

CHAPTER 2 **POST-PURCHASE CONSUMER COMPLAINT BEHAVIOUR**

2.1 INTRODUCTION

Prior to purchasing and consuming a product, consumers form expectations of its performance in a particular use situation. After or while using a product, consumers will evaluate its performance according to their specific expectations. When a product does not perform up to expectation (i.e. performance is lower than expected), consumers will experience dissatisfaction, which in turn will manifest in negative behavioural outcomes. One of the most direct and meaningful ways through which consumers can express their dissatisfaction to manufacturers and retailers is through complaining. Simply put, “a complaint is a statement about expectations that have not been met” (Barlow & Møller, 1996:11). Complaint behaviour should however not only be thought of as direct or formal complaining to retailers and manufacturers. Consumers can also communicate their dissatisfaction about products in much more indirect/hidden ways such as less-favourable purchase attitudes, lower or non-existent purchase intentions, negative word-of-mouth, changes in shopping behaviour such as brand or product switching and retailer boycotts – all of which are detrimental to the retailer or manufacturer’s business.

Linking with the above reasoning, consumer scientists have developed taxonomies/models for consumer complaint behaviour to direct research concerning consumers’ complaint behaviour. A number of factors influence the complaint path that consumers eventually take to respond to their dissatisfaction. These factors relate to why consumers engage in specific complaint actions and are therefore important to bear in mind when researching the specific behavioural outcomes taken.

Formal complaints are generally perceived in a negative manner, being expressions from consumers about dissatisfactory experiences. Actually, a complaint might be a result of a faulty product or service, or of a consumer not knowing how to use the product properly (Sanes, 1993). However, complaints reveal problems that, in many cases, are significant and deserve the attention of retailers and manufacturers. Additionally, complaints can inform retailers and manufacturers about the consumers’ existing needs and provide the opportunity for discussing future needs (Sanes, 1993). Viewed in this manner, complaining may be very useful for retailers

and manufacturers in discovering and correcting product problems, increasing consumer satisfaction, retaining the consumer as an active purchaser and increasing marketplace efficiency, rather than simply pacifying unhappy consumers or providing an excuse and/or appropriate form of redress (Plymire, 1991; Hill, Baer & Morgan, 2000; Hogarth & English, 2002; Consumer Alert, 2003; Cri e, 2003). Consequently, consumer complaints can be considered to be very useful forms of consumer-initiated market information that can be used to make strategic and tactical decisions (Barlow & M oller, 1996:1-4; Nyer, 2000).

Bearing the above in mind, the focus of this chapter is to present an overview of the existent literature concerning consumer complaint behaviour. The first part deals with consumer satisfaction/dissatisfaction theory in terms of the confirmation/disconfirmation paradigm, expectations about product performance and the dimensions of product performance as the conceptual background for studying consumers' complaining behaviour. The second part focuses on the conceptual definition of consumer complaint behaviour, models of consumer complaint behaviour and the factors affecting consumers' complaint actions. The third part examines the implications of complaining for the different parties involved, that is, the retailer, manufacturer and the individual consumer. The conclusion highlights that complaint behaviour is a "signal" which retailers/manufacturers should take into account for their own and their customers' sake. Additionally it is also indicated how some of the objectives for this study address the theory.

2.2 THE EXPECTANCY DISCONFIRMATION PARADIGM

Most researchers describe the consumption evaluation process as a confirmation/disconfirmation paradigm whereby consumers compare their initial expectations for product performance with perceived product performance and notice whether a difference (expectancy disconfirmation) exists (Churchill & Suprenant, 1982; Francken, 1983; Woodruff *et al.*, 1983; Day, 1984; Blodgett & Granbois, 1992). Refer to Figure 2.1. Whereas confirmation occurs when a product performs as expected, contributing to satisfaction or indifference (neutral feelings), positive or negative disconfirmation arises from discrepancies between prior expectations and actual performance, respectively leading to satisfaction and dissatisfaction (Swan & Combs, 1976; Oliver & DeSarbo, 1988; Erevelles & Leavitt, 1992; Spreng, MacKenzie & Olshavsky, 1996; Chen-Yu, Williams & Kincade, 1999; Steward in Ndubisi & Ling, 2006). Consumers' post-purchase evaluation of products acts as feedback to their experience and serves to influence future decisions concerning suitable alternatives to buy (Loudon & Della Bitta, 1993:579).

According to Broadbridge and Marshall (1995), the duration of the consumption evaluation process is however dependent on the type of product. For example, consumers can decide immediately whether they are happy or unhappy with inexpensive and quickly consumed products such as perishable food items. In contrast, items that are used over longer periods beyond the immediate post-purchase stage such as durable products, take longer to evaluate. Thus, the consumers' assessment of their satisfaction/dissatisfaction with the actual performance of household appliances is an evolving process.

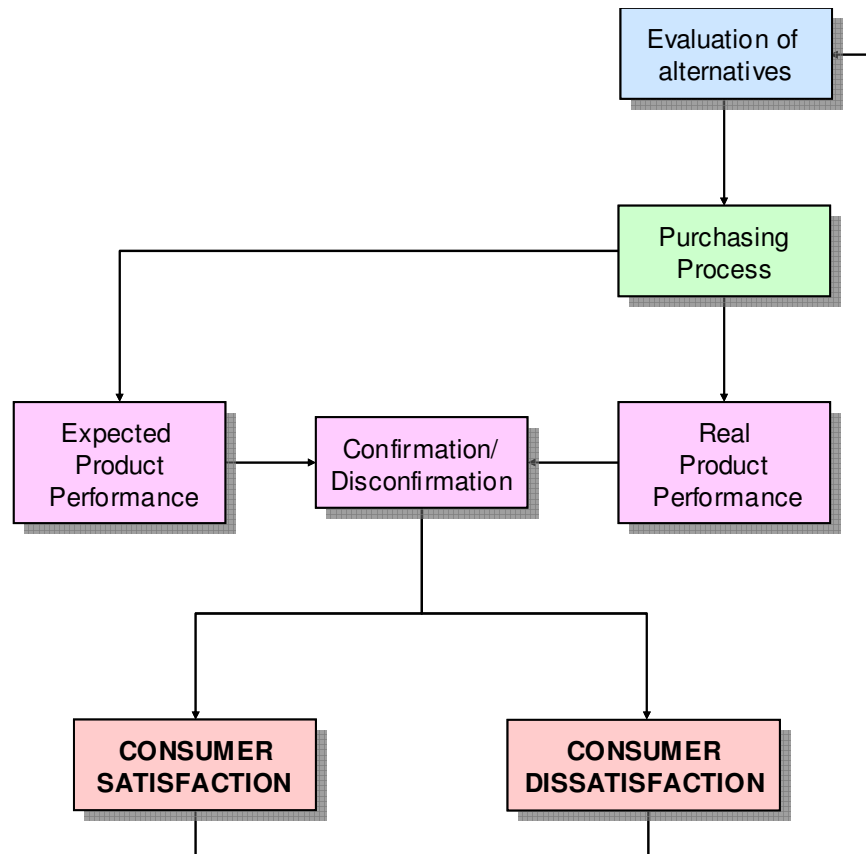


FIGURE 2.1 THE POST-PURCHASE EVALUATION PROCESS IN TERMS OF THE CONFIRMATION/DISCONFIRMATION PARADIGM (LOUDON & DELLA BITTA, 1993:579)

