



1.1 INTRODUCTION

One of the advantages of a modern economy is that the marketplace can provide the consumer with an adequate choice of goods as well as the likelihood of satisfaction with that choice. In an ideal world, all products would be delivered flawless. However, sometimes products happen to be not so perfect, necessitating the promotion of consumers' rights to develop a consumer-oriented culture.

Researchers in consumer behaviour have been studying consumer responses to dissatisfactory consumption experiences for many years. In fact, the topic of consumer satisfaction, dissatisfaction and complaining behaviour is one of the most studied issues in the field of consumer behaviour. So much so, that many international conferences have been held and academic articles been published in scientific journals on this issue. Additionally, a bibliography has been compiled containing numerous articles, written in English and other languages, on the topic of consumer satisfaction/dissatisfaction and complaining behaviour (Perkins, 1993). Despite the immense international interest in the topic of consumer dissatisfaction and complaining behaviour, not much research about dissatisfied consumers' complaint behaviour in general and, in particular, consumers' complaint behaviour concerning the performance failure of major electrical household appliances could be found in the South African context. Nonetheless, Rousseau's (2003a:446-471) research and writings have contributed to researchers' understanding of consumers' post-purchase behaviour, particularly complaint behaviour. Additionally, Rousseau's (1988) study on consumers' and retailers' perceptions of product failure identified household appliances as a major category of failure.

Since the first democratic election in South Africa in 1994, the socio-economic and consumer environment has changed drastically in South Africa due to the new socio-political dispensation. For example, many black people, who previously lived in smaller towns and/or belonged to the lower socio-economic groups, have moved to urban areas and big cities where they now have the financial means and opportunity to choose between various products and services. Additionally, credit is generally more available to these urban households, giving these consumers the opportunity to purchase durable and expensive



goods such as major electrical household appliances (Research Surveys, 2006; Nieftagodien & Van der Berg, 2007). Studies by the University of Cape Town's Unilever Institute of Strategic Marketing and Research Surveys describe the emerging black middle class as the "Black Diamonds", and estimate that the buying power of this group is R 130bn (about \$ 19bn) per year – almost a quarter of South Africa's total consumer spending power of R 600bn. Like most newly rich people anywhere, the Black Diamond is a conspicuous consumer – cars, clothes, televisions sets, sound systems and household appliances top their list of desired and necessary objects. Black buyers are more brand conscious than their white counterparts and favour symbols of style and wealth (The Black Diamonds 2007 – on the move, 2007).

Considering numerous letters of complaint in the consumer columns of major South African newspapers as well as online letters to consumer complaint websites (such as helloworld.co.za), it is clear that South African consumers experience a considerable amount of problems with the performance of their major electrical household appliances. Additionally, consumer bodies such as the South African National Consumer Union and various provincial consumer counsels deal with numerous consumer complaints concerning major electrical household appliances on a regular basis. For the purpose of this study, major electrical household appliances would include kitchen and laundry appliances, namely refrigerators, freezers, ovens, stoves, dishwashers, microwave ovens, washing machines and tumble dryers. These energy- and time-saving devices are important products without which many households would not be able to function effectively. Moreover, these appliances are generally expensive, complex and expected to be durable. It is therefore of the utmost importance that consumers should be satisfied with their choice, and if not, that manufacturers and retailers should know the reasons for their dissatisfaction.

A knowledge void exists concerning South African dissatisfied consumers' complaint behaviour regarding major electrical household appliances. Manufacturers and retailers are often not aware of the performance failures that consumers experience concerning their major electrical household appliances since many people do not communicate their dissatisfactions to them. However, unless and until retailers and manufacturers fully comprehend their customers' complaint behaviour, their reasons for engaging in specific complaint behaviour and the reasoning behind their behaviour (cognitive processes), they will not recognise the link between complaint handling and customer loyalty and profits. Loyal customers are increasingly regarded as the backbone of any business, since it is less expensive to retain existing customers than to attain new ones (Terblanche & Boshoff, 2001; Kim, Kim, Im & Shin, 2003). Retailers can control their redress policies and handling of customer complaints to improve their service quality and their customers' in-store shopping



experience, which in turn will strengthen customer loyalty (Terblanche & Boshoff, 2001, 2003; Goodman, 2006). By addressing complaints about product failures, manufacturers also get the opportunity to correct product problems, improve the quality of existing merchandise and identify new consumer needs. From a consumerism point of view, manufacturers and retailers should encourage consumers to complain to them about product failures and should at the same time recognise that they are legally responsible for the protection of their customers' rights, in this context, specifically the "right to be heard" (Crié, 2003; Rousseau, 2003a:447, 454).

