



ASSOCIATION FOR CONSUMER RESEARCH

Labovitz School of Business & Economics, University of Minnesota Duluth, 11 E. Superior Street, Suite 210, Duluth, MN 55802

A Two-Step Model of Service Dissatisfaction: Theory and Evidence

Lisa C. Wan, Department of Marketing, The Chinese University of Hong Kong, Shatin, Hong Kong

Haksin Chan, Department of Marketing, The Chinese University of Hong Kong, Shatin, Hong Kong

This paper presents a two-step model that highlights the moderating influences of two contrasting individual-difference variables, first on service dissatisfaction and then on the ensuing complaining behaviors. The results of an empirical study provide support for most of the hypotheses based on the proposed model. The model extends (dis)satisfaction research on the one hand, and points to new directions for consumer research on the other.

[to cite]:

Lisa C. Wan and Haksin Chan (2007) , "A Two-Step Model of Service Dissatisfaction: Theory and Evidence", in NA - Advances in Consumer Research Volume 34, eds. Gavan Fitzsimons and Vicki Morwitz, Duluth, MN : Association for Consumer Research, Pages: 675-676.

[url]:

<http://www.acrwebsite.org/volumes/12916/volumes/v34/NA-34>

[copyright notice]:

This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at <http://www.copyright.com/>.

A Two-Step Model of Service Dissatisfaction: Theory and Evidence

Lisa C. Wan, The Chinese University of Hong Kong
Haksin Chan, The Chinese University of Hong Kong

EXTENDED ABSTRACT

The literature on consumer (dis)satisfaction has largely focused on its antecedents, notably, expectations, disconfirmation of expectations, performance, attributions, and equity. Few empirical studies have addressed the consequences of (dis)satisfaction, let alone the consequences of service (dis)satisfaction. In addition, individual-difference variables rarely appear in previous (dis)satisfaction models.

This paper presents a two-step model (see figure 1) that highlights the moderating influences of two individual-difference variables, both on service dissatisfaction and on the ensuing complaining behaviors. It also reports a study that examined several hypotheses based on the proposed model.

Research Hypotheses

Previous research (e.g., Smith, Bolton, and Wagner 1999) has distinguished between process and outcome failures in service encounters. From the perspective of the consumer, the former involves the loss of *social* resources (e.g., status, esteem), whereas the latter involves the loss of *nonsocial* resources (e.g., money, time). We propose that the two types of service failure would trigger different patterns of consumer behavior, subject to individual differences in concern for face (CFF) and belief in fate (BIF).

Concern for face is defined as the extent to which an individual shows regard for and interest in the protection and enhancement of face (i.e., *public* self-image) in social interactions. Since services are performed for people by people, service failures are inherently face-threatening (Brown and Levinson 1987). Given the fundamental difference between a process failure and an outcome failure, however, face issues should be more salient in the former than in the latter. We thus predict an aggravating effect of CFF on service dissatisfaction, and that this effect would be stronger for a process failure than for an outcome failure.

Belief in fate is defined as the extent to which an individual believes in fate/luck as an impersonal force shaping events and outcomes. When service failures occur, the notion that "it is meant to be" or "I am just unlucky" would help alleviate discontent. However, fatalistic notions are seldom invoked when an obvious interpretation is available (Pepitone and Saffiotti 1997). Relative to an outcome failure, a process failure involves an unambiguous causal agent, namely, the service provider. Hence, we predict a mitigating effect of BIF on service dissatisfaction, and that this effect would be stronger for an outcome failure than for a process failure.

According to Singh's (1988) taxonomy of consumer complaint behavior (CCB), dissatisfied consumers may engage in public actions (e.g., complaining to management) or private actions (e.g., negative WOM). Both CFF and BIF are expected to affect CCB over and above their influences on dissatisfaction.

Given the same level of service dissatisfaction, consumers higher (vs. lower) in CFF may be more motivated to restore "self-face" by complaining to management. Alternatively, however, they may be more restrained because of their concern for "other-face." As far as private actions are concerned, consumers higher (vs. lower) in CFF are likely more motivated to spread negative WOM because it may signal to others their exquisite taste, thereby enhancing face.

The effects of BIF on CCB are predicted to be uniformly mitigatory. Consumers higher (vs. lower) in BIF should be less likely to complain to management or engage in negative WOM, by virtue of the perceived futility of attempts to change the status quo.

The research hypotheses are summarized as follows:

- H1: When a service failure occurs, consumers who are higher (vs. lower) in CFF will be more dissatisfied.
- H2: The aggravating effect of CFF on service dissatisfaction will be stronger for a process failure than for an outcome failure.
- H3: When a service failure occurs, consumers who are higher (vs. lower) in BIF will be less dissatisfied.
- H4: The mitigating effect of BIF on service dissatisfaction will be stronger for an outcome failure than for a process failure.
- H5a: Given the same level of dissatisfaction, consumers who are higher (vs. lower) in CFF will be more likely to complain to management.
- H5b: Given the same level of dissatisfaction, consumers who are higher (vs. lower) in CFF will be less likely to complain to management.
- H6: Given the same level of dissatisfaction, consumers who are higher (vs. lower) in CFF will be more likely to engage in negative WOM.
- H7: Given the same level of dissatisfaction, consumers who are higher (vs. lower) in BIF will be less likely to complain to management.
- H8: Given the same level of dissatisfaction, consumers who are higher (vs. lower) in BIF will be less likely to engage in negative WOM.

