

An investigation of complainants' post-complaint  
responses following evaluations of retailers' complaint handling  
of major household appliance failures

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of major household appliance failures

by

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## DECLARATION

I declare that this dissertation, which I hereby submit for the degree of M Consumer Science (Interior Merchandise Management) at the University of Pretoria, is my own work and has not previously been submitted by me for a degree at this or any other tertiary institution.



.....

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## SYNOPSIS

**An investigation of complainants' post-complaint responses  
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Complaint handling encounters represent useful opportunities for retailers to rectify problems, salvage the relationship between the retailer and the customer, and increase customer satisfaction and customer loyalty. Service recovery (complaint handling) therefore becomes critical “moments of truth” for organisations in their efforts to satisfy and retain customers.

The purpose of the research was to explore and describe complainants' evaluations of appliance retailers' complaint handling procedures in terms of their perceptions of justice. In addition, the relationships between perceived justice and emotions and perceive justice and post-complaint behavioural intentions were explored.

The unit of analysis was consumers who had encountered an appliance failure and had sought redress from the appliance retailer where the appliance was originally purchased (within a one-year recall period). This study used a cross-sectional survey approach to capture real perceptions of justice, emotions and behavioural intentions. Convenience sampling was employed in Tshwane, a major metropolitan area of South Africa. Data was collected via a self-administered questionnaire. A total of 198 usable questionnaires were collected.

The results of the exploratory factor analysis showed that respondents had specific expectations about retailers' complaint handling.

Confirmatory factor analysis indicated that the respondents indeed judged complaint handling in terms of procedural, interactional and distributive justice. They experienced procedural justice when complaint handling personnel followed company policy and the correct procedures in

handling their complaints, when the employees were competent, when they resolved complaints in a timely manner and made it easy for the dissatisfied consumers to voice their complaints.

The respondents experienced interactional justice when complaint handling personnel treated them with respect (were polite), made it easy for them to determine where to lodge their complaints (i.e. to whom they should complain in the company), communicated clearly (with adequate use of language), were appropriately concerned about the problem, took great effort in resolving the complaint, and provided them with an appropriate explanation as to why the appliance has failed. Verbal communication about where to complain forms part of respondents' perception of the fairness of the interpersonal communications used in settling complaints factor, rather than the procedural justice factor.

The respondents experienced distributive justice when they perceived that the redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) offered by the retailers was more they expected, was fair, was what they deserved or was what they needed.

Respondents perceived that retailers' were fair concerning procedural justice and distributive justice, but unfair concerning interactional justice.

The strongest positive emotions that respondents experienced were gratitude, happiness, being valued and joyfulness, while lower levels of warm feelings and pride were experienced. The strongest negative emotions that respondents experienced were anger, annoyance, being upset and being in a bad mood, while lower levels of guilt and sadness were experienced.

Relationships exist between respondents' perceptions of justice and their emotions, and between their emotions and post-complaint behavioural intentions (repurchase intentions, word-of-mouth intentions and third-party complaint intentions).

The study has important practical implications for appliance retailers.

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## LIST OF ACRONYMS

ANOVA	Analysis of variance
CCB	Consumer complaint behaviour
CFA	Confirmatory factor analysis
CFI	Comparative Fit Index
EFA	Exploratory factor analysis
ESRE	Emotions during service recovery efforts
LSM	Living Standards Measure
NNFI	Non-normed fit index
RECOVSAT	Recovery satisfaction
RMSEA	Root mean square error of approximation
RMR	Root mean square residual
SAS	Statistical analysis system
SPSS	Statistical package for the social sciences
SAARF	South African Advertising Research Foundation

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## CHAPTER 1

### THE STUDY IN PERSPECTIVE

#### 1.1 INTRODUCTION

Complaints to retailers stem from customers' dissatisfaction with a negative consumption experience relating to product failures or service delivery failures (Nyer, 2000; Ngai, Heung & Chan, 2007). Customers view a failure as any situation in which something has gone wrong, irrespective of blame attributions (Broadbridge & Marshall, 1995). Consumers can react to product failures and service failures by engaging in consumer complaint behaviour (CCB), such as negative word of mouth and complaining formally to companies.

Although it is generally accepted in CCB theory that highly priced, complex products with a relatively long life expectancy, generate a higher incidence of public complaints, compared to inexpensive and non-durable products (Broadbridge & Marshall, 1995; Day & Landon, 1977:432), many dissatisfied consumers simply do not complain to the seller or service provider due to negative perceptions of the company or service providers' responsiveness to consumer complaints as well as the trouble and emotional costs involved in complaining (Donoghue & De Klerk, 2013). It is unfortunately also true that those consumers who do complain are in many cases not satisfied with retailers' complaint handling or service recovery efforts (Huppertz, 2007). It is therefore imperative for retailers to rectify mistakes by using effective recovery strategies (Kelly, Hoffman & Davis, 1993).

Service recovery refers to the action taken by a service provider to address a customer complaint regarding a perceived service failure (Grönroos, 1988; Kau & Loh, 2006). Although service failures are inevitable due to the unique characteristics of services (Broadbridge & Marshall, 1995), retailers can control their "redress environment" and service recovery efforts (Terblanche & Boshoff, 2001, 2003; Donoghue & De Klerk, 2009). Retailers can for example control their level of responsiveness to customer complaints, the manner in which complainants are treated, and the redress or tangible outcome of complaint handling.

In the context of Adams's (1965) equity theory, people feel fairly treated in social exchange relationships when they perceive their own economic outcomes as equal to their inputs. However, inequity exists if customers perceive that inputs and outcomes relative to the exchange relationship are unjust or unfair (Adams in Kau & Loh, 2006). In a service recovery

context, customer inputs could include the costs related to a service failure, such as economic, time, energy, and psychological costs. The outcomes could for example include the specific recovery tactics used, such as cash refund, apology, etc. The outcomes must be perceived to be fair or just by the customers in order for them to be satisfied with the service recovery (Kau & Loh, 2006).

The expectancy/disconfirmation paradigm proposes that the disconfirmation process (that results from comparing actual performance with expected performance expectations) represents the cognitive appraisal that leads to an affective reaction that is typically represented by consumer satisfaction/dissatisfaction (Churchill & Suprenant, 1982; Laufer, 2002). However, other cognitions such as attribution and justice perceptions may impact on consumer satisfaction. These cognitions could lead to a number of varying emotions, which could have stronger effects on behavioural reactions/intentions than consumer satisfaction/dissatisfaction per se (Donoghue, De Klerk & Isaac, 2012; Donoghue & De Klerk, 2013; Babin & Harris, 2011:289, 301). Bonifield and Cole (2008:365) also indicate that emotional dis/equilibrium after service failure impacts on customers' post-purchase behavioural intentions.

Complainants are usually very emotional due to their dissatisfaction with the specific product/service failure. When consumers do complain, their dissatisfaction is in many cases augmented by poorly attempted complaint handling procedures or service recovery efforts, causing them to be more disappointed in the company's action taken to address their complaints regarding a perceived product failure, than their initial discontent attributed to the product failure (Hart, Heskett & Sasser 1990; Berry & Parasuraman, 1991; Maxham III, 2001). Complainants who seek redress are therefore usually more emotionally involved and observant of the service recovery (Kau & Loh, 2006) and might experience more intense negative emotions if their complaints are not handled effectively (Hart *et al.*, 1990; Huppertz, 2007). Service recovery (complaint handling) therefore becomes critical "moments of truth" for organisations in their efforts to satisfy and retain customers (Au, Hiu & Leung, 2001; Davidow, 2003; Kau & Loh, 2006).

Complainants who believe that they have been treated with fairness or justice are more likely to experience positive emotions contributing to positive post-complaint behavioural intentions such as continuing supporting retailers and engaging in positive word of mouth. In contrast, when complainants perceive that retailers are unfair in their complaint handling, they are more prone to experience negative emotions, such as anger, that can be associated with switching intentions and negative word of mouth (Davidow, 2003; Schoefer & Ennew, 2005).

While positive post-behavioural outcomes are to the advantage of retailers, negative post-behavioural outcomes are to their detriment. For example, customer loyalty has definite financial benefits for retailers since the cost to recruit new customers is significantly higher than retaining existing ones (Boshoff, 1999:110). Retailers who handle complaints fairly, could restore the consumer's trust in them. Therefore, when retailers understand the influence of complaint handling on consumers' responses, it can be used as a tool to win a competitive advantage over competing companies/industries.

## 1.2 PROBLEM STATEMENT

Due to the importance of failure and recovery in customer satisfaction, researchers have devoted considerable effort to gain a better understanding of consumer behavioural reactions to failures and the consequences of different recovery strategies (Boshoff, 2005:411; Patterson, Cowley & Prasongsukarn, 2006; Krishna, Dangayach & Jain, 2011). In an appliance failure context, Broadbridge and Marshall's (1995) research confirmed that redress-seeking action occurred more frequently as the cost of electrical appliances increased. In a South African context, Rousseau's (1988) study on consumers' and retailers' perceptions of product failure identified household appliances as a major category of failure. In addition, Donoghue (2008) used Weiner's attribution theory to explain South African consumers' emotional and complaint behavioural intentions following attributions of appliance failure. However, these studies mainly focused on consumers' actual complaint behaviour concerning dissatisfactory appliances.

In service recovery literature, justice theory has been applied as a theoretical perspective for assessing the effectiveness of service recovery procedures (Blodgett, Hill & Tax, 1997; Chebat & Slusarczyk, 2005; Schoefer & Ennew, 2005; Dayan, Al-Tamimi & Elhadji, 2007). In a service recovery context, there are three dimensions of perceived justice: procedural justice (consumers' assessment of the fairness of the procedures in resolving complaints), interactional justice (consumers' assessment of the nature of the interpersonal treatment during the process), and distributive justice (the perceived fairness of the outcome of the service recovery/complaint handling). Perceived justice theory suggests that dissatisfied consumers will evaluate retailers' complaint handling in terms of these respective justice dimensions (Goodwin & Ross, 1992; Tax, Brown & Chandrashekar, 1998). In recent years, researchers have also demonstrated how emotions mediate the effect of perceived justice on post-complaint behavioural intentions (Chebat & Slusarczyk, 2005; Schoefer & Ennew, 2005).



South African researchers such as Boshoff (1999) developed the RECOVSAT (recovery satisfaction) instrument to measure the post-complaint satisfaction of service buyers with transaction-specific service recovery. In another study, Terblanche and Boshoff (2001) measured customer satisfaction with the controllable elements of the in-store shopping experience by developing a scale consisting of 5 dimensions: merchandise value, personal interaction, merchandise variety, internal store environment, and complaint handling. De Meyer, Petzer, Sviri and Svensson (2013) explored perceived justice in South African airline and hospital industries. By comparing the perceived justice in the hospital and airline industries, their research identified similarities and the applicability of the justice concept across service industries.

Although research has been done in a South African context concerning consumers' dissatisfaction with major household appliances and their subsequent complaint behaviour (Donoghue, 2008), little is still known about how complainants evaluate a retailers' response to their complaints concerning major household appliance. Furthermore, no empirical studies have specifically addressed how complainants' emotional responses to complaint handling influence their post-complaint behaviour intentions. Previous studies on consumers' complaint behaviour concerning appliance failures pointed to implications for retailers in terms of complaint handling or service recovery (Donoghue & De Klerk, 2009, 2013). Therefore, studies of perceived justice in the appliance retail industry could deepen our understanding of consumer reactions to complaint handling.

### **1.3 JUSTIFICATION**

The expectancy/disconfirmation paradigm, along with research on satisfaction/dissatisfaction, taxonomies of CCB and attribution theory, provides the theoretical foundation to explain why some dissatisfied consumers engage in initial consumer complaint behaviour(s) (Blodgett *et al.*, 1997; Babin & Harris, 2011). These theories, however, do not address consumer post-complaint behaviour. In service recovery literature, perceived justice theory provides the theoretical framework for the study of dissatisfied customers' post-complaint behaviours (Blodgett *et al.*, 1997). Although emotions are also thought to have an important role to play in consumer evaluations (Bagozzi, Gopinath & Nyer, 1999), there has been relatively little interest in their role in relation to service recovery (Chebat & Slusarczyk, 2005; Schoefer & Ennew, 2005).

In a South African context, a knowledge void exists concerning complainants' perceptions of justice of appliance retailers' complaint handling. Such a study would contribute to the existing theory on service recovery, and may expand researchers' understanding of the link between cognitions, emotions and behaviours. The findings of the study may also have practical significance for retailers in terms of their complaint handling.

Retailers who are aware of the factors that play a role in customers' judgement of retailers' complaint handling in terms of the fairness of the processes used in settling the complaint, the interaction in handling the complaint and the outcome of the complaint, will be better able to address complaints and to manage customers' emotions.

Complainants who believe that they have been treated fairly during complaint handling are likely to remain store loyal and to engage in positive word of mouth, thus positively impacting on the company's long-term profitability (Chebat & Slusarczyk, 2005; Kim, Kim & Kim, 2008). However, complainants who perceive that they were treated unfairly are more likely to switch retailers and tell others about their bad experience (Boshoff & Leong, 1998:24; Stephens & Gwinner, 1998; Clopton, Stoddard & Clay, 2001; McAlister & Erffmeyer, 2003; De Matos & Leis, 2013). Fair complaint handling will therefore help retailers to create a healthy redress environment, to build a credible store reputation and to keep customers loyal.

Retailers should encourage dissatisfied consumers to complain to them so that they can resolve problems, improve the quality of existing merchandise, identify new consumer needs and convert the complaining customer to a satisfied customer (Nyer, 2000; Crié, 2003; Bodey & Grace, 2006; Babin & Harris, 2011:303).

This study should be valuable to researchers who are developing causal models of complaint behaviour and to retail managers who are responsible for developing and implementing complaint handling strategies and procedures.

#### **1.4 GOAL OF THE RESEARCH**

The goal of this research study is to explore and describe complainants' emotional and post-complaint behavioural intentions, following evaluations of retailers' complaint handling concerning the performance failure of major household appliances in terms of perceptions of justice.

## 1.5 RESEARCH OBJECTIVES

The following research objectives were formulated for this study:

- Objective 1** To investigate and describe complainants' expectations of retailers' complaint handling of major household appliance failures in terms of perceived justice (i.e. procedural justice, interactional justice and distributive justice).
- Objective 2** To investigate and describe complainants' evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice (i.e. procedural justice, interactional justice and distributive justice).
- Objective 3** To investigate and describe complainants' level of dis/satisfaction experienced with retailers' complaint handling of major household appliance failures.
- Objective 4:** To investigate and describe complainants' emotional responses following evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice.
- Objective 5** To investigate and describe the relationship between the consumers' perceptions of perceived justice (i.e. procedural justice, interactional justice and distributive justice) and their emotional responses following evaluations of complaint handling.
- Objective 6** To investigate and describe complainants' post-complaint behavioural intentions following evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice.
- Objective 7** To describe the relationship between complainants' emotional responses following evaluations of retailers' complaint handling of major electrical household appliances and their post-complaint behavioural intentions.

## 1.6 UNIT OF ANALYSIS, SAMPLING PROCEDURE AND DATA COLLECTION METHOD

Consumers who had complained directly to an appliance retailer to obtain redress concerning the performance failure of a major electrical appliance item was the unit of analysis for this study. To participate, respondents had to:

- have complained directly to an appliance retailer within a one-year recall period,
- reside in the Tshwane metropolitan area,
- be older than 21 years of age, and
- belong to the SAARF Living Standards Measure (LSM) groups 5 to 10 to have the capacity to own a major household appliance.

Non-random convenience sampling was employed. A self-administered questionnaire was distributed by trained fieldworkers who recruited respondents. Willing respondents were also asked to provide the contact details of other prospective respondents, implying additional snowball sampling. An online group on Facebook.com was created where prospective respondents could join and invite other qualifying contacts to join the group. The group members were all asked to complete the online version of the original questionnaire which was created on the website SurveyBob.com. A total of 198 usable questionnaires (119 hardcopies and 79 online) were obtained.

## 1.7 PRESENTATION AND STRUCTURE OF THE DISSERTATION

This dissertation is presented and structured as follows:

**Chapter 2** provides an overview of literature on consumer complaint behaviour (CCB). Day and Landon's (1977) taxonomy of consumer complaint behaviour is explained. The factors affecting CCB as well as the concept of service recovery is discussed.

**Chapter 3** focusses on the perceived justice theory in a complaint handling (service recovery) context. Perceived justice is explained in terms of procedural justice, interactional justice and distributive justice, as well as the emotional and behavioural intentions following complaint handling experiences. To shed more light on the link between perceived justice, emotions and behaviour, cognitive appraisal theory is also discussed. In addition, implications for companies are indicated in the conclusion.

In **Chapter 4** the research methodology that was employed in this study is discussed. Firstly, the conceptual framework is presented, and the purpose of the research and the research objectives are stated. In the ensuing sections the, research design and sampling plan are described. Previous methodologies which served as background for the methodology chosen for this study are discussed, including methodologies for studying consumers' perception of justice following service recovery and their subsequent post-complaint emotional responses and behavioural intentions. The questionnaire as the data collection technique is discussed. The analysis of the data is discussed in terms of the operationalisation of measurements, the explanation of the statistical methods and the coding and capturing of the data. Then, the quality of the data is discussed in terms of its validity and reliability. Finally, procedures for ensuring ethical research are indicated.

**Chapter 5** provides the presentation of the results and the analysis and interpretation of the data. The analysis starts with a description of the demographic characteristics and other descriptive characteristics of the sample, followed by the analysis an interpretation of the results in the order of the objectives for the study. For the purpose of the analysis of the data, descriptive and inferential statistics were used.

In **Chapter 6** the conclusions are presented, the research is evaluated and the implications and recommendations for retailers are discussed. Additionally, some suggestions for future research are provided.

The research questionnaire is included in Addendum A.

## CHAPTER 2

### POST-PURCHASE CCB AND SERVICE RECOVERY

#### 2.1 INTRODUCTION

According to the expectancy/disconfirmation paradigm, individuals have expectations about the characteristics or benefits that a particular product or service should provide, before even experiencing the product outcome. These expectations serve as a comparative reference for product performance. When consuming products, consumers evaluate actual product performance in terms of their initial expectations regarding product performance to make satisfaction judgements (Oliver, 1997; Stauss, 2002; Ngai, Heung, & Chan *et al.*, 2007). Positive confirmation occurs when product performance exceeds consumer expectations, leading to feelings of satisfaction. In contrast, negative disconfirmation occurs when product performance does not meet consumer expectations, leading to feelings of dissatisfaction (Giese & Cote, 2000; Stauss, 2002; Tronvoll, 2007).

It is commonly proposed in consumer complaint behaviour (CCB) theory that dissatisfaction with complex and expensive products such as major household appliances often leads to public complaint action, although consumers may engage in a number of indirect ways to deal with the dissatisfaction (Day & Landon, 1977; Bodey & Grace, 2006; Voorhees, Brady & Horowitz, 2006). Complaint behaviour can be defined as a set of possible behavioural and non-behavioural responses to dissatisfying purchase experiences (Singh, 1988). According to Day and Landon's (1977) taxonomy of CCB, these responses include taking no action, taking private action or taking public action. No action implies that the consumer rationalises the problem, disregards it and therefore does not take any action. However, a consumer who chooses to take action can do it either privately or publicly. Private action involves negative word-of-mouth communication to friends and family, switching brands and/or boycotting the retailer; public action involves complaining to a second- or third-party entity. The consumer could for example complain to a company or retailer (second party) or a private/governmental agency, newspaper and/or legal representative (third party) (Day & Landon, 1977:427-432; Broadbridge & Marshall, 1995; Stephens & Gwinner, 1998). A consumer may choose to rather or also engage in multiple behavioural intentions to resolve their dissatisfaction (Broadbridge & Marshall, 1995; Blodgett *et al.*, 1997; Volkov, Harker & Harker, 2002).

Formal complaints to companies and retailers generally lead to service recovery efforts by retailers, also known as complaint handling procedures (Davidow, 2003). According to Stauss (2002), it is likely that the expectancy/disconfirmation paradigm also applies to consumers' complaint satisfaction/dissatisfaction judgements. Consumers who formally complain to retailers have certain expectations regarding the retailers' response and the desired outcome. This expected complaint response represents the comparison standard for the retailers' reaction that the consumer actually perceives. If expectations are exceeded complaint satisfaction occurs, leading to positive attitude changes, positive word of mouth and increased intention to buy from the same retailer again. Conversely, when the perceived complaint response is below the expected complaint response, complaint dissatisfaction occurs which has the potential to stimulate negative word of mouth, to drive customers to competitors and to spur additional formal complaint actions (Berry & Parasuraman, 1991; McCollough, Berry & Yadav, 2000; Stauss, 2002; Dayan *et al.*, 2008).

This chapter provides an overview of specific concepts, models (taxonomies) and theories from CCB and service recovery literature to provide a theoretical background for explaining consumers' formal complaints toward appliance retailers concerning dissatisfactory appliances, and consumers' subsequent post-complaint behavioural actions following their evaluations of retailers' complaint handling efforts.

## **2.2 THEORETICAL FOUNDATION FOR STUDYING CCB**

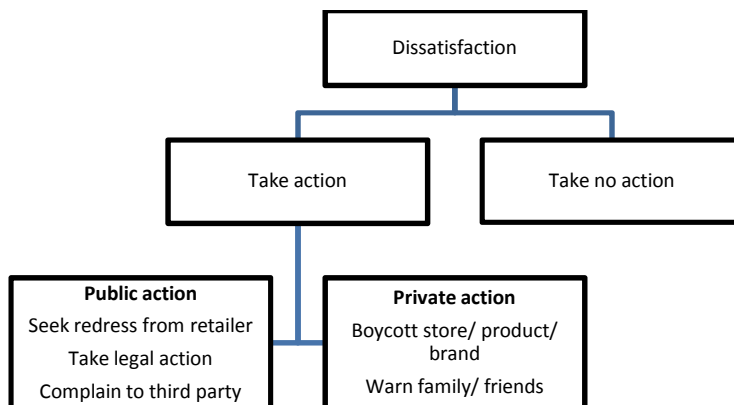
### **2.2.1 CCB and Day and Landon's (1977) taxonomy of CCB**

CCB can be considered to be the outcome of the post-purchase evaluation process that occurs when consumers are dissatisfied with the performance of a product or service (Crié, 2003; Tronvoll, 2007). A consumer complaint is therefore an overt manifestation of dissatisfaction (Heung & Lam, 2003).

In the context of Day and Landon's (1977) taxonomy of CCB, CCB is a distinct process which begins when the consumer has evaluated a consumption experience (resulting in dissatisfaction), and ends when the consumer has completed all behavioural and non-behavioural responses to the experience.

Their taxonomy has achieved wide acceptance in CCB literature (Broadbridge & Marshall, 1995; Stephens & Gwinner, 1998; Donoghue, 2008; Isaac, 2010), and also forms part of the theoretical foundation for this study. Day and Landon (1977) propose a two-tier hierarchical

classification schema of CCB, namely to take some form of action or no action at all. According to this taxonomy, consumers who are dissatisfied with their purchase can engage in three behavioural options: take private action and/or public action or no action at all (Singh, 1988; Broadbridge & Marshall, 1995:11; Donoghue & De Klerk, 2006; Tronvoll, 2007). Refer to Figure 2.1.



**FIGURE 2.1: TAXONOMY OF CCB (Day & Landon, 1977:432).**

If consumers choose to take action, they can do it either privately or publicly. Private action involves negative word-of-mouth communication to friends and family, switching brands and/or boycotting the retailer. Consumers who engage in public action may seek redress (i.e. a refund, replacement, free repairs, etc.) directly from the retailers/manufacturers (second parties), or they may take legal action to obtain redress and/or complain to third parties, including private or governmental agencies (Day & Landon, 1977; Broadbridge & Marshall, 1995; Stephens & Gwinner, 1998; Vos, Huitema & De Lange-Ros, 2008; Kim, Wang & Matilla, 2010; Butelli, 2007).

Consumers usually do not take action when they feel that the effort to complain might exceed the perceived value of the complaint outcome (Andreassen, 2001; Huppertz, 2007). When consumers decide to take no action, they might rationalise the problem and forget about it. According to Broadbridge and Marshall (1995:10), consumers fail to complain about unsatisfactory services or products that are perceived to be of low-cost and of minor importance.

Zussman (1983) identified four different stages in the complaint process. According to his research, the consumer will first recognise his/her dissatisfaction (recognition stage), and will then move on to the registration stage, at which the consumer will decide to act depending on the nature of the complaint and the complainant. During the third stage, namely the



resolution stage, the consumer will determine whether the complaint has been resolved successfully or not. Finally, the consumer will conclude whether he/she is satisfied with the resolution of the complaint or not (satisfaction stage). A consumer will not always proceed through all four stages, because some consumers may not even be aware of product shortcomings and will not complain directly to the retailer. Furthermore, problems that are perceived but are not acted upon belong to a special category of complaints known as “unvoiced complaints”, corresponding with Day and Landon’s (1977) “no action” type of complaint response.

Public action requires that consumers re-evaluate their total satisfaction/dissatisfaction in light of the parties’ (to whom the complaints were directed) efforts to recover the complaints (Broadbridge & Marshall, 1995). This implies that when consumers are dissatisfied with retailers’ complaint handling strategies they may again take action (complain publicly and privately) or may take no action at all. Therefore, this model may be applied in a post-complaint context, focusing on the additional public complaint actions to be taken, following the dissatisfactory outcome of an initial public complaint action.

Broadbridge and Marshall (1995) investigated Scottish consumers’ levels of post-purchase dissatisfaction with domestic and major household appliances, and explored the CCB action taken. Their study illustrated that 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 the high incidence of public action. Smaller, inexpensive electrical goods generated the fewest complaints. The majority of the respondents who took public action returned the defective appliances to the retailer for a replacement or refund. The rest of them contacted the seller to complain or contacted a consumer protection association or lawyer. In addition, the majority of the respondents who chose to take private action engaged in negative word-of-mouth conversations about either the product or the seller. The rest of them decided to quit buying the brand or visiting the store.

In a South African context, Donoghue (2008) showed that consumers’ complaint behaviour concerning dissatisfactory major household appliances was directed by a combination of functional and symbolic performance failures. A profile of complainers engaging in private versus public complaint action in terms of differences in gender, age and level of education could not be determined. However, respondents’ race and household monthly income were important factors in their complaint behaviour. Relatively fewer formal complaints (i.e.

complaints to retailers or manufacturers) were made than one would expect, based on the expressed levels of dissatisfaction. A large number of respondents engaged in a variety of “hidden” or indirect complaint activities such as adverse word-of-mouth marketing, boycotting the retailer and switching brands. The majority of the respondents avoided more formal complaint actions such as contacting a consumer protection organisation/department or writing a letter – activities which would require more effort and inconvenience.

Isaac (2010) explored the appraisals, emotions and complaint behaviour of female consumers of Botswana concerning major household appliance performance failures. The results of this study point to the strong power of emotions in consumers’ choice of coping strategies in the form of complaint behaviour, with, amongst others, significant relationships between high levels of anger, sadness, shame and frustration on the one hand, and problem-focused and emotion-focused coping strategies on the other. Behaviours associated with problem-focused coping included: contacting the retailer/manufacturer to obtain redress, contacting the retailer/manufacturer for reasons other than seeking redress, contacting a repair service other than that supplied by the retailer/manufacturer, contacting a consumer protection department, writing a letter to the media or a consumer complaint website, and contacting a legal representative. Behaviours associated with emotion-focused coping included telling friends, family and/or acquaintances about the stressful experience.

