CONSUMER SATISFACTION, DISSATISFACTION AND COMPLAINING BEHAVIOR CONFERENCE PROCEEDINGS 2008

THE BIENNIAL MEETING

JUNE 23 – 27, 2008

LAS VEGAS, NEVADA

Stephen A. Goodwin
Conference Chair
Illinois State University

Kevin G. Celuch
Conference Co-Chair
University of Southern Indiana

Steven A. Taylor
Conference Co-Chair
Illinois State University

Hosted by the College of Business, Department of Marketing at the University of Nevada, Las Vegas

Conference Coordinator
Gillian S. Naylor, UNLV

Sponsored by the College of Business, Department of Marketing at Illinois State University

Papers included in these Proceedings were subjected to double-blind, peer reviews. The order of the papers is identical to the order displayed in the Program Summary which appears on the next page.


© CS/D&CB, Inc. All rights reserved.
WHY DO COMPLAINANTS EXPRESS THEIR DISSATISFACTION ONLINE?

DETERMINANTS EXPLAINING THE PROPENSITY TO COMPLAIN ONLINE

Alexandra Daniela Zaugg, University of Bern, Switzerland

ABSTRACT

Online complaining is said to be an efficient and convenient way of handling complaints for both customers and companies. But up to now, complaint channel choice and online complaining behaviour have received only limited attention from both scholars and practitioners. Why consumers use a particular channel for expressing their dissatisfaction has to be found out yet. Based on the determinants of the propensity to complain and the determinants of the propensity to use the e-channel, a conceptual framework identifying the determinants of the propensity to complain online is developed in this paper. It will contribute to explaining online consumer complaining behaviour as well as developing an adequate complaint channel design, which enables customer care managers to influence complaint channel choice.

INTRODUCTION

Long before the emergence of the World Wide Web and electronic commerce, Hirschman (1970) suggested that “[t]he creation of effective new channels through which consumers can communicate their dissatisfaction holds one important lesson. […]T]he propensity to resort to the voice option depends also on the general readiness of a population to complain and on the invention of such institutions and mechanisms as can communicate complaints cheaply and effectively.” (Hirschman 1970, p.43) There has not been much research on the impact of complaint channels nor on complaint channel choice, but the few studies all indicate that the unavailability of an easy-to-use complaint channel may inhibit complaining considerably (Buttle and Thomas 2003; Cho, Im and Hiltz 2003; Ford, Scheffman and Weiskopf 2004; Robertson and Shaw 2005). When a dissatisfied consumer has difficulties in determining the appropriate complaint channel, the propensity to complain is reduced (Ford, et al. 2004). Businesses which strive to keep their customers loyal and satisfied must therefore offer attractive and stimulating complaint channels in order to encourage customers to express their dissatisfaction.

With online complaining (OC), such a new easy-to-use and highly available complaint channel may have turned up (Tyrrell and Woods 2005). Supposed to be an efficient and convenient way of handling complaints for both customers and companies, OC may offer a possibility to reduce the unfavourably high number of unvoiced complaints (Feinberg and Kaam 2002; Tyrrell and Woods 2005). It may appeal to customers who formerly renounced complaining.
Up to date, there is only limited knowledge on OC available, as research has mostly focused on consumer complaining behaviour (CCB) without considering channelspecific behaviour. The results of the few studies on OC, however, suggest that OC creates customer benefits, e.g. by being more convenient and less time-consuming, as it can be done everywhere and anytime (Strauss and Pesce 1998; Tyrrell and Woods 2005). It is also said considerably to reduce the complaint cost for customers— under provision that there is an easy to find feedback form or an e-mail address (Hong and Lee 2005). The psychological costs are lower than in a face-to-face or telephone interaction because immediate distressing reactions can be avoided (Robertson and Shaw 2005). Thus, OC should stimulate customer complaints.

Given the promising potential of OC, it is crucial to know for companies whether their customers take to OC resp. which groups of customers appreciate why complaining online. There is no point in offering an elaborate OC solution if customers are not inclined to complain online. Unless OC is appreciated and used by customers, the expensive investments in infrastructure, IT, and human resources would be a complete waste. On the other hand, if a significant increase of customer benefits can be achieved, it is strongly advisable to expand e-services. For a rational decision whether to introduce OC or not and in which form, companies must thus know why consumers complain online. This paper will develop and discuss a conceptual framework outlining the determinants of the propensity to complain; thus make a theoretical contribution to explaining online consumer complaining behaviour (OCCB) and offer preliminary managerial decision support for OC services.

LITERATURE REVIEW

Examining why customers complain online involves analysing the determinants of both the propensity to complain (CCB determinants) as well as the propensity to choose the e-channel (ECC determinants). In a later section of this paper, these determinants will be merged to form a conceptual framework explaining the propensity to complain online.

Determinants for Complaining to the Company

A major part of CCB research has been dedicated to CCB determinants, i.e. to find out which factors influence the propensity to complain to a company (Boote 1998; Day, Grabicke, Schaetzle and Staubach 1981; Morel, Poiesz and Wilke 1997). This construct can be defined as a customer’s inclination and intention to complain to the company following a critical incident causing dissatisfaction (Broadbridge and Marshall 1995; Juhl, Thogersen and Poulsen 2006). It is a latent construct which manifests itself in the complaint to the company. For explaining the propensity to complain, numerous antecedents are said to be relevant (Volkov 2004). But up to now, a comprehensive model of CCB determinants has not been developed (East 1996; Morel, et al. 1997). Instead, most studies have focused on selected determinants. As a result, empirical evidence is (partly) contradictory. This may also be due to the different research designs and research objects on which the studies are based.
The core entity for explaining the propensity to complain is the critical incident. The more manifest and severe a problem is, the higher is the propensity to complain (Levesque and McDougall 2000; Stauss and Seidel 2004). Most researchers also agree that product characteristics play a crucial role (Broadbridge and Marshall 1995; Shuptrine and Wenglorz 1981). Over different product categories, a significant variation in the rate of voiced complaints has been found by several studies (Shuptrine and Wenglorz 1981; Singh 1990). In particular powerful product characteristics are product price, and depending on that, the importance and perceived risk of the product.