Considering the confirmation/disconfirmation paradigm, consumer satisfaction/dissatisfaction therefore results from a type of comparison process (Woodruff *et al.*, 1983; Chen-Yu *et al.*, 1999; Giese & Cote, 2000; Desmeules, 2002). It is presumably the magnitude of the disconfirmation effect that generates satisfaction/dissatisfaction (Churchill & Suprenant, 1982; Barber & Venkatraman, 1986). Therefore, the distinction between disconfirmation and satisfaction/dissatisfaction is that disconfirmation is a cognitive response, while

satisfaction/dissatisfaction is an affective response (an emotion) (Blodgett & Granbois, 1992). The post-purchase evaluation process thus involves cognitive activities as well as an affective or emotional component. Therefore, researchers should acknowledge that the cognitive dimension of post-purchase evaluation and consumers' emotional experiences in connection with product ownership and usage are valuable constructs to consider when studying post-purchase behaviour (Westbrook, 1987; Dubé & Schmitt, 1991; Loudon & Della Bitta, 1993:580; Giese & Cote, 2000; Hawkins *et al.*, 2001:641).

The traditional disconfirmation of expectations paradigm has been widely used in marketing literature to explain how consumers reach decisions concerning their satisfaction/dissatisfaction (Churchill & Suprenant, 1982; Oliver & DeSarbo, 1988). The paradigm recognises a direct link from disconfirmation to satisfaction/dissatisfaction, which connotes a disconfirmation-driven satisfaction response (Woodruff *et al.*, 1983; Oliver, 1989). However, evidence suggests that the disconfirmation of expectations does not lead directly to consumer satisfaction/dissatisfaction and, that the effects of disconfirmation are mediated by attributional processing (Oliver, 1989; Manrai & Gardner, 1991) (i.e. causal attributions for disconfirmation mediate consumer satisfaction) (Laufer, 2002). Refer to Chapter 3 for a discussion about causal attribution and its place concerning dissatisfied consumers' post-purchase behaviour.

2.2.1 Expectations about product performance

Whether a particular item was purchased because of its presumed superior functional performance or because of some other reason, consumers have some level of expected performance in mind, ranging from quite low to quite high, that it should provide (Hawkins *et al.*, 2001:639). Expectations are therefore defined as beliefs or predictions about a product's expected performance, and reflect "anticipated performance" or "what performance will (probably) be" (Churchill & Suprenant, 1982; Miller in Tse & Wilton, 1988; Laufer, 2002). Expectations are based upon prior experience with the product, word-of-mouth endorsements/criticisms and/or the marketing efforts of companies (Woodruff *et al.*, 1983; Solomon, 1996:325, Laufer, 2002). Thus, in addition to the experience factor, various personality and situational factors may affect the consumer's expectations of a product's performance (Day, 1977).

In the majority of studies using the confirmation/disconfirmation paradigm, expectations are theorised as the standard or baseline for evaluating the quality of product performance (Cadotte, Woodruff & Jenkins, 1987; Chen-Yu *et al.*, 1999; Fournier & Mick, 1999). Woodruff *et al.* (1983)

suggests that consumers often have experiences beyond those products that they have actually purchased and used (i.e. experiences with various products and brands within the product class and comparable use situations) which may cause consumers to form different kinds of norms or standards, instead of expectations, that can be used to evaluate perceived product performance. However, these norms are constrained by the consumer's experiences with real products and brands and are therefore unlikely to be unachievable ideals. Expanding the base of experiences to include other products means that consumers will probably go through a sequence of judgements leading to the choice of a standard for evaluating perceived product performance (Woodruff *et al.*, 1983). Whereas the confirmation/disconfirmation paradigm limits comparison to experience with one product, the experience-based norm approach takes into consideration consumers' past experience. Therefore, expectations and experience-based norms are used frequently as the point of reference (standard of comparison) against which product performance is evaluated (Woodruff *et al.*, 1983; Spreng *et al.*, 1996; Chen-Yu *et al.*, 1999).

2.2.2 Product performance

Since performance expectations and actual performance are major factors in the evaluation process, and are related, it is essential to understand the dimensions of product performance. Expectations about product performance relate to both the instrumental (functional) and the expressive (symbolic) performance dimensions of the product (Swan & Combs, 1976; Brown & Rice, 1998:42; Hawkins *et al.*, 2001:641). Instrumental performance relates to the physical functioning of the products, i.e. the ability of the product to perform its functional, utilitarian or physical purposes. For example, proper product performance is vital to the evaluation of a dishwasher or any other major electrical household appliances for that matter. Depending on the type of product, functional performance refers *inter alia* to durability, ease of use, ease of care and physical performance (how well the product does what it is supposed to do). Conversely, a product's expressive or symbolic performance relates to a "psychological level of performance", such as what the product does for, or symbolises to the consumer, which are not direct properties of the physical product, but are derived from the consumer's response to the physical product (Swan & Combs, 1976:26; Abraham-Murali & Littrell, 1995; Brown & Rice, 1998:38-39; Erasmus & Donoghue, 1998; Hawkins *et al.*, 2001:641; Erasmus *et al.*, 2005). Products have been known to provide symbolic meaning beyond their functional utility (Sheth, Newman & Gross, 1991:161; Hyatt, 1992; Belk in Clarke *et al.*, 2002). Therefore, products are considered symbols by which people convey something about themselves, to themselves and to others (Donoghue & Erasmus, 1999; Govers & Schoormans, 2005). The essence of a product, then, becomes not the physical product itself, but the relation between the product, its owner and the

rest of society (Hyatt, 1992). This is especially applicable to conspicuous products that might be intended for aesthetic satisfaction and image-enhancement performance. "If a product consumption is conspicuous in public and is socially visible, consumers are likely to use the visibility of the product to communicate symbolically something about themselves to the 'significant others' in the consumption situation" (Lee, 1990:387; Vigneron & Johnson, 1999). Therefore, major electrical household appliances may fulfil the consumer's emotional needs such as impressing and winning admiration from those invited into their homes (Sheth *et al.*, 1991:19; Donoghue & Erasmus, 1999; Schiffman & Kanuk, 2007:315).

