

## Post consumption behavior



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## Learning Outcomes

- LO<sup>1</sup>** Gain an appreciation of the link from consumption to value to satisfaction.
- LO<sup>2</sup>** Discuss the relative importance of satisfaction and value in consumer behavior.
- LO<sup>3</sup>** Know that emotions other than satisfaction can affect postconsumption behavior.
- LO<sup>4</sup>** Use expectancy disconfirmation, equity, and attribution theory approaches to explain consumers' postconsumption reactions.
- LO<sup>5</sup>** Understand problems with commonly applied satisfaction measures.
- LO<sup>6</sup>** Describe some ways that consumers dispose of products.

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## Learning Outcomes

- LO<sup>7</sup>** List and define the behavioral outcomes of consumption.
- LO<sup>8</sup>** Know why consumers complain and the ramifications of complaining behavior for a marketing firm.
- LO<sup>9</sup>** Use the concept of switching costs to understand why consumers do or do not repeat purchase behavior.

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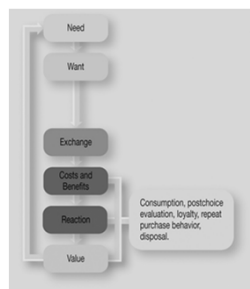
**LO<sup>1</sup>**

Gain an appreciation of the link from consumption to value to satisfaction.

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## **LO<sup>1</sup>** Basic Consumption Process

**Consumption**  
The process that converts time and goods, services, or ideas into value.



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## **LO<sup>1</sup>** Consumption and Product Classification

Consumption frequency—the number of times a product or service is consumed in a given time period.

**Durable goods -**  
Consumed over long periods of time

**Nondurable Goods -**  
Consumed quickly

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**LO<sup>1</sup> Situations and Consumer Reactions**

Temporal factors

Antecedent conditions

Physical environment

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**LO<sup>1</sup> Meaning Transference**

Process through which cultural meaning is transferred to a product and onto the consumer.

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**LO<sup>1</sup> Symbolism of the Diamond**

- Symbol of love and commitment
- Product symbolism is important
- Diamond rings create excitement
- Even with the recent economic downturn, people still got engaged and married.

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**LO<sup>1</sup> Consumption, Value, and Satisfaction**

Satisfaction → Value → Loyalty

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**LO<sup>2</sup>**

Discuss the relative importance of satisfaction and value in consumer behavior.

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**LO<sup>2</sup> Satisfaction and Dissatisfaction**

**Satisfaction**  
A mild, positive emotional state resulting from a favorable appraisal of a consumption outcome.

**Dissatisfaction**  
A mild, negative affective reaction resulting from an unfavorable appraisal of a consumption outcome.

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## LO<sup>2</sup> Consumer Satisfaction

- A postconsumption phenomenon
- Results from a cognitive appraisal
  - Also referred to as satisfaction judgment
- A relatively mild emotion that does not create strong behavioral reactions

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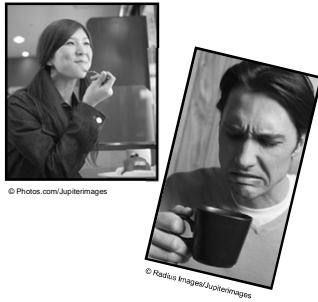
## LO<sup>3</sup>

Know that emotions other than satisfaction can affect postconsumption behavior.

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## LO<sup>3</sup> Other Postconsumption Reactions

- Delight
- Disgust
- Surprise
- Exhilaration
- Anger



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## LO<sup>4</sup>

Use expectancy disconfirmation, equity, and attribution theory approaches to explain consumers' postconsumption reactions.

