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**«FRIENDLY» COMPLAINING BEHAVIORS: TOWARD
A RELATIONAL APPROACH**

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**«FRIENDLY» COMPLAINING BEHAVIORS: TOWARD
A RELATIONAL APPROACH**

ABSTRACT:

The relational approach is often presented as a strategy to retain customers, but it may also be an appropriate approach to encourage customers to complain, as a review of literature shows.

Using information contained in complaints and giving the right answers (distributive, procedural and interactional) to such complaints is essential. Relational marketing may also be used to induce customers (but not all of them) to complain about the attributes of certain products/services. This article focuses on these issues and should stimulate further research in this new field.

Key words: Relationship Marketing; Complaining Behavior; Friendly Complaints, Justice Theory.

Introduction

Over the last two decades, the nature of supplier-customer relationships has changed dramatically in many markets. Managing relationships with customers and suppliers is an issue which has also gained widespread recognition, among academic researchers as well as among industrial practitioners, mainly in industries such as the car industry or through distribution channels. Even though this evolution does not appear in all industries, it is a movement that cannot be ignored.

It becomes apparent that many industrial firms try to establish close relationships with their business partners -suppliers, distributors, clients, etc. - (Heide, 1987). This relational trend is complementary and sometimes opposite to the one based on transactions. Macneil (1980) speaks of a transactional/relational exchange continuum. Are these distinct positions, or should we instead consider a balance between the two tendencies? With a discrete contract, no relation exists between the parties apart from the simple exchange of goods. Its paradigm is the transaction of the neoclassical microeconomics (Macneil, 1980, p.10). One way or another, modern contractual relations tend to involve large numbers of people, be durable, and involve more aspects than the mere object of the contract. There is a social dimension to the exchange that is totally ignored in the transactional exchange (Dwyer, Schurr and Oh, 1987). But the transactional as well as the relational dimensions are taken into account which lead to the idea of a continuum.

Although traditional marketing with the transactional dimension remains important, the relational dimension is fundamental in marketing today, but not for all economic sectors or customers. Some economic sectors are not concerned by this new type of marketing (*e.g.*, industries where you buy very rarely, for instance, the real estate industry). Some customers are not ready to implement relationship marketing (*e.g.*, they have a very low potential for long-term relationships). What one customer may consider a warm, close, «friendly» relationship, will be considered as stifling or unnecessary by others. For instance, in a focus group conducted by Barnes (1997, p.771), a bank customer indicated that he had an ideal relationship with his bank. When asked to describe the relationship, he replied: «I don't call them, and they don't call me! ».

The relational approach is often presented as a strategy to retain customers. Most firms try to increase their customer loyalty rate by developing a strategy of relationship marketing. Indeed, it has been estimated that by decreasing customer defection among dissatisfied customers by just 5 percent, a firm can achieve profit improvement of 25 to 85 percent (Reichheld & Sasser, 1990).

Retaining customers has become a primary concern. The success of most industrial products depends on repeat buying, and companies do their best to respond to « valid » complaints and to restore satisfaction whenever possible (Barksdale, Hargrove & Powell, 1984).

Customer loyalty is extremely important to companies since:

1. switching creates costs to the firm: the future revenue stream from the customer (a loss from the high margin sector very often [Keaveney, 1995]);
2. the investment to get new customers is far more costly than the one required to retain old ones (Reichheld and Sasser, 1990).

The study of consumer complaining behavior and its consequences is essential and critical in the explanation and prediction of consumer repurchasing intentions and brand loyalty for three reasons (Singh, 1988; Day, 1984; Engel & Blackwell, 1982; Richins, 1983):

1. Complaints provide valuable information about the firm's dysfunctional behaviors and its products/services failures (Dart & Freeman, 1994; Hansen, Swan & Powers, 1996). If a customer leaves without saying anything, he alone retains this essential information. Furthermore, voice complaints can be very interesting and constructive.
2. Moreover, if the firm answers his/her complaint properly and rapidly, the consumer can reach a second-order satisfaction. Bearden and Oliver (1985) have shown that the very act of complaining may enhance secondary satisfaction, not only through its ability to initiate redress, but also through its cathartic effects of « getting it off my chest » (Oliver, 1997).
3. Overall, it has been shown that when a consumer is satisfied by the response to his complaint, he becomes more loyal than other consumers (Lapidus & Pinkerton, 1995).

Despite this growing interest in consumer complaining behaviors, very few researchers (with a few exceptions -e.g., Fornell & Wernerfelt, 1988; Dacin & Davidow, 1997, Oliver, 1997-)

argue that it is important to encourage consumers to complain. This same pattern is true with the investigation of appropriate organizational responses to various complaint behaviors.

As previously stated, using information contained in complaints and giving the right answers to such complaints is important. How can a company give the right answers and stimulate a « positive » complaining behavior from the consumer? The objective is to stimulate complaining behavior leading to useful information. A « friendly » complaint provides signals about the need to reconsider attributes important to the company and on which the company believes it is able to respond quickly.

