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ADVERTISING CLAIMS, EXPECTATION
FULFILMENT AND PRODUCT EVALUATION

by

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ABSTRACT

Consumerism movements like 'Truth in Advertising' have prompted formulation of legal and other public policy measures to regulate deceptive advertising. While a great deal of effort has gone into evolving mechanisms to protect consumers from deceptive advertising, surprisingly little systematic attempt has been made to investigate whether exaggerated and false advertising claims are at all useful for the marketer in promoting his product. Consumers' attitudes f towards products are influenced by

    (i) communications concerning products,

    (ii) experience with products, and

    (iii) interaction of communications and product experience.

Expectations are created about products by advertising and other means, while actual product experience and the levels of expectations determine the extent to which expectations are confirmed. This expectation fulfilment' or lack thereof (disconfirmed expectancy) influences the individual\$\$ attitude and subsequent actions towards the concerned product or object. It is important to understand and take into account the role of 'expectation fulfilment' while considering influences on attitude and behaviour concerning products. One way to take into account its role is to investigate and establish the nature and direction of influence expectation fulfilment (or disconfirmation) has on attitude. Unfortunately, both theoritical sources and the limited empirical evidence that exists, suggest conflicting and contradictory influences. Moreover, from managerial point of view, situation-specific variables are likely to require a case by case assessment. What is therefore needed is an approach that recognises

the influence of 'expectation fulfilment' and explicitly incorporates
it in evaluative mechanisms for the major decision areas like new
product-concepts and new campaigns. This paper develops and tests
a model using such an approach. The model postulates the influence
of 'expectation fulfilment' on affective and conative components of
attitude. It is tested in the context of a new product-concept
evaluation by a sample of 903 housewives. The results, with large
and significant R^2s and beta coefficients, suggest that a higher
degree of expectation fulfilment helps build more favourable
attitude towards, and intention to buy a product. The implication
is that exaggeration in advertising claims resulting in disconfirmed
expectancy does not help a marketer. It is recommended that the
construct of 'expectation fulfilment', which captures the interaction
between product experience and prior expectations, should be built
into evaluative mechanisms for decisions concerning product
concepts, product formulation and advertising campaigns.

ADVERTISING CLAIMS, EXPECTATION FULFILMENT
AND PRODUCT EVALUATION

Consumerism movements like 'Truth in Advertising' have
prompted formulation of legal and other public policy measures
to regulate deceptive advertising (   ). While a great deal
of effort has gone into evolving mechanisms to protect consumers
from deceptive advertising, surprisingly little systematic attempt
has been made to investigate whether exaggerated and false adver-
tising claims are at all useful for the marketer in promoting his
product. There is a m widely shared belief among advertisers that a
little exaggeration in advertising is good for the promotion of a
product. While exaggerated claims may help in creating interest and
generating product trial, it is not clear as to what extent the
customers product experience, in the light of expectations created by
such claims, will result in favourable attitude towards product.

Consumers' attitudes towards products are influenced by
(i) communications concerning products, (ii) experience with products
and (iii) interaction of communications with product experience.
Expectations about products are created through advertising and
other means of communications while actual product experience and
the levels of expectations determine the extent to which these
expectations are confirmed. This 'expectation fulfilment' or
lack thereof (disconfirmed expectancy) influences an individual's
attitude and subsequent actions towards the concerned product or
object. It is thus important to recognise and take into account
the role of 'expectation fulfilment' while investigating into

influences on attitude and behaviour concerning products. The multi-
attribute models of attitude structure, as formulated and discussed
in marketing literature, do not provide a diagnostic mechanism to
determine the role of 'expectation fulfilment' in attitude towards
products.

Marketing decisions that call for ascertaining the influence
of 'expectation fulfilment' on attitude and behaviour concerning products
are not restricted to design and choice of advertising copy and
communication campaigns. They also include critical decisions concer-
ning product-concept formulation, choice of basic consumer benefits,
and product positioning. Research methods that are usually employed
at these stages of new product process often involve conveying a
product idea, a concept, or a positioning through a communication which
is largely responsible for creating consumers' expectations about the
product. A sound product-concept may be rejected owing to a poor match
between the expectations created by its communication and benefits
as experienced by product trial, unless it is diagnosed that this
mismatch is a primary contributor to negative attitude towards a
product.