There is considerable evidence that complainants who perceive the outcome of the complaint handling as successful, will refrain from additional negative word-of-mouth communication and third-party complaint behaviour (Kau & Loh 2006; Voorhees *et al.*, 2006; Tronvoll, 2007). In contrast, consumers who are dissatisfied with retailers’ complaint handling may engage in further private and/or public complaint action.

### **2.2.2 Factors affecting CCB**

Although dissatisfaction is a fundamental determinant for complaint behaviour (Singh, 1988; Crié, 2003; Ndubisi & Ling, 2006; Onyiaso, 2007), other variables also influence CCB, including consumer-related variables, product-specific variables, and redress environment variables (Schlesinger, Mitchell & Elbel, 2002; Donoghue & De Klerk, 2006; Lee & Cude, 2012).

### 2.2.2.1 Consumer-related variables

Consumer-related variables refer to characteristics that are associated or determined by consumers, and may include individual factors such as demographics (Bearden & Oliver, 1985), personality (Sheth, Mittal & Newman, 1999), attitudes (Halstead & Dröge, 1991), culture (Day, Grabicke, Schaetzle & Staubach, 1981), personal values (Keng & Liu, 1997), knowledge and experience (Broadbridge & Marshall, 1995), emotional state (Isen, 1987; Bless, Bohner, Schwartz & Strack, 1990; Schwarz & Bless, 1991), and causal attributions for product failure (Folkes, 1984).

Some studies have found that there is a tendency for some consumers to complain more than others, which is directly related to demographic variables such as gender, age and education. However, attempting to segment complainants and non-complainants by only demographic information has had mixed results (Singh, 1990; Reiboldt, 2002). Nonetheless, complainants generally have higher incomes, are younger, are more highly educated, and are in more professional occupations compared to non-complainants (Jones, McCleary & Lepisto, 2002).

Jones *et al.* (2002) identified four personality and behavioural variables which can be attributed to complainers, namely price consciousness, psychological stress, susceptibility to interpersonal influence, and quality consciousness. These variables represent the underlying reasons why dissatisfied consumers choose to complain and explain how they complain.

Consumers who have favourable attitudes towards complaining will be more likely to seek redress from the retailer (Bearden & Mason, 1984). Other studies (Barnes & Kelloway, 1980; Halstead & Dröge, 1991; McCollough *et al.*, 2000; Hess, Ganesan & Klein, 2003) also explored consumers' attitudes towards complaining and business, government and consumer organisations, but the results have been mixed.

Studies have found that consumers in different cultures do have different types of complaint behaviour and intentions (Liu, Watkins & Yi, 1997; Au *et al.*, 2001; Liu & McClure, 2001; Ngai *et al.*, 2007). In addition, reactions to service failure and recovery efforts might be affected by the individual's cultural orientation, especially because service contacts between customers and companies are also based on social exchanges (Patterson *et al.*, 2006; Ngai *et al.*, 2007; Schoefer, 2010). Members of collectivist societies (such as China, Japan, Hong Kong, the Philippines, Taiwan, and so forth), find it disturbing to voice their complaints, but are likely to warn family members and friends about their bad experiences. However, in

individualistic societies (such as the USA, Australia, France, Germany, the UK, etc.), consumers are likely to complain to the company or to a third party (Liu & McClure, 2001).

In general, consumers do not analyse each new experience with the retailer individually in their decision process. Instead, they do so alongside the knowledge accumulated from previous service encounters. Thus, when a consumer is dissatisfied with a service recovery attempt, before adopting a decision, he/she considers not only the current experience but also the perceived value of all prior service encounters that he/she has historically had with the service provider, and bases his/her decision to complain or not, upon these previous encounters (Tax *et al.*, 1998; Grégoire & Fisher, 2006).

Individuals process information differently, depending on their emotional state (Isen, 1987; Bless *et al.*, 1990; Schwarz & Bless, 1991). Research has shown that emotions have an important impact on consumers' attitudes towards the service provider and their ultimate decision to complain or not.

Weiner's (1986) attributional theory has been widely applied in CCB literature to explain consumers' reactions to product/service failure (Weiner, 1986, 2000; Laufer, 2002). Consumers' perceptions of causality of a failure in terms of the locus, stability, controllability dimensions, influence their subsequent emotional reaction to the firm, recovery expectations, and behavioural intentions to the firm (Folkes, 1984; Folkes, Koletsky & Graham, 1987). For example, consumers are more likely to feel angry and to complain to the external parties (i.e. retailers and manufactures) whom they feel are responsible for the problem (Schlesinger *et al.*, 2002; Donoghue & De Klerk, 2006). Therefore, understanding consumer attributions of failures can help companies to make an effective recovery decision.

#### **2.2.2.2 Product-specific variables**

It is generally accepted in CCB theory that highly priced, complex products with a relatively long life expectancy generate a higher incidence of public complaints compared to inexpensive and non-durable products (Day & Landon, 1977; Broadbridge & Marshall, 1995). Broadbridge and Marshall's (1995) research confirmed that redress-seeking action occurred more frequently as the cost of electrical appliances increased. Rousseau's (1988) study on consumers' and retailers' perceptions of product failure identified household appliances as a major category of failure. Additionally, Donoghue's (2008) study showed that consumers' complaint behaviour concerning dissatisfaction with major household appliances was directed by a combination of functional and symbolic performance failures.

Product-specific variables related to complaint behaviour include: the nature or type of the product (Kincade, Giddins & Chen-yu, 1998), the cost of the product (Broadbridge & Marshall, 1995; Stephens & Gwinner, 1998), its durability (Day & Landon, 1977:434; Kincade *et al.*, 1998; Donoghue & De Klerk, 2006), the importance of the product to the consumer (Stephens & Gwinner, 1998), the dissatisfaction with the product (Goodwin & Spiggle, 1989, Onyeaso, 2007), the type of product failure (Kincade *et al.*, 1998), and the severity of the product failure (Goodwin & Spiggle, 1989; Broadbridge & Marshall, 1995; Refiana, 2012).

Broadbridge and Marshall (1995) state that quickly consumed items such as food can easily be evaluated by a consumer in terms of their satisfaction with the product. However, goods that are consumed over a long period of time takes longer to assess. Therefore the duration of the consumption experience is dependent on the type of product. Major household appliances do not only require a certain amount of purchase decision activity, but are also known for the considerable amount of economic input associated with these products (Broadbridge & Marshall, 1995).

### **2.2.2.3 Redress environment variables**

Often when a product fails to live up to consumer expectations, a consumer will experience a need for redress. One of the rights and responsibilities of the consumer is the right to redress. This means that the consumer is entitled to a fair settlement of just claims (Rousseau, 2003:457). This right includes that consumers may insist on compensation for products with defects or for unsatisfactory service delivery (Rousseau, 2003:456).

Seeking redress implies that the consumer takes public action by directing the complaint to the retailer, in order to receive some form of compensation in return (Heung & Lam, 2003). Redress or compensation can occur in the form of a refund, an exchange, free repairs, replacement of defective parts (depending on the nature of the product or failure) and apologies etc. (Kincade, Redwine & Hancock, 1992:16; Chebat & Slusarczyk, 2005).

According to Donoghue and De Klerk (2006:46), redress environment variables are primarily influenced by the retailer because complaining to retailers and seeking redress present a cost/benefits trade-off situation between the retailer and consumer. This, according to Kincade *et al.* (1992), means that if the costs of effort, time and confrontation taken to complain outweigh the expected benefit of the redress, consumers might not want to seek redress. Furthermore, if a product has low cost, is of minor importance, and switching brands

is easy for dissatisfied consumers, they may decide not to complain about unsatisfactory services or products (Broadbridge & Marshall, 1995:10). Ngai *et al.* (2007) suggest that many consumers are not familiar with the procedures and systems for making a formal complaint. Consumers may choose not to complain when they consider the possible discomfort of complaining much greater than the anticipated form of redress (Singh, 1989).

The cost of complaining does not only pertain to the material outcome, but also to the time invested in voicing the complaint and the psychological component associated with it, including embarrassment, fear and confrontation (Butelli, 2007). Consumers want a “fair fix” (Davidow, 2000) when they do complain. Consumers are usually motivated to seek redress only after having suffered a large financial loss (Didow & Barksdale, 1982), when they evaluate the probability of a favourable outcome of complaining, the basis of the retailers’ reputation (Day & Landon, 1977), and the responsiveness of the company (Butelli, 2007). According to Day *et al.* (1981), consumers who complain to retailers often anticipate a positive return on their efforts.

## **2.3 FROM CCB TO SERVICE RECOVERY**

### **2.3.1 Service recovery**

Service failure refers to a mistake or a problem that occurs during product or service delivery (Lewis & Spyropoulos, 2001; Fan, Wu & Wu, 2010). Responding to a service failure provides companies with the opportunity to present the customer with a new service encounter, known as service recovery (Andreassen, 2000). Service recovery refers to the actions that a company takes in response to a service failure (Grönroos, 1988; Kau & Loh, 2006; Kim *et al.*, 2010). Zemke and Bell (1990:43) define service recovery as a planned process for returning aggrieved consumers to a state of satisfaction after a product or service had failed to live up to its expectations. Service recovery actions that retailers must engage in to address customer complaints regarding product failure, include *inter alia* apologising to the consumer, offering some sort of compensation, and being courteous in the process (Blodgett *et al.*, 1997; Lewis & Spyropoulos, 2001).

Tax and Brown (2000) found that proper service recovery could transform service failure into a satisfactory experience. Researchers even found that consumer satisfaction after receiving appropriate recovery would exceed the satisfaction before the service failure, and that customers are likely to rate the service firm higher on relationship marketing variables than they did in the pre-service failure level (Hart *et al.*, 1990; Maxham III & Netemeyer, 2002;

Krishna *et al.*, 2011). This is known as the service recovery paradox (McCollough & Bharadwaj, 1992; Krishna *et al.*, 2011). Service recovery therefore provides an opportunity for service providers to salvage a “broken relationship”, keep their customers happy, and increase customer loyalty. Loyal customers tend to revisit the same store and spread positive word of mouth (Fan *et al.*, 2010; Kim *et al.*, 2010). However, failure to ensure customer satisfaction through service recovery might exacerbate customers’ negative feelings toward retailers, leading to a decline in customer confidence. These customers might simply do nothing or switch products, switch retailers, spread negative word of mouth and/or complain to a third party (Boshoff, 1999; Kim, Ko, Xu & Han, 2012).

Complaint dissatisfaction should be differentiated from transaction dissatisfaction and relationship dissatisfaction (Stauss, 2002). Transaction dissatisfaction is associated with a product or service failure, leading to CCB. According to Stauss (2002), relationship dissatisfaction occurs when the complaining consumer evaluates the company’s reaction to his/her complaint regarding a product/service transaction, making this type of dissatisfaction “secondary” to the initial complaint dissatisfaction. This implies that there is not only an overall dissatisfied evaluation on the transaction, but also on the existing relationship (relationship satisfaction) between the consumer and the retailer, when the former is confronted with a failing transaction and the recovery reaction of the company.

According to Stauss (2002), “complaint satisfaction” refers to the satisfaction of a complainant with a company’s response to the former’s complaint. There are many synonyms for complaint satisfaction including Boshoff’s (1999) “service recovery satisfaction”, “secondary satisfaction” (Etzel & Silverman, 1981), “complaint response satisfaction” (Lewis, 1983), and “recovery disconfirmation” (McCollough *et al.*, 2000). In all the cases the same thing is meant: a consumer will base his/her satisfaction after a complaint on the retailer’s response to the service recovery efforts.

### **2.3.2 The RECOVSAT model and justice theory as theoretical background for studying satisfaction with service recovery**

Several studies examine the association between customer satisfaction and CCB (Casado, Nicolau & Mas, 2010), and there is abundant literature which supports the assumption that satisfied customers are more likely to stay with their existing providers and less likely to complain than are dissatisfied customers (Fornell & Wernerfelt, 1987; Oliver, 1997; Szymanski & Henard, 2001).

In a South African context, Boshoff (1999) developed a validated instrument (RECOVSAT – recovery satisfaction) to measure the post-complaint satisfaction of service buyers with transaction-specific service recovery. The following six dimensions were used as a measure of recovery satisfaction: communication style (how did the service employee address the complainant?), feedback (did the service employee provide regular feedback about what was done to resolve the problem?), atonement (was value-added compensation provided?), empowerment (did the service employee have the authority to solve the complaint?), explanation (did the service provider explain why the problem occurred?), and tangibles (what was the nature of the physical environment in which complaints were resolved?). Boshoff, Peelen, Hoogendoorn and Van der Kraan (2005) adapted the original RECOVSAT instrument by including two more dimensions (apology and compensation) to assess, for different consumers and complaints, to what extent each of the underlying dimensions of service recovery influences satisfaction and repurchase intentions.

In another study, Terblanche and Boshoff (2001) measured customer satisfaction with the controllable elements of the in-store shopping experience, by developing a scale consisting of five dimensions: merchandise value, personal interaction, merchandise variety, internal store environment, and complaint handling. Items that related to complaint handling included: an effective means of dealing with customer enquiries, a fair system for the handling of complaints, and staff that deal with customer complaints in an efficient manner.

The above-mentioned studies emphasise that handling complaints and resolving problems are important activities that retailers and service providers can “control” in the “redress environment” to retain customers and to avoid undesirable outcomes. These studies also point to the importance of the development of comprehensive service recovery programmes that take into account differences in complaints and in customers.

In service recovery literature, justice theory has been applied as a theoretical framework for assessing the effectiveness of service recovery procedures (Blodgett *et al.*, 1997; Tax & Brown, 2000; Fan *et al.*, 2010; Kim *et al.*, 2012). In a service recovery context, there are three dimensions of justice: distributive justice (focusing on consumers’ perceived fairness of the remedy such as refunds or discounts); procedural justice (including consumers’ assessment of the recovery processes, the speed of recovery) and interactional justice (focusing on the polite or rude manner of recovery actions by service providers) (Fan *et al.*, 2010; Kim *et al.*, 2010). Refer to Chapter 3 for an in-depth discussion of perceived justice.



## 2.4 CONCLUSION

This chapter provides an overview of existing CCB and service recovery literature as background for explaining consumers' formal complaints to appliance retailers concerning dissatisfactory appliances, and their subsequent post-complaint behavioural actions following their evaluations of retailers' complaint handling efforts. In short, CCB is an area of research which deals with the identification and analysis of all the aspects regarding a complaint by a dissatisfied consumer about a product or service failure. CCB is influenced by a variety of consumer-related variables, product-related variables and redress environment variables.

Complaint behaviour entails engaging with retailers concerning the unsatisfactory product and seeking redress. It is up to the retailer to have effective service recovery efforts in place in order to return the aggrieved consumer's emotional state to that of a satisfied one. Consumers have certain expectations about the retailers' response and the desired outcome. If their expectations are exceeded, satisfaction will occur and vice versa. These efforts, also called service recovery efforts, can keep customers as satisfied as they were before, if not more satisfied than in the case of no such failure, resulting in the service recovery paradox. Successful complaint handling efforts have an impact on customers' evaluations of retail experiences.

Perceived justice theory seems especially relevant in service recovery contexts because customers generally perceive some inequity in response to service recoveries. This theoretical perspective suggests that the fairness of the complaint resolution procedures, the interpersonal communications and behaviours, and the outcome are the principal antecedents of customer evaluations. In the next chapter, service recovery literature related to procedural justice is discussed.

## CHAPTER 3

# PERCEIVED JUSTICE: A THEORETICAL PERSPECTIVE FOR RESEARCHING COMPLAINANTS' POST-COMPLAINT EMOTIONAL AND BEHAVIOURAL INTENTIONS FOLLOWING RETAILERS' COMPLAINT HANDLING EFFORTS

### 3.1 INTRODUCTION

A consumer complaint is an explicit manifestation of a dissatisfactory product or service experience (Butelli, 2007; Tronvoll, 2007). Consumers who complain to retailers expect that their dissatisfaction should be resolved and that some positive outcomes could emerge from it (Ngai *et al.*, 2007).

In order for retailers to transform their customers' initial dissatisfaction into satisfaction and to restore their faith in the business, they have to know what elements of the complaint response the customers evaluate. According to CCB literature, these elements may include the fairness of the outcome/compensation offered, the ease of access to a competent contact person, the friendliness and courtesy of the employee dealing with the complaint, the individuality of each complaint situation, the effort made by the contact person to solve the problem, active and prompt feedback, and the reliability and speed with which the complaint was handled (Stauss, 2002; Davidow, 2003; Boshoff, 2005; Gruber, 2010). These elements can easily be turned into strategies for companies to increase customer satisfaction and retention of customers who experience complaint handling (service recovery) problems (Boshoff & Allen, 2000; Hui & Au, 2001; Stauss, 2002).

According to Davidow (2003), a company's complaint handling procedures lead to an interaction with the customer, at the end of which a response is given (i.e. an "outcome is allocated to someone"). This implies that a distinction must be made between a procedure, its performance (enactment) and its outcome. Various empirical studies have demonstrated that customers evaluate companies' complaint responses in terms of the outcome, the procedures used to arrive at the outcome, and the nature of the interpersonal treatment during the process (Blodgett *et al.*, 1997; Tax *et al.*, 1998; Davidow, 2003; Mattila & Patterson, 2004; Kim *et al.*, 2008). In the context of perceived justice theory, these concepts translate to distributive justice, procedural justice and interactional justice (Blodgett *et al.*, 1997; Tax, *et al.*, 1998; Schoefer & Ennew, 2005).

The concept of justice/fairness has its foundation in social psychology and has been successfully employed to explain individuals' reactions to conflict situations (Clemmer & Schneider, 1996; Davidow, 2003). This concept has also been applied to various situations in business, and it has made a contribution to buyer/seller transactions (Oliver & Swan, 1989; Clemmer, 1993; Tronvoll, 2007). These studies have shown that fairness has psychological as well as behavioural outcomes (Blodgett *et al.*, 1997; Bonifield & Cole, 2008).

A growing amount of research in the area of complaint handling (service recovery) is focusing on the construct of perceived justice as a basis for explaining consumers' evaluative judgements of a company's (in this case, retailer's) response to their complaints (i.e. the recovery process or complaint handling procedures employed) and their behavioural intentions following complaint handling (Blodgett *et al.*, 1997; Tax *et al.*, 1998; Davidow, 2003; Kim *et al.*, 2008). In the service recovery literature, it is also emphasised that complaint-related justice is more than a matter of economic calculus in unbalanced exchanges (Dayan *et al.*, 2007; Donoghue & De Klerk, 2009). For example, some researchers argue that emotions (e.g. anger, frustration or happiness) may influence the relationship between customers' appraisals about service recovery and their post-complaint behaviours, acknowledging the role of emotions in translating perceptions of justice into behavioural outcomes (Bonifield & Cole, 2007; Del Río-Lanza, Vázquez-Casielles & Díaz-Martín, 2009).

The application of perceived justice theory in a service recovery context facilitates a deepening theoretical understanding of the interaction between the service provider (retailer) and the customer relationship dynamics (Kim *et al.*, 2008). Several researchers (Blodgett *et al.*, 1997; Chebat & Slusarczyk, 2005; Schoefer & Ennew, 2005; Dayan *et al.*, 2007) have therefore emphasised the significance of perceived justice in customers' evaluation of companies' complaint response. Consequently, this study adopted perceived justice theory as a theoretical perspective to explain consumers' cognitions, emotions and post-complaint behaviour, following a complaint directed at an appliance retailer concerning a dissatisfactory major household appliance item.

In this chapter, perceived justice in a complaint handling (service recovery) context is explained in terms of the three justice dimensions as well as the emotional and behavioural intentions following complaint handling experiences. Consumers' perceptions of justice can be equated with the cognitive appraisal as both processes involve consumers' evaluation (judgement) of a specific outcome (Refiana, 2012). To shed more light on the link between

perceived justice, emotions and behaviour, cognitive appraisal theory is also discussed. In addition, implications for companies are indicated in the conclusion.

### **3.2 PERCEIVED JUSTICE THEORY IN A COMPLAINT HANDLING CONTEXT**

Justice theory can be traced back to Adams's (1965) equity theory, which attempts to explain relational satisfaction in terms of perceptions of fair/unfair distributions of resources within interpersonal relationships. Adams's (1965) equity theory proposed that people feel fairly treated in a social exchange relationship when they perceive that their own economic outcomes relative to their inputs are in balance. This means that equity is said to exist when people feel that the inputs and outcomes in an exchange relationship are perceived to be just or fair. In contrast, inequity is said to exist if the perceived inputs and outcomes in an exchange relationship are perceived to be unjust or unfair. As such, the presence of inequity is expected to result in both dissatisfaction and behaviour that might provoke actions to restore equity (Adams, 1965; Kau & Loh, 2006). In a complaint handling context, consumer inputs could include the costs (e.g. economic costs, inconvenience, time and effort, psychological costs) associated with a product/service failure, and outcomes could include the specific recovery tactic used such as a cash refund, an apology, replacement etc. These outcomes must be perceived to be fair or just by the consumers, in order for them to be satisfied, and to engage in subsequent positive behavioural outcomes (e.g. repurchase intentions and word-of-mouth activity) (Greenberg, 1990:12; Mohr & Bitner, 1995; Maxham III, 2001; Davidow, 2003).

Within the area of complaint handling (service recovery), the construct of perceived justice/fairness is increasingly identified as a key influence in the formation of consumers' evaluative judgements of the recovery process (Tax et al, 1998; Schoefer & Ennew, 2005). Perceived justice theory suggests that the fairness of the complaint resolution procedures (labelled hereafter procedural justice), the interpersonal communications and behaviours (labelled hereafter interactional justice), and the outcome (labelled hereafter as distributive justice), are the principal antecedents of consumer evaluation (Schoefer & Ennew, 2005). Collectively, these antecedents are referred to as perceived justice and individually they are described as: procedural justice, interactional justice, and distributive justice (Saxby, Tat & Johansen, 2000; Schoefer & Ennew, 2005; Patterson et al., 2006). Empirical evidence has confirmed that complainants' perception of justice in terms of the justice dimensions in a service setting (such as a complaint handling procedure) (Patterson *et al.*, 2006), has significant impact on post-complaint behaviours, including satisfaction with complaint

handling, repatronage intention and negative word-of-mouth communication (Hui & Au, 2001).

Various studies have employed all three dimensions of perceived justice to study customer evaluations of service complaint experiences. For example, Patterson *et al.* (2006) examined the impact of customers' cultural value orientation on their evaluations of the recovery effort. They found that all three justice dimensions had a positive impact on overall service recovery satisfaction. Another study by Primeaux, Karri and Caldwell (2003), also on individuals' cultural views of justice, utilised all three dimensions of justice to study justice perceptions in a business setting. The results confirmed that the three constructs of justice are distinct but correlated. The research also underscored the importance of recognising cultural attributes and demographic characteristics in understanding how justice is perceived. Furthermore, Dayan *et al.* (2007) found that interactional justice and distributive justice impacted both the emotions and the post-complaint behaviour (i.e. loyalty and intention to exit) of the bank customer. However, procedural justice had no impact on either emotions or the post-complaint behaviour of bank customers.

There are, however, studies which do not include all three dimensions of perceived justice. For example, Hoffman and Kelley (2000) did not distinguish between the three dimensions, but examined six factors which could influence consumer evaluations of a company's intentions, namely the depth of the relationship, the proximity of the relationship, the duration of the relationship, the degree of customisation, switching costs and the criticality of consumption. These factors were grouped into distributive and interactional justice. In addition, a study by Saxby *et al.* (2000) focused only on the impact of procedural justice on consumers' perceptions of fair treatment when they complain. Saxby *et al.* found, however, that consumers made a distinction between the complaint process and the outcome of the complaint, indicating that procedural justice does not serve as the only dimension for perceived justice.

Although some studies do not analyse all three dimensions of perceived justice (Blodgett & Granbois, 1992; Mattila & Patterson, 2004), researchers generally recommend that all the dimensions of perceived justice be included in research on service recovery to explain consumers' recovery satisfaction and behavioural intentions (Davidow, 2003; Schoefer & Ennew, 2005; Del Río-Lanza *et al.*, 2009).

### 3.2.1 Procedural justice

Procedural justice refers to the perceived fairness of policies, procedures, and criteria used by decision-makers to arrive at the outcome of a dispute or negotiation (Blodgett *et al.*, 1997; Lovelock & Wirtz, 2004). In a complaint handling context, procedural justice refers to the consumer's evaluation of the retailer's responsiveness to his/her complaint in terms of the fairness of the procedures used in handling complaints. For example, how quickly did the retailer respond, or was the consumer given a chance to tell his/her side of the story? Various dimensions of perceived justice have been identified, such as "process control", "decision control", "accessibility", "timing/speed", "flexibility", "approach", "right policy and execution" and "appropriate method" (Maxham III & Netemeyer, 2002; Stauss, 2002; Lovelock & Wirtz, 2004; Wirtz & Mattila, 2004; Chebat & Slusarczyk, 2005; Kim *et al.*, 2008).

Consumers can evaluate only those policies and procedures that they have direct knowledge or experience of (Tax *et al.*, 1998; McCollough *et al.*, 2000; Davidow, 2003; Zebeib, 2006). Procedures must be handled responsibly by the retailers, implying that it should be consistent, unbiased and impartial, representative of all parties concerned and based on correct information and ethical standards in order to be judged as fair (Tax & Brown, 1998; Aurier & Siadou-Martin, 2007).

In a retail context it is particularly important that complaints are resolved quickly – and preferably by the first employee who hears about it (Zeithaml & Bitner, 2003). When the complaint handling is lengthy and requires consumers to explain the situation several times over to different company representatives, the procedural fairness is perceived to be poor (Zemke & Bell, 1990; Zeithaml & Bitner, 2003). Research has shown that the lack of a prompt response to a complaint reinforces a consumer's negative perception of the firm and may result in escalating dissatisfaction and consumer switching behaviour (Davidow, 2003; Lovelock & Wirtz, 2004). On the other hand, the promptness of the retailer's response to consumer complaints significantly improves consumer evaluations of the process (Lovelock & Wirtz, 2004).

The retailer's flexibility to adapt to the consumer's recovery needs (Maxham III & Netemeyer 2002; Chebat & Slusarczyk, 2005), will also result in the consumer recognising the fairness of the procedures followed in recovering complaints. This can be achieved by adapting policies and procedures to accommodate the individual consumer's needs, especially since services are heterogeneous. The consumer will feel valued if the retailer is making exceptions in order to accommodate him/her. In many cases, complaint handling managers

have considerable flexibility in responding to the complainant, and consequently these employees may have an influence on the complaining consumer's experience of the complaint process.

### 3.2.2 Interactional justice

Tax *et al.* (1998:62) conceptualised interactional justice as the “perceived fairness of interpersonal treatment the people get during the enactment of procedures”. In a complaint handling context, interactional justice would refer to the interpersonal communications used in settling complaints, that is, the manner in which the complainant is treated by the employees of the retailer during the complaint handling (Davidow, 2003). The specific elements associated with interactional justice include truthfulness, the company's willingness and effort to listen, the company's willingness to provide an explanation as to why the failure occurred, common courtesy and politeness exhibited by personnel, friendliness, sensitivity, interest, honesty, empathy and assurance, respect, directness and concern, effort observed in resolving the situation, the acceptance of blame, providing an apology, and the communication language used (Tax & Brown, 2000; Davidow, 2003; Chebat & Slusarczyk, 2005; Kau & Loh, 2006; Aurier & Siadou-Martin, 2007; Dayan *et al.*, 2007; Kim *et al.*, 2008).