The question arises whether the functional or the symbolic product performance dimension is more significant to consumers as they evaluate product performance. The answer to this question would undoubtedly differ in terms of the type of product and specific consumer group. Whereas evidence from the literature hints that for some products, determinant attributes may involve primarily instrumental performance, both instrumental and expressive dimensions may be features for other products (Swan & Combs, 1976; Hawkins *et al.*, 2001:641). Swan and Combs (1976) examined the relationship between expectations, performance and satisfaction/dissatisfaction. In particular, they investigated the effect of the instrumental (physical) and the expressive (non-material, psychological) dimensions of product performance, in this case the product clothing, on consumers' experience of satisfaction and dissatisfaction. Findings concerning the instrumental and expressive performance suggested that satisfaction and dissatisfaction are linked to qualitatively different kinds of performance results. Satisfactory clothing items tended to be associated with expressive performance results and dissatisfactory items tended to be associated with instrumental performances results. It was concluded that satisfactory clothing items may involve both expressive and instrumental outcomes, while dissatisfactory items were likely to involve more instrumental than expressive outcomes. Swan and Combs (1976) developed and applied their concept of *consumer satisfaction as related to the expressive and instrumental dimensions of product performance* to clothing products only – implying that the applicability of the concept to other products, such as major electrical household appliances, needs to be empirically tested.

2.2.3 Satisfaction/dissatisfaction

Consumer behaviour researchers have proposed that satisfaction/dissatisfaction depends not on the absolute level of performance of various attributes, but rather on how the actual performance compares with the expected performance (Sheth, Mittal, & Newman, 1999:549). Post-consumption consumer satisfaction/dissatisfaction (CS/CD) can be theoretically described as the

consumer's response to the evaluation of the perceived discrepancy between prior expectations (or some other norm of performance) and the actual performance of the product as perceived after its consumption (Day, 1984; Tse & Wilton, 1988). Differently stated, consumer satisfaction/dissatisfaction (CS/D) is conceptualised as a positive/negative feeling (emotion), in response to, or following, a specific consumption experience (Woodruff *et al.*, 1983; Day, 1984; Westbrook, 1987; Swan & Oliver, 1989; Blodgett & Granbois, 1992; Erasmus & Donoghue, 1998, Brijball, 2000). Favourably evaluated outcomes (when product performance exceeds expectations) are associated with emotions such as happiness, pleasure or delight, and unfavourably evaluated outcomes (when product performance fails to live up to expectations) with unhappiness, frustration, anger or regret (Westbrook & Oliver, 1981; Woodruff *et al.*, 1983).

The notion of satisfaction/dissatisfaction implies some degree of conation, in that the consumer is more or less inclined to repeat the behaviour in question, given recurrence of the situation in which it was initially performed (Westbrook & Oliver, 1981). Consumer satisfaction, as a consequence of the purchase/consumption experience, would appear to be an important variable in linking product selection with other post-purchase outcomes including favourable post-purchase attitudes, positive word-of-mouth, higher purchase intentions and consumer loyalty. In contrast, the study of post-purchase dissatisfaction is equally important because of its close linkages with negative outcomes such as less favourable purchase attitudes, lower or non-existent purchase intentions, negative word-of-mouth, complaining, and changes in shopping behaviour such as brand or product switching and retailer boycotts (Bearden & Teel, 1983; Morganosky & Buckley, 1987; Oliver, 1987; Loudon & Della Bitta, 1993:581; Somasundaram, 1993; Chen-Yu *et al.*, 1999; Brijball, 2000; Onyeaso, 2007).

2.3 CONSUMER COMPLAINT BEHAVIOUR

Consumer responses to dissatisfaction are generally referred to as "consumer complaint behaviour" (CCB) (Singh, 1988:94-95; Maute & Forrester, 1993:220; Mattsson *et al.*, 2004:942). Once dissatisfaction occurs, consumers may engage in behavioural and non-behavioural responses to resolve it (Day & Landon, 1977:229-432; Broadbridge & Marshall, 1995).

2.3.1 Conceptualising consumer complaint behaviour

Traditionally, studies of consumer complaint behaviour have focused on behavioural responses, that is, those consumer actions that directly convey an "expression of dissatisfaction" (Landon, 1980:337; Singh, 1988:94). These behaviours include complaints directed at manufacturers and

retailers (second parties) and complaints to third parties (i.e., a public consumer protection agency, voluntary organisation, ombudsman or court) (Singh, 1988; Halstead & Dröge, 1991).

However, conceptualising consumer complaint behaviour as formal complaint behaviour only is generally considered to be exceedingly restrictive (Singh, 1988; Halstead & Dröge, 1991). Generally, it has been found that relatively fewer formal complaints are made than would be expected from expressed levels of dissatisfaction (Barnes & Kelloway, 1980; Ash in Oliver, 1987; Dolinsky, 1994; Tronvoll, 2007). Additionally, a large majority of dissatisfied consumers never complain to the retailer, manufacturer or a third party (Day & Ash, 1979; Tronvoll, 2007). Therefore, since we can safely assume that retailers, manufacturers and third parties receive complaints or requests for redress from an unrepresentative sample of the total population of consumers who have experienced dissatisfaction, complaint statistics grossly understate the frequency of dissatisfaction (Day & Landon, 1976; Landon, 1980; Day, Grabicke, & Schaetzle Staubach, 1981).

Contrary to formal complaints, which are evident to retailers and manufacturers, the typical dissatisfied consumer could take part in a variety of “hidden” or indirect activities including boycotting the retailer, changing brands, boycotting the product type, and engaging in adverse word-of-mouth “marketing” (Day *et al.*, 1981; Goodwin & Spiggle, 1989). Studies show that dissatisfied consumers will typically tell eight to ten people about their problem (Plymire, 1991; Sanes, 1993; Halstead, 2002). Consequently, far larger numbers of unknown dissatisfied consumers respond in covert ways that never come to the retailer or manufacturer’s attention (Day *et al.*, 1981).

Furthermore, numerous studies have indeed documented that a common response to consumer dissatisfaction is to “do nothing”. Non-behavioural responses should be considered legitimate forms of consumer complaining, despite the passive nature thereof (Singh, 1988; Halstead & Dröge, 1991). The inclusion of non-behavioural responses as forms of consumer complaining, appears not only to be justified but also necessary to comprehend the process underlying the consumer complaint behaviour response (Singh, 1988; Crié, 2003).

Consumer complaint behaviour responses may therefore be considered to be either behavioural or non-behavioural (Singh, 1988; Morel, Poiesz & Wilke, 1997). Singh (1988:94) in particular argues that consumer complaint behaviour should be conceptualised as “a set of multiple (behavioural and non-behavioural) responses, some or all of which are triggered by the perceived dissatisfaction with a purchase episode”.

2.3.2 Models of consumer complaint behaviour

While there is considerable consensus about the conceptual meaning of the consumer complaint behaviour construct, only a few researchers have offered specific models for dissatisfaction responses, some of which seem valid and useful (Hirschman, 1970; Day & Landon, 1977; Singh, 1988; Crié, 2003), while others are questionable (Maute & Forrester, 1993; Morel *et al.*, 1997).

