Economic Sciences

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THE CONSEQUENCES OF NEGATIVE EXPERIENCES AND DECEIVED EXPECTATIONS ON LONG-TERM REFUSAL TO USE THE PRODUCT

Summary. *In today's highly competitive market, retaining users is becoming an essential part of sustainable business growth. This article aims to explore the mechanisms behind long-term product abandonment (churn), specifically focusing on how negative user experiences and cognitive dissonance, which arises when expectations are not met, can lead to permanent user defection. Based on the Expectation Disconfirmation Theory, we analyze the cognitive and emotional factors that transform temporary dissatisfaction into permanent departure from a product. The study examines the impact of various moderators, such as the severity of negative incidents, the availability of alternative products, and the effectiveness of customer service recovery efforts. The research finds that violated expectations play a crucial role in mediating between negative experiences and long-term churn, with emotional reactions often having a greater impact than rational assessments of functional shortcomings. The practical significance of this work lies in the creation of scientifically based recommendations for product managers and marketers to proactively manage expectations during the onboarding process, as well as the introduction of predictive models and algorithms to quickly stop negative experiences.*

Key words: *customer churn, negative user experience, expectation violation, consumer behavior, user retention, cognitive dissonance, loyalty*

restoration, product management, expectation confirmation theory, and predictive analytics.

Relevance of the study. The relevance of this study is due to an important change in the approach to product management. With saturated markets and high cost of customer acquisition (CAC), the focus is shifting from the task of attracting new customers en masse to retaining existing ones and increasing their lifetime value (LTV) [2].

In modern literature and business practices, it is widely recognized that long-term customer churn is rarely caused by a single functional problem. Instead, it is often the result of a cumulative cognitive and emotional gap between the promises made during marketing and onboarding, and the actual experience of the product or service. When these expectations are not met, it creates a significant cognitive dissonance that, when reinforced by negative emotions, can turn situational dissatisfaction into a permanent loss of customer loyalty.

Despite the abundance of literature on surface churn metrics, the process of how violated expectations lead to irreversible long-term failures remains under-researched in academic literature, especially when considering the influence of moderating factors such as the severity of incidents, availability of alternatives, and effectiveness of subsequent service recovery. Understanding the psychological and behavioral factors that trigger this process is crucial for developing proactive retention strategies. This makes this work highly significant both theoretically and practically.

The purpose of the study. In light of these concerns, the objective of this research is to pinpoint, conceptualize, and quantify the influence of a negative user experience and the extent to which initial expectations are not met on the probability of long-term product abandonment. Additionally, we aim to identify the key factors that mediate and moderate this process.

To achieve this goal, the research aims to deconstruct the concept of "violated expectations" into its functional and emotional components. It also aims to assess the contribution of each component to the formation of an intention to stop using a product. Additionally, the study aims to develop a predictive model that can differentiate between reversible situational factors and irreversible long-term failures.

Materials and research methods. The methodological approach of the study involves the use of structural equation modeling (SEM) to test hypotheses about hidden relationships between variables. Thematic analysis is used to process interview transcripts and identify latent emotional triggers. Survival analysis (Cox proportional hazards model) is also used to assess factors that affect the time interval before irreversible long-term outflow occurs. Additionally, correlation and regression analysis are used to identify thresholds for negative experiences beyond which loyalty restoration mechanisms become ineffective.

The results of the study. The main aspects of the impact of negative experiences and broken expectations on long-term rejection of a product form a complex, multidimensional system, where cognitive, emotional, and behavioral components are interconnected, creating a cumulative effect that leads to an irreversible break in consumer relations with a brand.

This phenomenon's cognitive aspect is based on a comparative evaluation mechanism. Unconsciously, the user compares the initial expectations formed under the influence of marketing communications, reference group recommendations, and previous experience, with the actual product characteristics during use.

