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WHAT DO WE KNOW ABOUT WHY INTERNET USERS COMPLAIN? AN EXPLORATORY STUDY

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ABSTRACT

The Internet has had a greater impact on consumer behavior than any other innovation in recent years. Previous research has identified certain traits, individual and situational factors concerning consumers who complain yet these various triggers are markedly different to the identified profile of Internet users. This leads to the generation of several research questions that need to be considered to enable the development of effective strategies that need to be implemented to deal with the issues raised by this most important group of stakeholders -- the users.

KEYWORDS: consumer complaints, Internet, exploratory, consumer profile

INTRODUCTION

The Internet is an electronic, global network of interconnected networks, which may comprise of corporate, government, organizational and private networks (Strauss & Frost, 2001). This new innovation has had a greater impact on consumer behavior than any other in recent years (Barnes & Cumby, 2002). The popularity of this new medium has resulted in a substantial rate of growth since 1994 when the World Wide Web was introduced and users were able to do more than just base their usage on pure text and file transfers (Haubal & Trifts, 2000; Strauss & Frost, 2001).

As of February 2002 it is believed that the “online world” consists of over 544 million people or nearly 9% of the world’s population, which is an increase of over 3400% in the last seven years (NUA Internet Surveys 2002). This has enabled the generation of SUS1.234 billion Internet revenue in 2002, which indicates an extraordinary growth rate considering the now seemingly meager SUS800 million generated in 1994 (ActivMedia 2002).

An increasing number of the world’s business population now conduct commercial transactions utilizing the Internet while elements of traditional business-to-consumer dealings (including product and service information, attribute evaluation and comparisons, pricing and payment issues, communication, purchasing and delivery) and social dealings (communication, entertainment, and the like) are now also conducted online (Adamic & Huberman, 2000; Alba et al., 1997; Bakos, 1997; Bradlow & Schmittlein, 2000; Grant, 2002; Hoffman Kalsbeck & Novak, 1996; Hoffman & Novak, 1996).

This article identifies an emerging issue for marketers when considering this new medium and has three objectives; first, to bring together research regarding the Internet and the profiles of its users, second, to introduce the concepts involved with consumer
complaint responses, and third, to identify areas requiring further investigation to enable researchers to address identified issues when contextualising complaint behavior within the medium of the Internet.

INTERNET USER PROFILE

It is vital for both academics and practitioners to identify who are the users of this medium for several reasons. First, economically these consumers contribute over 2% of developed countries gross domestic product (NUA 2002a). Second, a fundamental in marketing theory is to segment the marketplace and identify target markets. This cannot be done effectively without constructing a profile of the users of this medium. Third, if differences in the consumer profile of Internet users are apparent, current strategies must be evaluated and modified in order to reach these consumers efficiently and effectively. As discussed by the Graphic, Visualization and Usability Centre (GVU) from the Georgia University of Technology, Internet users can be demographically profiled as follows:

TABLE 1: Demographic profile of Internet users:

<table>
<thead>
<tr>
<th>BASE</th>
<th>PROFILE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>35 years</td>
</tr>
<tr>
<td>Gender</td>
<td>Male</td>
</tr>
<tr>
<td>Race</td>
<td>White</td>
</tr>
<tr>
<td>Language</td>
<td>English speaking</td>
</tr>
<tr>
<td>Education</td>
<td>University College educated</td>
</tr>
<tr>
<td>Marital Status</td>
<td>Married</td>
</tr>
<tr>
<td>Location</td>
<td>Suburbanites</td>
</tr>
<tr>
<td>Income</td>
<td>$US57,300</td>
</tr>
</tbody>
</table>

(Source: Adapted from GVU, 1999)

However, apart from an evolving demographic profile of Internet users, very little is known about the users of this technology in relation to other profiling elements (Weber & Roehl, 1999). Due to the reach of the Internet and the relative ease of access to its content some consumers will no doubt need protection from aspects contained within this ubiquitous medium. This protection appears in the sum of national and international governmental legislation, regulation and various codes of conduct established and conformed to by non-government regulatory bodies. As part of this protection, consumers
need avenues through which to complain about perceived inequities and it is in this area that this article presents its strength as it investigates consumer complaint responses within the context of the Internet. As regulations are put in place to protect vulnerable members of society, the effectiveness of these measures is moderated by the ability of marketers and regulators being able to identify societal concerns. This can only be done through an effective complaint process.

