

# A Review of Studies Affecting Customer Complaint Behavior

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## Abstract

**The factors affecting customer complaint behavior can be divided into three aspects: individual factors, situational factors and cultural factors. Individual factors are further divided into demographic characteristics, customer personality characteristics and individual attitude factors, among which attitude factors have a greater impact on customer complaint behavior; situational factors have the most significant impact on customer complaint behavior compared with individual factors and cultural factors; There are large cultural differences between them, so cultural factors are most commonly used in comparative studies of customer complaint behaviors in different countries.**

## Keywords

**Customer Complaint Behavior; Influencing Factors; Research Review.**

## 1. Introduction

Customer complaint behavior refers to a series of behavioral or non-behavioral multiple reactions caused by the customer's perceived dissatisfaction in a certain purchase in whole or in part [1]. Day believes that customer complaints can be divided into five categories: direct complaints, no longer buying, negative word of mouth, complaints to the Consumers Association, and legal action [2].

Research on customer complaint behavior began in the 1970s. Early research focused on describing the overall profile of customer complaints across industries and the factors that influence customer complaint behavior. In the late 1980s, some scholars began to pay attention to customer complaints in the context of Eastern cultures. In my country, there are few studies on customer complaint behavior in academic circles, and the research on customer complaint has not formed a systematic theoretical knowledge system and application method system like relationship marketing or customer satisfaction research.

Fan Xiucheng believes that customers who complain and are satisfied with the results of the company's service recovery have a much higher willingness to repurchase than those who do not take any action despite being dissatisfied. It is very helpful to deal with customer complaints [3]. This paper reviews the literature on the influencing factors of customer complaint behavior from three aspects: customer individual factor, situational factor and cultural factor.

## 2. Individual Customer Factors

### 2.1. Demographic Characteristics

Many scholars have conducted empirical research on demographic variables, and some demographic variables have reached relatively consistent conclusions on the impact of some demographic variables on customer complaint behavior, such as customers with higher education levels and higher income levels are more likely to complain directly [4], Keng Richmond & Han found that older customers were more inclined to complain directly [5], while Zhao Ping and Mo Yalin believed that younger customers were more inclined to complain directly [6]. In the study of Pfaff & Blivice, the effect of gender on customer complaint behavior

is not significant [7], and Bearden believes that men are more comfortable than women to express their dissatisfaction publicly, and they have a stronger willingness to take action when they are dissatisfied. On the contrary, women are more sensitive to social condemnation and feel uneasy about radical behavior in public, so women are less likely to complain publicly than men [8]. Singh's research shows that complainers have higher income, higher education, younger and working [9]. The Warland study showed that all demographic factors explained only 8% of the difference between complainers and non-complainers [10]. Therefore, the impact of demographic factors on customer complaint behavior is not significant.

## **2.2. Customer Personality Factors**

Personality factors refer to the inherent personalities of individuals that have an impact on complaining behavior. Day.R.L found that the personality factors closely related to the tendency to complain are internal control type and external control type. Internal controllers tend to be more autonomous and active, while external controllers are more passive [11]. Customers who feel responsible for what happened are less likely to complain and more likely to complain if they feel the outside world is in control of their own destiny. The research of Morganosky M A & Buckley H M pointed out that customers who complained directly pursued uniqueness and individualism, and had a strong sense of isolation and self-affirmation [12]. For example, some customers have high consumption inertia and are more inclined to buy habitually, and they will not complain when they are dissatisfied.

## **2.3. Individual Attitude Factors**

Complaint tendency is related to customer's attitude towards complaining. Customers are more likely to complain if they see it as a reasonable, normal behavior. The attitude variables of existing research mainly include: attitude towards complaining [13], attitude towards enterprises [14], past experience of complaining [15] and so on. For example, when Richins studied the relationship between customer attitudes, complaining tendency, and complaining behavior, he came up with three attitude dimensions: the perceived cost of complaining, the personal criterion of complaining, and the possible social benefits of complaining [16]. Richins found that personal norms for handling complaints were the most effective attitudinal predictors of U.S. consumers' complaining behavior. But whether this conclusion can be applied to Chinese consumers remains to be verified.

