

UNDERSTANDING COMPLAINING, SERVICE FAILURE

IDENTIFICATION AND SERVICE RECOVERY VIA SOCIAL MEDIA

Karen Jones 2020

THESIS SUBMITTED IN FULFILMENT OF THE REQUIREMENTS OF THE UNIVERSITY OF DERBY FOR THE DEGREE OF DOCTOR OF PHILOSOPHY

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### Table of Contents

[CHAPTER 1 INTRODUCTION 1](#_bookmark0)

* 1. [Introduction 1](#_bookmark1)
  2. [Research Background and Focus 1](#_bookmark2)
  3. [Research Aims and Objectives 3](#_bookmark3)
  4. [Structure of the Thesis 4](#_bookmark4)
  5. [Conclusion 6](#_bookmark7)

[CHAPTER 2 LITERATURE REVIEW 7](#_bookmark8)

[Section 1: Service Failure 7](#_bookmark9)

* 1. [Section 1: Service Failure Introduction 7](#_bookmark10)
  2. [Definition of Service Failure 7](#_bookmark11)
  3. [Reasons for Service Failure 7](#_bookmark12)
  4. [Characteristics of Services 8](#_bookmark13)
     1. [Intangibility 8](#_bookmark14)
     2. [Inseparability 9](#_bookmark16)
     3. [Heterogeneity 10](#_bookmark17)
     4. [Perishability 10](#_bookmark18)
  5. [Service Quality 10](#_bookmark19)
     1. [SERVQUAL 11](#_bookmark20)
  6. [Classifications of Service Failure 11](#_bookmark22)
  7. [Consequences of Service Failure 14](#_bookmark27)
     1. [Loyalty 15](#_bookmark28)
     2. [Exit or Switch 15](#_bookmark29)
     3. [Voice or Complain 15](#_bookmark30)
  8. [Section 1: Service Failure Conclusion 16](#_bookmark31)

[Section 2: Service Recovery 17](#_bookmark32)

* 1. [Introduction 17](#_bookmark33)
  2. [Definition of Service Recovery 17](#_bookmark34)
  3. [Types of Service Recovery 17](#_bookmark35)
  4. [Models of the Service Recovery Process 19](#_bookmark38)
     1. [The Customer Exit Process Model 19](#_bookmark39)
     2. [The Service Recovery Model 20](#_bookmark41)
     3. [The Service Recovery Framework 21](#_bookmark43)
  5. [The Importance of Effective/Successful Service Recovery 22](#_bookmark45)
  6. [The Service Recovery Paradox 23](#_bookmark46)
  7. [Double Deviation 24](#_bookmark47)
  8. [Perceived Justice with Service Recovery 25](#_bookmark48)
     1. [Distributive Justice 25](#_bookmark50)
     2. [Procedural Justice 26](#_bookmark51)
     3. [Interactional Justice 29](#_bookmark53)
  9. [Section 2: Service Recovery Conclusion 30](#_bookmark54)

[Section 3: Consumer Complaining Behaviour (CCB) 31](#_bookmark55)

* 1. [Introduction 31](#_bookmark56)
  2. [A Complaint Defined 31](#_bookmark57)
  3. [Consumer Complaining Behaviour (CCB) defined 32](#_bookmark58)
  4. [Antecedents of Complaining Behaviour 34](#_bookmark62)
     1. [Consumer Related Variables 36](#_bookmark65)
     2. [Product Specific Factors 37](#_bookmark66)
     3. [Redress Environment Variables 37](#_bookmark67)
  5. [Unjustified CCB 38](#_bookmark68)
  6. [Section 3: Consumer Complaining Behaviour Conclusion 40](#_bookmark69)

[Section 4: Social Media 41](#_bookmark70)

* 1. [Section 4: Introduction 41](#_bookmark71)
  2. [What is Social Media? 41](#_bookmark72)
     1. [Web 2.0 41](#_bookmark73)
     2. [User-Generated Content 42](#_bookmark74)
     3. [Social Media 42](#_bookmark75)
  3. [Classifications of Social Media 43](#_bookmark76)
  4. [The Impact of Social Media on Consumer Behaviour 45](#_bookmark80)
  5. [The impact of Social Media on the corporate landscape 45](#_bookmark81)
  6. [Social Media Management defined 46](#_bookmark82)

|  |  |
| --- | --- |
| [2.30 Social Media Strategy](#_bookmark83) | [46](#_bookmark83) |
| [2.31 Managing the Social Marketing mix](#_bookmark85) | [48](#_bookmark85) |
| [2.32 Managing Social Media Employees](#_bookmark87) | [49](#_bookmark87) |
| [2.32.1 The Social Media Manager 50](#_bookmark88) | |
| [2.33 Challenges of Managing Social Media](#_bookmark90) | [52](#_bookmark90) |
| [2.34 Emotional Labour](#_bookmark93) | [53](#_bookmark93) |
| [2.35 Managing the brand via Social Media](#_bookmark94) | [54](#_bookmark94) |
| [2.36 Corporate Reputation](#_bookmark95) | [55](#_bookmark95) |
| [2.37 Section 4: Social Media Conclusion](#_bookmark97) | [55](#_bookmark97) |

[Section 5: Service Failure, Complaining and Service Recovery on Social Media 57](#_bookmark98)

* 1. [Section 5: Service Failure, Complaining and Service Recovery on Social Media](#_bookmark99) [Introduction 57](#_bookmark99)
  2. [Social Media a new channel for complaints 57](#_bookmark100)
  3. [Shift in the Locus of Power 59](#_bookmark102)
  4. [E-Service Quality 59](#_bookmark103)
  5. [Complaint Management and Social Media 59](#_bookmark104)
  6. [Humorous complaining on Social Media 60](#_bookmark105)
  7. [Social Media Crises 60](#_bookmark106)
  8. [Antecedents of complaining via Social Media 62](#_bookmark108)
  9. [Consequences of complaining via Social Media 62](#_bookmark109)
  10. [Why do customers complain on Social Media? 63](#_bookmark111)
  11. [Gap in the literature and call for research 64](#_bookmark112)
  12. [Section 5: Service Failure, Complaining and Service Recovery on Social Media](#_bookmark114) [Conclusion 66](#_bookmark114)

[CHAPTER 3 METHODOLOGY 68](#_bookmark116)

|  |  |  |
| --- | --- | --- |
| [3.1 Introduction](#_bookmark117) | | [68](#_bookmark117) |
| [3.2 Research Aims and Objectives](#_bookmark119) | | [68](#_bookmark119) |
| [3.3 Ontological and Epistemological Position](#_bookmark120) | | [69](#_bookmark120) |
| [3.3.1 Pragmatism 69](#_bookmark121) | | |
| [3.4](#_bookmark124) | [Research Methodology](#_bookmark124) | [72](#_bookmark124) |
| [3.4.1 Qualitative Research, Quantitative Research and Mixed Methods 73](#_bookmark125) | | |
| [3.5](#_bookmark126) | [Research Methods](#_bookmark126) | [73](#_bookmark126) |

* + 1. [Research Design 74](#_bookmark128)
    2. [Data Collection 76](#_bookmark129)
    3. [Data Analysis 87](#_bookmark134)

[3.6 Conclusion 90](#_bookmark135)

[CHAPTER 4 RESEARCH FINDINGS 91](#_bookmark136)

* 1. [Introduction 91](#_bookmark137)
  2. [Netnographic Observations Findings 91](#_bookmark138)
     1. [Motivations of consumers in choosing Social Media as a Complaint Channel](#_bookmark139) [(RO1) 91](#_bookmark139)
     2. [To investigate the behaviour of consumers who complain on Social Media (RO2)](#_bookmark146) [97](#_bookmark146)
     3. [How organisations are conducting Service Failure Identification and Service](#_bookmark153) [Recovery via Social Media (RO3) 102](#_bookmark153)
  3. [Consumer Survey Findings 108](#_bookmark162)
     1. [Motivations of consumers in choosing social media as a complaint channel](#_bookmark163) [(RO1) 108](#_bookmark163)
     2. [To investigate the behaviour of consumers who complain on Social Media (RO2)](#_bookmark169) [112](#_bookmark169)
     3. [How organisations are conducting Service Failure Identification and Service](#_bookmark174) [Recovery via Social Media (RO3) 115](#_bookmark174)

|  |  |
| --- | --- |
| [4.3.4 Demographics ..................................................................................................](#_bookmark186) | [126](#_bookmark186) |
| [4.4 Consumer Interview Findings](#_bookmark190) | [128](#_bookmark190) |
| [4.4.1 Interview 1: Mya..............................................................................................](#_bookmark191) | [128](#_bookmark191) |
| [4.4.2 Interview 2: Mildred ........................................................................................](#_bookmark192) | [130](#_bookmark192) |
| [4.4.3 Interview 3: Kate..............................................................................................](#_bookmark195) | [134](#_bookmark195) |
| [4.4.4 Interview 4: Thomas ........................................................................................](#_bookmark196) | [135](#_bookmark196) |
| [4.4.5 Interview 5: Barry ............................................................................................](#_bookmark197) | [137](#_bookmark197) |
| [4.5 Retailer Interview Findings](#_bookmark198) | [139](#_bookmark198) |
| [4.5.1 Interview 1: Respondent Retailer Director of Outbound Delivery Solutions](#_bookmark199) | [and](#_bookmark199) |

[Returns 139](#_bookmark199)

[4.5.2 Interview 2: Respondent Retailer Director of Delivery Solutions 143](#_bookmark200)

[4.6 Conclusion 146](#_bookmark201)

[CHAPTER 5 DISCUSSION AND ANALYSIS 147](#_bookmark202)

* 1. [Introduction 147](#_bookmark203)
  2. [RO1: Motivations of consumers in choosing social media as a complaint channel](#_bookmark204) [147](#_bookmark204)
     1. [Seeking Corrective Action 148](#_bookmark206)
     2. [Quick and Ease of Use 152](#_bookmark211)
     3. [Expectation of success, due to public nature of the medium 154](#_bookmark212)
     4. [Communication on Social Media is ubiquitous today 156](#_bookmark213)
     5. [Expressing Frustration and Anger 159](#_bookmark218)
  3. [RO2: Behaviour of Consumers who complain on Social Media 162](#_bookmark223)
     1. [Reaction due to Double Deviation 163](#_bookmark225)
     2. [Conscious of Online Persona 167](#_bookmark228)
     3. [Using Humour 169](#_bookmark229)
     4. [Using Hashtags 175](#_bookmark236)
     5. [Frequency of Complaining on Twitter 177](#_bookmark239)
  4. [RO3: How retailers are conducting Service Failure Identification and Service](#_bookmark241) [Recovery via Social Media 178](#_bookmark241)
     1. [Apologising 179](#_bookmark243)
     2. [Ask for further information 183](#_bookmark251)
     3. [Taking the conversation off-line or ask the Consumer to DM 186](#_bookmark255)
     4. [Acknowledge and thanking for feedback 187](#_bookmark257)
     5. [Response to humorous complaints 189](#_bookmark260)
     6. [Make it personal 193](#_bookmark266)
  5. [Conclusion 194](#_bookmark268)

[CHAPTER 6 CONCLUSION 196](#_bookmark269)

* 1. [Introduction 196](#_bookmark270)
  2. [Contribution of the Research 196](#_bookmark271)
  3. [Managerial Implications 199](#_bookmark272)
  4. [Proactive Social Media Recovery System (PSMRS) 200](#_bookmark273)
  5. [RO4: A social media service failure identification and recovery framework to assist](#_bookmark274) [retailers and other organisations identify service failures and recover from complaints via](#_bookmark274) [social media in an effective and timely manner 200](#_bookmark274)
     1. [PSMRS 201](#_bookmark275)
  6. [Research limitations and suggestions for further investigation 204](#_bookmark278)
  7. [Conclusion 205](#_bookmark279)

[GLOSSARY OF TERMS 1](#_bookmark280)

[REFERENCES i](#_bookmark281)

[APPENDICES 1](#_bookmark282)

[Appendix A – Company Profiles; Primark, TU Clothing and Next 2](#_bookmark283)

[Appendix B – Website Screenshots 21](#_bookmark284)

[Appendix C – Interview Transcripts 23](#_bookmark285)

[Appendix D – Theme sheet for Interviews 35](#_bookmark286)

[Appendix E – Netnographic observations coding spreadsheet 36](#_bookmark287)

### List of Figures

[Figure 1-1 Structure of the thesis 4](#_bookmark5)

[Figure 1-2 Streams of literature and associated sections in the literature review in Chapter 2 .5](#_bookmark6) [Figure 2-1 The Tangibility Spectrum. 9](#_bookmark15)

[Figure 2-2 SERVQUAL Model; source Parasuraman et al., (1985) 11](#_bookmark21)

[Figure 2-3 Model of the Exit Process. Source: Stewart (1998) 20](#_bookmark40)

[Figure 2-4 The Service Recovery Model. 21](#_bookmark42)

[Figure 2-5 The Service Recovery Framework. 22](#_bookmark44)

[Figure 2-6 Dimensions of perceived justice, with service recovery examples. 25](#_bookmark49)

[Figure 2-7 Model of Consumer Complaining Behaviour. 33](#_bookmark60)

[Figure 2-8 Taxonomy of CCB that incorporates social media 34](#_bookmark61)

[Figure 2-9 Disconfirmation of Expectation. 35](#_bookmark63)

[Figure 2-10 Conceptual Model of Consumer Complaining Behaviour. Source: Blodget and](#_bookmark64) [Granbois (1992). 36](#_bookmark64)

[Figure 2-11 Social Media by information half-life and depth and associated marketing](#_bookmark78) [objectives. 44](#_bookmark78)

[Figure 2-12 Social process for media spending 49](#_bookmark86)

[Figure 2-13 Roles of Social Media Manager. 51](#_bookmark89)

[Figure 2-14 The key challenges of the management of social media marketing 52](#_bookmark91)

[Figure 2-15 Corporate identity, corporate brand and corporate reputation: an integration. 55](#_bookmark96)

[Figure 2-16 Social Media as a Complaint Channel. 58](#_bookmark101)

[Figure 2-17 Conceptual Framework of Aggressive Consumer Behaviour Toward Brands. 63](#_bookmark110)

[Figure 2-18 Identified gaps and their relationship to the literature and subsequent research](#_bookmark113) [objective 66](#_bookmark113)

[Figure 2-19 Conceptual framework of the main findings of the literature review 66](#_bookmark115)

[Figure 3-1 Structure of Chapter 3 68](#_bookmark118)

[Figure 3-2 Research Design: The philosophical and methodological underpinnings for this](#_bookmark123) [research study 72](#_bookmark123)

[Figure 3-3 Structure of research methods subsection. 74](#_bookmark127)

[Figure 3-4: How each phase of the data collection informed subsequent phases 77](#_bookmark130)

[Figure 3-5 Example of pilot study twitter complaint conversation 79](#_bookmark131)

[Figure 3-6 Tweet inviting participation in the survey 86](#_bookmark133)

[Figure 4-1 Correction Seeking complaining conversation, Next, Consumer 16 93](#_bookmark140)

[Figure 4-2 Consumer seeks immediate resolution to in store complaint; Primark consumer 9](#_bookmark141)

[. 94](#_bookmark141)

[Figure 4-3 Consumer seeks immediate resolution to online complaint; Next, Consumer 21 .95](#_bookmark142) [Figure 4-4 Example of explanation seeking complaint; Respondent Retailer and Consumer 39](#_bookmark143)

[. 95](#_bookmark143)

[Figure 4-5 Complaint expressing general frustration of product size range. TU Clothing,](#_bookmark144) [Consumer 24 96](#_bookmark144)

[Figure 4-6 Complaint expressing anger relating to a customer service failure. Respondent](#_bookmark145) [Retailer, Consumer 35 96](#_bookmark145)

[Figure 4-7 Humorous complaint. Primark, Consumer 27 97](#_bookmark147)

[Figure 4-8 Humorous complaint; TU, Consumer 11 98](#_bookmark148)

[Figure 4-9 Humorous complaint. Primark, Consumer 4 99](#_bookmark149)

[Figure 4-10 Humorous complaint. Primark, Consumer 7 100](#_bookmark150)

[Figure 4-11 Example of consumer using hashtags to express and describe complaint, Consumer](#_bookmark151) [42 to Primark 101](#_bookmark151)

[Figure 4-12 Complaint using a hashtag, TU Clothing, consumer 21 102](#_bookmark152)

[Figure 4-13 Example of offer of apology from Next to Customer 16 103](#_bookmark154)

[Figure 4-14 Example of offer of apology from TU Clothing to Customer 5 103](#_bookmark155)

[Figure 4-15 Example of request for more information from Respondent Retailer to Customer](#_bookmark156) [50 104](#_bookmark156)

[Figure 4-16 Example of Primark redirecting Customer 15 to restart the complain process](#_bookmark157) [instore 105](#_bookmark157)

[Figure 4-17 Service recovery response from Next acknowledging and thanking the Customer](#_bookmark158) [14 for complaint 105](#_bookmark158)

[Figure 4-18 Example of Primark responding to humorous complaint in a formal and](#_bookmark159) [monotonous manner to Customer 47 106](#_bookmark159)

[Figure 4-19 Example of TU Clothing responding to humorous complaint in an informal and](#_bookmark160) [comical manner to Customer 11 107](#_bookmark160)

[Figure 4-20 Example of the Respondent Retailer responding to humorous complaint in an](#_bookmark161) [informal and amusing manner 108](#_bookmark161)

[Figure 4-21 Reason why consumer choose Twitter to complain 109](#_bookmark164)

[Figure 4-22 What consumers hoped to achieve by complaining on Twitter 110](#_bookmark166)

[Figure 4-23 Breakdown of importance of the motivation of correction action 111](#_bookmark167)

[Figure 4-24 Breakdown of importance of the motivation of get enjoyment, get some likes and](#_bookmark168) [shares from my followers 112](#_bookmark168)

[Figure 4-25 Other channels consumers used to complain other than Twitter 113](#_bookmark170)

[Figure 4-26 Number of other methods used by consumers who did use other methods to](#_bookmark171) [complain 113](#_bookmark171)

[Figure 4-27 Other methods used to complain by consumers who did use other methods 114](#_bookmark172)

[Figure 4-28 Likelihood to complain on Twitter in the future 115](#_bookmark173)

[Figure 4-29 How the retailer responded to the Twitter complaint 116](#_bookmark175)

[Figure 4-30 Satisfaction with how the retailer handled the customer complaint on Twitter.117](#_bookmark176) [Figure 4-31 Expected response time of consumer when complaining on Twitter 118](#_bookmark177)

[Figure 4-32 Consumers opinion on how effectively the retailer can handle complaints on](#_bookmark178) [Twitter 119](#_bookmark178)

[Figure 4-33 Consumers confidence in the behaviour of the retailers employees when dealing](#_bookmark179) [with complaints on Twitter 120](#_bookmark179)

[Figure 4-34 Consumers trust in the behaviour of the retailers employees when dealing with](#_bookmark180) [complaints on Twitter 121](#_bookmark180)

[Figure 4-35 Consumers opinion on the individual attention received from the retailer when](#_bookmark181) [dealing with complaints on Twitter 122](#_bookmark181)

[Figure 4-36 Consumers opinion on the retailers sincere interest in solving complaints on](#_bookmark182) [Twitter 123](#_bookmark182)

[Figure 4-37 Consumers opinion on the retailers understanding of the consumer’s specific needs](#_bookmark183) [on Twitter 124](#_bookmark183)

[Figure 4-38 Consumers opinion on how promptly the retailer deals with complaints on Twitter](#_bookmark184)

[. 125](#_bookmark184)

[Figure 4-39 Consumers opinion on the retailers wish to resolve complaints on Twitter 126](#_bookmark185)

[Figure 4-40 How often in the last 12 months consumers surveyed complained via Twitter.126](#_bookmark187) [Figure 4-41 Age of consumers surveyed 127](#_bookmark188)

[Figure 4-42 Generation of consumers surveyed 128](#_bookmark189)

[Figure 4-43 Original complaining Twitter conversation between the Customer (Mildred) and](#_bookmark193) [the Retailer (Waitrose) 133](#_bookmark193)

[Figure 4-44 Private DM complaining conversation between the Customer (Mildred) and the](#_bookmark194) [Retailer (Waitrose) 134](#_bookmark194)

[Figure 5-1 Motivations of consumers in choosing social media as a complaint channel 148](#_bookmark205)

[Figure 5-2 Immediate correction seeking complaining conversation, Primark to Consumer 9](#_bookmark207)

[. 149](#_bookmark207)

[Figure 5-3 Survey results in relation to what Consumers hoped to achieve by complaining on](#_bookmark208) [Twitter 150](#_bookmark208)

[Figure 5-4 Breakdown of the consumers who hoped to get corrective action by complaining on](#_bookmark209) [Twitter 151](#_bookmark209)

[Figure 5-5 Survey results in relation to why consumers choose Twitter to complain 151](#_bookmark210)

[Figure 5-6 Social media users globally (Source: we are social, 2019) 157](#_bookmark214)

[Figure 5-7 What happens online in 60 seconds (Source: Allen, 2017) 157](#_bookmark215)

[Figure 5-8 UK social media reach by platform, age 13 plus March 2018 (Source: Ofcom, 2018)](#_bookmark216)

[. 158](#_bookmark216)

[Figure 5-9 Internet usage in children in the UK. (Source, Ofcom 2018) 159](#_bookmark217)

[Figure 5-10 Complaint expressing general frustration of product size range. TU Clothing,](#_bookmark219) [Consumer 24 160](#_bookmark219)

[Figure 5-11 Complaint expressing anger relating to a consumer service failure. Respondent](#_bookmark220) [Retailer, Consumer 35 160](#_bookmark220)

[Figure 5-12 Breakdown of consumers who identified the expression of frustration as a factor](#_bookmark221) [in complaining on social media when asked Q4.What did you hope to achieve by complaining](#_bookmark221) [on Twitter? 161](#_bookmark221)

[Figure 5-13 Illustration of all responses to Q4. What did you hope to achieve by complaining](#_bookmark222) [on Twitter? 162](#_bookmark222)

[Figure 5-14 Behaviour of consumers who complain on social media 163](#_bookmark224)

[Figure 5-15 Other channels the consumer used to make their complaint 166](#_bookmark226)

[Figure 5-16 Number of other channels used by consumers to complain 166](#_bookmark227)

[Figure 5-17 Humorous complaint. Consumer 27 to Primark 169](#_bookmark230)

[Figure 5-18 Humorous complaint. Consumer 11 to Sainsbury’s TU 170](#_bookmark231)

[Figure 5-19 Humorous complaint from Consumer 14 to the Respondent Retailer 171](#_bookmark232)

[Figure 5-20 Humorous complaint from Consumer 47 to the Respondent Retailer 172](#_bookmark233)

[Figure 5-21 Humorous complaint from Consumer 7 to Primark 173](#_bookmark234)

[Figure 5-22 Humorous complaint for Consumer 18 to the Respondent Retailer 174](#_bookmark235)

[Figure 5-23 Complaint using a hashtag; Consumer 16 to Primark 176](#_bookmark237)

[Figure 5-24 Complaint using a hashtag, Consumer 29 to Next 177](#_bookmark238)