CONSUMER COMPLAINT RESPONSES

In this paper I discuss consumer complaint responses rather than the more accepted consumer complaint behavior to espouse the thought that "no action" should be treated as a non-behavioral rather than behavioral response. Therefore, consumer complaint responses for the purpose of this paper are the set of multiple, active behavioral responses to dissatisfaction. Consumer complaint responses can be described as the set of all behavioral responses portrayed by consumers which involve the communication of negative perceptions relating to a consumption episode and triggered by dissatisfaction with that episode (Day, 1984; Rogers & Williams, 1990; Singh & Howell, 1983). It can be argued that this implies that consumer complaint responses are influenced by a multitude of situational, product and personal variables and unrelated to, but triggered by, the intensity of the consumer’s dissatisfaction. This assertion is supported by empirical evidence discussed (Day, 1984; Nicosia & Mayer, 1976; Tse Nicosia & Wilton, 1989; Vezina & Nicosia, 1990; Volkov Harker & Harker, 2002).

A review of the literature by Rogers and Williams (1990) relating to consumer behavior in this field of study has indicated that researchers are unified in their understanding of post-purchase consumer dissatisfaction. Consumers, fundamentally, have three alternatives for action in the complaint situation (Andreasen & Manning, 1990; Hirschman, 1970; Singh, 1988, 1990). These are:

1. Exiting;
2. Direct Voicing; or,
3. Amplified voicing.

Exiting involves the consumer establishing a personal boycott against the seller or manufacturer to avoid a repetition of the original transaction that led to the dissatisfaction. Exiting behavior, when working well, obviates the need for public policy intervention. An example of an online consumer’s response would be when a consumer purchases a physical good online from a retailer yet never receives it. She/he responds to this occurrence by never transacting with that particular retailer in the future. Voicing occurs when exiting is unlikely (for example, if the seller is a monopolistic public utility) or when exiting would not yield appropriately perceived restitution in the opinion of the individual consumer. Direct voicing represents the consumer complaining directly to the seller. An example of an online consumer’s response would be when a consumer receives some Spam e-mail as part of an organization’s promotional campaign. She/he responds by contacting the organization on behalf of whom the e-mail was sent and complaining directly to them. Amplified voicing occurs when the consumer enlists the support of third
parties such as newspaper journalists, consumer protection agencies or industry regulatory or self-regulatory bodies to act on her or his behalf. An example of an online consumer's response in this case would be where the consumer believes that she he has been the subject of a privacy/security breach and complains to the government watchdog (in Australia, this may be the Communications Ombudsman) or to the industry self-regulatory body (in Australia, this may be the Internet Industry Association).

**DISSATISFACTION**

In the literature there are several accepted variations of the meaning of dissatisfaction and satisfaction, one being based in equity (Yi, 1990; Woodruff et al., 1991; Erevelles & Leavitt, 1992; Boote, 1998). This study has utilized equity theory to discuss consumer dissatisfaction within the setting of the Internet. Equity theory relates to perceived fairness of a particular transaction (Boote, 1998). Tse (1990) discusses the three possible outcomes of a transaction utilizing equity theory. These are:

1. Equity;
2. Positive Inequity; or,
3. Negative Inequity.

_Equity_ is said to occur when the relative inputs and outputs from both parties to a transaction are perceived to be equal. This may occur when a consumer is conducting a search for information online and receives accurate information that she he was looking for in a timely and convenient manner. _Inequity_ then can be seen to have occurred when the inputs and outputs from both parties to a transaction are perceived to be unequal. _Positive Inequity_ is said to exist when, from the consumer’s perception, she he has gained more from the transaction in terms of either inputs or outputs, than the other party to the transaction. This may occur when a consumer is able to purchase a product online that surpasses the perceived quality at a lower price than the consumer expected and this transaction is able to occur with little personal effort on behalf of the consumer. She he may perceive that they have gained more from the transaction than the online retailer due to the perceived ease, cost and convenience (i.e.: the consumer perceives that they “got a bargain”). _Negative Inequity_ is said to exist when the other party to the transaction is perceived to have gained more than the consumer through the transaction. An example of this may be where consumers may resent the lifestyle-changing move to online banking services rather than the higher-cost, personal interactivity that traditional bank teller provided services offered. Using equity theory, consumer dissatisfaction results from negative inequity the consumer perceives that they have gained less than the other party from the transaction. Equity judgements are based on the consumer’s perceptions of fairness (Fisher et al., 1999; Oliver & Swan, 1989). Resnik and Harmon (1983) discuss that due to personal biases inherent in people, consumers and managers rarely agree on the appropriateness or fairness of responses to consumer complaints. However, in this study I have utilized equity theory to discuss consumer complaints within the setting of the Internet as consumers perceive it to be unfair (or inequitable) that they are exposed to unacceptable content without having stringent control over the messages and depictions.
portrayed. It can then be suggested that a consumer may utilize a complaint response following an experience of negative inequity.