Also cost-benefit evaluation is a key determinant for the decision whether to complain or not (Cho, et al. 2003; Crié 2003; Day, et al. 1981; Kolodinsky 1995; Richins 1980). The underlying assumption is that consumers only complain if they expect to get some benefits which will be greater than the perceived costs. Cost-benefit evaluations are strongly influenced by the perceived probability of success of the complaint. Regardless of how great the benefits might be, consumers complain only if they believe that their complaints will be successful (Blodgett and Granbois 1992; Bolfing 1989; Hirschman 1970; Richins 1983a; Singh 1990).

Perceived probability of success is influenced by ease of use and the availability of complaint channels. Both reduce complaint costs and signal consumers that their complaint is welcome, which is translated by consumers into a higher probability of success. Though there is only limited research on complaint channels, let alone channel specific CCB, authors agree that the available complaint channels influence the propensity to complain directly (Bearden and Mason 1984; Day, et al. 1981; Ford, et al. 2004; Homburg and Fürst 2007).

The attitude towards companies in general as well as the attitude towards complaining in particular determines how successful consumers think their complaints will be (Blodgett, et al. 1995; Blodgett and Anderson 2000; Singh 1990). Knowledge concerning consumer rights is also crucial (East 1996; Kolodinsky 1995; Singh 1990). First, informed customers know what they can claim. But they will also have more self-confidence and higher assertiveness both of which are CCB determinants as well (Bolfing 1989; Fornell and Westbrook 1979; Kolodinsky 1995; Richins 1983b; Singh 1990; Susskind 2000).
**CCB Determinants in the Dimension Environment**

Individual behaviour cannot occur independently of the context the person is living in (Malafi 1991). Therefore, contextual factors have to be taken into account. With regard to CCB, a relevant determinant is the market on which a defective product is traded (Crié 2003; Fornell and Didow 1980; Singh and Wilkes 1996). Its structure and competitiveness determine the availability as well as the attractiveness of complaint responses (Fornell and Didow 1980; Maute and Forrester Jr. 1993; Singh and Wilkes 1996).

Regardless of the product and the respective trading conditions, customers all over the world are dissatisfied. However, the way they deal with their dissatisfaction varies from culture to culture (Au, Hui and Kwok 2001; Day, et al. 1981; Huang 1994; Liu, Watkins and Yi 1997; Watkins and Liu 1996). Given that complaining is an observable, social activity, also social influence, e.g. within a peer group, can have an effect on the propensity to complain (Goodwin and Spiggle 1989; Mattila and Patterson 2004).

**ECC DETERMINANTS**

Depending on the discipline, the term “channel” is understood quite differently. In business administration, channels are often defined as means of communication, transaction, and / or distribution (Kiang, Raghu and Shang 2000; Li, Kuo and Russell 1999; Peterson, Balasubramanian and Bronnenberg 1997). In the context of this research, only the communication function is relevant. Analysed from a customer perspective, the main part of the complaining process consists of communication (Garrett, Meyers and Camey 1991; Stauss and Seidel 2004). A physical distribution over the e-channel is not possible; therefore the online channel can exclusively be used for communication, not for distribution tasks (except for a digital product). In a general e-service context, Rust and Lemon (2001, p.86) observe: “The Internet is built upon this concept of information service. By its very nature, the Internet is a network that permits the interchange of information (at its very core, in zeroes and ones).” Consequently, channel here is defined as a medium which transmits the signal from the sender to the receiver (Shannon and Weaver 1998). Accordingly, a complaint channel is defined as a medium that allows dissatisfied customers to express their dissatisfaction to the company.

**ECC Determinants in the Dimension Channel**

Each channel varies in its manifestation of the characteristics presented above. In organisational communications research, the cues filtered out perspective explains channel choice predominantly with these channel features, e.g. richness (Flanagan and Metzger 2001). The richer a medium is, the better it can support the process of finding a shared understanding (Daft, Lengel and Treviño 1987). Considering computer-mediated communication (CMC) as lean, they suggest that it is highly challenging to resolve differences with online communication and reach a shared understanding. The classification of e-mail and webform as rather lean means of communication
still holds true today. These two types of CMC, both of which are predominant nowadays, are less suitable for messages with a high equivocality because they are deficient in providing discussion and social support.

Using a channel always entails channel specific costs and benefits. For ECC, three types of costs have to be considered: Ease of use refers to how effortless a user can communicate online (based on Davis 1989). The higher ease of use is, the less time and effort is required for using a channel. Closely related is learning effort / compatibility (Dholakia, Zhao and Dholakia 2005). If ease of use is high, then the learning effort required to use the technology in question is low and vice versa (de Ruyter, Wetzels and Kleijnen 2001). This type of cost is mainly important in an early stage; with growing experience its effect diminishes (Venkatesh, Morris, Davis and Davis 2003). Finally, the psychological cost of using a channel has to be taken into account. CMC seems to entail less psychological cost than other channels with a higher social presence because a direct confrontation can be avoided (Kelly and Keaten 2007). Consequently, CMC will be particularly attractive for shy and reticent persons.