One approach for taking into account the role of 'expectation
fulfilment' while making marketing decisions is to determine the
nature and direction of influence the extent of 'expectation fulfil-
ment' has on attitude towards a product, and accordingly plan to
make exaggerated (or underrated) claims. However, as we shall see
later, no clear guidelines emerge either from the relevant theoritical
formulations or from the limited empirical evidence that is available.
Moreover, effects of situational variables and such other considera-
tions are likely to call for a case by case assessment of each
decision. Thus, an approach that provides for a mechanism to

investigate and determine the effect of 'expectation confirmation' on attitude, alongwith the evaluation of a decision alternative (e.g. advertising campaign, product-concept), is more likely to be useful for managers. This paper proposes a model using such an approach and tests it in the context of a new product-concept decision.

A review of implications from theories of reaction to discrepancy is first presented, followed by a brief review of relevant impirical evidence. The model proposed is presented alongwith the test results.

Theoretical Sources

Anderson (1973) has proposed that four psychological theories may be considered for explaining the effect of expectation fulfilment (disconfirmation) on product evaluation. Expectations can be said to have been confirmed (fulfilled) if product performance is consonant with prior expectation, disconfirmed positively if product performs better than expected, and disconfirmed negatively if the product performance is worse than expected (Oliver, 1977). According to assimilation theory (Sherif & Hovland, 1961), and cognitive dissonance theory (Festinger, 1957) any discrepancy between expectations and product performance will be perceptually distorted to minimise the same and to coincide with prior expectations. Contrast theory (Sherif & Hovland, 1961) on the other hand suggests that consumers will amplify the discrepancy between expectations and product performance in their perceptions. Thus, if performance is better than expected perceptions (product evaluation)

will be more favourable, and if performance is worse than expected,
perceptions will be more unfavourable, (than if the performance was
as expected). Assimilation-contrast approach (Sherif & Hovland, 1961)
suggests that any small discrepancy that falls within the range of
acceptance are likely to be perceptually distorted to coincide with
expectations. However, larger e discrepancies that fall outside
the zone of acceptance are likely to be exaggerated in perceptions
(product evaluation). Thus, contrast theory implies that evaluation
is largely a function of expectation confirmation (disconfirmation)
experience, whereas assimilation models imply that it is primarily
a function of expectation level (Oliver, 1977). The two models also
make different predictions and suggest contradictory marketing
implications.

Empirical Evidence

Only half a dozen marketing studies investigating the
effects of 'expectation fulfilment' on product evaluation have been
reported so far (Cardozo, 1965; Cohen & Goldberg, 1970; Olshavsky &
Miller, 1972; Anderson, 1973; Olsen & Dover, 1975; and Oliver, 1977).
In a cogent review of the first five studies, Oliver (1977) has
concluded that the three of the most recent studies (Olshavsky & Miller,
1972; Anderson, 1973; and Olsen & Dover, 1975) provide consistent
evidence in favour of the predictive superiority of the assimilation
model, while the findings of the first two studies(Cardozo, 1965; and
Cohen & Goldberg, 1970) support the contrast model. In his own
study, Oliver (1977) has posited that both expectation (assimilation)
and disconfirmation(contrast) explanations are needed to fully specify
the level of post exposure evaluations. The results of his study
in which the extent of disconfirmation was directly measured, show
that perceived performance is a positive function of expectation and
disconfirmation when other factors are held constant. Thus,

empirical evidence is also not conslusive in suggesting the nature and direction of effect of expectation fulfilment on product evaluation.