RESEARCH INTO CONSUMER COMPLAINT RESPONSES

Past studies (Volkov & Harker, 2002) have examined the individual and situational characteristics of complainants that may influence complaining propensity. These influences can be categorized as follows: Demographic factors; Psychographic factors; Cultural factors; Social factors; and, Situational factors.

Research has identified certain traits of consumers who complain and factors that act as triggers to a complaint response episode (Kolodinsky & Alcorn, 1990; Volkov & Harker, 2002). The literature suggests that there are broad differences between those consumers who complain and those who do not. Such findings from the reviewed literature indicate that complainants tend to be:

- Older;
- Female;
- Have attained higher levels of educational qualifications;
- Earn a higher gross weekly income;
- Possess greater degrees of wealth;
- Have a positive attitude towards complaining;
- Have perceived equitable outcomes following previous complaint responses;
- Have higher participant levels of local community involvement; and,
- In general terms, have more resources, both intrinsic abilities (e.g. self-confidence, feelings of self-worth) and external (e.g. time, money, qualifications) to avail themselves or to allow them to take action when dissatisfied.

This has serious academic and managerial implications for the Internet, as this is a different profile than that of the typical Internet user. As can be seen, in other contexts of consumer interaction, complainants tend to be older, a different gender and have a higher income than those that use the Internet. There is also the issue of little research being completed with regards to completing a full profile of Internet users rather than one that relies purely on demographic factors. This leads to the generation of several research questions that need to be considered.

AREAS FOR FURTHER INVESTIGATION

The following research propositions are drawn from a review of the published literature. They are concerned with the need for researchers to investigate whether the difference in demographic characteristics of consumer complainants in the traditional economy and those elements of the population who use the Internet indicate that there are less complaints about issues and aspects of the online world. The propositions include:
Do consumers complain about the Internet?
Is there an empirical difference between complainants in traditional economic situations and those occurring online?
Who can consumers complain to with regard to issues of content?
Who can consumers complain to with regard to issues of context?
Are there fewer complaints generated by users of the Internet than by users of traditional economy marketplaces?
Do Internet users have the same level of complaining propensity as traditional consumers?
Are those charged with regulating consumer complaints about the Internet effective?

Further in-depth research with complainants is necessary to ascertain how they really differ from both non-complaining Internet users and the general population. Depth research is required to fully understand differences in profile, attitudes, opinions, behaviors and lifestyles. The framework that I have identified can be depicted schematically in Figure 1 on the next page.

The strength of this model lies in its ability to analyze consumers who utilize one of three complaint responses and identifies that consumers, when exposed to unacceptable online content-context, may respond with the perception of negative inequity. Various triggers elicit an action which, when coupled with the consumer's perceptions of the process they have had to follow and the outcome of their action, the consumer bases their reaction to the entire episode. This reaction then forms the basis of their future responses to a similar situation.

Based on the identified differences between traditional consumers and Internet users, and identifying the areas requiring further investigation, new strategies need to be developed to allow practitioners access to these elements of their target market. If the purposes of receiving feedback are to continue to include issues such as improvement, regulation, monitoring, evaluating, systems control and communications then the people instigating that feedback system through complaint responses need clearer identification. Only then can effective strategies be implemented to deal with the issues raised by this most important group of stakeholders, the users.
FIGURE 1: Conceptual Model of Internet User Complaint Responses

Response  Trigger  Action  Perception  Reaction

Negative Inequity

Demographics
Psychographics
Social Factors
Cultural Factors
Situational Factors
Exiting
Direct Voicing
Amplified Voicing

Process
Outcome
Future Complaint Behavior
CONCLUSION

This research has provided new information regarding consumer complaints. The implications and significance arising from this study have been presented, together with areas for further research in this field. As the level of Internet usage increases and as consumers are exposed, either voluntarily or involuntarily, to content and contexts that they may wish to complain about, the identification of their characteristics, their profile as consumers and their differences from the general population become salient. There are issues requiring adjustment in practitioners' thinking and knowledge when considering consumer dissatisfaction and complaining responses in this new medium.

REFERENCES


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