As well as costs, benefits offered by a channel are an important channel choice determinant (Cheung, Zhu, Kwong, Chan and Limayem 2003; Devaraj, Fan and Kohli 2002; Li, et al. 1999; Prins and Verhoef 2007; Soopramanien and Robertson 2007; Walker and Johnson 2006). Numerous researchers found convenience, and in particular time savings, to be an important benefit of the e-channel (Ahuja, Gupta and Raman 2003; Chen, Gillenson and Sherrell 2002; Meuter, Ostrom, Bittner and Roundtree 2003; Soopramanien and Robertson 2007). The second crucial aspect is ubiquity. Owing to the asynchronous communication, the e-channel enables customers to communicate online anytime (Kiang, et al. 2000; Meuter, et al. 2003). There are no restricting opening hours. In addition, the lack of physical presence also allows avoiding travel costs (Walker and Johnson 2006).

Another potential benefit of the e-channel is control (Kayany, Wotring and Forrest 1996; van Dijk, Minocha and Laing 2007). The better senders can control how they communicate and whether they achieve the communication goal they ensue, the better they rate the channel (van Dijk, et al. 2007). Furthermore, the e-channel enables communicators to decide when they send their messages (Kayany, et al. 1996; van Dijk, et al. 2007; Westmyer, DiCioccio and Rubin 1998). It is therefore possible to re-read and re-write it as often as one likes. Moreover, due to the asynchronous nature of e-mail and web-forms, an immediate answer is not required, thus allowing careful considerations about the reply. But it also implies a trade-off between the desire for control and the desire for human contact. While offering better control, CMC excludes direct human contact. Additionally, a higher personal contribution is required; In the case of complaining, customers have to key in their complaints on their own. If they went to a point of sale, they could just tell an employee how dissatisfied they were.


**ECC Determinants in the Dimension Consumer**

At first, Internet users were mainly young males with both high income and education (Bellman, Lohse and Johnson 1999). With the progressing diffusion of Internet, this has been changing. The Internet population becomes more and more similar to the general population. But even today, there is still empirical evidence for the influence of age, gender, income, and education on e-channel use (Pew Internet and American Life Project 2007).

The influence of personality traits on ECC has been reported by many studies (Balasubramanian, Raghunathan and Mahajan 2005; Dholakia, et al. 2005; Goby 2006; Treviño, Webster and Stein 2000; Walker and Johnson 2006). A basic ECC determinant is the attitude towards new technologies in general and towards the e-channel in particular (Chen, et al. 2002; Curran, Meuter and Surprenant 2003; Lim and Dubinsky 2005). Actual experience with the e-channel, the beliefs about Internet skills (self-efficacy) as well as actual abilities (Internet literacy) also influence the propensity to use the e-channel (Frambach, Roest and Krishnan 2007; King and Xia 1997; Shim, Eastlick, Lotz and Warrington 2001; Venkatesh, et al. 2003; Walker and Johnson 2006).

Another ECC determinant is the basic channel preference of a customer (Devaraj, et al. 2002). The characteristics of a channel may or may not appeal to communicators. Many people are said to favour face-to-face interactions because they consider it as more personal (Westmyer, et al. 1998). In the context of online communication, low preference for personal interaction is positively related to the intention to use the e-channel (Walker and Johnson 2005). The underlying assumption here is that CMC cannot (yet) offer the same quality of interaction with respect to humanness as a face-to-face encounter can (Walker and Johnson 2005). Text based CMC is said to be less personal than other channels. Therefore, it would appear that it is less suitable for communicating content requiring a high degree of personal empathy. CMC may be perceived as too distant and thus fail to show adequate concern. On the other hand, the share of shy people is pretty high in western societies (Kelly and Keaten 2007; Roberts, Smith and Pollock 2000). This would make a case for using CMC. Some people actually prefer online communication because it eliminates human interaction (Curran, et al. 2003; Dabholkar and Bagozzi 2002).

**ECC Determinants in the Dimension Situation**

Not only channel and user characteristics are decisive for e-channel use, also the situation has to be taken into account (Kayany, et al. 1996; Treviño, et al. 2000; van Dijk, et al. 2007; Walker and Johnson 2006). In some situations, customers may not have an alternative, e.g. because their working hours do not allow to go to a point of sale or contacting a call center (Walker and Johnson 2006). Thus, consumers must choose another channel than they would have had without the situational constraint (van Dijk, et al. 2007). Even persons who basically prefer face-to-face encounters may regularly use the e-channel (Walker and Johnson 2005).
Moreover, the communication purpose is relevant for media choice (Kayany, et al. 1996; Walker and Johnson 2006; Westmyer, et al. 1998). Depending on this purpose, different needs may be salient and hence a different medium is chosen. As far as complaining is concerned, customers intending to seek redress seem to prefer synchronous channels, whereas for venting, rather asynchronous channels are used (Mattila and Wirtz 2004).

Due to the varying nature of products the communication is about, communication purposes may differ, too. Thus, the product influences channel choice (Balasubramanian, et al. 2005; Frambach, et al. 2007; van Dijk, et al. 2007). Like communication purposes, product characteristics have to correspond to a certain extent to channel properties. Against a cost-benefit background, investing in an expensive communication channel for a high involvement product is worth it. Typically, these products are rather expensive. For inexpensive low involvement products, which are not that important to customers, the success of the communication is not vital. Accordingly, customers will choose a channel with low costs, e.g. the e-channel, even if the perceived probability of success is lower.