[Figure 5-25 Example of frequency of complaining behaviour 178](#_bookmark240)

[Figure 5-26 How retailers are conducting service failure identification and service recovery via](#_bookmark242) [social media 179](#_bookmark242)

[Figure 5-27 Retailer offering an apology: Next to consumer 30 180](#_bookmark245)

[Figure 5-28 Retailer offering an apology: TU Sainsbury to Consumer 25 181](#_bookmark246)

[Figure 5-29 Retailer offering an apology: Primark to Consumer 14 181](#_bookmark247)

[Figure 5-30 Retailer offering an apology: Primark to Consumer 14 182](#_bookmark248)

[Figure 5-31 Motivation to complain on Twitter 182](#_bookmark249)

[Figure 5-32 The three dimensions of procedural justice and service recovery examples 183](#_bookmark250)

[Figure 5-33 Retailer requesting further information: Next to Consumer 19 184](#_bookmark253)

[Figure 5-34 Retailer redirecting consumer to an alternative channel (in store): Primark to](#_bookmark254) [Consumer 49 185](#_bookmark254)

[Figure 5-35 Example of retailer directing the customer to DM them: Next to Consumer 37186](#_bookmark256) [Figure 5-36 Example of retailer acknowledging and thanking consumer for feedback: TU by](#_bookmark258) [Sainsbury to Consumer 10 188](#_bookmark258)

[Figure 5-37 Example of the retailer responding with an acknowledgement and thanks: Primark](#_bookmark259) [to Consumer 35 189](#_bookmark259)

[Figure 5-38 Example of Retailer responding to humorous complaint in a standard manner: Next](#_bookmark261) [to Consumer 8 190](#_bookmark261)

[Figure 5-39 Example of Retailer responding to humorous complaint in a standard manner:](#_bookmark262) [Primark to Consumer 27 190](#_bookmark262)

[Figure 5-40 Example of retailer responding to humorous complaint in an equally informal and](#_bookmark263) [comical manner: TU to Consumer 11 191](#_bookmark263)

[Figure 5-41 Example of Retailer responding to humorous complaint in an informal and](#_bookmark264) [amusing manner: The Respondent Retailer to Consumer 14 191](#_bookmark264)

[Figure 5-42 Brand actions on social media that prompt purchase (Source: sproutsocial, 2017)](#_bookmark265)

[. 193](#_bookmark265)

[Figure 5-43 Example of retailer making the conversation more personal by addressing the](#_bookmark267) [consumer by name as well as signing the tweet with the consumer service representative name:](#_bookmark267) [TU by Sainsbury's to Consumer 13 194](#_bookmark267)

[Figure 6-1 PSMRS for retailers to use when dealing with consumer complaints 201](#_bookmark276)

### List of Tables

[Table 2-1 Service Failure Typology 12](#_bookmark23)

[Table 2-2 Typology of retail failures. 13](#_bookmark24)

[Table 2-3 Restaurant Failure Types. 13](#_bookmark25)

[Table 2-4 E-tail Failure Types. 14](#_bookmark26)

[Table 2-5 Retailer Recovery Approaches. 18](#_bookmark36)

[Table 2-6 Online Retailer Recovery Approaches. 18](#_bookmark37)

[Table 2-7 Previous Studies on the Perceived Justice, Recovery Satisfaction and Related-](#_bookmark52) [Relationship Outcome Variables. 29](#_bookmark52)

[Table 2-8 Consumer Responses to Dissatisfaction. 32](#_bookmark59)

[Table 2-9 : Classifications of social media 43](#_bookmark77)

[Table 2-10 Social Media Types. 45](#_bookmark79)

[Table 2-11 Ambient strategies. 47](#_bookmark84)

[Table 2-12 Social media characteristics and their implications. 53](#_bookmark92)

[Table 2-13 Practical tips for crisis management and leadership. 61](#_bookmark107)

[Table 3-1 Fundamental aspects of Positivism and Social Constructs. (Source: Ashworth,](#_bookmark122) [2008) 70](#_bookmark122)

[Table 3-2 Questionnaire design 85](#_bookmark132)

[Table 4-1: Reason why consumer choose Twitter to complain 109](#_bookmark165)

[Table 5-1: Number and percentage of observed retailer responses that contained an apology](#_bookmark244)

[. 179](#_bookmark244)

[Table 5-2: Number and percentage of observed retailer responses that requested further](#_bookmark252) [information from the consumer 183](#_bookmark252)

[Table 6-1: Elementary example of triage stage ranking/algorithm 202](#_bookmark277)

**Purpose**

## Abstract

The purpose of this research is to explore motivations and behaviour of consumer complaining via social media and in turn provide a robust framework for dealing with such complaints. Retailers cannot satisfy every customer and have learnt the value of managing their complaints systems carefully. However, social media has been a game changer. User-Generated Content has become the norm, with customers exhorted to be brutally honest to help other customers make better decisions. Many retailers have embraced social media but are finding that they are being hijacked by irate customers online. This even affects those organisations with no or limited social media presence as their products and/or services are discussed on social media irrespective, showing the importance of the issue for all customer-focused firms.

The study of customer complaining behaviour has received significant research to date, resulting in numerous service recovery models. However, these frameworks are all pre-social media, a medium which has not only created new channels for consumers to complain but has intensified the ramifications of this complaining behaviour. The central role of these empowered consumers has led to a need for both conceptual and empirical research exploring consumer complaining behaviour on social media.

### Design/Methodology/Approach

The research design employed in this study is a mixed methods approach. Data from multiple sources, namely netnographic observations, consumer and retailer interviews and questionnaire are triangulated to investigate the motivations and characteristics of consumers’ complaints on social media.

### Findings

The major findings of this research include; customers complain via social media as they recognise the public nature of the medium and expect success because of this. Conversely, they are conscious of their own online persona and can use humour to disparage the complaint to maintain and protect their own online reputation. Furthermore, customers use social media as a channel of complaint as result of failure of service recovery in other more traditional channels (i.e. double deviation) and wish to escalate their grievance to a more public and potentially successful platform.

### Implications

The implications of this research are that firms need not only to identify and understand humorous social media complaints as an opportunity to publicly rectify service failures, but also as a chance to showcase brand personality and values to their online audience. Conversely, organisations must ensure other more traditional complaints management or service recovery systems and procedures are equally, if not more efficient, to ensure customer complaints do not escalate to the public and potential viral social media online arena.

# Dedication

*To Barry, Barry junior and Mya I love you. xxx*

# Acknowledgements

There are many people who have helped me in different ways on my PhD journey over the past few years and I am delighted to be able to thank them all.

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* 1. **Introduction**

# CHAPTER 1 INTRODUCTION

This introductory chapter provides background to the research carried out in this research project before continuing to explain the specific research background and problem that provides the focus for the research and as such justifies the research. This leads to a description of the overall structure of this thesis and concludes with an explanation of the main purpose of each of the thesis’ constituent chapters.

### Research Background and Focus

The ideas of service failure and recovery strategies have been transformed, due to the internet environment, from a consumer-provider perspective to a multifaceted web quality activity (Rai & Appiah, 2019). The purpose of this research is to explore the motivations and characteristics of consumer complaining via social media and in turn provide a robust methodology for dealing with these online public complaints.

Once the internet was a little-known trading environment used mainly by tech-savvy 30- something, high income males living in the United States of America. Today and in less than 25 years the web has become a mainstream retail channel, which more than half of the world’s population can access (Ellis-Chadwick, 2018). Social media websites now receive the highest web traffic worldwide (Alexa, 2020), further one third of time online is spent on social media (GlobalWebIndex, 2018). According to the report by Statista, (2020), the number of social network users worldwide has doubled in the last 8 years, from 1.4 billion in 2012 to 2.96 billion in 2020. Companies are increasingly adopting social media tools (e.g., Twitter, Facebook, Instagram) to provide services, and more importantly, interact with customers (Kim, Lim, & Brymer, 2015). Twitter currently ranks as one of the leading social networks worldwide based on active users (Statista, 2018) as of the first quarter of 2019, Twitter had 330 million monthly active users. During the same period, the number of monetizable daily active Twitter users worldwide stood at 134 million. Statista (2020a).

Retailers cannot satisfy every customer and have learnt the value of managing their complaints systems carefully. However, social media has been a game changer. User-generated content (UGC) has become the norm, with customers exhorted to be brutally honest to help other customers make better decisions. Many retailers have embraced social media but are finding that they are being hijacked by irate customers online. This even affects those organisations

1

with no or limited social media presence as their products and/or services are discussed irrespective, showing the importance of the issue for all customer-focused firms. Companies are increasingly adopting social media tools (e.g., Twitter, Facebook, Instagram) to provide services, and more importantly, interact with customers (Woo, Lim, & Brymer, 2015). According to Ahmad, Salman and Ashiq (2015) one industry that is considered to be perfectly suited and naturally fit for social media is fashion retail. Kim and Ko (2012) concur stating that luxury retailers use of social media began to surge in 2009 and any fashion brands utilise social networks sites (SNSs), such as Twitter or Instagram, as the first point-of-contact with their customer to inform demand and to initiate a dialogue on products and services (Milnes, 2016). It is expressly because of this importance of social media within the fashion retail sector, that this research study was based in this industry.

Furthermore, complaining in the retail sector is a significant matter. Jeff Bezos CEO of the online retailer Amazon famously declared that “If you make customers unhappy in the physical world, they might each tell six friends. If you make customers unhappy on the Internet, they can each tell 6,000.” (Ha, 2013). Between May 2015 and May 2016, The Retail Ombudsman in the UK processed 60,283 complaints dealing with unresolved complaints in the UK Retail sector such as service quality issues, out of stock, late delivery, non-delivery and not as described (The Retail Ombudsman, 2017). In 2016 Ofcom fined mobile service provider and retailer Vodafone £925,000 for poor handling of customer complaints (Ambrose & Criddle, 2016). In Southeast Asia in 2015 the management consultancy organisation The Fifth Quadrant conducted an online survey to find out how customer service impacts brand loyalty in the retail sector. The research concluded that 7 out of 10 customers would abandon a retailer after encountering bad customer service experience, which equated to a 70% loss of potential revenue (Arsenault, 2016).

The fashion retail sector in the United Kingdom has been growing steadily over the last seven years, with 2020 expecting to set the market value at 66.6 billion euros (Sabanoglu, 2020). In addition to the market value, the annual expenditure on clothing in 2019 accounted for 6% of GDP (fashionunited.uk, 2020) and based on sales volume, has also seen a gradual increase, reaching 59.3 billion pounds (Statistia, 2020b). Further, the sector is a significant employer in the UK, with an estimate 473,000 people employed in fashion retail in early 2020 (fashionunited.uk, 2020).

The study of customer dissatisfaction and complaining behaviour has received significant research to date, resulting in numerous service recovery models (e.g. Boshoff, 1977; Miller, Craighead & Karwan, 2000) which provide retailers with systems for managing such situations. However, these frameworks are all pre-social media, a medium which has not only created new channels for consumers to voice their complaints to the wider public but has intensified the ramifications of this complaining behaviour. Although social media has attracted significant attention from researchers in recent years, empirical work exploring Customer Complaining Behaviour (CCB) using social media remains scarce (Balaji, Jha & Royne, 2015; Balaji, Khong & Chong, 2016). Clarke (2013) noted that there is very little research regarding the role of social media platforms in complaints against service providers. Einwiller and Steilen, (2015) noted that research on the motives for complaining on social networks (SNs) will shed light on the driving forces of online complaining. The central role of these newly empowered consumers has led to a need for both conceptual and empirical research exploring consumer complaining behaviour via social media. Vaerenbergh, Varga, De Keyser and Orsingher (2019) declared that more research is needed into whether there is a hierarchy in complaint channel choice (e.g. social media as the ultimate channel for taking revenge if all other channels do not produce satisfactory results). In essence the coherent body of theory on the phenomenon of social media in general is currently lacking (Kent, 2015). Together, these insights can help develop a theoretical framework on complaint behaviour and management in a networked world (Einwiller & Steilen, 2015). This study seeks to fill these gaps in the literature by exploring the research aims and objectives set out in the next section.

### Research Aims and Objectives

The fundamental aim or purpose of the research described in this thesis is to explore consumer complaining behaviour and subsequent service failure identification and recovery on social media. With this in mind, the author’s work comprised two main components. The first was a comprehensive literature review which informed the development of a set of four Research Objectives (ROs) to be explored, namely:

* + - RO1: To investigate the motivations of consumers in choosing social media as a complaint channel;
    - RO2: To investigate the behaviour of consumers who complain on social media;
    - RO3: To understand how retailers are conducting service failure identification and service recovery via social media;
    - RO4: To develop a social media service failure identification and recovery framework to assist retailers as well as other organisations to identify service failures and recover from complaints via social media in an effective and timely manner.

### Structure of the Thesis

The overall structure of this thesis is illustrated in Figure 1-1.

Literature Review

Methodology

Findings, discussion &

analysis

**Chapter 2**

Literature Review

**Chapter 4**

Section 1: Research

Service Failure Findings

Section 2:

Service Recovery

**Chapter 1**

Introduction

Section 3:

Consumer Complaining Behaviour

**Chapter 3**

Methodology

**Chapter 5**

Discussion & Analysis

**Chapter 7**

Conclusion

Section 4:

Social Media

Section 5: Service failure, complaining and

service recovery on social media

**Chapter 6**

PRMRS

Framework

Figure 1-1 Structure of the thesis

Following this introduction, **Chapter 2** subsequently presents a synthesis demonstrating the author’s comprehensive literature review of the five main streams or sections of literature related to this research study; namely service failure; service recovery; complaining behaviour and social media. The final literature review section, section 5, reviews the literature that combines the relevant literature on all four streams see Figure 1-2. As discussed in the previous section the literature review also informed the development of the four main Research Objectives that provide a focal point for this research study.

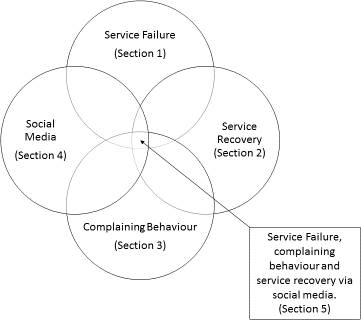


Figure 1-2 Streams of literature and associated sections in the literature review in Chapter 2

**Chapter 3** proceeds to discuss the ontological and epistemological position of this research project adopted to meet the Research Objectives. The discussion subsequently provides an explanation of the research methodology and finally the research methods of this study.

**Chapter 4** details the findings of each phase of this research project. Firstly, the netnographic observations of both the consumer and the retailer are catalogued in relation to the research objectives of this study. Consequently, the online customer survey results are itemised question by question and again in relation to the research objectives of this research project. The following sections examine the themes that emerged from each consumer interview in turn while the final section of this chapter specifies the themes in respect of the findings of the interviews with one retailer, who for the purposes of this thesis we refer to as ‘Respondent Retailer’.

The chapter that follows then focuses on the integration of the findings and subsequently relates these findings to the existing body of scholarly knowledge. This chapter discusses the findings and insights of this research in relation to each Research Objective concurrently.

**Chapter 5** summarises the main contributions of this research study communicated in this thesis. It continues to identify some key implications for retailers and other organisations. The limitations of the work are also highlighted, leading directly to a number of suggestions for future research.

### Conclusion

This chapter lays the foundations for this PhD thesis. It has introduced the research background and context and set out the research problem and questions to be addressed. The methodology was briefly described and justified – this will be explored in more detail in Chapter 3. Finally, the outline of the thesis was presented. The thesis now will proceed with the author’s detailed review of the literature in Chapter 2.

# CHAPTER 2 LITERATURE REVIEW

### Section 1: Service Failure

### Section 1: Service Failure Introduction

Given the direct relationship between customer satisfaction and company profitability (Gurau & Ranchhod, 2002; Yeung, Lee Chew, & Ennew, 2002; Zeelenberg & Pieters, 2004), the issue of service failure and recovery is of paramount importance to firms. This is the first of five literature review sections and examines various elements of service failure including an explanation of what constitutes service failure, the causes of service failure, followed by the various classifications of service failure and finally it examines the outcomes or consequences of service failures.

### Definition of Service Failure

In definitional terms service failure refers to a service performance that falls below a customer’s expectations (Hoffman & Bateson, 1997). This is specifically defined by Berry and Parasurman (1991, p 46) as “essentially a flawed outcome that reflects a breakdown in reliability”. Zeithaml, Berry and Parasuraman (1993) concurred, stating that service failure occurs when the customer perceptions of the initial service delivery behaviour falls below their expectations or ‘zone of tolerance’ (p. 6). Thus, it is any development that breaches the central promise concept of a prospective relationship (Grönroos, 1995). Similarly, Bitner, Booms & Tetreault (1990) proposed that service failure occurs when a service is not fulfilled, is delayed, or fails to reach the expected standard. Whilst Palmer, Beggs & Keown-McMullan (2000) argued that service failure is simply any situation where something has gone wrong, irrespective of responsibility.

### Reasons for Service Failure

A variety of causes for service failure have been proposed in the literature, most of these service failure causes are related to the fundamental characteristics of services. For instance, Levesque and McDougall (2000) cited that the inseparable and variable nature of services gives rise to lack of consistency in service delivery and the inevitability of failures occurring. Failures are highly possible due to the simultaneous production and consumption of many services, where the customer often needs to be present to receive the delivery of the services (Boshoff, 1997). Fisk, Brown & Bitner (1993) concurred, arguing that due to the unique nature of services, specifically coproduction and inseparability of production and consumption, it is impossible to

ensure a one hundred per cent error free service. These unique characteristics are discussed in more detail in the following section.

### Characteristics of Services

Several characteristics unique to services pervade in the vast body of services literature, namely; intangibility, inseparability, heterogeneity and perishability (Zeithaml, Parasuraman, & Berry, 1985). However, Vargo & Lusch (2004) asserted that these distinctive characteristics should not be viewed as unique to services, but that they are also relevant to goods as all goods are services to a certain extent. Zeithaml, et al. (2009) concurred, stating that all types of firms may gain valuable insights from services marketing frameworks and the tools and strategies developed to address the distinguishing characteristics of services.

### Intangibility

The most basic distinguishing characteristic of service is intangibility (Zeithaml, et al., 2009). Intangibility means that a service is not physical and therefore cannot be touched or physically possessed (Dibb, Simkin, Pride & Ferrell, 2011). As such intangibility creates numerous difficulties for marketers seeking to promote the benefits of the services such as abstractness, generality, non-searchability and mental impalpability (Mittal, 1999). Furthermore, there are two types of intangibility, namely physical intangibility; that which cannot be touched and mental intangibility; that which can be grasped mentally (Bateson, 1979). It is also important to note that, like the other characteristics of services, intangibility can be arranged on a continuum (Zeithaml, et al., 2009) known as The Tangibility Spectrum (Shostack, 1977), as illustrated in Figure 2-1. However, Lovelock & Gummesson (2004, p. 27) argued that “for such a central tenet of services marketing, intangibility emerges as an ambiguous concept that it is surprisingly limited in its applicability to the entire array of service marketing and consumption activities”.

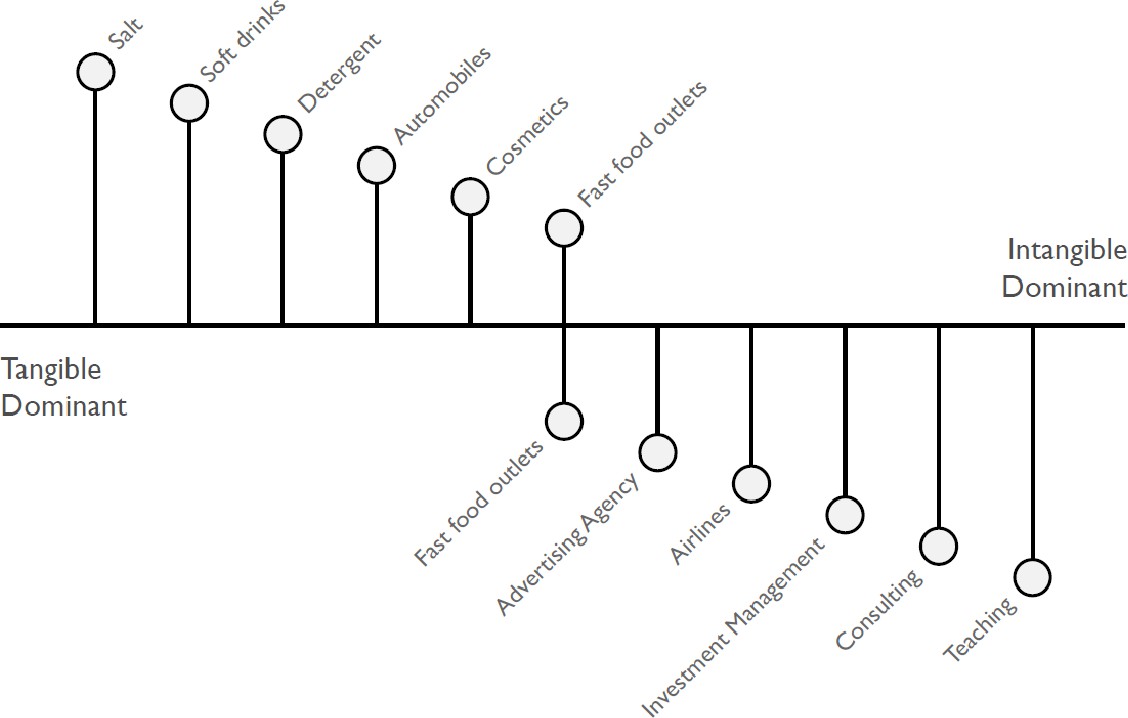


Figure 2-1 The Tangibility Spectrum. Source: Shotack (1977).

### Inseparability

Inseparability involves the simultaneous production and consumption which characterises most services (Zeithaml, et al., 1985). Whilst goods are first produced, then sold and finally consumed, the reverse is the case for services where they are sold first and then consumed and produced concurrently (Regan, 1963). One implication of inseparability is that the customer is involved in and observes the production process and thus may affect, either negatively or positively, the outcome of the service encounter. Often referred to as co-production, the scenario where the customer is an integral part of the production process presents productivity benefits as well as managerial challenges (Bitner, Faranda, Hubbert, & Zeithaml, 1997; Lovelock & Young, 1979; Mills, Chase, & Margulies, 1983; Namasivayam, 2003). However, it is important to note that there are many ‘separable’ services exist which do not involve simultaneous production and consumption. Examples where the customer is not expressly involved in production would be laundry or dry-cleaning services and drain unblocking services.

### Heterogeneity

Heterogeneity is the third characteristic of services and is also referred to as variability, inconsistency or non-standardisation. This denotes that difficulty in achieving uniform output, which is particularly relevant in labour intensive services (Lovelock & Gummesson, 2004). Additionally, heterogeneity also results as no two customers are the same; each with distinctive experiences or demands of the services (Zeithaml, et al., 2009). Yet further, Desmet, Van Looy, & Van Dierdonck (1998) cited the presence and behaviour of third-party customers during service delivery, as well as variations in external conditions, such as crowding or weather, as additional factors creating variability of services. Conversely, it is argued that concept of variability is not unique to services and is present in customer relationship management and one-to-one marketing of products (Copulsky & Wolf, 1993; Grönroos, 2000; Gummesson, 2002). Indeed Lovelock & Gummesson (2004) argued that is inappropriate to continue to generalise about heterogeneity or variability as being a distinctive characteristic which set services apart from all goods.