1.2 THEORETICAL BACKGROUND

Consumers purchase a product for its functional performance (i.e. physical performance, durability, ease of use and ease of care) and/or its symbolic performance (i.e. what the product does for, or symbolises to, the consumer in a socio-psychological sense) (Belk in Clarke, Micken & Hart, 2002). Donoghue and Erasmus (1999) confirmed that consumers buy major electrical household appliances not only for functional, but also for symbolic purposes. Additionally, Mehlwana (1999:9) stated that appliances are closely associated with lifestyle.

Consumers experience dissatisfaction when their appliances perform noticeably below their expectations for product performance (i.e. when a performance failure occurs or when the product performs poorly in terms of the functional and/or symbolic performance dimension). Traditional thinking concerning the disconfirmation of expectations only recognises a direct link from disconfirmation to satisfaction/dissatisfaction, that connotes a disconfirmation-driven satisfaction response (Woodruff, Cadotte & Jenkins, 1983; Oliver, 1989). However, evidence suggests that disconfirmation does not lead directly to satisfaction/dissatisfaction, but instead results in a search for the cause of the disconfirmation (Oliver, 1989; Manrai & Gardner, 1991). Therefore, the disconfirmation of expectations acts as an important causal agent for generating attributional processing. In other words, events that do not conform to expectations, are thought to trigger the search for an explanation or reason for the event (Laufer, 2002). Attribution search is more likely to follow a negative and unexpected event (failure, in this context) than success (Erevelles & Leavitt, 1992; Weiner, 2000). In a consumer behaviour context, product failure is the kind of negative and unexpected event that has been shown to bring about causal search (Weiner in Folkes, 1990; Hunt, Smith & Kernan in O'Malley & Tech, 1996; Weiner, 2000; Wirtz & Mattila, 2004). Specifically, consumers want to find out why products meet or do not meet their expectations. There is ample evidence that the principle of causal attribution differs across cultures (Weiner, 1986:73-75; Au, Hui & Leung, 2001; Laufer, 2002; Poon, Hui & Au, 2004). This raises the



question whether other demographic variables (i.e. gender, age, level of education, household monthly income) might also play a role in causal attributional processing.

Consumers could attribute the product's failure to themselves (internal locus) or to the manufacturer, retailer or some outside agent in the environment or situation or in the product itself (external locus). The outcome of the purchase-use situation could also be attributed to something temporary (unstable) or something that is likely to occur each time the product is purchased or used (stable) (Williams, 1982:502; Folkes, 1990; Weiner, 2000). When product failure is stable, people would probably expect the product to fail if they purchase it again in the future. Conversely, when product failure is caused by unstable reasons, consumers would probably be less certain of future product failure and would therefore purchase or use the same product again (Folkes, 1984; Weiner, 2000). Additionally, both the consumer and other parties such as the manufacturer or retailer can either have volitional control over an outcome or be under certain uncontrollable constraints. Consumers' perceptions of attributions in terms of the locus, stability and controllability dimension, as explicated by Weiner in his attributional theory, generate differentiated affective reactions. For example, when retailers are thought to have control over the cause of product failure, consumers feel angry and desire revenge more than when they are believed to lack control (Folkes, 1984; Folkes, Koletsky & Graham, 1987; Folkes, 1990). Finally, the affective reactions (generated by causal attributions and their underlying properties of locus, stability and controllability) and expectations for future product failure are thought to determine consumers' behaviour (Weiner, 1986:161-164; Folkes, 1988; Laufer, 2002).