When the perceived quality of a product is below the expected level, a negative experience occurs, triggering a chain reaction of cognitive biases. The consumer begins to focus on the shortcomings of the product and exaggerate their significance, while ignoring positive attributes. This phenomenon is known as the "biased confirmation effect in a negative frame". It is important to differentiate between functional and symbolic violations of expectations. Functional violations relate to technical characteristics, performance, and reliability, while symbolic violations affect emotional, status, and identification expectations. Research shows that symbolic violations have a deeper and more long-lasting impact on loyalty, as they affect the user's basic psychological needs for self-esteem and belonging [4].

The emotional aspect of broken expectations acts as a significant enhancer of cognitive dissonance, transforming rational dissatisfaction into an emotional reaction that is more difficult to resolve through traditional service recovery methods.

A negative user experience can generate a range of negative emotions – from mild irritation and frustration to anger, feelings of betrayal, and humiliation. The intensity of these emotions depends not only on the objective severity of the issue, but also on the subjective importance of the broken promise within the consumer's value system. Of particular concern is the phenomenon of "emotional contagion," where the negative experience from one interaction colors the perception of subsequent interactions with the product. This creates a persistent negative emotional background that researchers describe as a "halo effect" in the opposite direction, negatively impacting the overall perception of the product.

The emotional memory of negative experiences is significantly more stable than the memory of positive interactions. This is explained by the evolutionary priority of processing threatening information. One serious negative incident can offset dozens of successful interactions, creating the so-called asymmetry of positive and negative impressions. This asymmetry is a fundamental psychological mechanism that explains the fragility of modern consumer loyalty [1].

The behavioral aspect of long-term product withdrawal manifests itself in the transition from passive dissatisfaction to active actions to stop interacting with a brand. This transition is not instant, but unfolds over time, going through several stages. These stages include cognitive assessment of alternatives, emotional detachment, reduction of product use, and the final break. At each stage, consumers make micro-decisions that shape the trajectory of their departure from the brand. The perceived cost of switching plays a key role in these decisions, including not only the financial cost of switching, but also the time, cognitive, and psychological cost associated with switching to an alternative product.

Table 1

Behavioral aspect of long-term product abandonment [3; 5]

COMPONENT	CHARACTERISTIC	INDICATORS	INTERVENTION STRATEGIES
Cognitive evaluation of alternatives	The user starts researching competitors and comparing features and prices	• Increased time to research alternatives • Visiting competitor websites • Reading comparative reviews	• Personalized suggestions for expanding functionality • Demonstration of the product's unique advantages
Emotional detachment	Decreased emotional engagement and loss of brand loyalty	• Stopping participation in the community • Ignoring communication from the brand • Neutral or negative ratings	• Emotional triggers (nostalgia, exclusivity) • Loyalty programs with a personalized approach
SWITCHING COSTS			
Financial costs	Direct monetary costs of switching to a competitor	• The cost of a new subscription • Early termination fees • Data migration costs	• Transition cost compensation • Step-by-step migration without data loss • Free trial period with a competitor (paradoxically reduces fear)
Time costs	Time required to master an alternative product	• Learning curve • Customization for your needs • Data and history transfer	• Automated data migration • Personalized tutorials • Dedicated support during the transition period

DESTRUCTIVE BEHAVIOR			
Negative reviews	Public criticism of the product on various platforms	• Low ratings in app stores • Critical posts on social media • Complaints on independent platforms (Trustpilot, Yelp)	• Proactive monitoring of mentions • Quick public reaction with a solution proposal • Transfer the dialog to a private channel • Demonstration of improvements based on feedback
Participation in anti-brand communities	Joining groups that coordinate a boycott or criticism of a brand	• Participation in forums of dissatisfied customers • Support for class action lawsuits • Organization of social media campaigns	• Admitting mistakes and making public apologies • Transparent communication about corrections • Involving critics in the product improvement process • Compensation for victims

Modern research shows that, in digital ecosystems where there are low barriers to switching, the adoption stage occurs more quickly than in traditional industries. This explains the high rates of churn in the segments of mobile apps, streaming services, and SaaS solutions (Fig. 1).

