

Post-Complaint Satisfaction

A NEGLECTED AREA

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***T**HE sale merely ends the courtship at which point the marriage begins. How good the marriage is, depends on how well the seller manages the relationship. The quality of marriage determines whether there will be continued and expanded business or troubles and divorce.*

- Theodore Levitt

Levitt, of Harvard Business School, equated providing a good service with building a long-term relationship with the customer which can be termed as relationship marketing. A customer must be treated as an individual as he wants to be valued and to feel that his custom is important to the company. He often does not perceive the service he receives from an organization as a complete entity. It is the fine detail of the organization's relationship with the customer such as an incorrectly addressed letter, a lengthy delay in receiving a response and the non-hearing of his grievance, which forms the customer's impression (Cook, 1997).

Often an organization does not realise the importance of listening to its customer to gain an understanding of what is important to him and of providing him with an opportunity to give feedback on the functioning of the organization. The company, which gives the consumer this opportunity, finds a powerful means of improving its business as the most useful suggestion of product innovation comes from the customers only. The study of customer satisfaction often opens up areas not envisaged by the company.

Post-complaint Satisfaction/Dissatisfaction

Understanding the antecedents, consequences and measurement of consumer satisfaction/dissatisfaction (S/D) has received increased attention from the researchers and the practitioners, both in the Europe and the U.S. But most of the studies in this area focus on the S/D as the outcome of consumption experience and center on the issue of a consumer attaining a state of S/D following that experience.

In contrast, there is a paucity of research towards understanding the post-complaint response expectation of the consumer and the relationship between the response of the company and the consumer complaints and the resultant S/D. In other words, Andreasen's (1977) concept of 'final' S/D, which incorporates the seller's complaint-handling mechanism by adjusting the initial dissatisfaction of the consumer to his post-complaint satisfaction, remains largely unexplored.

This 'final' S/D can be explored by the company by analyzing the complaint-oriented feedback from the customer but this analysis is the most neglected area today. Most of the companies try

to hide their complaint statistics and do not publish data regarding the types of complaints, time of receiving the complaints or frequency of the complaints.

In an attempt to analyze the 'final' S/D of the consumer, a dyadic study was undertaken with a specific survey of the passenger car industry.

Consumer Complaints and Managerial Response: A Dyadic Study

The objective of the study was match the consumer expectations and managerial perception of these expectations and the resultant S/D in order to find a clash, if any.

The study was necessitated by the fact that the post-complaint S/D of consumers continues to be a neglected area today even after the so called 'globalization'. The passenger car, being a major area of interest today, was chosen as the product for the study since it is a high involvement product and almost all the studies carried out so far, in this area, have focused on the repair and services aspects of the car complaints. This study was based on the concept of the passenger car as an augmented product and examined all the complaints related to the passenger car.

The study was conducted with the help of two non-disguised, pre-structured questionnaires, one for the complaining consumers and the other for the relevant companies' complaint handling managers and their authorized dealers. The two companies chosen for the survey were Maruti Udyog Limited(MUL) and Hindustan Motors Limited (HML), the top two market shareholders in 1998.

In order to make the sample a representative of Delhi, the respondents (i.e. the car users) were chosen, on a pre-determined basis, from the five zones of Delhi, namely, East, West, North, South and Central. The data thus collected was analyzed with the help of computerised SSAP package. Descriptive and inferential statistical techniques of the measures of central tendency, the *t*-test and the paired-comparison *t*-test were applied. Due to the small sample of the dealers of the two companies, sophisticated inferential tools could not be applied. Instead, the analytical method adopted by Resnik and Harmon (1983) was used. The results were then classified in a comparative form under three categories: (1) general, (2) MUL versus HML, and (3) Small car versus Mid-size car.

The entire study was based on the concept of 'fairness' with its incumbent types of justices, given by Clemmer and Schneider (1996), namely, distributive, interactional and procedural justices. The match of the user's expectations and managerial response was carried out with the purpose of finding the 'final' S/D but also to see whether the users' perception of fairness matches the managerial perception.

The major findings of the study are summarized as follows:

1. Car User's Expectation of Response to Complaints

The car user's expectation, in the post-complaint phase, consisted of not only the distributive justice but also, the procedural and interactional justices. The study has revealed that the car user would be satisfied not only with the tangible compensation for the defective product, or its lack of performance, but would also like to be treated with courtesy and expected the complaint to be resolved within a reasonable time. The consumer, if treated properly, or heard speedily, was willing to settle for a lesser tangible compensation.

The study has further revealed that there was a significant difference in the average number of expectations the car users of MUL and HML had from their respective companies. On an

average, the car users of MUL had 2.57 expectations whereas those of HML had 2.32 expectations. This result is shown in the Table 1.1.

Table 1: Consumers' Response Expectation to Complaints: Test of Significance.