An important component of outcome expectancy is the degree to which risks are attributed to the use of Internet (Devaraj, et al. 2002; Soopramanien and Robertson 2007; van Dijk, et al. 2007; Walker and Johnson 2006). Even if the e-channel’s cost-benefit ratio and the perceived probability of success are good, customers may refrain from communicating online because they perceive the risks to be too great (Walker and Johnson 2006).

Also the company’s reputation can influence channel choice (de Ruyter, et al. 2001). Following signalling theory, the image of the company can be understood as a signal indicating the level of quality (de Ruyter, et al. 2001). If customers think the company either does not want to or cannot deal with Internet communication properly, a low probability of success is attributed to CMC. Accordingly, communicators will probably invest nothing at all or only a very limited amount by choosing a rather inexpensive means of communication.

Finally, media choice is determined by the communication channels a company has decided to offer (and promote). Jäckle (2006) reports that customers from eBay mainly use e-mail to get in touch with the company, while customers from Dell predominantly use phone. He explains this difference by the company-specific stimulation of communication channels.

**ECC Determinants in the Dimension Environment**

Given that individual consumer behaviour is always embedded in a social context, social influence has to be considered as ECC determinant (Flanagin and Metzger 2001; Kayany, et al. 1996; Treviño, et al. 2000). Usually two types of social influence are distinguished (Bhattacherjee 2000; Karahanna, Straub and Chervany 1999). Informational influence encompasses objective information that is acquired from external sources such as mass media, expert reports or peer experience (Karahanna, et al. 1999). In contrast to normative influence, this type is devoid of social pressure. Whereas normative influence pertains to the influence of significant others, e.g. friends or family (Bhattacherjee 2000). Individuals highly susceptible to
the influence of significant others will act based on what (they expect that) others think about their using the new communication channel (Venkatesh, et al. 2003).

WHY DO CONSUMERS COMPLAIN ONLINE? A CONCEPTUAL FRAMEWORK

Based on the CCB and ECC determinants, a conceptual framework explaining the propensity to complain online can now be developed (see Figure 3-1). The determinants of OCCB are grouped in five dimensions (critical incident, customer, situation, company, and environment) and will be discussed in the following sections.

OCCB DETERMINANTS IN THE DIMENSION CRITICAL INCIDENT

Without a critical incident causing dissatisfaction, there is no legitimate complaining. Important determinants that (in) directly influence the propensity to complain online in this dimension are the nature of the critical incident, the product causing the critical incident, the cost-benefit evaluation and – closely related - the probability of success.

Nature of the Critical Incident

The nature of the critical incident influences only indirectly complaint channel choice (with exception of importance / severity). For the type of failure and the attribution of blame, it is mainly relevant whether the product in question is bought online or offline (Cho, et al. 2003). It would appear that consumers buying online complain more often by means of CMC than offline buyers because they do not have to switch channel. Being a frequent source of online dissatisfaction, manifest process problems, such as delivery issues, are expected to be a main reason for online complaints (Cho, et al. 2003; Nasir 2004).

| P1 | Online shoppers have a higher propensity to complain online than offline buyers. |
| P2 | For manifest process problems, the propensity to complain online is higher (mediated by frequency of problem type). |

The underlying reason for the relationship postulated in P2 is the fact that online consumers both complain more often online and encounter more manifest process problems than offline consumers. In addition, the manifest nature of the problem makes it easy to produce evidence, possibly with a print screen or audio / video attachment. Apparently, CMC is a facilitator. When the failure occurs during the transaction / performance process, online customers are on the Internet anyway. Thus, it takes just a few clicks to complain and does not require any extra effort such as switching the computer on. There is one caveat: If the online experience is really bad, e.g. complete computer breakdown, then consumers probably will refrain from expressing their dissatisfaction by means of CMC.

For problems occurring during online shopping, an internal attribution of blame will be more frequent, in particular for judgmental problems (Harris, Mohr and Bernhardt 2006; Weiner 2000). This may be due to (perceived) lack of channel knowledge such as low self-efficacy, but can also...
be attributed to the stronger participation required from a customer during the service performance / transaction. Though the degree varies, most e-commerce solutions involve some self-service elements. The internal attribution of blame reduces the propensity to complain in general and hence the propensity to complain online in particular. But by and large, it will not directly influence complaint channel choice.

**Figure 3-1: Basic Conceptual Framework**

P3a  Online shoppers blame themselves more frequently for the critical incident.  
P3b  Due to the higher internal attribution of blame, the propensity to complain online is reduced.

The more important and severe consumers perceive a failure to be, the more they are willing to complain. It is much harder to deny a major critical incident than a minor event which may be subject to judgment anyway. Demonstrability is hence higher, and so is the perceived probability of success. Moreover, a severe failure renders the product useless. It is not possible to simply live with the failure. As a result, dissatisfied consumers probably prefer synchronous or even unmediated channels.

Thus, they can insist on their demands. The e-channel does not lend itself to press one’s point; in this respect, it seems to be inferior to non-mediated communication. Neither can senders make sure that the message has indeed arrived at the recipients’, nor can they exert pressure to get an answer. It is much easier to ignore an e-mail than an angry customer in a point of sale.
Failure severity is negatively related to the propensity to complain online.

Failure importance is negatively related to the propensity to complain online.