Inequity upsets the exchange relationship between the consumer and the firm (Boshoff & Leong, 1998; Hoffman & Kelley, 2000; McCollough *et al.*, 2000; McColl-Kennedy & Sparks, 2001); the firm is expected to acknowledge the problem, take ownership and apologise. An apology from the service provider communicates politeness, courtesy, concern, effort, and empathy to consumers who have experienced a service failure and enhances their evaluations of the encounter. According to Zemke and Bell (1990), an apology gives recognition that the consumer has been inconvenienced in some way. Furthermore, it enhances consumer perceptions of fairness which may ensure a continued relationship, especially when it is accompanied by some tangible token of restitution (Goodwin & Ross, 1992). An apology will redistribute esteem (a social resource) in an exchange relationship and is therefore viewed as a valuable reward (Smith, Bolton & Wagner, 1999; Refiana, 2012). Although there are various forms in which to apologise, such as a telephone call or a letter, a personal apology is the best because it offers the opportunity to sincerely demonstrate the firm's regret for the incident. An apology can restore psychological equity and it may offset perceptions of rudeness (Goodwin & Ross, 1992; Yan & Lotz, 2006). However, the notion of apology is somewhat controversial, as some studies view it as part of interactional justice (Tax *et al.*, 1998; Mattila & Patterson, 2004), while others link apology to distributive justice (Davidow, 2003; Zebeib, 2006).

Colquitt (2001) suggests that interactional justice can be divided into interpersonal treatment and informational justice. Interpersonal treatment refers to the human interactional component of the process, and informational justice to the appropriateness and truthfulness of the explanation for the unfavourable outcome. According to Bonifield and Cole (2008), interpersonal information from the service provider regarding recovery is a previously neglected but important component of complaint handling procedures.

The behaviours of frontline service personnel are crucial to the consumer's evaluation of services in terms of interactional justice (Hartline, Maxham III & McKee, 2000). Previous research has shown that customers are influenced by frontline personnel's presence, message content, attractiveness, status and interpersonal relationships with customers (Kraiger, Billings & Isen, 1989). Boshoff and Staude (2003) mention that successful communication will depend on the amount of communication, the frequency of communication and the communication style of the employees to the complainers.

Positive consumer perceptions of employee behaviour are likely to contribute to consumer satisfaction (Bitner, Booms & Tetreault, 1990; Saxby *et al.*, 2000; Stauss, 2002). Fair interpersonal treatment contributes to satisfaction with service encounters (Bitner *et al.*, 1990; Blodgett *et al.*, 1997; Stauss, 2002), which leads to better evaluations of the retailer's complaint handling efforts and consequently favourable repurchase intentions (Blodgett *et al.*, 1997). By showing empathy, retailers indicate that they do care about consumer problems, and will do their best to fix it in order to avoid further inconvenience (Blodgett *et al.*, 1997; Boshoff & Staude, 2003; de Matos & Leis, 2013).

### **3.2.3 Distributive justice**

Distributive justice has its origins in the social exchange theory, which emphasises the role of equity in exchanges. A fair exchange can be defined as an exchange where both parties receive an outcome in proportion to their contribution in the exchange transaction (Blodgett *et al.*, 1997; Boshoff & Staude, 2003; de Matos & Leis, 2013). Because consumer complaints are often a result of the complainant's perception of loss, compensating complainants for their loss may be considered an equitable approach. Distributive justice in complaint handling refers to the perceived fairness of the tangible outcome offered by the retailer as a result of a dispute involving the retailer and complainant (Tax & Brown, 2000; Davidow, 2003; Schoefer & Ennew, 2005). By offering a tangible compensation a retailer is trying to make the exchange more equitable, by providing a gain to consumers who have experienced a loss (Bonifield & Cole, 2008:567). Therefore, the concern is with what the



company did (or gave to the consumer), in order to pacify the offended consumer and whether the consequent outcomes were more or less than the costs incurred by the consumer (Schoefer & Ennew, 2005; Kim *et al.*, 2008). Distributive justice has been measured by the “justice”/“fairness, “need” “value” and “reward” of outcomes (Blodgett *et al.*, 1997; Chebat & Slusarczyk, 2005; Wirtz & Mattila, 2004; Kim *et al.*, 2008).

Distributive outcomes include compensation in the form of monetary rewards such as discounts, coupons, refunds, rebates, free gifts, replacements or substitutions, repairs, payment of additional expenses caused by the firm’s failure, and intangible rewards such as apologies (Chebat & Slusarczyk, 2005; Kau & Loh, 2006; Kim *et al.*, 2010). Providing compensation is a typical response to consumer complaints (Au *et al.*, 2001), because not only do consumers receive a tangible benefit, but they also see the compensation as a symbolic expression of the retailer’s regret (Conlon & Murray, 1996; Schoefer & Ennew, 2005; Kim *et al.*, 2008).

Financial compensation increases consumer satisfaction after service failure, because financial information is easier to interpret than interactional or procedural information (Smith *et al.*, 1999). When consumers receive tangible outcomes, they are more inclined to attribute greater control to the retailer (Bitner, 1990; Goodwin & Ross, 1990). The assessment of whether the compensation is fair may be affected by the consumer’s perception of the magnitude of his/her own loss (Tax *et al.*, 1998), prior experience with the firm and knowledge about how other consumers were treated in similar situations, (McCull-Kennedy & Sparks, 2003; Kau & Loh, 2006); this will differ from one individual to the next.

If a consumer senses that the retailer’s response to the complaint has not matched the consumer’s inputs (purchase costs incurred, complaining effort, time spent, etc.), the former is likely to react negatively to the latter’s resolution. However, if the compensation offered by the retailer is perceived as adequate, consumers will form a more favourable perception of equity in their transaction with the retailer and will be more likely to engage in positive behavioural outcomes (Tax *et al.*, 1998; Boshoff & Staude, 2003; de Matos & Leis, 2013).

### **3.2.4 Overall perceptions of justice**

Although it is generally accepted that the three dimensions of perceived justice are independent, it is the combination of the three that determines complainants’ overall perceptions of justice and hence their subsequent behaviour (Blodgett *et al.*, 1997; Tax *et al.*,

1998). For example, Blodgett *et al.* (1997) found that complainants who experienced higher levels of distributive and interactional justice were more likely to repatronage the retailer and were less likely to engage in negative word-of-mouth behaviour (and vice versa). However, they found that procedural justice (or more specifically timeliness) had no effect on respondents' repatronage intentions or on their negative word-of-mouth intentions). Returning to the retailer to meet with the manager the next day was seemingly less important than the manner in which they were treated and the compensation offered. It therefore seems that complainants use a compensatory model to determine their overall perception of justice and their subsequent intentions. According to Hoffman and Kelley (in Kau & Loh, 2006), the service recovery itself, the outcomes connected to the recovery strategy, the interpersonal behaviours enacted during the recovery process, and the delivery of outcomes are all critical in service recovery assessment.

### **3.3 EMOTIONAL AND BEHAVIOURAL INTENTIONS FOLLOWING COMPLAINT HANDLING PROCEDURES**

Various empirical studies support the proposition that consumers will evaluate satisfaction with complaint handling in terms of perceived justice (Blodgett *et al.*, 1997; Tax *et al.*, 1998; Nel, Athron, Pitt & Ewing, 2000). The theoretical frameworks employed focused primarily on the cognitive evaluations of perceived justice associated with the complaint handling encounter (Blodgett *et al.*, 1997; Tax *et al.*, 1998; Nel *et al.*, 2000). Typically, the dimensions of perceived justice are hypothesised to act as direct cognitive antecedents to satisfaction, post-complaint attitudes and behaviours (Blodgett *et al.*, 1997; Tax *et al.*, 1998; Smith & Bolton, 2002; Schoefer & Ennew, 2005; Schoefer & Diamantopoulos, 2008).

However, it is also recognised that antecedents to satisfaction are emotional as well as cognitive. For example, Oliver (1997) has stated that "emotion coexists alongside various cognitive judgments in producing satisfaction". Smith and Bolton's (2002) research suggests that consumers' emotional responses to service failures will influence their recovery effort, evaluations and satisfaction judgements. While evidence for the link between emotions and satisfaction in relation to service recovery has been presented by Smith and Bolton (2002), Schoefer and Ennew (2005) provided evidence for a further link in the chain, suggesting that justice perceptions following complaint handling experiences may elicit emotional responses.

Schoefer and Diamantopoulos (2008) provided empirical evidence for the contention that emotions act as mediators of the relationship between perceived justice and post-complaint behaviours. Chebat and Slusarczyk (2005) examined the mediating effects of emotions on

consumers' actual behavioural intentions to perceived justice in service recovery situations. They argue that, depending on the level of perceived justice, individuals experience emotions and also engage in behaviours consistent with the impressions and feelings that they experience with the service recovery. Del Río-Lanza *et al.* (2009) investigated the relative effects of perceived justice on satisfaction and the emotions triggered by the service recovery. The results of their study showed that all three dimensions of justice affect satisfaction, with procedural justice showing the strongest influence, as well as being the only dimension affecting the emotions. Dayan *et al.* (2008) found that the relationship between perceived justice and post-purchase behavioural response was mediated by emotions.

In the following paragraphs cognitive appraisal theory is described to explain the link between cognitive appraisals (evaluations) of events, emotions and behavioural intentions. In theory perceptions of justice also involve a cognitive evaluation process (i.e. an appraisal process).

Cognitive appraisal theory has been applied in various disciplines to understand people's emotions and behaviour when they are confronted with a stressful situation (Lazarus & Folkman, 1984; Nyer, 1997; Stephens & Gwinner, 1998; Watson & Spence, 2007). According to Stephens and Gwinner (1998), stressful events are not necessarily large, life-changing events (e.g. death of a spouse, divorce). Even the daily hassles of life, including the problems that consumers experience in the marketplace such as service failures and problems with the redress process itself, have the potential to cause stress. In a consumer behaviour context, Stephens and Gwinner (1998) propose that a dissatisfying marketplace experience serves as the potentially stressful event that will be evaluated via the cognitive appraisal process. The term *dissatisfying marketplace experience* refers to those consumption events in which consumers' perceptions of performance compare negatively to some standard and performance is therefore evaluated as dissatisfying (Stephens & Gwinner, 1998). Various researchers have recognised that service failure may trigger emotional responses (Smith & Bolton, 2002; McColl-Kennedy & Sparks, 2003). Similarly, Schoefer and Ennew (2005) propose that the way in which service recovery is managed can be seen as a specific event that may provoke an emotional response on the part of the consumer. They conclude that perceived justice represents a cognitive appraisal dimension, which drives the elicitation of emotions following complaint handling experiences. Therefore, both the distinct processes of service failures and service recovery can be regarded to be stressful events that may provoke emotions (Schoefer & Ennew, 2005).

Bagozzi *et al.* (1999) suggest that “emotions arise in response to appraisals one makes for something of relevance to one’s wellbeing”. This assertion is built on the idea that emotions should be seen as the consequence of a specific event, behaviour, situation or thought. However, it is not the event, behaviour, situation or thought in itself that creates the emotion, but rather the way in which the individual evaluates it (Schoefer & Ennew, 2005; Soscia, 2007; Del Río-Lanza *et al.*, 2009). Accordingly, the same set of circumstances can provoke quite different emotional reactions in different people (Bagozzi *et al.*, 1999; Bagozzi, Gurhan-Canli & Priester, 2002; Schoefer & Ennew, 2005). The specific emotions that result from cognitive appraisal vary according to the attribution of responsibility/accountability for the stressful situation. For example, it is proposed that anger results from a negative outcome that is perceived as controllable by others, whereas guilt and shame result from a negative outcome attributed to internal and controllable factors (Folkes, 1984; Nyer, 1997).

Although there is little consistency as to which emotions are related to CCB and perceived justice terminology, a clear distinction is noted between positive and negative emotions which have distinct effects on behaviour (Schoefer & Ennew, 2005; Schoefer & Diamantopoulos, 2008). Positive emotions associated with outcome-desire fulfilment (when one attains a goal, experiences a pleasant event or avoids an unpleasant event) include satisfaction, joy, elation, pleasure, pride and relief. Emotional reactions associated with outcome-desire conflicts (when one fails to achieve a goal or when one experiences an unpleasant event) are dissatisfaction, anger, shame, guilt, sadness, disappointment, disgust and regret (Bagozzi *et al.*, 1999).

In the case of a failed service recovery attempt, the discrepancy between consumer expectations and perceived delivery of service inevitably creates negative emotions (Bagozzi *et al.*, 1999; Smith & Bolton, 2002). Chebat and Slusarczyk (2005) propose that individuals who are treated fairly during the complaint handling procedure tend to experience positive emotions, such as happiness, contentment, gratitude and satisfaction, as opposed to those who are under-rewarded during the complaint handling, and who may be experiencing negative emotions such as frustration, depression and especially anger.

In addition to the general satisfaction associated with the consumption experience, specific emotions such as anger, disgust, contempt and disappointment have been shown to influence consumers coping behaviour (Bagozzi *et al.*, 2002:39; Watson & Spence, 2007; Kim *et al.*, 2010). Coping is simply the means by which an individual identifies and assesses the adaptive potential and significance of various actions or strategies (Johnson & Stewart,

2005). Coping strategies are the cognitive and emotional attempts undertaken by the individual to manage the demands of the stressful situation (Nyer, 1997; Mathur *et al.*, 1999).

Researchers have identified three types of coping strategies, namely problem-focused coping, emotion-focused coping and avoidance (Lazarus & Folkman, 1984; Mathur *et al.*, 1999). Problem-focused coping refer to coping efforts that are directed at managing or altering the problem causing the stress. Emotion-focused coping, on the other hand, are directed at regulating the emotional response to the problem. Avoidance coping implies that the person simply leaves the situation (Lazarus & Lazarus, 1994; Stephens & Gwinner, 1998; Bagozzi *et al.*, 2002).

Based on cognitive appraisal theory, various consumer behaviour researchers have identified a number of coping strategies in terms of Day and Landon's (1977) private versus public dichotomy of consumer complaint behaviour (CCB). Behavioural options where the consumer deals directly with the dissatisfying experience (e.g. complains directly to manufacturers and retailers (second parties) and to third parties (e.g. a public consumer protection agency, voluntary organisation, ombudsman or court)) are associated with the problem-focused coping strategy. Actions that address the consumer's emotional state and reaction to the problem rather than the dissatisfying experience as such (e.g. telling friends, family and/or acquaintances about the stressful experience to gain social support) are associated with the emotion-focused coping strategy. Behaviour that leads to the overall withdrawal from the situation (e.g. taking no action, stopping use of the brand name and stopping support to the retailer where the product was purchased) is associated with avoidance coping (Stephens & Gwinner, 1998; Forrester & Maute, 2001; Donoghue, 2008; Isaac, 2010; Kim *et al.*, 2010). The CCB actions can also be applied in a post-complaint behavioural context in the sense that customers who are dissatisfied with a company's complaint handling, may complain directly to second parties or third parties, engage in negative word of mouth, take no action or stop supporting the company.

### **3.4 CONCLUSION**

Service failure and service recovery encounters are "significant moments of truth" for consumers, because this is when they decide whether or not they want to continue their relationship with the firm (Smith & Bolton, 2002), especially because many consumers have strong emotional reactions to service failures (Mattila & Wirtz, 2000; Chebat & Slusarczyk, 2005; Schoefer & Ennew, 2005; Harvey, Gray & Despain, 2006). In effect, higher levels of perceived justice lead to more positive evaluations of the retailer (Blodgett *et al.*, 1997; Tax

*et al.*, 1998), resulting in consumer satisfaction, higher re-patronage intentions, positive word-of-mouth intentions (Schoefer & Ennew, 2005) and future loyalty (Tax *et al.*, 1998; Blodgett *et al.*, 1997; Nel *et al.*, 2000; Boshoff & Staude, 2003; de Matos & Leis, 2013).

Situations in which customers perceive a lower level of justice, are significantly associated with lower satisfaction and higher intentions to engage in negative post-complaint behaviour. Thus, considering that recommendations (positive word of mouth) are critical for customers' decision-making in the service context, it is essential for companies to correct a service failure and avoid its repetition. Effective complaint handling improves company image, engenders confidence in consumers, improves their attitudes toward the company, and reduces defection rates (McCollough *et al.*, 2000; Maxham III, 2001; Stauss, 2002).

Consumers base their judgements of the recovery process on their perceptions of justice. Consumers' emotions influence the relationship between perceived justice and post-complaint behaviour. Companies should respond to complaints in an active and efficient manner, by focusing on the three dimensions of perceived justice (procedural, interactional, and distributive justice) to understand their customers' cognitions, emotions and behaviour. This could help them to differentiate themselves in the marketplace, ensuring increased profitability (Tax *et al.*, 1998; Kim *et al.*, 2008). In fact, companies who shirk their responsibility in the complaint handling procedure and who do not handle complaints fairly, demonstrate a lack of accountability which may cause negative word of mouth and higher defection (churn) rates (Jacoby & Jaccard, 1981; Boshoff & Staude, 2003; de Matos & Leis, 2013).

## CHAPTER 4

### RESEARCH DESIGN AND METHODOLOGY

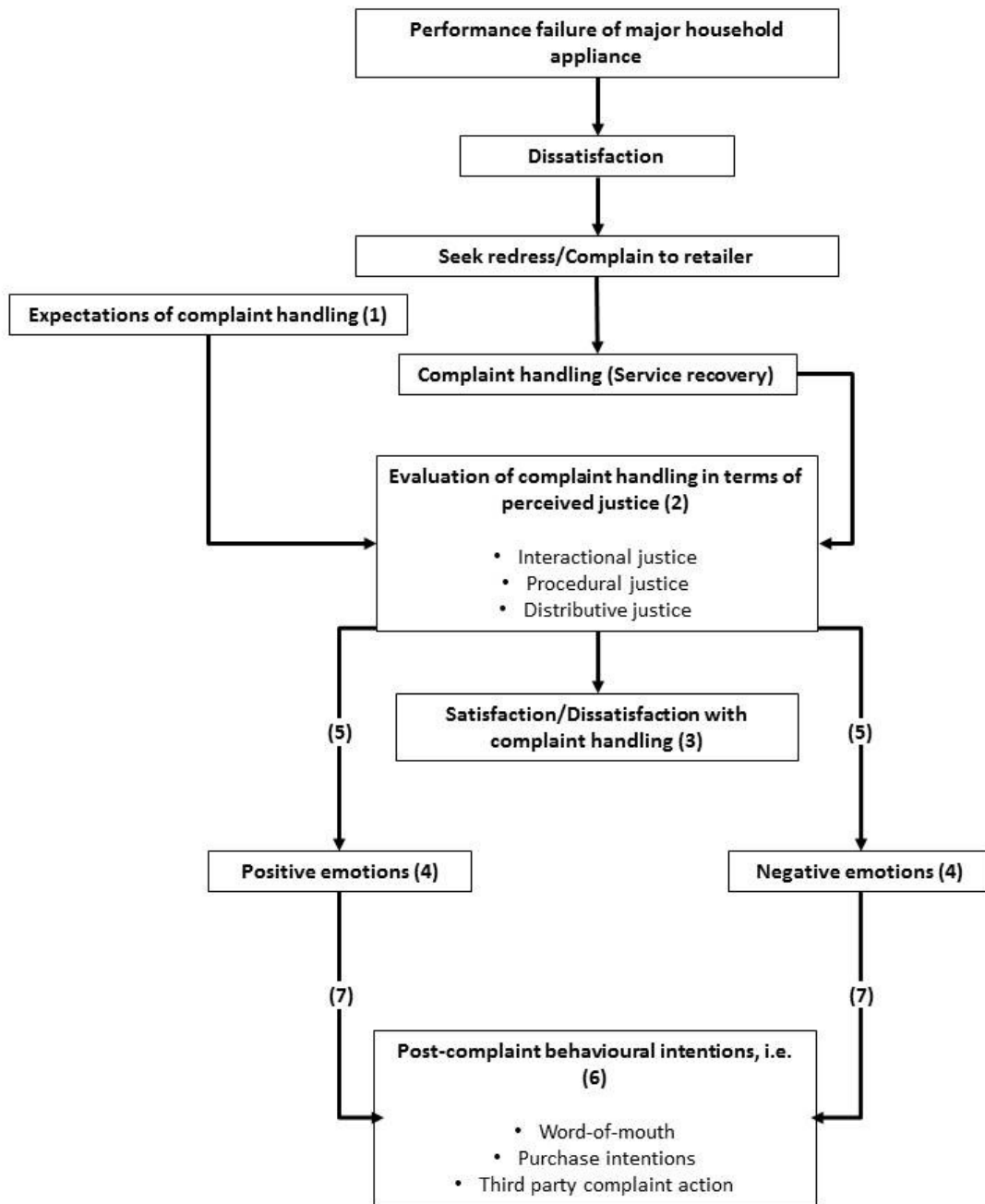
#### 4.1 INTRODUCTION

This chapter presents the research design and methodology for this study. Firstly, the conceptual framework is presented, and the purpose of the research and the research objectives are stated. This is followed by a discussion of the research design and sampling plan. Previous methodologies which served as background for the methodology chosen for this study are discussed, including methodologies for studying consumers' perception of justice following service recovery and their subsequent post-complaint emotional responses and behavioural intentions. The questionnaire as the data collection technique is discussed. The analysis of the data is discussed in terms of the operationalisation of measurements, the explanation of the statistical methods and the coding and capturing of the data. Then, the quality of the data is discussed in terms of its validity and reliability. Finally, procedures for ensuring ethical research are indicated.

#### 4.2 CONCEPTUAL FRAMEWORK, RESEARCH GOAL AND OBJECTIVES

##### 4.2.1 Conceptual framework

The study proposes a schematic conceptual framework of consumers' evaluation of retailers' complaint handling (service recovery efforts) in terms of perceived justice. The conceptual framework indicates the important concepts of this study and the relationship between these concepts (Figure 4.1). The numbers used in the conceptual framework coincides with the objectives of the study.



**FIGURE 4.1: SCHEMATIC CONCEPTUAL FRAMEWORK**

The conceptual framework proposes that consumers who experienced dissatisfaction as a result of performance failure of a major household appliance item, who sought redress from retailers will evaluate retailers' complaint handling processes in terms of the three dimensions of perceived justice, namely procedural justice, interactional justice and distributive justice.



Based on their expectations and perceptions of the retailers' complaint handling procedures, consumers will either be satisfied or dissatisfied, and as a consequence of their perceptions of justice they may experience positive or negative emotions, which may direct them to certain behaviours. For example, a satisfied consumer might experience positive emotions and may engage in positive word of mouth to friends and family, may show repurchase intentions and may remain loyal to the retailer, choosing to buy from them again. On the other hand, a dissatisfied consumer might display negative emotions, which may result in negative behaviour such as engaging in negative word of mouth, choosing not to visit the store again or to complain to third-party institutions such as a newspaper or consumer protection organisation.

#### **4.2.2 Research goal**

Based on the preceding conceptual framework, the purpose of the study was to explore and describe complainants' emotional and post-complaint behavioural intentions, following evaluations of retailers' complaint handling concerning the performance failure of major household appliances in terms of perceptions of justice.

#### **4.2.3 Research objectives**

The following research objectives were formulated for this study:

- Objective 1** To investigate and describe complainants' expectations of retailers' complaint handling of major household appliance failures in terms of perceived justice (i.e. procedural justice, interactional justice and distributive justice).
- Objective 2** To investigate and describe complainants' evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice (i.e. procedural justice, interactional justice and distributive justice).
- Objective 3** To investigate and describe complainants' level of dis/satisfaction experienced with retailers' complaint handling of major household appliance failures.

- Objective 4** To investigate and describe complainants' emotional responses following evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice.
- Objective 5** To investigate and describe the relationship between the consumers' perceptions of perceived justice (i.e. procedural justice, interactional justice and distributive justice) and their emotional responses following evaluations of complaint handling.
- Objective 6** To investigate and describe complainants' post-complaint behavioural intentions following evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice.
- Objective 7** To describe the relationship between complainants' emotional responses following evaluations of retailers' complaint handling of major electrical household appliances and their post-complaint behavioural intentions.

### **4.3 RESEARCH DESIGN**

As the research objectives indicate, the research was based on investigation and description. In order to investigate the research problem, an empirical study was conducted by using a quantitative methodological research approach in the form of a structured questionnaire. A survey design was followed using primary data. The study was cross-sectional, meaning that the observations were made at one time and not over an extended period as is the case with longitudinal research (Babbie & Mouton, 2002:92, 105).

### **4.4 SAMPLING PLAN**

#### **4.4.1 Unit of analysis**

The unit of analysis for this research was consumers who had complained directly to the retailer to obtain redress concerning the performance failure of a major household appliance item.

For inclusion in the study, respondents had to:

- have complained directly to the retailer during a one-year recall period
- reside in the Pretoria/Tshwane municipal area, making the sample population-specific to one area
- be older than 21 years, assuming that by this age respondents are old enough to have gained experience with their major household appliances and be able to complain to retailers about appliance performance problems that they might experience
- belong to the SAARF Living Standards Measure (LSM) groups 5 to 10 to have the capacity to own major household appliances.

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. The LSM Descriptors of August 2004 measure the population on a continuum from LSM level 1 to level 10, in terms of ownership of certain durable goods, access to services and the like. For LSM levels 5 to 10, characteristics include (in ascending order): access to electricity, ownership of durables such as major household appliances, educational levels varying from schooling up to Matric/Grade 12 to higher education, and average monthly household incomes ranging from R2 000 to R10 000 or higher (i.e. middle-class to top income brackets). LSM groups 5 to 10 have access to electricity and have the capacity to own major appliances (Du Plessis, 2003:87-100; SAARF Universal LSM Descriptors, August 2004).

#### **4.4.2 Sampling technique and sample size**

The unit of analysis required non-random convenience sampling. Given that a service recovery encounter is not a common phenomenon, a random sample of the general population was unlikely to result in a significant number of respondents with such experiences (Schoefer & Ennew, 2005; Del Río-Lanza *et al.*, 2009). Therefore, convenience sampling was used. In addition, willing respondents were asked whether they could identify and give contact details of other prospective respondents who complied with the requirements, implying additional snowball sampling.

Sample members were selected on the basis of the pre-specified conditions mentioned in section 4.4.1 above. Categories of the target population were determined for gender, age, culture, level of education and average monthly household income. Additionally, respondents had to reside in the Tshwane metropolitan area (City of Pretoria). A map indicating the wards of Tshwane was found on <http://www.tshwane.gov.za/Residents/>

Pages/default.aspx, in order to verify that respondents resided in the Tshwane metropolitan area.

Two hundred hardcopy questionnaires were distributed by trained fieldworkers at malls in the Pretoria/Tshwane area, and online questionnaires were sent to respondents who indicated that they were willing to participate but did not have time to complete a questionnaire in the mall, but rather supplied the fieldworkers with an email address. In addition, an online group was created on the social media site, Facebook, recruiting suitable respondents. Online consumers who experienced dissatisfaction with major household appliances and who complained to retailers within a one-year period in the Pretoria, Tshwane area, willingly joined the group when they felt that they could contribute. It is unknown how many of the respondents visited the questionnaire website; however, 93 completed questionnaires were obtained. In the end, only 198 usable questionnaires were collected during November 2009, December 2009 and January 2010.