### Perishability

The term perishability in a service context was introduced by Smith (1776) and denotes that a service cannot be saved, inventoried, resold or returned (Zeithaml, et al., 2009; Zeithaml, et al., 1985). Thus, service providers must manage capacity and demand as effectively as possible (Lovelock, 1981) and make simultaneous adjustments in demand and capacity to achieve a closer match between the two (Sasser, 1976). Furthermore, the fact that services cannot usually be returned or resold also implies a need for strong recovery strategies when things do go wrong (Zeithaml, et al., 2009). The following sections discuss the various categories of potential service failures.

### Service Quality

An important concept within the service literature is service quality. Service quality is a measure of how well the service level delivered matches customer expectations (Grönroos, 1984; Parasuraman et al., 1985; 1988). Delivering quality service means conforming to customers' expectations on a consistent basis. (Parasuraman, Zeithaml and Berry, 1985). Grönroos (1984) distinguished between technical and functional quality. Technical quality is relatively quantifiable aspects of a service (for example, the waiting time at check checkout). The functional quality of a service cannot be measured as objectively (for example the environment when in the queue for the checkout). It is largely judged that in the retail sector a

high level of service quality is necessary to create and sustain competitive advantage (Dabholkar et al., 1996; Siu and Cheung, 2001).

### SERVQUAL

The SERVQUAL model for evaluating service quality (see Figure 2-2) was first proposed be Parasuraman et al., (1985) and despite contention (e.g. Gabbott and Hogg, 1999) has come to represent the received wisdom (Resnick, Foster & Woodall, 2014). Furthermore, alternative models for evaluating retail service quality have been proposed (e.g. Dabholkar et al., 1996; Mehta et al., 2000). However, further research specifically in retail contexts (e.g. Wong and Sohal, 2003; Raven and Welsh, 2004; Gupta and Zeithaml, 2006; Gunawardane, 2011) have followed to the original Parasuraman et al., (1988) SERVQUAL framework, and it could be argued that where the retailer’s value proposition is heavily customer service oriented that this model remains highly relevant (Resnick, Foster & Woodall, 2014).

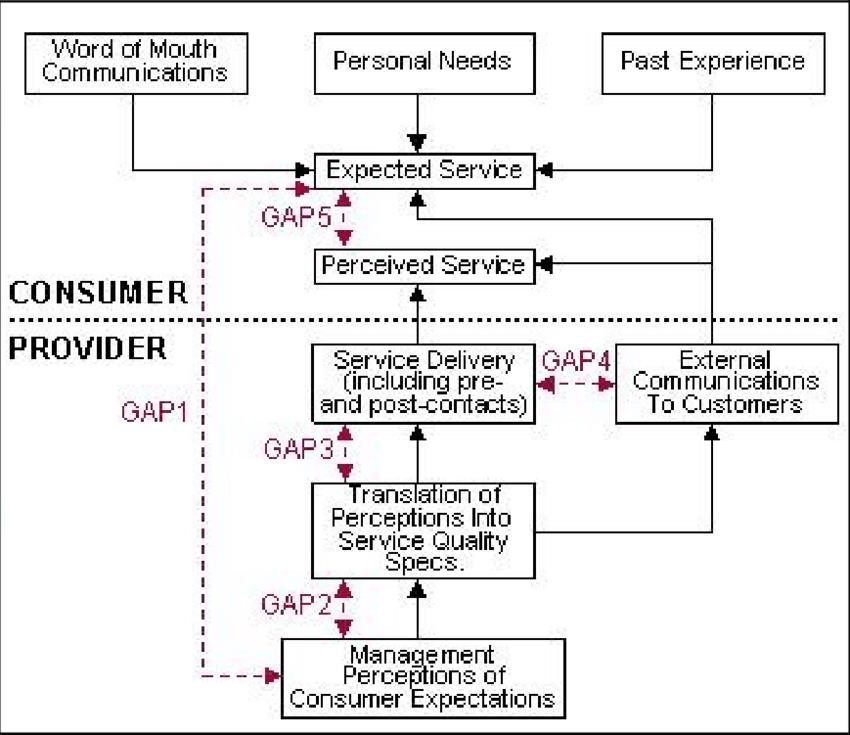


Figure 2-2 SERVQUAL Model; source Parasuraman et al., (1985)

### Classifications of Service Failure

With regard to classifying the different types of services failures, the typology proposed by Bitner, Booms & Tetreault (1990) has generated the majority of subsequent research in various

contexts (Foutorbes, Kelley, & Hoffman, 2005; Hoffman, Kelley, & Rotalsky, 1995; Kelley, Hoffman, & Davis, 1993).

Using the critical incident method, Bitner et al (1990) collected a large number of incidents from airline, restaurant and hotel customers. Each incident was categorised to isolate the particular events and related behaviours of contact employees that caused customers to distinguish very dissatisfactory services encounters from very satisfactory service encounters. The resulting classification scheme proposed by Bitner et al (1990), divides services failure into three main types as detailed in Table 2-1.

|  |
| --- |
| 1. **Employee responses to service delivery and system failures**    1. Response to unavailable service    2. Response to unreasonably slow service    3. Response to other core service failures |
| **2. Employee responses to customer needs and requests**   1. Response to “special needs” customers 2. Response to customer preferences 3. Response to admitted customer error 4. Response to potentially disruptive other |
| **3. Unprompted and unsolicited employee actions**   1. Attention paid to customer 2. Truly out of the ordinary employee behaviour 3. Employee behaviour in the context of cultural norms 4. Gestalt evaluation 5. Performance under adverse circumstances |

Table 2-1 Service Failure Typology. Source: Bitner et al. (1990)

In an extension of this research, Kelley et al (1993) proposed fifteen different types of retail failures, as shown in Table 2-2. Using the critical incident technique a large sample of general merchandise retail respondents (i.e. department stores, variety stores, discount stores and mail order retailers) were asked to explain the failure and recovery experiences, to provide his or her attributes as to why the failure occurred, to rate the effectiveness of the recovery, whether they still shop at the retail store in question and finally for demographic information including sex, age and highest level of education attained.

|  |  |  |  |
| --- | --- | --- | --- |
| **(Group 1)** | **(Group 2)** | | **(Group 3)** |
| **Employee Response to** | **Employee Responses to** | | **Unprompted and** |
| **Service Delivery** | **Customer Needs &** | | **Unsolicited Employee** |
| **System/Product Failures** | **Requests** | | **Actions** |
| Policy Failures | Order/Request | | Mischarged |
| Slow/Unavailable Service | Administration  Error | Customer | Shoplifting |
| System Pricing | Embarrassments |
| Packaging Error |  | | Attention Failure |
| Out of Stock |  | |  |
| Product Defect |  | |  |
| Hold Disasters |  | |  |
| Alterations & Repairs |  | |  |
| Bad Information |  | |  |

Table 2-2 Typology of retail failures. Source: Adapted from Kelley et al (1993).

In the context of the hospitality industry, Hoffman et al (1995) identified eleven categories of service failures, again based on critical incidents collected from restaurant customers, as displayed in Table 2-3.

|  |  |  |
| --- | --- | --- |
| **(Group 1)**  **Employee Response to**  **Service Delivery System/Product Failures** | **(Group 2)**  **Employee Responses to**  **Customer Needs & Requests** | **(Group 3) Unprompted and Unsolicited Employee**  **Actions** |
| Product defect | Not cooked to order | Employee behaviour |
| Slow/Unavailable Service | Seating problem | Wrong order |
| Facility problems |  | Lost order |
| Unclear policy |  | Mischarged |
| Out of Stock |  |  |

Table 2-3 Restaurant Failure Types. Source: Adapted from Hoffman et al (1995).

More recent research into e-commerce retail failures indicate that online retail customers, also known as e-tail customers, experience different types of service failure relative to traditional retail settings. The findings suggest ten kinds of online retail failures, under just two of Bitner et all’s (1990) original typologies, as shown in Table 2-4.

|  |  |
| --- | --- |
| **(Group 1)**  **Response to service delivery system/product failure** | **(Group 2)**  **Response to customer needs and requests** |
| 1. Slow/unavailable service | 8. Special order/request |
| 2. System pricing | 9. Customer error |
| 3. Packaging errors | 10. Size variation |
| 4. Out of stock |  |
| 5. Product defect |  |
| 6. Bad information |  |
| 7. Website system failure |  |

Table 2-4 E-tail Failure Types. Source: Adapted from Forbes et al. (2005).

The original categorisation proposed by Bitner et al (1990) and its subsequent extension and contextualisation by Forbes et al, 2005; Hoffman et al, 1995 and Kelley et al, 1993, does indeed dominate the research in the taxonomy of service failure. However, an alternative classification scheme found in the literature categorises service failure into two types, namely “Outcome Failures” and “Process Failures” (Bitner et al., 1990; Grönroos, 1988; Hoffman et al., 1995; Keaveney, 1995; Parasuraman, Zeithaml, & Berry, 1985; Smith, Bolton & Wagner, 1999). Outcome failures are service failures that are related to what customers receive from the delivered service. In “an outcome failure, the organisation does not fulfil the basic service need or perform the core service” (Smith, Bolton, & Wagner, 1999, p. 358). Whilst the second category of service failure, process failures are associated with malfunctions in how the customer receives the service itself or the manner of delivering the service. Here “the delivery of the core service is flawed or deficient in some way” (Smith et al., 1999, p. 358).

Thus far service failure has been defined, the various reasons for service failure discussed and several classification schemes identified. This raises the question about the aftermath of service failures and how these situations are managed by service providers. The final section seeks to review the literature regarding the outcomes of service failures.

### Consequences of Service Failure

“A problem is a problem when a consumer feels it is a problem” (Diamond, Ward & Faber, 1976, p58). Once the customer recognises a problem, they have three options namely: (i) loyalty; (ii) exit; or (iii) voice. As previously discussed, loyalty amounts to do nothing and hope

for the best, exit comprises of switching to an alternative brand or supplier. The third option, referred to as voice, constitutes making a complaint to the firm and/or other others (Day & Landon, 1977; Singh, 1998). The main consequences of service failure are discussed in this section and include the concept of loyalty, voicing complaints to the firm or others and finally the most serious outcome of service failure which is exit or switching.

### Loyalty

It may be surprising to contemplate a dissatisfied customer could remain loyal to a firm, following service failure. However, many customers remained with a company despite dissatisfaction (Hirschman, 1970). This is also known in the literature as spurious loyalty and occurs when a customer has a high repeat patronage but a relatively low attitude to the firm (Colgate & Norris, 2001). Disgruntled customers may choose to stay with a firm for many reasons, including potential switching costs, location constraints on choice, lack of perceived differentiation of alternatives, time constraints, money constraints, inertia or habit (Bitner, 1990).

### Exit or Switch

Customers often terminate their relationship with a firm and/or switch to an alternative service provider, not only because of service failure, but also because of the unacceptable response of customer attempts to gain a redress (Keaveney, 1995). Furthermore, if a firm does not have recovery strategies, customers have higher switching intention (Forbes et al., 2005). Customer exit is a matter of significance to the service firm as it can have serious financial implications by way of decreased earnings from the loss of customers’ future patronage, higher costs in attracting new customers, loss of positive word of mouth and decreased employee retention (Keaveney, 1995; Reichheld & Sasser Jr, 1990; Zeithaml, Bitner, & Gremler, 2006). Thus, customer retention, through service failure recovery, is of huge importance to the services firm. Reichheld and Sasser Jr. (1990) proposed that a service firm can increase profits by as much as 100 per cent, by retaining only 5 per cent more customers. The forthcoming section discusses service recovery in further detail.

### Voice or Complain

When dissatisfied, customers can respond by voicing their discontent (Singh, 1988). The term voice and exit, discussed in the next sub-section, were first presented by Hirschman (1970). The concept of voice was later extended to distinguish between (1) voicing or complaining to

the service provider, (2) complaining to acquaintances (i.e. negative word-of-mouth) or (3) complaining to third parties (Day & Landon, 1977). An alternative taxonomy for voicing or complaining behaviour was subsequently proposed by Singh (1988); voice responses (i.e. appealing directly to the firm), third-party responses (i.e. seeking help from sanctioning bodies) or finally private responses (i.e. sharing the experience with members of a social network).

### Section 1: Service Failure Conclusion

As discussed previously in this section there is a direct relationship between customer satisfaction and company profitability (Gurau & Ranchhod, 2002; Yeung, Lee Chew, & Ennew, 2002; Zeelenberg & Pieters, 2004) and as a result the issue of service failure and recovery is of paramount importance to firms. On reflection of the body of knowledge in relation to service failure the critical factors that can be deduced are that the characteristics unique to services (as opposed to products), namely intangibility, inseparability, heterogeneity and perishability, potentially intensify the possibility and likelihood of service failure. In turn service failure has critical and significant consequences for retailers and as such needs to be considered with strategic importance an operational care. Companies are increasingly adopting social media tools (e.g., Twitter, Facebook, Instagram) to provide services, and more importantly, interact with customers (Woo, Lim, & Brymer, 2015). Furthermore, the consequences of service failure namely loyalty, voice or complain and finally exist or switch have all received considerable attention in the literature and retailers are aware of the consequences and importance of each. However, as will be discussed in more detail in section 4 and 5 the dawn of social media has potentially given more significance and magnitude to the voice or complain outcome of service failure. Thus, research into social media effects on various aspects of retailing, including how it is used as part of a service failure identification and response system is also required (Ganesan, 2012). This research aims to answer this research call form the Journal of Retailing and others.

This section of the literature review has scrutinised various elements of service failure including an explanation of what constitutes service failure, the causes for service failure, followed by the various classifications of service failure and finally examines the outcomes or consequences of failures of services. The next section will review the literature on the next key construct in this particular research project namely service recovery in order to further develop an understanding in this area.

### Section 2: Service Recovery

### Introduction

Given that service failure is one of the main drivers of customer switching behaviour (Keaveney, 1995), a conceptualisation of service recovery is pertinent, as a successful recovery may lead to customer retention, which in-turn influences profitability (McCollough, Berry, & Yadav, 2000). This chapter defines service recovery, followed by an assessment of the types of service recovery, models of service recovery, the recovery paradox, double deviation, the importance of service recovery and finally a review of justice theory in relation to service recovery.

### Definition of Service Recovery

Service recovery refers to the activities by a service firm to restore a customer to a state of satisfaction, after a service failure and/or complaint. Grönroos (1990, p. 7) defines it as “those activities in which a company engages to address a customer complaint regarding a perceived service failure”. Service recovery is defined by Zemke and Bell (1990) as a thought-out, planned process for returning aggrieved customers to a state of satisfaction with the firm after a service or product has failed to live up to expectations. While, DeWitt, Nguyen & Marshall (2008) proposed that service recovery is the firm’s second opportunity to meet as service customers’ expectations. As such, it is the firms’ strategy to solve service failure and change customer attitudes from dissatisfied to satisfied (Craighead, Karwan, & Miller, 2004; Hoffman, Kelley, & Rotalsky, 1995).

### Types of Service Recovery

It is thought that most customers hope to receive some type of redress for a service failure (Berry & Parasurman, 1991; Blodgett, Hill, & Tax, 1997; Goodwin & Ross, 1992). The service failure and recovery literature proposed several categories of service recovery efforts that firms attempt. Miller, Craighead and Karwan (2000) indicated two types of recovery strategies to resolve service customer complaints, namely psychological form and tangible form. Psychological service recovery is where the service provider apologises to, as well as sympathises with their customer, in an effort to comfort and reduce the customer complaint. The tangible form of service recovery is deemed by Miller, Craighead and Karwan (2000) to be where the firm makes customers feel that they are fairly treated by giving them physical reparation, such as a discount or gift.

Following an analysis of 661 critical incidents, pertaining to general merchandise retailers, Kelley, Hoffman & Davis (1993) identified twelve types of recovery approaches used by retailer to be, shown in Table 2-5.

|  |  |
| --- | --- |
| **Discount** | **Refund** |
| Correction | Customer initiated correction |
| Intervention by manager/employee | Store credit |
| Correction plus | Unsatisfactory correction |
| Replacement | Failure escalation |
| Apology | Nothing |

Table 2-5 Retailer Recovery Approaches. Source: Kelley, Hoffman & Davis (1993).

Refunds, store credit, replacements and apologies were identified by the study as the most used types of service recovery tools in the retail sector. Whereas in an online retail context, Forbes, Kelley & Hoffman (2005) identified eleven types of retail service recovery approaches, as shown in Table 2-6.

|  |  |
| --- | --- |
| 1. Discount | 7.Refund |
| 2. Correction | 8. Store credit |
| 3. Correction plus | 9. Unsatisfactory correction |
| 4. Replacement via original channel | 10. Failure escalation |
| 5. Replacement via bricks and mortar | 11. Nothing |
| 6. Apology |  |

Table 2-6 Online Retailer Recovery Approaches. Source: Forbes, Kelley & Hoffman (2005).

This study also employed the critical incident technique, by using customer responses to present ten online retail failures, as well as the eleven recovery strategies used by e-commerce service firms, shown above. The study further concluded that online retail customers experience different types of service failure relative to traditional retail settings; online retail firms employ a different series of recovery strategies relative to traditional retail settings; and post-recovery switching by online retail customers can be high, even with satisfying experiences.

### Models of the Service Recovery Process

Having defined service recovery and identified the various types of strategies, it is necessary to review the process of service recovery. Advances in the literature have proposed various models of service recovery, three such models include: (i) the customer exit process model (Stewart, 1998); (ii) the service recovery model (Boshoff, 1997); and (iii) the service recovery framework (Miller et al., 2000).

### The Customer Exit Process Model

Stewart’s (1998) model focused on the exit process and is designed to help management to understand this activity or progression. Interviews were conducted with banking customers who had recently defected. Thematic analysis of the customers’ stories was used to generate the model and is illustrated in Figure 2-3. The findings note that customers usually engage in customer complaints prior to exit, either in person or by telephone to attempt to gain an explanation and/or find a resolution. Furthermore, customers experience a series of emotions, including frustration, embarrassment, annoyance, fury and disappointment. In addition, the availability of alternatives as well as the relationship the customer has with the bank is also contemplated by the customer before exit is undertaken.

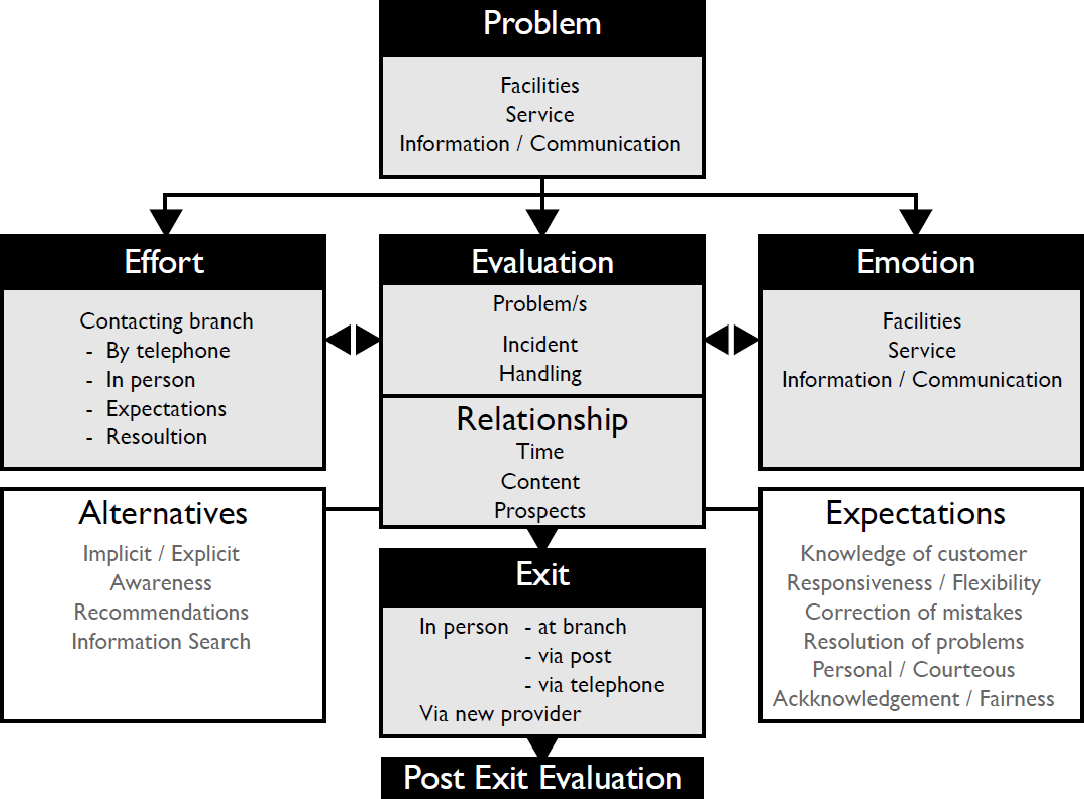


Figure 2-3 Model of the Exit Process. Source: Stewart (1998).

### The Service Recovery Model

Boshoff’s (1997) model brings together aspects of recovery identified by earlier authors, incorporating Hirschman’s (1970) exit, voice and loyalty, Oliver’s (1980 and 1981) confirmation/disconfirmation theory and Zemke’s (1994) loyalty and word of mouth theory.

The model is depicted in Figure 2-4 and comprises of four main components:

1. Aspects relating to customer satisfaction/dissatisfaction the disconfirmation paradigm;
2. Complaint behaviour responses;
3. Service recovery options; and
4. The outcomes of service recovery.

Boshoff (1997) interviewed a large randomly selected group of international travellers, who had travelled on an international flight within the previous six months. The “Role Play Method” was used, whereby respondents were presented with a scenario describing a negative disconfirmation situation. The disconfirmation scenario was held constant, while a 3x3x3 factorial design was employed and one of 27 service recovery responses were presented. These

combined options of who (frontline employee/Supervisor/Marketing Manager), time (immediately, after three days, after one month) and how (apology, refund of expenses, refund plus). The results concluded that it does not matter who performs the service recovery as long as it is not left to late and that it is accomplished by acceptable levels of atonement.

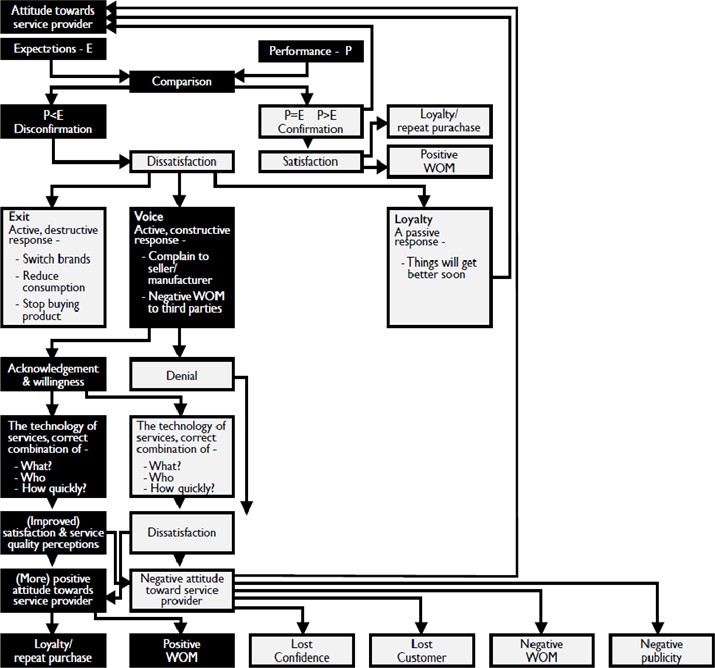


Figure 2-4 The Service Recovery Model. Source: Boshoff (1997).

