

A Review Of Literature On Firm Based Triggers Of Customer Dissatisfaction In Consumer Goods Industry

Vikas Uppal

Research Scholar, Chitkara Business School, Chitkara University, Rajpura (Punjab), India

Dr.Amit Mittal

Professor, Chitkara Business School, Chitkara University, Rajpura (Punjab), India

Abstract:

The current academic research on consumer complaint behavior in Indian consumer goods markets revolves around multiple dimensions yet operationalization of role of firms is still lacking academic attention. The academic literature on firm based “triggers” of dissatisfaction and complaining attitude, seem to sideline the crucial role of producer and often remains under explored and ignored in Indian perspective. Hence the paper explores the “problem” as multi-dimensional and addresses all related dimensions. This research paper seeks to bring together the diverse literature, ideas and opinions into one framework. The paper further explores the available literature from the view point of firm and sums up the ideas from the existing literature.

Key Words: Firm based triggers, firm behavior, consumer goods

Introduction:

The literature on “firm” based triggers of customer dissatisfaction is at a nascent stage. A lot of studies focus on the consumer based triggers as well as environment based triggers of dissatisfaction yet remains silent on the role of marketer or the producer in addressing consumer’s concerns and sensitivities. The consumer assessed deficiency in company’s efforts with regard to engaging with consumer in post purchase behavior as leading to triggering of “consumer based dissatisfaction”. The manner in which company or marketer listens to and addresses the concerns of user or the consumer; has marked consequences for triggering or resolving consumer driven sense of complaining behavior. There is a reported history of companies as failing to engage with the customers in post purchase mode. Academic literature (Bakhshi, 2014) regards “company initiated customer participation” as instrumental in achievement of “constructive” and “positive” response across consumer durables industry in developing economies. Some studies regard absence of “consumer orientation” amongst marketers and “substantial failure” in striking consumer engagement as responsible for cold responses and negative company-consumer interactions and resulting into distrust. A host of existing literature emphasizes the sheer lack of the company in interpretation of the causes

and the concerns that drive the post purchase complaints with regard to product functionality, performance or optimal results. The company failure in indulging in research and analysis of post purchase usage of product, climate and knowledge based influences on the product functioning and the post purchase queries management focus; could derail the product acceptance among the nascent consumers. There are reported non-product based attributions which are fueled by either the misguided advertisements (Krishnan, 1979), irrelevant information prevalent in media, internet and social platforms, salesperson or the servicemen (Wilkinss, 2016), family and social actors (Ash, 1978) and self-made mistakes (Kachale, 2005).

The “marketer or company specific” influences characterize themselves as external contexts that impinge upon the company-consumer interactions. The post purchase phase in consumer-producer relations is often marked by the empty and one sided communication. The pre purchase phase exhibits maximum focus on capturing consumer’s imagination yet the post purchase relations are never ever thought seriously in developing economies. With regard to the marketing of the consumer durables in developing economies, the voids found in such relations seem to lead to vacuums that otherwise could have been utilized to shape and channelize consumer aspirations. The pattern of post purchase relations amongst the consumer and the marketer has a reported history of influencing the consumer based realization of dissatisfaction as well as the sense of complaining with regard to disconfirmation or deviance from the expected quality as promised in advertisements. The “marketer” and its “relations with consumers” in “post purchase stage” is an important context as it influences the propensity of the consumer to think otherwise or get misguided by the propaganda of the competitors. The markets is also a vital context as the presence or the absence of relations , sharing of information, consistent involvement of customer in post purchase activities; could be beneficial both for the consumer as well as the marketer. The marketer on one side seeks to learn from consumer about the changes and the manner in which the product is used whereas the consumer gets a platform where he can vent out the anger and the anxieties with regard to product based malfunctioning, functional deviations as well as symbolic failures. For instance, the washing machine in Indian rural areas is just not only used for washing the clothes ;in fact the road side eateries do engage in churning the lassi with washing machine as well. The company’s inclination to engage the consumer in knowledge sharing and making him aware with regard to optimum device usage; has been observed to possess remarkable influences. The company based pattern of response to consumer’s queries has been quantified with the aid of following aspects:

- Company’s efforts to engage with the consumer in post purchase stage
- Company’s manner of addressing the concerns of consumers

Manner of company’s response to consumer queries:

The manner of response comprises a situational as well as a reactive trigger(Gustaffsson, 2006) for the consumer's sense of anger and dismal perceptions with regard to ability of the firm to provide qualitative goods and services. The customer evaluations(Tax, 1998) of the customer service experiences have profound implications for the relationship marketing as well as consumer based dissatisfaction. The consumer durable industry(Chajoong, 2014) is not aloof from the consistent consumer interactions(Demirguness, 2014) and the manner in which the company and its executives(Carroll, 1992) and service providers handle the consumer queries, has implications for the customer commitment to brand as well as customer loyalty spanning over product life cycle. The consumer durables industry has multiple point of service contact with customers. The traditional physical outlet(Gustaffsson, 2006) and its sales and service staff is one aspect. The websites(Buecker, 2015), toll free numbers and internet comprises another set of modern era digital means of contact. The on-site engineer visit is another point of consumer and company contact. The service differentiation(Chan, 2016) in post purchase phase has been reported to matter in retaining the trust(Baker, 1994) of the customer all across retail segments.

Extent to which company engages with consumers in post purchase period:

A study(Vivek, 2014) on the ways and means of the organization initiated consumer engagement devised the interactions with consumers as significant in driving the impetus for product acceptance. The study further explored the role of the consumer's social capital and social network in fostering the corporate interests. The company initiated customer participation(Echegaray, 2015) has been observed as instrumental in the achievement of constructive and positive response(McCollough, 2000) in consumer durables industry among developing economies. In a study (Homburg, 2009) on assessment of importance of complaint handling design involving multi-level analysis of the impact in specific complaint situations, the results were awkward. The research outcomes pointed out the influences on customer's perceptions of complaint handling as involving customer characteristics and company characteristics. The study (Homburg, 2009) underlined significance of customer characteristics namely the problem related customer attributes, relationship related customer attributes, psychographic aspects and socio demographic aspects as shaping the customer's perceptions and opinions with regard to overall fairness and achievement of justice. The company related attributes centered on the quality as prime determinant of complaint handling design. The study in its outcomes pointed towards prevalence of dual influence of customer characteristics on shaping of company response contexts as well as shaping of perceptions of justice across consumer grievance redressal process.

Another research (Davidow, 2003) attributed the phenomenon as involving aspects of "organizational response", "satisfaction in consumer" and "post compliant customer reviews". The study operationalized "organizational response" in terms of timeliness, facilitation, redress, apology, credibility and attentiveness. These factors were

incorporated to quantify “organizational responses” over consumer durables industry. In similar aspect, “post compliant customer reviews” were quantified with aid of factors like “word of mouth likelihood”, “word of mouth valence” and “intention to repurchase”. The research outcomes pointed towards prevalence of direct influences of manner of “organizational response” on constructs of “satisfaction in consumer” and “post compliant customer reviews”. The study observed significant differences across genders, generations, education strata and income spectrum all over European consumer durables market.

In fact complaint management(Paraschivescu, 2012) has rationally remained a complex issue and execution in marketing and service infrastructure(Keng, 1987) is not that easy as it is believed and opinioned. The sense of confusion(Buecker, 2015) prevails among service staff regarding what to say and what not to say(Quelch, 1983) while interacting with the consumer in context of reported product based failure(Soo, 2014), functional fault or deficiencies(Miler, 2014). Another section of research(Logman, 2008) concentrates on the genuine and warranted absence of consumer orientation amongst marketers and substantial failure in striking the effective and adequate consumer engagement(Nimako, 2014) over the post consumption phase. The company failure in indulging in research and analysis of post purchase usage of product, climate and knowledge based influences(Broadbridge, 1995) on the product functioning(Makopo, 2016) and the post purchase queries management focus(Paxton, 2008) is planned and intentional in nature. Such a perspective(Kulkarni, 2015) can derail the product acceptance(Singh, 1991) among the nascent consumers. A host of existing literature(Ash, 1978) emphasizes sheer lack of the company in interpretation of the causes(Dijksterhuis, 2016) and the concerns that drive the post purchase complaints with regard to product functionality, performance or optimal results. Research categorically underlines a gross reality that a section of consumer durable manufacturers intentionally(Roberts, 1988) evade consumer attention and consumer focus in post purchase phase and believe more in selling rather than servicing the consumers. A study (Gelbrich, 2010) amongst German service organizations in consumer durables segment observed prevalence of significant impact of manner and pattern of organizational response on consumer’s perceptions of achievement of justice, consumer’s perceptions of post complaint satisfaction as well as overall customer behavioral intentions. The aforesaid study (Gelbrich, 2010) was operationalized with aid of factors like compensation, employee behavior, organizational procedures, sense of distributive justice, sense of interactional justice, sense of procedural justice. During process of theoretical and conceptual development, study emphasized direct and lateral impacts of cross factor influences on overall justice perceptions and customer behavior intentions in context of consumer durables study. This study forwarded and extended the earlier work on subject matter and explored the problem as involving aspects of organizational responses as shaping intentions on consumer end. This research figures as pioneer research which underlines and cements this obvious relationship and quantifies cross factor impact with structural equation modeling perspective. The research outcomes further pointed towards prevalence of significant differences across genders, generations, education strata and income spectrum across consumer durables markets.

