CHAPTER V

PROPENSITY TO COMPLAIN

In Chapter IV, we dealt with complainability of banking services. The complaint intentions expressed by customers revealed that complainability was high for those situations where attribution of blame was to branch/branch staff. The complaining behaviour of customers, especially from complaint intention, was found to be focussed towards the branch level rather than higher levels. The analyses of case studies as well as complaint intentions revealed that complaining behaviour of bank customers was determined by possibilities of redressal. Further, the complainability was high if the complaints were valid under the rules.

In Chapter IV, we dealt with service situations as a cause for variations in complainability but did not consider the possibilities of variations due to demographic differences. The variations attributable to service situations are considered as complainability.
Here, we denote the variations attributable to individuals' demographic characteristics as propensity to complain.

From the literature review (Chapter II), it is evident that some studies found demographics as strong predictors, some found them as weak predictors, and some as indirect predictors of propensity to complain. Thus, the results of previous studies are indeterminate on the relationship between demographic variables and propensity to complain. In addition, as already mentioned, the results of these studies may be questioned on their applicability to Indian/Goan situations due to differences in culture and differences in level of development of the banking industry.

In this chapter, we deal with differences in propensity to complain across different demographic categories. Customers' propensity to complain is measured using complaint intention data as well as data on actual dissatisfying experiences and complaints.
Research Method

The method adopted to measure complainability of service situations was discussed in chapter IV. Possibility of complaint would also depend on the demographic characteristics.

Further, the influence of demographic variables on customers to perceive or not perceive an experience as dissatisfying was studied based on actual dissatisfying experiences. Similarly, the influence of demographic variables in determining actual complaining behaviour or not, was studied based on data on actual complaints made.

To have an overall idea of the role of different demographic variables in determining propensity to complain, views of the bankers (officers and clerks) working in public sector commercial banks in Goa were obtained. Twenty bankers were approached for discussions on the influence of demographic variables on propensity to complain. The objectives were:

1. to ascertain based on actual field experience, the
role of different demographic variables in determining propensity to complain; and

2. to take into consideration the opinions of bankers in choosing demographic variables for investigation.

Similar to previous research findings, the views of the bankers also differed (Refer, Appendix-II). On compilation of the views, the selection of demographic variables for further testing was based on the following criteria.

1. The disagreement among bankers on the influence of a demographic variable on propensity to complain;

2. The disagreement of bankers' views with previous research findings; and/or

3. The specificity of the variable to the region.

For instance, customers' association with the bank (as borrower, depositor, both, and as neither borrower nor depositor) was chosen for testing because, some bankers expressed that depositors have high propensity to complain and some others said borrowers have
high propensity to complain. Similarly, customer's status as NRI (Non Resident Indian) was chosen because some bankers felt that they have high propensity to complain and it has specificity to the region because in Goa NRI deposit is of considerable volume* (SBI, 1996) The variable such as age was included for investigation, because bankers' opinion differed with previous research finding. According to bankers, elderly people have high propensity to complain, whereas results of the previous studies are inconclusive.

Finally, on the basis of the above criteria, twelve variables were chosen. They are; type of association (as borrower, as depositor, etc.), age, occupation, sex, working Vs retired, employment in public sector commercial banks, education, degree in law, income, religion, domicile in Goa and maintenance of a Non Resident External Account. (For sample statistics, refer TABLE-2).

As on 31st December, 1995, total deposits of commercial and cooperative banks in Goa were of the order of Rs. 3395.96 crores. However, the data on NRI deposits were not available. In State Bank of India, total deposits amounted to Rs. 644.50 crores out of which, amount of NRI deposits was Rs. 262.95 crores (40.80%)
Consumer complaint intentions were measured through a list of situations designed for the purpose. The method adopted for designing the list and collecting customer complaint intention data was explained in chapter IV.

The method of measuring behaviour (past) and intention (future) is similar to the one adopted by Singh (1990). He studied CCB (Consumer Complaining Behaviour) responses from data on actual responses (behaviour) and intentions, as actual responses alone may not be able to fully capture the behaviour. For example, not complaining (while intending to complain), due to uncontrollable situational considerations (e.g., unplanned visit to branch, non-availability of time, etc.) is as strong as complaining.

