Customer Satisfaction Studies

The nature of satisfaction is an important element for the possible conceptualization of the customer satisfaction in providing product quality or service delivery quality. It will project the fundamental element of total quality delivery of a particular organization in the context of customer-defined quality.

According to Churchill and Suprenant, (1982) the concept of customer satisfaction occupies a central position in marketing thought and practice. Satisfaction is a major outcome of marketing activity and it serves to link the processes culminating in purchase and consumption with postpurchase phenomena such as attitude change, repeat purchase, and brand loyalty (Rahman et al, 2012; Kotler & Keller, 2009; Ha, Janda & Muthaly, 2008).

Most of the studies in customer satisfaction have used some modification of disconfirmation paradigm which identifies that satisfaction is related to the level and direction of the disconfirmation experience and it is related to an individual's initial expectations (Jayasankaraprasad & Kumar, 2012; Surprenant & Churchill, 1982).

In satisfaction study, disconfirmation occupies a middle point as an important intervening variable which takes place from discrepancies between earlier expectation and the actual performance (Surprenant & Churchill, 1982). An individual's expectations can be related as: One, confirmed when product performance is same as his/her expectation. Two, negatively disconfirmed if product performance is poor than his/her expectation which leads to dissatisfaction and finally, positively disconfirmed when the product performance is better than expectation (Jayasankaraprasad & Kumar, 2012; Esmailpour et al., 2012; Surprenant & Churchill, 1982).

3.1. The Adaptation Level Theory

In satisfaction evaluation, the effects of expectation and discrepancy perception may be additive particularly when the expectation are looked into in developing an identity of reference on which, a comparative evaluation is made (Vedadi, Kolobandi & Pool, 2013; Oliver, 1980). Basically, the outcomes which are poor than expected are generally rated below its reference point. But when the outcome is better than what is expected which is the positive disconfirmation than it is evaluated above the reference point (Oliver, 1980). According to Quinsey, (1970) Adaptation Level is the perceptual neutral or indifference point because of the apparent stimulus magnitude reduction as a particular stimulus approach the Adaptation Level and it is said that stimuli above Adaptation Level evokes different judgment/response compared to the stimuli below Adaptation Level which evoke opposite results. It is indicated as the judgments of newly perceived stimuli will generally affects the previous experience with the common category of objects and the discrepancy perceived in comparison with new stimulus and the former stimulus will determine the stimulus levels by the individual in projecting satisfaction (Vedadi et al., 2013).

Oliver, (1980) interpreted that adaptation level theory posits that individual perceives stimuli only in focus of its adapted level. From that it is said, one; the level is a function of perceptions of the stimulus itself, Two; the context, and three; the psychological with also the physiological characteristics of the organism. When developed the "adaptation level" will remain with the particular individual's original position to serves its subsequent evaluations whether positive or negative concentration (Khalifa & Shen 2005; Oliver, 1980). Only large impacts on the adaptation level will change the final assessment level of the individual's evaluation (Vedadi et al., 2013).

In applying to satisfaction evaluation, a person's level of expectation about product performance, in any way it is originated, can put forward as an adaptation level (Khalifa & Shen, 2005). This can be said that a particular expectation is influenced on the same way as Helson, (1964) suggested that adaptation phenomena can results from, (1) the product itself with his/her past experience on product and other identifying elements, (2) the context which can be said communication features of salesperson with also the social referents, and finally the individual characteristics with regards to ability to persuade and perceptual distortion. With these, the repurchase decision will be influenced if the adaptation level is thought to be caused by the degree to which the product exceeds, meets, or falls short of an individual's expectations (Khalifa & Shen, 2005; Oliver, 1980).

This can be mentioned as satisfaction is caused with an additive combination of the expectation level and the resulting disconfirmation of the individual (Oliver, 1980).

3.2. The Contrast Theory

The contrast theory provides the basis for making specific statement about a particular relationship among effort, expectation and evaluation (Alkilani et al., 2013; Esmailpour, Zadeh & Hoseini, 2012). As highlighted by Cardozo, (1965) contrast theory shows that if a customer who gets a product with less valuable than the customer is expected, the person will look in detail on the difference between the product received and the product expected. Apart from that the evaluation would lead to possible consumer exaggeration on the disparity (Esmailpour et al., 2012; Cardozo, 1965). Cardozo, (1965) further stress that even if a person's original expectation were to change the person would still will have the room to compare unfavourable products with good or better product and this will result, on individuals moving their evaluation away from expectation if the expectation is inconsistent with the effort.

Consumer or customer effort could be regarded as the physical, mental or financial resources which are provided to obtain a particular product (Esmailpour et al., 2012; Dahl & Dunn, 2012). Cardozo, (1965) found a contrast effect in his research with ballpoint pens and catalogs with different (low or high quality) products. Basically, catalogs were shown to the respondents in order to create low and high expectations about a pen. Then the respondents were evaluated on the quality of a different pen compared to the pen shown in the catalog and in addition the effort was manipulated by a stimulated shopping experience (Cardozo, 1965).