The literature on consumer complaining behaviors, on justice theory, and on relationship marketing tends to suggest that relationship marketing is a way to develop « friendly » complaints, even if some precautions must be observed.

1. Consumer complaining behavior conceptualization

The literature explaining complaining behaviors by consumers belongs to a larger tide of research about consumer satisfaction and dissatisfaction (Bearden & Mason, 1984; Day, 1984; Day & Landon, 1977; Jacoby & Jaccard, 1981). In this paper, the focus is on consumer complaining behaviors and not on the sources of dissatisfaction and their elimination.

Not all complaints and complaining behaviors are considered hereafter. Firstly, among complaining behavior, only « justified » or « valid » complaints are of interest in the « friendly » complaints field. It is well known that some customers consider complaining as part of a game in order to make the best possible deal with the supplier (Bearden & Mason, 1984; Kowalski, 1996); these behaviors are well documented through the game theory -these customers complain at any time, for any reason-.

Secondly, only the complaints which are explicitly expressed to the firm are considered. They are the only ones which give an organization the opportunity to gather enough information to respond quickly and positively to a service/product deficiency or failure and to up-date the product/service information system.

These «justified» and «explicit» complaints can be useful in Business-to-Business and Business-to-Consumer contexts. No systematic distinction between these two domains is required for our discussion (when the developments are valid in both types of situations).

1.1. Definition and taxonomies

Though several definitions of complaining behavior have been proposed, there is a general consensus about the conceptual meaning of consumer complaining behavior.

Consumer complaining behavior is believed to be triggered by feelings or emotions of perceived dissatisfaction (Day, 1984). Without this feeling of dissatisfaction, the complaint cannot be considered as a real complaining behavior, but as a «game theory» behavior and a «negotiation» tool.

Complaining behaviors triggered by a perceived dissatisfaction may result in some action being taken or in no action being taken. In the first case, complaining behavior is named «behavioral complaining behavior» (exit, voice, third party, *e.g.* any consumer actions that convey an expression of dissatisfaction). In the second case, it is named «non-behavioral complaining behavior» (there is no action -the consumer tries to forget the dissatisfaction and remains loyal-). This distinction behavioral/action - non behavioral/no action was first identified by Hirschman (1970). All the subsequent taxonomies (except the one by Richins [1983]) are based on this distinction between behavioral and non behavioral complaints.

The «friendly» complaint needs to be explicit. In other words, it has to be voiced and the company has to be able to respond to it. That is the reason why, among the following taxonomies, the complaints of interest in a «friendly» complaint perspective will be identified.

a) Hirschman (1970, p.81) theorizes that three options face a dissatisfied consumer: exit¹ (*i.e.* leave the relationship), voice (*i.e.* communicate a displeasure to the institution) and loyalty. Hirschman introduces the concept of loyalty as a third response. This concept can be twofold: on the one hand, it can be an outcome itself whereby individuals choose loyalty (staying) rather than exit or voice. On the other hand, loyalty can be a moderating variable where high-loyalty individuals forego exit until all efforts at voice have failed (Oliver, 1997).

b) Based on this work, Day & Landon (1977) propose a two-level hierarchical classification scheme. The first level distinguishes behavioral from non behavioral responses (*i.e.*, action/ no action). The second level represents the distinction between public (*e.g.*, third party, large audience, etc.) and private action (*e.g.*, boycott, family circle, etc.). This classification has not been tested.

c) In order to improve Day's & Landon's work, Day (1980) suggests another basis for classification at the second level of the previous taxonomy (See Figure 1). He notes that consumers complain (or do not complain) to achieve specific objectives. In fact, consumers may provide various explanations for the complaint action they undertake. So Day proposes that the 'purpose' of complaining can be used to classify consumer behavior into three categories:

1. seeking redress;
2. complaining for reasons other than seeking remedies (to affect future behavior, to persuade others, to take legal action, etc.);
3. as a means of expressing personal boycott.

Please, Insert FIGURE 1

d) Singh (1988) introduces a slightly different taxonomy. When dissatisfaction occurs, three types of complaining behavior can be found:

1. voice responses (seeking redress from the seller or no action²);
2. private responses (word-of-mouth communication);
3. third-party responses (implementing legal action).

e) Finally, Richins (1983) notes that complaining involves at least three distinct activities: (a) switching brands/stores/service providers (defined as exit), (b) making a complaint to the seller (defined as voice), and (c) telling others about the unsatisfactory experience (which constitutes negative word-of-mouth). She indicates a fourth possibility which is complete inaction (the consumer keeps his/her dissatisfaction to himself/herself and tries to forget the experience). Most of the customers opt for this fourth possibility. Except for complete inaction, these answers can be linked together.

The dimensions operationally useful in a «friendly» complaints perspective may be illustrated as such:

1. a behavioral complaint which is voiced;
2. a complaint aimed at (1) seeking redress, (2) seeking something other than remedy³, or (3) personal boycott. These objectives will be reached through voice responses⁴. For this reason, an objective of the «friendly» complaint strategy is to transform non behavioral complaints into behavioral complaints and non-voiced complaints into voiced complaints (Stephens & Gwinner, 1998) -See figure 2-. These different types of responses are not independent of one another.