The difference, however, lies in the treatment of data for analysis. All the responses on 59 situations (For situations, refer Appendix --1) were considered as future intentions as the responses on past behaviour were too limited to require a separate analysis. The data on actual dissatisfying experience as well as the data on complaints made (behaviour) were separately
Analysis of variance (ANOVA) was conducted on complaint intention data to find out differences in mean propensities to complain among customers belonging to different demographic groups. This was not found significant, possibly due to fact that the data were on future intentions than past behaviour. Hence, discriminant analysis on actual complaint data was conducted with demographic variables as predictors. Two-group discriminant analyses were conducted:

1. between customers who had dissatisfying experiences and those who did not have; and
2. between customers who made complaints and those who did not.

To collect data on actual dissatisfying experiences, and complaints, the respondents were asked:

1. whether they had dissatisfying experiences with public sector commercial banks in Goa; and
2. if yes, whether they had complained on such dissatisfying experiences.
The discriminant analyses with demographics as predictor variables, were conducted using dummy variable method.

**Results: Complaint Intention**

The mean propensity to complain (by intention) was calculated for different groups of customers (Refer TABLE-2). As already mentioned, ANOVA was done to test differences in mean propensity to complain among different groups of customers. In TABLE-8 we present in brief, the ANOVA results.

From the table (TABLE -8 ), it could be observed that the differences in mean propensity to complain are not significant (at 0.01 significance level) for any variable. Possibly, perceptions of complainability of situations could be same for all groups under each demographic variable and hence the propensity to complain would also be the same. Results of the analysis indicate that the demographic variables are not strong determinants of complaining behaviour. The following could be the reasons.
The banks could be offering services of varying quality to different types of customers and thereby taking care of the possibility of occurrence of dissatisfaction. To illustrate, if banks are offering different levels of service to rich and poor customers, their complaint intentions get neutralised due to absence of such experience in reality. Thus, not experiencing dissatisfaction in reality would prevent them from holding intentions.

The analysis was done on complaint intention data. Customers were possibly unable to foresee possible action, due to lack of experience with such situations. As such, they might be finding it difficult to respond accurately on their complaint intentions.

The customers' propensity to complain would depend on possibilities of obtaining redressal. The banks may not be distinguishing between customers of different demographic groups in providing redressal. Therefore, the customers might feel that the demographic variables have no influence on obtaining redressal. If socially recognised and/or even individually perceived strength or weak-
ness has no significant impact on obtaining redressal, the propensity to complain might not show any significant difference. For example, if rich customers perceive no higher probability of redressal than the poor, they may not exhibit higher propensity to complain.

4. The causes which determine an individual's propensity to complain are categorised into three classes: market related factors, consumer related factors and situation related factors. (Day and Landon, 1976, 1977; Day et. al. 1981 and Jacoby and Jaccard, 1981). Demographics is one among the consumer related factors. There is a possibility that demographics alone, independent of other variables cannot explain the propensity to complain. Therefore, it may be investigated whether the demographic variables will influence the propensity to complain indirectly, or in combination, with other factors.

5. The differences in the mean propensity to complain are significant (at 0.05 significance level) for age variable. Highest mean propensity to complain was observed among customers in the age group of 20-29 (3.69) and 50-59 (3.68) years. The age
groups, 30-39 (3.40) and 40-49 (3.45) years have relatively lower propensity to complain. The other age groups have low sample respondents and hence are considered inadequate for generalisations. Previous researchers (Miller, 1973; Liefeld, et.al., 1975; Day and Landon, 1976) indicate that complainers were young and middle aged, in the age group of 25-45. This study, however indicates that the tendency to complain is high among those who are in their entry (20-29 years) and exit (50-59 years) stages of their career. Probably young people would like to complain due to high hopes of setting things right. In the late stages of their career they do so to project their wisdom from years of experience. Complaining might be considered by them as a means to point out others' mistakes to prove their wisdom.

Results: Dissatisfying Experience

The discriminant analysis between those who had dissatisfying experience (n=103) and those who did
not have such experiences (n=178) indicated low discriminating power of demographics (33 variables) between the groups. The Wilk's Lambda between the groups is high at 0.8446 (Refer TABLE-9). Klecka (1980) writes, "As lambda increases towards its maximum value of 1.00, it is reporting progressively less discrimination. When lambda equals 1.00, the group centroids are identical (no group differences)". It could be observed that the group centroids (For Group 1, 0.561968 and for Group 2, -0.325184) (Refer TABLE-10) though not identical, are not significantly different. Therefore, discrimination of those who had dissatisfying experiences and those who did not have, on the basis of demographic variables is not statistically justified.