**Product Characteristics**

Product characteristics have a twofold impact. First, they partly determine whether consumers will express their dissatisfaction or not. In a second step, these features also influence which channel is chosen for the complaint. The more expensive a product, the higher will be the propensity to complain because costs of complaining become negligible in relation to the product price. Similar considerations are made for complaint channel choice: It is only worth investing in an expensive communication channel if the complaint benefits are accordingly high, which will be much more likely for high-priced products. The e-channel is rather inexpensive but also less reliable, while face-to-face communication requires considerably more effort. Therefore, CMC is probably most often used for inexpensive products.

Product price is negatively related to the propensity to complain online.

Though price and importance are frequently related, it is not always the actual monetary value that decides how dear a product is. The same considerations made for the price have to be applied to product importance (instead of equalling price and importance).

Product importance is negatively related to the propensity to complain online.

Also related to importance is product involvement. In general, high involvement products are perceived to be more important. Accordingly, the argumentation is analogous to price and importance.

Product involvement is negatively related to the propensity to complain online.

Finally, product complexity has a negative effect on the propensity to complain online. Increasing complexity requires explanations that are more comprehensive. As shown in media richness theory, text based communication is restricted in the amount of cues that can be conveyed (Daft, et al. 1987). For dealing with complex complaints, which are more likely for products with a high complexity, it may be necessary to fall back to a richer channel offering more cues.

Product complexity is negatively related to the propensity to complain online.

**Cost - Benefit Evaluation of Complaining**

Assuming bounded rationality, consumers are expected to choose the complaint channel with the best cost-benefit ratio (in absence of other influence factors). They must weigh complaint costs up against the benefits. If complaining causes far more costs than benefits, consumers will
probably choose less “expensive” responses such as exit or silence. The costs of complaining online consist of the costs for complaining and the costs of channel use. As far as tangible costs for e-complaining are concerned, they are very low (Stauss and Seidel 2004). It can hardly be assumed that a consumer buys deliberately for one complaint a computer and an Internet access package. So, this is fixed cost that occurs anyway. Only if a dial-up access is used, additional connection fees have to be taken into account.

<table>
<thead>
<tr>
<th>P10</th>
<th>The low tangible costs have a positive effect on the propensity to complain online.</th>
</tr>
</thead>
</table>

An important determinant of OC is ease of use, i.e. the degree to which a person believes complaining online is free of effort. At least for individuals with an average / high channel knowledge, it is assumed to be very easy to give an online feedback.

<table>
<thead>
<tr>
<th>P11</th>
<th>The high ease of use has a positive effect on the propensity to complain online.</th>
</tr>
</thead>
</table>

Avoiding a direct confrontation with employees, the psychological cost of an e-complaint is low, too (Stauss and Seidel 2004). This is in particular conducive to stimulate shame-prone persons to complain.

<table>
<thead>
<tr>
<th>P12</th>
<th>The low psychological cost has a positive effect on the propensity to complain online.</th>
</tr>
</thead>
</table>

Overall, consumers think that OC requires the least effort in comparison to other channels (Gubelmann, Zaugg, Bach, Iseli and Ruoss 2007). Due to this cost-effectiveness, one could argue that the e-channel is very suitable for making first contact. If the company does not react, then dissatisfied consumers can still follow up by means of another channel.

Though consumers seem to rate the benefits provided by the e-channel rather low, there are definitely some advantages, in particular for shy and reticent persons. Scholars keep on pointing out that convenience is one of the greatest benefits of OC (Ahuja, et al. 2003; de Ruyter, et al. 2001; Meuter, et al. 2003; Soopramanien and Robertson 2007; van Dijk, et al. 2007). This is mainly due to the lack of temporal and spatial constraints. Given Internet access, consumers can complain online anytime and anywhere. Yet, as companies mostly still need some days to answer, some waiting for the reply is inevitable. In future, businesses are increasingly expected to deal professionally with online feedback. As soon as consumers realise that they will reliably get an answer within a couple of hours (during office hours), their assessment of the e-channel’s benefits offers will probably change. Today, the main point of ubiquity is that dissatisfied consumers can start the interaction whenever they want to. Neither have they to take into account whether the recipient is available nor how large the geographical distance is.

<table>
<thead>
<tr>
<th>P13</th>
<th>The convenience of the e-channel is positively related to the propensity to complain online.</th>
</tr>
</thead>
<tbody>
<tr>
<td>P14</td>
<td>Ubiquity is positively related to the propensity to complain online.</td>
</tr>
</tbody>
</table>
Another frequently mentioned benefit is the effect of depersonalisation. As text based CMC is said to be less personal than other channels, the threshold, in particular for potentially embarrassing activities, is much lower. This will have a stimulating effect on complaints. Reticent persons who formerly renounced complaining may now have the courage to express their dissatisfaction to the company (Mattila and Wirtz 2004; Robertson and Shaw 2005). In fact, such people may even prefer an online complaint over a face-to-face complaint, regardless of the benefits a direct encounter may offer. The psychological cost would be simply too high for them.

The depersonalisation is positively related to the propensity to complain online.

Costs and benefits alone, however, do not determine the attractiveness of a channel. It is the ratio that is decisive. Here, the e-channel cannot (yet) compete with the other channels. According to Gubelmann, et al. (2007), face-to-face complaints come out on top, followed by phone complaints. This is due to the fact that respondents do not expect the e-channel to provide significant benefits yet, e.g. because they cannot insist on a quick solution.