Please, Insert FIGURE 2

1.2. The attitude and propensity toward complaining

The attitude toward complaining is conceptualized as the overall affect of «goodness » or «badness » of complaining towards sellers and is not specific to a given episode of dissatisfaction.

Research has shown that the consumer's disposition to complain is correlated with some personality orientations including assertiveness, alienation, self-confidence, locus of control and self-monitoring (Bearden and Mason, 1984). In addition, learning theories suggest that consumers develop more positive attitudes toward complaining when they become more familiar with complaining practices and environment (*e.g.*, knowledge of unfair practices, consumer rights and complaint channels) and when they have faced complaining experiences with positive outcomes. Therefore, in a «friendly » complaints context, the firms have to work on these learning processes since they want to develop complaining behaviors. There exist several ways to do so, such as communicating through advertising the firm's complaint handling policy, giving in-store complaint policy information while the customer is making his choice, communicating through the service warranty in the contract.

The basis of a «friendly » complaint is a «voiced » and «well-handled » complaint.

One must bear in mind Hirschman's observation (1970) that customers may take no action even when dissatisfied if they are loyal to the seller or if they perceive that complaining to the seller (or the supplier) is probably pointless. But the seller may increase the propensity to complain through encouraging the complaint to be voiced and convincing the consumer that the complaint will be taken care of.

2. A new approach to «friendly» complaints through the justice theory

All complaints do not have the same status. As mentioned, some of them are «calculated» complaints (game theory). Others are motivated by a willingness to improve society's well-being. But most of them seem to be the consequence of the customers' willingness to get redress after a disconfirmation or a harmful experience.

Hansen & al. (1996) use the concept of «friendly» complaints. In their work, they refer to the adjective «friendly» because «complaining can be desirable for the marketer» (Hansen & al., 1996, p.271-272).

Developing and managing «friendly» complaints deserve attention since a firm which does not receive any claims probably faces important problems of upward information.

But «friendly» complaints may be desirable only in some cases. And it is valuable for the marketer to develop complaining behavior in these specific cases.

The justice theory helps in understanding the customers' expectations when complaining. The justice theory, and its potential applications in the context of «friendly» complaints, is presented below.

«Friendly» complaints: Two conditions for being efficient?

A « friendly » complaint has to attain its objective that is, be desirable for the marketer. The desirability depends on:

1. the quality and quantity of information generated by the complaints;
2. the capacity of the firm to respond positively and quickly to these complaints.

The quality of the complaints is related to the reliability of the information provided (that is, the accuracy of the information, the credibility of the source, in other words, the credibility of the customers who complain). The quantity of information rests on the capacity of the firm to stimulate the customers' « complaining » behavior in two ways: (1) sending systematically useful information about one's firm or its competitors; (2) inciting « shy » customers or customers who do not express themselves to complain «friendly» (See Figure 2).

The capacity of the firm to respond to these complaints signifies that «friendly» complaints make sense only when the firm is capable of responding quickly and efficiently to these complaints. A «friendly» complaint may have an opposite effect if the company's capacity to respond is weak.

Therefore, in order for a complaint to be qualified as « friendly », certain conditions must be met: They are:

- the complaint must be from a reliable customer;
- the complaint must relate to attributes on which the firm has a strong capacity of response or a competitive advantage. Whenever these conditions are not fulfilled, it can be assumed that « friendly » complaints will have more negative than positive effects as the literature review on justice theory leads us to believe.

Finally, a « friendly » complaint strategy makes sense if it is applied to segments of customers who are very important to the firm, *i.e.* « high margin » customers or « long-term » customers. Indeed, it is important to give high margin customers the perception that the firm cares about their problems and concerns (Reichheld & Sasser, 1990) and provide long-term customers with a good knowledge of the firm, of its products/services. Their feedback is highly valued.

Justice theory and «friendly» complaints

The focus on « good » (reliable, high-margin, long-term) customers may be excellent but risky since the firm has to give the right answer at the right time; otherwise this « friendly » complaint policy might become very dangerous.

The justice literature suggests that each stage of the sequence of a buying and a complaining process is subject to fairness considerations and that each aspect of complaint resolution creates a justice episode (Tax, Brown & Chandrashekar, 1998). A literature review is important to help in understanding the responses to be given to « friendly » complaints and the sensitive dimensions of a complaining behavior. Tax *et al.* (1998) identify three dimensions to justice: distributive, procedural and interactional. Perceived justice has been found to be the main determinant of complainants' negative word-of-mouth behavior and their repatronage intentions. It has been found to mediate the effects of likelihood of success, as well as attitude toward complaining, product importance, and stability and controllability over complaining behavior (Blodgett, Granbois, Walters, 1993).

Theories based on *distributive justice* focus on the allocation of benefits and costs. They use equity principles and the customer may assess the fairness of the compensation differently on the basis of his (her):

- prior experience with the firm in question and/or other firms;
- awareness of other customers' resolutions;
- and perceptions of his (her) own loss (Tax, Brown & Chandrashekar, 1998).