### The Service Recovery Framework

The Service Recovery Model, depicted in Figure 2-2, was later empirically tested by Miller, Craighead and Karwan (2000) who in-turn proposed their Service Recovery Framework, illustrated in Figure 2-5, where the recovery process is divided into three stages; pre-recovery, immediate recovery and follow-up.

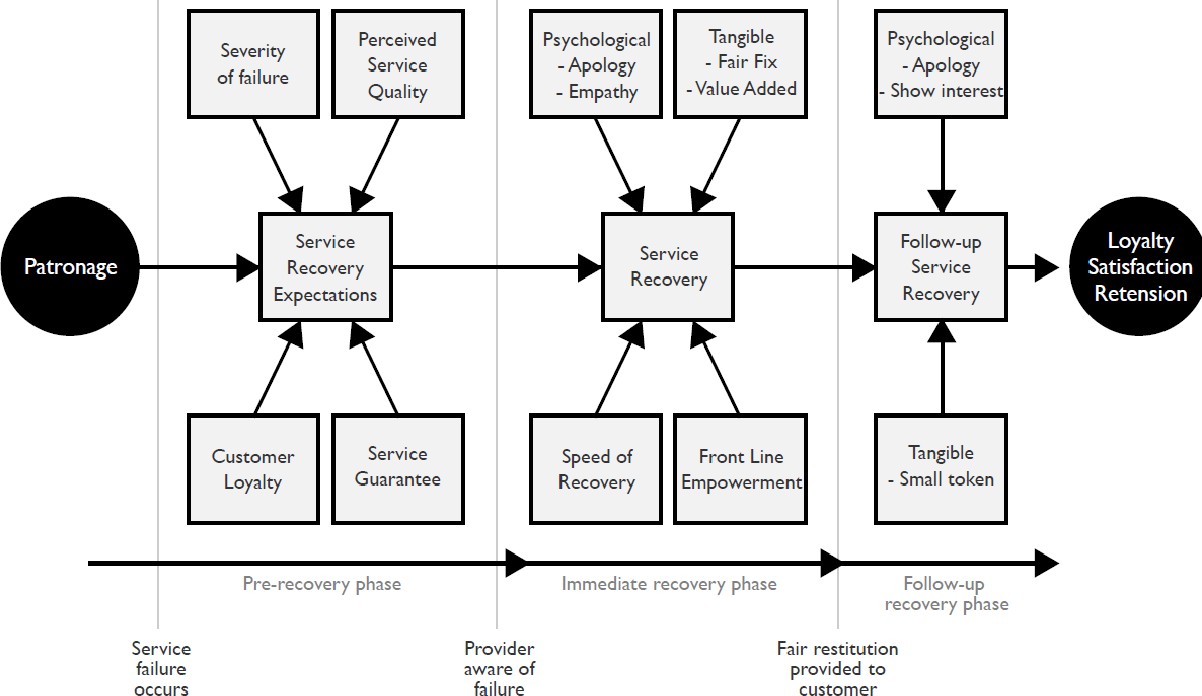


Figure 2-5 The Service Recovery Framework. Source: Miller et al (2000)

By using data from a large sample of service failure incidents and employing the use of hierarchical and non-hierarchical cluster analysis, their exploratory study created and analysed empirical types of service failures and validated several previous anecdotal claims including; successful recovery matters to customers, in terms of the antecedents where serious problems may warrant specific attention, the particular remedies for service failures are multidimensional and finally a rapid response to service failure is a key part of maintaining loyalty and ensuring patronage.

### The Importance of Effective/Successful Service Recovery

Effective service recovery can build a positive image of the firm and promote customer repurchase intentions and loyalty (Deb & Lomo-David, 2014; Murphy et al., 2014). A considerable amount of literature has been published on the threats of service failure to the firm. Bitner, Booms and Tetreault (1990) proposed that service failures can result in significant costs to the firm, such as lost customers and negative word of mouth. Whilst McCollough, Berry and Yadav (2000) added that service failure is a driving factor in customer switching behaviour. Satisfactory complaint handling ensures customer loyalty towards the firm (Huang et al., 2014). Conversely, the opportunities presented by effective service recovery are also

considered in the literature, albeit to a lesser extent. Tax, Brown and Chandrashekaran (1998) argued that organisations can capitalise on the information gained from customer complaints to design more reliable service delivery systems. Indeed, effective service recovery avoids negative outcomes and may even enhance customer’s satisfaction and loyalty to a higher than pre-service failure level (Priluck & Lala, 2009; Maxham III, 2001; and Smith & Bolton, 1998). This theory is often referred to in the literature as the service recovery paradox (e.g. Priluck & Lala, 2009; Maxham III, 2001; and Smith & Bolton, 1998).

### The Service Recovery Paradox

The term ‘recovery paradox’ has been used to describe the anecdotal notion that customers who experience product or service failure followed by strong recovery may be more satisfied than if the failure had never arisen (Priluck & Lala, 2009). In the literature this paradox is defined as the situation in which post-recovery satisfaction is greater than that prior to the service failure when customers receive high recovery performance (Maxham III, 2001; Smith & Bolton, 1998).

However, research has resulted in mixed results as to whether the phenomenon exists and/or the strength of its influence. Several studies have refuted the existence of a service failure paradox (e.g. Andreassen, 2001; Berry et al., 1990; Bolton, 1998; Brown et al., 1996; Halstead & Page, 1992; Maxham, 2001; McCollough et al., 2000; Zeithaml et al., 1996) However, other studies, some of them by the same authors mentioned above, indicate that the service recovery paradox is a real phenomenon (see for example: Bolton & Drew, 1992; Boshoff, 1997; Hocutt et al., 2006; Hocutt et al., 1997; Maxham & Netemeyer, 2002; McCollough et al, 2000; Smith & Bolton, 1998). Hansen and Danaher (1999) found that the end of a service encounter had a stronger effect on satisfaction than the start of the service encounter, in situations when service quality was weak at the start of the service encounter but strong at the end. However, this research did not directly test the recovery paradox. In an earlier study research by Bitner et al (1990), using the critical incident technique, identified circumstances where customers were satisfied or dissatisfied with different service encounters, however the study did not measure pre or post encounter satisfaction levels.

Research directly studying the recovery paradox has also produced mixed conclusions. In the context of the airline industry, McCollough et al (2000) concluded that customer satisfaction was lower after service failure and recovery, even given high-recovery performance, than in the case of error-free service. Thus, concluding that companies do better in the eyes of

consumers by avoiding service failure, than by responding to failure with superior recovery. Maxham III’s (2001) findings concurred and indicated that moderate to high service recovery efforts significantly increased post-failure levels of satisfaction, purchase intent, and positive word of mouth. Alternatively, poor service recoveries seemingly exacerbate the discontent attributed to a service failure. The results do not support a recovery paradox, whereby post- recovery satisfaction is greater than that satisfaction prior to the service failure (Maxham III, 2001).

However, more recent research implies the paradox may exist when the failure is not considered by the customer to be severe, the customer has had no previous failure with the firm, the cause of the failure was perceived as unstable by the customer, and the customer believed that the company had little control over the cause of the failure (Magnini, Ford, Markowski, & Jr, 2007). Other research suggests the existence of the recovery paradox for certain types of satisfaction only, for example, Priluck and Lala (2009) employed role play experiments to analyse the construct and concluded that relationship satisfaction after a strong recovery was higher than it would have been, had the failure not occurred in the first place. However, in the case of store satisfaction, the recovery paradox did not occur and as the original level of store satisfaction was restored but not exceeded.

One area in which there is agreement is that customers are more involved in and observant of recovery service, as opposed to routine service, and can be more dissatisfied by a firms failure to recover than by the service failure itself, referred to as double deviation (Berry & Parasurman, 1991; Bitner et al., 1990).

### Double Deviation

When customers perceive a firm’s response to a service failure to be inappropriate or inadequate it magnifies their negative evaluation. Situations where inferior service recovery exists are what Bitner el al (1990) referred to as a double deviation from customers’ expectations. As such the firms failed recovery attempt intensifies customer’s already negative attitude toward the firm, resulting in a state of extreme dissatisfaction (Lee & Park, 2010). Double deviation is not an unusual phenomenon, indeed Hart, Heskett and Sasser (1990) found that more than half of all attempts to recover customers actually reinforce their negative reactions. Several studies on double deviation indicate that the core service factors needed to gain customer satisfaction in normal service encounters are different to those following a double deviation scenario (Johnston & Fern, 1999; Parasuraman, Zeithaml, & Malhorta, 2005;

Webster & Sundaram, 1998). For example Parasuraman et al (2005) indicated, in their study of online service quality, that core service qualities in a non-routine online service situation (e.g. pre recover failure/ double deviation) are efficiency, fulfilment, system availability and privacy, while core service qualities post recovery failure are responsiveness and compensation. Whilst in a traditional off-line context, a study by Johnston and Fern (1999) empirically illustrated that recovery attempts in a double deviation situation tend not accomplish high levels of customer satisfaction or “delight”, no matter how extensive.

### Perceived Justice with Service Recovery

The justice theory of Adams (1963) has been embraced in the literature as a powerful lens through which to study customer satisfaction or dissatisfaction following service failure (Kim, Kim, & Kim, 2009). Perceived justice is a multi-dimensional construct, encompassing three dimensions; distributive justice, procedural justice and interactional justice as shown in Figure 2-6.



Figure 2-6 Dimensions of perceived justice, with service recovery examples.

### Distributive Justice

Distributive justice is defined as “the allocation of costs and benefits in achieving equitable exchange relationships” (Smith, Bolton, & Wagner, 1999, p. 358). In service recovery research

distributive justice largely addresses the outcomes given to customers during service recovery, including monetary compensations for service failures such as refunds, discounts and coupons (Sparks & McColl-Kennedy, 2001).

### Procedural Justice

Procedural justice is defined by Blodgett, Hill and Tax (1997) as the perceived fairness of policies, procedures and criteria used by decision makers to arrive at the outcome of a dispute or negotiation. It is the customers’ perception of the firm’s systematic and appropriate process in solving the service failure or complaint, including the firms’ disciplines and policies (Smith et al., 1999). In the service context it includes such constructs as timeliness, promptness, approach, flexibility, procedure control, right policy and execution, outcome control, and appropriate method (Blodgett et al., 1997; Chebat & Slusarczyk, 2005; Maxham III & Netemeyer, 2002; Smith et al., 1999; Wirtz & Mattila, 2004).

Table 2-7 provides a synopsis of the existing empirical literature which studies the effect of perceived justice on recovery satisfaction and relationship outcomes in an assortment of service settings.

|  |  |  |  |
| --- | --- | --- | --- |
| **Authors** | **Sample** | **Research Design** | **Notable Findings** |
| DeWitt et al., 2008 | Restaurants and hotel customers | Between-subjects experiment with hypothetical scenarios involving service failures | Perceived justice following a service recovery had a positive effect on customer trust. In addition, trust following service recovery had a positive effect on customer loyalty (customer loyalty was employed two perspectives: attitudinal and behavioural loyalty. Justice perception construct was used as single global construct instead of three individual dimensions of justice). |
| Karande, Magnini, & Tam, 2007 | Online consumer panel (of a large reputed marketing research company) as hotel and customers | Between-subjects experiment with hypothetical scenarios involving service failures | Simple-effect tests showed that procedural justice had a significant positive effect on overall post-failure satisfaction for the airline and hotel scenarios and combined sample. Customers had higher overall post-failure satisfaction when they had higher procedural justice perceptions (for the airline, hotel, and combined samples) than lower procedural justice perceptions (for the airline, hotel, and combined samples) across all samples. |
| Sparks & Fredline, 2007 | Community members who had previously experienced staying in luxury hotels | Between-subjects experiment with hypothetical scenarios involving service failures | A referential explanation of a service failure had a different impact on customer evaluations of customer satisfaction and intended loyalty than a justification.  More thorough accounts of a service failure resulted in higher levels of customer satisfaction and intended loyalty. Account adequacy for a service failure is greater in contexts of low versus high outcome severity. Under the high severity condition an explanation of a service failure reduced the level of counterfactual thinking. |
| Karatepe, 2006 | Hotel customers | Retrospective  self-report survey of past  dissatisfactory experiences | Distributive, procedural, and interactional justice affect complaint satisfaction and complaint loyalty, where interactional justice has a stronger impact on complaint satisfaction and complaint loyalty than other types of justice |

|  |  |  |  |
| --- | --- | --- | --- |
| **Authors** | **Sample** | **Research Design** | **Notable Findings** |
| Yuksel, Kilinc, & Yuksel, 2006 | Hotel customers | Between-subjects experiment with hypothetical scenarios involving service failures | There are more differences than similarities in complaining behaviours of British, Israeli, Dutch and Turkish hotel customers. These countries had a favourable attitude toward complaining. A moderate relationship between attitudes and choice of complaining behaviours was found. Hotel customers with favourable attitudes to complaining were more likely to engage in voice behaviour, whereas hotel customers with negative attitudes were more likely to display switch or loyalty behaviour |
| Ok, Back, & Shanklin, 2005 | Members of community service and religious group as casual restaurant customers | Mixed-design experiment with hypothetical scenarios | Distributive, procedural, and interactional justice affect service recovery satisfaction, which in turn affects trust and overall satisfaction. Here, procedural justice has a stronger impact on service recovery satisfaction than other types of justice |
| Chebat & Slusarczyk, 2005 | Bank customers | Telephone interview survey of past dissatisfactory experiences | Interactional justice (e.g., courtesy) demonstrated direct effect on loyalty-exit behaviour. Distributive and procedural justice (i.e., timeliness) has only indirect effect on loyalty through the mediating effects of negative and positive emotions. |
| Mattila & Patterson, 2004 | Undergradu ate students (American, Thai, and  Malay) as casual dining restaurant customers | Quasi- experimental and between-subjects with hypothetical scenarios | Compensation seemed to drive customers’ fairness perceptions, particularly with American consumers. Offerings and explanation for the failure had a positive impact on customer perceptions regardless of the customers’ cultural orientation. Perceived fairness was directly linked to post-recovery satisfaction. |

|  |  |  |  |
| --- | --- | --- | --- |
| **Authors** | **Sample** | **Research Design** | **Notable Findings** |
| Maxham III, 2001 | Barber shop customers | Mixed-design experiment with hypothetical scenarios | Moderate to high service recovery efforts notably enhanced post-failure satisfaction, purchase intent, and positive Word Of Mouth (WOM). On the other hand, poor service recoveries appeared to aggravate the dissatisfaction resulted from a service failure |
| McColloug h et al., 2000 | Airline passengers | Between-subjects experiment with hypothetical scenarios involving service failures | Distributive and interactional justice affected satisfaction with a particular experience. |
| Smith et al., 1999 | Undergradu ate students and hotel customers | Mixed-design experiment with hypothetical scenarios | Distributive, procedural, and interactional justice affected service encounter satisfaction. In particular, the impact of distributive justice on recovery satisfaction appeared to be stronger than that of procedural and interactional justice. |
| Tax et al., 1998 | Employees as customers | Cross-sectional survey capturing retrospective evaluations of past complaints | Interactional, distributive, and procedural justice affected satisfaction with complaint handling. In particular, interactional justice has a stronger impact on satisfaction with complaint handling than other types of justice |

Table 2-7 Previous Studies on the Perceived Justice, Recovery Satisfaction and Related- Relationship Outcome Variables. Source: Kim et al., (2009).

### Interactional Justice

Interactional justice in service recovery relates to “the perceived fairness of interpersonal treatment that people receive during the enactment of procedures” (Tax et al., 1998, p. 62). It is the evaluation of the extent to which customers have experienced justice in relation to human interactions from the service organisations employees during the service recovery process (Sparks & McColl-Kennedy, 2001). Interactional justice practices in service recovery include the notions of interest, respect, courtesy, careful listening, trust, effort, explanation, communication, empathy and apology (Blodgett et al., 1997; Smith et al., 1999; Wirtz & Mattila, 2004). The literature indicates that procedural and interactional justice are of particular

importance in service recovery (Sparks & McColl-Kennedy, 2001; Tax et al., 1998). As such, both what is done and how it is done contribute to the effectiveness of the service recovery strategy (Levesque & McDougall, 2000).

### Section 2: Service Recovery Conclusion

This section has reviewed the literature on service recovery by firstly defining service recovery, followed by an assessment of the types of service recovery, models of service recovery, the recovery paradox, double deviation, the importance of service recovery and finally a review of justice theory in relation to service recovery.

Service recovery strategies have been transformed, due to the internet environment, and are now a multifaceted web quality activity (Rai & Appiah, 2019).On reflection of the literature in relation to service recovery the critical factors are that while service recovery received significant attention at the turn of the last century with useful frameworks and models being proposed for retailers and other organisations to further understand service recovery, however the technological advancements in web 2.0 and the resulting use of social media by consumers to voice their complaints requires researchers to revisit this phenomenon and update or extend the now outdated literature in relation to service recovery. This research aims to address this gap in the literature directly. The following section examines the body of knowledge in relation to consumer complaining behaviour, the next key construct or stream of literature relevant to this research study.

### Section 3: Consumer Complaining Behaviour (CCB)

### Introduction

Having explored service failure and recovery in the previous chapters, it is prudent to review the literature on consumer complaining behaviour. As stated earlier: “A problem is a problem when a consumer feels it is a problem” (Diamond, Ward & Faber, 1976, p. 58). Once the customer recognises that there is a problem, they have three options namely loyalty, exit or voice. As previously discussed, loyalty amounts to nothing and hope for the best, exit comprises of switching to an alternative brand or supplier. The third option, referred to as voice, constitutes making a complaint to the firm and/or other others (Day & Landon, 1977; Singh, 1998). This section starts by defining the nature of a complaint and subsequently provides an exploration of consumer complaining behaviour, the antecedents of complaining behaviour and finally this section reviews the research on unjustified consumer complaining behaviour.

### A Complaint Defined

As discussed earlier, when a customer is dissatisfied with a service, they may respond by voicing their discontent (Singh, 1988), to the service provider, acquaintances (i.e. negative word of mouth) and/or third parties, for example legal or government bodies (Day & Landon, 1977). In the literature, voicing is also termed as a complaint and it has been observed that a complaint is difficult to define in formal terms (Edwards, 2005; Laforest, 2002). However, many meanings, both broad and precise, of complaints have been proposed. In terms of a broad definition, Heineman and Traverso (2009, p. 2382) for example, declared that a complaint is any comment “with even the slightest negative valence” with Barlow (1996) simply describing a complaint as a statement about an expectation that has not been met. Bell, Mengüç & Stefani (2004) were somewhat more precise and proposed that complaints were a form of negative feedback from a customer. However, Singh and Widing (1991) defined a complaint even more specifically as a customers’ protest *to a firm*, with the goal of obtaining an exchange, refund or apology. It is important to note that Singh and Widing’s (1991) definition is focused on the complaint recipient i.e. the firm, whereas other definitions do not specify or refer to the receiver.

Furthermore, complaint behaviour should not only be conceptualised as a direct or formal expression of dissatisfaction directed at second parties, i.e. retailer or manufacturer, or third parties, i.e. consumer protection agency or court (Singh 1988). As is discussed in the following section, consumers can also display their discontent in more concealed or indirect ways.

### Consumer Complaining Behaviour (CCB) defined

Whilst a complaint is an isolated incident CCB is a more holistic concept that extends over a prolonged period of time. As such CCB is considered a distinct process which commences when the consumer has evaluated a consumption experience (resulting in dissatisfaction) and concludes when the consumer has completed all behaviour and non-behavioural responses (Day, 1980), namely loyalty, exit and voice. This is opposed to a complaint, which is limited to voicing directly to the firm. Singh (1988, p. 94) agrees with this, defining CCB as “a set of multiple (behavioural and non-behavioural) responses, some or all of which are triggered by perceived dissatisfaction with a purchase episode”. Day and Landon (1977) proposed a two- level hierarchical classification schema of CCB following the study of a large sample of the options of dissatisfied consumers. These are classified as follows in Table 2-8.

|  |  |
| --- | --- |
| **Take no action at all** |  |
| **Take Action – Privately** | * *Change brand or supplier* * *Stop using the product class* * *Warn family and friends* |
| **Take Action - Publicly** | * *Seek redress directly from the seller or manufacturer* * *Take legal action against the seller or manufacturer* * *Register a complaint with;*   + *the seller or manufacturer,*   + *a public consumer protection action or*   + *a private consumer representative* |

Table 2-8 Consumer Responses to Dissatisfaction. Source: Day and Landon (1977).

Mattila and Wirtz (1980) later incorporated channel choice into Day and Landon's (1977) taxonomy of consumer responses to dissatisfaction, as shown in Figure 2-7. A study using a four (channel choice: two interactive channels of face‐to‐face and phone, and two remote channels of letter and e‐mail) × 2 (motivation to complain: redress seeking and venting) experimental design was conducted and shame proneness was examined using a quasi‐ experimental design. The findings suggested that consumers with a redress seeking goal select interactive rather than remote channels, while consumers looking for tangible compensation may perceive face‐to‐face or phone channels to be more effective, due to the real‐time interaction with the service provider. Conversely, when customers wanted to vent their

frustration, they gravitated more towards remote channels such as a written letters or e‐mail. Finally, the impact of shame proneness was especially salient in a venting context.

