Purchase and Complaints:-

Consumers engage in market transactions to satisfy needs. Dissatisfaction in such transactions reflects negative discrepancy between performance expectations of the product or service bought and actual outcome of the purchase. Thus dissatisfaction can be conceived as the buyers cognitive state of being "inadequately rewarded in a buying situation he has undergone" (Howard and Sheth 1969, p.145).

Gronhaug and Kvitastein (1991) hypothesized that household resources and perceived product importance will be positively related to the probability of making overt complaint for a given purchase. A logit model analysis based on 1640 purchases supported the resource and supply system hypotheses. This study was conducted on a sample of Norwegian consumers. The findings show that unequally distributed consumer resources are important for their ability to take action, that complaint actions are related to perceived product importance and potential loss and that the responsiveness of delivery systems may influence the amount of negative feedback from consumers of importance to adjust to consumers wants and needs.

Why would dissatisfied buyers fail to respond actively and constructively to an attractive service alternative when an under performing seller creates a similar threat to their interests? Is a seller responsible for a severe dissatisfaction problem? In part, the explanation may be that buyers are concerned with protecting different kinds of interests in these two situations. Maute and Forrester's (1993) study suggest that buyers dissatisfied with an under performing seller protected their interests by reducing loyalty or severing existing exchange relationships. But passive and
destructive responses may do little to assuage the convictions of highly dissatisfied buyers that they have been cheated and that the seller owes them something. Buyer's psychological interests in achieving redress may necessitate active and constructive responses to dissatisfaction which take precedence over even the need to protect economic interests. On the other hand, Sellers who are under performing relative to a more attractive service alternative may not arouse the psychological needs of buyers to achieve redress. These buyers can respond to dissatisfaction passively and destructively without concern for achieving redress with voice.

Magnitude of the dissatisfaction:-

Studies have reported (Granbois, Summers and Frazier, 1977) that Complaints vary directly with the magnitude of the loss associated with the problem. Thus the tendency to complain is related to the cost, in monetary terms. As dissatisfaction problems become more severe, the threat to the interest of the buyer increases. Severe dissatisfaction should prompt greater exit among buyers prepared to seek a more dangerous relationship with another seller. To the extent that buyers are intent on maintaining their exchange relationship with the current seller, they should respond with voice to inform the seller of their dissatisfaction and facilitate the development of remedies or solutions. Unlike exit and voice, loyalty is a passive response to dissatisfaction that involves little if any effort or direct cost to the consumer (Singh, 1988). Nevertheless, Hirschman (1970) noted that loyalty involved "reasoned calculation" (1970 p.38) because a passive response to dissatisfaction was based on the expectation that the situation will improve. By undermining the buyers' confidence that things will improve without intervention, a more severe dissatisfaction problem should result in decreases in loyalty.
Research on marketplace, interpersonal and employment relationship provides support for these predictions. In a study of durable goods purchases, Kasper (1988) noted that dissatisfied consumers were less likely to repurchase the same brand than satisfied consumers. Other studies (Kraft, 1977; Granbois, Summers and Frazier 1977; Richins 1987; Bolfing 1989) found that problem severity was positively related to Consumer Complaint Behaviour responses such as complaining and word of mouth was negatively related to repurchase intentions. Increasing dissatisfaction thus led to reductions in loyalty and commitment (Rusbult, Johnson and Morrow, 1986; Rusbult, Farrell, Roger and Mainous, 1988). Maute and Forrester (1993) in their study found that exit and voice increased and loyalty decreased when the dissatisfaction problem was more severe. The threat that buyers will terminate the current exchange relationship creates a powerful incentive for sellers to perform effectively and to redress dissatisfaction quickly and equitably. To make this threat credible, more than one seller must be competing for the buyer’s patronage and the buyer must possess the knowledge to make informed choices among sellers. Direct first hand experience represents the most dependable source of information about seller performance. However, this information is acquired only by risking dissatisfaction and remains unavailable to inexperienced buyers, who need it most. In addition to consulting friends and acquaintances, buyers can acquire information about the incidence, magnitude and redress of consumer dissatisfaction problems from industry, government and consumer organization, that track and report seller performance, to consumer. In this manner, “even inexperienced buyers can make informed decisions, about sellers that enhance their potential for satisfactory exchanges and create incentives for sellers to perform effectively” (Maute and Forrester 1993, p.230).
In order to maximize the potential for satisfactory exchange relationships, a buyer's further obligation and one that grows with the magnitude of the dissatisfaction problems, is to communicate dissatisfaction to the seller. While prior satisfaction with a seller may warrant a constructive rather than destructive response to a current dissatisfaction problem, neither buyers nor sellers long-term interests are served by passive responses to dissatisfaction that fail to achieve redress for the buyer and do not provide the seller with an opportunity to rectify the dissatisfaction problem.