Distributive justice responds to economic costs but also to emotional costs and therefore the response itself will be economic (and based on equity) and affective. Distributive justice will then be found in the evaluation of compensation for financial loss (economic response) and an apology. The apology will give satisfaction on the emotional side. The importance of the apology may differ from Business-to-Business to Business-to-Consumer⁵. However, distributive justice cannot be analyzed without considering also procedural justice and interactional justice. Customers who are voicing « friendly » complaints are mainly looking for procedural and interactional justice, whereas customers who are voicing « usual »

complaints are more interested in distributive justice, *i.e.* they are more interested in what they will get out of their complaint (See Table 1).

Please, Insert TABLE 1

Procedural justice is the perceived fairness of the means by which the ends are accomplished. Here, the process is more important than the outcome. Procedural justice aims at resolving conflicts in ways that encourage the continuation of a productive relationship between the disputants, even when the outcome is unsatisfactory to one or both parties (Folger, 1987; Tax, Brown & Chandrashekar, 1998).

More specifically, according to Tax, Brown & Chandrashekar (1998, p. 72), procedural justice reflects certain aspects of customer convenience and firm responsibility, follow-up and accessibility, with the adage « justice delayed is justice denied ». Swiftness and accessibility, among other attributes, are important.

Finally, *interactional justice* refers to the fairness of the interpersonal treatment people receive during the enactment of procedures. These interactional factors might help us understand why some people feel unfairly treated even though they would characterize the decision making procedure and the outcome as fair.

This component takes into account the human part of the relationship as well as the quality of the communication between the firm and the complaining party. Research results point out several aspects of (un)fair communication and behavior, such as honesty, empathy and politeness (Tax, Brown & Chandrashekar, 1998).

The economic aspect is a necessary condition for all complaints to be satisfied. In « friendly » complaints, the relational aspects will be prominent. « Friendly » complaints are more likely to occur in a relational context. In this context, the consumer will expect to be satisfied on the three dimensions of justice, whereas in a transactional context, the consumer will not expect any interactional justice. He/she will focus his/her evaluation of the supplier on the distributive dimension of justice (which is an economic dimension, *i.e.* « How much do I get if I complain? »). The procedural dimension may also be of importance (See Table 2).

Please, Insert TABLE 2

Limits

One of the most important limits to the strategy of developing complaints, even though they are «friendly», is that this policy may increase the customer's expectations. The more a firm responds well and quickly to complaints, the more the consumer expects this firm to do so and the more it limits this type of strategy to its attributes with the strongest competitive advantages, otherwise customers may switch to competitors able to provide a better product/service. For this reason, it may be wise for firms to limit this policy to their best customers, who tend to be more loyal⁶. By doing so, it will also limit the percentage of fraudulent claims (Stephens & Gwinner, 1998).

Developing strong relationships with customers and giving them the feeling of being unique may represent a danger to the firm. The customer will increase his expectations according to the advantages he may get through this status.

If responses have to be quick (procedural justice), and delivered in a nice manner (interactional justice), they must also be fair (distributive justice). Tax *et al.* (1998, p.62) give an interesting example by illustrating what occurred to Domino's Pizza: Their decision to change their service guarantee from « Delivery within 30 minutes or receive a free pizza » to « Delivery within 30 minutes or \$3.00 off the purchase price » was explained as an equity decision. Indeed, the first response (a free pizza) was too generous; some customers were embarrassed by this policy.

It seems also clear that the «friendly» complaint developing strategy should be limited to markets where the competition is not too strong. We will see in a third part how the theory of justice may be useful in managing complaints and more specifically «friendly» complaints.

3. Which strategy the supplier should implement to develop friendly complaints

Why sellers should encourage consumers to complain

Complaints may encourage the firm to improve its products/services so that customers as well as the firm itself benefit.

- Complaining behavior as a source of information about one's own firm and competitors

Complaints are a source of information (1) about one's company, and (2) about competitors.

It may seem obvious that encouraging complaining is probably a good way to discover consumer problems and concerns. An analysis of complaints allows the seller to understand the buyer's perception of the company's products and/or services. Firms may get useful information on product/service quality, delivery system weaknesses, etc.

A company may also gather information about competitors through the service guarantee system. Let us take the example of firms which make the following promise: « we are the cheapest on the market », and offer to refund the difference in price if the customer finds the same product cheaper anywhere else. Darty, a French household appliance distributor, built part of its success on this slogan. In this case, the seller is looking toward getting « complaints » from the customers. Indeed, coming back to say « I have found this product at a better price... » has the customer come back with information on the competitors. This constitutes part of the strategy of commercial intelligence.

- Complaints as a means of communication and loyalty building

Beyond the information side, there are other advantages for the firm in encouraging customers to complain. Managing complaints can be a means (1) of communication, and (2) of loyalty maintenance and building.

Complaints are a means of communication between the firm and its customers. According to Granovetter (1985), this communication helps build trust between the parties, which in turn helps to determine the predictability of the other party's intentions and actions. In this sense, it may be considered as a factor of stability in the relationship.