Another study(McAlister, 2003) elaborated on practice of organizations indulging in appointing the third parties to address the consumer's complaints. Such mechanisms have the obvious risk of consumer monitoring as well as tracking and evasion of privacy rights of consumers. Competitors can easily tap such third party service providers to interpret marketing strategy and consumers could remain susceptible to leakage of device usage patterns and habits. The research study emphasized phenomenon as involving aspects of "customer engagement", "customer value creation" and outcomes in form of "stickiness" and "word of mouth". The extent of customer engagement(less or more) was observed to trigger impetus for customer value creation. In other terms, lack of customer value creation was believed to trigger the impetus for loss of stickiness and respective decline in word of mouth marketing from consumer perspective.

A study(Nagel, 2017) on the corporate complaint handling mechanism revealed incidence of relationship among consumer's satisfaction with complaint handling and repurchase intentions among Brazilian consumers. Customer handling(Zairi, 2000) and complaint redressal(Linder, 2014) mechanisms seem to shape the consumer's stimulus ad reactions and responses. Salesperson's behavior (Goff, 1997) has also been identified as shaping the impetus for triggering the overall consumer dissatisfaction with regard to consumer durable goods. The study exhibited the prevalence of relationships among various factors like "salesperson customer orientation", "satisfaction selling orientation", "satisfaction with salesperson", "and satisfaction with dealer" and resultant "satisfaction with manufacturer as well as with product". This research pointed towards incidence of direct and lateral linkages amongst considered constructs.

There are a host of other studies(Crie, 2003) that categorically points towards the role of the marketer in subsequent rise in consumer based dissatisfaction on account of multiple reasons which are either observed as product centric(Kim, 2012), manufacturer centric(Cerletti, 2014), product based design driven(Black, 2010), industrial engineering based(Hekkert, 2008) or media driven(Patel, 2013) as well as consumer driven(BEUC, 2015) in nature. Research (Liem, 2012) has illustrated the sizable influence of the contexts (historical, rationalist, empirical and idealistic) on the formation of the perceptions among consumers. Such perceptions could shape the wisdom and sense making abilities in consumer durable's users

The review of the published research (Logman, 2008) vindicates the prevalence of the increase of research attention on the incidence of the consumer complaints in post purchase phase across the household electric durables segments. The section of published research highlights the incidence of the market based uncertainties, quantum leap in technology ingrainment in day to day electric products, in conversant application of the technology, non-customization of the products with emphasis on the realities of the developing economies or the non-effective management of technology incorporation in the developing nations. Another section of research concentrates on the sheer absence of the consumer orientation among the marketers and the substantial failure in striking the effective

and adequate consumer engagement over the post consumption phase. The company failure in indulging in research and analysis of post purchase usage of product, climate and knowledge based influences on the product functioning and the post purchase queries management focus; could derail the product acceptance among the nascent consumers. A host of existing literature emphasizes the sheer lack of the company in interpretation of the causes and the concerns that drive the post purchase complaints with regard to product functionality, performance or optimal results. Another study(Bolton, 1999) observed the relationships among the failure contexts, recovery based attributes and the outcomes of service failures. The study developed a framework based on the exchange mechanism and observed the influences of mental accounting, prospect theory as well as the social justice. The research relied on the mixed design based research methodology and vindicated the presence of statistically significant relationships amongst the three set of variables.

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