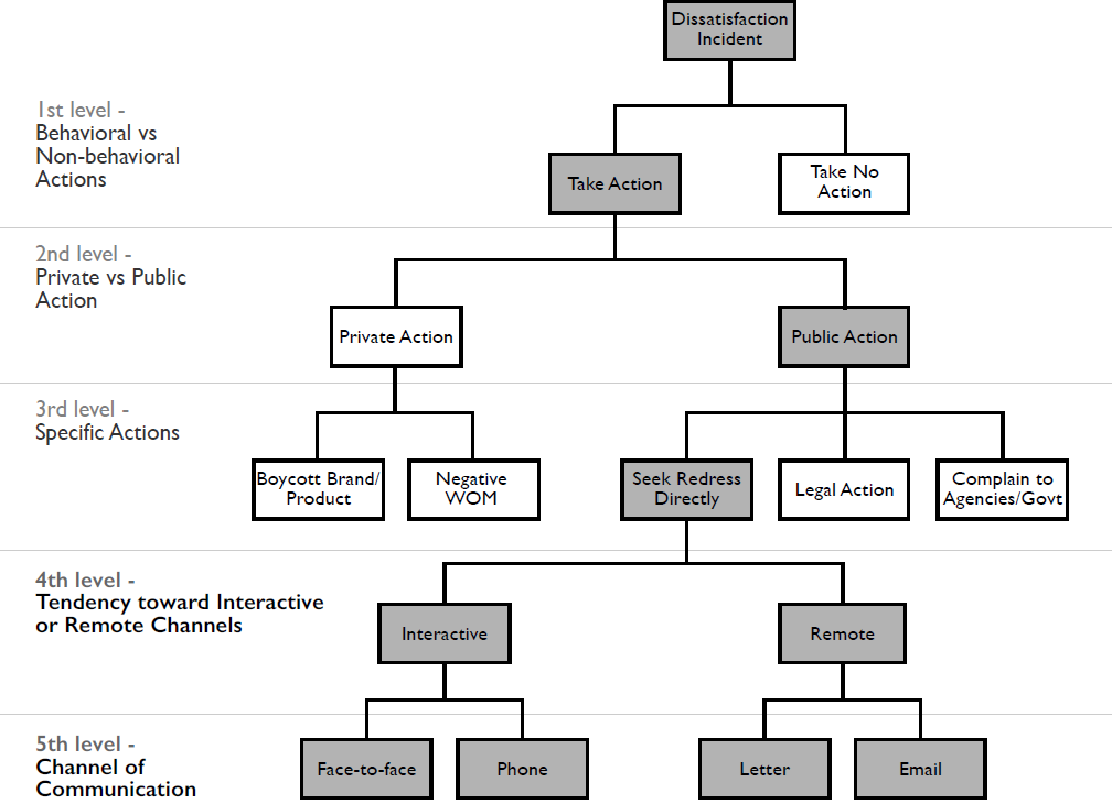


Figure 2-7 Model of Consumer Complaining Behaviour. Source: Mattila and Wirtz, 2004.

Whilst the Mattila and Wirtz (2004) model includes electronic channels of communication, namely email, it is important to note that this model does not include internet channels currently available to consumers, such as protest web sites or social media. Harrison-Walker (2001) concurred and stated that with the dawn of the internet and its availability as a complaint channel, consumer-to-consumer interactions are no longer purely private and face-to-face; now consumers have a public space to participate with other consumers in negative (or positive) reactions.

Research by Istanbulluoglu, Leek, and Szmigin, (2017) proposed an integrated taxonomy that builds on the previous taxonomy of CCB, taking into account technological developments (i.e. social media) that have led to new channels for complaining. The taxonomy (see Figure 2-8) acknowledges that customer complaining can encompass single or multiple actions conducted

sequentially or simultaneously. The integrated taxonomy emphasises the complaining actions, the amount of information available to the organisation and the potential action by the organisation. It can be used by practitioners, first to clarify the number of complaining actions available to their consumer, and second to assist them in determining which ones they should focus to optimise their complaint-handling processes.

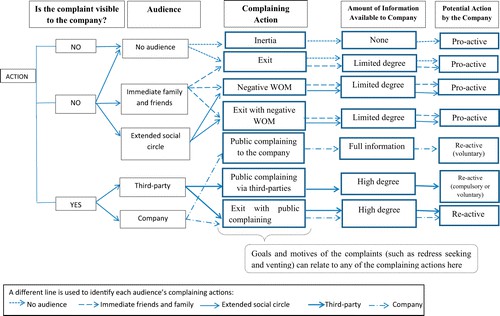


Figure 2-8 Taxonomy of CCB that incorporates social media

### Antecedents of Complaining Behaviour

In the literature, dissatisfaction is a recurring concept preceding customer complaining behaviour. Oliver’s (1980) disconfirmation of expectation model remains the predominant framework in the area, with a large body of empirical evidence that supports the theory (see for example: Churchill and Surprenant, 1982; and Yi, 1990). Figure 2-9 shows how a customer compares their pre-consumption service expectation with their perception of the actual service received. If the perceived service performance is greater than the expected performance (P>E) then the customer is satisfied, if the perceived service performance is less than the expected performance (P<E) then the customer is dissatisfied and finally if perceived service performance is greater or equal to the expected performance then the customer is neutral (P=E).

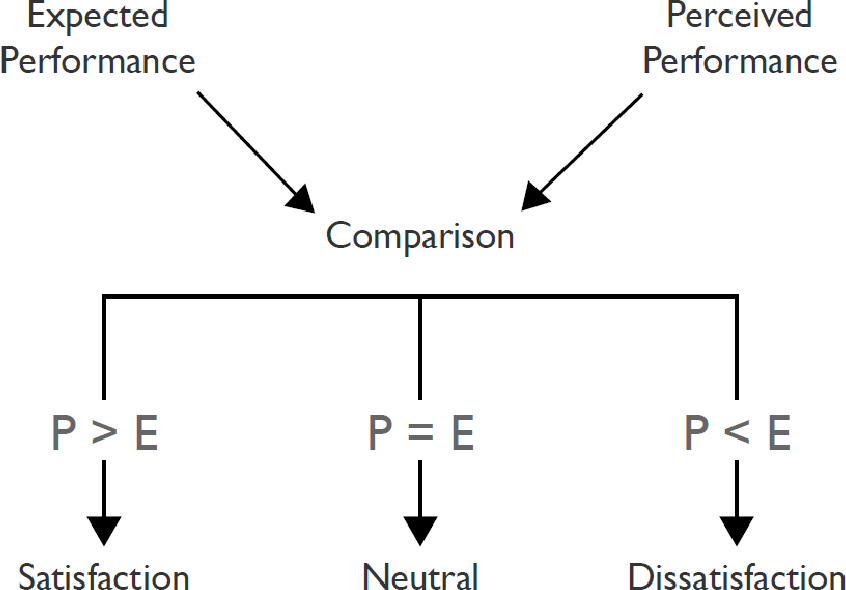


Figure 2-9 Disconfirmation of Expectation. Source: Oliver, 1980.

However, several other authors have also researched the precursors of complaining behaviour. Blodgett and Granbois (1992) developed a conceptual model of consumer complaining behaviour in a retail environment, that recognised that some complaining behaviours (i.e. negative word-of-mouth, exit and third-party complaints) are largely dependent upon the outcome of the redress seeking episode, which they identified as perceived justice. The model as shown in Figure 2-10 posits that disconfirmation, negative affect and attribution of blame lead to dissatisfaction, together with product importance; all provides the motivation to complain. Consumers who are averse to seeking redress, who perceive the possibility of success to be low and/or who are not store loyal are more likely to exit and to engage in negative word of mouth (WOM) behaviour, while consumers who have a favourable attitude to complaining, who perceive the likelihood of success to be high and/or who are store loyal are more likely to pursue a redress.

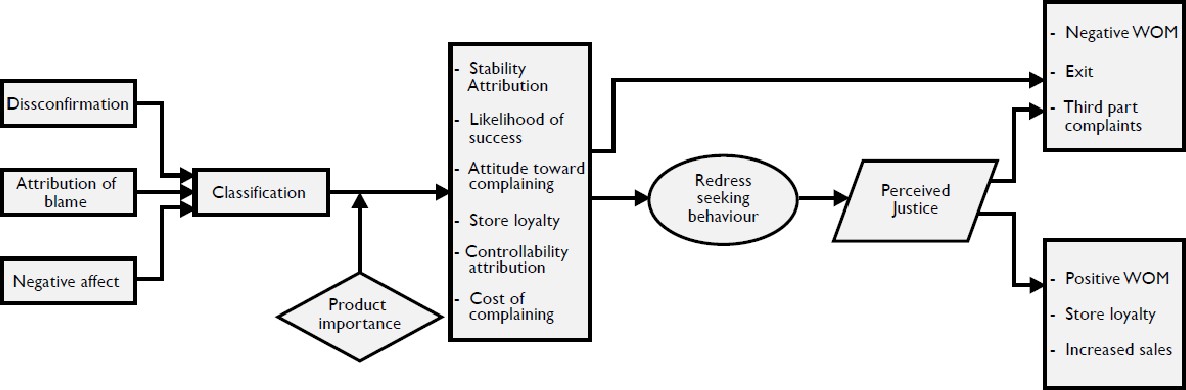


Figure 2-10 Conceptual Model of Consumer Complaining Behaviour. Source: Blodget and Granbois (1992).

Based on earlier research (Bearden, Crockett & Graham, 1979; and Cho, Hiltz & Fjermestad, 2002), Donoghue and De Klerk (2009) proposed organising the factors that influence CCB into three categories, namely; Consumer-related factors, including the consumers personal characteristics such as his/her personal competence as a complainer; product specific factors, such as the degree of dissatisfaction and the importance of the purchase and redress environment factors, for instance the perceived benefits relative to the cost of complaining.

### Consumer Related Variables

Consumer related variables denote characteristics that are associated with or determined primarily by consumers, i.e. individual factors (Donoghue and De Klerk, 2009). Consumer characteristics that have been proposed as antecedents to complaint behaviour include, among other things; demographics (Ndubisi and Ling, 2006; Tronvoll, 2007), personality factors (Bodey and Grace, 2006), attitudes (Kim *et al.*, 2003; Velázquez *et al.*, 2006), personal values (Stephens and Gwinner, 1998; Liu and McClure, 2001), culture (An *et al.*, 2001; Blodgett *et*

*al.*, 2006), knowledge and experience as consumers (Broadbridge and Marshall, 1995) and causal attributions for product failure (Weiner, 2000; Laufer, 2002).

In a study into the consumers’ attitudes toward complaining, Richins (1982) discovered three dimensions of consumer related variables; whether complaining tends to be worth the trouble involved, the individual’s norms concerning complaining and perceptions of societal benefits likely to result from complaining. This exploratory and descriptive study analysed the survey response of 356 consumers and demonstrated a relationship between the three attitudes above and actual complaint behaviour. In general, individuals with more positive attitudes toward complaining were shown to possess greater propensity to complain and reported undertaking more complaint actions. This supports the results from a study by Halstead and Droge (1991) which investigated the role of consumer attitudes toward complaining as predictors of complaining behaviour and proposed that several consumer attitude factors significantly influenced CCB and further that consumers attitudes about channel members’ responsiveness to complaints demonstrated the greatest ability to predict multiple CCBs.

### Product Specific Factors

Product specific factors have been shown to be influencers in predicting post purchase CCB of some products, as well as some consumer services (Kincade, Giddings & Chen-Yu, 1998). Product specific factors relating to CCB include: product/service category, cost (Kincade, Giddings & Chen-Yu, 1998; Stephens & Gwinner, 1998), level of durability or life expectancy (Day & Landon, 1977; Kincade, Giddings & Chen-Yu, 1998), importance of product/service to the customer (Stephens & Gwinner, 1998; Sheth, Mittal & Newman, 1999), severity of dissatisfaction or subsequent problem caused by the dissatisfaction (Richins, 1987; Goodwin & Spiggle, 1989; Donoghue et al, 2009), In the CCB literature, it is widely accepted that highly priced, complex products, with a long life expectancy are prone to a higher prevalence of consumer complaints (Day & Landon, 1977; Broadbridge & Marshall, 1995). Conversely, minor dissatisfaction does not tend justify the effort required to complain (Maute and Forrester, 1993).

### Redress Environment Variables

Redress environment variables are factors or elements that are influenced primarily or controlled fully by the retailer (Halstead & Droge, 1991; Dolinksy, 1994; Terblanche and Boshoff, 2001). As such these are issues the firm can remedy or put right. Such redress

environment variables that influence CCB include; perceptions of the retailer responsiveness to customer complaints (Maute & Forrester, 1993; Huppertz, 2003) and perceptions of the trouble or inconvenience involved in making a complaint, which in-turn includes; psychological cost of complaining (Dolinsky, 1994), time lost (Dolinshy, 1994) and the monetary cost of complaining (Richins, 1982).

Customers are more likely to voice their complaint when there is a more positive perception of the retailers’ responsiveness to consumer complaints (Donoghue and de Klerk, 2009). Indeed, retailers with a reputation for responding positively to consumer complaints with a redress encourage customers to complain directly (Halstead & Dronge, 1991). Conversely, consumers consider complaining directly to a firm a waste of time, when they doubt a response will be forthcoming (Sheth, Mittal & Newman, 1999).

A further redress environmental factor is the perceived difficulty or effort in making a complaint. If the complaint handling mechanism does not cause the consumer to go through a large degree of effort or inconvenience, the likelihood of formal or direct complaining to the firm is increased (Halstead & Droge, 1991; Dolinksy, 1994; Huppertz, 2003). It is important to note that while such factors as psychological costs and time lost are strictly speaking customer related variables (rather than redress environment variables); because the retailer has control over how they treat their customers, these variables are also relevant in a redress environment variable discussion.

### Unjustified CCB

Whilst the vast majority of the CCB literature presupposed that consumer complaints are a result of genuine dissatisfaction, there exists a small but growing body of research that supports the notion that, in reality consumer complaint episodes may ensue without the consumer experiencing dissatisfaction or service failure at all. Thus, suggesting that some complaints are “illegitimate” or “fraudulent” (Jacoby & Jaccard, 1981; Harris & Reynolds, 2004; Prim & Pras, 1999).

Several reasons or motives have been identified as rationales for inauthentic, deceitful CCB including; harbouring an anti-business attitude (Jacoby & Jaccard, 1981), , perceived possibility of financial gain (Harris & Reynolds, 2004; Reynolds & Harris, 2005; Jacoby & Jaccard, 1981), a means of impressing or gaining approval from observing customers (Kowalski, 1996; Marquis & Filiatrault, 2002; Reynolds & Harris, 2005), evoking sympathy from spectators (Alicke et al, 1992), to be viewed favourably by others, by implying that

standards are below those expected/experienced (Alicke et al, 1992), creating negative reactions from onlookers (Goodwin & Spiggle, 1989), competing with others in creating illegitimate complaints (Kowalski, 1996).

In their qualitative study Reynolds and Harris (2005) used the critical incident technique to analyse interviews with customers who had consciously made an illegitimate complaint in the preceding six months. The exploratory research revealed six motives for complaints, termed; freeloaders; customers driven exclusively by monetary gain, attempting to acquire free goods and services without suffering any genuine dissatisfactory incidences, fraudulent returns; customers who purchase and use goods and later unfairly return them for reimbursement. The last motive, namely customers who purchase and use goods and later return them for refunds was deemed to be the most common illegitimate CCB uncovered by this study. Furthermore, fault transferrors; are customers who by means of voicing illegitimate complaints, are motivated by need to avoid responsibility for their own errors, by dishonestly claiming that it is the firm who is at fault, Solitary ego gains; refers to customers who voice illegitimate complaints, while alone, in order to enhance their own feelings of self-worth and ego, Peer- induced esteem seekers; are driven to complain to obtain the predicted positive perception that watching customers (typically peers or family members) will offer in the event of the customer making a deceitful complaint and finally Disruptive gains; are customers who express an insincere complaint as they are motivated by the desire solely to cause some form of disruption and ultimately cause service failure.

Moreover Reynolds & Harris’ (2005) research also discovered four distinct forms of customer complaints; One-off complainants; customers who voiced an unjustified complaint on one occasion only and who assert that the event is not typical of their complaining or consumption behaviour, Opportunistic complainants; refers to customers who complain only when a potentially lucrative opportunity occasion arises. One aspect of this construct refers to the lenient return and satisfaction guaranteed policies of firms which are seen as “encouraging” or “inviting” illegitimate customer complaints, Conditioned complainants; are customers who through observation of illegitimate complaining behaviour of other customers, have learned how to effectively voice unjustified complaints and presently do so on a regular basis, Professional complainants; denotes customers who purposely and regularly seek out opportunities in which they can voice artificial service failures and thus construct or manufacture illegitimate complaints. Furthermore, professional complainers repeatedly pre-

plan their complaints in advance, often considering such behaviour as both acceptable and as part of their regular consumption behaviours. Research has shown that customers will tell eight to ten people about dissatisfactory products to obtain emotional support namely vent their anger and gain social validation for their negative feelings (Sanes, 1993 and Halstead, 2002).

### Section 3: Consumer Complaining Behaviour Conclusion

This section reviewed the literature on CCB and started with explaining what exactly a complaint is, CCB was explored, the antecedents of complaining behaviour discussed and finally this chapter reviewed the research on unjustified CCB.

It has been noted that empirical work exploring Customer Complaining Behaviour (CCB) using social media remains scarce (Balaji, Jha & Royne, 2015; Balaji, Khong & Chong, 2016). On reflection of the literature in relation to CCB, the critical factors are that the implications of taking action publicly are more complex, as well as intensified by the evolution of web 2.0 and the emergence of complaining on social media as a new phenomenon. Furthermore, there is little empirical, peer reviewed research into this phenomenon that retailers and other organisations are currently facing. The next section reviews the current body of knowledge on social media, the fourth key construct or stream of literature directly relevant to this research project.

### Section 4: Social Media

### Section 4: Introduction

Previous chapters in the literature review have examined key concepts of this research study, namely service failure, service recovery and CCB. This chapter investigates the concept of social media and social media management in the literature. Social media is fundamentally changing the way both consumers and businesses communicate, collaborate, consume, and create. As such, it represents one of the most transformative impacts of information technology on business, both within and outside firm boundaries (Aral, Dellaroces & Godes, 2013). In 2010, the Harvard Business Review identified that “it’s no secret that social media – global, open, transparent, non-hierarchical, interactive, and real time – are changing consumer behaviour and workplace expectations. As a result, the best businesses are creating comprehensive strategies in this area to support their goals.” (Dutta, 2010, p. 128).

This literature review examines the research not only on social media, but also social media management and the various opportunities, challenges and other issues discussed in the growing body of literature on this fast-moving, contemporary issue. Firstly, what social media is and what it is not is clarified. In turn this chapter reviews classifications of social media, the impact of social media on consumer behaviour as well as its impact on the corporate landscape. The latter part of this chapter examines the body of knowledge on the management of social media, what this is defined as in the literature and in turn examining social media strategy, social marketing mix, managing social media staff, the challenges of social media management, emotional labour, brand management via social media and finally corporate reputation.

### What is Social Media?

There appears to be some confusion in the literature as to what exactly should be included under the term ‘social media’ and how this term differs from the often-interchangeable concepts of Web 2.0 and user-generated content (Kaplan & Haenlein, 2010). Thus, to establish a complete and comprehensive understanding of what social media is, it is necessary to also define the two related concepts that are frequently mentioned in conjunction with it, namely Web 2.0 and user-generated content.

### Web 2.0

Web 2.0 can be thought of as a series of technological innovations in terms of both hardware and software that facilitate inexpensive content creation, interaction and interoperability. These

advancements have put the lay user, as opposed to the firm or the marketer, at centre stage in terms of design, content, collaboration and community on the World Wide Web (Berthon, Pitt, Plangger & Shaprio, 2012). Web 2.0, Brennan and Schafer (2010) added, is the second generation of the World Wide Web, where content is user-generated, dynamic and interactive. Kaplan and Haenlein (2010) concurred, stating that Web 2.0, a term first coined in 2004, describes a new way in which software developers and end users started to utilise the World Wide Web, that is, as a platform whereby content and applications are no longer created and published by individuals, but instead are continuously modified by all users in a participatory and collaborative fashion. In the era of Web 1.0 organisations managed, published and controlled content through personal web pages, such as a firm’s web page, for example, whereas Web 2.0 has overtaken this technology with Blogs, Wikis and other collaborative projects.

### User-Generated Content

The term ‘user-generated content’ describes the various forms of online content created and distributed on the Internet by end users rather than professionals (Daugherty, Eastin & Bright, 2008). The Organisation for Economic Co-operation and Development (OECD) (2007) formally defined user-generated content as requiring three basic components. Firstly, it must be published on either a publicly accessible website or on a social networking site accessible to a selected group of people. Secondly, it must demonstrate a certain amount of creative effort, and, thirdly, it must be created outside professional routines and practices. Thus, if Web 2.0 characterises the ideological and technological foundation, user-generated content may be seen as the sum of all the ways people use social media (Kaplan & Haenlein, 2010).

### Social Media

Social media is the product of Internet-based applications that build on the technological foundations of Web 2.0 (Berthon, Pitt, Plangger & Shaprio, 2012). Kaplan and Haenlein (2010, p. 61) formally defined social media as “a group of internet-based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of user generated content.” Social media differs from more traditional Web applications by offering users a platform for content creation, content upload, networking, conversing, media sharing and bookmarking (Parent, Plangger & Bal, 2011). Furthermore, Kietzmann et al. (2011, p. 241) concurred, stating that social media “employ mobile and web- based technologies to create highly interactive platforms via which individuals and

communities share, co-create, discuss and modify user-generated content.” Thus, social media is not only a vehicle for organisations to market their brand, products or services, but also a space to interact with the customers, potential customers (Edosomwan et al., 2011) and other interested stakeholders. Miller and Tucker (2016) concurred, stating that social media is today a place within which we socialise and not merely a means of communication.

### Classifications of Social Media

Whilst research examining various aspects of social media has proliferated in recent years, few have attempted to formally establish different categories of social media (Parent et al., 2011). Furthermore, Bernoff and Li (2008) added that not all social media are the same. Fraser and Dutta (2008) were some of the first to offer five broad categories of social media, as shown in Table 2-9.

|  |  |  |
| --- | --- | --- |
| **Category Name** | **Description** | **Example** |
| Egocentric Sites | Allow users to construct profiles of themselves on virtual platforms, facilitating identity construction and  connections. | Facebook.com |
| Community Sites | Imitate real-world communities, allowing groups  to form around beliefs | Dogster.com |
| Opportunistic Sites | Allow for different social organisation of users and facilitate business connections. Often defined  vertically. | Linkedin.com |
| Passion-centric Sites | Allow users to connect on a based interest and hobbies.  Often defined horizontally. | chatterbirds.com |
| Media-Sharing Sites | Allow users to share rich media with each other.  Defined by content, not users. | YouTube.com |

Table 2-9 : Classifications of social media. Source: Adapted from Fraser and Dutta (2008).

An alternative classification was proposed by Weinberg and Pehlivan (2011) using the dimensions of half-life of information and information depth (see Figure 2-11). Half-life of information is a function of both the medium and the content and refers to the longevity of the information in terms of availability or appearance on the screen as well as interest in a topic. Depth of information refers to the richness of the content, and the number and diversity of perspectives and purposes (Weinberg & Pehlivan, 2011).



Figure 2-11 Social Media by information half-life and depth and associated marketing objectives. Source: Weinberg and Pehlivan (2011).

In other research, social media is described by Kaplan and Haenlein (2011) as an umbrella term comprising six different types, which can be seen in Table 2-10.

|  |  |
| --- | --- |
| **Social Media Type** | **Example** |
| Collaborative Projects | Wikipedia |
| Blogs and Microblogs | Twitter.com |
| Content Communities | YouTube.com |
| Social Network Sites | Facebook.com |
| Virtual Games Worlds | Worldofwitchcraft.com |
| Virtual Social Worlds | Secondlife.com |

Table 2-10 Social Media Types. Source: Adapted from Kaplan and Haenlein (2011).