**Probability of Success of Reaching the Complaint Aim with a Given Channel**

CCB is mostly linked with ensuring a complaint aim. Therefore, the probability of how likely this aim can be reached by means of the e-channel is a crucial OCCB determinant. If there is something important at stake, consumers will probably prefer an expensive complaint channel with a high perceived probability of success over an inexpensive channel with a low perceived probability of success. CMC mainly offers a very cost-effective means of communication, but the complaint can be ignored and the dissatisfied consumer has no possibility to intervene immediately. To make matters worse, only a few companies nowadays deal professionally with online communication (Neale, Murphy and Scharl 2006). All too often, e-mails get lost or are ignored. Therefore, a face-to-face encounter or a registered letter will probably be perceived to be more successful.

Complainants attach a low probability of success to the e-channel. The low probability of success decreases the propensity to complain online.

Again, it has to be kept in mind that OC as well as CMC is still in its infancy. With growing maturity of the e-channel and increasing professionalism of online complaint management, benefits provided by the e-channel as well as the probability of success are very likely to improve considerably.

**OCCB DETERMINANTS IN THE DIMENSION CUSTOMER**

Though demographics are said to have only limited influence, they are often used in consumer behaviour research, probably due to their high accessibility. The demographics age, gender, education and income have for both CCB determinants and ECC determinants the same direction of the relationship. As a result, online complainers are generally expected to be young and highly educated males with a high income.
Age is negatively related to the propensity to complain online.

Males are more likely to complain online than females.

Education is positively related to the propensity to complain online.

Income is positively related to the propensity to complain online.

Definitely more expressive than demographic are psychographic variables. It is important to note that the components from CCB and ECC are inseparable, i.e. both have to have the same valence in order to generate an effect on the propensity to complain. For instance, there is no point in excellent Internet literacy if consumers even do not know they are entitled to complain about a faulty product.

In line with the theory of planned behaviour, three kinds of attitudes are relevant for determining the propensity to complain online. First, the attitude towards complaining has to be positive. Otherwise, consumers would not consider voicing their dissatisfaction. Moreover, also the attitude toward businesses should not be too negative, or else the probability of success would be rated too low to invest in a complaint. And finally, the attitude towards the e-channel determines whether this channel is a possibility for expressing dissatisfaction or not. This also depends on the technology readiness of a person (Meuter, et al. 2003; Parasuraman 2000). High technology readiness results in a basic openness to use new technologies, e.g. online communication for complaining. Hence, if the attitudes towards complaining, towards businesses and towards the e-channel are all positive, then consumers are more likely to complain online. It is particularly true for individuals scoring high on technology readiness.

A positive attitude towards complaining, towards business and towards the e-channel is positively related to the propensity to complain online.

Secondly, the knowledge about complaining and the e-channel is decisive. Again, consumers have to be familiar with both subjects. Otherwise, the propensity to complain online will not be affected. The more consumers have used Internet and the more often they have complained, the more knowledge they have accumulated. Thus, they can better assess how favourable an e-complaint is for them, which can be seen as an uncertainty reduction. The higher familiarity with the subjects facilitates use considerably. While prior positive experience with both complaining and e-channel use promotes the use of OC, negative experience has the opposite effect.

Prior positive experience with both complaining and e-channel use is positively related to the propensity to complain online.

Related to experience is actual Internet literacy as well as available knowledge on consumerism issues. The better dissatisfied consumers can navigate online, the easier it is to find the feedback form / e-mail. Accordingly, Gubelmann, et al. (2007) report that frequent surfers associate OC with less costs than occasional surfers, which in turn improves the perceived cost-benefit ratio of OC. Moreover, basic knowledge about consumer rights and how complaining works resp. what
consumers can expect from a complaint is conducive to exert one’s right to express dissatisfaction to the company.

P24 The degree of actual knowledge about the e-channel and complaining is positively related to the propensity to complain online.

Actual knowledge, however, does not help if consumers do not perceive themselves as capable to complain online. Therefore, self-efficacy as well as self-confidence and assertiveness must also be high. Otherwise an individual will not be inclined to complain online. But actual and perceived knowledge must more or less match. Otherwise, it will have a counterproductive effect. So P24 and P25 cannot be analysed independently.

P25 Self-efficacy, self-confidence and assertiveness are positively related to the propensity to complain online.

Finally, consumer-inherent preferences concerning complaint response and channel are relevant. There are persons who rather end the relationship than complain. And there are also persons who attach great importance to physical customer-employee encounters in a point of sale. Consequently, it will be very difficult to convince such persons to complain online. Consequently, a basic preference for both CMC and voicing the dissatisfaction is often a necessary condition for an online complaint.

P26 A basic preference for both CMC and complaining to the company is positively related to the propensity to complain online.

OCCB DETERMINANTS IN THE DIMENSION SITUATION

Of course, in some situations consumers cannot follow their constitutional preferences and must instead adapt to the given circumstances. Therefore, situational determinants have to be taken into account for OCCB, too.

Complaint Aim

Depending on the complaint aim, consumers may prefer different modes of communication. Not each channel lends itself equally for pursuing a specific goal. These considerations can be made analogously to task appropriateness. “Individuals are assumed to be aware of the intrinsic properties of media, to be able to objectively evaluate the characteristics of tasks and media, and to rationally choose media that best fit the requirements of tasks.” (King and Xia 1997, p.881) Accordingly, consumers also base their complaint channel choice on their complaint aims (Mattila and Wirtz 2004).
For seeking redress, the e-channel is probably less appropriate. Consumers seeking redress seem to prefer an interactive channel (Mattila and Wirtz 2004; Walker and Johnson 2006). As a physical exchange is not possible, consumer cannot have their faulty product replaced (unless it is digital). A refund can only be granted by means of a remittance order, cash cannot be offered.

