

PERCEIVED PERFORMANCE IN SATISFACTION RESEARCH

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ABSTRACT

Most research in consumer satisfaction has included, at least conceptually, the concept of "perceived performance." Perceived performance is usually modeled as an antecedent of disconfirmation of some standard, and sometimes is included as a direct antecedent of satisfaction. Yet this concept is still unclear in satisfaction research. Many studies have not defined perceived performance, and measures of this construct are quite varied. In addition, some authors argue that performance measures are all that is needed in satisfaction research, while others argue that performance measures at best give a partial picture.

Given its widespread use in academic research, and its frequent use by firms to identify the key drivers of satisfaction and dissatisfaction (Oliver 1997), a greater understanding of the conceptual nature of perceived performance is needed. The purposes of this research are to examine the conceptual definition of perceived performance and assess two measures of it. We believe that the construct of perceived performance can be separated into two distinct constructs. The first will be called perceptual performance, which is defined as the evaluationless cognitive registering of the product attributes, levels of attributes, or outcomes. The second construct will be called evaluative performance, which is an evaluative judgment of product attributes or the product outcomes that is made by assessing the ability of the product to meet one's needs or desires. A problem with evaluative measures of perceived performance (e.g., anchored by terms such as "very poor/very good") is that they are very similar, and may not be distinct from, attribute level satisfaction. This lack of discrimination would explain the strong "effect" of perceived performance on satisfac-

tion found in many past studies in that the performance measures are actually alternative measures of attribute satisfaction. A laboratory experiment was used to test whether evaluative perceived performance measures are distinct from attribute satisfaction.

A confirmatory factor analysis was estimated for each of five attributes. The CFA specified the latent construct of perceived performance as operationalized by a measure of perceptual performance and a measure of evaluative performance, and the latent construct of attribute satisfaction as operationalized as a measure of attribute satisfaction and a measure of evaluative performance. Thus, the evaluative performance measure is specified as an indicator of both the perceived performance construct and the attribute satisfaction construct, and the factor loadings on these two constructs will indicate if evaluative performance is a measure of performance or satisfaction.

The results showed that for each attribute the factor loading for the evaluative performance measure on the perceived performance construct is non-significant, while in each case the factor loading for the evaluative performance measure on the attribute satisfaction construct was significant and strong. This indicates that evaluative performance is an alternative measure of attribute satisfaction, and not perceived performance.

Overall, the results explain why a strong effect of performance on satisfaction is often found. When evaluative performance measures of performance are used, they are not distinct from attribute measures of satisfaction. Therefore, the relationship between perceived performance and satisfaction is inflated due to this lack of discrimination.

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