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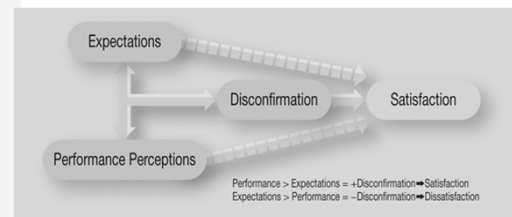
## LO<sup>4</sup> Theories of Postconsumption Reactions

- Expectancy/disconfirmation theory
- Equity theory
- Attribution theory



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## LO<sup>4</sup> Basic Disconfirmation Process

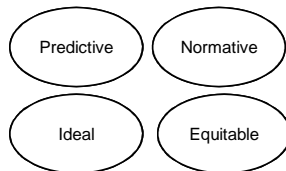


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## LO<sup>4</sup> Expectations

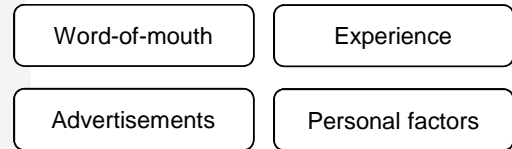
Consumer expectations have two components:  
(1) The probability that something will occur and  
(2) an evaluation of that potential occurrence.

There are four types of expectations:



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## LO<sup>4</sup> Sources of Expectations



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## LO<sup>4</sup> Equity Theory

- Proposes that consumers cognitively compare their own level of inputs and outcomes to those of another party in an exchange.
- If:  
 $outcomes_A / inputs_A \approx outcomes_B / inputs_B$   
then satisfaction will be positively affected.

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## LO<sup>4</sup> Consumer Satisfaction

Fairness perceptions affect satisfaction.

Inequitable treatment - service providers should be aware of how customers are treated in public so that all consumers perceive they are being treated fairly.

Inequitable consumers - consumers may be satisfied because the equity balance favors them, but their actions can cause other consumers to perceive they aren't being treated fairly.

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## LO<sup>4</sup> Attribution Theory

- Focuses on explaining why a certain event has occurred.
- Elements:
  - **Locus** – judgments of who is responsible for an event.
  - **Control** – the extent to which an outcome was controllable or not.
  - **Stability** – the likelihood that an event will occur again.

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## LO<sup>4</sup> Cognitive Dissonance

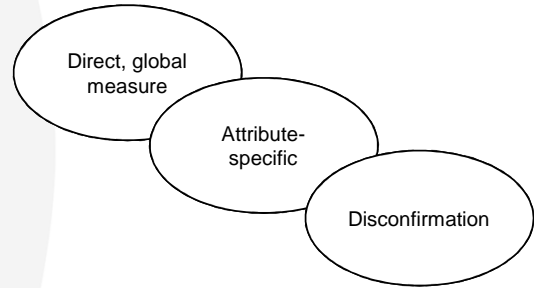
- Lingering doubts about a decision that has already been made.
- Sometimes known as buyer's regret.
- Conditions:
  - Consumer is aware that there are many attractive alternatives.
  - Decision is difficult to reverse.
  - Decision is important and involves risk.
  - Consumer has low self-confidence.

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LO<sup>5</sup>

Understand problems with commonly applied satisfaction measures.

LO<sup>5</sup> Satisfaction/Dissatisfaction Measures



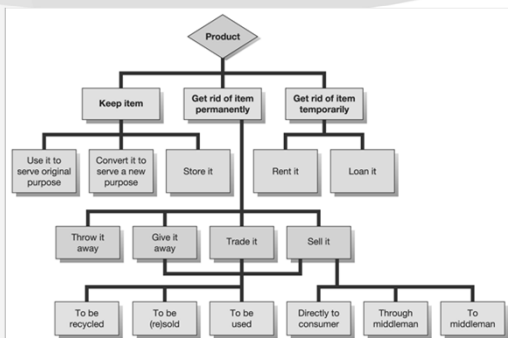
LO<sup>6</sup>

Describe some ways that consumers dispose of products.

LO<sup>6</sup> Consumer Refuse

Any packaging that is no longer necessary for consumption to take place or, in some cases, the actual good that is no longer providing value to the consumer.