2.3.2.1 Hirschman's exit, voice and loyalty typology

Hirschman's (1970) three-dimensional exit, voice and loyalty classification was initially used to describe peoples' dissatisfaction responses in interpersonal, organisational and employment contexts. Maute and Forrester's (1993) study offers strong empirical support for the validity of Hirschman's classification of dissatisfaction responses, not only for describing dissatisfaction responses in interpersonal, organisational and employment contexts, but also in buyer-retailer relationships. Kim *et al.* (2003) used Hirschman's framework as the conceptual foundation for their model to study the effect of attitude and perception on consumer complaint intention. Exit occurs when people "disassociate themselves from the object of their dissatisfaction and manifests itself in buyer-retailer relationships when consumers switch brands or service providers, reduce their consumption or refuse to make further purchases of a product" (Maute & Forrester, 1993:222. Voice implies that the dissatisfied consumer, in some way, verbally communicates the dissatisfaction to friends, manufacturers, retailers and consumer organisations. Lastly, a customer may choose not to act, thereby remaining loyal. Hirschman notes, however, that even though loyal consumers are inclined to respond to their dissatisfaction passively, it does not imply that they experience positive feelings towards the retailer or manufacturer (Hirschman, 1970:4, 30, 38; Maute & Forrester, 1993; Bolton & Bronkhorst, 1995; Mattsson *et al.*, 2004). Hunt (1991) borrowed from Hirschman's typology to describe three dissatisfaction outcomes. Voice and exit coincided with Hirschman's typology, and retaliation was added as a third.

2.3.2.2 Day and Landon's taxonomy of consumer complaint behaviour

Day and Landon's (1976) taxonomy of consumer complaint behaviour, as shown in Figure 2.2, has achieved wide acceptance in consumer complaint behaviour literature (Broadbridge & Marshall, 1995).

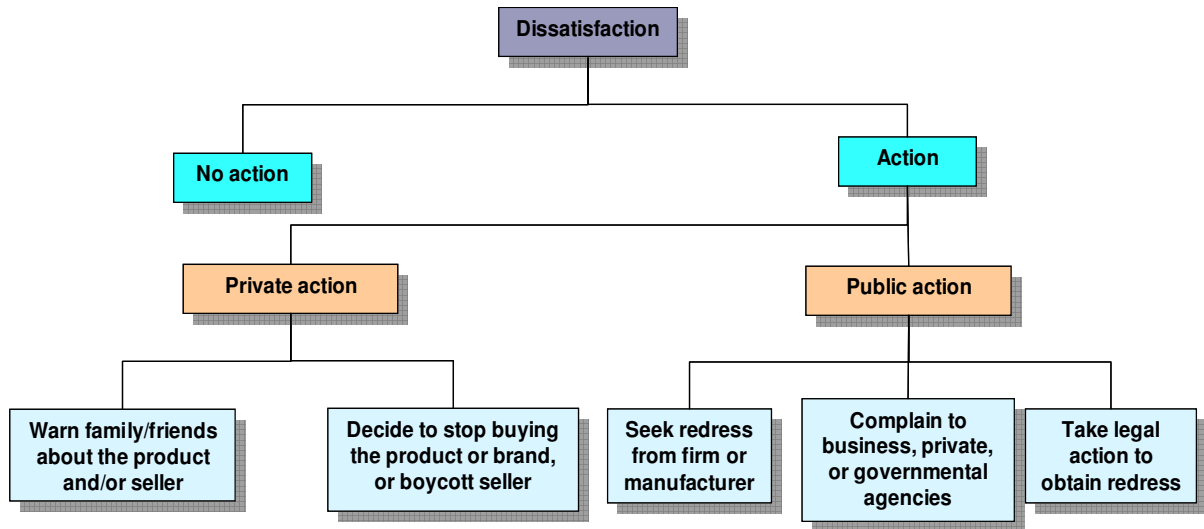


FIGURE 2.2: A TAXONOMY OF CONSUMER COMPLAINT BEHAVIOUR (Day & Landon, 1977:432)

Figure 2.2 shows that under Day and Landon's taxonomy, 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 warning family and friends about the product and/or seller, boycotting the type of product and switching brands or retailers. Additionally, 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, complaining to a public consumer protection agency, complaining to a voluntary organisation or the media, or taking legal action against the retailer or manufacturer (Day & Landon, 1977:229-432; Day & Bodur, 1978; Broadbridge & Marshall, 1995; Phau & Sari, 2004). Obviously, combinations of private and public actions may occur.

The primary decision is, however, whether to take some form of action or no action at all. Whereas the first-level distinction between action and no action logically follows from the conceptualisation of consumer complaint behaviour, Day and Landon (1976) seem to justify the public/private dichotomy (the second level of distinction) on the grounds of the nature and importance of the product which is causing the dissatisfaction, together with the evaluation of the effort required and perceived outcome of the action. They hypothesise that complex and expensive products, such as major electrical household appliances, encourage more action to be taken publicly but feel that "the chances that the consumer will do nothing at all or only take private action are lower but still appear to be substantial" (Day & Landon, 1977:432; Maute & Forrester, 1993; Broadbridge & Marshall, 1995; Stephens & Gwinner, 1998; Cri e, 2003). Action

is thus more likely to be taken for expensive products such as household durables, cars, and clothing than for inexpensive and unimportant products (Solomon, 1996:326).

Day and Landon's taxonomy does not only describe the behavioural alternatives that dissatisfied consumers have, but also propose factors that influence choice among these alternatives (Day & Landon, 1977:433-435; Morel *et al.*, 1997). Their model of consumer complaint behaviour has achieved wide acceptance in consumer complaint behaviour literature. It was used as the base model for Broadbridge and Marshall's (1995) research to investigate levels of post-purchase dissatisfaction with electrical goods, and to explore the consumers' complaint action undertaken. Electrical goods were conceptualised as including food appliances, cleaning appliances, kitchen appliances, audio appliance, visual appliances, general household items and personal care items. Their study focused on consumers' dissatisfaction with *inter alia* product faults, advertising, damages (losses), credit finance, shop service, repairs and delivery. The findings show that for all types of electrical appliances, the product (as opposed to service) was initially reported as the greatest source of consumer dissatisfaction. Furthermore, consumer dissatisfaction was intensified as consumers sought redress, owing to poor customer service levels of electrical retailers. The main product problem area was found to be cleaning appliances.

2.3.2.3 Singh's taxonomy of consumer complaint responses

Singh (1988) developed a three-dimensional typology that distinguishes various consumer complaint behaviour responses on the basis of the object at which the response is directed. (Refer to Figure 2.3).