Consumer responses to dissatisfaction are generally referred to as "consumer complaint behaviour" (Singh, 1988:94-95; Maute & Forrester, 1993:220; Mattsson, Lemmink & McColl, 2004:942). Once dissatisfaction occurs, consumers may engage in behavioural and non-behavioural responses to resolve it (Day & Landon, 1977:429-432; Broadbridge & Marshall, 1995). As such, consumers may engage in private actions (e.g. switching brands or retailers, boycotting the type of product or warning family and friends) and/or engage in public action (e.g. seeking redress directly from the retailer or manufacturer, complaining to the retailer or manufacturer, a public consumer protection agency, a voluntary organisation or the media, or taking legal action against the retailer or manufacturer). Alternatively, consumers may refrain from taking action by rationalising and forgetting about the product failure (Hawkins, Best, & Coney, 2001:642; Cri , 2003).

Many studies indicate that the incidence and likelihood of complaining are determined by consumer-related variables (e.g. demographics, personality factors, attitudes, personal values, culture, knowledge and experience as a consumer and causal attributions for product



failure (Weiner, 2000; Laufer, 2002; Blodgett, Hill & Bakir, 2006; Bodey & Grace, 2006; Velázquez, Contri, Saura & Blasco, 2006; Tronvoll, 2007). Additionally, product-specific variables (e.g. product category, type of product failure, severity of the product failure, cost of the product, durability), and redress environment variables (perceptions of the retailer's responsiveness to customer complaints and the consumer's perceived trouble involved in making a complaint, the psychological cost of complaining) are linked to consumer complaint behaviour (Kincade, Giddings & Chen-Yu, 1998; Huppertz, 2003; Kau & Loh, 2006).

Very little, if anything, is known about the influence of demographic characteristics (gender, age, level of education, level of income and culture) on the complaint behaviour of South African consumers experiencing dissatisfaction with the performance of their major electrical household appliances. Since 1994, many black people have been integrated into the middle and upper living standard categories due to political integration and improved economic conditions. Compared to the past, the rising middle class now has more spending power to, among other things, purchase durable products such as major electrical household appliances. Concerning product-specific variables, specifically the severity of the product failure, some dissatisfactions, such as complete product breakdown or safety hazards of a defective product, are considered serious and are thus more likely to result in complaint action compared to dissatisfaction that are relatively minor (Barnes & Kelloway, 1980; Richins & Verhage, 1985). Consumers' reasons for engaging in particular complaint action(s) (or no action, for that matter) generally correspond with consumer-related variables, product-specific variables and redress environment variables. Consumers' reasons for specific complaint actions suggest specific problematic areas that retailers, manufacturers and marketers can improve on to make strategic and tactical decisions.

Complaints, as an outcome of dissatisfaction, are in many cases perceived in a negative manner. However, consumer complaints should be considered very useful forms of consumer-initiated market information (Nyer, 2000). Retailers and manufacturers can only become aware of product shortcomings and remedy the problem when consumers directly communicate their dissatisfaction to them (Huppertz, 2003; Kim *et al.*, 2003; Bodey & Grace, 2006), while consumer scientists can only assist unhappy consumers when they know how they think and why they are complaining.

It would be the ideal to study all of the above-mentioned factors to fully explain consumers' complaint behaviour concerning the performance failure of major electrical household appliances. It would, however, probably be unfair to expect of one single research project to investigate the influence of all these factors. For the purpose of this study, three lines of consumer satisfaction/dissatisfaction and complaint behaviour research are integrated,

namely the expectancy disconfirmation model (Churchill & Suprenant, 1982; Bearden & Teel, 1983) (satisfaction/dissatisfaction research), Weiner’s (1986) causal dimensions (attribution theory), and Day and Landon’s (1977) taxonomy of complaint behaviour (complaint behaviour theory), to contribute to our understanding of consumers’ complaint behaviour concerning their dissatisfaction with major electrical household appliances. Additionally, consumer-related variables and product-specific variables that may impinge on consumers’ complaint behaviour are incorporated, as these factors have shown to be important variables influencing consumer complaint behaviour.