It may be assumed that the more the complaints are voiced to the firm, the less the customer will spread negative word-of-mouth complaints. Furthermore, the more the complaints are positively and quickly responded to, the more the customer is likely to spread positive word-of-mouth information.

Fornell and Wernerfelt (1987, p. 344) observe that « data available indicate that customer loyalty can be increased by encouraging customers to complain ». Likewise, the emerging view in relationship marketing and service quality literature emphasizes « recovery » which can be defined as converting dissatisfied consumers into satisfied customers (hence recovered) through quick and exemplary responsiveness by service providers (Lapidus & Pinkerton, 1995). In turn, this recovery rests on managers understanding of the consumers' complaints, since recovery cannot occur without a complaint. Costs over a short-term period might be high but they should be recovered in the mid and long term with an increase in the loyalty rate and in the supplier's reputation.

How the supplier can encourage consumer complaining behaviors

It has been shown (Barksdale, Hargrove & Powell, 1984) that good handling of complaints is very constructive. The firm must communicate its openness to receiving complaints (Stephens & Gwinner, 1998). However, an optimum level of communication has to be found, since too much emphasis on this openness might make the consumers suspicious about product/service quality and the firm's delivery capabilities.

The transactional and relational aspects both influence the complaining behavior. Some are controllable by the firm, others are less controllable. There are several points of the transaction that the seller can rarely influence. For instance, Barksdale, Hargrove & Powell (1984) show that there is a link between the overall purchase price and the propensity to

complain. They also demonstrate a negative link between the number of potential suppliers and the propensity to complain. These elements (the weight given to a product price in the customer portfolio or the number of players in the market) are not directly controlled by the seller. East (1998) reminds us that *predictive models* of complaining behaviors may include demographics, biographical and situational data as factors affecting complaining behaviors. The only tactic he may use is to communicate in such a way that the weight of these elements is decreased in the consumer's mind, but most of all, the company has to know these factors and take them into account in its strategy.

There are other points which are easier to manipulate by the supplier who wants to increase the consumer propensity to complain. The consumer must have the feeling that complaining is worth the effort (Singh, 1990), that he will be listened to and understood. He should also be convinced that the incident was unfortunate and is not the general rule (especially when the customer attributes the origin of the problem to the supplier). The explanative models help define a strategy. Indeed, *explanative models* focus on motivational factors and seem more useful to those whose goals are to change customers' behaviors through communication. Ajzen's theory (1991) of planned behaviors is very useful in identifying and exploring the antecedents of complaining behaviors. In this theory, three types of belief affect the probability of complaining behaviors by dissatisfied consumers:

- *Outcome beliefs* are about gains and losses, including opportunity costs, that follow complaining or not. These beliefs will be analyzed through the *customer's distributive justice* scheme.
- *Referent beliefs* are linked to the importance a customer can give to others' opinion. It is about what key people or groups think the customer should do.
- *Control beliefs* are linked to *procedural justice*. They evaluate how easy or difficult it is for the customer to complain. These are knowledge, skills and other resources that can make complaining easier. Among the other resources are key points set by the customer's environment, such as whether adequate personnel are accessible, etc. It is in some way linked to *interactional justice*.

In order to improve the probability of customers exhibiting complaining behaviors when dissatisfaction occurs, a firm has to play on these three levers in its communication as well as in its complaint management. The customers should be made keenly aware of the different means they have at their disposal to complain (*e.g.*, where to go and how to complain). The French railway company S.N.C.F. used the *control belief* lever (*procedural justice*) during the winter of 1996, when most of its trains were halted by snowstorms and icestorms. Agents waited in the train stations (*interactional justice*) and handed out pre-stamped envelopes with the address of the customer service department to the high speed train (T.G.V.) passengers in order to get reimbursed (*distributive justice*⁷). This action, even if it was quite expensive for the company, clearly helped it to recover and improve its image after this difficult time.

This suggests that attempts to promote face-to-face, mail or other medium complaints should be designed to banish unease and make such behaviors a simple, common and acceptable part of the customers' repertoire (East, 1998).

The impact of relationship marketing on consumer complaining behaviors

According to Day and Landon (1977), factors influencing the choice of alternative actions between exit, voice and loyalty (according to Hirschman's terminology) are:

- marketing aspects (seller's reputation, circumstances of the sale, responsiveness of the seller to complaints, etc.);
- consumer factors (*e.g.*, propensity to complain);
- circumstantial factors.

As explained previously, it seems clear that the firm may act mainly on the first two categories of factors, *i.e.* the marketing aspects and consumer factors. Relationship marketing has shown its capability to create strong links between service providers and customers⁸.

For this reason relationship marketing provides useful tools to handle «friendly» complaints.