Company	N	?	S.D.	t-value
MUL	276	2.57	0.98	
				2.16**
HML	116	2.32	1.06	
**significant at .05 level.				

This difference in the average number of response expectations to the complaints was explained by the fact that all the car users of MUL were individuals who had invested their family money and had taken a long time in purchasing a car. This resulted in their having more expectations to their complaints from the company than the users of a company whose cars are used by the offices.

2. Companies' Perception of the User's Expectation

In both the companies' perception, the distributive justice played a major role in the car user's expectation, followed by the procedural justice with a very little importance given to the interactional justice. Therefore, it implied that in the perception of the companies, it was mainly a mix of the distributive and the procedural justice which was an ideal pacifier for the complaining consumer. Interactional justice was neglected in the normative expectation of the managers of the companies and their dealers. The test of significance, to analyze the difference in the perception of the average number of complaints made by the car-users of the two companies could not be applied due to the limited number of dealers of the two companies.

3. User's expectations and Manager's Perception: A Comparison

The study has revealed that the car users, after getting a response to their complaints, were 'somewhat satisfied' with the complaint handling by the company. The companies, when asked to rate the satisfaction or otherwise of the consumers in the post-complaint phase, also perceived that the consumers were 'somewhat satisfied' with the complaint-handling implying their failure to 'highly satisfy' the car users even after the provision of distributive justice. This implied that the companies knew that their consumers are not highly satisfied but could not identify the exact reason for the low level of their satisfaction.

The study has further revealed that this failure of the company was because of the car user's perception that it was not necessarily the final answer to the complaint but the right mix of details and perception to reach the final answer which was important to the consumer. The consumer expected to be treated as 'human beings' rather than as a sales revenue unit. It is the right mix of interactional, procedural and distributive justices which would attract the consumer. A courteous treatment would make the consumer lower his expectations of the distributive justice which would ultimately benefit the companies.

Sound Complaint-handling System: Still A Dream

The main reason for so many companies not understanding the consumer perception is the lack of an effective complaint-handling mechanism. The absence of the system in the companies is mainly because of the pressures of modern business life as the companies have not just developed the thinking of dealing with an individual and his grievances.

It is the thinking of many a business coping with the external pressures that the only route to success lies in sheer growth. In the continuous survival-of-the-largest battles which are being fought out daily in the world's boardrooms, the customer is in a grave danger of becoming a little more than a statistic (Moore, 1978).

When one of this meaningless statistic has the temerity to ring company headquarters, the person geared to thinking of the consumer as a purchase unit is not educated to deal with the grievances of a consumer whose car has developed certain problems. Even the companies who profess to be sensitive towards the individuals often do not take the trouble to install a proper complaint handling mechanism.

It is the listening to the existing customers that should be a major strategy of a successful organization. But in many organizations, the thinking is that the customer is a nuisance whose unpredictable behavior and complaints damage the carefully made plans, mess up computer operations and who stubbornly insists that the product should work.

A customer's perception of a company is often based on his dealings with the lower-middle level of its staff. A complaint from a consumer is normally directed towards this level. Moreover, the companies also complain about the vicious circle of consumer complaints where the large number of complaints increases the work of the complaint-handling department which further multiplies the number of complaints (Fornell and Westbrook, 1984).

Suggestions

The solution of the problem lies in the hands of the companies only. It is important for today's 'digital' managers, who are supposed to be the voice of the company, to come out of the convenience and fascination of the networking characterized by e-mails and discontinuity. Picking up a pen and personally signing a few letters addressed to the consumer to solicit his suggestions, to respond to his complaint or to thank him for his positive feedback, shows a caring for the consumer and make him feel 'special'.

Three broad measures are suggested to company for improving its complaint-handling.

First, the companies should stop thinking of a consumer or his complaint letter as a 'nuisance' and start thinking of it as an opportunity to improve. In fact, company should appreciate that the consumer has taken pains to point out the defect in the company's product. It should make the company feel it is the 'chosen one' to be given an opportunity to improve.

Second, the company should abandon its goal of maximizing short-run profits. Investing the time and money in open house discussions, to provide interactional justice to the consumers, might result in initial losses for the company, but ultimately with such an investment of time and money, the company will reap maximum profits in the long run.

Finally, the most difficult suggestion to implement, is for the company to become loyal to its customer. This would make the company a real person and not an artificial juridical person. Evolving into a 'real' person would imply developing human characteristics, like honesty, empathy and character, which are not as shallow as its glamorous advertising.

Concluding Remarks

An understanding of the consumer complaining behavior requires a continuous rationalization of the negative feedback, and criticism offered by the consumer, not only by carrying out sophisticated computerized analysis, but by contacting the dissatisfied consumer directly and asking him the reason for his grouse against of the company. The company should remember that if it does not

look after its own customer, some other company will attract him with a cheaper and better product.

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