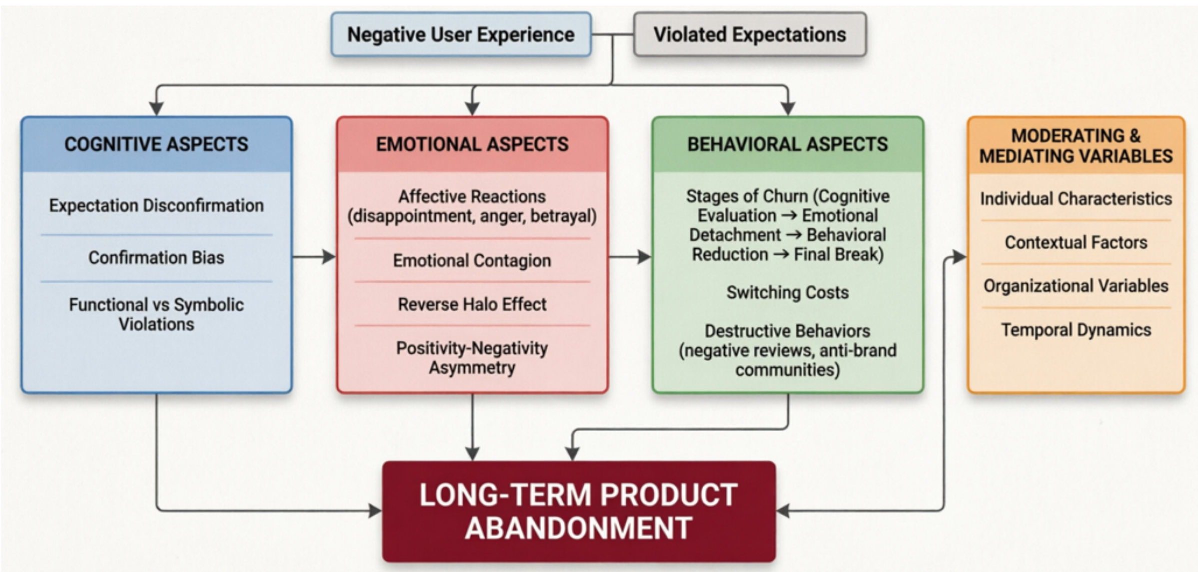

Fig. 1. The main aspects of the impact of negative experiences on the refusal to use the product [8]

Modern consumer behavior research has shown a consistent correlation between negative user experiences and long-term customer churn. This phenomenon is becoming increasingly significant for the global economy, as it affects the loyalty of consumers and their willingness to continue doing business with a particular brand. According to a comprehensive study conducted between 2018 and 2020, approximately 17% of U.S. shoppers and 32% of consumers worldwide stop interacting with a brand after a single negative experience. In addition, about 59% of American consumers leave the brand after a series of unsuccessful interactions, indicating the cumulative effect of disappointed expectations [6].

It is especially significant that 70% of consumers are willing to completely abandon a brand after just two negative incidents, highlighting the fundamental fragility of modern loyalty in a highly competitive environment with low switching barriers. According to empirical data from Zendesk, 73% of consumers will switch to competitors after experiencing multiple bad experiences, and 56% rarely complain openly, preferring to quietly withdraw, making the problem of hidden customer churn particularly dangerous for businesses.

The financial impact of this phenomenon is enormous: analysts estimate that brands in the United States lose approximately $168 billion each year due to customer churn, and 66% of consumers say they have broken off relationships with companies due to poor service [7].

Modern research in the fields of subscription models and SaaS (Software as a Service) services expands on this theory, showing that breaking expectations has a particularly damaging effect on long-term loyalty, especially in the context of recurring payments, where each interaction creates a new opportunity to evaluate whether the product meets its promises. A study published in the 2020 Corporate Governance Review showed that users with longer service experience are less likely to change providers, but this effect reverses when critical incidents occur, such as violations of basic functional or emotional expectations [10].