Through the literature, one can identify four main characteristics of the relationship process (Perrien, Paradis & Bantig, 1995):

- it is an asymmetrical process guided by the supplier, *i.e.* the overall quality and effectiveness of any relationship rests on the seller. One of the objectives of a « friendly » complaint developing strategy is to balance this asymmetry ;
- it is a personalized process: buyer's knowledge is a basic requirement to the development of a relationship;
- it is a process with shared benefits: both the seller (supplier) and the buyer must obtain a tangible outcome. Securing the desired quality of supply and ensuring customer loyalty are two of the most well known results expected from an effective relationship.
- and it is a process which requires a long-term commitment: basic objectives of a long-term relationship strategy are both to increase the customer's loyalty and to achieve some growth by cross-selling and developing relationships with high-margin customers;

It is useful, then, to analyze how relationship marketing can help develop «friendly» complaints and why it works (in other words, to assess the gains both parties can obtain in the exchange from this strategy).

Moreover the consequences of a « friendly » complaints program may be on the communication side or on the relations perspective as shown in Table 3. This table indicates which aspects of the relationship the supplier has to improve in order to develop « friendly » complaints. For instance, because the relationship is an asymmetrical process, some resources have to be spent in order to develop a bi-directional communication. The supplier can use different means to reach these objectives. All are linked to relationship marketing and can be decomposed into three categories linked to the three dimensions of justice. The gray cells, in Table 3, are not empty cells. They simply represent the fact that the link is less strong between the asymmetrical process and the type of relation (and between the three other relational characteristics and the communication side). We have only focused on the dominant links.

Please, Insert TABLE 3

- How to develop « friendly » complaints? Through relationship marketing

The more the consumer blames the seller (attribution theory, *e.g.* Richins, 1983 or Boshoff & Leong, 1998), or believes that the dissatisfaction could have been avoided, and that the dissatisfying event is likely to happen again, the stronger his reaction and the greater his probability to complain. But in such circumstances, it will be difficult for a firm to repair the damages. Developing complaining behaviors in a less radical way would then be more interesting and efficient, which is the basis of « friendly » complaints. It would also decrease the asymmetry of the relationship.

« Friendly » complaints are direct and voiced actions to the supplier that aim to improve the product/service and the delivery process without threatening the relationship, and which ultimately help to strengthen the firm's competitive position.

To elicit such behavior the firm must:

- have a better understanding of its customers;
- develop bi-directional communication;
- build trust;
- give good and quick responses to complaints;
- develop a relational way to manage its employees⁹.

All of these elements are strengthened by relationship marketing. Indeed, Grönroos (1994) defines the most important elements of relationship marketing as:

- *the promise concept*: a firm that is preoccupied with making promises may initially attract new customers and build relationships. However, if promises are not kept, the evolving relationship cannot be enhanced and maintained;
- *trust*: there has to be a belief in the other partner's trustworthiness which results from the expertise, reliability or intentionality of that partner (Moorman & al., 1993).

It implies a personalization of the relationship. Macneil (1980) also enhances the concepts of communication and flexibility in the relationship. Reichheld (1995) explains that there is no relationship marketing without any internal relationship management.

When a relationship is well established between a seller and a customer, the commitment of both parties is quite important. This long-term commitment may be a driver. In other words, the customer involved in the relationship will want to improve it and to help the supplier improve it as well.

- Why does it work? Shared benefits of « friendly » complaints

Rationally, a strategy must be interesting for at least one party in order for it to survive on a long-term basis. Relationship marketing goes further since it is supposed to deliver benefits to all the parties involved. In the « friendly » complaint case, both parties perceive this relationship in its continuity. This means that the client wants to improve his/her future *via* complaints and the firm (the provider) wants to preserve its future revenues by retaining a satisfied customer. Both can reach their objectives by developing a system of «friendly» complaints.

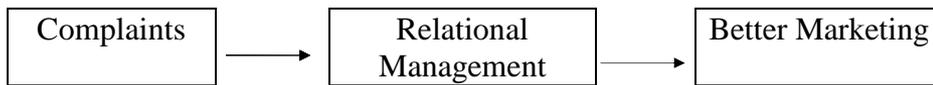
In the case of services, their intangible nature makes it difficult for customers to evaluate them prior to purchase. For this reason, it is very important to give the consumer the feeling that he can report any problem to the seller and that it is not his fault if something goes wrong. The major development of numerous charge free phone numbers, postage-paid and short feedback cards reflects this view (Oliver, 1997). However, they are just the beginning since there is a need to develop the relationship on a much more personal level. This is possible through techniques such as the callback: customers are contacted directly and asked pointedly if their product or service experience was satisfactory. In this manner, problems can be pinpointed, and additional diagnostic queries can be introduced (Oliver, 1997). There is also a great need to develop a relational way to manage employees. They need to be given more independence and responsibility in order to be able to answer consumer requests and subsequently act on them quickly and efficiently.