Similar conclusions were arrived at, on the basis of canonical correlation (0.3943). Canonical correlation is a measure of association which summarises the degree of relatedness between the groups and the discriminant function. A value of zero denotes no relationship at all while large numbers represent increasing degrees of association with one being the maximum (Klecka, 1980). The canonical correlation here (0.3943) represents a low degree of association of the groups.
with the discriminant function.

Despite the fact that the discriminating power of the demographic variables is low, certain classes among them are either dissatisfying experience prone or not. The results need to be accepted with caution, as power of discrimination of the variables is low.

Under income variable, some customer groups (with no independent income, income less than Rs.1000, income between Rs.1000 and Rs.2999 and income between Rs.3000 and Rs.4999) could be categorised as important for the group having no dissatisfying experience with banking service. From the table (TABLE -10), it could be observed that they had high negative discriminant coefficient function thereby having the quality to be important for 'no dissatisfying experience' group which had negative group centroid. Customers with relatively low income might be having low expectation, low frequency of usage, and/or limited requirement of banking services. As a result, the possibilities of occurrence of dissatisfying experience and/or perceiving the service as dissatisfying could be low.
The variables important for the "dissatisfying experience group" are many. Specific attributes of the variables which determine dissatisfying experience are: the association of the customer with the bank as depositor and as borrower as well as depositor; both Hindu and Christian in religion; retired, student and housewife in the occupation category; and matriculation and graduation in the education category.

Those who are depositor as well as borrower and those who are only depositors have higher propensity than borrowers in perceiving services as dissatisfying ones. This is probably due to their feeling that they are helping the bank. Further, frequency of transaction by these customer groups could be higher than that of borrowers. On the other hand, borrowers might feel that they are at the receiving end and their low frequency of transaction with the bank might cause low chance as well as tendency to perceive services as dissatisfying.

Under occupation variable, the common factor behind retired, student, and housewife category customers to perceive services as dissatisfying could be the desire to establish one's lack of identity and/or avail-
ability of time to complain. Perceiving a service as dissatisfying will also depend on desire to complain and possession of resources to complain such as availability of time. Desire for recognition could be high for those who have retired, those who are students and those who are housewives. Urbanisation and nuclear family formation might be pushing these categories of persons to the periphery of "outdoor life and responsibilities". Complaining could be a means to achieve recognition for which perceiving dissatisfying experience is a prerequisite. Similarly, availability of time to complain would enable one to be critical about services and also feel dissatisfied.

Both Hindus and Christians are dominant in their dissatisfying experiences. Customers with matriculation and those with graduation have higher propensity to perceive dissatisfying experiences possibly because of low knowledge ("half knowledge", a term used by some bankers) about banking rules and constraints.
Results: Propensity to Complain

Unlike in the case of dissatisfying experiences, the canonical correlation is slightly high at 0.6267 for actual complaining (TABLE -11) indicating a higher degree of association of the groups with the discriminant function. Another relevant comparison could be in respect of eigen values. The eigen value is low (0.1841) for discriminant analysis in the case of dissatisfying experiences (TABLE -9). In the case of actual complaining, the Wilk's Lamda which represents the inverse of the discriminating power is relatively low at 0.6073 (TABLE -11). The differences in group centroids is also larger than that for dissatisfying experience group and no dissatisfying experience group. It was -1.33604 for group 1 (not complained, n=37) and 0.47460 for group 2 (complained, n=66).

The above statistics show that discrimination on the basis of demographics between those who complained and those who did not complain is better supported. It could be really due to customers not varying much in perceiving dissatisfying experiences but varying, to some extent, in complaining. Another
possibility is that the respondents were not very care-
ful while mentioning about their dissatisfying experi-
ences but they were careful while responding about
complaints made. They may not be very accurate in recol-
lecting their dissatisfying experiences, a covert
behaviour but may not be so about actual complaints, an
overt behaviour. Further, there is possibility of eval-
uating an experience as dissatisfying or not at the time
of responding. This could lead to invalid results.

