Qualitative analysis about consumer complaint response through Reader’s Letter column in Kompas.com

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Abstract

The purpose of this qualitative study is to describe and present consumer complaint responses through the Reader’s Letter column in Kompas.com. In collecting the data, the researcher uses secondary data from documentation of complaints taken from the online version of Reader's Letters of Kompas daily newspaper (http://www1.kompas.com/suratpembaca or Kompas.com). A total of 168 complaint letters were analyzed during the period December 2011 to April 2012. Results showed that 85% contain negative words toward the companies (disappointed, frustrated, failed to satisfy customer, feeling trapped and robbed, etc) as reasons to complain through the Reader's Letter column of Kompas.com. Based on this study, companies in Indonesia seem not to place importance on responding to consumer complaints as less than 2% of companies were eager to reply to the complaints in the same column of Reader’s Letter, and only 6% of complaints were resolved based on the sample data. This paper aims to identify and suggest practical company solutions directly applicable to service management.

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Keywords: Customer service; handling complaint; Indonesia; service management

1. Introduction

1.1 Background

Indonesians are generally perceived as nice people who always smile to foreigners and have strong friendships. However, when it comes to service management, Indonesian Customer Service (CS) staffs...
tend to be lousy and do not understand the importance of customers for their businesses. As a result, many consumers in Indonesia perceive dissatisfaction with how businesses respond to their problems.

It is well documented in marketing literature that consumers appear to feel a greater dissatisfaction with services than products (Best and Andreasen, 1977) and the most frequently mentioned reason for dissatisfaction is careless and unprofessional manner of the service (Day and Bodur, 1978, p. 265). Many unsatisfactory services have been provided by Indonesian companies, but there are neither sincere consumer complaint responses nor apologies felt by many consumers.

Butteli (2007) compiled literatures regarding studies of complaint behaviors and stated that by complaining, customers expect different possible outcomes. Customers may hope for a tangible solution of a specific problem through a refund, exchange or repair; a psychological compensation obtaining apologies; or a social benefit, "preventing the cause for their dissatisfaction from occurring to other consumers" (Landon, 1977, p. 32). In other situations, a complaint has an objective to express anger and frustration for stress relief. Consumers do not really expect responses from the seller or the service; it is just a cathartic means (Nyer, 2000).

Meanwhile, the companies facing complaints will likely respond to the senders in the same column because they seem afraid of negative word-of-mouth (WOM) as untrustworthy organizations by consumers. Some companies do apologize through the Reader’s Letter column, while others try to ‘hide’ their flawed services/products by just saying that the problem has been resolved.

Nuryanto (2010) examined apology strategies used by businesses in the Reader’s Letter column of Kompas daily website using 23 samples of reader’s letters. While this study makes a significant contribution to understanding aspects of apology strategies, there is limited research exploring the consumer complaint responses from marketing and consumer behavior perspectives. No previous studies specifically focus on consumers who share their negative experiences consuming the products and services in Reader’s Letter of a daily newspaper. The growing competition in the global market brings researcher to study the consumer complaint behavior in the Reader’s Letter column of Kompas. Therefore, this study may contribute to a better understanding of consumer complaints management.

1.2 Research problem

The primary question guiding this qualitative study is: why do people use the Reader’s Letter column in the daily newspaper to complain about unsatisfactory services or products? A further question is: How frequently do consumer complaints in Reader’s Letters of Kompas receive satisfactory response letters? A prior study by Gilly (1987) examined satisfaction rates felt by consumers and showed that they had little satisfaction to the responses by organizations. The response rates to complaints have varied from 56% to 79% (Gilly 1987).

2. Research method

2.1 Method of data collection

In collecting the data, the researcher used secondary data from documentation of complaints taken from the online version of the Reader's Letter column of Kompas daily newspaper or Kompas.com i.e. http://www1.kompas.com/suratpembaca.
2.2 Population and sample

The population in this research is all the consumers who have been complaining about the products or services in Reader’s Letter of Kompas.com between December 2011 to April 2012. This study uses the purposive sampling method, a type of non-probability sampling where the units that are investigated are based on the judgment of the researcher. There were 168 letters selected from Reader’s Letter of Kompas.com based on criterion that in the date Reader’s Letter column published there was at least one response letter in the column.

2.3 Research procedure

The research procedures are as follows: 1. Compiling the complaint letters taken from the Reader’s Letter column of Kompas.com; 2. Grouping and coding the content of each letter; 3. Analyzing the letter contents; 4. Drawing some conclusions and implications of the study.

3. Results

The results show that from 168 complaint letters, 85% contain negative words toward the companies (disappointed, frustrated, failed to satisfy customer, feeling trapped and robbed, etc) as reasons to complain through newspapers. 85% of the above consumers have complained to the companies’ customer service prior to complaining to Kompas.com. Among the 168 complaint letters, less than 2% of the companies replied to the complaints in the same column, and only 6% complaints were reported resolved.