#### **4.5 CHOICE DESCRIPTION AND APPLICATION OF DATA COLLECTION METHODS AND PROCEDURES**

##### **4.5.1 Overview of methodologies for studying perceived justice and post-complaint emotional responses and behavioural intentions**

In order to enhance the validity and reliability of the study, methodologies that resulted in trustworthy results in previous studies on perceived justice and consumer complaint behaviours were consulted.

Blodgett *et al.* (1997) examined the effects of perceived justice (distributive, procedural and interactional justice) on repurchase intentions and negative word of mouth. They conducted a quasi-experimental study with 12 scenarios describing a situation in which the customer returned a defective product to a retail store, and respondents were asked how they would react to a specific scenario. The scenarios differed as follows: the customer was allowed to exchange the product (a pair of athletic shoes), or was given a partial discount on a new product, was treated either with courtesy and respect, or was treated rudely, and was able to take care of the problem promptly or was asked to postpone it until the next day. The respondents also watched a video portraying the scenario. Based on previous research, Blodgett *et al.* (1997) used multiple-item scales to measure the relevant construct. They used 7-point Likert-type scales anchored with descriptors such as “strongly agree/strongly disagree”, “very likely/very unlikely”. The scales were highly reliable. Other examples of

studies that employed an experimental design to study customers' post-service recovery perceptions include Matilla and Patterson (2004) and DeWitt, Nguyen, Marshall (2008).

To mention only a few studies, Tax *et al.*, (1998), Davidow (2003), Kau and Loh (2006), Kim *et al.* (2008) and Del Río-Lanza *et al.* (2009) used a cross sectional survey design to assess customers' evaluation of a service recovery. A condition for respondent inclusion in these studies was that they must have experienced a service failure and complained to a service provider company (respondents had to recall a critical incident). Structured questionnaires were used to collect the data. Multiple-item scales from previous studies were adapted to measure the justice variables and behavioural intentions including word-of-mouth intentions, customer loyalty and repurchase intentions.

According to Smith and Bolton (2002:5), service failure and recovery encounters are significant moments for customers, because this is when they decide whether or not they want to continue their relationship with the firm, especially because many consumers experience strong emotional reactions in response to service failures. Few empirical studies (Tax *et al.*, 1998; Kim *et al.*, 2008; Schoefer & Diamantopoulos, 2008), have specifically addressed how customers' emotional responses to the service failure (such as complaint handling) influence their evaluation of the recovery process and their satisfaction with the experience.

Schoefer and Diamantopoulos (2008) developed the emotions during service recovery efforts (ESRE) scale, to measure emotions experienced during service recovery encounters. The results of their study showed that the ESRE scale proved to be a valid and reliable instrument, which could be used for empirically studying the role of emotional responses during recovery procedures. By using a scenario approach, the respondents were randomly assigned to one of eight versions of a complaint handling scenario. They were asked to indicate how strongly the 25 emotional states described their reactions. Positive emotions included feeling delighted, attentive, alert, joyful, active, pleased, happy, excited, proud, warm feelings, enthusiastic, being valued and interested. Negative emotions included feeling downhearted, enraged, upset, angry, sad, distressed, in a bad mood, ashamed, irritated, annoyed, nervous and afraid. Their five-point Likert-type scale ranged from "not at all" (1) to "extremely" (5). The resulting intentions were then subjected to maximum likelihood common factor analysis with oblique rotation, which produced a two-factor structure for both positive (pleasure, including joyful, happy and proud, and involvement, including alert, active, interested) and negative emotions (discontent, such as sad, angry, annoyed, concerned, including nervous and afraid).

Bougie, Pieters and Zeelenberg (2003) demonstrated that anger and dissatisfaction are different emotions and that both of these emotions affect consumer behaviour (such as negative word of mouth, third-party complaint behaviour and switching brands). They used a 7-point multi-item scale ranging from “not at all” (1) to “very much” (7) to measure the respondents’ behaviours. By using retrospective experience sampling, respondents had to answer open- and closed-ended questions about their experiences.

Although many of the studies on perceived justice in a consumer complaint handling context apply experimental research designs, researchers such as Dunning, O’Cass and Pecotich, (2004) recommend the use of survey designs with retrospective measurements to enable researchers to study consumers’ actual emotions and behaviours, as opposed to manipulated emotions and behaviours, because consumers who really had such encounters are more emotionally involved than respondents who had to imagine complaint scenarios.

#### **4.5.2 Data collection methods and procedures**

Based on the above discussion about the methodologies for studying perceived justice and post-complaint emotional responses and behavioural intentions (section 4.5.1), a self-administered questionnaire was developed to obtain primary information from consumers who had experienced product failure of major household equipment and had complained directly to the retailer. This type of data collection method has been used extensively in service recovery research (Davidow, 2000:479). Multiple-item scales were used in previous studies to measure respondents’ perception of justice (i.e. procedural, interactional and distributive justice) and their emotional responses and behavioural intentions following evaluations of perceived justice. Scale items from validated scales were employed in this study after a slight modification.

##### **4.5.2.1 Structure of the questionnaire**

The questionnaire was divided into three content sections (Sections A – C) to facilitate the eventual processing of the data (see Addendum A). In Section A, respondents had to provide demographic information (i.e. gender, age, level of education, monthly household income, residential area, cultural group) to enable the researcher to describe the sample. Closed-ended questions were asked about the respondents’ gender, level of education, monthly household income and cultural group. Open-ended questions were asked about the respondents’ age and where they resided in the Tshwane/Pretoria region.

Based on the existing scales used in previous research on the three dimensions of perceived justice, Section B measured consumers' expectations of retailers' complaint handling efforts concerning dissatisfactory major household appliances (Question 2, Section B – Addendum A), as well as consumers' perception of justice following evaluation of retailers' complaint handling (Question 1, Section B – Addendum A).

A four-point Likert-type scale was used in Questions 1 and 2. In Question 1 respondents were asked to indicate the degree to which they agreed/disagreed with statements concerning their perception of justice (i.e. procedural, interactional and distributive justice) of retailers' complaint handling. The scale ranged from strongly disagree (1) to strongly agree (4). The scale items were arranged randomly so that respondents were unable to recognise a pattern concerning the perceived justice dimensions. The same items were used in Question 2. However, respondents were asked to indicate the importance of the statements concerning their expectation of retailers' complaint handling following consumer complaints. The wording of the items was changed accordingly. The scale varied between not important (1), to very important (4). It should be noted that the order of questions 1 and 2 differs from the order implied in objectives 1 and 2. This was done on purpose to prevent respondent bias (Mouton, 2005).

In Section C consumers' satisfaction/dissatisfaction with retailers' complaint handling and consumers' subsequent post-complaint emotions, responses and behavioural intentions were determined.

Respondents were asked to indicate their overall level of consumer satisfaction/dissatisfaction with the retailers' complaint handling procedures following their complaint. The 8-point satisfaction/dissatisfaction response scale ranged from “extremely satisfied” (1), to “extremely dissatisfied” (8) (Question 2, Section C – Addendum A).

Question 3 (Section C – Addendum A) measured respondents' emotional reaction regarding complaint handling. This question was a simplification of Schoefer and Diamantopoulos' (2008) ESRE scale, specifically designed to measure emotions experienced during service recovery encounters. Their five-point scale ranged from 1 (“not at all”) to 5 (“extremely”), and included items related to positive emotions (joyful, happy, proud, warm feelings, being valued, attentive, active, interested) and negative emotions (upset, angry, sad, in a bad mood, annoyed, nervous and afraid). In this study 10 emotions were taken from Schoefer and Diamantopoulos' (2008) ESRE scale, namely joyful, angry, happy, in a bad mood, proud, upset, warm feelings, sad, being valued, annoyed and gratitude. The emotions of

gratitude and guilt were taken from Soscia's (2007) study that investigated the relationship among appraisals, consumption emotions (gratitude, happiness, guilt anger pride and sadness) in predicting post-consumption behaviours.

Respondents' behavioural intentions concerning repatronage, word of mouth and third-party action were measured (Question 4, Section C – Addendum A) by using a closed-ended question for each type of action. The wording of these questions was based on existing multiple-item scales to measure behavioural intent (Maxham III & Netemeyer, 2002; Davidow, 2003; Kim *et al.*, 2008): compensation (if there was any) offered to the respondents by the retailer (V42-V47).

Section C also determined the type of compensation (if there was any) offered to the respondents by the retailer (Question 1, Section C – Addendum A). Respondents were asked to tick either “yes” or “no” on a closed-ended question about the compensation offered to them. This question did not form part of the objectives for this study, but was used to aid the respondents in memory recall.

The structure of the questionnaire is portrayed in Table 4.1 in terms of the different sections of the questionnaire, the specific aspects measured and the question numbering according to which different aspects were measured:

**TABLE 4.1: QUESTIONNAIRE STRUCTURE**

SECTION	ASPECTS MEASURED	QUESTION NUMBERING
A	<b>Demographic data</b> Gender Age Level of education Monthly household income Location in Pretoria Population group	Question 1 (V2) Question 2 (V3) Question 3 (V4) Question 4 (V5) Question 5 (V6) Question 6 (V7)
B	Perception of justice (i.e. procedural, interactional and distributive justice) following evaluation of retailers' complaint handling  Expectation of what retailers should do when consumers complain to them (in terms of perceived justice dimension)	V8-24  V25-41
C	Type of compensation  Levels of dis/satisfaction following complaint handling  Emotional responses following complaint handling  Behavioural intentions following complaint handling	Section C, Question 1 (V42-47)  Section C, Question 2 (V48)  Section C, Question 3 (V49-60)  Section C, Question 4 (V61-64)



A cover letter that accompanied the questionnaire indicated the purpose of the research, emphasised that participation was voluntary, provided a guarantee of confidentiality and anonymity, and indicated the time needed to complete the questionnaire. The cover letter contained the screening question to determine whether respondents directly contacted a retailer to complain about the dissatisfactory performance of a major household appliance item that they own within the last year. The questionnaire was carefully planned to include only those questions that were important to collect all the relevant information (Delport, 2005:170). The questionnaire consisted of four pages.

#### **4.5.2.2 Data collection procedures**

The structured self-administered questionnaire, based on the literature review and previous methodologies for studying perceived justice in a service recovery context, was compiled in English. The questionnaire was pre-tested on 10 consumers who previously experienced dissatisfaction with major household equipment, and complained about it directly to the retailer. These respondents had demographic characteristics similar to those who finally took part in the study. After a few language errors were corrected, 220 hardcopy questionnaires were printed and distributed.

Five fieldworkers, including family and friends, recruited consumers in four shopping centres in the Pretoria/Tshwane area (Menlyn Park, Brooklyn Mall, Kolonnade and Zambezi Junction). Fieldworkers were trained in the administering of the questionnaire to eliminate error. For example, field workers emphasised that participation is voluntary and guaranteed the confidentiality of the information provided. Willing respondents who had complained to retailers about appliance failures within the past year, were recruited. These consumers were given a self-administered questionnaire, a pen and a clipboard, and a few minutes of privacy, so that they could complete the questionnaire without any disturbances or influences. Respondents were also asked to provide the contact details of any other respondents who would possibly qualify to participate in the study. If such contact details were given, fieldworkers contacted the prospective respondents and upon inquiry of their addresses (e-mail and postal), either the Internet link to the online questionnaire was emailed to them, or a hardcopy questionnaire in an envelope containing a paid return envelope, was posted.

An online survey questionnaire with the exact same questions and format of the hardcopy questionnaire was created on the website SurveyBob.com. Thereafter, an online group of consumers who had previously complained about dissatisfactory major household

appliances (in a one-year recall period) was set up on the social network, Facebook. Prospective respondents could join this group and were asked to invite other consumers who had similar experiences with their appliances. The group quickly grew and an e-mail with a link to the online questionnaire was sent to all members, requesting that they complete the online questionnaire. These questionnaires were very popular among the respondents, since they were able to do it totally anonymously, in the comfort of their own homes and in their own time. The online questionnaire was posted on the Internet as it is a convenient, fast and cost-effective way of eliciting responses from respondents. Questionnaires were regarded as invalid when the respondents did not meet the criteria for inclusion in the study.

Data was collected during the summer of 2009/2010 upon approval of the research proposal. The questionnaires took approximately 15 minutes to complete. Although 220 questionnaires (hardcopy and online) were completed and returned, only 198 questionnaires were usable (119 hardcopies and 79 online). Questionnaires were regarded as invalid when the respondents did not meet the criteria for inclusion in the study.

An incentive for participation was offered. A lucky draw at the end of the data gathering served as a reward, and respondents who were interested in entering their names into the lucky draw, were asked to give their contact details. Respondents who decided to enter their details into the lucky draw were asked to write the details on a separate sheet (for the hardcopy questionnaires), or type their details in an open-ended response block (for online questionnaires), guaranteeing that their responses to the questionnaire were kept totally confidential.

#### **4.6. Coding and capturing of the data**

During the design of the questionnaire, coding categories were included. Responses from the completed questionnaires were edge-coded by the fieldworkers and the researcher (who supervised the fieldworkers). Edge-coding means that codes were written in the appropriate spaces provided in the outside margin of each page of the questionnaire, for the different attributes of variables (Babbie & Mouton, 2002:415). This facilitated the data-capturing process at the Department of Statistics, University of Pretoria. The online questionnaires were programmed to code the data electronically, and it was exported directly from the website to an Excel Spreadsheet and was added to the Department of Statistics, University of Pretoria. A data clean-up was done in order to rectify any errors.

## 4.7 OPERATIONALISATION AND DATA ANALYSIS

### 4.7.1 Operationalisation

Table 4.2 indicates the objectives for this study, along with the questions and the types of statistical measurements used.

**TABLE 4.2: OPERATIONALISATION IN TERMS OF OBJECTIVES, DIMENSIONS, QUESTIONS AND STATISTICAL METHODS**

RESEARCH OBJECTIVES	Dimensions	QUESTIONS (V = Variable)	STATISTICAL METHODS
<b>Objective 1</b> To investigate and describe complainants' expectations of retailers' complaint handling of major household appliance failures in terms of perceived justice. (i.e. procedural justice, interactional justice and distributive justice).	Procedural justice   Interactional justice   Distributive justice	Section B: Question 2 (V25-V41)  (V25, 28, 31, 34, 37, 39, 41) (adapted from Tax & Brown, 1983; Blodgett <i>et al.</i> , 1997; Kau & Loh, 2006)  (V26; 29; 32; 35; 38; 40) (adapted from Tax & Brown, 1983; Blodgett <i>et al.</i> , 1997; Kau & Loh, 2006)  (V27; 30; 33; 36) (adapted from Tax & Brown, 1983; Blodgett <i>et al.</i> , 1997; Kau & Loh, 2006)	Calculation of frequencies and frequency analysis (SPSS Version 21.0)  Exploratory Factor Analysis (EFA) (SPSS Version 21.0)
<b>Objective 2</b> To investigate and describe complainants' evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice (i.e. procedural justice, interactional justice and distributive justice).	Procedural justice   Interactional justice   Distributive justice	Section B: Question 1 (V8 – V24)  (V8; 14; 17; 20; 22; 24) (Tax & Brown, 1983; Blodgett <i>et al.</i> , 1997; Kau & Loh, 2006)  (V9; 11; 12; 15; 18; 21; 23) (Tax & Brown, 1983; Blodgett <i>et al.</i> , 1997; Kau & Loh, 2006)  (V10; 13; 16; 19) (Tax & Brown, 1983; Blodgett <i>et al.</i> , 1997; Kau & Loh, 2006)	Calculation of frequencies and frequency analysis (SPSS Version 21.0)  Confirmatory Factor Analysis (CFA) (SAS 9.3)
<b>Objective 3</b> To investigate and describe complainants' level of dis/satisfaction experienced with retailers' complaint handling of major household appliance failures.		Section C: Question 2 (V48)	Calculation of frequencies and frequency analysis (SPSS Version 21.0)

<b>Objective 4</b> To investigate and describe complainants' emotional responses following evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice.		Section C: Question 3 (V49 – V60) (Soscia, 2007; Schoefer & Diamantopoulos, 2008)	Exploratory factor analysis (SPSS Version 21.0)
<b>Objective 5</b> To investigate and describe the relationship between the consumers' perceptions of perceived justice (i.e. procedural justice, interactional justice and distributive justice) and their emotional responses following evaluations of complaint handling.		Section B: Question 2 (V25 – V41)  Section C: Question 3 (V49 – V60)	Chi-square test (p-value significant at 5% level)
<b>Objective 6</b> To investigate and describe complainants' post-complaint behavioural intentions following evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice.		Section C: Question 4 (V61 – V64)	Calculation of frequencies and frequency analysis (SPSS Version 21.0)
<b>Objective 7</b> To describe the relationship between complainants' emotional responses following evaluations of retailers' complaint handling of major electrical household appliances and their post-complaint behavioural intentions.		Section C: Question 3 (V49 – V60)  Section C: Question 4 (V61 – V64)	Chi-square test (p-value significant at 5% level)

## 4.7.2 Explanation of statistical methods

### 4.7.2.1 Factor analysis

Factor analysis refers to the methods used to examine how underlying constructs influence the intentions on a number of measured variables; it is often used in dealing with large quantities of data (Diamantopoulos & Schlegelmilch, 2000; Babbie & Mouton, 2002:472-475). Factor analysis is useful in the context of measurement development, as it enables an assessment of the dimensionality of a multi-item scale (Diamantopoulos & Schlegelmilch, 2000).

Exploratory factor analysis is concerned with how the constructs influence a set of responses, whereas confirmatory factor analysis tests whether a specified set of constructs is influencing responses in a predicted way (DeCoster, 1998). Both types of factor analyses were used to clarify the data obtained from the questionnaires, and to indicate the underlying dimensions which are related to the constructs in a meaningful way (Diamantopoulos & Schlegelmilch, 2000).

Consumers' expectations of retailers' complaint handling (V25-V41) as well as their emotions following appraisals of retailers' complaint handling (V49-V60) were subjected to exploratory factor analysis with oblique rotation to identify the orderly simplification of large numbers of intercorrelated measures to a few representative constructs or factors. Only factors with eigenvalues of 1 or greater are considered significant. As a rule, variables with large loadings indicate that they are representative of the factor, and vice versa. In deciding what is small or large, a rule of thumb suggests that factor loadings higher than  $\pm 0.33$  are considered to meet the minimal level of practical significance (Statistics Solutions: Factor Analysis). Therefore, a factor loading of 0.33 denotes approximately 10% of the variable's total variance accounted for by the factor

Confirmatory factor analysis (CFA) involves the specification and estimation of one or more putative models of factor structure, each of which proposes a set of latent variables (factors) to account for covariances among a set of observed variables (Doll, Raghunathan, Lim & Gupta, 1995). Confirmatory factor analysis was conducted on V8 – V24 (items measuring consumers' perception of justice following retailers' complaint handling), using the PROC CALIS PROCEDURE of SAS, to determine whether the items for the latent constructs were consistent with the existing research regarding these constructs.

#### **4.7.2.2 Chi-square significance test**

The chi-square test is probably the most used non-parametric test of significance for nominal data. It shows an association between variables to determine how closely observed frequencies match the expected frequencies (McDaniel & Gates, 2004; Babbie & Mouton, 2002). If the p-value is greater than 0.05 the statistical null hypothesis cannot be rejected, hence there will be no association between variables; for example, action taken and stress level – as was the case in this study. The p-value refers to the exact probability of getting a computed test statistic that was largely due to chance (McDaniel & Gates, 2004:353). Thus the smaller the p-value, the smaller the probability that the observed result occurred by chance.

Chi-square significance test were performed to determine the relationships between the consumers' perceptions of perceived justice (V25 – V41) and their emotional responses (V49-V60) following evaluations of complaint handling, and the relationship between complainants' emotional responses (V49-V60) following evaluations of retailers' complaint handling of major electrical household appliances and their post-complaint behavioural intentions (V61 – V64).

## **4.8 QUALITY OF THE DATA**

### **4.8.1 Validity issues**

Validity refers to the extent to which an empirical measure accurately reflects the concept or characteristic of interest it is intended to measure (Delpport, 2005:160; McDaniel & Gates, 2004:163). The different types of validity, what they mean, and how they were established are discussed in the following paragraphs.

#### **4.8.1.1 Theoretical validity**

A thorough literature review was conducted and concepts were clearly defined to guarantee the validity of concepts (Mouton, 2005:111). Perceived justice theory and concepts from the field of service recovery, and complaint behaviour were integrated into a theoretical framework to guide the research.

#### **4.8.1.2 Content validity**

When a scale logically appears to measure exactly what it is intended to, content validity is ensured (Babbie & Mouton, 2002; Delpport, 2005:161). Content validity is concerned with the representativeness of the content of an instrument (Delpport, 2005:161). Thus, it should measure the full range of meanings that would be included in a variable being measured. According to Delpport (2005:161), two questions should be answered to ensure content validity: Is the instrument really measuring the concept we assume it is? Does the instrument provide an adequate sample of items that represent this concept?

The scale items in the questionnaire were all derived from previous studies to enhance the validity of the results of the research. The items were slightly modified to better fit the context of this study. The literature gathered on this area of study provided an adequate framework for the research to be performed. The questionnaire was checked by the research supervisors and a qualified statistician so as to ensure that the items assessed the necessary constructs. The items appeared to be relevant measurements of the variables, contributing to the face validity of the measuring instrument (Delpport, 2005:161).

#### **4.8.1.3 Construct validity**

Construct validity is concerned with the meaning of the measuring instrument, i.e what it is measuring and how and why it operates the way it does (Delpont, 2005:162). The constructs for this study were precisely defined, as already discussed in the section on theoretical validity. Additionally, multiple indicators were used to measure the dimensions of perceived justice to prevent mono-operation bias. Items were obtained from existing scales that were used in research on service recovery and perceived justice. Other methodological strategies such as scale validation and pilot testing can be employed to ensure the measurement validity of the measuring instrument (Mouton, 2005:111). The questionnaire for this study was also pilot-tested

#### **4.8.2 Reliability issues**

Reliability refers to the consistency or stability of the measurement. It is the consequence of a measurement procedure that results in identical measurements each time it is applied (Delpont, 2005:162). As descriptive research depends on human observations and responses, there is a danger that distortion of the data can occur.

The questionnaire was constructed bearing in mind the principles of questionnaire construction to counter the effect of measurement instrument effects on the reliability of the data (Mouton & Marais, 1990:91). The scale items used in the questionnaire were also derived from established scales that have proven to be reliable.

Fieldworkers were trained and were given pertinent instructions concerning the aims of the study as required by Babbie and Mouton (2002:123) and Delpont (2005:163) to ensure the reliability of the data. Field workers assisted the researcher with the coding of the questionnaire. Field workers were properly trained concerning the coding process to eliminate error.

### **4.9 ETHICAL PROCEDURES**

According to Walliman (2006:340), social research needs to be very sensitive about issues of ethical behaviour. To adhere to ethical concerns, the questionnaire included a cover letter containing the following information (Leedy & Ormrod, 2005:101-102):

- A brief description of the objectives of the study.

- A description of the respondents' duties in terms of participation and the duration of the questionnaire.
- An indication that participation is voluntary
- A guarantee of confidentiality and anonymity.
- The researcher's name and contact details.
- A place for the participant to sign the letter, indicating agreement to participate.

In addition, ethical approval for the study was given by the Ethics Committee (Faculty of Natural and Agricultural Sciences, University of Pretoria).

#### **4.10 DATA PRESENTATION**

The raw data was statistically analysed and the conversion is available both in hard copy (researcher's files) and as an electronic copy at the Department of Statistics at the University of Pretoria. The results are described in Chapter 5.



## CHAPTER 5

### RESEARCH RESULTS, DISCUSSION AND INTERPRETATION

#### 5.1 INTRODUCTION

In this chapter the data obtained from the questionnaires is presented and interpreted according to the objectives, as indicated in Chapter 4. The analysis starts with a description of the demographic characteristics and other descriptive characteristics of the sample, followed by an analysis of the objectives.

For the purpose of the analysis of the data, descriptive and inferential statistics were used. Descriptive statistics are used to describe, show or summarise data in a meaningful way. It does not, however, allow for conclusions to be made beyond the data that was analysed. Descriptive statistics merely describe the data by means of graphic descriptions (i.e. graphs, charts and tables) and numerical measures such as the mean, standard deviation etc. (Hair, Black, Babin, Anderson & Tatham, 2006:113). Inferential statistics are used to make inferences beyond the description of specific variables (Hair *et al.*, 2006:113). In this study, factor analysis and the Chi-square significance test were used to make inferences about the data.

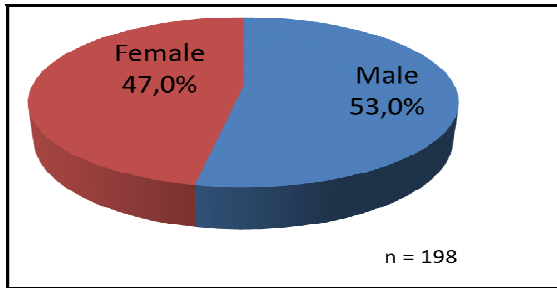
For the purpose of this study, the results are presented in graphs, charts and tables.

#### 5.2 DEMOGRAPHIC AND OTHER DESCRIPTIVE CHARACTERISTICS OF THE SAMPLE

The demographic and other descriptive characteristics of the sample are provided to describing the sample.

##### 5.2.1 Gender distribution

Figure 5.1 shows the gender distribution of the respondents.



**FIGURE 5.1: RESPONDENTS' GENDER DISTRIBUTION**

This pie chart shows that 53% of the respondents were male and 47% were female.

### 5.2.2 Age distribution

The age distribution of the respondents is presented in Table 5.1. Respondents had to be 21 years or older to participate in the study, hence the youngest respondent was 21 years of age and the oldest respondent was 77 years of age.

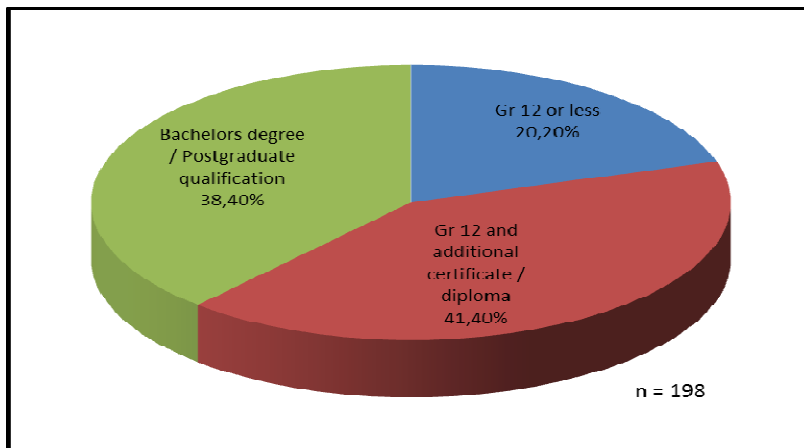
**TABLE 5.1: DISTRIBUTION OF RESPONDENTS' AGE GROUPS**

Age	%
21 – 30	33,3
31 – 40	28,9
41 – 50	20,7
51 – 60	12,6
Older than 60	4,5
<b>Total</b>	<b>100,0</b>
n = 198	

The majority (62,2%) of the respondents were 40 years and younger, and 37,8% of the respondents were older than 40 years.

### 5.2.3 Levels of education distribution

Figure 5.2 shows the highest level of education of respondents.