**Complaint Responses:**

Resnik and Harmon (1983) investigated managerial response to complaint letters to a manufacturer. Examination of representative advice on complaining reveals an emphasis on complaint letters, more than face to face situation (Knauer 1982; Federal Trade Commission 1983). Usually consumers are told to use the proper complaint chain of command, to document purchase and usage history, to be aware of their rights and to turn to appropriate government agencies when needed.

Krapfel (1988) studied a face to face complaint response model, with department store employees. Two principal approaches to compliance gaining are, behavioural influence methods (Reingen 1978) and persuasive communication. While behavioural influence methods such as foot-in-the door and door-in-the-face (Cann, Sherman and Elkes 1975; Scot 1977) may also apply but Krapfel (1988) studied the persuasive communication framework. This study found that interaction style and dress variables are customer controllable and can be used to influence outcomes. Well-dressed customers engender a more positive response. Further a customer whose argument is weak may fare better simply by dressing in the hope that the sales personnel will be more attentive to such sources. Perceived similarity also
enhances communication effectiveness. That is customers perceived to be more similar to the employee are judged to have requests that are more legitimate.

Richins (1983) described two consumer interaction styles, assertion and aggression. Assertive behaviour was described as involving a comfortable expression of self interest, without infringement on others, while aggression entails delivery of unpleasant stimuli, commonly referred to as being rude or obnoxious. Studies on impact of relative aggressiveness on persuasion have emphasized eye contact, vocal loudness and vocal fluency as well as message intensity (Burgoon and Stewart 1975; Hull and Schroeder 1979 and Norton-Ford and Hogan 1980).

Appearance is another salient source factor. Studies on source credibility have found attractiveness more important in some situations. Debevec and Kernan (1984) report that both male and female message receivers responded more favourably to attractive as opposed to average sources. Although a customer cannot alter inherent physical attractiveness, style of dress, use of cosmetics, grooming aids and wearing of jewels can significantly alter perceptions. Solomon (1981) reports that dress could influence job interviewer decisions. Forsythe, Drake and Cox (1985) observed that style of dress could influence job interviewer selection decisions. Sales people may perceive, Fussell (1983) notes, that people dressed in a business like fashion as more desirable customers.

More than a complaint letter, non-verbal elements of the face-to-face encounter may dominate verbal elements, especially where the customers tone is very strident or hostile. That there was a significant differences in responses to handwritten and typed complaints about guaranteed products, with typed complaints receiving better responses.
Gronhaug (1976) found that Norwegian housewives complained more often to the local consumer agency. These families were also more satisfied with the resolution of complaints to the Seller. Even in those cases, where complaints eventually were made to the consumer agency, the household had nearly always approached the seller first in an attempt to get a settlement; thus Gronhaug (1976) finds evidence for a stepwise complaint procedure.

Owing to a need to protect themselves from unscrupulous consumer, retailers often require substantiation of purchase and sometimes evidence of product failure before entertaining a merchandise return request. In general such evidence contributes to the perceived legitimacy of the request. Resnik and Harmon (1983) found perceived legitimacy to be an important factor in response to complaint letters to a manufacturer.

In addition, numerous investigators have looked into the role of perceived similarity in communication effectiveness (Padgett and Wolosin 1980). Overall social and psychological similarities between source and receiver are believed to improve communications. A consumer interaction style and appearance can influence store employees willingness to comply with a complaint request. Similarly, well dressed customers engender a more positive response to complaints (Krapfel 1988).

According to several psychological theories, such as attribution theory (Bem 1972), dissonance theory (Aronson 1968), and equity theory (Walster, Berscheid and Walster 1973), the tendency will be to fault the manufacturer or service provider.

Responses to Complaint letters by managers:

Resnik and Harmon (1983) made an exploratory study of managers and consumers perceptions of appropriate responses to complaint letters. The study was
conducted in two phases. In the first, consumers in geographically dispersed areas were asked to examine complaint letters and to play the role of the complaint writer. Subjects were then asked to suggest a response to the complaint and describe who should respond, what the response should be and how the subject evaluated legitimacy of the complaint.

The second phase investigated responses to the same complaints by branch managers from the company to which the responses were directed. The manager was asked to provide information about company objectives and policies. The employee designated to respond, perceived complaint motivations and the legitimacy of the complaint. By asking similar questions of consumers and managers consumer expectations and desires could be compared with the responses of branch managers.