Please, Insert FIGURE 3

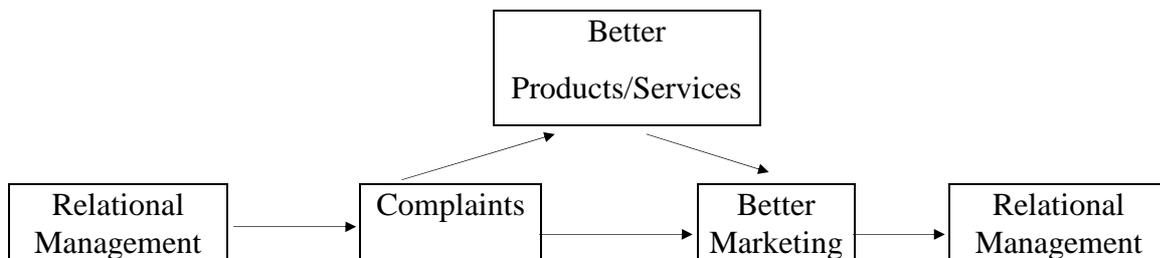
Conclusion

The newness of the «friendly» complaint approach may be summarized as follows:

Traditionally, the complaint treatment process was:



here it becomes:



It should be noted that working on complaining behaviors must not become a substitute for product/service quality. Response strategies to consumer complaints must remain a last recourse. But in competing economies, product/service quality has considerably improved, so customer service programs may be a key asset in the elaboration of the strategy of differentiation. That is why this issue is important. But when a firm develops a « friendly » complaints program, it cannot become a strategy *per se*, that is THE strategy of the firm. It may only be an element of a broader program, including pro-active actions such as warranty programs. Moreover, the strategy has to be focused on a limited number of attributes, attributes on which the firm has a competitive advantage for a limited number of customers, those who have a relational potential. Otherwise, a «friendly» complaints program may be very costly.

To summarize, complaints may be considered as positive if the company is able to (1) obtain all of the information contained in complaints, (2) act accordingly, that is, quickly and positively, (3) make some consumers change their behavior, that is, go from an exit behavior or a no-complaint behavior or a personal complaint behavior to a voiced complaint -in a positive way-; and (4) bring the consumer to seek something more than simple redress. This strategy may also find its roots in the social dilemma theory as it is a transformation of consumer non-cooperative behaviors into consumer cooperative behaviors, and of supplier short-term orientation into long-term orientation (Willenborg, 1998).

Actually, the development of appropriate policies and procedures is essential in reducing consumer complaints that damage the seller's reputation (Hansen & al., 1997). These damaging complaints are mainly negative word-of-mouth behavior since the firm cannot control them. Very often the firm is not even aware of them or discovers them when it is too late and when they have already been widely diffused.

Conducting both an investigation on « friendly » complaints and experiments on strategy and behavior would be useful and necessary to test the propositions made in this article and better understand complaining behaviors. Research would probably show that there exist different categories of consumers responding specifically to a « friendly » complaints strategy, some of the customers being more sensitive to the transactional side of complaining, others to the relational or to both the transactional and the relational.

Please, Insert TABLE 4

It is likely also that differences will be found between Business-to-Business and Business-to-Consumers situations. After conducting a preliminary analysis, researchers might conclude that emotional factors are less important in the first context. This could be misleading since the relational part is prominent in a Business-to-Business context and further research is needed to clearly formalize the differences between retail customers and industrial customers.

TABLE 1**Types of justice and types of complaints**

Need for...

Type of justice	distributive	procedural	interactional
Usual complaints	important	less important	less important
«Friendly» complaints	less important	important	important

TABLE 2**Types of justice, their prominent dimensions and types of relationship**

	Type of justice		
Type of relationship (contract)	distributive	procedural	interactional
Transactional	economic dimension	quickness of the response, accessibility	
Relational (*) (**)	emotional dimension	fairness of the process	all the aspects

(*) All the dimensions present in the transactional type of contract are present in the relational one as well, but if they are necessary they are not discriminant.

(**) « Friendly » complaints belong to this type of relationship.

TABLE 3

**Relational characteristics and operational consequences for
« friendly » complaints program**

Prominent relational characteristics	Consequences for « friendly » complaints program	
	Communication side	Type of relations
<ul style="list-style-type: none"> • asymmetrical process 	<ul style="list-style-type: none"> – bi-directional communication – having any problem being reported – better understanding of customers – marketing intelligence (competitors) 	
<ul style="list-style-type: none"> • personalized process • shared benefits • long-term commitment 		<ul style="list-style-type: none"> – building trust – good and quick responses (and relationship) – relational way to manage employees (employees/customers)
Means	<ul style="list-style-type: none"> – emotional aspect (distributive justice) – fairness of the means (procedural aspect) – mainly interactional justice <p align="center">Relationship Marketing</p>	

TABLE 4**« Friendly » Complaint Program**

		Communication	Quality of response	Quality of relation
Customers	All customers	Warranty, Information about competitors	Quick and specific response (transactional)	Good relationship response
	Loyal and best customers	Specific mailing	Good and positive response (specific attention to these customers)	Specific follow-up program (good data warehouse)
Attributes	Most important attributes	Focusing on these attributes in terms of friendly complaints	Focusing on these attributes in terms of quality of response	Training of employees in terms of relationship marketing
	Other attributes	No specific communication on these attributes and good transactional complaint program		

FIGURE 1

Day's taxonomy of consumer complaining behaviors (1980)