An Evaluative Approach

As mentioned earlier, influence of situation-specific variables in marketing often requires specific answers for each situation. For example, the findings of Olshavksy and Miller study suggested that applicability of different theories may very across product classes. In any case marketing managers are likely to want to conduct applied studies to guide them in every major decision involving choice of advertising campaigns, concept evaluation, product evaluation, and product positioning. Multi-attribute models have begun to gain accept- ance in practioners repertory of approaches and research methods to guide decisions in some of these areas. It is proposed that a modified model of attitude structure that explicitly recognises the influence of expectation fulfilment is used as an evaluative mechanism for such decisions. One such model was constructed to evaluate new product-concepts for dishwashing agents. Perceived uniqueness, expectation fulfilment overall rating (affect) and intention (to buy) were the endogenous variables that were sought to be explained by beliefs about specific attributes(cognitions), some demographic variables, and the selected endogenous variables.

The Study

A sample of 903 housewives were presented, shown descriptions of a new dishwashing product-concept and presented with product samples for use. After a two-week trial period, measures were taken on their cognitive beliefs about the product, perceived uniqueness, overall attitude (affect), intention to try, and the extent of expectation fulfilment (all on interval scales), in addition to

socio-demographic characteristics. A factor analysis of responses on
22 attribute ratings yielded six factors (See Table 1). One attribute
was chosen to represent each of the factors for further analysis.
Canonical correlation results of the endogenous and exogenous sets
of variables suggested to the basic formulation and the structure of
the model (See Table 2)[1]. A four equation model was then used and
estimated as specified in Table 3.

Table 4 gives the simple correlations of each of the endo-
genous variables with each the other variables, and table 3 provides
the least square regression estimates,[2].

The positive and significant correlation coefficients as well
as beta coefficients in the last two equations clearly indicate the
important influence of 'expectation fulfilment' on overall attitude
and intention to buy.

Conclusion

The results of the test indicate a positive relationship
between expectation fulfilment and overall attitude as well as intention
to buy and are consistent with the predictions of contrast theory.
Note that in our study a high score on expectation confirmed indicates
exact confirmation and a low score implies negative disconfirmation.

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[1] The concept/product stimulus was varied for three subgroups of the
sample, variants representing increasingly new concepts. This was
included as an exogenous variable in the analysis.

[2] An attempt at simultaneous estimation of the second and third
equations using two stage procedure was not very successful.

The implications of these findings thus contradict the belief
widespread in the practising world that some exaggeration in claims
is good for product evaluation. However, it is suggested that
similar findings may not emerge in another product-situation. It is
important to recognise that modification in either the product-
concept description (claims) or the (physical) product (or both)
can result is different product perceptions. Thus, an evaluative
approach like the model presented here which attempts to ascertain
the influence of expectation fulfilment, and thereby diagnose its
role in product evaluation, is likely to be very useful for marketers
confronted with decision problems concerning product-concept
evaluation, product positioning, and advertising campaigns.

ROTATED FACTOR MATRIX

Variable No.		FACTORS					Communality
	I	II	III	IV	V	VI	
1 Cleans well	.65	.11	.03	.03	.27	.08	.52
2 Makes right amt. of suds	.44	.12	-.08	.16	.53	-.10	.54
3 Suds last a long time	.28	.10	-.03	.08	.83	.05	.78
4 Is mild	.14	.83	.02	.06	.06	.07	.72
5 Is strong enough	.61	.06	.03	.01	.48	.03	.60
6 Wouldn't dry/chap hands	.1?	.92	-.01	.05	.08	.07	.88
7 Rinses well	.56	.14	-.07	.1?	-.02	.17	.38
8 Has a pleasant odor	.15	.06	-.14	.03	.17	.71	.58
9 Sparkles dishes/glassware	.59	.07	-.38	-.00	.14	.15	.54
10 Is economical	.37	.24	.09	.10	.50	.12	.47
11 Improves hands	.14	.89	-.08	.02	.04	.13	.84
12 Has attractive container	.19	.16	.09	.17	-.02	.65	.49
13 Cleans faster & easier	.65	.22	.17	.10	.22	.23	.61
14 Keeps hands soft & smooth	.15	.92	-.01	.04	.09	.09	.89
15 Cuts through grease	.72	.07	-.13	.01	.03	.12	.55
16 Soaks off dried-on food	.71	.11	.21	.01	-.00	.16	.59
17 Has attractive colour	.24	.09	-.13	.14	-.00	.68	.57
18 Is easy to pour	.16	.07	.01	.85	.06	.15	.77
19 Has a convenient cap	-.02	.06	.04	.87	.06	.14	.79
20 Makes enough suds	-.19	-.05	.37	-.08	.65	.12	.62
21 Has right scent	-.09	-.01	.73	.10	-.04	-.31	.65
22 Has a consistent texture	-.06	-.03	.75	-.02	.21	.06	.62