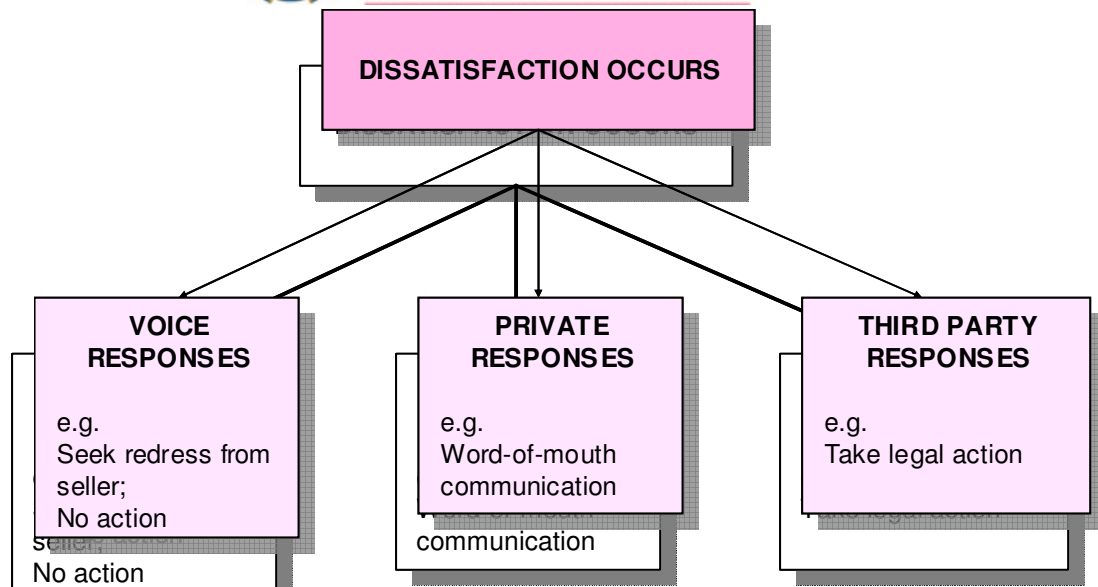


FIGURE 2.3: PROPOSED TAXONOMY OF CONSUMER COMPLAINT BEHAVIOUR RESPONSES (Singh, 1988:101)

The criterion for classification is based on identifying the object at which the consumer complaint behaviour responses are directed. According to Singh (1988), voice consumer complaint behaviour is directed at objects that are external to the consumer’s social circle and are directly involved in the dissatisfying experience (e.g. retailer, manufacturer). Non-behavioural responses are also included in this category. Similar to voice consumer complaint behaviour, third party consumer complaint behaviour includes objects that are external to the consumer but are not directly involved in the dissatisfactory transaction (e.g. consumer agencies, legal agencies and newspapers). The private consumer complaint behaviour category includes objects that are not external to the consumer’s social circle and are not directly involved in the dissatisfying experience (e.g. family, friends). Thus the external/not external and involved/not involved criteria are used to categorise consumer complaint behaviour action into the proposed categories of the taxonomy (Singh, 1988). While Singh’s classification achieved statistically significant improvements relative to the hierarchical typologies proposed by Day and Landon, several aspects of the classification raise questions about the extent to which the classification captures the structure of the consumer complaint behaviour construct. In Singh’s typology, the object of the consumer complaint behaviour response takes on greater importance than the behaviour itself (Maute & Forrester, 1993).

For the purpose of this research, Day and Landon’s taxonomy serves as base model to investigate the specific consumer’s complaint actions taken in response to his/her dissatisfaction with major electrical household appliances. In the proposed conceptual framework guiding this

study, Day and Landon's taxonomy is integrated with Weiner's (1986) causal attributional dimensions (the latter being an intervening variable between the disconfirmation process and consumers' dissatisfaction), and other factors mediating consumers' complaint behaviour concerning their dissatisfaction with major electrical household appliances. Refer to Chapter 4 for the integrated conceptual framework.

2.3.3 Factors affecting consumer complaint behaviour

Consumer complaint behaviour is presumably triggered by feelings of dissatisfaction with a product (Singh, 1988; Morel *et al.*, 1997; Halstead, 2002). Although theoretical and empirical support exists for an inverse satisfaction-complaining relationship, dissatisfaction has been found to explain only a small percentage of complaining behaviour (Day, 1984; Oliver 1987; Halstead & Dröge, 1991; Singh & Pandya, 1991; Blodgett & Granbois, 1992). This implies that dissatisfaction is a necessary, but not sufficient condition for complaining behaviour (Day *et al.*, 1981; Blodgett & Granbois, 1992, Tronvoll, 2007). Thus, although many researchers would agree with the central concept that dissatisfaction is a fundamental determinant for complaining behaviour (Singh, 1988; Morel *et al.*, 1997; Crié, 2003; Ndubisi & Ling, 2006; Onyiaso, 2007), most would qualify this proposition to include additional variables beyond satisfaction to fully explain consumer complaint behaviour (Day, 1984; Jacoby & Jaccard in Oliver, 1987; Halstead & Dröge, 1991; Halstead, 2002).

Many factors influence dissatisfied consumers' decision whether to engage in action (specifically the type of complaint action that might be taken) or no action (Day *et al.*, 1981; Broadbridge & Marshall, 1995). The complaining behaviour of consumers is not simply a matter of perceived satisfaction or dissatisfaction with a product or service (Day & Landon, 1976). It involves many other factors such as the demographic and psychological characteristics of individual consumers as well as various situational factors related to the product itself, or to the time, place and circumstance of purchase and use (Day & Landon, 1976:268; Goodwin & Spiggle, 1989; Halstead & Dröge, 1991; Stephens & Gwinner, 1998).

Therefore, the division of influencing factors into consumer-related variables, product-specific variables and redress environment variables aids researchers in understanding the process by which consumers determine what, if any, action will be taken after experiencing dissatisfaction (Day & Landon, 1977; Goodwin & Spiggle, 1989).

Because one of the main objectives of consumer complaint behaviour research is to determine which type of complaining behaviour(s) will be undertaken, and why, these three factors will each be discussed in detail.

2.3.3.1 Consumer-related variables

Consumer-related variables refer to characteristics that are associated with or determined primarily by consumers (i.e. individual factors). Consumer characteristics which may affect complaining behaviour decisions include among other things: demographics (Bearden & Oliver, 1985; Bolting, 1989; Ndubisi & Ling, 2006; Tronvoll, 2007), personality factors (Bolting, 1989; Sheth *et al.*, 1999:551; Sharma & Marshall, 2005; Bodey & Grace, 2006), attitudes (Richins, 1982; Halstead & Dröge, 1991; Kim *et al.*, 2003; Velázquez *et al.*, 2006), personal values (Keng & Liu, 1997; Stephens & Gwinner, 1998; Liu & McClure, 2001), culture (Day *et al.*, 1981; Richins, 1987; Au *et al.*, 2001; Blodgett *et al.*, 2006), knowledge and experience as consumers (Singh, 1990a; Somasundaram, 1993; Broadbridge & Marshall, 1995), and causal attributions for product failure (Folkes, 1990:143-158; Weiner, 2000; Laufer, 2002).

The incidence and likelihood of complaining has been found to vary based on individual consumer demographic characteristics (Dolinsky, 1994; Phau & Sari, 2004). Complainers tend to hold professional jobs, earn higher incomes, are well educated and younger than non-complainers. Some authors, however, dispute this and have proposed that the “elderly, poor and individuals low in education do not necessarily react more passively to perceived dissatisfaction” (Grønhaug & Zaltman, 1981; Singh, 1990b; Broadbridge & Marshall, 1995:11; Crié, 2003; Ndubisi & Ling, 2006; Tronvoll, 2007). Nevertheless, in general, findings have been fairly consistent with regard to age, income, education and profession as possible determinants of consumers’ propensity to complain (Broadbridge & Marshall, 1995).