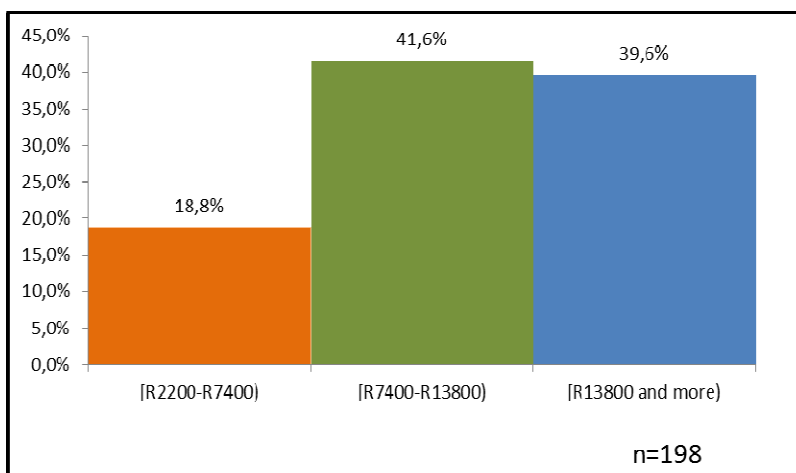


**FIGURE 5.2: DISTRIBUTION OF RESPONDENTS' LEVELS OF EDUCATION**

Respondents were asked to indicate their highest level of education. The six response options (Question 3, Section A), were reduced to three educational levels. A total of 20,2% of the respondents' highest level of education was Grade 12 or less, 41,4% had Gr 12 and an additional certificate or diploma, and 38,4% of the respondents held either a Bachelor's degree or a postgraduate qualification.

#### 5.2.4 Monthly household income distribution

Figure 5.3 indicates the respondents' monthly household income.



**FIGURE 5.3: RESPONDENTS' MONTHLY HOUSEHOLD INCOME**

Figure 5.3 shows that 18,8% respondents earned a monthly household income of between R2200 and R7400, 41,6% earned between R7401 and R13800, and 39,6% earned R13801 and more. The mean monthly household income of the target group was R14,5K and the mean income of the South African population for that period was R5,4K (Bizcommunity.com, 2010).

### 5.2.5 Area of residency distribution

Table 5.2 shows the distribution of respondents' residential areas.

**TABLE 5.2: DISTRIBUTION OF AREA OF RESIDENCY**

Area in Pretoria	Frequency	%
Central	6	3,2
North	67	36,2
East	86	46,5
South	21	11,4
West	5	2,7
<b>Total</b>	<b>185</b>	<b>100,0</b>

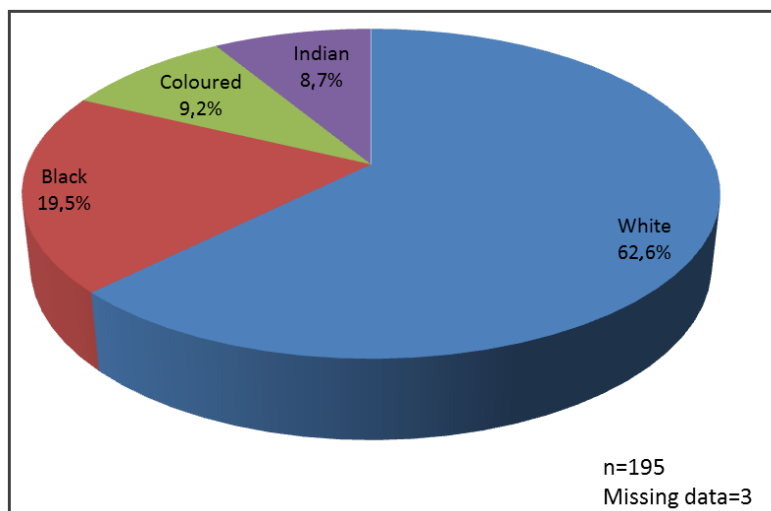
Missing data = 13

Respondents had to indicate their suburbs (see Addendum B). In order to summarise this data, these suburbs were organised into the Central, Northern, Eastern, Southern and Western areas of Tshwane, as per the division on the map of Tshwane's wards per region in the City of Tshwane Municipality Household Survey of 2008 ([www.tshwane.gov.za](http://www.tshwane.gov.za)). The distribution of respondents' area of residency per area of Tshwane is provided in Addendum B. Information in this regard is supplied for the sake of completeness and to confirm that the respondents lived in Tshwane.

According to Table 5.2, the majority (46,5%) of the respondents resided in the more affluent Eastern areas of the City of Tshwane.

### 5.2.6 Population group distribution

Figure 5.4 represents the population groups of the respondents.



**FIGURE 5.4: RESPONDENTS' POPULATION GROUP**

A total of 62,6% of the respondents were White, 19,5% of the respondents were Black, 9,2% were Coloured and the remaining 8,7% were Indian.

### 5.2.7 Forms of compensation offered

To assist the respondents in memory recall, they were asked to indicate the type of compensation that they received from the retailers (Question 1, Section C). Respondents had to answer yes or no to this multiple-response question. Although the results of this question were not part of the formal objectives for this study, a description of the results is provided in Table 5.3. A total of 13% of the respondents (27 of the 194 respondents) did not receive any compensation, and 87% (167 of the respondents) received some form of compensation.

**TABLE 5.3: TYPES OF COMPENSATION RECEIVED FROM RETAILERS**

Type of compensation	Number of responses	Percentage n = 272
Free repairs	70	25,8
Product exchange	110	40,4
Refund	53	19,5
Voucher	39	14,3
<b>Total</b>	<b>272</b>	<b>100,0</b>

n = 194 (Missing values = 4)  
 n = total number of responses

Table 5.3 shows that 110 respondents (40,4% of the responses) who received some form of compensation indicated that they were able to exchange their products, 70 (25,8% of the responses) obtained free repairs, 53 (19,5% of the responses) received refunds, and 39 (14,3% of the responses) received vouchers.

## 5.3 RESULTS OF OBJECTIVE 1

**Objective 1:** To investigate and describe complainants' expectations of retailers' complaint handling of major household appliance failures in terms of perceived justice (i.e. procedural justice, interactional justice and distributive justice).

Respondents were asked to indicate the importance of 17 statements concerning their expectations of retailers' complaint handling on a four-point Likert-type scale anchored by "not important" (1), and "very important" (4) (Question 2, Section B, Addendum). Although the items for the three dimensions of perceived justice were shuffled in the questionnaire,

the (descriptive) results for the items were grouped according to the justice dimensions, based on theoretical classifications (see Tables 5.4 and 5.5).

**TABLE 5.4: RESPONDENTS' EXPECTATIONS OF COMPLAINT HANDLING IN TERMS OF PROCEDURAL JUSTICE**

<b>Procedural justice</b>					
<b>Statement</b>	<b>Level of importance</b>	<b>n</b>	<b>%</b>	<b>Mean</b>	<b>Std deviation</b>
Complaint handling personnel should follow company policy and the correct procedure in handling my complaint.	Not important	9	4,6	3,32	0,818
	Less important	17	8,6		
	Important	72	36,5		
	Very important	99	50,3		
	TOTAL	197	100,0		
It should be clearly indicated where to lodge complaints (i.e. to whom I should complain in the company).	Not important	3	1,5	3,39	0,739
	Less important	21	10,7		
	Important	69	35,0		
	Very important	104	52,8		
	TOTAL	197	100,0		
Complaint handling personnel should offer me the opportunity to tell my side of the story (i.e. give my opinion; tell what went wrong with the appliance).	Not important	5	2,5	3,33	0,811
	Less important	28	14,1		
	Important	62	31,3		
	Very important	103	52,0		
	TOTAL	198	100,0		
Complaint handling personnel should be competent to handle my complaint efficiently.	Not important	1	0,5	3,61	0,557
	Less important	4	2,0		
	Important	66	33,5		
	Very important	126	64,0		
	TOTAL	197	100,0		
The complaint should be resolved promptly.	Not important	0	0,0	3,63	0,516
	Less important	3	1,5		
	Important	67	34,4		
	Very important	125	64,1		
	TOTAL	195	100,0		
My complaint should be passed on from one employee to the next (from one organisational level to the next).	Not important	66	33,8	2,30	1,146
	Less important	46	23,6		
	Important	42	21,5		
	Very important	41	21,0		
	TOTAL	195	100,0		
Complaint handling personnel should make it easy for me to voice my complaint.	Not important	2	1,0	3,55	0,575
	Less important	2	1,0		
	Important	78	39,6		
	Very important	115	58,4		
	TOTAL	197	100,0		
<b>Overall</b>				<b>3,31</b>	<b>0,44216</b>

minimum 1 (not important); maximum 4 (very important)

**TABLE 5.5: RESPONDENTS' EXPECTATIONS OF COMPLAINT HANDLING IN TERMS OF INTERACTIONAL JUSTICE AND DISTRIBUTIVE JUSTICE**

Perceived justice											
Interactional justice						Distributive justice					
Statement	Level of importance	n	%	Mean	Std deviation	Statement	Level of importance	n	%	Mean	Std deviation
Complaint handling personnel should treat me with respect (be polite).	Not important	0	0,0	3,65	0,539	Compared to what I expect, the redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) offered by the retailers should be more than expected.)	Not important	1	0,5	3,30	0,675
	Less important	6	3,1				Less important	21	10,7		
	Important	57	29,1				Important	93	47,2		
	Very important	133	67,9				Very important	82	41,6		
	TOTAL	196	100,0				TOTAL	197	100,0		
Complaint handling personnel should communicate clearly (with adequate use of language).	Not important	0	0,0	3,63	0,535	The redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) that the retailer offers me should be fair for all the trouble I had to go through.	Not important	0	0	3,46	0,627
	Less important	5	2,6				Less important	14	7,1		
	Important	63	32,1				Important	77	39,3		
	Very important	128	65,3				Very important	105	53,6		
	TOTAL	196	100,0				TOTAL	196	100,0		
Complaint handling personnel should provide me with an appropriate explanation as to why the appliance has failed.	Not important	11	5,6	3,24	0,909	I must get what I deserve regarding the redress (compensation: free repairs, product exchange, refund, voucher etc.).	Not important	3	1,5	3,47	0,674
	Less important	30	15,2				Less important	11	5,6		
	Important	57	28,9				Important	73	37,1		
	Very important	99	50,3				Very important	110	55,8		
	TOTAL	197	100,0				TOTAL	197	100,0		
Complaint handling personnel should be appropriately concerned about the problem that I have experienced with the appliance item.	Not important	3	1,5	3,23	0,773	In solving my problem the retailer should give me exactly what I need regarding the redress (compensation: free repairs, product exchange, refund, voucher etc.).	Not important	1	0,5	3,50	0,603
	Less important	32	16,2				Less important	8	4,1		
	Important	78	39,6				Important	80	40,6		
	Very important	84	42,6				Very important	108	54,8		
	TOTAL	197	100,0				TOTAL	197	100,0		
The complaint handling personnel should apologise for all the inconvenience I had to go through due to the failure of the appliance.	Not important	8	4,1	3,19	0,877		<b>Overall</b>			3,43	0,50009
	Less important	36	18,4								
	Important	63	32,1								
	Very important	89	45,4								
	TOTAL	196	100,0								
Complaint handling personnel should take great effort in resolving my complaint.	Not important	3	1,5	3,44	0,634						
	Less important	6	3,1								
	Important	88	44,9								
	Very important	99	50,5								
	TOTAL	196	100,0								
		<b>Overall</b>		<b>3,40</b>	<b>0,50007</b>						

minimum 1 (not important); maximum 4 (very important).

The above tables show that, with the exception of one statement, respondents felt that the statements concerned with procedural, interactional and distributive justice were important to very important (mean 3,2 < 4) in a complaint handling situation. Respondents therefore had obvious expectations about complaint handling.

The statement: “complaints should be passed from one employee to the next” (mean = 2,30), could have been perceived by respondents in dissimilar ways: some could have thought that it would be good to pass the complaint from one organisational level to the next, because it would be dealt with on a higher employee or managerial level, while others could have thought that it would be a waste of time and they would rather prefer the frontline personnel to have the authority to deal with the problem immediately, rather than having to wait for a manager to solve the problem

### **5.3.1 Exploratory factor analysis concerning consumers’ expectations of retailers’ complaint handling**

Consumers’ expectations were further explored by performing exploratory factor analysis. Principle axis factoring (PAF) was conducted on 17 items with oblique rotation. The item that determined the importance of passing a complaint from one employee to the next was deleted. A mean of 2,3 and a standard deviation of 1,146 indicated that this item could have been interpreted differently by the individual respondents. After deleting this problematic item, another PAF was conducted on the remaining 16 items with oblique rotation. Next, the item: “complaint handling personnel should treat me with respect”, was deleted because it had a factor loading of less than 0,3. The final model, with the remaining 15 items, explained 57,87% of the total variation of the data. Three factors were retained in the final analysis. Factor 1 was called “interactional justice”, factor 2 “distributive justice” and factor 3 “procedural justice”. Table 5.6 shows the rotated factor loadings for the procedural, distributive and interactional justice factors, the final Eigen values, the percentage of variation explained and the Cronbach alphas associated with the respective factors.



**TABLE 5.6: ROTATED FACTOR LOADINGS FOR THE PROCEDURAL, INTERACTIONAL AND DISTRIBUTIVE JUSTICE FACTORS**

Items	Procedural justice	Interactional justice	Distributive justice
Complaint handling personnel should provide me with an appropriate explanation as to why the appliance has failed.	0,2114	0,7360	-0,1979
Complaint handling personnel should be appropriately concerned about the problem that I have experienced with the appliance item.	0,0602	0,7217	0,0446
The complaint handling personnel should apologise for all the inconvenience I had to go through due to the failure of the appliance.	-0,1048	0,7042	0,0246
Complaint handling personnel should offer me the opportunity to tell my side of the story (i.e. give my opinion; tell what went wrong with the appliance).	0,15946	0,6967	-0,1475
Complaint handling personnel should take great effort in resolving my complaint.	-0,0261	0,5689	0,3472
Complaint handling personnel should make it easy for me to voice my complaint.	0,1715	0,4078	0,3162
The redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) that the retailer offers me should be fair for all the trouble I had to go through.	0,0583	-0,0623	0,7132
In solving my problem the retailer should give me exactly what I need regarding the redress (compensation: free repairs, product exchange, refund, voucher etc.).	-0,1690	0,1361	0,6818
I must get what I deserve regarding the redress (compensation: free repairs, product exchange, refund, voucher etc.).	0,2770	-0,1601	0,6678
Compared to what I expect, the redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) offered by the retailers should be more than expected.	-0,0422	0,0610	0,6250
The complaint should be resolved promptly.	0,0934	-0,0333	0,5178
It should be clearly indicated where to lodge complaints (i.e. to whom I should complain in the company).	0,6944	0,1418	-0,1232
Complaint handling personnel should be competent to handle my complaint efficiently.	0,5020	0,0245	0,31338
Complaint handling personnel should communicate clearly (with adequate use of language).	0,4770	0,1083	0,2057
Complaint handling personnel should follow company policy and the correct procedure in handling my complaint.	0,3242	0,2991	0,0401
<b>Average of loadings per factor</b>	<b>0,4994</b>	<b>0,6392</b>	<b>0,64117</b>
<b>Eigen values</b>	<b>1,1798</b>	<b>5,0190</b>	<b>2,4813</b>
<b>% variance</b>	<b>7,87</b>	<b>33,46</b>	<b>16,54</b>
<b>Cronbach's <math>\alpha</math></b>	<b>0,685</b>	<b>0,839</b>	<b>0,789</b>
<b>Mean of items per factor</b>	<b>3,46</b>	<b>3,33</b>	<b>3,47</b>
<b>Standard deviation of items per factor</b>	<b>0,48</b>	<b>0,57</b>	<b>0,45</b>

Table 5.6 shows that respondents' expectations about procedural justice were related to the "processes" that retailers should use to deal with complaints. This included following company policy and the correct procedures in handling complaints, indicating where to lodge complaints, and being competent in handling complaints effectively – confirming previous studies (Saxby *et al.*, 2000; Boshoff, 2005). The expectation concerning complaint handling personnel's ability to communicate clearly (with adequate use of language) also loaded on the procedural justice factor, contradicting previous findings that associated language skill with interactional justice (Chebat & Sluzarczyk, 2005). However, in a South African context (Boshoff, 1999; Donoghue & De Klerk, 2006; Donoghue, 2008), complaint handling

personnel are not necessarily equipped with the appropriate language skills to ensure that the correct complaint procedures are used and “communicated”, emphasising the importance of language skills in dealing with complaint procedures. Expectations about appropriate language skills are therefore viewed as part of the “processes” that retailers should use to manage complaints.

The respondents’ expectations about interactional justice were related to the fairness of the interpersonal communications used in settling complaints. This included: being appropriately concerned about the problem, taking great effort in resolving the complaint, providing the complainant with an appropriate explanation as to why the appliance has failed, and apologising for all the inconvenience the complainant had to go through due to the failure of the appliance, confirming previous studies (Tax & Brown 1998; Kau & Loh, 2006). The expectations about complaint handling personnel’s ability to facilitate complainants’ voicing their complaints and to provide complainants with the opportunity to tell their side of the story also loaded on the interactional justice factor, contradicting previous findings that associated these expectations with procedural justice (Kau & Loh, 2006; Schoefer & Diamantopolous, 2008). These expectations, however, relate to the manner in which the complainant was treated by the employees of the retailer during the complaint handling process. Respondents could therefore easily associate these expectations with interactional justice.

The statements regarding respondents’ expectations of distributive justice were related to the outcome of complaint handling. Respondents had expectations about the fairness of the tangible benefits that customers should receive following all their trouble in making a complaint; they also believed that customers should get the compensation they expected, needed and deserved. Theoretically the timeliness of the complaint response is classified as procedural justice (Tax & Brown 1998; Kau & Loh, 2006). However, in this study, the statement: “the complaint should be handled promptly” loaded on the distributive justice factor. This suggests that respondents’ expectations about timeliness might be related to their perception of the tangibility of the outcome. Respondents could have perceived the timely response as an extra incentive, and not having to wait for a solution as part of a perceptible offering. Customers believe that the retailers have control over the time it takes to resolve a complaint (Taylor & Baker, 1994), and losing time is seen as expensive to consumers (Smart & Martin, 1992).

Considering the means of the items per factor, the respondents’ expectations concerning procedural justice (mean = 3,46), interactional justice (mean = 3,33) and distributive justice

(mean = 3,47) were important to them, implying that their expectations of the complaint handling were fairly high.

These findings concerning consumers' expectations of retailers' complaint handling are important, as most studies in a perceived justice context focus only on consumers' actual perceptions of retailers' complaint handling and not on their expectations. In a South African context, knowledge about the differences between consumers' expectations of complaint handling and their actual perceptions of the complaint handling would allow retailers to create more realistic consumer expectations and to improve their actual complaint handling.

#### **5.4 RESULTS OF OBJECTIVE 2**

**Objective 2:** To investigate and describe complainants' evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice (i.e. procedural justice, interactional justice and distributive justice).

Question 1, Section B (Addendum) measured respondents' evaluation of retailers' complaint handling in terms of the dimensions of perceived justice. Respondents had to indicate their level of agreement with 17 statements on a four-point Likert-type scale (strongly disagree = 1), disagree = 2, agree = 3, or strongly agree = 4). The responses were grouped in Tables 5.7 and 5.8, according to the relevant theoretical justice dimensions, i.e. procedural, interactional or distributive justice.

**TABLE 5.7: RESPONDENTS' EVALUATIONS OF COMPLAINT HANDLING PROCEDURES IN TERMS OF PROCEDURAL JUSTICE AND INTERACTIONAL JUSTICE**

Perceived justice											
Procedural justice						Interactional justice					
Statement	Level of agreement	n	%	Mean	Std deviation	Statement	Level of agreement	n	%	Mean	Std deviation
Complaint handling personnel followed company policy and the correct procedure in handling my complaint.	Strongly disagree	24	12,2	2,63	0,828	Complaint handling personnel treated me with respect (were polite).	Strongly disagree	23	11,7	2,68	0,855
	Disagree	45	23,0				Disagree	45	22,8		
	Agree	107	54,6				Agree	102	51,8		
	Strongly agree	20	10,2				Strongly agree	27	13,7		
	TOTAL	196	100,0				TOTAL	197	100,0		
It was easy to determine where to lodge my complaint (i.e. to whom I should complain in the company)	Strongly disagree	24	12,2	2,63	0,886	Complaint handling personnel communicated clearly (with adequate use of language).	Strongly disagree	27	13,8	2,53	0,868
	Disagree	55	27,9				Disagree	61	31,1		
	Agree	88	44,7				Agree	86	43,9		
	Strongly agree	30	15,2				Strongly agree	22	11,2		
	TOTAL	197	100,0				TOTAL	196	100,0		
Complaint handling personnel gave me the opportunity to tell my side of the story (i.e. give my opinion; tell what went wrong with the appliance).	Strongly disagree	28	14,2	2,65	0,911	Complaint handling personnel provided me with an appropriate explanation as to why the appliance has failed.	Strongly disagree	58	29,6	2,24	1,003
	Disagree	43	21,8				Disagree	54	27,6		
	Agree	95	48,2				Agree	62	31,6		
	Strongly agree	31	15,8				Strongly agree	22	11,2		
	TOTAL	197	100,0				TOTAL	196	100,0		
Complaint handling personnel had the ability (competency) to handle my complaint efficiently.	Strongly disagree	36	18,7	2,44	0,890	Complaint handling personnel were appropriately concerned about the problem that I had experienced with the appliance item.	Strongly disagree	47	23,8	2,28	0,908
	Disagree	51	26,6				Disagree	62	31,5		
	Agree	89	46,4				Agree	74	37,6		
	Strongly agree	16	8,3				Strongly agree	14	7,1		
	TOTAL	192	100,0				TOTAL	197	100,0		
The complaint was resolved promptly.	Strongly disagree	25	12,7	2,59	0,882	The complaint handling personnel apologised for all the inconvenience I had to go through due to the failure of the appliance.	Strongly disagree	50	25,4	2,36	1,003
	Disagree	58	29,6				Disagree	54	27,6		
	Agree	86	43,9				Agree	62	31,6		
	Strongly agree	27	13,8				Strongly agree	22	11,2		
	TOTAL	196	100,0				TOTAL	196	100,0		
The complaint was passed on from one employee to the next (from one organisational level to the next).	Strongly disagree	21	10,7	2,62	0,870	Complaint handling personnel took great effort in resolving my complaint.	Strongly disagree	43	22,1	2,34	0,946
	Disagree	63	32,0				Disagree	65	33,3		
	Agree	83	42,1				Agree	65	33,3		
	Strongly agree	30	15,2				Strongly agree	22	11,3		
	TOTAL	197	100,0				TOTAL	195	100,0		
Complaint handling personnel made it easy for me to voice my complaint.	Strongly disagree	27	13,7	2,56	0,870	<b>Overall</b>				<b>2,41</b>	<b>0,732</b>
	Disagree	55	27,9								
	Agree	92	46,7								
	Strongly agree	23	11,7								
	TOTAL	197	100,0								
<b>Overall</b>				<b>2,59</b>	<b>0,585</b>						

minimum 1 (strongly disagree); maximum 4 (strongly agree)

**TABLE 5.8: RESPONDENTS' EVALUATIONS OF COMPLAINT HANDLING PROCEDURES IN TERMS OF DISTRIBUTIVE JUSTICE**

Perceived justice					
Distributive justice					
Statement	Level of agreement	n	%	Mean	Std deviation
Compared to what I expected, the redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) offered by the retailers was more than expected.	Strongly disagree	29	14,7	2,41	0,838
	Disagree	74	37,6		
	Agree	78	39,6		
	Strongly agree	16	8,1		
	TOTAL	197	100,0		
The redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) that the retailer offered me was fair for all the trouble I had to go through.	Strongly disagree	22	11,2	2,52	0,806
	Disagree	68	34,5		
	Agree	90	45,7		
	Strongly agree	17	8,6		
	TOTAL	197	100,0		
I got what I deserved regarding the redress (compensation: free repairs, product exchange, refund, voucher etc.).	Strongly disagree	29	14,8	2,58	0,882
	Disagree	48	24,5		
	Agree	96	49,0		
	Strongly agree	23	11,7		
	TOTAL	196	100,0		
In solving my problem the retailer gave me exactly what I needed regarding the redress (compensation: free repairs, product exchange, refund, voucher etc.).	Strongly disagree	29	14,8	2,54	0,891
	Disagree	57	29,1		
	Agree	86	43,9		
	Strongly agree	24	12,2		
	TOTAL	196	100,0		
<b>Overall</b>				<b>2,51</b>	<b>0,752</b>

minimum 1 (strongly disagree); maximum 4 (strongly agree)

Tables 5.7 and 5.8 show that respondents, with the exception of a few statements, mostly agreed with all of the statements (means  $2,5 < 3$ ) regarding the way the retailer handled their complaints. Respondents agreed with all of the statements for procedural justice, except for: "complaint handling personnel had the ability (competency) to handle my complaint efficiently". Concerning interactional justice, respondents agreed that complaint handling personnel treated them with respect (mean = 2,68), and communicated clearly (mean = 2,53). However, respondents disagreed that complaint handling personnel provided them with an appropriate explanation as to why the appliance has failed (mean = 2,24), were appropriately concerned about the problem that they had experienced (mean = 2,28), apologised for all the inconvenience they had to go through (mean = 2,36), and took great effort in resolving their complaint (mean = 2,34). With regard to distributive justice, respondents agreed with all of the statements but not with the statement: "the redress offered by the retailer was more than expected" (mean = 2,41). Respondents believed that retailers were fair concerning procedural justice (overall mean = 2,59) and distributive justice (overall mean = 2,51), but unfair concerning interactional justice (overall mean = 2,44).

#### 5.4.1 Confirmatory factor analysis

Confirmatory factor analysis (CFA) involves the specification and estimation of one or more putative models of factor structure, each of which proposes a set of latent variables (factors) to account for covariances among a set of observed variables (Doll, Raghunathan, Lim & Gupta, 1995). Confirmatory factor analysis was conducted, using the PROC CALIS PROCEDURE of SAS, to determine whether the items for the latent constructs were consistent with the existing research regarding these constructs.

The confirmatory factor analysis of the perceived justice model was performed; it consisted of three latent constructs (procedural justice, interactional justice and distributive justice) and 17 measurement items. The item: “the complaint was passed on from one employee to the next (from one organisational level to the next)” was problematic, since respondents could have interpreted it differently. (See section 5.3 above for explanation). The item: “complaint handling personnel gave me the opportunity to tell my side of the story (i.e. give my opinion; tell what went wrong with the appliance)” loaded on both procedural and interactional justice, and the item: “the complaint handling personnel apologised for all the inconvenience I had to go through due to the failure of the appliance” loaded on both interactional and distributive justice.

Following the removal of the problematic item and the two items with double loadings, a satisfactory model fit was obtained ( $\chi^2 = 46,0101$  and  $df = 80$ , therefore  $\chi^2 / df = 0,575 < 2$ ). Bentler’s Comparative Fit Index (CFI) and Bentler and Bonnet’s non-normed index (NNFI) are 1,000 and 1,023 respectively. (Both should be greater than 0,9 – Byrne (2006:97)). The Root mean square error of approximation (RMSEA) = 0,000 and the Root mean square residual (RMR) = 0,0151 (both should be less than 0,05).