Table 2

CARNONICAL ANALYSIS RESULTS

	I	II	III	IV
Canonical Correlation	.695	.220	.133	.091
Coefficients for the Endogenous Variables:				
Uniqueness	.113	-.105	-1.067	.279
Expectation Fulfillment	-.345	-.121	.194	1.093
Overall Rating	-.271	1.217	-.427	-.224
Buying Intention	-.523	-1.046	-.399	-.543
Coefficients for the Exogenous Variables :				
Concept/Product Stimulus	.135	-.054	-.567	-.200
Rating on "Suds"	-.256	.388	.003	.382
Rating on "Odor"	-.160	.086	-.059	-.505
Rating on "Effect on Hands"	-.749	-.492	-.060	.376
Rating on "Grease Cutting"	-.257	.425	-.141	-.627
Rating on "Convenient Cap"	-.031	-.225	.011	.006
Rating on "Consistent Texture"	.000	.005	-.156	-.004
Education of Respondent	.052	-.162	.738	-.323
Age of Respondent	-.023	.483	.112	.362
Income of respondent's household	.000	.457	.221	.188

ORDINARY LEAST SQUARES ESTIMATES IN FOUR EQUATION MODEL

X_4	X_5	X_6	X_7	X_8	X_9	X_{10}	X	R^2	F Value
-.90	-.14*	-.82	.73	-.56	-.78	-.15	3.28*	.14	14.9*
.25	.43	.37	.14	.29	.12	.17	.32	.89	—
-.24	-.11	-.01	.02	-.07	-.02	-.03	—	—	—
.16*	.29	.15	-.78	-.16	—	—	1.11*	.32	41.8*
.16	.27	.23	.84	.17	—	—	.20	.53	—
.31	.04	.02	-.00	-.03	—	—	—	—	—
.20*	.28*	.29*	.46	—	.27*	—	2.19+	.39	57.8*
-.29	.47	.40	.15	—	.12	—	.35	.95	—
.22	.20	-.02	.01	—	.07	—	—	—	—
—	—	—	—	.19	-.44*	.28*	1.32*	.46	109.6*
—	—	—	—	.29	.12	.17	.20	.88	—
—	—	—	—	.02	-.12	-.06	—	—	—

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Table 4

SIMPLE CORRELATIONS

	Uniqueness	Expectation Fulfilment	Overall Rating	Intention to Buy
	(23)	(27)	(22)	(2)
Expectation Fulfilment	−0.267*	−	0.465*	0.462*
Overall Rating	−0.379*	0.465*	−	0.621*
Intention to Buy	−0.406*	0.462**	0.621*	−
Concept/Product Stimulus	0.097*	−0.078*	−0.057**	−0.048
Uniqueness	−	−0.267*	−0.379*	−0.406*
Suds (5)	−0.192*	0.278*	0.337*	0.294*
Odor (10)	−0.149*	0.160*	0.230*	0.239*
Effects on Hands (13)	−0.318*	0.459*	0.430*	0.542*
Grease Cutting (17)	−0.205*	0.236*	0.356*	0.315*
Convenient Cap (21)	−0.078*	0.099*	0.084*	0.134*
Consistent Texture(26)	0.021	−0.003	0.015	−0.001
Education (28)	−0.112*	0.027	0.009	0.055**
Age (29)	0.044	−0.036	−0.010	−0.112*
Income (30)	−0.109*	0.095*	0.130*	0.073**

* $P \leq 01$

** $P \leq 05$

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