Complaint data viewed in a vacuum is hard to interpret, but when it is linked to data on consumers’ cognitions and emotions, and other consumer-related variables and product-specific variables, it becomes a powerful tool to understand consumers’ complaint behaviour. Hence, the integration of the above-mentioned theories.

1.3 CONCEPTUAL FRAMEWORK, PROBLEM STATEMENT AND OBJECTIVES

Bearing the foregoing introduction and theoretical background in mind, the following conceptual framework for this study is proposed in Figure 1.1.

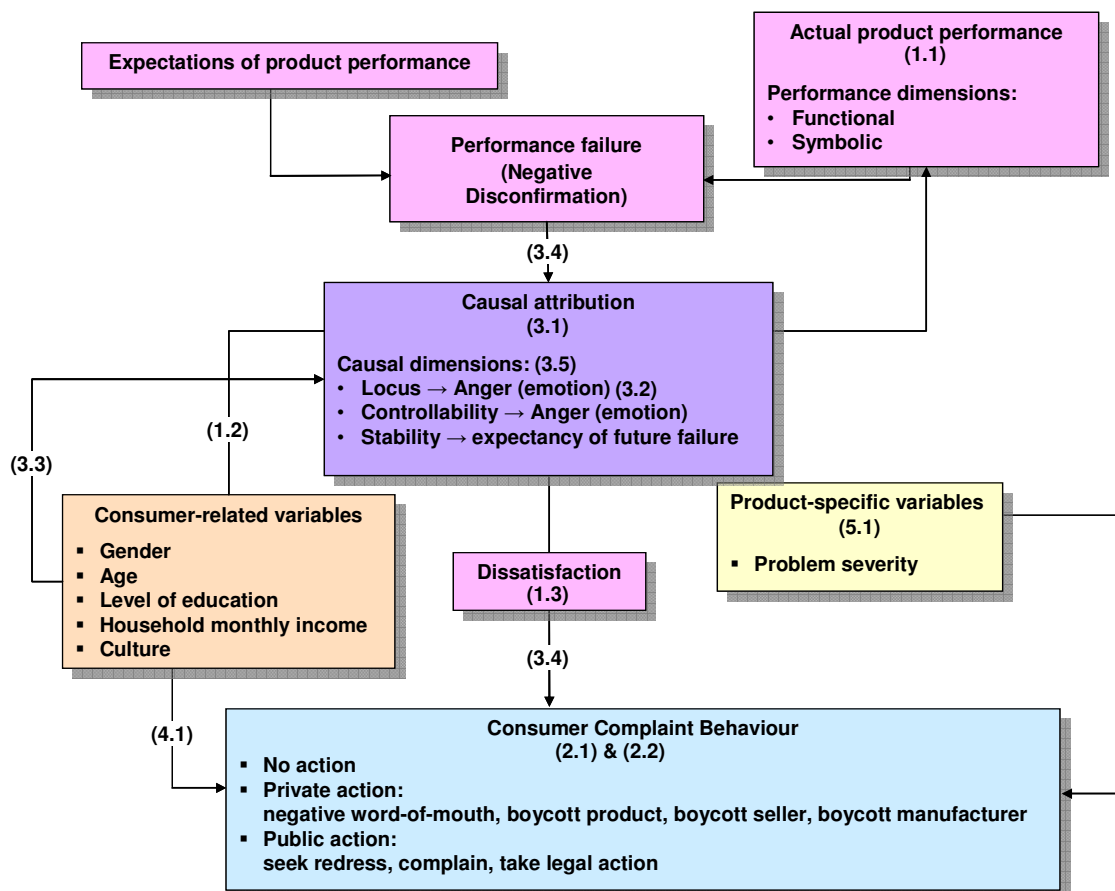


FIGURE 1.1: CONCEPTUAL FRAMEWORK OF DISSATISFIED CONSUMERS’ COMPLAINT BEHAVIOUR CONCERNING THE PERFORMANCE FAILURE OF MAJOR ELECTRICAL HOUSEHOLD APPLIANCES WITH CONSIDERATION OF ATTRIBUTIONAL PROCESSING, CONSUMER-RELATED VARIABLES AND PRODUCT-SPECIFIC VARIABLES



The conceptual framework provides a schematic view of the reasoning behind the formulation of the problem and objectives for this study, which are described in the following paragraphs.