P27  The complaint aim “seeking redress” has a negative impact on the propensity to complain online.

In general, all channels are appropriate for providing a customer with an apology. Yet, it is crucial for the company to convey a high degree of empathy and understanding, otherwise the apology could be considered as an excuse (Timmerman and Harrison 2005). The line between an excuse and an apology is very thin and unless employees are rather literate, unintended misunderstandings are easily created in written communication. Here, non-mediated communication will probably be most effective. The presence of an employee emphasising the words with body language seems to be more convincing. It would appear that consumers subconsciously seek this empathy and therefore rather choose a face-to-face encounter.

P28  The complaint aim “getting an apology” has a negative impact on the propensity to complain online.

Also explanations can easily be provided by all channels. For fact-oriented, and in particular for complex explanations, text based communication, e.g. e-mail, is highly suitable (Timmerman and Harrison 2005). Having the statement in written form, dissatisfied consumers can (re-)read it at their own pace, which facilitates enormously to comprehend the reasons of the failure.

P29  The complaint aim “getting an explanation” has a positive impact on the propensity to complain online.

Venting, finally, is the complaint aim the e-channel is most appropriate for (Mattila and Wirtz 2004). Kiesler, Zubrow and Moses (1985) point out that textbased CMC reduces guilt, embarrassment, fear of retribution and empathy for others, all of which leads to uninhibited behaviour. The channel’s low social presence decreases the inhibition threshold. Thus, the channel characteristics, and in particular depersonalisation, support consumers in getting the frustration off their chests. Additionally, venting requires only very limited interaction (if at all). Consumers do not expect redress or a carefully worded statement from the company. In some cases, they might even be indifferent whether the company reacts or not. They just need an outlet for their rage. In particular for shame-prone persons, the e-channel offers an attractive means of communication for venting.

P30  The complaint aim “venting” has a positive impact on the propensity to complain online.
**Perceived Risk**

OC implies that there are no tangible cues, which increases risk perception, and so does the newness of the e-channel. Risk can be understood as perceived uncertainty. Generally, one can say that the greater the uncertainty, the greater perceived risk and the less likely is OC.

| P31 | Perceived risk is negatively related to the propensity to complain online. |

**OCCB DETERMINANTS IN THE DIMENSION COMPANY**

Per definition em, the receiver of a complaint is the company. In this context, three determinants are relevant: image, channel availability and customer relationship.

**Image**

Image concerning a company’s customer care and e-channel competence influences the propensity to complain online mainly through the perceived probability of success. The better the perception, the higher is the probability of success and vice versa. For having a promoting effect on likelihood of success resp. OC, a company must jointly have a good reputation for customer care as well as for dealing professionally with online feedback.

| P32 | A positive image concerning customer care and e-channel competence has a positive effect on the e-complaint’s perceived probability of success. |

The company is the interaction partner for the dissatisfied customer; so image is a recipient characteristic which can influence complaint channel choice. No matter how appropriate consumer complaint channel choice would be, all communication benefits are annihilated by a business incapable or unwilling of processing the feedback. Even if companies offer outstanding customer service and are well-known for that, they may not be credited with e-competence (image concerning new technologies). It does not matter whether they actually deal professionally with online communication. All that counts is the competence perceived by the customers. Provider responsiveness can be taken by consumers as an indicator for the overall quality of service. Hardly anyone would expect excellence in customer care if e-mails and contributions by webform are simply ignored. Conversely, e-channel excellence alone is no use for promoting OC. While a company may excel in processing online transactions / feedbacks, customer service may still be lousy. Therefore, only an outstanding image for both areas can promote OC.

| P33 | A positive image concerning customer care and e-channel competence has a positive effect on the propensity to complain online. |
Channel Availability

By offering and promoting a distinct set of complaint channels, a company can - to some extent – influence consumers’ media choice. If OC is not offered or very well hidden on the website, then only a few complainants will hit upon the idea to complain online. Whereas a company publishing URL and e-mail on every product and advertisement will get far more online feedback. Providing information about complaint channels is an external source of information which is also relevant in the dimension environment (informational influence). Unless dissatisfied consumers have a very strong complaint channel preference, they are expected to choose readily available complaint channels.

| P34    | A high availability and promotion of the e-channel has a positive effect on the propensity to complain online. |

Customer Relationship

The type of customer relationship is the link between the two main actors of a critical incident, the customer and the company. It would appear that it shapes the expectations about the level of customer care a company should deliver. While price-oriented customer may accept that a company offers only inexpensive, textbased complaint channels such as e-mail, quality-oriented customers who pay more for their products may not condone that. Keeping equity theory in mind, customers will strive for equity (Bennett 1997).

| P35    | Price-sensitive customers are more likely to complain online. |

Also loyalty and switching cost have to be considered. It is assumed that loyal customers are more likely to voice (Zaugg and Jäggi 2006). Moreover, they are also more willing to invest in both a relationship and a communication channel. They may even pay a price premium in order to contact the company non-mediatedly in a convenient location. Truly loyal customers assess their complaint’s probability of success higher than disloyal customers because they have a basic positive belief in the company - otherwise they would not be loyal. Again, this increases the willingness to invest in a complaint as well as in a more expensive complaint channel.