## **3. Situational Factors**

Situational factors refer to other stimuli in the service environment that are not directly related to the interaction, as well as temporal characteristics caused by the environment [17]. Scholars such as Day believe that contextual factors play a key role in understanding customers' complaining behaviors [18], and their research found that contextual factors are better than general attitude changes in predicting complaining behaviors. This paper summarizes the relevant situational factors, of which the first to fourth points are closely related to customers themselves, and the fifth to seventh points are related to enterprises and industries.

### **3.1. Degree of Dissatisfaction**

The degree of dissatisfaction with a product or service is an important factor affecting customer complaint behavior [19]. Singh & Pandya's research found that there is a certain linear relationship between direct complaints and dissatisfaction, that is, the higher the degree of dissatisfaction, the higher the possibility of direct complaints; the relationship between negative word of mouth or changing suppliers and dissatisfaction is non-linear. Both response methods require a threshold. Once dissatisfaction exceeds this threshold, negative word-of-mouth and supplier change complaints will increase significantly [20]. Therefore, customer

dissatisfaction is the direct cause of customer complaints, and the company's product defects or lack of service are the main reasons for customer dissatisfaction. The existence of some of the above factors may greatly affect the dominance of customer complaints.

### 3.2. Product Importance

Firstly, importance is related to the consumption amount of the product. Secondly, it is related to the necessity of the product in people's lives. Thirdly, it is related to the visibility of the product in the consumer's life [7]. If the price of a certain product in question is too high, people often use it in daily life, and if the problem occurs, it will affect the convenience of people's daily life, then the product is relatively important, and customers will take more drastic complaints behavior.

### 3.3. Attribution of Responsibility and Emotion

Before customers take some action, they should first find out who is responsible for their dissatisfaction. Generally speaking, external attribution (under your control) will make customers take certain complaints, while internal attribution (under your control) customers will not take any action [21]. In the service industry, the degree of customer participation in the service process also affects the attribution of customer responsibility [22]. The higher the customer's involvement in the service, the greater the responsibility. Customers are more likely to be at fault for service failures and therefore more inclined not to complain.

Different attribution of responsibility will cause different emotions in customers. Customers who blame the problem on a business often feel angry or pissed off, which often leads to customer complaints. Customers tend to get frustrated or scared if they blame factors outside themselves and the business, so they tend not to complain. If customers feel that employees may be punished for their complaints, they will feel uncomfortable and tend not to complain [23]. Therefore, many companies put forward the concept of "customer is always right" to encourage customers to complain.

### 3.4. Purchase Frequency

Andreasen believes that purchase frequency affects customer complaint behavior, and the higher the purchase frequency, the more likely to complain directly [24]. Bolting's research shows that the more frequently customers stay in the same hotel or the same group of hotels, the more familiar they are with the relevant compensation policies and procedures, and the more likely they are to complain directly [14]. Gronhaug&Gilly[25] also believed that transaction frequency has a greater impact on customer complaint behavior. If the transaction behavior is "conventional behavior", then the cost of the complaint behavior will be minimized. In other words, purchase frequency affects consumers' knowledge and experience. The higher the purchase frequency, the more information about the company and the knowledge about complaints, and the greater the possibility of direct complaints.

### 3.5. The Possibility of a Successful Claim

The success probability of customer complaints is closely related to the company's reputation, and the company's reputation is more likely to be successful. Some customers seek compensation or complain only when they are confident that they will get the desired results [26]. Bolting found through research on the hotel industry that dissatisfied customers tend to complain directly if they think that their complaints are likely to be successful [14]. Therefore, the way to improve the direct complaint behavior of customers is to show as much as possible the company's mind to accept opinions, establish a good corporate reputation and show the ability of the company to solve customer complaints in the past.

### 3.6. Complaining about Costs and Benefits

Complaints about costs include economic costs, such as the cost of the service or product itself, the cost of time, and transportation costs. Kolodinsky believes that finding new product or service suppliers also requires costs [27]. Secondly, the cost of complaining also includes psychological costs, such as the negative emotions and conflicts that complaining may bring. The cost of a direct complaint is directly related to the complaint procedure, and the more complicated the complaint procedure is for customers, the more likely they are to take negative word of mouth or switch suppliers. On the contrary, if the enterprise has a convenient and simple complaint handling policy, it will be more able to stimulate people's direct complaints [14]. The possible benefits of complaining include refunds or discounts, exchange of goods, free services again, apologies or other compensations, etc. [28]. Customers will weigh the costs and benefits of each complaint behavior to achieve maximum utility.