Consumers’ personality traits and psychological characteristics also play an important role in complaining behaviour. Consumers differ in self-confidence and in their degree of aggressiveness or submissiveness. Complainers have been found to be more assertive, self-confident and in personal control of their life experiences (internal control) relative to non-complainers (Bolting, 1989; Singh, 1990a; Sheth *et al.*, 1999:551; Bodey & Grace, 2006). However, it should be pointed out that researchers have found that most demographic variables and underlying personality traits provide very little explanatory power in explaining differences in consumer complaining behaviour (Richins, 1987; Blodgett & Granbois, 1992; Stephens & Gwinner, 1998). Goodwin and Spiggle (1989:217) propose that a consumer’s self-definition as a

complainer may also affect complaining decisions. In making a complaint, the consumer needs to take on the role-identity of “complainer”. People are reluctant to include this identity as part of the “self” because they tend to disassociate themselves strongly from negative identities (McCall & Simmons in Goodwin & Spiggle, 1989:217). This might explain why people often do not like to complain or do not take part in complaint activities.

Several studies support the role of attitudes toward complaining as direct positive antecedents of either complaining intentions or complaining behaviour (Richins, 1982; Day, 1984; Halstead & Dröge, 1991). Singh in Halstead and Dröge (1991:11) indicated that the normative dimension of attitude (“I should complain”) positively and significantly influenced consumers’ intention to seek redress. Consumers who have a favourable attitude toward complaining will be more likely to seek redress from the retailer (Singh, 1990b; Blodgett & Granbois, 1992; Kincade *et al.*, 1998; Velázquez *et al.*, 2006). Consumers’ attitudes toward business, government, consumer organisations and complaining have been studied in order to predict complaining behaviour, but the results have been mixed (Barnes & Kelloway, 1980; Halstead & Dröge, 1991).

Keng and Liu (1997) investigated the relationship between personal values and complaint behaviour in an Asian setting. Respondents made a selection from a list of values according to which they were categorised as self-oriented or as group-oriented. Group-oriented consumers resorted to private action, while their self-oriented counterparts were more prepared to opt for public actions.

Research has indicated that consumers in different cultures have different complaint behaviours and intentions (Day *et al.*, 1981; Richins, 1987; Au *et al.*, 2001; Liu & McClure, 2001). Liu and McClure’s (2001) study empirically confirmed that when dissatisfied, consumers in a collectivistic culture (South Korean consumers) are less likely to engage in voice behaviour but are more likely to engage in private behaviour than those in an individualist culture (US consumers). Cross-cultural differences might explain variation in the relationship between word-of-mouth and product problem variables for American and Dutch Consumers (Richins, 1983, 1987; Crié, 2003).

Different motivations for purchase and different experiences in the past can affect both the evaluations and post-purchase behaviour of the consumer (Day, 1977, 1984). The consumer with considerable experience in purchasing and using many products or services will have had an opportunity to learn the key dimensions of performance of an item and develop a basis for forming specific prior expectations of performance and for evaluating actual performance. The

inexperienced consumer, on the other hand, will presumably perform more poorly both as a buyer and as an evaluator (Day, 1977). Singh (1990b) found that prior experiences provide part of the descriptors for predicting redress behaviour, specifically complaint behaviour. In general, complainers tend to have more prior experience of complaining compared to non-complainers. Knowledge of unfair practices, consumer rights and where and how to make complaints has been found to co-vary positively with complaining behaviour (Singh, 1990b). The more knowledgeable consumer is less likely to have an unsatisfactory experience, and is more likely to be able to resolve it on his/her own or to obtain redress with relatively little friction (Day & Landon, 1977:434). The less knowledgeable and more inexperienced consumer will be less able to judge product performance and evaluate the goods and services that he/she uses. In addition, such a consumer will be unfamiliar with procedures for seeking redress and registering complaints (Day & Landon, 1976; Day, 1977; Barnes & Kelloway, 1980).

The role of attributional processing in consumer complaint behaviour has been studied by numerous researchers (Folkes, 1990:143-158; Weiner, 2000; Au *et al.*, 2001; Laufer, 2002). To lead to consumer complaint behaviour, the consumer has to identify the party responsible for his/her dissatisfaction during a given consumption episode (Crié, 2003). Since particular attention is given to attribution theory and its application to consumer complaint behaviour in this study, it is only mentioned in this section, as a comprehensive discussion follows in the section about attribution theory. (Refer to Chapter 3).

Very little, if anything, is known about the influence of these characteristics on the complaint behaviour of consumers of major electrical household appliances, and it is therefore proposed that all these factors be included in a comprehensive conceptual framework. It would, however, probably be unfair to expect of one single research project to investigate the influence of all the aforementioned factors; they should rather be categorised as demographics, personality factors and others.

2.3.3.2 Product-specific variables

Product-specific variables have been shown to be factors in predicting post-purchase behaviour of some products and consumer services (Singh, 1991; Kincade *et al.*, 1998). Product-specific variables related to complaint behaviour include: the nature or type of product (product category) (Kincade *et al.*, 1998), cost of the product (Gilly & Gelb, 1982; Kincade *et al.*, 1998; Stephens & Gwinner, 1998), durability (Day & Landon, 1977:434; Kincade *et al.*, 1998), importance of the product to the consumer (Stephens & Gwinner, 1998; Sheth *et al.*, 1999:550), dissatisfaction

with the product (Day & Bodur, 1978; Bearden & Teel, 1983; Goodwin & Spiggle, 1989), the type of product failure (Kincade *et al.*, 1998), and severity of the dissatisfaction or problems caused by the dissatisfaction (Richins, 1987; Goodwin & Spiggle, 1989).

Broadbridge and Marshall's (1995) study illustrated that for appliances product-specific factors had a great influence on whether a dissatisfied consumer sought redress, complained publicly and/or privately, or did nothing. Major appliances generated a high ratio of public to private complaints. The nature, complexity, life expectancy and price of the product were factors causing a high public action ratio. Smaller, inexpensive electrical goods generated the fewest complaints.

It is generally accepted in consumer complaint behaviour theory that highly priced, complex products with a relatively long life expectancy generate a higher incidence of public complaints (Day & Landon, 1977:432; Broadbridge & Marshall, 1995). Broadbridge and Marshall's (1995) and Kincade *et al.*'s (1998) research respectively confirmed that redress-seeking action occurred more frequently as the cost of electrical appliances and apparel increased.

More attempts to seek redress were noted in studies of durable goods and services than for non-durable items (Denier in Broadbridge & Marshall, 1995; Kincade *et al.*, 1998). "Redress for a durable product may be considered worth it in contrast to a return trip to complain about a product with a short life expectancy" (Kincade *et al.*, 1998). Grønhaug (1977) observed great variations in consumers' propensity to complain across a variety of durables (textiles, cars) and non-durables (groceries), with products high in perceived risk receiving the most complaints.

The functional and symbolic performance dimensions of products (already discussed in par. 2.2.2 above) relate to the type of product failure. Kincade *et al.* (1998:84) defined product failure as "the failure of the product to maintain the desired quality after purchase". Differently stated, product failure occurs when actual product performance is worse than the consumers' initial expectations. For analysis, Kincade *et al.* (1998) grouped apparel failures into functional performance failures and symbolic performance failures. This classification may be even more applicable to expensive, durable and conspicuous products such as major electrical household appliances.