Practical examples from the digital services industry demonstrate that 74% of customers experience frustration during the onboarding process if it does not provide adequate guidance. This directly leads to disengagement and subsequent churn. Research on customer service reveals a particularly revealing phenomenon: three out of five customers admit to having a negative experience when interacting with chatbots. This creates a persistent negative attitude towards automated support systems and reduces overall brand satisfaction.

Emotional components of violated expectations play a significant role, as well as functional deficiencies. Data shows that poor service causes 42% of consumers to feel disappointed, 43% to be dissatisfied, and 41% to openly feel angry. Sixty-seven percent of dissatisfied customers spread negative reviews, causing a cascading effect through word-of-mouth.

Thus, the synthesis of theoretical models and empirical data leads us to conclude that the long-term refusal to use a product is a multistage process initiated by a cognitive misalignment of expectations, reinforced by a negative emotional reaction, and further reinforced by the lack of effective mechanisms to restore trust. This requires companies to move from a reactive approach to complaints to a proactive management of the entire user experience.

It is important to emphasize that the study and practical resolution of the impact of negative experiences and broken expectations on long-term product abandonment is associated with a range of fundamental challenges covering diagnostic, theoretical, managerial, and psychological aspects.

The first and most significant diagnostic challenge is the phenomenon of "silent churn." In this scenario, the vast majority of users who experience a violation of their basic expectations do not voice their concerns or contact customer support. Instead, they simply stop using the product. This makes traditional metrics for measuring customer satisfaction, such as the Net Promoter Score (NPS) and Customer Satisfaction Score (CSAT), ineffective and delayed. These metrics only capture the level of loyalty among those who were initially willing to communicate with the company. They leave unaccounted for those users whose expectations were violated and who have already formed a strong intention to leave the product [9].

In addition, the diagnostic challenge is exacerbated by the high level of subjectivity and dynamism in expectations: what a user considered excessive functionality one year ago is now seen by them as a basic hygiene standard, making it extremely difficult for companies to accurately measure the degree of cognitive disconnect at the time it occurs.

In addition, the diagnostic challenge is exacerbated by the inherent subjectivity and dynamic nature of expectations: what users considered excessive functionality a year ago may now be perceived as a basic hygiene standard, making it extremely difficult for businesses to objectively assess the degree of cognitive mismatch at the time it occurs.

Further complications arise from the theoretical modeling of behavioral patterns and isolation of relevant variables. The influence of negative experiences on long-term outcomes is clearly non-linear, contradicting classical linear regression models. Researchers face the challenge of threshold effects and "last straw" scenarios, where a seemingly minor setback triggers an irreversible decline not due to its objective severity but rather due to accumulated background frustration and depletion of cognitive tolerance resources.

In addition, there is a serious methodological problem associated with the confusion of variables. In real market conditions, it can be extremely difficult to mathematically separate the impact of precisely violated expectations from the impact of macroeconomic factors, aggressive marketing, or changes in the user's personal financial situation. This can lead to the fact that predictive churn models often give false positives or negative results, mistakenly attributing the user's departure to poor quality of service, while the real reason may be an external conjuncture.

Finally, the most difficult problem that companies face is long–term rejection due to cognitive and psychological barriers. The evolutionarily determined effect of perception asymmetry, known as "negative bias", leads to the fact that users much better and longer than positive ones remember negative events and violated expectations. Even if the company subsequently completely eliminates all the shortcomings and exceeds initial expectations many times over, the formed neural pattern of distrust can prevent the restoration of loyalty.

Conclusions. The conducted research allows us to conclude that prolonged refusal to use a product is not an impulsive behavior, but rather a complex psychological process initiated by a discrepancy between a consumer's initial expectations and their actual experience.

Disappointed expectations are not merely a cause for temporary discontent, but rather a deep-rooted factor that transforms isolated negative experiences into a lasting attitude towards avoiding interaction with a brand. At the same time, it is not the objective severity of a negative experience that plays a crucial role in this process, but rather the subjective interpretation of the experience through emotional reactions and cognitive biases, among which the effects of confirmation bias and asymmetry in the perception of negative information are dominant.

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