

RESOLVING COMPLAINTS IN E-SHOP

RJEŠAVANJE PRITUŽBI U E-TRGOVINI

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Abstract: Companies have much to gain by handling complaints rather than trying to avoid them. Effective resolving complaints can improve customer retention, promote a positive company image and boost profitability. In some situations, a satisfied complainant may end up being more loyal than a customer who had no problem at all. The resolving of complaints is one of the most important elements of the quality of services within a company. The paper aims to examine the complaints in e-shop.

Keywords: the process of resolving complaints, complaints, the internet selling, buyer's satisfaction, e-shop

Sažetak: Poduzeća mogu mnogo više dobiti rješavanjem pritužbi, nego njihovim izbjegavanjem. Efikasno rješavanje pritužbi može poboljšati zadržavanje kupaca, pozitivnu promovirati poduzeće i povećati profitabilnost. U nekim situacijama kupac, kojem je uspješno riješena pritužba, može biti čak više lojalan on onog kupaca, koji nije imao problema. Rješavanje pritužbi je jedan od najvažnijih elemenata kvalitete usluga unutar poduzeća. Ovaj rad ima za cilj ispitati pritužbe u e-trgovini.

Ključne riječi: proces rješavanja pritužbi, pritužbe, internet prodaja, zadovoljstvo kupaca, e-trgovina



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1. Introduction

Complaints arise as a result of the sale of goods or services to the customers. They have different expectations and requirements, which the company would satisfy the maximum as possible. A large number of recorded complaints are not necessarily an indicator of poor part of the business as well as a small number does not mean that the company work well. The customers who complain are often more loyal than those who never. One of the first signs of deterioration in relations with business customers is precisely the lack of complaints [1]. Customer satisfaction does not have a direct positive link to customer retention. Reichheld [2] found that even satisfied customers can switch relationships. Dissatisfied customers do not necessarily leave, and satisfied customers do not necessarily stay in a relationship. Even though it has been indisputably shown that service quality contributes significantly to the start of a relationship, we will determine whether quality also contributes to relationship maintenance, next to other factors that have been proposed and found to influence relationship commitment. The quality of services is considered to be a critical success factor for contemporary service companies. Service quality's close conceptual as well as empirical link to customer satisfaction turned it into the core marketing instrument, making it the most researched area in services marketing. In addition, the accumulated research has linked positively with profitability. This link, however, is not straightforward. The contribution of service quality to profitability is generally explained by two underlying processes. First, service quality is regarded as one of the few means for service differentiation and competitive advantage which attracts new customers and contributes to the market share. Second, service quality is viewed as an important means for customer retention. Various studies have shown the positive correlation between quality of service and company profitability. It has been argued that service excellence enhances customers' inclination to buy again, to buy more, to buy other services, to become less price sensitive, and to tell others about their positive experiences [3].

2. Resolving complaints

The firm must understand the nature of buyer response to its dissatisfaction with the various, mainly for the company, negative consequences.

Consumers have several choices when a service failure is experienced. Consumers are able to choose between switching to a competitor, complaining to the seller, complaining to a third party, using negative word-of-mouth or simply doing nothing and resolving to be satisfied with a less than desirable level of service quality [4].

Customers, who are not satisfied with the product or services, respond in different ways [5]:

- with an immediate complaint to the seller (to give the company the opportunity to respond immediately, the company is the best possible solution, given as an alternative to satisfy the customer and maintain business with him in the future),

- the subsequent complaint to the seller by phone or in writing or directly to the leadership of the company (the company still has the opportunity to correct the mistake),
- spread the negative experience of word of mouth, which means that talking about her friends, colleagues (in this case the company can't do anything, except in the case that the buyer has sent a written complaint to the company)

Griffin and Lowenstein [6] indicate the seven main reasons why customers do not complain:

- do not know where or how to complain to the seller,
- there are too busy and do not or you may not want to take time for complaints,
- regarded as a harassment complaint and preferred to avoid,
- do not believe that the company will make anything about the complaint,
- do not see any direct benefit or advantage of the complaints,
- fear of the hostile attitude or revenge of the company,
- what they want given by the competitor and they are better / easier to go to the competitors.