### The Impact of Social Media on Consumer Behaviour

Social media have changed the way consumers interact with each other and with companies (Hanna, Rohm, & Crittenden, 2011; Kietzmann, Hermkens, McCarthy, & Silvestre, 2011). Moreover, consumers’ information seeking behaviour with regard to products and services has shifted from offline sources to electronic word-of-mouth (eWOM) sources, such as review sites and social networks sites (Gruen, Osmonbekov, & Czaplewski, 2006) A global survey of 28,000 internet respondents by Nielsen (2012) revealed that only 46 per cent of participants reported trust traditional advertising, while 92 per cent reported trusting word-of-mouth from friends and family and 70 per cent reported trusting online consumer reviews. In short, potential customers are more likely to rely on recommendations from a real consumer, rather than a marketing message (Enginkaya & Yılmaz, 2014) Furthermore, social media platforms, like Facebook and Twitter, provide a substantive part of the available online word-of-mouth and are increasingly an important factor in within search results (Dijkmans, Kerkhof & Beukeboom, 2015). Research by Xiang and Gretzel (2012) concluded social media constitute a substantial part of travel related search results, while in a similar study revealed that 27 per cent hotel related search results referred to social media sites (Walden, Carlsson & Papageorgiou, 2011). The importance of social media within search media has further intensified since august 2015, with the introduction of Twitter content in google desktop content searches, as well as mobile searches (Schwartz, 2015).

### The impact of Social Media on the corporate landscape

In spite of the many potential opportunities and benefits that social media platforms and eWOM offer to firms (Culnan, McHugh & Zubillaga, 2010; Fournier & Lee, 2009; Gallaugher & Ransbotham, 2010; Kaplan & Haenlein, 2010; Schau, Muñiz & Arnould, 2009), some executives continue to avoid or even ignore this form of media (Kietzmann, Hermkens &

McCarthy, 2011). The extent and type of social media management strategy undertaken by a firm depends on the company’s tolerance for uncertain outcomes and the level of results sought by the firm (Wilson, Guinan, Parise & Weinberg, 2011). However, Kietzmann et al. (2011) speculated that some firms’ reluctance to engage with social media may be because their corporate executives do not understand social media, the various forms it can take, and how to engage with it and learn.

As all indicators point to the fact that social media are here to stay (Constantinides & Fountain, 2008), firms can no longer disregard or snub the medium and its conceivable impact on the firm’s reputation, sales, and even survival. Furthermore, recent analytical commentaries have emphasised that even robust brands with well-planned, deliberate social media strategies are susceptible in this new landscape, owing to customer empowerment, greater transparency and online activism (Aula, 2010; Cova & White, 2010; Fournier & Avery). The most prevalent motives for organisations to use social media are enhancing trustworthiness, brand attitude, and customer commitment (Van Noort & Willemsen, 2012 and Weinberg and Pehlivan, 2011).

### Social Media Management defined

Social media management is the organisation of operational issues, managerial challenges and comparative advantages with respect to the emerging paradigm of social business (Vatrapu, 2013). At a business level, social media management is the collaborative process of using Web

2.0 technology, platforms and tools to achieve desired organisational objectives (Montalvo, 2011). Furthermore, social media management is concerned with not only operational issues, but also managerial challenges resulting from the adoption and use of social media channels in an organisation both internally and externally (Vatrapu, 2013).

As such social media management supplements the six traditional management types, namely: human resource management, operations/production management, strategic management, marketing management, financial management and information technology management (Vatrapu, 2013). Montalvo (2011) argued that social media management influences several core areas of companies such as brand awareness, brand reputation, strategy development, analytics, creativity and collaboration.

### Social Media Strategy

Selecting the appropriate strategy and subsequent tactics to engage in social media conversations or to react on activities in social media is crucial for companies (Schniederjans

et al, 2013). Firms can choose to embrace or adopt social or ‘ambient’ media or choose to limit themselves to traditional media, by following one of four strategies: strategy of absence, strategy of presence, strategy of attendance, or strategy of omnipresence (Aula, 2010), as shown in Table 2-11.

|  |  |
| --- | --- |
| Strategy of absence: | Leaders make a strategic choice not to proactively attend conversations and content production about the firm in the context of ambient publicity. The flow of information is mainly unidirectional from an organisation to stakeholders. |
| Strategy of presence: | Leaders encourage the firm to be attuned to the ambient publicity about itself. However, reputation management is based on conventional public relations, where a company aims to inform specific audiences via certain media channels. Specific media, such a newspaper, are used to reach the intended audiences. The mode of reputational communication is more monolog than dialog. |
| Strategy of attendance: | Leaders encourage the firm to take part in social media conversations as a listener, but also to collect, share and consider information internally whenever the subject concerns the company or is important to the industry. Firms’ reputation management consists of attending, but its awareness of the ongoing dialogue among stakeholders is highly valued. |
| Strategy of omnipresence: | Leaders are closely involved in ambient publicity. Firms accept blurred boundaries between privacy and publicity, and stakeholders and media.  Reputation management |

Table 2-11 Ambient strategies. Source: Adapted from Aula (2010);

Later research conducted by Wilson et al. (2011) to understand how businesses are approaching the challenge of social media. This study analysed strategies and practices at more than 1,100 companies across several industries and continents. They conducted in-depth interviews with executives who were leading social media initiatives and discovered four distinct social media strategies. These strategies depended largely on a company’s tolerance for uncertain outcomes and the level of results the firm sought. The four strategies ranged from the predictive

practitioner to the creative experimenter to social media champion and, finally, the social media transformer.

The predictive practitioner approach to social media management confines usage to a specific area, for example customer service. Wilson et al. (2011) argued that this works well for businesses seeking to avoid uncertainty and to deliver results that can be measured with established or traditional tools. The creative experimenter strategy is adopted by firms who embrace uncertainty and use small-scale tests to find ways to improve discrete functions and practices. This strategy involves listening to customers and employees on social media platforms such as Twitter and Facebook. The third strategy identified by Wilson et al. (2011) is the social media champion and involves large initiatives designed for predictable results; further, it often depends on close collaboration across multiple functions and levels and can include external parties. The last approach is the social media transformer strategy, which enables large-scale interactions that extend to external stakeholders, allowing companies to use the unexpected to improve the way they do business. Thus, it is adopted by companies with a high level of tolerance for uncertain outcomes.

The active management of corporate social media accounts has been found to positively influence the volume of user-generated content and thus stimulating the public debate about the company (Miller & Tucker, 2013). Moreover, Fournier and Avery (2011) suggested that in relation to brand management organisations may find themselves executing a systematic brand protection strategy in relation to social media management, rather than a strategy of active brand building. Organisations must be aware that risk to the reputation can emerge anywhere and anytime on social media, irrespective of the social media strategy chosen (Rokka, Karlsson & Tienari, 2014).

In summary there is only little research investigating how companies should manage their social media activities and whether social media management tools are suitable to support their goals (e.g., Miller & Tucker, 2013; and Benthaus, Risius, & Beck, 2016). As a result, Aral et al (2013) and others call for more research about the strategic use of social media, strategy management at the organisational level.

### Managing the Social Marketing mix

Weinberg and Pehlivan (2011) suggested that the traditional marketing approach consists of, first, segmenting a market, then targeting a segment, then selecting a vehicle for reaching that

segment with desired content, then funnels or drives consumers towards purchase. In contrast a marketer with social media marketing objectives first monitors all vehicles for content of interest (e.g., mentions of a brand or product), then identifies individuals associated with that content (e.g., a customer indicating satisfaction or dissatisfaction), then decides whether to target those individuals and, if so, with what action (e.g., continue to monitor, engage in conversation, offer appreciation), then, ultimately, funnels them towards evangelism or advocacy, as shown in Figure 2-12.

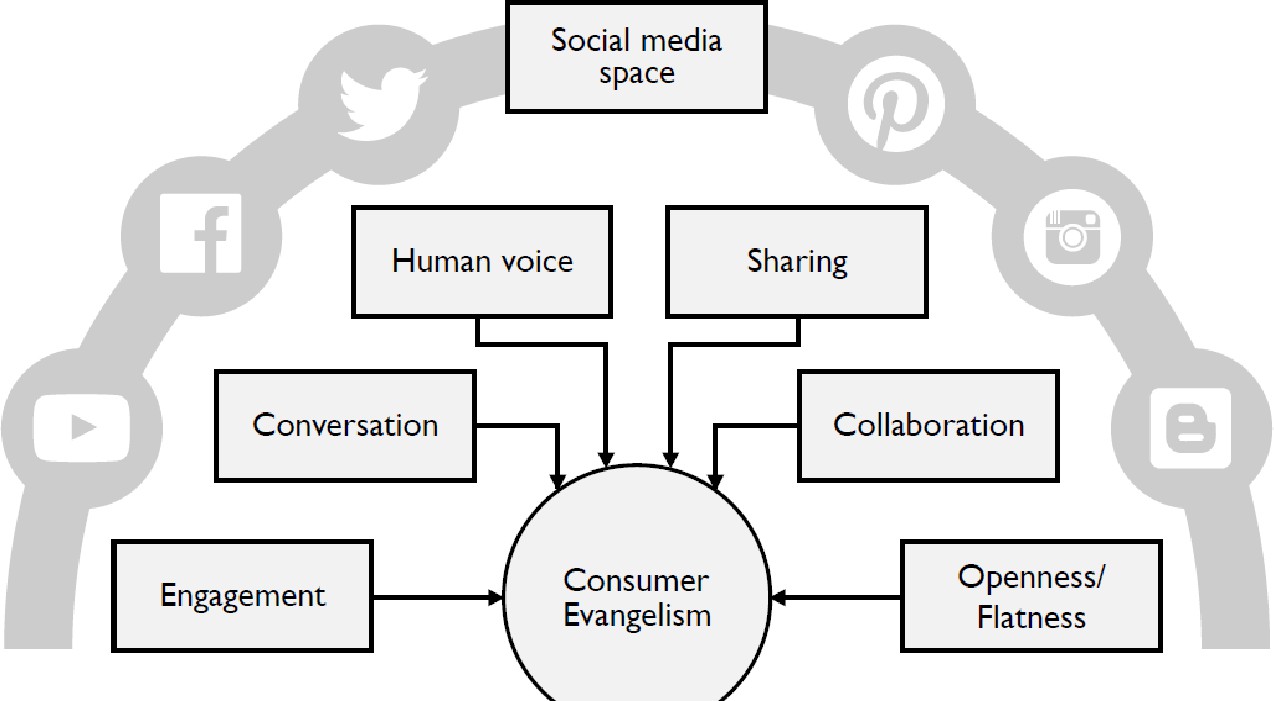


Figure 2-12 Social process for media spending. Source: Weinberg and Pehlivan, (2011).

### Managing Social Media Employees

Particular attention should be taken by organisations in defining the groups of employees taking responsibility for social media actions and activities, as well as whether or not all employees should have access (Kaplan & Haenlein, 2010). Furthermore, Fournier and Avery (2011) proposed that a competent social media team must be staffed with Generation Y Internet users who can understand bloggers and social media posters, as well as craft authentic stories, hype celebrities, expertly place content for sharing and generally build “buzz”. Management must ensure employees’ engagement in social media is active, interesting and most importantly that it is honest (Kaplan & Haenlein, 2010). While, Culnan et al. (2010) emphasised that employees need formal rules and systems to use in responding to social media messages. Furthermore, they warned that the firms who do not develop policies governing employees’ social media use, also known as ‘rules of engagement’, are risking turmoil. In contrast, Fleming (2009)

argued that too much management control over social media staff may lead to a sense of alienation and resistance among these employees. Furthermore, too much control may result in inauthentic brand communication (Fournier & Avery, 2011).

### The Social Media Manager

It is vital to employ a social media manager in order to lead the effective and appropriate use of social media (Montalvo, 2011). However, as social media is integrated across several organisational functions, marketers are grappling with the most appropriate role and management structure for the management of social media (Kunz & Hackworth, 2011; Mangold & Faulds, 2009). Furthermore, there is no general consensus in the literature in relation to within which department the social media manager does and/or should reside. Tan and Vasa (2011) determined that in the case of small businesses the responsibility of social media strategy and management often falls largely to the owner, and to the marketing department in large organisations. Whilst, research by Meske and Stieglitz (2013a) identified that social media managers are often part of middle management and tend to be based in the internal communications or human resources department. Furthermore, they identified that the job or position title can differ considerably, primarily because the extension of responsibility of an existing position can be done formally, but also informally.

With regard to the roles and responsibilities of the social media manager, Meske and Stieglitz (2013a) identified four main roles, including: monitor, liaison, spokesman and entrepreneur (see Figure 2-13). Following interviews with 15 ‘social media managers’ of large German enterprises, the tasks and duties within the above four functions included:

* + - 1. Monitor
         * Have a solid understanding of the operations and field of the operations of the firm
         * Pay ongoing attention to social media trend developments
         * Observe the legal situation concerning data protection
         * Search for information on social media success factors and best practice
         * Scrutinise other companies’ use of social media and benchmark against the firm’s social media activity.
      2. Liaison
         * Communicate and coordinate both on a vertical and horizontal level
         * Encourage the adoption, introduction and ongoing usage of social media by convincing various levels of management to participate actively and act as role models of social media marketing practice.
      3. Spokesperson
         * Represent the social media management function to three groups, namely the higher management, the users and the interested public
         * Keep senior management up to date with regard to the status quo, performance, development, problems and future plans
         * Educate employees using social media on behalf of the firm about new guidelines, future plans, current measures etc.
      4. Entrepreneur
         * Design and conduct social media projects
         * Constantly look for new possibilities and ways in which social media can add value

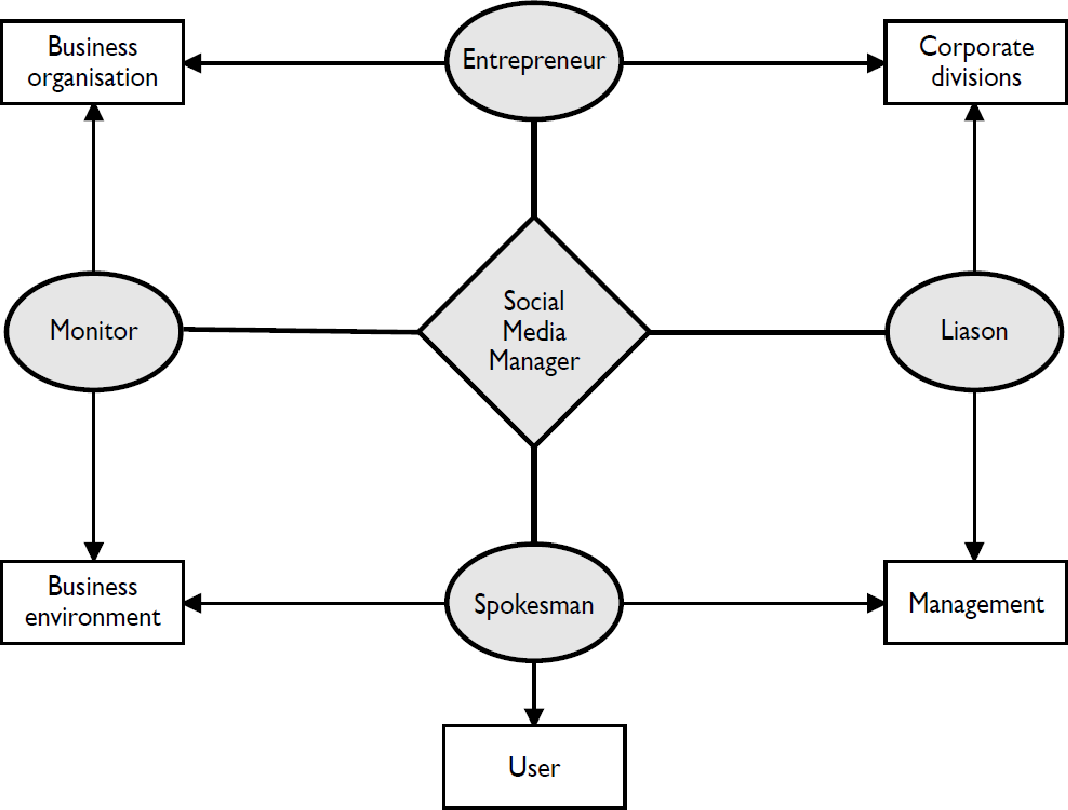


Figure 2-13 Roles of Social Media Manager. Source: Meske and Stieglitz, (2013a).

### Challenges of Managing Social Media

In a study of 69 interactive marketing professionals, Ingram (2013) identified that the main challenges faced in managing social media include achieving return on investment, the measurement of performance, internal staff resources, a lack of budget, the integration of social with other/traditional marketing and, finally, the lack of time necessary to implement social media marketing (see Figure 2-14).

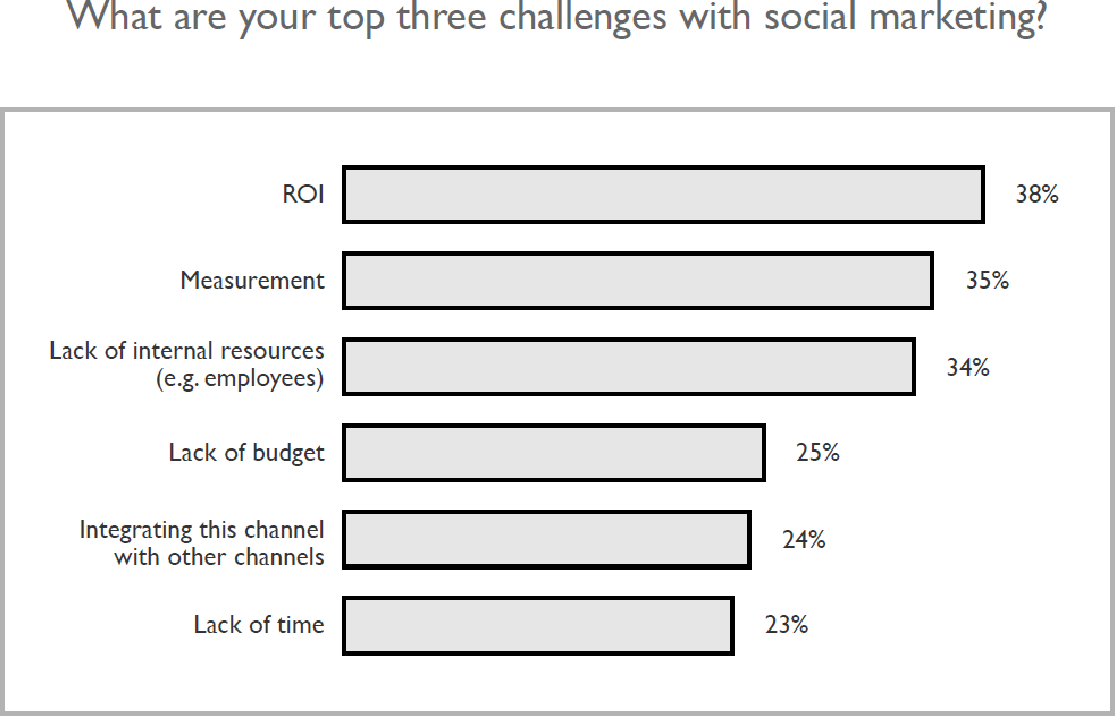


Figure 2-14 The key challenges of the management of social media marketing. Source: Ingram (2013).

With regard to the implementation of social media marketing several challenges have been identified in the literature, including: integrating social media across the organisational functions (Edosomwan et al., 2011); developing and deploying the personnel to perform the social media activities (Valos, Polonsky, Mavondo & Lipscomb, 2014); measuring both the costs and benefits of social media (Fisher, 2009; Michaelidou, Siamagka & Christodoulides, 2011); achieving engagement (Valos et al., 2014) and, finally, how to assign responsibility for social media activities (Denning, 2010).

Valos et al. (2014) identified the many unique characteristics of social media and how these differ from traditional media. It is argued that it is these unique characteristics that cause the various challenges for business and determine how organisations manage social media (see

Table 2-12). In a study by Meske and Stieglitz (2013) of social media usage of small and medium enterprises (SMEs) and problems related to the implementation and operation of social media, SMEs declared aspects of lacking support by employees, effectiveness, efficiency, issues of corporate culture and the lack of resources as the major challenges or issues faced. A separate study by the same authors (Meske and Stieglitz, 2013a) highlighted that the main problems or challenges faced by social media managers are the imbalance of high expectations from social media marketing and the relatively low discretionary power of the social media managers themselves.

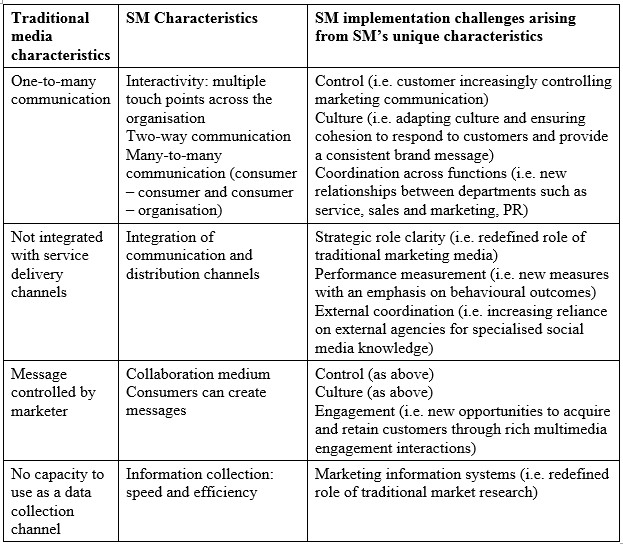


Table 2-12 Social media characteristics and their implications. Source: Valos et al. (2014).

### Emotional Labour

The work involved in managing emotions in the workplace by either displaying appropriate emotions or suppressing inappropriate ones is termed “emotional labour” (Mann, 1997). Both employers and organisations endeavour to manage or control the display of emotion in the

workplace. The practice of managing expressions and feelings by the two emotional labour strategies of surface and deep acting is the core of emotional labour (Grandey, 2000; Holman, Martinez-Iñigo & Totterdell, 2008; Rubin, Tardino, Daus & Munz, 2005).

Deep acting is an antecedent-focused form of emotion regulation that affects the perception and processing of emotional cues at the onset of an emotion; that is, before they elicit behavioural, experiential or physiological response tendencies (Gross, 1998). When employing deep acting in the workplace, employees attempt to align the required feelings with their true feelings. This can be achieved by directing one’s attention to pleasurable matters. Consequently, deep acting results in genuine emotional displays of the required emotions (Hülsheger & Schewe, 2011).

However, the practice of managing expressions and feelings by the second emotional labour strategy, surface acting, is where the employee undertakes a response-focused form of emotion regulation that is applied when the emotion has already developed. Here there is no modification of the employee’s actual feelings, but rather to the controlling of the emotional expression. Employees adjust their emotional response by suppressing, amplifying, or faking emotions. As a result, the emotional experience and the emotion expression remain conflicting when employees employ surface acting when managing expressions and feelings (Grandey, 2000; Gross, 1998; Totterdell & Holman, 2003).