Before purchasing and consuming major household appliances, consumers form expectations regarding the performance of such appliances in a particular use situation. After or while using an appliance item, consumers evaluate its perceived performance in terms of their initial expectations regarding the functional and symbolic performance dimensions of the appliance. Whereas functional performance refers *inter alia* to durability, ease of use, ease of care and physical performance (how well the appliance does what it is supposed to do), symbolic performance refers to a “psychological” level of performance that is derived from the consumer’s response to the physical product (Swan & Combs, 1976:26; Erasmus & Donoghue, 1998; Hawkins *et al.*, 2001:641; Erasmus, Makgopa & Kachale, 2005). Consumers’ evaluation of the functional and symbolic performance of products unquestionably varies in terms of consumer characteristics (i.e. gender, age, level of education, monthly household income and culture) (Brown & Rice, 1998:46-47; Hawkins *et al.*, 2001:641). When the appliance’s performance does not meet the consumer’s expectations (i.e. when a performance failure occurs or when the product performs poorly), negative disconfirmation occurs, leading to feelings of dissatisfaction.

However, feelings of dissatisfaction are mediated by attributional reasoning, i.e. the cognitive process of wanting to find out why a negative outcome or event occurred. The perceived causes (attributions) for the product’s failure and its dimensional quality (in terms of Weiner’s (1986) locus, stability and controllability), influence consumers’ reaction in terms of their emotions (the level of anger experienced in response to the product failure) and complaint behaviour. Additionally, the dimensional characteristics of dissatisfied consumers’ attributions may be influenced by demographic variables (i.e. gender, age, level of education, monthly household income and culture).

Once dissatisfaction occurs, the consumer may engage in behavioural and non-behavioural responses to resolve it (Day & Landon, 1977:229-432; Broadbridge & Marshall, 1995). Three major options are available to consumers who are dissatisfied with their purchase: no action, private action or public action. Consumers may refrain from action by rationalising and forgetting about the problem. Consumers may engage in private actions such as switching brands or retailers, boycotting the type of product or warning family and friends. Or, consumers may engage in public action such as seeking redress (i.e. a refund, an exchange or free repairs and replacement of defective parts – depending on the nature of the product and particular circumstances) directly from the retailer or manufacturer, complaining to the



retailer or manufacturer, a public consumer protection agency, a voluntary organisation or the media, or taking legal action against the retailer or manufacturer.

However, consumer-related factors and product-specific factors are likely to affect the consumer's complaint behaviour. Consumer-related variables refer to characteristics that are associated or determined primarily by consumers. Demographic factors (i.e. gender, age, level of education, monthly household income and culture), as consumer-related variables, influence consumers' complaint behaviour. In this study, product-specific variables refer specifically to the severity of the problem (product failure).

According to Mouton and Marais (1990:39-55), Mouton (1996:91-106), Fouché and De Vos (2005a:103-110) and Leedy and Ormrod (2005:47-50), three factors determine the manner in which research problems are formulated: the unit of analysis, the type of research goal and the research approach.

The research problem was stated formally as follows in terms of the unit of analysis, research goal and approach:

To explore and describe the role of specific consumer-related variables, product-specific variables, and causal attribution in dissatisfied consumers' complaint behaviour concerning the performance failure of selected major electrical household appliances.

A quantitative methodological research approach was selected for this study.

The research objectives and sub-objectives were formulated as follows:

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| Objective 1: | To explore the nature of the performance failure that caused consumers to be dissatisfied with major electrical household appliances |
| Sub-objective 1.1 | To explore the functional/symbolic performance failure causing consumers' dissatisfaction concerning major electrical household appliances |
| Sub-objective 1.2 | To describe the association between demographic variables (i.e. gender, age, level of education, household monthly income and culture) and the functional/symbolic performance failure of major electrical household appliances |