### 3.7. Industry Characteristics and Market Competition Degree

The degree of market competition has a greater impact on customer complaint behavior [29]. If the market is a perfectly competitive market, the cost of entering or exiting the market is very low, and customers can fully compare among many merchants when purchasing products. Therefore, if there is dissatisfaction, most of the customers will directly change merchants. while for completely monopolized market, there is only a single merchant in the market, customers have no other alternatives, and the switching cost is relatively high, so when the product or service have some trouble, the customer can only complain [27]. Therefore, whether to complain is related to the degree of competition in the industry. In the presence of a large number of competitors, customers tend not to complain because of low switching costs.

## 4. Cultural Factors

Huang J H believes that culture is an important factor affecting customer complaint behavior [30]. Culture is a complex whole that includes knowledge, beliefs, arts, morals, customs, and other abilities and habits of people as members of society [31]. The current research on the influence of culture on customer complaint behavior is mainly based on cultural differences in four dimensions: power distance, individual/collectivism, masculinity/femininity, and uncertainty avoidance.

### 4.1. Power Distance

Power distance refers to the inequality of people's rights. Members with relatively weak rights in the organization will accept the inequality of rights. People at the bottom of the power recognize and accept the existence of power distance as well as those at the top. The culture of some countries emphasizes class relations, such as South Korea and Japan, while the culture represented by the United States pays more attention to equality.

### 4.2. The Cultural Dimension of Individual/Collectivism

In terms of the cultural dimension of individual/collectivism, it is generally believed that people in collectivist cultures are more inclined to complain privately. Because in a collectivist culture, people will first consider maintaining social harmony or saving face for others, so they generally do not directly express their attitudes, emotions, especially negative emotions in public.

### 4.3. Masculine/Feminine

Masculinity/femininity refers to the degree to which a society clearly divides gender roles. In general, the characteristics of masculinity are more direct, decisive, aggressive, independent and competitive; the characteristics of femininity are more gentle, humble, and a strong sense of responsibility. Therefore, women are less inclined to complain directly than men.

#### 4.4. Uncertainty Avoidance

People in different cultures have different tolerances for the uncertainty of the future, and in countries with strong uncertainty avoidance, people are more resistant to change, more afraid of failure, and reluctance to conflict and criticize others.

Some scholars have conducted a comparative study on customer complaint behavior between the East and the West. For example, Huang JH conducted a comparative study on the complaint behavior of American guests staying in high-star hotels in Taipei and Japanese guests, and found that American customers are more inclined to no longer stay in hotels and directly complaint [30]. Fan Xiucheng, Zhao Xiande, and Zhuang Hejun studied the moderating effect of Chinese customer value orientation on customer complaint tendency in service industry[3]. Its value orientation is mainly measured by three of Hofstede's four cultural dimensions (power distance, uncertainty avoidance, individualism), and uses a clustering method to divide customers into three groups: vulnerable customers, individualistic customers, Strong pressure customers. The data analysis results show that for disadvantaged customers, the tendency to complain is positively correlated with education level and communication skills, and negatively correlated with negative outcome expectations. Among the individualistic customer groups, the tendency to complain was positively associated with positive outcome expectations and negatively associated with lack of time. In the strong pressure customer group, the customer complaint tendency was related to the opinion of the most admired person in the reference group.

#### 5. Conclusion

To sum up, in terms of individual customer factors, the impact of demographic characteristics on customer complaints is still inconclusive, and some scholars believe that the impact of demographic characteristics is small. Relatively speaking, personality factors and attitude factors have a greater impact on customers' complaining behavior. If customers think that complaining is a reasonable and normal behavior, the possibility of complaining is high. Situational factors have an obvious impact on customer complaint behavior. Dissatisfaction, product importance, purchase frequency, and industrial competition all have a significant impact on customer complaint behavior. Cultural factors are widely used in comparative studies of customer complaint behaviors in different countries. Overall, compared with other customers who acted privately or did nothing at all, customers who complained directly had more complaining experience, had a more positive attitude towards complaints, more confident and decisive, more individualistic, less uncertainty avoidance, less power distance. Future research can focus on certain industries and extract more concise and effective influencing factors. In terms of attitude factors, there is no definite conclusion that Chinese people's complaining behavior is affected by attitude factors, and it is also a direction that can be studied in the future.

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