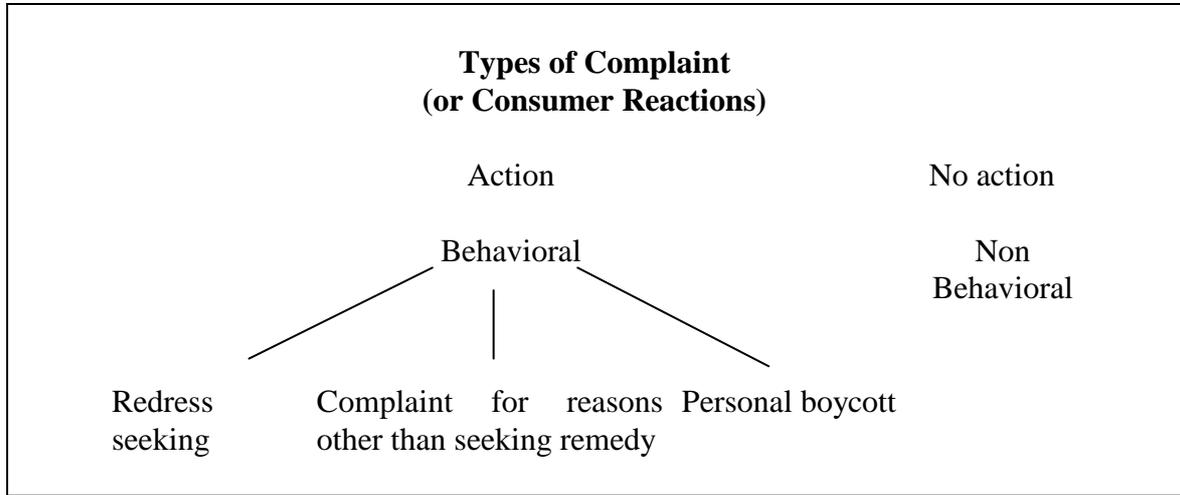


FIGURE 2

Possible scope of «friendly» complaints

		Complaints objectives		
		Redress	Seeking other (more) than remedy	personal boycott
Behavioral responses (action)	Voice to the supplier	⇐⇐⇐	Friendly complaints	⇐⇐⇐
	Exit	⇑⇑	⇑⇑	⇑⇑
	Third party			
	Interpersonal influence			
Non behavioral responses (no action)	Loyalty	⇑	⇑	⇑

FIGURE 3

Possible scope of «friendly» complaints

		Complaints objectives		
		Redress	Seeking other (more) than remedy	personal boycott
Behavioral responses (action)	Voice to the supplier	build trust =====>	Friendly complaints	build trust <=====
	Exit	shared benefits		shared benefits
	Third party	promise concept		build trust shared benefits
	Interpersonal influence			
Non behavioral responses (no action)	Loyalty			

- partly distributive justice (financial loss)
- partly procedural justice (swiftness, accessibility)

- partly distributive justice -emotional part (apology)
- partly procedural justice (fairness of the means)
- interactional justice

Transactional marketing

Relationship marketing

Notes

1 - We must note that exit is either switching from one brand to another or, more radically, immediately refusing to buy the category of product or service.

2 - Voice consumer complaining behavior is directed to objects that are external to the consumer's social circle (*i.e.*, informal relationships) and are directly involved in the dissatisfaction exchange. Singh (1988) includes the no-action responses in this category because they appear to reflect feelings toward the seller.

In contrast, third party consumer complaining behavior includes objects that are external to the consumer, as in the voice consumer complaining behavior, but they are not directly involved in the dissatisfying transaction (*e.g.*, legal agencies, newspapers, etc.).

Finally for the private consumer complaining behavior category the objects are not external to the consumer's social net and are also not directly involved in the dissatisfying experience (*e.g.*, self, friends, relatives, etc.).

Thus the external/not external and involved/not involved criteria are used by Singh (1988) to categorize consumer complaining behavior actions into the three categories of the proposed taxonomy.

3 - For instance, as stated by Oliver (1997), a second-order satisfaction can be reached just through the cathartic effects of « getting it off my chest ». Moreover, the consumer can be seeking an improvement in the product/service not for the time being but for his/her future purchases.

4 - Only in the sense of seeking redress from the seller, informing and influencing public opinion or relatives.

5 - Further research is needed in this field, but we might assume that human factors are more important for individual customers. Industrial buying decision processes are supposed to be more rational.

6 - 'Loyalty' has to be taken here in a broader sense than Hirschman's definition, i.e. long-term customers.

7- Distributive justice was limited here to the economic aspect of the damage (equity). The emotional aspect (apologies) was quite neglected.

8 - Berry (1983) defines relationship marketing as « attracting, maintaining and -in multi-service organizations- enhancing customer relationships ». He stresses in this definition that the attraction of new customers should be viewed only as an intermediate step in the marketing process.

9 - Many firms have tried to develop relationship marketing. Some of them have failed because they have forgotten to develop the same 'philosophy' with their employees. They asked their employees to spend more time with their customers, to handle any incoming complaint carefully, etc. But the way these employees were managed and evaluated had remained the same (number of new customers, productivity, etc.) and they were totally inadequate for the task (Reichheld, 1995).

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