The results in Cardozo (1965) study supports that when people expended little effort in receiving a product less valuable than what is expected rated the product much less favorable than those people who expected to receive, and got the same product. And in the effort treatment, the people who received less than expected rated the product less favorable compared to the people who received the same what they expected. This research study finding is equal with the contrast theory, that the people whose expectations were negatively disconfirmed evaluated a reward as less in favour compare to the people whose expectation and results the same outcome (Esmailpour et al., 2012; Dahl & Dunn, 2012; Spector, (1956).

3.3. The Assimilation Contrast Theory

According to Lanktan and McKnight, (2012) assimilation can be regarded as general process of incorporating new attitudes into what attitudes is available to avoid dissonance. This was originally presented by Sherif and Hovland, (1961) in their Social Judgment theory which mentioned that individuals make judgments and there would be possible changes in attitude when the person make comparison of the new stimuli to his or her internal available range. If the new stimuli are different from the internal range latitudes of rejection takes place. Acceptance will occur if the new stimuli are similar to person's internal reference. Apart from that indifference takes place when the new stimuli are not similar or there is no identified difference (Sherif & Hovland, 1961).

Based on this identification Lanktan and McKnight, (2012) interpreted that, assimilation contrast theory holds a position that if the comparison falls within a particular latitude of acceptance, assimilation will take place. This means, the person will see the new stimuli as more similar to his or her available beliefs than compared to what is actual and this will create integration into the individual's own beliefs. The opposite will happen if the comparison falls within the latitude of rejection, here contrast will take place, meaning the person will perceive the new stimuli as being more different from his or her own beliefs, and rejection takes place (Lanktan & McKnight, 2012).

The above is made clear by Sherif & Hovland, (1961) when it was identified that there are two key behaviors to social judgment theory that occur mostly in more ego involved individuals that is, one assimilation and two contrast. Generally, assimilation occurs when an idea is similar to a person's current attitude and therefore the information is manipulated into being more alike than it may be in actually. It is said that the contrast occurs when an idea is present and it is not similar to his or her own and therefore distorted into seeming that there is a greater discrepancy present. However, when a message falls almost perfectly into the person's latitudes, it is mentioned as having maximum influence (Sherif & Hovland, 1961; Esmailpour et al., 2012).

Many studies have found that a consumer's perception of product performance is assimilated toward expectations, supporting the assimilation effect and it confirms that there are zones or latitudes of acceptance and rejection in the perception of consumer (Anderson, 1973). When there is a small difference between the expectation and product performance the consumer will tend to assimilate the product with his or her expectation than the product performance itself. But if difference between expectation and product performance is large which fall into the zone of rejection than the contrast effect takes place where by the consumer will look into the details of the difference between the product and with his or her expectation (Lanktan & McKnight, 2012; Esmailpour et al., 2012; Anderson, 1973).

3.4. *The Cognitive Dissonance Theory*

The cognitive dissonance theory posits that in the event if there is any discrepancy among expectation of the consumer and the product performance, the consumer will lower or assimilate by adjusting the individual's perception of the product to general level or less dissonant level with the individual's expectation (Hamza & Zakkariya, 2012; Hasan & Hasreen, 2012). Further, this is confirmed by Anderson (1973) based on Festinger's theory of cognitive dissonance, as cognitive dissonance is in reference to psychological discomfort because the outcome of a product has elements of contradiction on the standard hypothesis which a particular consumer holds. In addition, Bose & Sarker, (2012) also explained that the cognitive dissonance theory as want of harmony or inconsistency takes place when an individual hold conflicting thoughts about a belief or an attitude object. Cognitive dissonance is related with attitude change, which means a situation where two cognitions are inconsistent with one another (Bose & Sarker, 2012).

According to Hasan and Nasreen, (2012) the theory suggests that a person will hold cognitive elements as well as emotional dimension and it is described as a psychological phenomenon which takes place when there is a discrepancy between what an individual believes in and in comparison, with the outcome that basically questions the individual's belief. The theory indicates that if cognitions are inconsistent an individual try to reduce the inconsistency that is reducing the dissonance after purchasing a particular product (Costanzo, 2012). With these the developed dissonance motivates the person to come to a stage of harmony to the inconsistent elements and through that it will reduce the person's psychological tension (Hasan & Nasreen, 2012; Bose & Sarker, 2012).