Consumers in the study were more likely, than managers to view complaints as legitimate. It appeared that some consumers, when confronted with an ambiguous situation, were willing to give the benefit of the doubt to the complainant. The manager's skepticism was based on their perceptions that consumers wanted something for nothing were confused or incorrectly evaluated the merits of the complaint. Managers preferred personal contact rather than the contact by letter that consumers expected. They were also more likely to offer an explanation, apology or a replacement than consumers who were likely to demand such actions. The managers desire to satisfy consumer's is supported by the comparative data. In all but 10% of the cases, the response emphasis was appropriate and managers gave at least what was required in a majority of the cases. This finding was especially significant for the letters that had obvious solutions and high perceived legitimacy. In addition, the overall attitude was decidedly liberal. Manager's perceptions that their actions would
indeed result in satisfaction apparently led to the commitment of more resources to complaint resolution.

Source of Complaints :-

Consumer complaints come from a variety of sources. Many complaints come from dissatisfied users of the product 1. Consumers who are satisfied users of the product. 2. Non-users of the product 3. Non purchasers of the product (Jacoby and Jaccard 1981).

One main reason for complaints to occur is the aggressive advertising by the market to catch the attention of the consumer at any cost. Tall claims are made. Sometimes even vague and ambiguous assertions, which leave the consumer totally at a loss. Buying and selling are undertaken on trust. There is a certain amount of tall claims that are legitimately accepted all over the world. This is termed as puffery. Puffery refers to that amount of exaggeration in advertisements that consumers are willing to accept and is also legally accepted. For example, detergents which claim “whiter than white” are relative concepts which may work for some, while it may not work for some others.

Misleading advertisements do sometimes influence a consumer to pay more or opt for a bad service/ bad quality or even making consumer buy a product, which he does not really require. Advertisements sometime contain half- truth or even untruths, which bring about a change in attitude of the consumer. Skillful advertisements has been known to dupe even a resourceful consumer into buying a product/ service that has no established standards or tested parameters.

Complaints may be due to different aspects of the buying process. For instance the product, service, the manufacturer or institution, retailer, sales person or even the advertisement. Considering only the product the complaint may be focussed on a
totally remote aspect of the product or service. Many complaints may not have any relevance to the functional aspect of the product or service. For example a consumer may complain that a doctor has overcharged them for a particular service rendered.

At times when the attention of the consumer is concentrated in the performance of product or service, wherein he feels that he has been duped in being dumped with a low performance product event though there is no reasonable clause for such assumption. The consumer's unreasonable expectation, about the product and sometimes his inability to pinpoint the functional defect could also lead to complaining behaviour. On the other hand, when in reality a functional defect does exist in a product or service and the consumer is unable to put his finger on the definite problem, complaint behaviour may result. Sometimes the cause is due to the manufacturer, or the consumer himself, or due to other factors beyond the consumers or the manufacturers' control. Hence the consumer attributes the cause to something other than personal negligence (Krishnan and Valle 1979).

Attitudes towards Complaining:-

Richin's (1981) reported that a consumer's complaint action is related to a consumers general attitude towards (a) whether complaining is worthwhile or the cost of complaining (b) Consumers norms of complaining or whether he should complain and (c) Consumers perceptions of societal benefits likely to result from complaining. In Richin's (1981), study the American subjects, norms of complaining were the best attitudinal predictor of complaint behaviour; whereas perceived cost of complaining was the poorest predictor. Some people complain frequently while some rarely voice their discontent. The demographic and attitudinal factors remain fairly stable so the reason why a consumer complains in one situation and does not complain in another situation is still to be understood.
An explanation could be that the former deals with the propensity to complain and latter consumer action. The former is the likelihood that consumers would register a complaint in a generalized complaint situation with a given level of dissatisfaction (Day and Landon 1976). The latter is an expression of consumer discontent with a particular product in a specific situation. Complaint action is preceded by a series of decision points in which the consumer has to make a choice among different alternatives (Day 1977). Hansen (1976) argued that intrapersonal and interpersonal variables have to be included in explaining consumer choice behaviour. However even if a consumer is strongly predisposed to take complaint action, the complaint situation may deter him from doing so, when the channels and registering a complaint would incur high cost to the consumer (Chiu, Tsang and Yan, 1987).

Importance of Affective responses to Complaint Behaviour:-

Affective processes are those involving subjective feeling (Holbrook and Hirschman 1982). As an illustration, an unfavourable consumption experience, such as a major engine failure soon after expiry of an automobile warranty may be considered. If causal reason is assigned to the automobile or to its manufacturer, that is, if the consumer believes the problem is due to defective design or manufacture – affects of anger, disgust and contempt are likely to be aroused, possibly motivating demands for free repair or replacement. If instead, the cause is assigned to oneself – that is, if the consumer believes he failed to maintain the engine properly nor heeded its operating instructions – affects of guilt and shame are likely to be aroused, perhaps stimulating further cognition about how the problem could have been aborted. Finally, if cause is attributed to situational factors such as earlier unavoidable accident that damaged the engine and led to the present failure, affects of fear and sadness
would tend to be aroused, possibly stimulating withdrawal behaviour such as disposing of the vehicle.