Table 5.9 shows the standardised factor loadings and additional statistical information regarding the different constructs and items:

**TABLE 5.9 STANDARDISED COEFFICIENT ESTIMATES AND INDICATOR RELIABILITY**

Construct and items	Standardised loading	t <sup>a</sup> -test statistic	Indicator reliability	Composite reliability	Error Variance	Variance extracted
<b>Procedural justice</b>						
Complaint handling personnel followed company policy and the correct procedure in handling my complaint.	0,7120*	10,8832	0,507	(0,849)	0,493	(0,586)
Complaint handling personnel had the ability (competency) to handle my complaint efficiently.	0,8346*	13,9938	0,697		0,303	
The complaint was resolved promptly.	0,6910*	10,7049	0,477		0,523	
Complaint handling personnel made it easy for me to voice my complaint.	0,8141*	13,3766	0,663		0,337	
<b>Cronbach's α</b>	0,840					
<b>Mean of items per factor</b>	2,55					
<b>Interactional justice</b>						
Complaint handling personnel treated me with respect (were polite).	0,8118*	13,3947	0,569	(0,880)	0,431	(0,549)
It was easy to determine where to lodge my complaint (i.e. to whom I should complain in the company).	0,5022*	7,1925	0,252		0,748	
Complaint handling personnel communicated clearly (with adequate use of language).	0,7496*	11,9952	0,562		0,438	
Complaint handling personnel provided me with an appropriate explanation as to why the appliance has failed.	0,6944*	10,6768	0,482		0,518	
Complaint handling personnel was appropriately concerned about the problem that I had experienced with the appliance item.	0,8483*	14,2892	0,720		0,280	
Complaint handling personnel took great effort in resolving my complaint.	0,8412*	14,2131	0,708		0,292	
<b>Cronbach's α</b>	0,892					
<b>Mean of items per factor</b>	2,45					
<b>Distributive justice</b>						
Compared to what I expected, the redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) offered by the retailers was more than expected.	0,8125*	13,0735	0,660	(0,911)	0,340	(0,718)

The redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) that the retailer offered me was fair for all the trouble I had to go through.	0,8042*	13,0674	0,647		0,353	
I got what I deserved regarding the redress (compensation: free repairs, product exchange, refund, voucher etc.).	0,8780*	14,9775	0,771		0,229	
In solving my problem the retailer gave me exactly what I needed regarding the redress (compensation: free repairs, product exchange, refund, voucher etc.).	0,8918*	15,2621	0,795		0,205	
<b>Cronbach's <math>\alpha</math></b>	0,886					
<b>Mean of items per factor</b>	2,52					
<p><sup>a</sup> All t-tests were highly significant at <math>p &lt; 0.0001</math></p> <p><b>Indicator reliability:</b> For example, the indicator reliability for the item "complaint handling personnel followed company policy and the correct procedure in handling my complaint" indicates that 50,7% of the variation in the procedural justice factor can be explained by this item.</p> <p><b>Composite reliability:</b> The composite reliability is calculated for each factor. It is analogous to the coefficient alpha and reflects the internal consistency of the indicators (questions) measuring a given factor. For example, the composite reliability for procedural justice is 0,849 (<math>\geq 0,7</math> is an acceptable level of reliability and was met for all of the constructs).</p> <p><b>Variance extracted estimate:</b> The variance extracted estimate assesses the amount of variance that is captured by an underlying factor in relation to the amount of variance due to measurement error. For example, the variance extracted for procedural justice is 0,586, meaning that 58,6% of the variance is captured by the procedural justice construct, and 41,4% is due to measurement error. (The average variance extracted (AVE) for each construct was greater than 0,5 – thus providing support for the convergent validity of the measure for each construct.)</p> <p>Bentler's Comparative Fit Index (CFI) and Bentler and Bonnet's non-normed index (NNFI) were 1,000 and 1,023 respectively. (Both should be greater than 0,9.) The Root mean square error of approximation (RMSEA) = 0,000 and the Root mean square residual (RMR) = 0,0151 (both should be less than 0,05).</p>						

Table 5.9 indicates that all the items converged to single, hypothesised constructs (procedural justice, interactional justice and distributive justice), providing support for convergent validity. Internal reliability (Cronbach's alpha) was computed independently within each of the three factors. The three factors demonstrated internal consistency estimates that met the criteria suggested by Hair *et al.*, (1998), for Cronbach's alpha is greater than or equal to 0,7 (procedural justice = 0,840, interactional justice = 0,892 and distributive justice = 0,886).



The result is consistent with the literature and shows that respondents experienced procedural justice when complaint handling personnel followed company policy and the correct procedures in handling their complaints, when the employees were competent, when they resolved such complaint in a timely manner and made it easy for the dissatisfied consumers to voice their complaints.

The respondents experienced interactional justice when complaint handling personnel treated them with respect (were polite), made it easy for them to determine where to lodge their complaints (i.e. to whom they should complain in the company), communicated clearly (with adequate use of language), was appropriately concerned about the problem, took great effort in resolving the complaint and provided them with an appropriate explanation as to why the appliance has failed

The respondents experienced distributive justice when they perceived that the redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) offered by the retailers was more than they expected, was fair, was what they deserved or was what they needed.

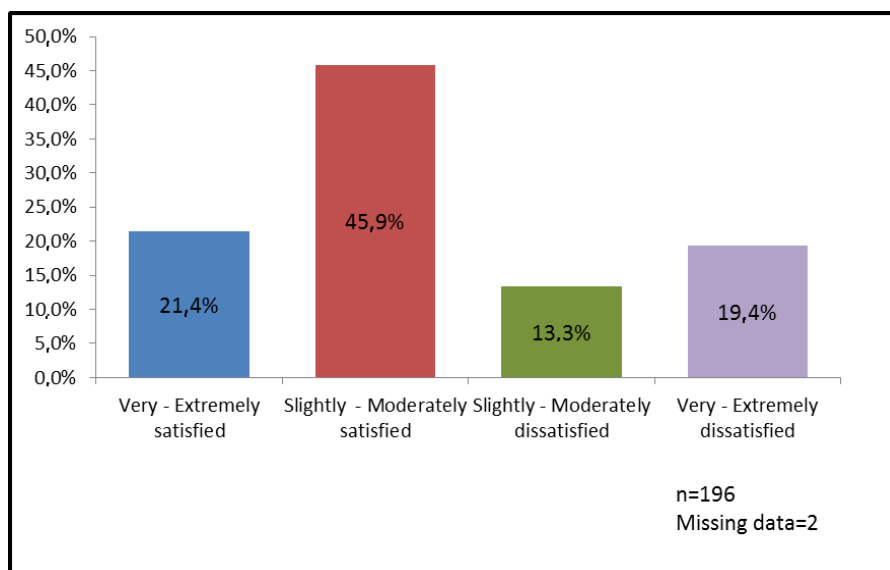
For this study, respondents' actual evaluations/perceptions of retailers' complaint handling in terms of the respective justice dimensions, confirm findings of previous studies (Saxby *et al.*, 2000; Stauss, 2002; Smith & Bolton, 2002; Maxham & Netemeyer, 2002; Homburg & Fürst, 2005; Karatepe, 2006). All of the items loaded on the factors (justice dimensions) according to expectation, except for the item "It was easy to determine where to lodge my complaint (i.e. to whom I should complain in the company)", which loaded on the interactional justice factor rather than the procedural justice factor. During their interaction with frontline staff, respondents probably asked about the appropriate person to complain to. The staff probably communicated the correct information in response – implying that verbal communication about where to complain forms part of respondents' perception of the fairness of the interpersonal communications used in settling complaints.

Considering the means of the items per factor, respondents agreed that retailers handled their complaint fairly concerning procedural (mean = 2,55) and distributive justice (mean = 2,52), but disagreed that retailers handled them fairly concerning interactional justice (mean = 2,45). However, these means were lower than the means for the expectations concerning the justice dimensions, implying that respondents' expectations of complaint handling exceeded their evaluation of the actual complaint handling received from retailers.

## 5.5 RESULTS OF OBJECTIVE 3

**Objective 3:** To investigate and describe complainants' level of dis/satisfaction experienced with retailers' complaint handling of major household appliance failures.

Question 2, Section 3 (Addendum) determined respondents' overall level of satisfaction following the retailers' complaint handling. Respondents could choose between eight response options ranging from extremely satisfied (1), to extremely dissatisfied (8). These response options were reduced to four options. The results can be seen in Figure 5.5.



**FIGURE 5.5: RESPONDENTS' OVERALL DIS/SATISFACTION WITH RETAILERS' COMPLAINT HANDLING**

Figure 5.5 shows that 67,3% of the respondents' were satisfied with the retailers' complaint handling (21,4% were very to extremely satisfied and 45,9% were slightly to moderately satisfied). The rest (32,7%) indicated that they were dissatisfied, as 13,3% indicated that they were slightly to moderately dissatisfied and 19,4% indicated that they were very to extremely dissatisfied.

According to the expectancy/disconfirmation paradigm, 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; Chen-Yu *et al*, 1999; Steward in Ndubisi & Ling, 2006). 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). In addition, various empirical studies support the proposition that consumers will evaluate satisfaction with complaint handling in terms of perceived justice (Blodgett *et al.*, 1997; Tax *et al.*, 1998; Nel *et al.*, 2000).

Given that respondents' expectations for the justice dimensions exceeded their actual perceptions of justice and that they considered retailers to be fair in their complaint handling concerning procedural justice and distributive justice, but unfair concerning interactional justice (see section 5.4), one would expect that respondents would be less satisfied with retailers' complaint handling. However, the majority of the respondents were satisfied with the retailers' complaint handling. This might imply that the different dimensions of perceived justice might have different effects on respondents' satisfaction judgement.

## 5.6 RESULTS OF OBJECTIVE 4

**Objective 4:** To investigate and describe complainants' emotional responses following evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice.

Question 3, Section C (Addendum) measured complainants' emotions following retailers' complaint handling procedures. Emotions were measured in terms of negative and positive feelings as suggested in the justice literature (Schoefer & Ennew, 2005; Schoefer & Diamantopoulos, 2008:68). Positive emotions were conceptualised as joy, happiness, pride, warm feelings, being valued and gratitude. Negative emotions were represented by anger, bad mood, feeling upset, sadness, annoyance and guilt. Respondents had to indicate the extent to which they experienced each of the 12 emotions on a five-point scale, anchored by "not at all" (specific emotion) (1), and "extremely" (specific emotion) (5). Only the extremities of the scale were labelled in the questionnaire. An exploratory factor analysis, Chi-square tests for equal proportions and Chi-square significance were performed to analyse the data.

### 5.6.1 Exploratory factor analysis

An exploratory factor analysis was performed on 12 items, using principal axis factoring with oblique rotation (assuming that the items are correlated). (All the items for the negative emotions (i.e. anger, in a bad mood, feeling upset, sad, annoyed and guilt) were reverse-coded). An initial analysis was run to obtain Eigen values for each of the factors of the data. Two factors had Eigen values above Kaiser's criterion of 1, and in combination explained 68,96% of the variance. Upon investigating the scree plot, it seemed that it was indeed

justifiable to retain two factors. The items that cluster on the respective factors suggest that factors 1 and 2 represent positive and negative emotions respectively. Factor 1 was therefore labelled “positive emotions” and Factor 2, “negative emotions”. Cronbach’s alpha was computed independently for each of the two factors, (positive emotions = 0,920733 and negative emotions = 0,843404), since positive and negative emotions are increasingly recognised as independent of each other (Chebat & Sluzarczyk, 2005). The factor analysis therefore verified the bi-dimensionality of emotions.

Table 5.10 shows the factor loadings after rotation. The items that cluster on the same components suggest that Factor 1 represents positive emotions and Factor 2 represents negative emotions.

**TABLE 5.10: ROTATED FACTOR LOADINGS FOR POSITIVE EMOTION FACTOR AND NEGATIVE EMOTION FACTOR**

Emotions	Positive Emotions	Negative Emotions
Being valued	0,8789	0,2446
Happiness	0,8729	0,3089
Pride	0,8034	0,0052
Joy	0,8316	0,3473
Gratitude	0,7729	0,2342
Warm feelings	0,6986	-0,0606
Upset	0,3441	0,8237
Anger	0,5039	0,7911
In a bad mood	0,3928	0,7596
Annoyance	0,5356	0,7279
Sadness	-0,1154	0,5342
Guilt	-0,2442	0,3847
Eigen values	5,5231	2,0158
Average of loadings per factor	0,8097	0,6702
Eigen value	5,5231	2,0158
% variance	73,26	26,74
Cronbach’s $\alpha$	0,920733	0,843404
Mean of items per factor	2,44	3,60
Standard deviation of items per factor	1,10	0,98

### 5.6.2 Chi-square significance test to determine differences between the intensities of emotions

Chi-square tests were used to determine whether significant differences existed between the respondents who experienced varying intensities of a specific emotion. For the data representation the scale points were labelled to reflect the intensity of the emotion. For example, the scale points for happy were: “not at all happy” (1), “slightly happy” (2), “moderately happy” (3), “very happy” (4) and “extremely happy” (5). The scale points 2 and 3

and also 4 and 5 were collapsed to simplify the data analysis. The results are grouped into negative and positive emotions in Table 5.11.

**TABLE 5.11: EMOTIONS EXPERIENCED FOLLOWING RETAILERS' COMPLAINT HANDLING**

Positive emotions						Negative emotions					
Emotions	Intensity of emotion	Frequency	%	Total %	p value	Emotions	Intensity of emotion	Frequency	%	Total %	p value
Joyful	Not at all joyful	62	33,0	33,0	<0,0001*	Anger	Not at all angry	45	24,5	24,5	0,0192*
	Slightly joyful	30	16,0	49,0			Slightly angry	33	17,9	41,3	
	Moderately joyful	62	33,0	18,0			Moderately angry	43	23,4	34,2	
	Very joyful	23	12,2				Very angry	33	17,9		
	Extremely joyful	11	5,8				Extremely angry	30	16,3		
	TOTAL	188	100%				100%	TOTAL	184		
Happy	Not at all happy	58	31,4	31,4	0,0033*	In a bad mood	Not at all in a bad mood	58	31,4	31,4	0,0103*
	Slightly happy	34	18,4	44,3			Slightly in a bad mood	38	20,5	43,2	
	Moderately happy	48	25,9	24,3			Moderately in a bad mood	42	22,7	25,4	
	Very happy	28	15,1				Very in a bad mood	24	13,0		
	Extremely happy	17	9,2				Extremely in a bad mood	23	12,4		
	TOTAL	185	100%				100%	TOTAL	185		
Proud	Not at all proud	80	44,0	44,0	<0,0001*	Upset	Not at all upset	53	29,0	29,0	0,0430*
	Slightly proud	39	21,4	38,4			Slightly upset	39	21,3	42,1	
	Moderately proud	31	17,0	17,6			Moderately upset	38	20,8	28,9	
	Very proud	22	12,1				Very upset	31	16,9		
	Extremely proud	10	5,5				Extremely upset	22	12,0		
	TOTAL	182	100%				100%	TOTAL upset	183		
Warm feelings	Not at all warm feelings	76	41,5	41,5	<0,0001*	Sad	Not at all sad	105	57,1	57,1	<0,0001*
	Slightly warm feelings	30	16,4	40,5			Slightly sad	28	15,2	31,5	
	Moderately warm feelings	44	24,1	18,0			Moderately sad	30	16,3	11,4	
	Very warm feelings	22	12,0				Very sad	18	9,8		
	Extremely warm feelings	11	6,0				Extremely sad	3	1,6		
	TOTAL	183	100%				100%	TOTAL	184		
Valued	Not at all valued	61	32,8	32,8	0,0006*	Annoyed	Not at all annoyed	51	27,6	27,6	0,2166
	Slightly valued	34	18,3	45,2			Slightly annoyed	21	11,4	34,6	
	Moderately valued	50	26,9	22,0			Moderately annoyed	43	23,2	37,8	
	Very valued	26	14,0				Very annoyed	36	19,5		
	Extremely valued	15	8,0				Extremely annoyed	34	18,3		
	TOTAL	186	100%				100%	TOTAL	185		
Grateful	Not at all grateful	45	24,6	24,6	0,0006*	Guilt	Not at all guilty	129	70,9	70,9	<0,0001*
	Slightly grateful	28	15,3	46,4			Slightly guilty	22	12,1	23,1	
	Moderately grateful	57	31,2	29,0			Moderately guilty	20	11,0	6,0	
	Very grateful	33	18,0				Very guilty	8	4,4		
	Extremely grateful	20	10,9				Extremely guilty	3	1,6		
	TOTAL	183	100%				100%	TOTAL	182		
*Significant on the 5% level n = 198 Missing values: joy = 10, happy = 13, proud = 16, warm feelings = 15, valued = 12, grateful = 15						*Significant on the 5% level n = 198 Missing values: angry = 14, in a bad mood = 13, upset = 15, sad = 14, annoyed = 13, guilty = 16					

Table 5.11 indicates that significantly more respondents experienced no or slight to moderate intensities of the positive emotions of joyfulness, happiness, pride, warm feelings and being valued than those who experienced high to extreme intensities of these emotions (all of the p values < 0,01). The same pattern applied to the negative emotions of being in a bad mood, feeling upset, sadness, and guilt (all of the p values < 0,05). However, significantly more respondents experienced slight to moderate intensities or high to extreme intensities of the negative emotions of anger (75,5%) and annoyance (72,4%) (and of the positive emotion of gratitude (75,4%)) than those who experienced none of these emotions. It should be noted that 70,9% of the respondents did not feel guilty at all and 57,1% were not sad at all.

When one compares the positive emotions, it is pertinent that the strongest positive emotions that respondents experienced were gratitude (75,4%), happiness (68,6%), being valued (67,2%) and joyfulness (67%), while lower levels of warm feelings (58,5%) and pride (56%) were experienced. When comparing the negative emotions, the strongest negative emotions that respondents experienced were anger (75,5%), annoyance (72,4%), feeling upset (71%) and being in a bad mood (68,6%), while lower levels of guilt (29,1%) and sadness (42,9%) were experienced.

According to the cognitive appraisal theory, emotions should be seen as the consequence of a specific event, behaviour, situation or thought (Bagozzi *et al.*, 1999), and the way in which the individual evaluates it (Schoefer & Ennew, 2005; Soscia, 2007; Del Río-Lanza *et al.*, 2009). The specific emotions that result from cognitive appraisal vary according to the attribution of responsibility/accountability for the stressful situation. For example, consumers who blame external parties such as retailers for negative events (in this case service failure) will experience anger and frustration. When blame is attributed internally consumers will experience guilt and sadness (Folkes, 1984; Nyer, 1997; Soscia, 2007; Donoghue *et al.*, 2012). Sadness is a very personal emotion that centres around a loss or expectations that did not realise and where the person does not attribute the blame towards the self, but sees the problem as stable and uncontrollable (Soscia, 2007; Lazarus & Lazarus, 1994; Donoghue *et al.*, 2012). It may be the case that respondents in this study blamed mainly the retailers for the service failure, explaining why respondents mostly did not feel guilty or sad.

## 5.7 RESULTS OF OBJECTIVE 5

**Objective 5:** To investigate and describe the relationship between the consumers' perceptions of perceived justice (i.e. procedural justice, interactional justice and distributive justice) and their emotional responses following evaluations of complaint handling.

To investigate the relationship between consumers' perception of justice concerning complaint handling and the emotions they experienced, an average score per respondent was calculated for each factor (minimum score = 1, maximum score = 4), and an average for all respondents were calculated based on the individual results. Hence a factor score between 1 and 2,50 indicates that respondents strongly disagreed or disagreed, and a factor score more than 2,5 indicates that the respondents agreed or strongly agreed. These categories were used in the 3x2 cross tabulation. Pearson's Chi-square tests were used to determine the relationships between the variables.

Table 5.12 shows the relationships between the dimensions of perceived justice and the intensities of the positive emotions.

**TABLE 5.12: RELATIONSHIPS BETWEEN THE DIMENSIONS OF PERCEIVED JUSTICE AND THE INTENSITY OF THE POSITIVE EMOTIONS EXPERIENCED**

Positive emotions and intensity	Perceived justice dimensions (number of responses / %)								
	Procedural justice			Interactional justice			Distributive justice		
Level of joy experienced	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value
Not at all joyful	51/82,3	11/17,7	<0,0001*	53/85,5	9/14,4	<0,0001*	47/75,8	15/24,2	<0,0001*
Slightly to moderately joyful	36/39,1	56/60,9		45/48,9	47/51,1		37/40,2	55/59,8	
Very to extremely joyful	5/14,7	29/85,3		8/23,5	26/76,5		5/14,7	29/85,3	
Level of happiness experienced	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value
Not at all happy	50/86,2	8/13,8	<0,0001*	51/87,9%	7/12,1	<0,0001*	47/81,0	11/19,0	<0,0001*
Slightly to moderately happy	34/41,5	48/58,5		43/52,4%	39/47,6		29/35,4	53/64,6	
Very to extremely happy	6/13,3	39/86,7		8/17,8%	37/82,8		10/22,2	35/77,8	



Level of pride experienced	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value
Not at all proud	52/65,0	28/35,0	<0,0001*	54/67,5	26/32,5	<0,0001*	48/60,0	32/40,0	0,0020*
Slightly to moderately proud	32/45,7	38/54,3		44/62,9	26/37,1		33/47,1	37/52,9	
Very to extremely proud	6/18,8	26/81,3		4/12,5	28/87,5		5/15,6	27/84,4	
Level of warm feelings experienced	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value
Not at all warm feelings	49/64,5	27/35,5	0,0020*	55/72,4	21/27,6	0,0010*	46/60,5	30/39,5	0,0120*
Slightly to moderate warm feelings	31/41,9	43/58,1		36/48,6	38/51,4		29/39,2	45/60,8	
Very to extremely warm feelings	11/33,3	22/66,7		13/39,4	20/60,6		12/36,4	21/63,6	
Level of being valued experienced	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value
Not at all valued	52/85,2	9/14,8	<0,0001*	55/90,2	6/9,8	<0,0001*	47/77,0	14/23,0	<0,0001*
Slightly to moderately valued	35/41,7	49/58,3		39/46,4	45/53,6		35/41,7	49/58,3	
Very to extremely valued	3/7,3	38/92,7		9/22,0	32/78,0		5/12,2	36/87,8	
Level of gratitude experienced	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value
Not at all grateful	41/91,1	4/8,9	<0,0001*	42/93,3	3/6,7	<0,0001*	37/82,2	8/17,8	<0,0001*
Slightly to moderately grateful	37/43,5	48/56,5		47/55,3	38/44,7		38/44,7	47/55,3	
Very to extremely grateful	11/21,2	41/78,8		14/26,4	39/73,6		11/21,2	41/78,8	

minimum 1 (strongly disagree); maximum 4 (strongly agree)

\*Significant on the 5% level

n = 198

Missing values: joy = 10, happy = 13, proud = 16, warm feelings = 15, valued = 12, grateful = 15

According to Table 5.12, more respondents who agreed that retailers handled their complaints effectively in terms of their perception of procedural and distributive justice, experienced slight to moderate intensities or high to extreme intensities of all of the positive emotions (i.e. joyfulness, happiness, pride, warm feelings, being valued and gratitude), than those who disagreed that retailers handled their complaints effectively in terms of these justice dimensions. In addition, more respondents who disagreed that retailers handled their complaints effectively in terms of these justice dimensions experienced none of these positive emotions than those who agreed. Highly significant relationships exist between consumers' perceptions of procedural justice and the intensity of all of the positive emotions

(p values < 0,01). In addition, a significant relationship exists between distributive justice and warm feelings (p-value = 0,0120), and highly significant relationships exist between distributive justice and the intensity of the rest of the positive emotions (p value < 0,01).

A similar pattern emerged concerning perceptions of interactional justice and the intensities of joyfulness, warm feelings and being valued. Highly significant relationships exist between consumers' perceptions of interactional justice and the intensity of joyfulness, warm feelings and being valued (p values < 0,01).

However, more respondents who disagreed that retailers handled their complaints effectively in terms of their perception of interactional justice, experienced none of the emotions of happiness, pride and gratitude or slight to moderate intensities of these emotions than those who agreed that retailers handled their complaints effectively in terms of interactional justice. More respondents who agreed that retailers handled their complaints effectively in terms of their perception of interactional justice experienced high to extreme intensities of happiness, pride and gratitude, than those who disagreed that retailers handled their complaints effectively in terms of interactional justice. Highly significant relationships exist between consumers' perceptions of interactional justice and the intensity of happiness, pride and gratitude (all p values < 0,01).

Table 5.13 shows the relationships between the dimensions of perceived justice and the intensities of negative emotions.

**TABLE 5.13: RELATIONSHIPS BETWEEN THE DIMENSIONS OF PERCEIVED JUSTICE AND THE INTENSITY OF THE NEGATIVE EMOTIONS EXPERIENCED**

Negative emotions and intensity	Perceived justice dimensions (number of responses / %)								
	Procedural justice			Interactional justice			Distributive justice		
Level of anger experienced	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value
Not at all angry	4/8,9	41/91,1	0,0001*	10/22,2	35/77,8	0,0001*	5/11,1	40/88,9	0,0001*
Slightly to moderately angry	41/53,9	35/46,1		43/56,6	33/43,4		36/47,4	40/52,6	
Very to extremely angry	48/76,2	15/23,8		53/84,1	10/15,9		48/76,2	15/23,8	
Level of being in a bad mood experienced	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value
Not at all in a bad mood	13/22,4	45/77,6	0,0001*	17/29,3	41/70,7	0,0001*	12/20,7	46/79,3	0,0001*
Slightly to moderately in a bad mood	44/55,0	36/45,0		52/65,0	28/35,0		46/57,7	34/42,5	
Very to extremely in a bad mood	35/74,5	12/25,5		37/78,7	10/21,3		31/66,0	16/34,0	

Level of being upset experienced	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value
Not at all upset	14/26,4	39/73,6	0,0001*	18/34,0	35/66,0	0,0001*	11/20,8	42/79,2	0,0001*
Slightly to moderately upset	40/51,9	37/48,1		44/57,1	33/42,9		37/48,1	40/51,9	
Very to extremely upset	37/69,8	16/30,2		42/79,2	11/20,8		40/75,5	13/24,5	
Level of sadness experienced	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value
Not at all sad	49/46,7	56/53,3	0,624	56/53,3	49/46,7	0,598	44/41,9	61/58,1	0,090
Slightly to moderately sad	30/51,7	28/48,3		35/60,3	23/39,7		30/51,7	28/48,3	
Very to extremely sad	12/57,1	0/42,9		13/61,9	8/38,1		14/66,7	7/33,3	
Level of annoyance experienced	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value
Not at all annoyed	7/13,7	44/86,3	0,0001*	12/23,5	39/76,5	0,0001*	6/11,8	45/88,2	0,0001*
Slightly to moderately annoyed	28/43,8	36/56,3		31/48,4	33/51,6		29/45,3	35/54,7	
Very to extremely annoyed	57/81,4	13/18,6		62/88,6	8/11,4		54/77,1	16/22,9	
Level of guilt experienced	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value	1-2,5 disagree (freq/%)	>2,5 agree (freq/%)	p value
Not at all guilty	61/47,3	68/52,7	0,520	72/55,8	57/44,2	0,878	60/46,5	69/53,5	0,919
Slightly to moderately guilty	24/57,1	18/42,9		24/57,1	18/42,9		21/50,0	21/50,0	
Very to extremely guilty	5/45,5	6/54,5		7/63,6	4/36,4		5/45,5	6/54,5	

n = 198

minimum 1 (strongly disagree); maximum 4 (strongly agree)

Missing values: angry = 14, in a bad mood = 13, upset = 15, sad = 14, annoyed = 13, guilty = 16

More respondents who disagreed that retailers handled their complaints effectively in terms of their respective perceptions of procedural and interactional justice experienced slight to moderate intensities or high to extreme intensities of the negative emotions of anger, being in a bad mood and being upset, than those who agreed that retailers handled their complaints effectively in terms of these justice dimensions. In addition, more respondents who agreed that retailers handled their complaints effectively in terms procedural and interactional justice, experienced no intensity of these emotions (i.e. were not angry at all, etc.) than those who disagreed. Highly significant relationships exist between perceptions of procedural justice and the intensity of anger, being in a bad mood and being upset (p values < 0,01), and between perceptions of interactional justice and the intensity of anger, being in a bad mood and being upset (p values < 0,01).