- Sub-objective 1.3 To describe consumers' degree of dissatisfaction experienced concerning the functional/symbolic performance failure of household appliances
- Objective 2: To describe the nature of, and the reasons for, dissatisfied consumers' complaint behaviour concerning the performance failure of major electrical household appliances
- Sub-objective 2.1 To describe the types of consumer complaint behaviour responses that dissatisfied consumers engage in concerning their dissatisfaction with the functional/symbolic performance failure of major electrical household appliances
- Sub-objective 2.2 To describe dissatisfied consumers' reasons for engaging in consumer complaint behaviour concerning the functional/symbolic performance failure of major electrical household appliances
- It should be noted that sub-objective 2 is placed here, since the interpretation of objectives 3 (specifically sub-objective 3.4 and 3.5), 4 and 5 are dependent on the interpretation of objective 2.
- Objective 3: To describe the relationship between causal attribution and dissatisfied consumers' complaint behaviour concerning the performance failure of major electrical household appliances
- Sub-objective 3.1 To describe dissatisfied consumers' attributions for the functional/symbolic performance failure of major electrical household appliances
- Sub-objective 3.2 To describe the causal dimensional characteristics of dissatisfied consumers' attributions for the functional/symbolic performance failure of major electrical household appliances
- Sub-objective 3.3 To describe the association between the dimensional characteristics of dissatisfied consumers' attributions for the functional/symbolic performance failure of major electrical household appliances and demographic variables (i.e. gender, age, level of education, monthly household income and culture)



- Sub-objective 3.4 To describe the association between the causal dimensions (i.e. locus, stability and controllability) and dissatisfied consumers' complaint behaviour concerning the functional/symbolic performance failure of major electrical household appliances
- Sub-objective 3.5 To describe the relationship between dissatisfied consumers' anger reactions concerning the functional/symbolic performance failure of major electrical household appliances and consumer complaint behaviour
- Objective 4: To describe the relationship between specific consumer-related variables and dissatisfied consumers' complaint behaviour concerning the performance failure of major electrical household appliances
- Sub-objective 4.1 To describe the relationship between demographic variables (i.e. gender, age, level of education, household monthly income and culture) and dissatisfied consumers' complaint behaviour concerning the functional/symbolic performance failure of major electrical household appliances
- Objective 5: To describe the relationship between product-specific variables and dissatisfied consumers' complaint behaviour concerning the performance failure of major electrical household appliances
- Sub-objective 5.1 To describe dissatisfied consumers' perceptions of the severity of the performance failure of major electrical household appliances
- Sub-objective 5.2 To describe the relationship between dissatisfied consumers' perception of the severity of the functional/symbolic performance failure concerning major electrical household appliances and their consumer complaint behaviour

The unit of analysis for this study was consumers who had recently purchased major electrical household appliances (within prior four-year period) and who could recall an unsatisfactory experience concerning the performance of one major electrical household appliance item. Additionally, respondents had to be older than 25 years of age, had to reside in the Tshwane metropolitan area (city of Pretoria) in South Africa, and had to belong to the Living Standards Measurement levels 5 to 10. The South African Research Foundation

(SAARF) devised the Living Standards Measure (LSM) to measure social class, or living standard, regardless of race, income or education. Instead of approaching social class from the perspective of obvious demographic differences, the LSM measures the population on a continuum from LSM levels 1 to 10, in terms of ownership of certain durable goods, access to services and the like. LSM groups 5 to 10 have access to electricity and have the capacity to own major electrical household appliances (Du Plessis, 2003:87-100; SAARF Universal LSM Descriptors, August 2004). At the time of the research, the *SAARF Universal LSM Descriptors* of August 2004 was used to categorise the sample into the different income brackets. Since then, a newer LSM edition has been published with different values for the various income levels and other parameters.

For this study, attributes for the demographic variables were clarified as: gender (male/female), age (25-30 years, 31-45 years, 46-55 years and 56-83 years), level of education (Grade 12/Standard 10/NTCIII or less, Grade 12 and additional certificate(s)/diploma(s) and Bachelors degree/Postgraduate qualification), level of income (R2 000-R5 000, R5 001-R10 000, and R10 001 or more per month) and culture (black/Caucasian).