The post purchase period comprises of product ownership and usage, both of which might be expected to provide opportunities for varied affective response of considerable personal significance to consumers (Holbrook and Hirschman 1982). Affective variables might be expected to contribute substantially to the explanation and prediction of post purchase behaviour which in addition to product usage includes satisfaction appraisal, seller – directed complaint actions word of mouth transmission, disposition behaviour and repurchase planning.

Westbrook (1987) examines consumer affective responses to product/consumption experiences and their relationship to selected aspects of post purchase processes. In separate field studies of automobile owners and cable television subscribers, subjects reported the nature and frequency of emotional experiences in connection with product ownership and usage. Analysis confirmed the existence of independent dimensions of positive and negative affect. Both dimensions of affective responses are found directly related to the favourable aspects of consumer satisfaction judgements, to the extent of seller directed complaint behaviour and extent of word-of-mouth transmission.

Research has shown that complaint behaviour to be chiefly the result of judged dissatisfaction with the products and its consumption, (Bearden and Teel, 1983; Richins 1983), that is to be related inversely to satisfaction appraisal. Day (1984) has proposed that the actual source of complaint motivation is not the judgement of (dis)satisfaction person, but rather the antecedent negative emotional state produced by the appraisal of unfavourable product/consumption outcomes. Positive affective responses being independent of their negative counterparts, do not reduce or offset
any subsequent negative affects during consumption thus complaint behaviour theoretically is unrelated to positive product/ consumption based affective responses.

These notions suggest that (dis) satisfaction mediates the influence of negative affect on complaint behaviour. However negative affect also seems likely to influence complaint actions directly because overall dissatisfaction with a product is not a requisite for voicing complaints, even satisfied consumers complain to note minor concerns or problems (Jacoby and Jaccard, 1981). Thus "product outcomes can prompt negative affect, triggering complaining, though the net effect of such negative affect on satisfaction may be outweighed by other occurrences of positive affect, high levels of expectations or positive disconfirmation beliefs." (West Brook 1987, p.261).

Findings in consumer complaint literature are consistent with this theoretical model. External product based attributions of causal agency for unfavourable product outcomes are related directly to increased complaint activity (Krishnan and Valle, 1979; Richins 1983) and such attributions also increase the likelihood of feelings of anger in consumers (Folkes, 1984).

**Non-Fulfillment of Consumer Promotion as Cause of Complaints:**

Consumer promotions are generally used to obtain brand loyalty or introductory trial for brands, not to create dissatisfaction and negative attitudes towards the manufacturers. Diener (1974) conducted two research studies that were conducted within the toiletries industry. The first study brought out the importance of promotional fulfillment complaints. It involved a field examination of the correspondence handling processes and redress mechanism of seven companies in the personal care products. Results indicated that complaints accounted for as little as 30% of all correspondence to personal care manufacturers. Complaints observed in the study included (a) promotional fulfillment – free samples not reaching consumers
disappointment with product performance (c) packaging (d) unusual look/ smell/ feel (e) Irritation/ rash/ allergy to have occurred with product use.

Complaints about promotional fulfillment were surprisingly common among the companies studied who had run mail fulfilled promotions. Often the manufacturers were very sensitive to product, packaging or injury problems as evidenced by their internal monthly complaint reporting system. But these same manufacturers rarely even listed fulfillment complaints on those reports. In addition each of the companies thought that such problems were perhaps unique to them and were not aware of what appeared to be an industry wide problem area. In three of the largest companies studies, (Diener 1975) where promotional offers were run on each of their major brands annually, fulfillment problems over half the total complaints, were uncovered.

One company estimated that at least 10% of all promotional orders were fulfilled because of some combination of the above reasons. A good promotional offer could pull over 2,50,000 responses in the cosmetic industry, the number of potentially unhappy consumers becomes apparent. This problem is magnified by the fact that most dissatisfied consumers do not bother to write to the manufacturers, so that manufacturers are unable to make redress for the problem.

Factors in Consumer Complaint Behaviour:-

Consumer's perception of product defect cannot be taken as an estimate of actual defect in the product or service. The reason being that consumer's complaint behaviour is complex and intricately intertwined with many factors. Jacoby and Jaccard (1981) included 3 distinct and independent types of consumer behaviours. They are (a) decision-making (b) purchase and (c) usage. To illustrate, the wife may decide to buy a tooth - paste for her children. She than asks her husband to buy a
particular brand for them. Here the decision-maker is the wife, the purchaser is the husband, while the children are the users.