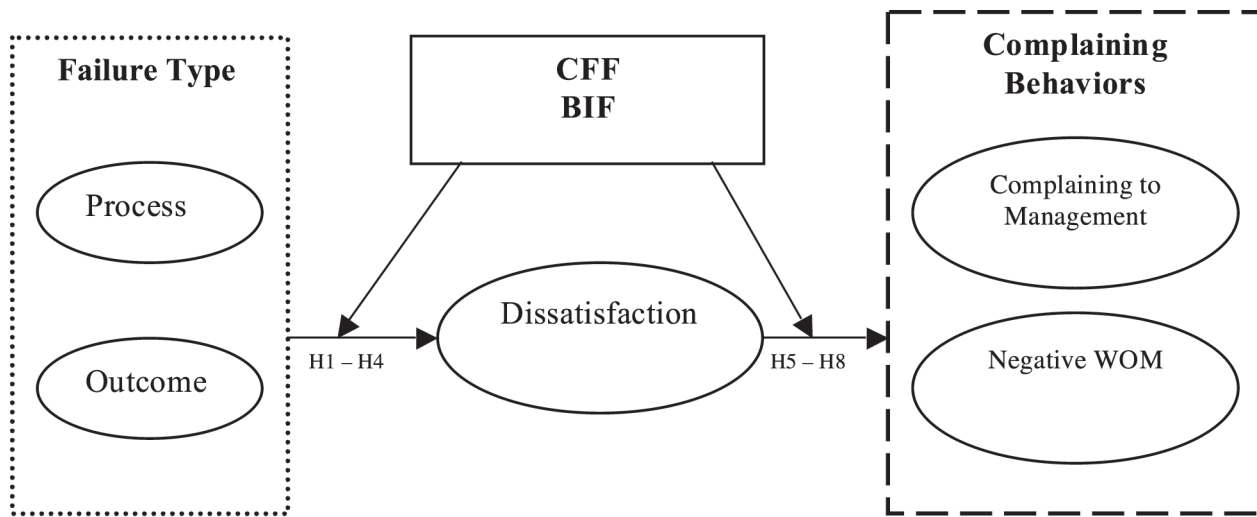
Method and Results

The hypotheses were tested with a scenario-based experiment. Participants were 108 business executives from a part-time MBA program at a large, international university. They were randomly assigned to either a process failure or an outcome failure condition in a hotel scenario, and their CFF and BIF scores were measured after they gave their dissatisfaction ratings. The hotel scenarios and the measurement scales were adapted from previous research.

Confirming hypotheses 1 and 2, we found a CFF main effect and a CFF x failure type interaction. Participants higher in CFF were more dissatisfied, and this effect was more pronounced in the process failure condition. Nonetheless, the data supported hypothesis 4 but not hypothesis 3. There was no BIF main effect, despite a BIF x failure type interaction. Specifically, participants higher in BIF were less dissatisfied only in the outcome failure condition.

With the level of dissatisfaction controlled for, CFF had a negative (i.e., mitigating) effect on the intention to complain to

FIGURE 1
A TWO-STEP MODEL OF SERVICE DISSATISFACTION



management but a positive (i.e., aggravating) effect on negative WOM intention. This pattern supported hypotheses 5b and 6. On the other hand, BIF had a marginally negative effect on the intention to complain to management, lending some support to hypothesis 7. This variable also showed an attenuating effect on negative WOM intention, thus confirming hypothesis 8.

Conclusion

This paper extends consumer (dis)satisfaction research by showing that CFF and BIF impact the (dis)satisfaction process at two junctures. They first interact with failure type to influence service dissatisfaction, and then affect the ensuing CCB. The two-step model has important theoretical and managerial implications, and points to many avenues for future research.

References

- Brown, Penelope and Stephen C. Levinson (1987), *Politeness: Some Universals in Language Usage*, Cambridge: Cambridge University Press.
- Pepitone, Albert and Luisa Saffiotti (1997), "The Selectivity of Nonmaterial Beliefs in Interpreting Life Events," *European Journal of Social Psychology*, 27(January), 23-35.
- Singh, Jagdip (1988), "Consumer Complaint Intentions and Behavior: Definitional and Taxonomical Issues," *Journal of Marketing*, 52 (January), 93-107.
- Smith, Amy K., Ruth N. Bolton, and Janet Wagner (1999), "A Model of Customer Satisfaction with Service Encounters Involving Failure and Recovery," *Journal of Marketing Research*, 36(August), 356-72.