It can be clearly mentioned that, dissonance of an individual is developed in three main ways: One, any logical inconsistency; Two, when an individual experiences an inconsistency between his/her past behavior, attitudes, beliefs and his/her environments; Three, when an individual's strongly held expectation is disconfirmed (Hasan & Nasreen, 2012). Dissonance, want of harmony or inconsistency occurs when a person holds conflicting thoughts of an object after purchase of a particular product or service. In marketing of product and service it is important to remove dissonances and create positive brand image reason being when an individual is provided with a choice of two equally desirable products, it is said that the cognitive elements on the rejected product will have attributes that have made the individual's cognitive elements which caused him or her to put aside that particular product (Bose & Sarker, 2012; Costanzo, 2012; Oshikawa, 1968).

3.5. *The Comparison Level Theory of Satisfaction*

It is said that, the consumer's satisfaction in focus of the outcome of a purchase would be strong-minded by the discrepancy comparing the outcome and a prevailing state of comparison which is labeled as the Comparison Level (CL). In situation when a particular outcome is above the CL is mentioned as positive discrepancies occurrence which can be regarded as satisfying. (Ardabili & Daryani, 2012; Skogland & Siguaw, 2004; LaTour & Peat, 1979). On the other hand, when the outcomes are below the Comparison Level is mentioned as negative discrepancies occurrence which is regarded as dissatisfying. According to comparison level theory, the comparison level itself is thought to be determined by the average of most important outcomes for the same or similar interactions that an individual has come across or the individual is informed of the situation (Ardabili & Daryani, 2012; Skogland & Siguaw, 2004; LaTour & Peat, 1979). In addition, LaTour & Peat, (1979) interpreted that outcomes an individual is informed of but did not hold any personal encounter would include as known outcomes obtained by others who have similar encounter and these outcomes is lower from one who expects to obtain with his or her own interaction.

The founder of comparison level theory, Kelley and Thibaut, (1978) has made known that outcomes are measured in order of to determine the Comparison Level through: one; the outcomes that an individual has direct experience; two, outcomes of others who had similar experience; and finally, the unique expectations that created in his or her current interaction.

In reference to the consumer situational factor the comparison level for the outcome associated with a product or service will be: one; a function of experiences with similar products or services in the past of the particular individual, second; to a lesser extent the

experiences faced by similar product or service user, and third, a very low extent outcomes which are advertised or promoted by the manufacturer, any marketer, and/or service provider (Skogland & Siguaw, 2004; LaTour & Peat, 1979).

The comparison level theory of satisfaction which was provided by Kelley and Thibaut, (1978) has factors of appealing to the industry because it explicitly recognizes that satisfaction is not an absolute phenomenon but it is rather a relative factor of experiences in consumer (LaTour & Peat, 1979). In addition, the theory argued that satisfaction is determined by averaging the rewards and costs associated with an interaction and comparing the result with the comparison level. Reward is mentioned as pleasures, satisfactions, and gratifications a particular person enjoys. On the other point costs is regarded as unpleasant or dissatisfying aspects of the individual interaction (Ardabili & Daryani, 2012; Skogland & Siguaw, 2004; Kelley & Thibaut, 1978).

3.6. The Value Percept Disparity Theory

The Value Percept Disparity Theory was developed by Locke (1967), the theory emphasizes that satisfaction or dissatisfaction is particularly an emotional response that produced a cognitive-evaluative process. In this process the perceptions of a particular object or the beliefs about, action, or condition are made comparison with an individual's values and value can be referred as needs, wants and desires (Alkilani, Ling & Abzakh, 2013; Locke, 1967).

The theory identifies that, the smaller the disparity between an individual's perception of the object, action, or condition, in comparison with his or her values, will develop more favorable evaluation. These will lead to a greater generation of positive affect that associated with an individual's goal attainment which is indicated as satisfaction (Westbrook & Reilly, 1983).

In opposition, if there is greater value-percept disparity, it is said as less favorable on the evaluation and there will be also less generation of positive affect, and there will be greater generation of negative affect connected with the goal frustration and it is said as occurrence of dissatisfaction (Bloemer & Dekker, 2007; Westbrook & Reilly, 1983). Generally, the approach in the theory, need to fulfill three elements only. First, one or more perceptions of product, institution or marketplace behavior; second, one or more value standards which the consumer holds; and finally, a conscious or subconscious judgment of the relationship between an individual's perception and one's value (Bloemer & Dekker, 2007; Westbrook & Reilly, 1983). The attainment of values is focused at in comparison with the confirmation of the consumer's expectations. With that, the theory posits that perceptions of products, company, or marketplace actions most of the time are tested against consumer's value level (Alkilani et al., 2013; Westbrook & Reilly, 2001).

4. Conclusion

Finding from the critical literature review clearly indicates an agreement that customer satisfaction involves a set of inter-related variables rather than a single variable and importantly the theoretical approaches that have been identified and developed to explain the relationship between each theory with positive and negative disconfirmation are all focused on the nature of the customers' or consumers' evaluation based on expectation and actual performance of the product or service.

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