Purchasers and non-purchasers both complain about a product while most purchasers use the product they buy. Some never use the product personally. Conversely non-purchasers may use a product that they have not bought (like borrowing a neighbour’s cycle) and complain about it, specifically if a defect has occurred during usage of the product.

Hence users of the product includes both purchasers and non-purchasers of that product. But the purchasing user complains more frequently than the just user. This concept of user gives a clear demarcation from where complaints arise. Thus non-purchasing users complaints will also have to be analyzed and studied as purchasing users complaints.

Next factor relates to product usage which generally stimulate evaluation of this experience. An outcome of this leads to the consumer satisfaction, indifference (neutral) or dissatisfaction. When one can understand why a dissatisfied consumer complains it is interesting to note that those consumers who are satisfied also complain. Hence satisfaction and dissatisfaction is taken to be representing the end points of one continuum.

Worthwhileness of Complaint:-

Hirschman (1970) envisioned this variable to constitute some form of cost/benefit analysis. For voice behaviours, direct costs are incurred, “as buyers of a product .......... spend time and money” in order to achieve desired consequences (p.39). Benefits include redress of problems, refund, feeling of influence and the possibility of better service in the future. Although costs and benefits can be treated
in-tly

Hirschman (1970) proposed on overall subjective assessment of “worthwhile” – which combines costs and benefits from an individual's perspective, that is consumers assessments about questions along the lines of. “Would I take the time and effort (costs) to complain even if I was sure to get a refund (benefits)”.

Furthermore Hirschman (1970), contended that in most cases consequences of exit actions are reasonably certain (for example availability of alternatives). By contrast, consequences of voice actions are significantly less certain because of their dependence upon the seller's reactions. For this reason, consumer expectations about the worth-whileness of voice actions play a key role. Specifically, if voice is perceived as significantly worthwhile, then dissatisfied consumers may tend to use the voice option and not exit even though alternative products/services may be available. Likewise negative word-of-mouth may be a less desirable option in the face of the positive worth-whileness of voice (Hirschman, 1970, p.38).

Within the Consumer Complaining Behaviour, literature Landon (1977) introduced the notion of the “benefit” of complaining as a predictor of Consumer Complaint Behaviour. Landon (1977) conceptualizes benefits as perceptions of payoffs minus the cost of complaining. He posits that this concept is “quite complex” including payoffs such as preventing the cause of their dissatisfaction from occurring to other customers.

Few empirical studies have examined the relationship directly. Instead indirect evidence by Day and Bodur (1977) show that a significant proportion of respondents, for example 28 – 52% in Bloomington studies, did not use the voice response because they perceived it was not worth the time and effort.

Failure to express dissatisfaction prevents the consumer from achieving redress from an unpleasant market place experience. Next, limited action on the part
of consumer may mask marketplace problems, which the firm could and should correct. Further wide spread failure to express complaints limits the usefulness of complaint data as a basis for Policy. For example complaint data have been suggested as being useful for analysis of consumer discontent overtime and across products (Gronhaug and Arndt, 1980). Munns (1978) has advocated providing of complaint data to consumers as pre-purchase information.

Richins (1979) provides an operationalization for the costs and benefits of the complaining constructs. Bagozzis (1982) measures the cost involved in voice actions, given that some particular benefits (for example refund) was sure to occur. Some consumer may choose not to voice even if the benefits were sure to occur, merely due to the prohibitive costs (for example, time/ effort) involved.

The expectation of complaining consumers is important and often not met. Kendall and Russ (1975) found considerable variation in organizational responses to complaints even within a single industry. Resnik, Gnauck and Aldrich (1977) concluded that corporate responses to complainers resulted in a disturbingly low rate of satisfaction with the response given. Other writers have implicitly recognized a gap between what organizations do and what their complainants expect; they have offered suggestions to bring the two, closer together (Brock 1974; Fenvessy, 1972).

Some make the assumption that marketing consequences may flow from consumer's reactions to the way their complaints are handled. Such an assumption fits into consumer behaviour models (example, Engel, Blackwell and Kollat 1978; Howard Sheth 1969; Nicosia, 1966) which show post purchase behaviour as one factor affecting subsequent repurchase.

Literature on satisfaction concerned with the comparison process involving expectations and actual results (Anderson, 1963; Andreasen, 1976, Gilly 1979; Oliver
Those consumers, who complain about losing money know what they expect and communicate it. They want their money back. Consumers complaining about non-monetary loss problems presumably have expectations which because they are less definite, will be less likely to be matched by results. Landon, (1977) suggests that the seriousness of the complaint is one factor the dissatisfied consumer considers when deciding to complain. The amount of loss claimed offers one objective measure of the problems seriousness. It is assumed that a higher loss will set the complainants expectation level higher therefore there would be a lower probability that the expectation would be met.