The operational view on complaint management covers the process by which complaints are handled and customers recovered. This process highlights several factors, which are important for the successful implementation of complaint management, including speedy response, reliability, and consistency of response, ease of access to the complaint process, keeping the complainant informed, and well-trained staff who understands the complaint process. Specifically, effective complaint management can [7]:

- promote more positive word-of-mouth;
- increase customer perception of quality;
- lead to cross-selling opportunities to satisfied complainants;
- improve bottom-line performance;
- improve marketing intelligence and
- promote a positive company image.

An effective complaint management process can be an important tool for organizations to obtain customer feedback. Such feedback may be very useful in making company improvements that increase customer satisfaction, then loyalty, and finally profit. Furthermore, a dissatisfied consumer may hesitate from complaining if he/she is uncertain on where/or how to deliver the complaint or, even worse, if he/she doubts the retailers' interest in receiving the complaint. Dissatisfied customers could greatly damage a retailer's reputation by engaging in negative word-of-mouth communication, especially in today's online instantaneous and far-reaching environment. It is therefore highly important that the retailer convince its customers that complaints are welcome and that they will be handled seriously. Easy-to-use and non-confrontational methods of eliciting feedback are essential for a successful complaint management system [8].

3. Resolving complaints in e-shop

The legal basis for the complaints of goods bought in online shopping in Slovenia is the Consumer Protection Act. The Act regulates the rights of consumers in providing, selling and other forms of marketing goods and services by businesses and the obligations of public authorities and other entities that provide these rights.

Operating in a small and at the same time, very competitive market such as Slovenia, is not easy. For example, one big trade company in Slovenia selling quality products by e-shop.

The company main goals are to satisfied customers needs and expectations and the other side to improve their business performance.

Given then, it is very important to study the impact of complaints on users who buy products in the e-shop. Within one year were 2447 contracts in e-store, but 160 complaints, which was 6.54%. The next year, the percentage of complaints increased to 8%. The company are based on surveys came to the conclusion that the customer in e-stores - as in traditional stores, the most important factor in the process of resolving complaints is person who resolves complaints. Since it depends on how quickly and how they will be resolved the complaint itself.

In order to reduce the number of complaints and increase the number of purchases, the company developed a number of different activities:

1. Offer customers the product mix in both width and depth, which was still in stock (as presented in the offer on the website) and then ensure the delivery of goods to be in time;
2. Provide customers adequate information by products catalogue, adjusted to final customers, that buyers can easily purchase the goods;
3. Ensure customers telephone support, advice, suggestions, interviews with experts and virtual guides;
4. Offer better quality services to customer by involving suppliers, whose task should be to provide all necessary information on goods, accurate, and as short term supply of goods and direct delivery to the customer of certain products;
5. Additional services (company portal in which the buyer verify their status, sells gift coupons in electronic form, making greetings by e-shop, sent e-mail to the desired address, offer goods with discount and so on);
6. Payment in a similar manner as in shopping centres (credit card, debit card, collect cash, gift vouchers or other forms, e-moneta, NLB-click, e-money, e-vouchers, invoice, credit, check...);
7. Searching for ordering must be efficient and easy to handle for the buyer, with a variety of search criteria, all the time the customer can view the content of the shopping basket and at the end should easily complete the contract;
8. Administrator in the e-shops should be able to create groups of different products for different purposes (sales campaigns or target group of customers) and, of course, various games and services for sales promotion;

9. All developments in e-shop should be monitored by an analytical system that can analyze the developments in e-shop and moved to the appropriate action depending on the results.

4. Conclusion

Online retailing has grown and expanded exponentially since its relatively recent inception. The importance of the internet to retailers can no longer be ignored, as most brick-and-mortar businesses have established or plan to launch an online counterpart.

If a company wants to resolve complaints of customers, the management of the company and all other employees, must strictly follow the mission, vision and values of the company. The result is a strategic partnership with the best customers.

Analysis the complaints in e-shop in the Slovenian trade company indicate that three factors (prompt resolving complaints, the way how to resolving complaints and the person who resolving complaints); impact the number of sales transaction in the e-shop. In analyzing the ratings of satisfaction by resolving customer complaints, we can conclude that the buyers are generally satisfied with resolving complaints.

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