The results of the discriminant analyses
indicate that customers do not differ demographically in
perceiving services as dissatisfying ones but they
differ in complaining to some extent. Possibly, if
services in banks are lower than expected all are equal-
ly likely to perceive it as dissatisfying. It is only a
few of them, probably on the basis of perceived and/or
socially recognised demographic attributes, who complain
on their dissatisfying experience. Again, the impor-
tance of the market related factors and situation relat-
ed factors in influencing the perception of dissatisfy-
ing experience could be higher than that in influencing
complaints. Customer could be ignoring their dissatis-
fying experiences to a greater extent in view of previa-
lent service quality in public sector banks and/or in view of situational variables (such as transit delay in outstation cheque collection) but they might not ignore to complain, to that extent. It could be due to the consequences of the service to the customer or even intensity of his/her dissatisfaction.

The discriminant function coefficient for 'complained' vs 'not complained' (TABLE-12) indicates that customers in the age group of 20-29 have relatively low propensity to complain. Under education variable, customers who are graduates or post graduates appear to have low propensity to complain. Lower age level and higher education could be resulting in customers' taking a conciliatory rather than confrontational approach. Those with high education may consider complaining as an uncivilised act and those in lower age levels may refrain from complaining as they would consider their age as a constraint to achieve results through complaining.

Customers who are only depositors and those who are both depositors and borrowers have high propensity to complain. Again, those who are in the role of
depositor as well as borrower and those who are only depositors may have the frequent requirement for banking services, whereas borrowers' need for banking services could be less frequent. Hence, scope for complaint generating episodes could be less for borrowers than for the other categories. In addition, propensity to complain could be high among only depositors and among those who are depositor as well as borrower, possibly because they feel that they are obliging the bank.

Students' high propensity to complain could be attributable to the culture of protest prevalent amongst students.

Conclusion

Customer do not vary by demographics in their intention to complain in the event of occurrence of dissatisfying experiences. Further, determining complaining behaviour from customer complaint intentions does not seem to be appropriate.
The demographic variables are poor predictors of dissatisfying experience as well as actual complaining. Relatively, however, for actual complaining, demographic variables are better predictors.

Acknowledging low discriminating power of demographic variables for dissatisfying experiences, the importance of certain demographic variables for the 'dissatisfying group' or 'no dissatisfying group' may be noted. Customers with low income (Upto Rs.5000 per month) have propensity to perceive services as not dissatisfying. On the other hand, customers who are associated with the bank as borrower, as both borrower and depositor; customers with low education (graduation and matriculation), retired, student and housewife in occupation category and in religion both Hindu and Christian have shown some indication to be classified under dissatisfying group. Since the power of discrimination was low, it would be inappropriate to generalise, but the results provide directions for future research.

The higher power of discrimination of demographic variables in discriminating complainers from non-complainers provides greater validity in the find-
ings. Here again, customers who are depositors and who are both depositor and borrower; students, entrepreneurs and those in service have high propensity to complain. Customers in the age group of 20-69 could be considered to have low propensity to complain. This is contrary to the findings from complaint intention data where people in the age group of 20-29 and 50-59 had expressed higher intention of complaining on occurrence of a complainable situation. These contrasting results lead to a tentative proposition that higher the complaint intentions, lower the possibility of complaining.

Findings of the study indicate that demographics have increasing power of discrimination in the direction from complaint intentions to dissatisfying experiences to actual complaining. Thus, demographics have a higher power of discrimination when we move from 'opinions' to 'experiences' to 'actions'.

Banks need to explore why demographic variables do not influence dissatisfying experience, but complaining behaviour. If the reality is, "all perceive but a few complain" it is necessary to know why all those who perceive dissatisfying experience do not
complain. It could be broadly due to lack of faith in redressal mechanism or due to lack of confidence in the strength of their grievances to obtain redressal. It is possible that banks provide redressal only to selected demographic groups or some groups do not have confidence to complain.

The present research concentrated only on the direct influence of demographic variables in determining dissatisfying experiences and complaints. Further investigation could be conducted on whether they have influence through other variables such as personality, attitude, etc. On the whole, demographic variables are not as strong as situational variables in predicting complaining behaviour.