1.4 SAMPLING PROCEDURE AND DATA COLLECTION METHOD

A convenience sampling technique was employed, but sample members were selected on the basis of the above-mentioned pre-specified criteria. Two hundred and sixteen respondents participated in the study. Upon using a screening question to determine whether respondents had experienced dissatisfaction with the performance of their appliances, a self-administered questionnaire was administered to dissatisfied respondents only (Addendum A). The questionnaire was divided into three content sections (Sections A – C) to facilitate the eventual processing of the data. In Section A, respondents had to provide demographic information. In Section B, respondents were asked to provide information concerning their dissatisfaction with the functional/symbolic performance failure of major electrical household appliances, their attributions for the specific performance failures, their degree of dissatisfaction and anger experienced and their perceptions of the severity of the product problem. Respondents had to rate their own attributions, subjectively, in terms of an adapted version of Russell's Causal Dimension scale (1982), to determine the causal dimensional characteristics of their attributions. Section C dealt with respondents' behavioural and non-behavioural actions taken in response to their dissatisfaction and their reasons for the specific action taken. The nature of the dissatisfaction response (complaint behaviour) was investigated by exploring the type of action taken, using Day and Landon's (1977) taxonomy of consumer complaint behaviour.



1.5 PRESENTATION AND STRUCTURE OF THE THESIS

Chapter 2 provides an overview of consumer satisfaction/dissatisfaction theory in terms of the confirmation/disconfirmation paradigm, consumers' expectations about product performance and the dimensions of product performance. Consumer complaint behaviour is defined and models of consumer complaint behaviour as well as the factors affecting consumers' complaint actions are discussed. Additionally, the implications of complaining are indicated for the different parties involved, that is, the retailer, manufacturer and the individual consumer. It is also indicated how objectives 1, 2, 4 and 5 address the theory.

Chapter 3 focuses on attribution theory and its application in consumer behaviour, specifically consumers' reactions to attributions following experiences of product failure. Attribution theory is discussed in terms of its conceptual meaning, the different micro-theories of attribution theorists, the contribution of these exponents to social psychology, in general, as well as the applicability of their theories to consumer behaviour in particular. Weiner's (1986) attributional theory is discussed to provide a background for understanding consumers' behavioural reactions to their causal inferences (attributions) concerning product failure experiences. Examples of consumers' attributions for the failure of durable products are provided. By implication, the rationale for using attribution theory as a theoretical perspective for studying consumers' behaviour following product failure, is indicated. It is also indicated how objective 3 addresses the theory.

In **Chapter 4** the research methodology that was employed in this study is discussed. Firstly, the conceptual framework is presented and explicated to set the stage for the phenomena being studied. Next, the research problem and resultant objectives and sub-objectives are stated formally. In the ensuing sections the research strategy, research design, and sampling plan are described. Additionally, the data collection technique for this study is discussed in terms of the respective methodologies for researching consumers' complaint behaviour and causal attributions, since these methodologies influenced the methodology chosen for this study. The analysis of the data is discussed in terms of the coding and capturing of the data, the operationalisation of measurements and the explanation of the statistical methods respectively. Then, the quality of the data is analysed in terms of its validity and reliability.

In **Chapter 5** the sample is firstly described in terms of demographic characteristics since that is considered to be the starting point for the analysis of the data. Next, the frequency distribution of the types of major electrical household appliances causing the most dissatisfaction, the (frequency distribution and implications of) purchase dates and brand names of dissatisfactory appliances are discussed. Moreover, the raw data is



reported/analysed according to the objectives and sub-objectives (formulated for this study) to obtain answers for the research question decided on for this research project.

Consequently, the research findings are not necessarily discussed in the order of the questionnaire.

In **Chapter 6** an explanation is provided of the types of major electrical household appliances that caused the most dissatisfaction for respondents. Additionally, the results of this study are interpreted.

In **Chapter 7** the conclusions are presented, the research is evaluated and the implications and recommendations are discussed. Additionally, some suggestions for future research are provided.

For referencing, an adapted version of the Harvard method of referencing (as compiled by the Academic information Service, University of Pretoria) was used, and for editing purposes, the choice of language was English (U.K.).