More respondents who agreed that retailers handled their complaints effectively in terms of their perceptions of distributive justice, experienced no intensities of anger, being upset and annoyance or slight to moderate intensities of these emotions, than those who disagreed that retailers handled their complaints effectively in terms of distributive justice. In addition, more respondents who disagreed that retailers handled their complaints effectively in terms

of their perception of distributive justice experienced high to extreme intensities of anger, feeling upset or annoyed, than those who agreed. Highly significant relationships exist between consumers' perceptions of distributive justice and the intensity of anger, being upset and annoyance ( $p$  values  $< 0,01$ ).

More respondents who agreed that retailers handled their complaint effectively in terms of their respective perceptions of procedural justice and interactional justice, were not at all annoyed or were slightly to moderately annoyed. In addition, more respondents who disagreed that retailers handled their complaints effectively in terms of their perceptions of procedural justice and interactional justice, were very to extremely annoyed. Highly significant relationships exist between the perceptions of procedural justice and the intensity of annoyance ( $p$  value  $< 0,01$ ), and between perceptions of interactional justice and the intensity of annoyance ( $p$  value  $< 0,01$ ).

More respondents who disagreed that retailers handled their complaints effectively in terms of their perception of distributive justice, experienced slight to moderate intensities or high to extreme intensities of a bad mood, than those who agreed that retailers handled their complaints effectively in terms of distributive justice. In addition, more respondents who agreed that retailers handled their complaints effectively in terms of distributive justice were not in a bad mood at all, than those who disagreed. Highly significant relationships exist between perceptions of distributive justice and the intensity of a bad mood ( $p$  value  $< 0,01$ ).

No significant relationships exist between the consumers' perceptions of procedural justice, interactional justice and distributive justice, and the intensity of sadness experienced ( $p$  values  $> 0,05$ ), nor between their perceptions of procedural justice, interactional justice and distributive justice and the intensity of guilt experienced ( $p$  values  $> 0,05$ ) This implies that perceptions of the respective justice dimensions did not influence consumers' experiences of sadness or guilt. It should be noted that the majority of the respondents did not feel guilty at all or sad at all, probably because they attributed the blame for the negative event (service failure) to the retailer (see section 5.6.2 above).

These findings of this study are in line with previous studies. Most studies on distributive justice confirm that individuals react angrily if what they receive is below what was expected (Adams in Chebat & Sluzarczyk, 2005). "The fairer the individuals view the outcome, the less likely they are to express general negative feelings" (Hegtvedt & Killian in Chebat & Sluzarczyk, 2005). Concerning the emotional reaction to procedural justice, individuals who

perceive the allocation process as fair, are “less likely to feel negative but more pleased about it” (Hegtvedt & Killian in Chebat & Sluzarczyk, 2005).

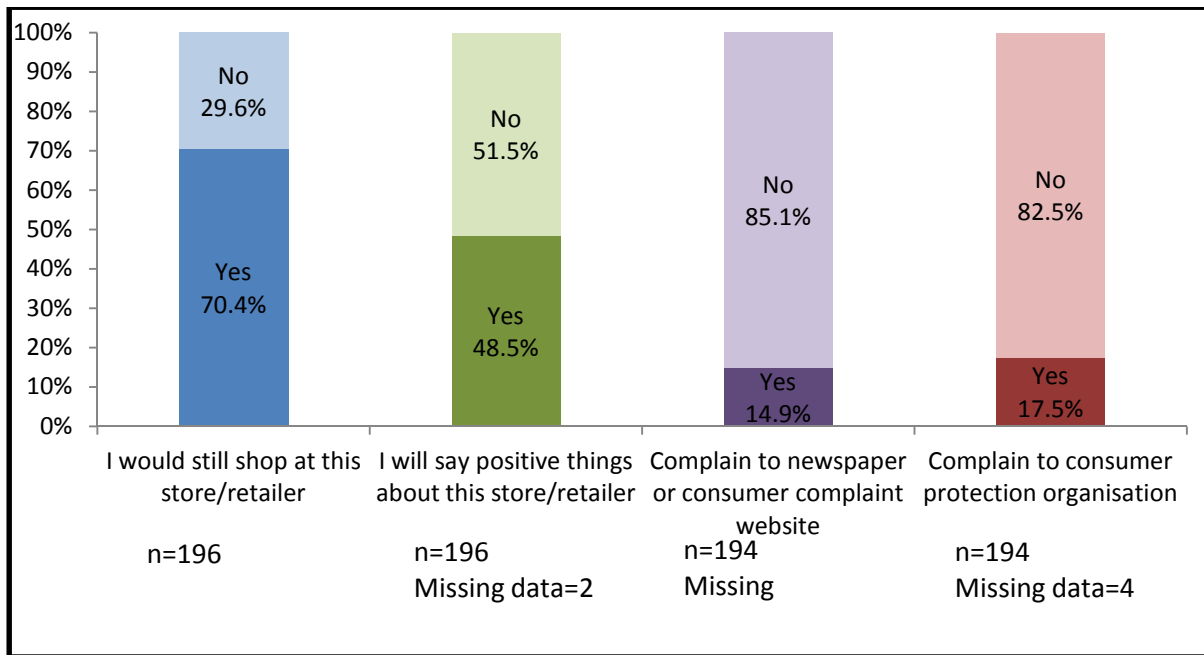
Consumers’ perceptions of justice involve an appraisal process (cognitive processes). In accordance with cognitive appraisal theory, emotions are elicited not by events per se, but by one’s interpretation of those events. Therefore, different emotions correspond with different patterns of appraisal (Soscia, 2007). Complainants who perceive that the outcomes of an event helped them to achieve their goals (goal congruence) experience positive emotions such as happiness. Goal incongruence elicits mild and short-term negative emotions such as sadness (Soscia, 2007). Goal congruence/incongruence determines general positive or negative emotions. This appraisal is similar to expectancy/disconfirmation beliefs in the expectancy/disconfirmation paradigm. Consumers experience positive emotions when a product or service exceeds their expectations (when their goals are met), but they experience negative emotions when product performance is less than expectation (i.e. when their goals are not met).

Another type of appraisal, causal locus, involves an evaluation of whether the outcome was caused by impersonal circumstance, some other party or the self. Gratitude is elicited when consumers ascribe positive outcomes to factors under control by others. Consumers typically feel grateful when they attribute positive outcomes to others rather than to themselves (Soscia, 2007). On the contrary, anger is elicited when consumers ascribe negative outcomes to factors under control by others (Soscia, 2007).

## 5.8 RESULTS OF OBJECTIVE 6

**Objective 6:** To investigate and describe complainants’ post-complaint behavioural intentions following evaluations of retailers’ complaint handling of major household appliance failures in terms of perceived justice.

Question 4, Section C (Addendum) measured respondents’ behavioural intentions following retailers’ complaint handling. The results pertaining to respondents’ repurchase, word-of-mouth and complaint intentions are shown in Figure 5.6.



**FIGURE 5.6: RESPONDENTS' INTENTIONS TO REVISIT THE STORE, ENGAGE IN POSITIVE WORD OF MOUTH, COMPLAIN TO NEWSPAPERS OR A CONSUMER COMPLAINT WEBSITE AND CONSUMER PROTECTION AGENCIES**

According to Figure 5.6, 70,4% of the respondents indicated that they would still shop at the particular store/retailer (i.e. remain store-loyal) after a service-failure encounter such as a negative complaint-handling experience. In terms of word-of-mouth communication, 48,5% of the respondents indicated that they would say positive things about the store to friends and family. Most of the respondents indicated that they have no intention of complaining to a third party about the poor service recovery; 85,1% indicated that they would not complain to a newspaper/consumer complaint website, and 82,5% would not complaint to a consumer protection organisation.

Compared to the above-mentioned positive behavioural intentions, few respondents were prepared to engage in complaint behaviour such as stop supporting the retailer (29,6%) and engaging in negative word of mouth (51,5%), and even fewer were prepared to complain to third parties such as newspapers/consumer complaint websites (14,9%) and consumer protection organisations (17,5%).

The majority of the respondents indicated that they were satisfied with retailers' complaint handling (see section 5.5 above). In terms of the disconfirmation paradigm, this provides a plausible explanation for the high incidence of positive behavioural outcomes. However, although satisfaction is a determinant of post-purchase behaviour, other variables such as

emotions are often much more strongly linked to behaviour (Bagozzi *et al.*, 1999, Donoghue & De Klerk, 2013).

In this study customer loyalty towards the store is much more than expected. A possible reason for this might be that respondents felt “trapped” by the switching costs associated with terminating the relationship (also called continuance commitment) (Bansal, Irving & Taylor, 2004). Some authors have even termed the psychological state of continuance commitment the “dark side of relationship management” (Fullerton, 2005).

## 5.9 RESULTS OF OBJECTIVE 7

**Objective 7:** To describe the relationship between complainants’ emotional responses following evaluations of retailers’ complaint handling of major electrical household appliances and their post-complaint behavioural intentions.

To determine the relationship between respondents’ post-complaint emotions and their behavioural intentions, 3x2 cross tabulation was compiled and Pearson’s Chi-square tests were conducted. For the purpose of data representation, the five scale points representing the intensity of each emotion (“not at all” (1), “slightly” (2), “moderately” (3), “very” (4) and “extremely” (5)), were simplified by collapsing the scale points with values between 2 and 3 (e.g. slightly to moderately angry) and between 4 and 5 (very to extremely angry). Table 5.14 shows the relationship between the positive emotions experienced and the respondents’ behavioural intentions. Please note that the row percentages were interpreted.

**TABLE 5.14: THE RELATIONSHIP BETWEEN POSITIVE EMOTIONS AND POST-COMPLAINT INTENTIONS**

Positive emotions	Intentions (number of responses / %)											
	In future, I would still shop at this store/retailer.			I would say positive things about this store/retailer to my family.			I would complain to a newspaper/consumer complaint website about my experience.			I would complain to a consumer protection organisation about my experience.		
	Yes (freq/%)	No (freq/%)	p value	Yes (freq/%)	No (freq/%)	p value	Yes (freq/%)	No (freq/%)	p value	Yes (freq/%)	No (freq/%)	p value
<b>Intensity of joy</b>												
Not at all joyful	25/41,0	36/59,0	0,0001*	10/16,4	51/83,6	0,0001*	16/26,7	44/73,3	0,0030	19/31,1	42/68,9	0,0010
Slightly to moderately joyful	76/82,5	16/17,4		48/52,2	44/47,8		8/8,8	83/91,2		10/11,0	81/89,0	
Very to extremely joyful	33/97,1	1/2,9		31/91,2	3/8,8		2/6,1	31/93,9		2/6,1	31/93,9	
<b>Intensity of happiness</b>												
Not at all happy	22/38,6	35/61,4	0,0001*	9/15,8	48/84,2	0,0001*	15/26,8	41/73,2	0,0050	17/29,8	40/70,2	0,0070
Slightly to moderately happy	70/85,4	12/14,6		42/51,2	40/48,8		8/10,0	72/90,0		10/12,5	70/87,5	
Very to extremely happy	41/91,1	4/8,9		37/82,2	8/17,8		3/6,7	42/93,3		4/8,9	41/91,1	
<b>Intensity of pride</b>												
Not at all proud	49/61,3	31/38,8	0,0200*	27/33,8	53/66,3	0,0001*	13/16,5	66/83,5	0,3630	15/18,8	65/81,3	0,723
Slightly to moderately proud	54/77,1	16/22,9		34/48,6	36/51,4		10/14,7	58/85,3		14/15,6	76/84,4	
Very to extremely proud	27/84,4	5/15,6		24/75,0	8/25,0		2/6,3	30/93,8		1/10,0	9/90,0	
<b>Intensity of warm feelings</b>												
Not at all warm feelings	44/57,9	32/42,1	0,0020*	21/27,6	55/72,4	0,0001*	12/16,0	63/84,0	0,6210	14/18,4	61/81,6	0,6990
Slightly to moderate warm feeling	62/83,8	12/16,2		56/58,3	40/41,7		11/15,3	61/84,7		13/18,1	59/81,9	
Very to extremely warm feelings	24/72,7	9/27,3		8/72,7	3/27,3		3/9,1	30/90,9		4/12,1	29/87,9	
<b>Intensity of being valued</b>												
Not at all valued	24/39,3	37/60,7	0,0001*	9/14,8	52/85,2	0,0001*	15/25,0	45/75,0	0,0060	21/34,4	40/65,6	0,0001*
Slightly to moderately valued	73/86,9	11/13,1		48/57,1	36/42,9		8/7,4	100/92,6		8/9,6	75/69,0	
Very to extremely valued	36/87,8	5/12,2		32/78,0	9/22,0		3/20,0	12/80,0		2/5,0	38/95,0	
<b>Intensity of gratitude</b>												
Not at all grateful	15/33,3	30/66,7	0,0001*	3/6,7	42/93,3	0,0001*	12/27,3	32/72,7	0,0032	16/35,6	29/64,4	0,0001*
Slightly to moderately grateful	100/84,7	18/15,3		68/57,6	50/42,4		9/18,8	74/89,2		10/12,0	73/88,0	
Very to extremely grateful	15/78,9	4/21,1		15/78,9	4/21,1		6/11,3	47/88,7		4/7,7	48/92,3	

\*Significant on the 5% level



According to Table 5.14, more respondents who were very to extremely joyful or slightly to moderately joyful intended to continue shopping at the store/retailer in future or engage in positive word of mouth about the store/retailer, than those who intended to stop supporting the store/retailer or would not engage in positive word of mouth respectively. In addition, more respondents who were not joyful at all intended to stop supporting the store/retailer or would not engage in positive word of mouth, than those who would still support the store/retailer or engage in positive word of mouth. Highly significant relationships exist between the intensity of joy and the intention to shop at the store/retailer in future ( $p$  value  $< 0,0001$ ), and the intensity of joy and the intention to engage in positive word of mouth ( $p$  value  $< 0,0001$ ). Irrespective of the intensity of joy, more respondents intended not to complain to a newspaper/consumer complaint website or a consumer protection organisation than those who would engage in these actions. Highly significant relationships exist between the intensity of joy and the intention to complain to a newspaper/consumer complaint website ( $p$  value =  $0,0030$ ), and the intensity of joy and the intention to complain to a consumer protection organisation ( $p$  value =  $0,0010$ ).

A similar pattern concerning the relationships between the intensity of joy and post-complaint intentions emerged for the intensity of happiness and post-complaint intention. Highly significant relationships exist between the intensity of happiness and repurchase intentions ( $p$  value  $< 0,0001$ ), and between the intensity of happiness and positive word of mouth ( $p$  value  $< 0,0001$ ). Significant relationships exist between the intensity of happiness and the intention to complain to a newspaper or consumer complaint website ( $p$  value =  $0,0050$ ), and the intention to complain to a consumer protection organisation ( $p$  value =  $0,0070$ ).

Irrespective of the intensity of pride, more respondents intended to continue shopping at the store/retailer in future than those who would not. A significant relationship exists between the intensity of pride and the intention to shop at the store/retailer in future ( $p$  value =  $0,0200$ ). In addition, more respondents who were very to extremely proud intended to engage in positive word of mouth about the store/retailer, than those who would not, and more respondents who were slightly to moderately proud or not proud at all did not intend to engage in positive word of mouth than those who would. A significant relationship exists between the intensity of pride and the intention to engage in positive word of mouth ( $p$  value  $< 0,0001$ ). Strangely, more respondents who were not proud at all intended to continue shopping at the store/retailer in future than those who intended to stop supporting the store/retailer, while more respondents who were not proud at all intended not to engage in positive word of mouth than those who would. A possible reason for this might be that respondents who are not proud at all might feel ashamed to talk to others about retailers, while no one would know

about their continued support for the retailers as it does not involve verbal communication about feelings to others. However, no significant relationships exist between the intensity of pride and the intention to complain to a newspaper/complaint website (p value = 0,3680) and intensity of pride and the intention to complain to a consumer protection organisation (p value = 0,7230). This implies that pride did not play a role in intentions to engage in third-party complaint action.

A similar pattern concerning the relationships between the intensity of pride and post-complaint intentions emerged for the intensity of warm feelings and post-complaint intentions. Significant relationships exist between the intensity of warm feelings and the intention to shop at the store/retailer in future (p value = 0,020), and the intention to engage in positive word of mouth (p value < 0,0001). However, no significant relationships exist between the intensity of warm feelings and the respondents' intention to complain to a newspaper or a complaint website (p value = 0,621) or a consumer protection organisation (p value = 0,699). This implies that warm feelings did not play a role in intentions to engage in third-party complaint action.

More respondents who felt that they were being highly to extremely valued or slightly to moderately valued, intended to continue shopping at the store/retailer in future or engage in positive word of mouth about the store/retailer, than those who intended to stop supporting the store/retailer or would not engage in positive word of mouth. In addition, more respondents who felt that they were not being valued at all, intended to stop supporting the store/retailer or would not engage in positive word of mouth, than those who would still support the store/retailer or engage in positive word of mouth. Highly significant relationships exist between the intensity of being valued and the intention to shop at the store/retailer in future (p value < 0,0001), and between the intensity of being valued and the intention to engage in positive word of mouth (p value < 0,0001). Irrespective of the intensity of being valued, more respondents intended not to complain to a newspaper/consumer complaint website or a consumer protection organisation than those who would engage in these actions. Significant relationships exist between the intensity of being valued and the respondents' intention to complain to a newspaper/complaint website (p value = 0,0060) and the intensity of being valued and the intention to complain to a consumer protection organisation (p value < 0,0001).

A similar pattern concerning the relationships between the intensity of being valued and post-complaint intentions emerged for the intensity of gratitude and post-complaint intentions. Highly significant relationships exist between the intensity of gratitude and

intentions to shop at the store in future ( $p$  value  $< 0,0001$ ) and between the intensity of gratitude and the intention to engage in positive word of mouth ( $p$  value  $< 0,0001$ ). Irrespective of the intensity of gratitude, more respondents intended not to complain to a newspaper or consumer complaint website or consumer protection organisation, than those who would engage in these actions. Significant relationships exist between the intensity of gratitude and intentions to complain to a newspaper/complaint website ( $p$  value =  $0,0032$ ) and the intensity of gratitude and the intention to complain to a consumer protection organisation ( $p$  value =  $0,0001$ ).

Table 5.15 shows the relationship between negative emotions and post-complaint intentions. Please note that the row percentages were interpreted.

**TABLE 5.15: THE RELATIONSHIP BETWEEN NEGATIVE EMOTIONS AND POST-COMPLAINT INTENTIONS**

Negative emotions	Intentions (number of responses / %)											
	In future, I would still shop at this store/retailer.			I would say positive things about this store/retailer to my family.			I would complain to a newspaper or a consumer complaint website about my experience.			I would complain to a consumer protection organisation about my experience.		
	Yes (freq/%)	No (freq/%)	p value	Yes (freq/%)	No (freq/%)	p value	Yes (freq/%)	No (freq/%)	p value	Yes (freq/%)	No (freq/%)	p value
<b>Intensity of anger</b>												
Not at all angry	45/100	0/0,0	0,0001*	36/80,0	9/20,0	0,0001*	1/2,3	43/97,7	0,0001*	1/2,3	43/97,7	0,0001*
Slightly to moderately angry	58/77,3	17/22,7		36/48,0	39/52,0		6/8,1	68/91,9		7/9,5	67/90,5	
Very to extremely angry	26/41,3	37/58,7		13/20,6	50/79,4		20/32,3	42/67,7		24/38,1	39/61,9	
<b>Intensity of being in a bad mood</b>												
Not at all in a bad mood	53/93,0	4/7,0	0,0001*	41/71,9	16/28,1	0,0001*	3/5,5	52/94,5	0,0050*	4/7,3	51/92,7	0,0010*
Slightly to moderately in a bad mood	52/65,0	28/35,0		32/40,0	48/60,0		10/12,7	69/87,3		11/13,8	69/86,3	
Very to extremely in a bad mood	26/55,3	21/44,7		13/27,7	34/72,3		13/27,7	34/72,3		16/34,0	31/66,0	
<b>Intensity of feeling upset</b>												
Not at all upset	52/98,1	1/1,9	0,0001*	38/71,7	15/28,3	0,0001*	0/0,0	51/100,0	0,0010*	0/0,0	51/100,0	0,0001*
Slightly to moderately upset	71/65,7	37/34,3		35/45,5	42/54,5		12/15,6	65/84,4		13/16,9	64/83,1	
Very to extremely upset	7/31,8	15/68,2		12/22,6	41/77,4		14/26,4	39/73,6		19/35,8	34/64,2	
<b>Intensity of sadness</b>												
Not at all sad	78/74,3	27/25,7	0,1250*	55/52,4	50/47,6	0,0200*	8/7,8	94/92,2	0,0010*	11/10,7	92/89,3	0,0300*
Slightly to moderately sad	42/72,4	16/27,6		27/46,6	31/53,4		10/17,2	48/82,8		14/24,1	44/75,9	
Very to extremely sad	11/52,4	10/47,6		4/19,0	17/81,0		8/38,1	13/61,9		6/28,6	15/71,4	
<b>Intensity of annoyance</b>												
Not at all annoyed	50/98,0	1/2,0	0,0001*	41/80,4	10/19,6	0,0001*	0/0,0	49/100,0	0,0001*	0/0,0	49/100,0	0,0001*
Slightly to moderately annoyed	51/79,7	13/20,3		32/50,0	32/50,0		8/12,5	56/87,5		9/14,1	55/85,9	
Very to extremely annoyed	30/42,9	40/57,1		14/20,0	56/80,0		18/26,1	51/73,9		22/31,4	48/68,6	
<b>Intensity of guilt</b>												
Not at all guilty	92/71,3	37/28,7	0,3670	60/46,5	69/53,5	0,7200	17/13,5	109/86,5	0,8260	23/18,1	104/81,9	0,6650
Slightly to moderately guilty	32/76,2	10/23,8		21/50,0	21/50,0		7/16,7	35/83,3		6/14,3	36/85,7	
Very to extremely guilty	6/54,5	5/45,5		4/36,4	7/63,6		2/18,2	9/81,8		1/1,8	10/90,9	

\*Significant on the 5% level

Table 5.15 shows that more respondents who experienced none of the emotions of anger, feeling upset or annoyed, or slight to moderate intensities of these emotions, intended to continue supporting the retailer than those who would not. Also, more respondents who experienced high to extreme intensities of these emotions intended to stop supporting the retailers concerned. Significant relationships exist between the intensity of these emotions and the intention to continue supporting retailers ( $p$  values  $< 0,01$ ). No significant relationships exist between the intensity of sadness and the intention to continue shopping at the retailers concerned, or between the intensity of guilt and the intention to continue shopping at the retailers ( $p$  values  $> 0,05$ ). This implies that neither sadness nor guilt played a role in intentions to continue shopping at retailers or to engage in positive word of mouth.

More respondents who experienced slight to moderate intensities or high to extreme intensities of the emotions of anger, being in a bad mood, feeling upset, sadness or annoyance, intended not to engage in positive word of mouth than those who would. In addition, more respondents who experienced none of these emotions would engage in positive word of mouth than those who would not. Significant relationships exist between the intensity of these emotions and the intention to engage in word of mouth ( $p$  values  $< 0,05$ ).

According to cognitive appraisal theory, angry customers would engage in emotion-focused coping strategies such as negative word of mouth to vent their anger and gain sympathy from others (Stephens & Gwinner, 1998; Donoghue & De Klerk, 2013).

No significant relationships exist between the intensity of guilt and the intention to engage in positive word of mouth. This implies that guilt did not play a role in intentions to engage in positive word of mouth.

Irrespective of the intensity of anger, being in a bad mood, feeling upset, sadness and annoyance, more respondents would not complain to a newspaper/complaint website or a consumer protection organisation than those who would. Highly significant relationships exist between the intensity of the respective emotions and the intention to complain to a newspaper/consumer complaint website about their experience ( $p$  values  $< 0,01$ ), and between the intensity of the respective negative emotions and the intention to complain to a consumer protection organisation ( $p$  values  $< 0,05$ ). No significant relationships exist between the intensity of guilt and the intention to complain to a newspaper/consumer complaint website or between the intensity of guilt and the intention to complain to a consumer protection organisation website. This implies that guilt did not play a role in intentions to complain to third parties.

## 5.10 SUMMARY

The results of the study show that complainants had pertinent expectations of retailers' complaint handling.. Complainants judged retailers' complaint handling in terms of their perceptions of procedural, interactional and distributive justice. Almost two thirds of the complainants were satisfied with the retailers' complaint handling. Complainants experienced strong positive emotions such as gratitude, happiness, being valued and joyfulness, while the strongest negative emotions were anger, annoyance, feeling upset and being in a bad mood. Higher levels of the respective justice dimensions can be associated with high intensities of positive emotions, and lower levels of the respective justice dimensions can be associated with negative emotions. The majority of the complainants indicated that they would remain store loyal. The number of responses for negative word of mouth and positive word of mouth were evenly distributed. The majority of the respondents indicated that they would not complain to third parties. Positive emotions can be associated with positive post-complaint behavioural intentions such as supporting retailers in future and engaging in positive word of mouth. Negative emotions can be linked to negative post-complaint behavioural intentions such as stopping to support retailers in future and not engaging in positive word of mouth. Irrespective of the intensity of the negative emotions complainants would not complain to third parties, implying that respondents were very passive concerning third party complaint action.

## CHAPTER 6

### CONCLUSIONS AND RECOMMENDATIONS

#### 6.1 INTRODUCTION

This chapter provides the conclusions of the study, the contribution to the theory and implications and recommendations for retailers. Additionally, some suggestions for future research are provided.

#### 6.2 CONCLUSIONS

##### 6.2.1 Complainants' expectations of retailers' complaint handling of major household appliance failures in terms of perceived justice

The results of the exploratory factor analysis show that respondents had pertinent expectations about appliance retailers' complaint handling concerning procedural justice, interactional justice and distributive justice. These expectations are probably based on knowledge gained from previous service encounters with appliance retailers and word-of-mouth communications with other people.

Expectations about procedural justice related to the "processes" that retailers should use to deal with complaints. Respondents expected that retailers should follow company policy and the correct procedures in handling complaints, should clearly indicate where to lodge complaints, and should be competent (skilled) in handling complaints effectively. Expectations about appropriate language skills were also viewed as part of the "processes" that retailers should use to manage complaints.