When companies offer an apology and a solution, it will bring satisfaction to customers and they respond to it by writing a gratitude letter. On the other hand, when a company only offers an apology and an explanation, it is not surprising that this type of response letter brings disappointment. Interestingly, the 10 cases of consumer complaint responses from sample studied show that more customers themselves respond to their complaints as gratitude letters than companies do. The companies seem reluctant to apologize or do not respond to the complaints through the same reader’s column. An example sentence of a response letter from the company in addressing its customer complaints without an apology usually only states: “…the problem has been resolved and the customer can accept our explanation.”

4. Discussions

Many Indonesian companies already have internal complaints-handling systems to address problems, complaints and conflicts. Some examples include toll-free complaints assistance and in-house customer service representatives and published returns policies. Yet, the Customer Service (CS) staffs were perceived to fail at handling complaints. It is very rare that CS staff show a sincere positive attitude, such as being helpful and cheerful. The staffs seem not to care whether the company can retain customers or not. Most staff in the company are not well aware of the procedures and the importance of the complaint-management system. This may be because companies neither provide adequate training for the complaint-management staff nor sufficient staff feedback and evaluation (top management directly oversee the complaint-handling procedures).

A prior study by Gilly (1987) found the response rates to complaints varied from 56% to 79%. However, results in this study show that companies in Indonesia do not seem to place significant importance on responding to consumer complaints, as less than 2% of companies responded to the
complaints in the same column of Reader’s Letter, and only 6% of complaints were resolved based on sample data.

Although less than 2% of companies responded, Indonesian consumers see the daily newspaper such as Kompas as a helpful means to voice their complaints. According to Nyer (2000), a complaint has an objective to express anger and frustration for stress relief. Consumers do not really expect responses from the seller or the service; it is just a cathartic means. To conclude, people use the Reader’s Letter column in the daily newspaper to complain about unsatisfactory services or products to ‘embarrass’ the companies; to let others know that the companies are doing bad business. Kompas cannot be expected to solve consumers’ disputes with the companies since Kompas is not a body that handles consumers’ rights and protection. It is beyond the newspaper’s responsibility. However, Kompas is the best choice to voice their disappointment since Kompas has largest circulation of all newspapers in Indonesia.

A complaint system should be easily accessible to consumers. However, generally speaking this does not seem to be the case in Indonesia. Many customers state that it is very difficult to reach the company to complain and give feedback. There is a non profit organization entitled the Indonesia Consumers Organization (Yayasan Lembaga Konsumen Indonesia, abbreviated as YLKI) which is interested in consumers’ rights and protection and may act as a third-party mediator. Indonesian consumers can contact YLKI regarding their complaints about a product or a service failure. Yet, many consumers consider the Reader’s Letter column in Kompas, the leading Indonesian newspaper, as the most practical place to complain about negative consumption experiences.

Consumer complaints may act as market intelligence if Indonesian companies realize the importance of the complaints. Research reveals that constructive responses to complaints can help retain customers (Weiser 1995; Reichheld 1996). When dissatisfied customers decide to complain, they are giving companies a second opportunity (Butelli 2007). To compound matters, the Indonesian government seems not to care about consumer rights. Enforcement of the consumer protection law is low with no sanctions to companies.

5. Research limitations and directions for future studies

There are several limitations in this study. Thus, caution must be used in interpreting these findings. This is an initial descriptive qualitative study; there was no hypothesis testing regarding the causal effect of some important variables, such as personal characteristics of consumers that may affect complaint behaviors. Future studies of this nature should consider a combination of methods in measuring consumer complaint behaviors and response; therefore, the researchers can observe multiple factors affecting consumer complaint behavior and response.

Another limitation of this study relates to sample size. Research outcomes should be carefully inferred given the relatively small total final sample of 168 complaint letters and 10 consumer complaint response cases. Future research needs to replicate this study with a bigger sample size.

6. Conclusions

From 168 complaint letters in the Reader’s Letter column in Kompas.com between December 23, 2011 and April 15, 2012, it is found that only 10 out of 168 complaints were answered by companies. Based on this study, companies in Indonesia do not seem to place importance on responding to written consumer complaints. About 85% of consumers have complained to the companies’ customer service prior complain to Kompas. Kompas is the best choice to voice their disappointment since Kompas is the largest
distribution newspaper in Indonesia. Consumers do not really expect responses from the seller or the service; it is just a cathartic means.

Companies in Indonesia should realize that responding to consumer complaints promptly would not only resolve the complaint, but also strengthen the trust and relationship between a company and its customers. Further research is suggested to clarify the nature of handling customer complaint effectiveness via the Reader’s Letter column in a newspaper.

References


http://www1.kompas.com/suratpembaca