Conversely disloyal consumers: If they bother to complain at all, they will try to minimise their efforts by choosing an inexpensive channel. Even if the probability of success and the expected benefits are not so promising, they will do so. In case they do not succeed, they can change supplier with little switching cost anyway.

| P36    | Disloyal customers are more likely to complain online. |
OCCB DETERMINANTS IN THE DIMENSION ENVIRONMENT

The last dimension, environment, covers contextual factors in which consumer behaviour is embedded. For analysing OCCB, the respective market and society have to be considered.

Market

Metaphorically, the market can be understood as the stage setting in which the drama of a critical incident is played. The market structure determines the availability and attractiveness of complaint possibilities. A monopolist, in particular a company offering a basic provision product, does not have to make much effort in order to deal with dissatisfied customers, as they cannot change supplier anyway. Accordingly, the business is not forced to excel in complaint management. There is no need for developing new, innovative and convenient ways to get in touch with the company. Quite the opposite, customer feedback may even be considered as disruptive by managers. Nonexistent competitiveness allows the business to thrive nevertheless.

In a polypol, however, many companies only just wait to poach dissatisfied customers. Accordingly, companies have to invest much in customer loyalty. Complaint management is one effective measure to achieve this goal. While the internal use of complaint information may prevent more dissatisfied customers in the first place, the satisfaction of already dissatisfied customers can be restored again. In order to exploit these potentials, it is important to stimulate dissatisfied consumers to voice their dissatisfaction to the company. This in turn requires easily accessible, convenient complaint channels. The offering of new, innovative complaint channels may be highly conducive to a company’s complaint image and thus increase the perceived probability of success of a complaint, regardless of the channel. This, again, will stimulate complaints in general.

Highly competitive, polypolic markets seem to have a positive effect on the propensity to complain online because companies are forced to offer an attractive set of complaint channels. They must try hard to convince the customers of their customer care excellence, which in turn increased the perceived probability of success. Given that a main concern of OC is the low success rate, striving for customer care excellence will additionally be conducive to the propensity to complain online.

Highly competitive markets have a positive effect on a consumer’s propensity to complain online.

Society

Information from external sources (informational influence) as well as significant others (normative influence) determines the propensity to complain online, too. If in a society much information about OC is spread, e.g. by the press, then consumers can shape their attitudes towards this
phenomenon. In case of a correspondence of the information and the internal system of values and beliefs, they are likely to internalize the information, which in turn will have an impact on behaviour (Kelman 1961).

| Page 38 | Positive information about OC from external sources has a positive impact on the propensity to complain online. |

While informational influence is devoid of social pressure and purely intrinsic, normative influence is based on the opinions of important others. Individuals do not judge OC independently, they follow the assessment of significant others. Accordingly, if both complaining and CMC has a positive valence, then also OC will have a positive image and members are much more likely to express their dissatisfaction online.

| Page 39 | Positive normative influence has a positive impact on the propensity to complain online. |

CONCLUSION

OC is one of the promising future issues for keeping customers satisfied and loyal. In order to use OC effectively, companies must know why consumer complain online. To the author’s knowledge, this question has not been addressed by previous research. Therefore, this paper has developed and discussed a conceptual framework that explains the propensity to complain online. From a managerial perspective, the OCCB determinants are relevant because they show customer care responsible how to design complaint channels. Moreover, knowing these influence factors for complaint channel choice allows taking measures in order to steer consumer complaint channel choice.

It has to be kept in mind that today, Internet is still a nascent channel (Frambach, et al. 2007; Harris, Grewal, Mohr and Bernhardt 2006; Soopramanien and Robertson 2007). The majority of companies still offer exclusively e-mail or webform to communicate online with their customers. Even if companies give customers the possibility to contact them online, it cannot be taken for granted that the online enquiries will be processed and replied to reliably. And due to the restriction to e-mail and webform, CMC is mainly text-based. Consequently, “[…] it is considered a limited medium in terms of information exchange, and unsuitable for carrying out tasks or social functions that require rich, detailed and nuanced communication.” (Hian, Chuan, Trevor and Detenber 2004, n.p.) With the ongoing diffusion of Internet usage and convergence of different channels, however, this is likely to be changing. It is expected that new forms of CMC will be offered by companies more often, among others for online complaint management. In particular chat and instant messaging combine the advantages of written complaints (no direct confrontation, no loss of face) with the advantages of synchronous communication. But also the shift to virtual worlds is a possible move. A factor highly conducive to this development is the convergence of media. An increasing number of devices enable users to go online, be that a mobile phone, a laptop, a personal digital assistant or an MP3 player.
However, regardless of the promising options CMC offers, there will always be dissatisfied customers who do not complain online. This may be due to the depersonalised nature of CMC, but also due to personal traits such as channel preference or lacking skills. Moreover, situational constraints may inhibit OC. Therefore, the e-channel will not replace “traditional” complaint channels, but complement them. Given that a company is interested in customer complaints, it is strongly advised to offer multiple ways for feedback.

This paper is limited to a conceptual analysis of the OCCB determinants. Consequently, the conceptual framework will be examined empirically by means of two qualitative studies. The aim is to refine and reduce the suggested propositions. In a first step, expert interviews with practitioners and scholars will be conducted. Then, case studies with (not) online complainers will be carried out. The qualitative studies are supposed to result in a model ready for quantitative testing.

REFERENCES

Francis Buttle and Leigh Thomas (2003), Complaints Handling in Australia: Evidence from Organisational Websites, Proceedings of Australian and New Zealand Marketing Academy (ANZMAC)