Some dissatisfactions are relatively minor and may not justify the effort to make a complaint (Maute & Forrester, 1993). However, some, such as complete product breakdown or safety hazards of a defective product, are more serious and thus more likely to result in complaint

action (Barnes & Kelloway, 1980; Richins & Verhage, 1985). The decision on how to respond to an unsatisfactory product thus appears to be partly determined by the severity of the problem.

Not all dissatisfaction is salient (i.e. bothersome to costumers). Generally, small gaps (discrepancies) between performance and expectations are ignored; moreover, even substantial gaps are not likely to be noticed if the product or service is unimportant. Thus, the importance of the product or service and the degree of the performance-expectations gap determine dissatisfaction salience, which in turn determines the likelihood of consumer complaints (Sheth *et al.*, 1999:550).

Product-related variables, specifically the severity of the problem (product failure) will be addressed in this study. In the South African marketing environment, where there exists a major knowledge void regarding consumers' satisfaction with their choice of major electrical household appliances, it is of the utmost importance that consumers' complaint behaviour regarding the product performance failure should be studied.

2.3.3.3 Redress environment variables

Redress environment variables refer to factors that are controlled or primarily influenced by retailers (Richins & Verhage, 1985; Goodwin & Ross, 1990; Halstead & Dröge, 1991; Dolinsky, 1994). Factors in the redress environment that affect consumer complaint behaviour include perceptions of the retailer's responsiveness to customer complaints (i.e. the retailer's willingness to provide a remedy for the dissatisfaction should a consumer complain) and the consumer's perceived trouble (inconvenience) involved in making a complaint (Gilly & Gelb, 1982; Bearden & Teel, 1983; Richins, 1983; Maute & Forrester, 1993; Huppertz, 2003). Other variables subsumed under the latter include the psychological cost of complaining, time lost (Dolinsky, 1994) and the monetary cost of complaining (Richins, 1982; Day, 1984; Bearden & Oliver, 1985).

Consumers' evaluation of retailers' responsiveness to their complaint in terms of the fairness of the redress offered (i.e. the amount of the refund or exchange offered) and the fairness of the procedures used in settling complaints (i.e. how speedily retailers responded, whether retailers responded in a respectful manner, whether consumers could provide their perspective of what happened or went wrong) (collectively called "perceived justice/fairness"), will largely determine whether that consumer will engage in consumer complaint behaviour (Goodwin & Ross, 1990; Blodgett & Granbois, 1992; Sheth *et al.*, 1999:551; Kau & Loh, 2006). It is important to note that

consumers are more likely to voice their complaints when there is a more positive perception of the retailer's responsiveness to consumer complaints (Richins, 1983; Loudon & Della Bitta, 1993:581; Sheth *et al.*, 1999:550). When consumers doubt that retailers will respond to complaints, consumers might consider complaining to be a waste of effort (Sheth *et al.*, 1999:550). Additionally, retailers with well-known reputations for providing fair redress often encourage consumers to complain (Halstead & Dröge, 1991). Linking with "retailer responsiveness", the likelihood of success construct refers to the perceived probability that the retailer will remedy the problem without protest (Blodgett & Granbois, 1992). Several researchers have found the likelihood of success construct to be one of the more important determinants of complaining behaviour (Richins, 1983, 1987; Halstead & Dröge, 1991; Blodgett & Granbois, 1992). Consumers who perceive the probability of success to be high are more likely to voice their complaints, while consumers who perceive the probability of success to be lower are more likely to take their custom elsewhere and/or engage in negative word-of-mouth behaviour (Blodgett & Granbois, 1992). Richins (1983) concluded that the perceived likelihood of success and trouble involved in making a complaint correlated with negative word-of-mouth as choice of complaint behaviour.

Several factors relate to a consumer's estimate of the probability of success (Day *et al.*, 1981; Richins, 1983). The nature of the product causing the dissatisfaction undoubtedly affects consumers' expectations of restitution. Whereas small appliances are usually replaced or refunded, major electrical appliances are usually repaired rather than replaced if they are faulty (Richins, 1983). Previous experience in seeking redress will also be valuable to a consumer in estimating the probability of success in a new situation. Past experience in buying and using the product is also helpful in determining the probability of success of a complaint action (especially in the absence of previous complaining experience or knowledge of a store's reputation), because the consumer will very well understand what the problem is, how it can be remedied and what the seller's or manufacturer's responsibility is (Day *et al.*, 1981).

Factors related directly to the trouble involved in making complaints include: making a special trip to the retailer to complain, the time and effort in filling out forms, difficulty finding complaint procedures and mechanisms (Richins, 1983). If the complaint handling mechanism for the unsatisfactory product does not cause the consumer to go through a great deal of inconvenience, the likelihood of formal complaining may be increased (Richins & Verhage, 1985; Halstead & Dröge, 1991; Dolinsky, 1994; Huppertz, 2003). Richins (1982) indicated that objective costs or trouble involved in formal complaining influence people's feelings toward

complaining. Formal complaining involves trouble, time and occasionally monetary costs. The greater the perceived cost, the lower the likelihood for complaining.

Psychological costs (contributing to the inconvenience) that might discourage formal complaint action include: being treated rudely or unpleasantly, being blamed for unsatisfactory performance, having to bother someone in making the complaint, and possibly being embarrassed while complaining (Day *et al.*, 1981; Richins, 1983). Halstead and Dröge (1991) noted that some consumers loathe being perceived as a nuisance or as troublemakers, and that this could inhibit them from engaging in formal complaint behaviour. Negative affect or unpleasant feelings experienced by some consumers during the complaining process (e.g. embarrassment or annoyance) are actually consumer-related factors (Halstead & Dröge, 1991), but since retailers have control over the manner in which they treat their customers (“the customer is always right”) and therefore may influence their customers’ (in)convenience experienced during the complaining process, it is included in this discussion.

Although the focus of this study is not on redress environment variables as such, it is, however, important to note that these variables can be applied to explain why particular consumer complaint actions were taken or not.

2.3.4 Reasons why consumers do not complain

Reasons why dissatisfied consumers do not complain include consumers’ perceptions that complaining would not be worth their time and effort (implying that the costs of taking action would exceed the value of any likely result) (Day *et al.*, 1981; Hawkins *et al.*, 2001:642; Kim *et al.*, 2003). Some consumers simply do not know where and how to complain. Other possible explanations include the emotional difficulties that individuals encounter when complaining and the cultural inappropriateness of doing so. Most people find it very difficult to share their feelings with others (to reveal a part of their emotional self) when complaining. Furthermore, it has been suggested that organisations typically do not encourage customer feedback or complaints (Plymire, 1991; Dolinsky, 1994). Additionally, many consumers do not complain because they are afraid of retribution (the retailer/manufacture will counterattack (Kim *et al.*, 2003; Goodman, 2006). In many cases, complaint channels are not easy to use. According to Hawkins *et al.* (2001:642), it is however important to note that when no action is taken, the consumer’s attitude toward the retailer or brand is likely to be less positive than before.