### Managing the brand via Social Media

Recent analytical observations have emphasised the importance of the potential impact of social media on brand management, noting that even strong brands are vulnerable in this new environmental landscape due to the greater transparency, consumer empowerment and online activism initiated by the dawn of social media (Aula, 2010; Cova & White, 2010: Fournier & Avery, 2011; Kozinets, Wojnicki, Wilner & De Valck, 2010; Solove, 2007). As previously stated, Fournier and Avery (2011) proposed that the future of brand management may be dominated by the practices of systematic brand protection on social media channels, rather than active brand promotion. Kozinets et al. (2010) concurred, recognising an increase in consumer criticism and defiance towards brands in the form of electronic word of mouth eWOM. Aula (2010) added that it is virtually impossible for organisations to control all conversations online and that social media amplifies the risk to corporation reputation, as a result of increased transparency and consumer empowerment. Brand reputation is deemed to be at risk on occasions when negative events are caused (Barnett, Jermier & Lafferty, 2006).

### Corporate Reputation

Corporate reputation has been defined as “a collective representation of a firm's past behaviour and outcomes that depicts the firm's ability to render valued results to multiple stakeholders” (Fombrun, Gardberg & Sever, 2000, p. 243). It is suggested by Gotsi and Wilson (2009) that there is a dynamic, bilateral relationship between a firm's corporate reputations and its projected corporate images. Argenti and Druckenmiller (2004) argued that reputation is an outcome of interactions between stakeholders and the organisation over time (Argenti & Druckenmiller, 2004). Figure 2-15 displays alignment between corporate identity, corporate branding and corporate reputation, with the multi-directional arrows displaying the systemic nature of the components.

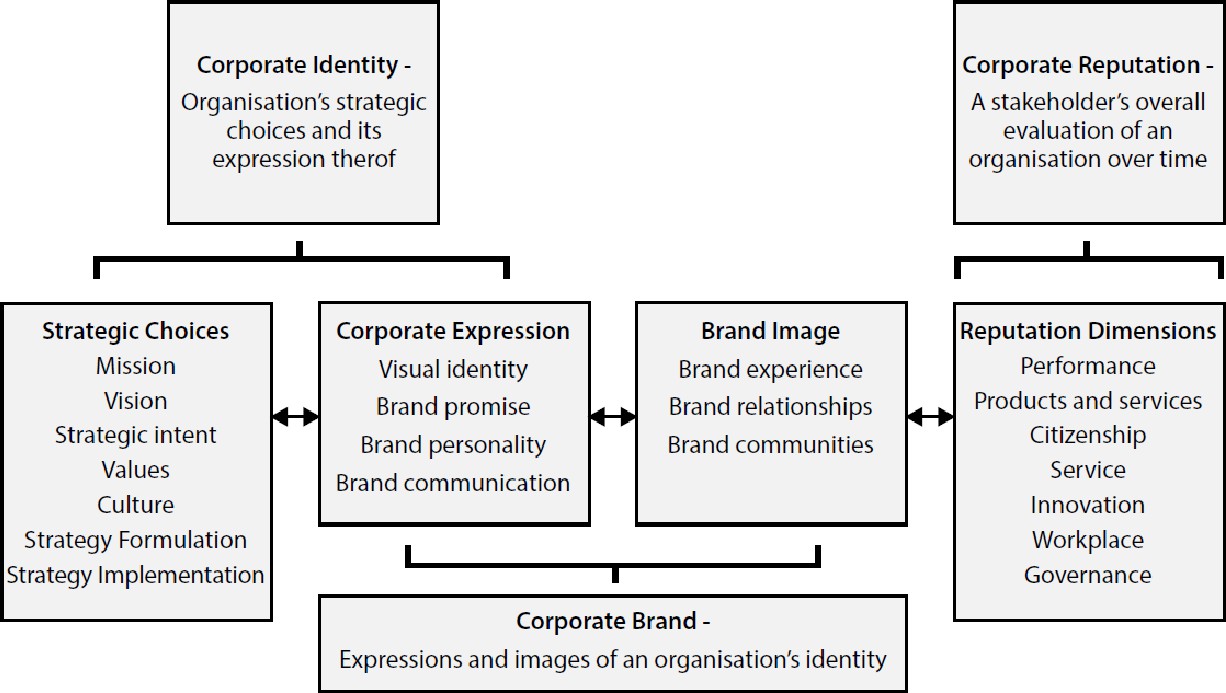


Figure 2-15 Corporate identity, corporate brand and corporate reputation: an integration.

Source: Abratt and Kleyn, 2012.

### Section 4: Social Media Conclusion

This section investigated the concept of social media and social media management in the literature, while previous chapter have examined other key concepts of this research study, namely service failure, service recovery and consumer complaining behaviour.

On reflection of the body of knowledge in relation to social media the critical factors are that since the dawn of web 2.0 user-generated content and social media only 20 years ago, in the

late 1990s, there has been many implications and profound implications throughout society. In relation to this research, this new phenomenon has had a huge impact on consumer behaviour, corporate strategy, brand management and operations. As a result, it is vital for organisations, including retailers, to understand how and why consumers use social media, how it impacts their organisation and how it can be best harnessed to achieve organisational goals.

Optimal strategies for responding to customer complaints in social media is a gap in the body of knowledge that requires research (Hoffman et al, 2011). This empirical research study aims to directly address this gap in the literature and thus the final section of this literature review explores and combines the various streams of literature, namely service failure, complaining and service recovery, via social media.

### Section 5: Service Failure, Complaining and Service Recovery on Social Media

### Section 5: Service Failure, Complaining and Service Recovery on Social Media Introduction

Complaints, previously expressed in one-to-one communication, are now publicly shared on social network sites, (anti)brand communities, review sites and (micro)blogs (Ward and Ostrom, 2006). The emergence of social networking platforms has dramatically transformed the nature and content of customer conversations. These platforms allow customers to have direct, instantaneous and expanded interaction with other networked customers (Balaji, Khong & Chong, 2016) and brands. Thus social media offers a plethora of possibilities for consumers and other stakeholders to express their opinions and exchange information on organisations and their products (Deighton & Kornfeld, 2009; Einwiller & Steilen, 2015; Hennig-Thurau et al., 2010). The emergence of social media has empowered many customers to complain online in seeking redress or venting frustration (Tripp & Grégoire, 2011). Therefore, ignoring the negative online conversation is no longer a sustainable strategy for retailers as no-responses often trigger detrimental brand-related reactions (e.g. unfavourable brand image) and equally defensive responses are likely to stimulate negative word-of-mouth (Weitzl, 2019). Furthermore, a cross-industry study revealed that 88 per cent of consumers are less likely to buy from a company that ignores online customer complaints (Drennan, 2011) and effective complaint handling practices can make the complainants more trustworthy and loyal than before (Singh et al, 2016). Yet, empirical research on the effectiveness of handling complaints voiced on social media is still scarce (Einwiller & Steilen, 2015).

This section examines social media as a new channel for complaints, the shift of the locus of power from the brand to the consumer, complaint management on social media, social media crises, antecedents of complaining via social media and finally the various calls for research on complaining behaviour and service recovery via social media.

### Social Media a new channel for complaints

The ideas of service failure and recovery strategies have been transformed, due to the internet environment, from a consumer-provider perspective to a multifaceted web quality activity (Rai & Appiah, 2019). According to Clarke (2013), complaining via social media categorises social media as a semi-interactive channel of communication, as shown in Figure 2.16 and proposed that it is the characteristics of the medium which afford this classification thus enabling

consumers to assert power over organisations by utilising the pressured environment that social media creates and leveraging the influence of mass complaints.

Research by Mattila and Wirtz (2004) suggested that customers rely on remote channels such as email to vent their frustration but use real-time interaction channels (e.g. face-to-face or the telephone) for seeking tangible compensation. Clarke’s (2013) findings were largely conclusive with that of Mattila and Wirtz (2004) demonstrating the majority of complaints were for the purpose of venting anger, however, a small proportion did exercise a redress- seeking resolution. This further demonstrates the flexibility in social media as a medium and the capabilities of consumers to utilise new channels of communication for varying complaints actions (Clarke (2013). Given the public nature of the social media complaint action, social media affords individuals the opportunity to not only interact with the organisation but other dissatisfied consumers, which provides them with a sense of social solidarity as it highlights a shared common experience (Hanna 1981).

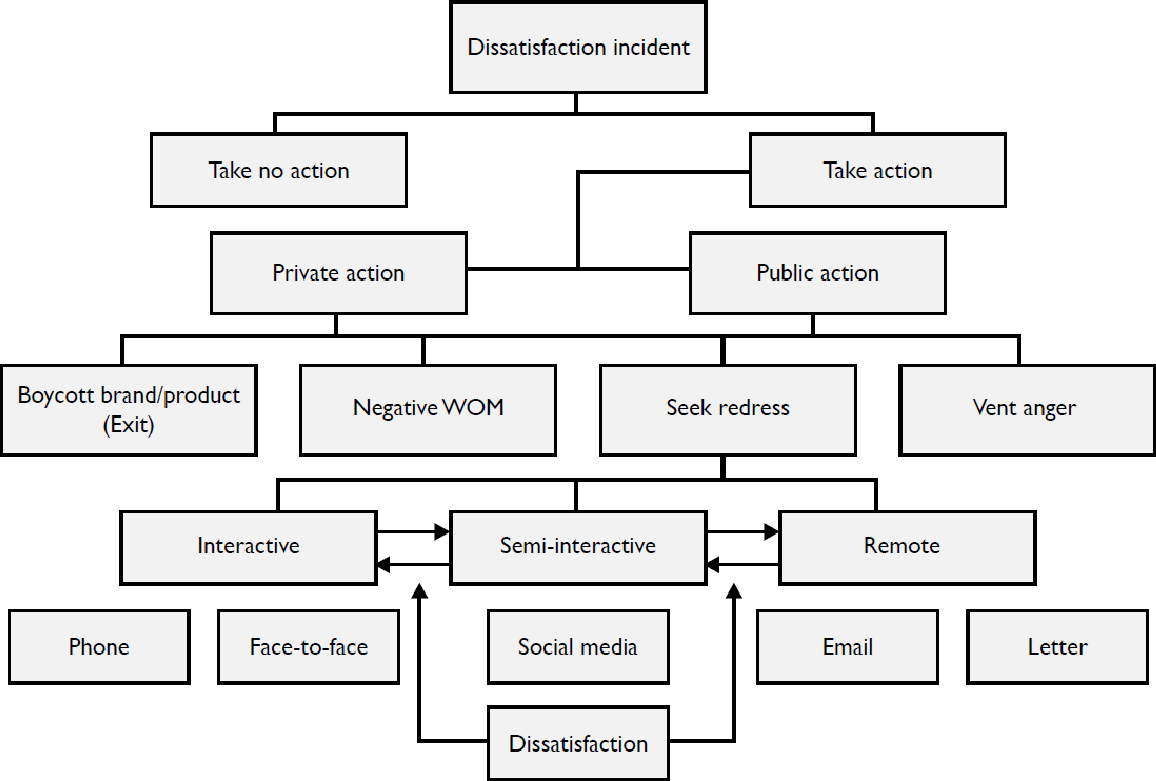


Figure 2-16 Social Media as a Complaint Channel. Source: Clarke, (2013).

### Shift in the Locus of Power

Social media and the subsequent new global marketing environment has shifted power away from the firm toward individuals and communities (Berthon, Pitt, Plangger, & Shapiro, 2012). Now, a seemingly weak consumer can attack a strong brand, with huge damage potential for brands (Kähr, Nyffenegger, Krohmer & Hoyer, 2016). A customer’s negative experience can “go viral” and rapidly spread in real-time to millions of people due to the internet’s immediacy, anonymity, accessibility, long-term availability, and significant reach to potential audiences, thereby easily tarnishing a company’s reputation (Tripp & Gregoire, 2011). Potential customers are more likely to rely on recommendations from a real consumer, rather than a marketing message (Enginkaya & Yilmaz, 2014). Clark’s (2013) research findings indicated an assertion of power by complaining consumers as a frequent theme, with customers not only appearing to exploit the characteristics of the channel, but also their power as a collective. Aided by the semi-interactive nature of the channel of social media, consumers are able to mobilise against organisations by contributing to other user’s complaints, creating pressure on the organisation to respond or alternatively demonstrating their social support and affirmation (Ward and Ostrom, 2006).

### E-Service Quality

The ideas of service failure and recovery strategies have been transformed, due to the internet environment, from a consumer-provider perspective to a multifaceted online quality activity (Rai & Appiah, 2019). E-service quality is the “extent to which a website facilitates efficient and effective shopping, purchasing and delivery” (Parasuraman et al., 2005, p. 217). However, this definition does not include post-purchase or management of external channels, such as social media.

### Complaint Management and Social Media

Little research regarding how organisations manage complaints on social media exists. However, a study by Einwiller and Steilen (2015) analysed how large companies handle complaints on their Facebook and Twitter pages. Thirty-four large US companies from the Forbes Global 2000 list were scrutinised between 18th February and 17th March 2013 by thematically analysing their Facebook and Twitter pages. The unit of analysis was complaint post or tweet and – if applicable – corporate and third-party response(s) following the original complaint as well as replies by the complainant. Results revealed that the organisations are not fully embracing the opportunities of social media to demonstrate their willingness to interact

with and assist their stakeholders. In fact, organisational responsiveness is only moderate, and companies often try to divert complainants away from the social network site. The most frequently applied response strategy uncovered by Einwiller and Steilen (2015) was asking complainants for further information, however this strategy does not appease complainants. Furthermore, response strategies that actually cultivate complaint satisfaction are used less often. They comprise offering a corrective action, connecting the complainant with someone who can provide a problem solution and thanking the complainant.

### Humorous complaining on Social Media

When United Airlines refused to compensate Dave Carroll for his damaged Taylor guitar the unsatisfied customer turned to the internet to air his complaint. But rather than taking a strictly negative tone, his YouTube video, “United Breaks Guitars,” humorously parodied his negative experience with the company. Carroll’s complaint attracted millions of views, creating a public relations disaster for United and a swell in popularity for the musician (Ayres 2009; Deighton and Kornfeld 2010). McGraw, Warren and Kan (2015) conducted six studies, which use social media and online reviews as stimuli. Their analysis concluded that humorous complaints benefit people who want to warn, entertain, and make a favourable impression on others. Furthermore, humour makes complaints seem more positive (by making an expression of dissatisfaction seem acceptable), but makes praise seem more negative (by making an expression of satisfaction seem wrong in some way). Finally, McGraw, Warren and Kan (2015) proposed that complaining humorously on social media has a cost to the complainer, because being humorous suggests that a dissatisfying situation is acceptable, humorous complaints are less likely to elicit redress or sympathy from others than non-humorous complaints (McGraw, Warren & Kan, 2015).

### Social Media Crises

In the modern business environment, crises have become more frequent and severe (James, Wooten, & Dushek, 2011). One of the reasons for this increase in importance and severity is social media, as organisations struggle to make sense of how to manage and lead in this new ecosystem (Kietzmann, Hermkens, McCarthy, & Silvestre, 2011). A crisis is the “perception of an unpredictable event that threatens important expectancies of stakeholders and can seriously impact an organisation's performance and generate negative outcomes” (Coombs, 2012, p. 2-3).

The study of crisis communication on social media has been growing rapidly since the beginning of the 2000s (Kruckeberg and Valentini, 2016). Whilst significant research focuses on communication on social media during and after natural and other disasters, some social media crisis research focuses on product or service failure related crises, for example Choi and Lin’s (2009) research of Mattel product recalls and Johansen, Johansen, and Weckesser’s (2016) examination of the Telenor crisis. Choi and Lin (2009) suggested that crisis responsibility is a significant predictor of anger, fear, surprise, worry, contempt, and relief, and indicates that these are attribution dependent emotions thus organisations should take publics’ emotional reactions seriously to protect their organisations’ reputation and develop a communication strategy to reduce the level of alert in particular at the beginning of a crisis. Johansen, Johansen, and Weckesser’s (2016) research proposed that organisational crises need to be seen as a complex set of communication processes, including the many voices that start communicating from different positions, and also taking into account the response strategies of the organisation, as well as the response strategies applied by supportive emotional stakeholders. Furthermore, faith-holders need to be monitored, as they may prove to be useful as crisis communicators.

Gruber, Smerek, Thomas-Hunt and James (2015) proposed six practical tips to brands for crisis management and leadership on social media (see Table 2-13). Other researchers have established a social-mediated crisis communication model and examined the influence of information form and source on crisis emotions (Jin, Liu & Austin, 2014; Liu et al., 2011). Johansen, and Weckesser’s (2016) concurs that it is important for an organisation to match social media form and source when responding to emotional stakeholders during a crisis.

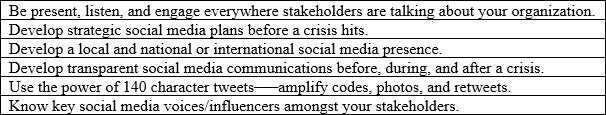


Table 2-13 Practical tips for crisis management and leadership. Source: Gruber, Smerek, Thomas-Hunt and James (2015).

Kähr, Nyffenegger, Krohmer & Hoyers’ (2016) study of Consumer Brand Sabotage (CBS) shown in Figure 2-17, resulted in the below conceptual framework of aggressive consumer

behaviour toward brands. Three key managerial implications of this research are: (1) CBS is not only a new and distinct form of negative consumer behaviour but is also destructive, with a huge damage potential for brands, whereby even a seemingly weak consumer can attack a strong brand. (2) CBS is not a spontaneous action; rather, it results from a conscious mental process that often involves an escalation of repeated negative interactions with a brand. Thus, managers might have the opportunity to detect CBS before it occurs. (3) Managers need to define explicit and clear strategies for how to respond to CBS. Response strategies could include (a) appeasement or apologising to both the saboteur and the public; (b) counterstatements that objectively address, an initial performance failure for which the company was blamed by the saboteur or even (c) a counterattack that questions the honesty and objectiveness of the saboteur.

### Antecedents of complaining via Social Media

Social networks make complaining much easier and more effective than previously (Gregorie, Salle & Tripp, 2015). Research by Balaji, Khong & Chong (2016) suggested that feeling of injustice, firm attribution, firm image, face concern, reappraisal, use intensity and tie strength are key antecedents of negative word-of-mouth communication.

### Consequences of complaining via Social Media

Gafni and Golan (2016) examined the phenomenon of consumers' reviews posted on social networks, namely Facebook, to measure the influence of negative reviews on the reader's buying decisions and on the firms' attitudes. Three main findings emerged (1) potential consumers base their decisions on posted reviews; (2) they are exposed to negative reviews that affect their purchase decisions, in relation to the manner they use the social network (active or passive users); and (3) the firms mostly react, in order to diminish their influence.

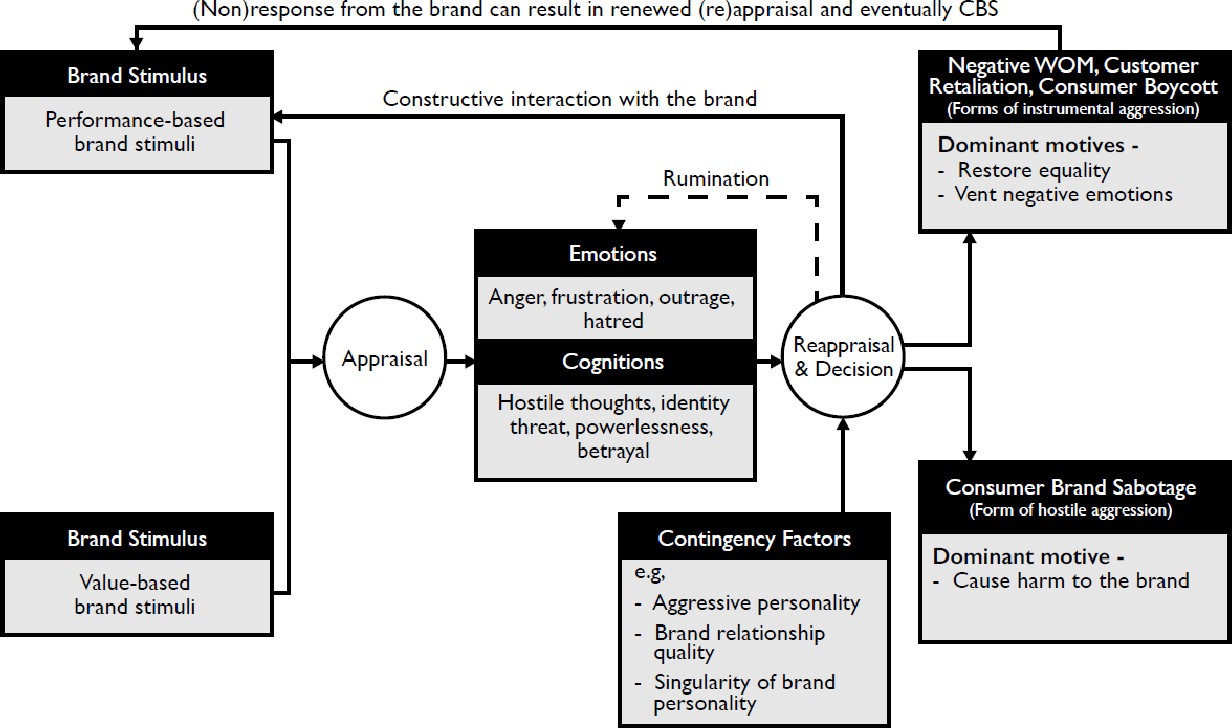


Figure 2-17 Conceptual Framework of Aggressive Consumer Behaviour Toward Brands.

Source: Kähr, Nyffenegger, Krohmer & Hoyers, (2016).

### Why do customers complain on Social Media?

As discussed in more detail in the following section there is a lack of empirical research in this area. Furthermore, recent studies concentrate on the Facebook social media platform only. One such study by Mei, Baggass and Relling, (2019) concluded that the main reasons for the respondents to voice their complaints on Facebook is to vent frustration, to share their unfavourable experiences, a need to be seen, understood and respected, to seek revenge by damaging the retailer’s reputation as well as offering the retailer a chance to improve. Similar to this research the study used a qualitative research approach by conducting twelve in-depth interviews. The findings indicate that the respondents’ initial contact with the retailer directly resulted in service recovery failures and undesirable outcomes, i.e. double deviation. Such double deviation then leads to frustration and uncertainty of the situation, which furthermore led to the respondents’ need to voice their complaint by sharing their unfavourable experiences on Facebook.

In one other study focusing on complaining on Facebook by Pozza (2014), it was discovered that customers would choose social media such as Facebook as a channel to voice their complaints primarily due to dissatisfaction with other channels as the problem remained

unsolved or desirable outcomes were not gained. This is then followed by social motivations such as recommendation by friends and family as a preferred complaint channel, and the ability to connect with other customers to share their unfavourable experiences (Pozza, 2014).

When studying complaining on social media based in the hospitality sector Sparks and Browning (2010) discovered that customers would resort to the social media to vent their frustration after being offended or ignored by the retailer as they were beyond seeking compensation. This is supported by commentary by Grégoire et al., (2015).