Speed is an important aspect of the company’s response (Brock, 1974; Fenvessy 1972) in handling complaints. Prompt response is the “desired” expectation and thus its comparison to actual outcome is expected to be associated with degree of satisfaction/dissatisfaction.

Literature also suggests that the expectations of consumers who complain about losing money, such as a purchase or repair may be different from those consumers who complain about problems that did not cost them money, such as a insolent clerk in a bank. It is possible that the latter group, not expecting a personal “payback” after their complaint, would not complain without an extremely high level of annoyance. If so, these are extremely annoyed people with presumably less precise expectations of what they will accomplish by complaint. Their relative lack of satisfaction with organizational response is thus no surprise, but represents opportunity for creative corporate thinking. For example, it is possible that consumers expect copies of letters from headquarters to the site of the unsatisfactory experience or copies of follow up reports on whether or not the condition was corrected (Gilly and Gelb, 1982).
Profile of the Complainer:-

There is a sea change going on in consumer attitudes, and with a new emerging era, a whole new definition of what constitutes lifestyles is the urgent need of the hour. With the collapse of confidence in virtually every institution, the consumer has turned out to be a “vigilante consumer”, who perceives the market as an enemy. Consumers involvement with media and their responses to and skills on getting information are important prediction of their wants (Heath, 1996).

Complainers are evenly split between men and women, but they are also likely to be older, frequent shoppers. Burke Customer Satisfaction Associates (1996) unearthed insights about complaining customers. A telephone survey of 1179 randomly selected department store shoppers indicated that half of the respondents would definitely report a problem to store management and the likelihood of doing so increases with age. 61% of the 55 and older set would complain, compared with 39% of those under age 35. Older people are also more likely to expect results, which may be part of the reason why they are willing to make the effort in the first place. Nearly half of older complainers but just one in five younger complainers expect store to resolve problems satisfactorily.

Many of the people who say they would complain might not carry through. Some do not want to spend the time and others feel the time will be wasted. This makes the actual complaining customer a rare and special person indeed.

J.C. Penny, a large departmental store in the United States, tries hard to accommodate the complaining customer and to learn from such customers. In any of its 1250 stores, “only the store manager has the final authority to say “no” to a customer request for satisfaction. Penny’s has also discovered that its efforts in patching up disagreements go a long way towards strengthening customer loyalty
The Burke Study (1996) confirms this notion. Shoppers who encounter problems and get stores to resolve them feel even better about the store than if things always go smoothly. It is as if a consumer is served a lousy meal at a restaurant and the chef cooked a whole new meal. That is what the consumer will remember and talk about.

Retailers and service providers of all magnitude should think hard about how to handle mail contents, because they may see more of them in the future. Customers expectations are on the rise and today's shoppers compare the treatment they receive not only from department store to department store, but from dentist to drug store to dry cleaner (Speer, 1996).

The role of face situation and Complaint Behaviour:-

In a recent review of the literature on the Chinese concept of face. Ho (1980) conducted, there has been unanimous agreement among social scientists that Chinese attach great importance to face. Thus the concern for face will lead to the avoidance of confrontation, leaving the underlying conflicts unresolved. With regard to consumer complaints, Chiu, Tsang and Yang (1987) felt that it was likely that in a situation in which redress seeking involved direct confrontation with the responsible party, Hong Kong Chinese would be less likely to complain. When the complaint situation did not involve direct confrontation, however, there is a higher probability that discontented consumers would complain.

Chun, Tsang and Yang (1987) conducted a field experiment with an automatic cold drink delivery machine in the Sports Center at the University of Hong Kong. Before the experiment commenced, the opening levers were removed so that, students who bought damaged products could hardly open the cans. This was designed to induce discontent among the consumers. Two experimental conditions, non-
condition and the face. Condition was applied. In the non-face condition, the students who bought the damaged products could complain without the necessity of confronting the proprietor of the shop. In the face condition, the discontented students had to complain face to face with the responsible party.

Fifty nine College students took part in the study. Results indicated that when complaint action involved direct personal confrontation, Chinese students tended not to complain. The demoralizing aspect or repercussions of losing face place high costs on complaining.

Situational factors of Complaint Behavior:-

The situational factors can be organized into two groups (1) the importance of the situation (2) the prevailing social climate (both general and specific)

1. Importance of the Situation:-

Landon (1977) observed that, "to predict complaining behaviour, the importance of the dissatisfaction should be included. If a consumer purchases a ball point pen…. and the product does not perform as expected, the consumer may very well not complain even if dissatisfied. It is important to note that the level of dissatisfaction may be the same as with an expensive product, but the importance of that level of dissatisfaction is different" (p.32).