Expectations about interactional justice related to the fairness of the interpersonal communications between the retailer and the customer in settling complaints. Respondents expected that retailers should be appropriately concerned about the problem, take great effort in resolving the complaint, provide the complainant with an appropriate explanation for the appliance failure and apologise for all the inconvenience caused. Expectations about complaint handling personnel's ability to facilitate complainants in voicing their complaints and to provide complainants with the opportunity to tell their side of the story, were also perceived as part of expectations for interactional justice.

Expectations about distributive justice related to the outcome of the complaint handling. Respondents expected that the tangible benefits (compensation such as free repairs, product

exchange, refund, voucher, etc.) should be fair and that the redress offered should be more than expected, meet their needs and meet what they deserved. Theoretically the timeliness of the complaint response is classified as procedural justice (Tax & Brown, 1998; Kau & Loh, 2006). However, in this study, respondents' expectations about timeliness were also perceived as a "tangible" outcome. This emphasises the importance of the speedy resolution of complaints. Losing time is seen as "cost" to consumers (Smart & Martin, 1992).

### **6.2.2 Complainants' evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice**

The results of the confirmatory factor analysis showed that respondents evaluated retailers' actual complaint handling in terms of their perceptions of procedural justice, interactional justice and distributive justice.

Respondents experienced procedural justice when complaint handling personnel followed company policy and the correct procedures in handling their complaints, when the employees appeared to be competent, when they resolved the complaint in a timely manner and made it easy for the dissatisfied consumers to voice their complaints.

The respondents experienced interactional justice when complaint handling personnel treated them with respect (were polite), made it easy for them to determine where to lodge their complaints (i.e. to whom they should complain in the company), communicated clearly (with adequate use of language), were appropriately concerned about the problem, took great effort in resolving the complaint and provided them with an appropriate explanation as to why the appliance had failed. Verbal communication about where to complain forms part of respondents' perception of the fairness of the interpersonal communications used in settling complaints factor, rather than the procedural justice factor.

The respondents experienced distributive justice when they perceived that the redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) offered by the retailers was more they expected, was fair, was what they deserved or was what they needed.

Respondents perceived that retailers' were fair concerning procedural justice and distributive justice, but unfair concerning interactional justice.

Complainants' expectations and actual perceptions of retailers' complaint handling in terms of the respective justice (i.e. the items measuring the respective justice dimensions) were fairly similar.



Respondents' expectations of complaint handling exceeded the evaluation of the actual complaint handling received from retailers, implying a disconfirmation of expectations.

### **6.2.3 Complainants' level of dis/satisfaction experienced with retailers' complaint handling of major household appliance failures**

The majority (67,3%) of the respondents were satisfied with retailers' complaint handling. This might indicate the service recovery paradox (Hart *et al.*, 1990), stating that an aggrieved consumer will be even more satisfied after a successful recovery process than before the failure even occurred. However, given that the majority of the respondents who were satisfied with retailers' complaint handling mostly believed that retailers were fair in their complaint handling concerning the procedural justice and distributive justice, but unfair concerning interaction justice, consumers' might find it difficult to express their dissatisfaction and might therefore understate it. Retailers might therefore believe that consumers are satisfied when they are actually not satisfied.

### **6.2.4 Complainants' emotional responses following evaluations of retailers' complaint handling of major household appliance failures in terms of perceived justice**

Respondents distinguished between positive and negative emotions, confirming the results of previous studies (Westbrook, 1987; Larsen, McGraw & Cacioppo, 2001; Schoefer & Ennew, 2005:263; Schoefer & Diamantopoulos, 2008:68).

The strongest positive emotions that respondents experienced were gratitude, happiness, being valued and joyfulness, while lower levels of warm feelings and pride were also experienced. When comparing the negative emotions, the strongest negative emotions that respondents experienced were anger, annoyance, feeling upset and being in a bad mood, while lower levels of guilt and sadness were also experienced. In the context of cognitive appraisal theory, respondents might have blamed the retailers for service failure rather than themselves, explaining why respondents mostly did not feel guilty or sad.

### **6.2.5 Relationship between perceived justice and emotional responses**

Perceived justice has an effect on consumers' post-complaint emotions. While higher levels of procedural justice and distributive justice can be associated with slight to moderate intensities and high to extreme intensities of all of the positive emotions, lower levels of these justice dimensions can be associated with the absence of these emotions. Also, while higher levels of interactional justice can be associated with higher intensities of the positive emotions of joyfulness, warm feelings and being valued (i.e. slight to moderate intensities and high to extreme intensities of

these emotions), lower levels of interactional justice can be associated with the absence of these emotions. However, perceptions of interactional justice must be very high for respondents to experience high to extreme levels of happiness, pride and gratitude, implying that complainants' need to perceive complaint handling personnel as able to control the interpersonal communications between the retailer and the customer in settling complaints, for the customers to experience these emotions. Perceptions of procedural justice and distributive justice have similar effects on all of the positive emotions concerning the intensities of emotions experienced, but perceptions of interactional justice have different effects on the intensities of the emotions of happiness, pride and gratitude.

While lower levels of procedural justice and interactional justice can be associated with slight to moderate intensities and high to extreme intensities of anger, being in a bad mood and feeling upset, higher levels of procedural justice and interactional justice can be associated with the absence of these negative emotions. Also, while lower levels of distributive justice can be associated with high to extreme intensities of the emotions of anger and feeling upset, higher levels of distributive justice can be associated with slight to moderate intensities or absence of these emotions. It therefore seems that respondents' perception of distributive justice has different effects on specific negative emotions, compared to the perceptions of procedural and interactional justice.

Concerning the negative emotions, perceptions of the respective justice dimension did not influence consumers' experiences of sadness or guilt – probably because they attributed the blame for the negative event (service failure) to the retailer.

#### **6.2.6 Complainants' post-complaint behavioural intentions**

The majority of the respondents would still shop at the particular store/retailer (i.e. remain store-loyal) and almost half of the respondents would engage in positive word of mouth. More than 80% of the respondents indicated that they had no intention of complaining to a third party (newspaper/consumer complaint website or a consumer protection organisation) about the poor service recovery. This does not necessarily point to their satisfaction with the retailers' complaint handling, since most of the respondents agreed that the retailers handled their complaints effectively concerning procedural justice and interactional justice, but believed that the retailers were ineffective in terms of interactional justice. (See Chapter 5, section 5.4).

### 6.2.7 Relationship between emotions and post-complaint intentions

In the context of cognitive appraisal theory, positive events that are attributed to external factors elicit emotions of happiness and gratitude. Gratitude is elicited by the ascription of a positive event to factors under the control of others (Weiner in Soscia, 2007). When a retailer is credited by a consumer with responsibility for positive service recovery outcomes, the consumer may experience positive emotions such as happiness and gratitude, which can be linked to positive behavioural post-complaint behavioural intentions. Pride is elicited when positive outcomes are attributed to actions of the self rather than to external circumstances (Bagozzi, 1992; Soscia, 2007).

In this study, respondents who experienced slight to moderate intensities or high to extreme intensities of the positive emotions of joy, happiness and gratitude and being valued, intended to continue supporting the retailers concerned and to engage in positive word of mouth. Irrespective of the intensity of pride and warm feelings, respondents intended to continue supporting the retailers. However, they were more prone to engage in positive word of mouth when they experienced slight to moderate intensities and high to extreme intensities of warm feelings. Respondents intended to engage in positive word of mouth when they felt very to extremely proud. Pride therefore had different effects on post-complaint intentions. Irrespective of the levels of positive emotions of joyfulness, happiness, being valued and gratitude, respondents would not engage in third-party complaint action.

Anger results from a negative outcome that is attributed to external and controllable factors (Weiner, 2000; Donoghue *et al.*, 2012). In this study, respondents who experienced high to extreme intensities of anger, feeling upset and annoyed, intended to stop supporting the retailers and intended not to engage in positive word of mouth. It seems that respondents were more forgiving toward retailers when they experienced slight to moderate intensities of anger, a bad mood, feeling upset, and annoyance, as they would continue shopping at the retailer. However, respondents who experienced slight to moderate intensities of these emotions were more prone not to engage in positive word of mouth. This implies that even low intensities of these emotions could cause consumers not to engage in positive word of mouth. Neither sadness nor guilt played a role in intentions to continue shopping at retailers or to engage in positive word of mouth, probably because complainants did not blame themselves for the negative event (the ineffective complaint handling). Irrespective of the levels of negative emotions, respondents would not engage in third-party complaint action. This points to respondents' passivity concerning third-party complaint action. In the context of cognitive appraisal theory, third-party complaint actions can be considered problem-focused coping. Respondents' passivity toward third-party complaint action might be due to perceptions of low coping potential (i.e. they believe that complaining to third parties is not worth the trouble) (Donoghue *et al.*, 2012).

### 6.3 IMPLICATIONS FOR RETAILERS

Complainants have pertinent expectations of retailers' complaint handling. These expectations are based on past personal service recovery experiences and the experience of other people with whom complainants interact. Therefore, retailers should create a service recovery environment where customers can experience fair treatment. This will facilitate positive and realistic expectations that might encourage consumers to go back to retailers to complain about problems, so that problems can be resolved and long-term relationships with the retailer can be established and maintained.

Retailers should handle consumer complaints by focusing on the fairness of the procedures to resolve the complaint, the interpersonal treatment in handling the complaint, and the tangible compensation offered as an outcome of the complaint handling.

Fair policies and procedures are valued because they create the impression that complaint handling personnel have some control over decisions and are thus regarded as instrumental for achieving fair outcomes. Therefore, when employees are faced with consumer complaints, sufficient knowledge regarding the service recovery process, and an ability to explain procedures and policies to customers are needed, implying a need for employee training. Complaints should also be resolved in a timely manner since it could shape customers' perceptions of the company's willingness to assist consumers. The importance of time management in terms of staff's responsiveness should be stressed by retailers. Staff should also facilitate customer complaints.

To improve customers' perceptions of interactional justice, retailers need to treat customers with respect, direct customers to the complaint handling division and the correct complaint handling staff, and use appropriate and understandable language. Staff should be sincere and take great effort in complaint handling to demonstrate that they are taking the problem seriously and are committed to resolve it. Honest explanations and apologies should be provided. Common courtesy could demonstrate the retailer's positive attitude toward customers and complaint handling.

Retailers need to be aware of the attributes of the complaint handling process that cause dissatisfaction. Thus, retailers need to have a good system for listening to their customers. Complaint handling employees are in direct contact with the customers, implying that they should be able to communicate effectively by listening carefully to customers' requests, showing an understanding of their needs and speaking clearly, using appropriate language. "Customers have the right to be heard and to be understood" (Donoghue & De Klerk, 2009). In addition, two-way communication should exist between frontline staff and managers to create a mutual understanding of customer complaints and methods to resolve problems.

Retailers should therefore be aware of complainants' emotional states following service recovery. The rude treatment of a consumer (i.e. a low level of interactional justice), is expected to elicit more levels of negative emotions such as anger or sadness, while polite and courteous treatment (i.e. a high level of interactional justice) will likely evoke positive emotions such as happiness and joy (Schoefer & Ennew, 2005).

Complainants are usually highly emotional following service failures. Complaining may therefore become an emotional act through which the consumer may seek "psychological equity" (Tax *et al.*, 1998). Complainants' perceptions of justice have an effect on their post-complaint emotions. Low levels of perceived justice elicit negative emotions, while high levels of perceived justice elicit positive emotions. Frontline staff should therefore be aware of complainants' emotional states following service recovery and need to be skilled in handling complaints, implying a need for better training of employees. They should be trained to deal with complainant's negative emotions in an empathetic manner to prevent further customer dissatisfaction and additional negative emotions. Staff also need to be taught how to deal with difficult, aggressive or overly rude behaviour, as some customers might demand unrealistic actions.

Complainants attach great value to the tangible outcome (e.g. free repairs, product exchange, refund, voucher, etc.) of the complaint process. Retailers should provide fair and tangible compensation or redress.

When consumers perceive that retailers are responsible for positive service recovery outcomes, they may experience positive emotions such as happiness and gratitude and may engage in positive post-complaint behavioural intentions. However, negative emotions such as anger, annoyance, feeling upset and being in a bad mood might cause complainants to leave the retailer for another, and to share their negative experiences with other consumers, thereby damaging the reputation of the retailer.

To prevent negative post-purchase behaviours, retailers should try to reduce the elicitation of negative emotions because these emotions are the driving force behind customers' specific post-complaint behaviours.

#### **6.4 CONTRIBUTION TO THE THEORY**

This study provides empirical evidence that complainants' justice perceptions play a role in their evaluation of appliance retailers' complaint handling (service recovery). The abundance of literature on perceived justice and complaint behaviour mainly focuses on customers' actual evaluations of complaint handling, but not their expectations about service recovery. This study did

not only measure consumers' perceptions of how their complaints were handled, but also examined what they expected from retailers when they complained. Knowing consumers' opinions is fundamental if the retailer is to understand what attributes of the complaint handling procedure consumers are dissatisfied with, and hence be able to rectify them.

This study investigated respondents' "true" emotions following complaint handling, versus experimental studies where respondents are requested to imagine and indicate how they would feel in response to a specific scenario.

This study provides evidence of the link between cognitions (perceptions of justice) and emotions as well as the link between emotions and post-complaint behavioural intentions. The findings of the study were interpreted in terms of various theoretical concepts from CCB theory, perceived justice theory and cognitive appraisal theory, contributing to the theoretical basis of the link between cognitions and emotions as well as the link between emotions and behavioural intentions.

The findings of the study suggest avenues for improving the effectiveness of service recovery strategies and tactics in terms of the perceived justice theory.

## **6.5 LIMITATIONS**

Given that a random sample of the general population would be unlikely to result in a significant number of respondents with dissatisfactory experiences, the study employed convenience sampling, posing a limitation in terms of the generalisability of the findings. The study focused only on a specific sector, namely appliance retailers. Also, the study measured behavioural intentions and not actual behaviour.

## **6.6 RECOMMENDATIONS FOR FUTURE RESEARCH**

The theoretical framework and methodology employed in this study could be replicated in a clothing retail context or a hospitality setting to determine customers' perceptions of justice and subsequent emotions and complaint intentions, following service recovery.

Experimental studies could be employed by describing specific (but hypothetical) service recovery situations and asking respondents to indicate how they would react to a specific situation. This would allow the researcher to employ random sampling techniques to generalise the results to a larger population. However, one cannot determine "real-life" perceptions of justice and "real-life" emotions and behaviour with experimental studies, as is the case with retrospective measures (Weiner, 2000:387; Del Río-Lanza *et al.*, 2009).

Future research could attempt to explore the relationships between demographic characteristics, specifically gender, age, educational level and racial group on the one hand, and perceptions of justice on the other.

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## ADDENDUM A: QUESTIONNAIRE

### LETTER OF CONSENT



Faculty of Natural and Agricultural Sciences  
Department of Consumer Science

Dear respondent,

We normally purchase major household appliances (i.e. stoves, ovens, microwave ovens, refrigerators, freezers, dishwashers, washing machines and tumble dryers) with the expectation that they will operate flawlessly. However, often, these products do not operate as we expect because of defects, poor product performance and/or breakage. This questionnaire forms part of a research project for the degree M Consumer Science. The aim of this study is to determine consumers' feelings and behavioural responses following their satisfaction/dissatisfaction with the way in which their complaints concerning dissatisfactory major household appliances have been handled by retailers.

In order to participate in this questionnaire, respondents in the greater Pretoria region (Tshwane) must answer "yes" to the following question:

Have you directly contacted a retailer to complain about the dissatisfactory performance of a major electrical household appliance item that you own within the last year?

If you answered "yes" to the above-mentioned question and are willing to participate in the survey, please sign this form to show your consent of participation.

Signed: \_\_\_\_\_

The information you provide will be treated with confidentiality and anonymity. Hence your honest opinion and response are very important. The questionnaire will take approximately 10 minutes to complete.

Thank you for taking time to participate in this study. If you have any questions about the questionnaire or the study, you are welcome to contact me.

Regards,  
Celécia Muller

celeciam@gmail.com  
084 584 0819

Study leaders

Dr S. Donoghue (Department of Consumer Science, UP)  
Prof HM. De Klerk (Department of Consumer Science, UP)



## QUESTIONNAIRE

Respondent number

**ANSWER THE QUESTIONS BY CROSSING (X) THE RELEVANT BOX OR WRITING YOUR ANSWER IN THE GIVEN SPACE**

### Section A

1 What is your gender?

Male	1
Female	2

2 How old are you?

years

3 What is your **highest** level of education?

Grade 11/Standard 9/NTCII or less	1
Grade 12/Standard 10/NTCIII	2
Grade 12 and an additional certificate(s)	3
Grade 12 and an additional diploma(s)	4
Bachelors degree	5
Post graduate qualification	6

4 What is your **household's monthly income** before tax deduction?

R 2200 - R 3500	1
R 3501 - R 5500	2
R 5501 - R 7400	3
R 7401 - R 9800	4
R 9801 - R 13 800	5
R 13 801 or more	6

5 In which suburb of the Pretoria region (Tshwane) do you live?

6 What is your cultural group?

Black	1
Coloured	2
Indian	3
White	4
Other (Please specify)	
<input type="text"/>	

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only

V1

V2

V3

V4

V5

V6

V7

**Section B**
**For official use  
only**

1	Please indicate whether you <b>strongly disagree (1), disagree (2), agree (3), or strongly agree (4)</b> , with <b>each of the following statements</b> regarding the way the retailer handled your complaint concerning the dissatisfactory major household appliance item.	Strongly disagree	Disagree	Agree	Strongly agree		
	The complaint handling personnel followed company policy and the correct procedure in handling my complaint.	1	2	3	4	V8	
	The complaint handling personnel treated me with respect (were polite).	1	2	3	4	V9	
	Compared to what I expected, the redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) offered by the retailers was more than expected.	1	2	3	4	V10	
	It was easy to determine where to lodge my complaint (i.e. to whom I should complain in the company).	1	2	3	4	V11	
	The complaint handling personnel communicated clearly (with adequate use of language).	1	2	3	4	V12	
	The redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) that the retailer offered me was fair for all the trouble I had to go through.	1	2	3	4	V13	
	The complaint handling personnel gave me the opportunity to tell my side of the story (i.e. give my opinion; tell what went wrong with the appliance).	1	2	3	4	V14	
	The complaint handling personnel provided me with an appropriate explanation as to why the appliance has failed.	1	2	3	4	V15	
	I got what I deserved regarding the redress (compensation: free repairs, product exchange, refund, voucher etc.)	1	2	3	4	V16	
	The complaint handling personnel had the ability (competency) to handle my complaint efficiently.	1	2	3	4	V17	
	The complaint handling personnel was appropriately concerned about the problem that I had experienced with the appliance item.	1	2	3	4	V18	
	In solving my problem the retailer gave me exactly what I needed regarding the redress (compensation: free repairs, product exchange, refund, voucher etc.).	1	2	3	4	V19	
	The complaint was resolved promptly.	1	2	3	4	V20	
	The complaint handling personnel apologised for all the inconvenience I had to go through due to the failure of the appliance.	1	2	3	4	V21	
	The complaint was passed on from one employee to the next (from one organizational level to the next).	1	2	3	4	V22	
	The complaint handling personnel took great effort in resolving my complaint.	1	2	3	4	V23	
	The complaint handling personnel made it easy for me to voice my complaint.	1	2	3	4	V24	

2 Please indicate how important **each of the following statements** is to you with regard to the way you believe the retailer (complaint handling personnel) **should handle** your complaints concerning dissatisfactory major household appliances. (1 = not important, 2 = less important, 3 = important, 4 = very important)

Not important	Less important	Important	Very important
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The complaint handling personnel should follow company policy and the correct procedure in handling my complaint.	1	2	3	4	V25	
The complaint handling personnel should treat me with respect (be polite).	1	2	3	4	V26	
Compared to what I expect, the redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) offered by the retailers should be more than expected.	1	2	3	4	V27	
It should be clearly indicated where to lodge complaints (i.e. to whom I should complain in the company).	1	2	3	4	V28	
The complaint handling personnel should communicate clearly (with adequate use of language).	1	2	3	4	V29	
The redress (i.e. compensation: free repairs, product exchange, refund, voucher etc.) that the retailer offers me should be fair for all the trouble I had to go through.	1	2	3	4	V30	
The complaint handling personnel should offer me the opportunity to tell my side of the story (i.e. give my opinion; tell what went wrong with the appliance).	1	2	3	4	V31	
The complaint handling personnel should provide me with an appropriate explanation as to why the appliance has failed.	1	2	3	4	V32	
I must get what I deserve regarding the redress (compensation: free repairs, product exchange, refund, voucher etc.)	1	2	3	4	V33	
The complaint handling personnel should be competent to handle my complaint efficiently.	1	2	3	4	V34	
The complaint handling personnel should be appropriately concerned about the problem that I have experienced with the appliance item.	1	2	3	4	V35	
In solving my problem the retailer should give me exactly what I need regarding the redress (compensation: free repairs, product exchange, refund, voucher etc.).	1	2	3	4	V36	
The complaint should be resolved promptly.	1	2	3	4	V37	
The complaint handling personnel should apologise for all the inconvenience I had to go through due to the failure of the appliance.	1	2	3	4	V38	
My complaint should be passed on from one employee to the next (from one organizational level to the next).	1	2	3	4	V39	
The complaint handling personnel should take great effort in resolving my complaint.	1	2	3	4	V40	
The complaint handling personnel should make it easy for me to voice my complaint.	1	2	3	4	V41	

**Section C**
**For official  
use only**

- 1 Please indicate the type of compensation that you received from the retailer following your complaint concerning the dissatisfactory major household appliance item?

Free repairs	Yes 1	No 2
Product exchange	Yes 1	No 2
Refund	Yes 1	No 2
Voucher	Yes 1	No 2
No compensation	Yes 1	No 2
Other (Please specify):		

V42	<input type="checkbox"/>
V43	<input type="checkbox"/>
V44	<input type="checkbox"/>
V45	<input type="checkbox"/>
V46	<input type="checkbox"/>
V47	<input type="checkbox"/>

- 2 Indicate your overall level of satisfaction/dissatisfaction with the way your complaint was handled.

Extremely satisfied	Very satisfied	Moderately satisfied	Slightly satisfied	Slightly dissatisfied	Moderately dissatisfied	Very dissatisfied	Extremely dissatisfied
1	2	3	4	5	6	7	8

V48	<input type="checkbox"/>
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- 3 For **each of the following emotions**, please cross the number that best describes how you felt during and/or after the complaint was handled/resolved by the retailers' complaint handling personnel.

Not at all joyful	1	2	3	4	5	Extremely joyful
Not at all angry	1	2	3	4	5	Extremely angry
Not at all happy	1	2	3	4	5	Extremely happy
Not at all in a bad mood	1	2	3	4	5	In an extremely bad mood
Not at all proud	1	2	3	4	5	Extremely proud
Not at all upset	1	2	3	4	5	Extremely upset
Not at all warm feelings	1	2	3	4	5	Extremely warm feelings
Not at all sad	1	2	3	4	5	Extremely sad
Not at all being valued	1	2	3	4	5	Extremely being valued
Not at all annoyed	1	2	3	4	5	Extremely annoyed
Not at all guilty	1	2	3	4	5	Extremely guilty
Not at all grateful	1	2	3	4	5	Extremely grateful

V49	<input type="checkbox"/>
V50	<input type="checkbox"/>
V51	<input type="checkbox"/>
V52	<input type="checkbox"/>
V53	<input type="checkbox"/>
V54	<input type="checkbox"/>
V55	<input type="checkbox"/>
V56	<input type="checkbox"/>
V57	<input type="checkbox"/>
V58	<input type="checkbox"/>
V59	<input type="checkbox"/>
V60	<input type="checkbox"/>

- 4 Based on your evaluation of the retailer's complaint handling efforts, please select Yes or No for each of the following statements.

In future, I would still shop at this store/retailer.	Yes 1	No 2
I would say positive things about this store/retailer to my family and friends.	Yes 1	No 2
I would complain to a newspaper or a consumer complaint website about my experience.	Yes 1	No 1
I would complain to a consumer protection organisation about my experience.	Yes 1	No 2

V61	<input type="checkbox"/>
V62	<input type="checkbox"/>
V63	<input type="checkbox"/>
V64	<input type="checkbox"/>

**Thank you for your participation!**

## ADDENDUM B: DISTRIBUTION OF SAMPLE BY AREA OF RESIDENCY PER GEOGRAPHIC AREA OF TSHWANE

Area of residency per geographic area of Tshwane	Frequency	%
<b>Central Pretoria</b>		
Muckleneuk	1	0,5%
Arcadia	1	0,5%
Sunny Side	2	1,1%
Villiera	2	1,1%
<b>Total</b>	<b>6</b>	<b>3,2%</b>
<b>Northern Pretoria</b>		
Rose Acres	1	0,5%
Soshanguve	2	1,1%
Tuine	1	0,5%
Hammanskraal	3	1,6%
Akasia	2	1,1%
Annlin	3	1,6%
Derdepoort	1	0,5%
Theresapark	2	1,1%
Kameeldrif	7	3,8%
Kameelfontein	1	0,5%
Kilnerpark	1	0,5%
Leeuwfontein	1	0,5%
Magalieskruin	1	0,5%
Mahube Valley	1	0,5%
Montana	7	3,8%
Moot	1	0,5%
Moregloed	1	0,5%
North Eastern Small Holdings	1	0,5%
Pretoria-North	8	4,3%
Queenswood	3	1,6%
Rayton	1	0,5%
Rietfontein	1	0,5%
Rietondale	2	1,1%
Rietvalleipark	1	0,5%
Riviera	1	0,5%
Rooodeplaat	2	1,1%
Sinoville	4	2,2%
Waverley	5	2,7%
Wonderboom-Suid	2	1,1%
<b>Total</b>	<b>67</b>	<b>36,2%</b>
<b>Eastern Pretoria</b>		
Baviaanspoort	2	1,1%
Brooklyn	4	2,2%
Constantiapark	3	1,6%
Cullinan	3	1,6%
Donkerhoek	1	0,5%
Elarduspark	1	0,5%
Erasmusrand	1	0,5%
Faerie Glen	4	2,2%
Garsfontein	2	1,1%
Groenkloof	1	0,5%
Hatfield	1	0,5%
Hazelwood	1	0,5%
La Montagne	1	0,5%
Lynnwood	6	3,2%
Menlyn	1	0,5%
Mooikloof	2	1,1%

<b>Area of residency per geographic area of Tshwane</b>	<b>Frequency</b>	<b>%</b>
Moreletapark	4	2,2%
Murrayfield	1	0,5%
Pretoria-East	4	2,2%
Silver Lakes	6	3,2%
Silverton	5	2,7%
Mamelodi	13	7,0%
Wapadrand	5	2,7%
Waterkloof	2	1,1%
Wingate Park	1	0,5%
Eersterust	6	3,2%
East Lynne	5	2,7%
<b>Total</b>	<b>86</b>	<b>46,5%</b>
<b>Southern Pretoria</b>		
Centurion	13	7,0%
Centurion (14)	1	0,5%
Glen Austen	1	0,5%
Irene	1	0,5%
Lyttleton	1	0,5%
Raslow	1	0,5%
The Reeds	2	1,1%
Valhalla	1	0,5%
<b>Total</b>	<b>21</b>	<b>11,4%</b>
<b>Western Pretoria</b>		
Pretoria-West	1	0,5%
Laudium	1	0,5%
Garankuwa	1	0,5%
Elandspoort	2	1,1%
<b>Total</b>	<b>5</b>	<b>2,7%</b>
<b>Overall Total</b>	<b>185</b>	<b>100%</b>

Missing data = 13