LO<sup>6</sup> Disposing of Refuse

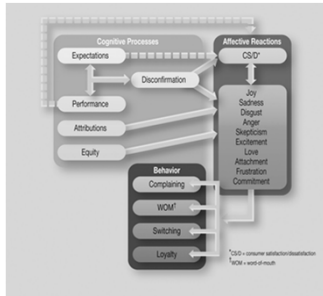


LO<sup>7</sup>

List and define the behavioral outcomes of consumption.

LO<sup>7</sup>

## A More Detailed Look at Postconsumption Reactions



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LO<sup>8</sup>

Know why consumers complain and the ramifications of complaining behavior for a marketing firm.

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LO<sup>8</sup>

## Complaining Behavior

Occurs when a consumer actively seeks out someone to share an opinion with regarding a negative consumption event.



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LO<sup>8</sup>

## The Complainer versus the Noncomplainer and Negative Word-of-Mouth

- More likely to become a satisfied customer
- More likely to return
- Tells others when company responds poorly
- Valuable source of information

- Unlikely to return
- May well tell others about experience
- Can become a satisfied customer if firm can take preemptive action despite the lack of a complaint

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LO<sup>8</sup>

## Handling Service Complaints Effectively

- Thank the guest for providing the information.
- Ask questions to clarify the issue.
- Apologize sincerely.
- Show empathy for the customer's situation.
- Explain the corrective action that will take place.
- Act quickly.
- Follow up with the customer after the corrective action.

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LO<sup>8</sup>

## Results of Not Complaining

What happens when the consumer doesn't complain?

- Remember the incident; be less likely to do business there again
- Complain to others

Consumers may retaliate with revenge-oriented behaviors.

Rancorous revenge—a consumer yells, insults, and makes a public scene in an effort to harm the business in response to an unsatisfactory experience.

Retaliatory revenge—a consumer becomes violent with employees and/or tries to vandalize a business in response to an unsatisfactory experience.

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## LO<sup>8</sup> Word-of-Mouth (WOM)

**Negative WOM**  
Takes place when consumers pass on negative information about a company from one to another.

**Positive WOM**  
Occurs when consumers spread information from one to another about positive experiences with companies.

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## LO<sup>8</sup> Word-of-Mouth (WOM)

- Negative public publicity
- Doing nothing or denying responsibility
- Taking responsibility
- Releasing information
- Participating in negative WOM
- Implications of negative WOM



The media are a vehicle for both spreading negative publicity and for managing the implications of negative publicity.

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## LO<sup>9</sup>

Use the concept of switching costs to understand why consumers do or do not repeat purchase behavior.

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## LO<sup>9</sup> Switching Behavior

Refers to the times when a consumer chooses a competing choice, rather than the previously purchased choice, on the next purchase occasion.

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## LO<sup>9</sup> Switching Costs

Procedural

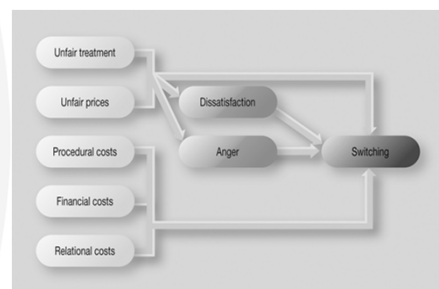
Financial

Relational

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## LO<sup>9</sup> Factors Contributing to Switching Costs



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LO<sup>9</sup>

## Vulnerability to Defections Based on CS/D

CUSTOMERS	HIGH COMPETITIVE INTENSITY		LOW COMPETITIVE INTENSITY	
	SWITCHING COSTS		SWITCHING COSTS	
	Low	High	Low	High
Satisfied	Vulnerable	Low vulnerability	Low vulnerability	No vulnerability
Dissatisfied	Highly vulnerable	Vulnerable	Vulnerable	Low vulnerability

Dissatisfaction does not always mean that the customer is going to switch.