According to Granbois, Summers and Frazier (1977) Complaints vary directly with the magnitude of the loss associated with the problem. Thus "importance" may be defined in several ways, not only in monetary terms. Particularly the relevance is on how essential an item is for daily living and thus its importance (Day and Landon, 1977). Cars, including the tires they ride on are considered essential in America (Jacoby and Jaccard 1981). Hence there is the possibility of more complaints about automotive products.
2. Social Climate

The social climate comprises of two aspects, the general and the specific. In general, social norms change. It is more acceptable now for consumers to complain. Hence complaint behaviour is increasing, (Landon, 1977).

On a specific level, the degree to which public consciousness has been raised with respect to the product under consideration. "The encouragement of the consumer advocates or spokesmen or governmental consumer protection agencies can also lead to more complaint activity than might occur otherwise" (Day and Landon, 1977, p 435). When there is a highly publicized news about a major manufacturer in the press and calls for action from Government and Consumer activist Organizations. The result is that it easily stimulates consumer complaints.

Complaints by satisfied Users:-

Generally satisfied users will not complain about a product. The reason, why these consumers complain are many.

1. Though satisfied the consumer may perceive a gain from complaining. As an example the moment, a satisfied consumer complains they may receive a new set of products and therefore be tempted to complain. Landon, (1977), describes the growth in professional complaining. Some consumers complain because they can profit from it.

2. The consumer may become concerned regarding future performance of the product. Inspite of satisfactory experiences, external influences as word-of-mouth communication or media coverage may stimulate concern over future problems. Thus causing the owner to complain. To justify the complaint, the consumer may imagine complaints about product defects.
3. When a doubt arises in the consumer’s mind because of an external source the consumer feels discontent and cause concern for the welfare of others, this situation may lead to complaint behaviour.

4. The consumer may have an anti business attitude (anti-firm attitude) backed by a climate of complaint by media, which eventually triggers off complaint behaviour.

5. Though satisfied, the consumer’s personality may be characterized by a predisposition to complain. When there is a climate of complaint, this predisposition manifests itself.

Complaints from dissatisfied users:-

When a consumer comes across first hand experience with a product or service, it gives the consumer, the input to evaluate other inputs including the consumer’s prior expectations, personality and outside informational inputs (word-of-mouth communication). Use of a product may, either match, exceed or fall below one’s expectations. Dissatisfaction occurs if the performance of the product falls below one’s expectation. (Day and Landon, 1977; Granbois, Summers and Frazier 1977; Howard and Sheth, 1969).

Two aspects have to be highlighted (a) that consumer expectation may be unreasonable. (b) Consumers do not have the requisite skills to evaluate product performance, because of their technical complexity.

At times dissatisfaction does not lead to complaint behaviour. Not all dissatisfied consumers complain. Other variables that could lead to complaint behaviour are the marketing channel, the individual consumer and the situation.

Complaints by non users who are purchasers:-

In some situation, consumers often purchase products, which they may not use. These products are sometimes given away as gift. Sometimes, these products are
used by someone else in the family, example teenager using father's shirt. In the eventuality of the person complaining about the product to the purchaser, the purchaser may then complain to the concerned authority.

There are occasions when a consumer who has purchased a product may never use the product for a number of reasons. For example, the consumer may buy a book but not have time to read it. Or the purchaser feels the product is defective and does not use it. But purchasers may still complain about products that were never used by them. These complaints from purchasers may have little to do with the actual performance of the product.

Complaints by Non Users who are non purchasers:-

Day to day, instances indicate that some individuals who never purchase a product may complain about that product. For example, non-users of airlines complain about the noise pollution caused by commercial aircraft or non-smokers complaining about the cigarette fumes of smokers. The reasons they complain are many (1) The usage of the product may affect them adversely (2) They may be socially concerned individuals for the welfare of others (3) Concern for the environment (4) They may influenced by media (5) Or may have a negative attitude towards company or product.

Frequency of complaints:-

Complaints to the firm or governmental agencies are not very common. Non-complaint rates are as high as 86% for problems experienced by consumers of low-cost, frequently purchased items (Andreasen and Best, 1977). For personal care products 89% of the consumers experiencing problems take no complaint action (Diener, 1975). However, this percentage is cut almost in half for most durables as the percentage of non complaints for consumers experiencing a problem with household
durables is about 50%, and 44% for cars (Mason and Hines, 1973). This percentage is reduced even lower for clothing purchases as only 25% of those experiencing a problem do not take any form of complaint action. There appears to be a difference in complaint behaviour that is related to both the cost and social importance of the product.

In terms of individual consumer complaint efforts, analysis of complaint files show that ¼ of the complainers account of nearly 50% of all the complaints (Robinson, 1978). For example, a sample of 2400 households revealed the frequency of complaints indicated that a little over 50% of the consumers voiced complaints and of these, 47.9% did it only once, while 3.2% complained 6 or more items (Andreasen and Best, 1977). It is not only how much a consumer complaint that brings action but also the manner in which they express their complaints.