2.4 IMPLICATIONS OF COMPLAINING FOR THE MARKET PLACE AND INDIVIDUAL CONSUMER

Consumers' complaints are destructive to business when retailers are not aware of them. This can be the result of consumers themselves not communicating their dissatisfaction directly to retailers, or of retailers not listening to the complaints. Without consumers' feedback, retailers are unaware of product or service shortcomings (Sanes, 1993) – knowledge that would have compelled retailers to identify quality differences and to remedy problems (Stephens & Gwinner, 1998). Manufacturers' and retailers' resistance to listening and responding to consumer complaints increases the likelihood that consumers will complain in private (i.e. negative word-of-mouth to family and friends) and to third parties (ombudsmen, local consumer agencies, trade associations etc.) (McAlister & Erffmeyer, 2003). Negative word-of-mouth communications are generally considered detrimental to retailers and manufacturers (Halstead, 2002; Rousseau, 2003a:461) since it can damage the company's reputation (Richins, 1983; Clopton, Stoddard & Clay, 2001), resulting in the loss of potential and existing consumers (Stephens & Gwinner, 1998:172), as well as negatively affecting the company's revenue (Sanes, 1993; Broadbridge & Marshall, 1995). By simply listening to complaints, brand loyalty can be greatly enhanced. The important issue at hand is to encourage dissatisfied consumers to complain to retailers and manufacturers, rather than to engage in negative word-of-mouth or complain to third parties about their product problems (Blodgett & Granbois, 1992; Loudon & Della Bitta, 1993:583; Kim *et al.*, 2003).

Companies discourage complaints when they do not provide convenient opportunities for complaining and when shop assistants display negative attitudes toward complainers (e.g. do not respond to consumer complaints in a courteous manner) (Sheth *et al.*, 1999:552). Furthermore, repatronage is less likely if the complaint is unsuccessfully redressed (Sheth *et al.*, 1999:551; Nyer, 2000; Clopton *et al.*, 2001). The reason for this is that, in addition to the dissatisfaction due to product failure, consumers experience further dissatisfaction due to the psychological blocks put on them by retailers and manufacturers when the latter turn a "deaf ear". When perceived justice seems not to have occurred, the hostility on the part of the consumer increases (Barlow & Møller, 1996:11; Sheth *et al.*, 1999:551).

The ability to handle consumer complaints effectively is an important strategic consideration for consumer-orientated companies (Hill *et al.*, 2000). So important, in fact, that Hill *et al.* (2000) argue for systematic training programmes that will enhance employees' ability to handle complaints. Such training programmes require of companies to understand both the content and

the delivery of the complaint and employees' responses. Similarly, Broadbridge and Marshall (1995) maintain that the need for retailers to understand consumers' complaint behaviour and respond to it effectively, remains an increasingly important issue in the provision of the retail service offering.

Formal or registered complaints frequently bring about apologies and assurances of regret. These assurances can serve the dual purpose of restoring faith in the service provider while informing consumers or educating them about the service process. This, in turn, helps consumers in making judgements that will preserve future exchanges and relationships (Hill *et al.*, 2000).

Efficient complaining furthermore has important implications for the individual consumer. Apart from the possibility of obtaining redress, the act of complaining in itself also has various psychological benefits (Bennet, 1997; Nyer, 2000). Depending on the psychological make-up of the individual, complaint action might be viewed as an opportunity to vent anger or frustration, to prevent the retailer or manufacturer from selling a bad product (policing the marketplace), to elude a sense of guilt for not complaining and to assert one's rights as a consumer, or as an unpleasant and degrading hassle (Day *et al.*, 1981; Bennet, 1997; Nyer, 1997). Thus, being able to register a complaint, to have it investigated and receive feedback on that investigation is an important mechanism for protecting and empowering consumers (Hogarth & English, 2002).

By providing a medium for dissatisfied consumers to complain, companies have the opportunity to resolve problems (whether they are company or consumer induced), provide explanations and/or appropriate forms of redress, increase consumer satisfaction, retain consumers as active purchasers and increase marketplace efficiency (Sanes, 1993; Consumer Alert, 2003; Hogarth & English, 2002; Huppertz, 2003; Kim *et al.*, 2003). However, this requires that consumers must communicate to retailers and manufacturers in the first place to prevent them not noticing the problem.

2.5 CONCLUSION

Bearing the above discussion on the implications of complaining for the retailer and the consumer, in mind, it is not difficult to comprehend why Barlow and Møller (1996:2) use the metaphor of "complaints as gifts" and Sanes (1993:78) considers complaints as "hidden treasures". Complaints should thus be thought of in a positive light, i.e. as important feedback mechanisms, and not as "to quibble, to moan and groan, to give someone a hard time, or to find

fault” (Barlow & Møller, 1996:2). Additionally, people are more likely to talk about negative experiences to their friends than they are to boast about positive outcomes (Solomon, 1996:326; Halstead, 2002). Therefore, retailers and manufacturers should encourage consumers to complain to them and provide information about products that do not meet their needs. Barlow and Møller (1996:2) further state that the time has come for all businesses to think of complaints handling as a strategic tool and a marketing asset, rather than an annoyance. It is therefore essential that the management of consumer-orientated companies understand the value of paying attention to and dealing with consumer complaints (Sheth *et al.*, 1999:552; Kim *et al.*, 2003; Goodman, 2006). Implementing fair policies concerning redress procedures and companies’ appropriate reaction to complaints are legitimate and ethical acts toward the consumer (Terblanche & Boshoff, 2001, 2003; Crié, 2003).

More consumer research focusing on post-purchase expectations, levels of dissatisfaction, complaint behaviour and factors affecting complaining behaviour concerning expensive household durables, such as major electrical household appliances, should be executed to enable the development of strategies to effectively address these issues. These strategies will help to prevent potential consumer problems due to dissatisfaction with product performance since retailers and manufactures can improve existing products upon learning about product problems. In addition, marketers will also be able to identify new consumer needs (Rousseau, 2003a:463). The study of complaining behaviour is priceless since it provides understanding and insight about retailers’ and manufacturers’ business and the consumers who support or otherwise avoid their business. Consumers who care enough to complain are more valuable to a manufacturer or retailer than non-complainers who simply walk out and take their business to a competitor. When consumers leave quietly and take part in hidden complaint actions, retailers and manufacturers will never know why and will therefore never get the opportunity to resolve problems (Crié, 2003; Bodey & Grace, 2006).

In retrospect, the literature on consumer complaint behaviour serves as background to further an understanding of the functional and symbolic performance failures of major electrical household appliances (Objective 1), consumers’ accompanying dissatisfactions (Objective 1), the nature of their subsequent complaining behaviour (Objective 2), and their reasons for engaging in particular complaint actions (Objective 2). Additionally, it provides the background knowledge for studying the relationships between consumer-related variables (i.e. demographics) and consumer complaint behaviour (Objective 4), and between product-related variables (specifically the severity of the product failure) and consumer complaint behaviour (Objective 5).