Complaint studies in Denmark (Klant en Klacht, 1969) found one-sixth of Dutch households per year was found to have a complaint about a recently bought electrical appliance. Two thirds of these complaints took place within the guarantee period, so that yearly about one out of ten households did have complaints in that period.

In a British study (Lilleker, Mapes and Riley, 1969) of dissatisfaction with durables, it was also found that most people 87% claimed they have complained when dissatisfied. 85% of the purchases were found satisfactory and 15% unsatisfactory. In a study of Norwegian housewives, Gronhaug (1976), found that only a small fraction of dissatisfied buyers took action and complained, although the fraction varied among product groups.
Factors contributing to Complaint Behavior in India

Shah (1994), studied 3 factors that contributed to the Indian consumers’ Complaint Behavior. They are:

1. Indians are largely fatalist and believe that present sufferings are the result of sins and misdeed in the earlier births.

2. The second inhibiting factor is that nothing is going to come out of complaining.

3. Indians are basically lazy people – why complain?

Another important aspect of the Indian Complaint Behavior is the attitude as given in the Carvaka Philosophy (Mahadevan, 1974) where in the Indian consumer lives for the present day, a highly materialistic approach highlighted by the fact that they do not believe in the future and live for the present moment alone. They are easily satisfied with the compensation given by the service institutions, with the basic view that today’s pigeon is better than tomorrow’s peacock.

Individual variation in Complaint Behavior:

Every study of dissatisfied consumers found that a significant percentage do not complain. What individual characteristics differentiate those who complain from those who do not? Non Complainers are often unaware of available avenues for complaints, feel powerless to act, or do not feel that complaining is worth the trouble. Compared to complainers, they tend to have lower incomes and less education (Warland, Hermann and Willits, 1975).

A number of personality characteristics also serve to differentiate complainers from non-complainers. Close minded, (Dogmatism) ,Self confident , Assertive consumers have a higher propensity to complain (Wall, Dickey and Talarzyk 1977). Greater generalized self confidence corresponds with greater amount of complaint
behavior. The more powerless a consumer feels, the less likely he or she is to take a complaint action. Consumers who believe in the political system to resolve problems, (that is, high political efficacy) the more likely he will attempt to resolve a problem by engaging in a complaint behavior (Hill and Garner, 1974).

Marketing Channel Factors:-

There are four factors that could influence a consumer to complain. They are the manufacturers/ retailer's reputation, the accessibility of the firm for lodging a complaint, the perceived willingness of the firm to provide redress and the perceived intentions of the firm.

(a) Reputations

Landon (1977) says “....... If a firm has a strong image for quality and a well- known reputation for making adjustments, consumers are more likely to complain when they are dissatisfied. In effect, a firm with a good image will stimulate complaining behavior. Retailers particularly must be aware that a sizeable cost may be involved in maintaining liberal return policies”(p.33).

(b) Ease of access

The easy access to the marketing channel will effect whether complaints are made to the marketing channel or to some third party for instance, the consumer fora. The consumer is more likely to complain if that can be done at a conveniently located store/ branch/ consulting room. (Day and Landon, 1977) “On the other hand, if the source of the goods or services is physically distant or otherwise difficult to contact then the complaint may be initiated through the local Better Business Bureau or other agencies”(Day and Landon, 1967, p.264).
(c) Willingness to provide redress:

Granbois, Summers and Frazier, (1977) have gleaned the following from their research. Perceptions of a store’s willingness to provide a remedy (more so than any psychological or socio-demographic factor) is clearly the most significant correlate of complaining behaviour. Consumers appear to complain largely when they believe their efforts are likely to meet with success.

"Some consumers seek redress or complain only when they are reasonably confident of obtaining a favourable outcome" (Day and Ash, 1979 p.439). Similarly a company with a liberal warranty policy is likely to stimulate more complaints than one having a stringent warranty and adjustment policy.

(d) Perception of firms intentions with respect to the problem:

Kraft (1977) feels that, consumers who believe that a firm intentionally deceived them or acted to dissatisfy them would be more likely to complain than those without this perception.

Complaints in Services:

The yawning gap in the perception of products and the perception of service brings out the nuances existing in consumer complaints in the service sectors. The intricate differences in service options available in complicate the issue further. Shoddy Service and callous treatment of consumers will not be tolerated any longer (Saklani and Singh, 1997). Half the complaints pending in consumer courts are against sloppy service in public utilities like water, telephone and electricity (Saklani and Singh, 1997).

Viewing the problem from the managers’ perspective, high quality customer service means up to 40% of the profits (Gale, 1994). The need to achieve this quality customer service is the issue raised in the present study.