### Gap in the literature and call for research

Although social media has attracted significant attention from researchers in recent years, empirical work exploring CCB using social media remains scarce (Balaji, Jha & Royne, 2015; Balaji, Khong & Chong, 2016). It is necessary to study the complaint intentions of the consumer in order to provide effective solutions for the retailer to address, as found by Singh et al., (1990) 341 consumers with different types of complaint intentions. Clarke (2013) noted that there is little research regarding the role of social media platforms in complaints against service providers. Einwiller and Steilen, (2015) noted that research on the motives for complaining on SNs will shed light on the driving forces of online complaining. Alvarez et al (2011) concurred and pointed to a gap in the literature in relation to optimal strategies for responding to customer complaints in social media. Einwiller and Steilen, (2015) added that interviewing companies on their social media complaint management strategies would help to better understand organisational procedures, constraints and motives behind complaint handling. Optimal strategies for responding to customer complaints in social media is highlight by Hoffman et al (2011) as a gap in the body of knowledge that requires research. Furthermore, research is needed to more specifically examine why consumers make the critical decision to harm a brand (Kähr, Nyffenegger, Krohmer & Hoyer, 2016). Research into social media effects on various aspects of retailing, including how it is used as part of a service failure identification and response system is also required (Ganesan, 2012). Vaerenbergh, Varga, De Keyser and Orsingher (2019) declared that more research is needed into whether there is a hierarchy in complaint channel choice (e.g. social media as the ultimate channel for taking revenge if all other channels do not produce satisfactory results). In essence the coherent body of theory on the phenomenon of social media in general is currently lacking (Kent, 2015). Together, these insights can help develop a theoretical framework on complaint behaviour and management in a networked world (Einwiller & Steilen, 2015).

This study seeks to fill these gaps in the literature by exploring the characteristics (RO1) and behaviours (RO2) when complaining on social media, exploring how retailers are conducting social media service currently (RO3) and in turn developing a social media service recovery model that provides a robust methodology for dealing with public complaints (RO4).

The gaps identified in the body of knowledge, relating literature and subsequent are illustrated in figure 2-18 below.

|  |  |  |
| --- | --- | --- |
| **Identified**  **Gap** | **Related Literature** | **Subsequent Research**  **Objective** |
| What motivates consumer to complain on social media? | Research on the motives for complaining on social networks (SNs) will shed light on the driving forces of online complaining (Einwiller and Steilen, 2015).  Crucial for management to understand the motives for customer complaining. (Nimako  and Mensah, 2012). | RO1: To investigate the motivations of consumers in choosing social media as a complaint channel |
| How do consumers behave when complaining on social media? | It is crucial for managers to understand customer complaining behaviour. (Heung and Lam, 2003)  Empirical work exploring Customer Complaining Behaviour (CCB) using social media remains scarce (Balaji, Jha & Royne,  2015; Balaji, Khong & Chong, 2016). | RO2: To investigate the behaviour of consumers who complain on social media |
| How retailers are currently conducting service recovery on social media? | Service failure & recovery strategies have been transformed, due to the internet environment, and are now a multifaceted web quality activity (Rai & Appiah, 2019).  Interviewing companies on their social media complaint management strategies would help to better understand organisational procedures, constraints and motives behind complaint handling (Einwiller and Steilen, 2015)  Research into social media effects on various aspects of retailing, including how it is used as part of a service failure identification and response system is also required (Ganesan,  2012) | RO3: To understand how retailers are conducting service failure identification and service recovery via social media |
| No framework for service  failure | Potential customers base their buying decisions on posted (negative) reviews (Gafni  and Golan, 2016) | RO4: To develop a social media service  failure identification and |

|  |  |  |
| --- | --- | --- |
| identification and recovery framework that incorporates social media. | Optimal strategies for responding to customer complaints in social media is a gap in the body of knowledge that requires research. (Hoffman et al, 2011)  Such a framework offers practitioners the opportunity to strategies towards effective management of complaints, service recovery and customer relationship. (Nimako and  Mensah, 2012) | recovery framework to assist retailers as well as other organisations to identify service failures and recover from complaints via social media in an effective and timely manner. |

Figure 2-18 Identified gaps and their relationship to the literature and subsequent research objective

### Section 5: Service Failure, Complaining and Service Recovery on Social Media Conclusion

This final section of the literature review has examined social media as a new channel for complaints, the shift of the locus of power from the brand to the consumer, complaint management on social media, social media crises, antecedents of complaining via social media and finally the various gaps in the literature and calls for research on complaining behaviour and service recovery via social media

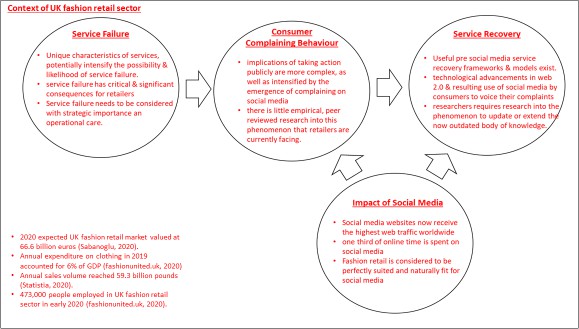


Figure 2-19 Conceptual framework of the main findings of the literature review.

Reflection of the body of knowledge in relation to all four streams of literature (see Figure 1- 2, Chapter 1) that related to this reach project namely service failure, service recovery, CCB and Social Media, have concluded that there is a considerable gap in the body of knowledge, detailed in section 2.48 and that research is required to assist organisations in dealing with complaints on social media. This gap has led directly to the research aim and objectives, see Figure 2-18 and outlined further in the next chapter. Figure 2-19 is a conceptual framework that summarise the main findings of the literature review and highlights the key concepts. The subsequent chapter discussed the methodology of this research project.

* 1. **Introduction**

# CHAPTER 3 METHODOLOGY

This research project is an exploratory study that aims to investigate and understand online social media complaining and service recovery behaviour. The proceeding chapter’s outline the relevant literature and this methodological chapter will be revisiting the research objectives of this study based on that preceding literature review. This chapter discusses the ontological and epistemological position of this research project adopted to meet these research objectives. The discussion subsequently explains the research methodology and finally the research methods of this study. The structure of this chapter is as shown schematically in Figure 3-1.

**3.5 Research Methods**



**3.6 Conclusion**

**3.5.3 Data Analysis**

**3.5.2 Data Collection**

**3.5.1 Research Design**

**3.4 Research Methodology**

**3.3 Ontological and Epistemological Position**

**3.2 Research Aims and Objectives**

**3.1 Introduction**

* Phase 1 – Netnographic observations
* Phase 2 – Consumer questionnaire survey
* Phase 3 – Consumer In depth Interview
* Phase 4 – Retailer In Depth Interview
* Phase 1 – Netnographic observations
* Phase 2 – Consumer questionnaire survey
* Phase 3 – Consumer In depth Interview
* Phase 4 – Retailer In Depth Interview
* Phase 1 – Netnographic observations
* Phase 2 – Consumer questionnaire survey
* Phase 3 – Consumer In depth Interview
* Phase 4 – Retailer In Depth Interview

Figure 3-1 Structure of Chapter 3

### Research Aims and Objectives

As noted above the fundamental aim or purpose of the research described in this thesis is to explore consumer complaining behaviour and subsequent service failure identification and recovery on social media. With this in mind, the author’s work comprised two main components. The first was a comprehensive literature review which informed the development of a set of four research objective (ROs) to be explored, namely:

* RO1: To investigate the motivations of consumers in choosing social media as a complaint channel;
* RO2: To investigate the behaviour of consumers who complain on social media;
* RO3: To understand how retailers are conducting service failure identification and service recovery via social media; and
* RO4: To develop a social media service failure identification and recovery framework to assist retailers as well as other organisations to identify service failures and recover from complaints via social media in an effective and timely manner.

It is important to note that this research project is concerned primarily with meeting these four research objectives, but it is not concerned with using inquiry to pursue abstract knowledge (Morgan, 2007) and as such it is an attempt to enhance knowledge through meeting these specified research goals (Morgan, 2007). The following section elaborates the deliberate ontological and epistemological position adopted to meet these research objectives.

### Ontological and Epistemological Position

Before establishing a research philosophy suitable to meet the above research objectives, it is necessary to consider the twin pillars of methodology, namely epistemology and ontology, to fully comprehend the appropriateness of any approach adopted (Marsh and Furlong, 2002). Saunders et al. (2011) stated that ontology is concerned with the nature of reality. Bryman and Bell (2003) concurred and advised that questions of ontology are concerned with the nature of social entities. Easterby-Smith et al. (2008, p. 60) proposed that ontology is concerned with “philosophical assumptions about the nature of reality closely linked with ontology and its consideration of what constitutes reality”. Easterby-Smith et al. (2008) suggested that epistemology ponders views about the most suitable ways of enquiring into the nature of the world. As such it is the study of the foundations of knowledge (Frankfort-Nachmias and Nachmias, 1996) and is concerned with the fundamental question; what do we accept as valid knowledge? (Collis and Hussey, 2009).

### Pragmatism

In social science research, two contrasting ontological and epistemological perspectives dominate, namely positivism and social constructionism (Remenyi et al., 1998.) Table 3.1 highlights the main assumptions of both positivism and social constructionism. Curran and Blackburn (2001) argue that the pragmatic approach (i.e. pragmatism) is an attempt to “cross

the divide between the quantitative and qualitative and the positivist and non-positivist” (p. 123) Saunders et al. (2011) agree, stating that pragmatism is the adoption of ontological, epistemological and axiological approaches as determined by the research question. Pragmatism considers “what works” to answer research questions (Johnson & Onwuegbuzie, 2004; Onwuegbuzie & Johnson, 2006), rather than making a choice between the positivist or social constructivist paradigms. Robson (2002) maintains that “pragmatism is itself a philosophical position with a respectable, mainly American, history going back to the work of Charles Sanders Peirce, William James and John Dewey” (p. 43).

|  |  |  |
| --- | --- | --- |
| **Research Considerations** | **Positive Assumptions** | **Social Constructionism Assumptions** |
| **Ontology and Epistemology** | * Objective reality exists and can be discovered * Possible to obtain objective knowledge of reality through accumulation of data * Governed by hypotheses and stated theories and is purportedly value free | * Reality is socially constructed (i.e. social phenomena and categories are socially constricted and ‘give meaning’ by people) * Reality understood through ‘perceived’ knowledge and is value-laden * Seeks to understand specific context |
| **Research Focus** | * Research focuses on generalisation (or ‘facts’) * Seeks causality and fundamental laws (i.e. clear distinction between facts & value judgments) * Formulate and test hypotheses * Units of analysis reduced to simple terms generations through statistical probability | * Focus on meanings (and perceptions) * Seeks to understand what is happening in context to increase general understanding * Gather rich data from which ideas are conceptualised * Includes complexity of whole situations * Generalisation through theoretical abstraction (and saturation) * ​ |
| **Appropriate Methods** | * Requires objective or scientific methods – i.e. phenomena require a form of measurement * Large sample, random selection survey approach | * Should incorporate stakeholders perspectives * Small sample investigation, cases chosen for specific reasons (i.e. theoretical purposive sampling) |

Table 3-1 Fundamental aspects of Positivism and Social Constructs. (Source: Ashworth, 2008).

The position of this research concerning ontology and epistemology is pragmatic. The research objectives of this study are to ‘investigate’ and ‘understand’ this particular social phenomenon and in turn ‘develop’ a framework, thus a pragmatic approach has been implemented. This to ensure that the phenomenon being studied are studied holistically and that the disadvantages associated with the implementation of purely positivist or social constructivist positions are avoided. This in turn drives the methodological approach adopted, namely one which investigates the research questions through a suitable combination of qualitative and quantitative methods. Figure 3.2 shows how the research for this thesis will follow a mixed methods approach, employing netnographic observation; survey of and in-depth interviews with complaining customers and finally in-depth interviews with a retailer. All phases will employ thematic analysis to fulfil the research aims and objectives.

## Ontology (3.3)

* Pragmatism
* External, multiple, view chosen to best enable answering the research objective (Saunders *et at*, 2011)

## Epistemology

**(3.3)**

* Pragmatism
* Either or both observable phenomena can provide acceptable knowledge dependent upon the research objective. (Saunders *et al*, 2011)

## Methodology (3.4)

* Mixed methods

## Methods (3.5)

* + Netnographic observation, thematic analysis.
  + Questionnaire survey, thematic an analysis.
  + In-depth interviews, thematic analysis

Figure 3-2 Research Design: The philosophical and methodological underpinnings for this research study.

### Research Methodology

Research methodology is fundamentally the processes by which researchers conduct their work of describing, explaining and predicting phenomena (Rajasekar et al., 2013). Many writers on methodological issues find it helpful to distinguish between quantitative research and qualitative research (Bryman, 2016). As previously stated this research project will employ a mixed methods research methodology to best meet the research objectives of the project.

### Qualitative Research, Quantitative Research and Mixed Methods

Qualitative research investigates subjects in their natural settings attempting to make sense of phenomena in terms of the meanings people bring to them (Denzin and Lincoln, 2000). Qualitative research usually emphasises words rather than quantification in the collection and analysis of data (Bryman, 2016). Qualitative research is appropriate where the research emphasis is on in-depth understanding of how and why and in what context certain phenomena occur; and what impacts upon or influences such phenomena (Carson et al., 2001). Furthermore, it is more fitting where the explanation and understanding of behaviour or activities matter more than specific measurements. Quantitative research is social research that employs empirical methods and empirical statements (Cohen & Manion, 1980). Quantitative research usually emphasises quantification in the collection and analysis of data. (Bryman, 2016).

However, the traditional differentiation between quantitative and qualitative approaches may underestimate the complexity of contemporary research problems (Hammersley, 1999). One of the suggested advantages of mixed methods research is that it can overcome the disadvantages that are characteristic when adopting either quantitative or qualitative research (see, for example: Greene and Caracelli, 1997; Creswell et al., 2003; Johnson and Turner, 2003; Onwuegbuzie and Johnson, 2006). Furthermore Teddlie and Tashakkori (2009) point out that combining questionnaires and interviews in a single research project (such as this study) brings together the advantages of breadth and depth associated with these two respective research methods.

### Research Methods

Research method is defined as ‘a way to systemise observation, describing ways of collecting evidence and indicating the type of tools and techniques to be used during data collection” (Cavaye, 1996, p. 227). As previously discussed, the research methods employed in this study are a multi-phased, mixed method and comprises of netnography or netnographic observation, consumer survey, consumer in-depth interviews and finally retailer interviews. This section discusses the research design, data collection and data analysis adopted in this research, see Figure 3-3.

**3.5 Research Methods**



**3.6 Conclusion**

**3.5.3 Data Analysis**

**3.5.2 Data Collection**

**3.5.1 Research Design**

* Phase 1 – Netnographic observations
* Phase 2 – Consumer questionnaire survey
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* Phase 4 – Retailer In Depth Interview
* Phase 1 – Netnographic observations
* Phase 2 – Consumer questionnaire survey
* Phase 3 – Consumer In depth Interview
* Phase 4 – Retailer In Depth Interview

Figure 3-3 Structure of research methods subsection.

### Research Design

Research strategy or research design is defined as ‘a way of going about one’s research, embodying a particular style and employing different methods.’ (Cavaye, 1996, p. 227). The four different methods in the five phases of this research are defined and discussed in the following subsections.

* + - 1. Phase 1 - Netnography

Netnography is grounded in ethnography, thus an understanding of ethnography is helpful. Ethnographic research methods attempt to understand and describe a social and cultural phenomenon from the insider’s perspective (Given, 2008). Saunders et al. (2009) described ethnography as a “research strategy that focuses upon describing and interpreting the social world through first-hand field study” (p. 591). Ethnography as a research method aims to address consumers’ behaviour wholly and accurately through comprehensive and rich descriptions (Atkinson et al., 2001). According to Collis and Hussey (2008) it is a “methodology in which the researcher uses socially acquired and shared knowledge to understand the observed patterns of human activity” (p. 79). The main data collection method in ethnography is participant observation. Bryman and Bell (2003) noted that the term “ethnography” and the phrase “participant observation” are often used interchangeably. Whilst ethnographers are characteristically participant observers, they can combine other research methods such as surveys, interviews and focus groups to extend and develop their understanding (Bryman, 2008). Ethnography can be tailored to online communications to both explore and understand online social groups and cultures. James and Busher (2009) acknowledged that although there will be physical distance between participants and

researcher. However, online environments can offer rich and insightful data through reflexive and rigorous practices (James and Busher, 2009).

In the late 1990’s Professor Robert Kozinets introduced ethnographic research online and coined the term “netnography”. Based on the heritage of ethnographic research, netnography has evolved as an observational research method which is applied in digital or online environments (Kozinets, 2012). Thereby, netnography was defined as “a new qualitative research methodology that adapts ethnographic research techniques to study the cultures and communities that are emerging through computer-mediated communications” (Kozinets, 2002, p. 62). Eight years later Kozinets adapted the definition to describe netnography as “participant- observational research based in online fieldwork. It uses computer-mediated communications as a source of data to arrive at the ethnographic understanding and representation of a cultural or communal phenomenon.” (Kozinets, 2010, p. 60). This definition allows researcher to apply netnographic methodologies outside community-based phenomenon. Finally, Kozinets (2002, 2010) developed procedural guidelines involving six steps for conducting an online ethnography. These steps of netnography are (1) research planning, (2) entrée, (3) data collection, (4) interpretation, (5) ensuring ethical standards, and finally (6) research representation (Kozinets, 2010, p61).

The participative nature of netnographic researchers varies from solely ‘observational netnography’ to ‘autonetnography’ (Kozinets, 2006). Observational netnography is conducted by scrutinising online behaviours and activities without interacting with the participants. This is often referred to as lurking. Brown et al, 2003 highlighted that this method is favoured by researchers who do not want to alter the online behaviour (e.g. Brown et al., 2003). Conversely, Autonetnography is conducted through pure participation where individuals reflect on their own experiences introspectively (Kozinets, 2006). The study adopts the former approach of observational netnography for the first phase of this research study.

* + - 1. Phase 2 – Questionnaire Survey

A questionnaire is “all data collection techniques in which each person is asked to respond to the same set of questions in a predetermined order” (Saunders et al, 2012, p. 679) and a survey is a “research strategy that involves the structured collection of data from a sizable population” (Saunders et al, 2012, p. 682). Survey research is particularly well suited for answering questions concerning “what is happening?” (Pinsonneault and Kraemer, 1993). Moreover, surveys are especially suitable when the research aim of the research is to provide a description

of the occurrence or prevalence of a phenomenon (Yin, 1994). Furthermore, in comparison to other data collection methods (e.g. interviews), the use of the survey method eliminates interviewer bias.

As with all empirical research methods, surveys have potential weaknesses. The problem of response errors due to ambiguous wording and lack of interactivity (Mangione, 1998) is a potential weakness. Attention to detail in questionnaire design and pilot testing is vital if the impact of this potential limitation is to be minimised. One other major limitation is their classically low response rate. Low response rates are challenging because they reduce confidence concerning the extent to which survey findings can be generalised to the entire population from which the survey is drawn (Snow and Thomas, 1994). This research project is exploratory in nature and as such does not attempt to generalise findings across the whole population.

* + - 1. Phase 3 and 4 - In-depth Interview (Consumers and Retailer)

The third and fourth phase of this research design involved in-depth, semi structured, qualitative interviews with consumers and a retailer. A research interview “is a purposeful conversation between two or more people, requiring the interview where to establish rapport, to ask concise and unambiguous questions, to which the interviewee is willing to respond, and to listen attentively” (Saunders et al, 2011, p. 372). Interviews are "not merely a new method of yielding qualitative texts, rather than quantitative data, but reflect alternative conceptions of the subject matter of the social sciences" (Kvale, 1995; p. 76). Semi- structured interviews “refers to a context in which the interviewer has a series of questions that are in the general form of an interview guide but is able to vary the sequence of the questions” (Bryman & Bell, 2011, p. 728). Qualitative research interviews are according to Kvale (1995) attempts to understand the world from the subject's point of view and to uncover their lived world prior to scientific explanation. Furthermore interviews offer an opportunity for the researcher to capture data on the perceptions of the local actors "from the inside" through the process of deep attentiveness and empathetic understanding: a method of enquiry into real life (Wolcott, 1994; p. 3).

### Data Collection

The process of data collection is defined by Punch (2013, p. 54) as: “The process of gathering and measuring information on variables of interest, in an established systematic fashion that enables one to answer stated research questions, test hypotheses, and evaluate outcomes”. The

data was collected in four phases; netnographic observation, customer survey, customer interviews and finally retailer interviews. Figure 3.4 illustrates how each phase informed the subsequent phases. Each phase informed all the other subsequent phases. For example, evidence of humorous complaining, a phenomenon not previously identified in the literature, was observed in phase 1. Subsequently, later phases explored this phenomenon to gain further insights. This section details the data collection of all four phases of this research project.

Phase 1: Netnographic Observation

Phase 2: Customer Survey

Phase 4: Retailer Interviews

Phase 3: Customer Interviews

Figure 3-4: How each phase of the data collection informed subsequent phases

* + - 1. Phase 1 – Netnography

Direct observations allow for more naturalistic and unobtrusive research (Patton, 2005), which was considered critical for the present study. Indeed, past studies have shown that participants tend to alter or constrain socially undesirable behaviour as a result of being observed (Jerolmack & Khan, 2014; Marquis & Filiatrault, 2002). Following others (Cova & White, 2010; Phillips & Broderick, 2014; Dineva, Breitsohl, & Garrod, 2017) the role of a non- participating observer in order to prevent influencing either the complaining consumer or the retailer.

* + - * 1. *Phase 1 – Netnography- Pilot study or Entrée data collection*

As part of the first step of netnography, ‘the entrée’, Kozinets (2010) proposed that researchers explore and acquaint themselves with the online phenomenon that they plan to study. Thus allowing researchers to obtain information about the phenomenon and shape or reshape the research design accordingly. As such this is similar to conducting a pilot study. Several of Kozinets’ (2010) suggestions, were considered during this exercise namely to (1) confirm the

pages/groups are appropriate for this research, (2) become familiar with the pages/groups that matched the sampling guidelines (see Section 7.5.1.1), and (5) consider data collection strategies. Using the services of an online Twitter post gathering software system - twDocs.com, on 2nd March 2017 the most recent 3,300 tweets containing the @handle of the fashion retailer Gap were captured and exported into excel. 3,300 was the number of tweets captured for operational reasons, as this is default number of tweets this software systems automatically captures. The tweets were manually inspected and the first 10 tweets that contained a complaint were extracted, including responses and further tweets from the original complainer. A screenshot of each of these ‘twitter conversations’ was taken to allow for analysis, for example see Figure 3.5. Gap was chosen for the pilot randomly from the top 20 UK fashion retailers by market share (Drapers, 2016). These 20 retailers are the sample from which both the pilot retailer, Gap, and the actual observed retailers were chosen because these fashion retailers represent the top firms in the sector in the UK by market share.

The major conclusion from the pilot study was research would be limited to UK based retailers, rather than a Global retailer such as Gap. See section 6.6 for further discussion.



Figure 3-5 Example of pilot study twitter complaint conversation

The data was analysed using the deductive and inductive codes generated to identify themes and describing meanings within texts of many kinds (Kohlbacher, 2005; Morgan, 1993). Initially for the Pilot study, or Entrée as it is referred to in Netnography, the researcher applied the codes to ten complaints and resulting tweets. To avoid bias this was also completed independently by three postgraduate students. All four identified similar themes and meanings thus eliminating the possibility of bias. Furthermore, the codes were reduced down further to eliminate duplication and ensure codes whereas mutually exclusive and collectively exhaustive as possible.

* + - * 1. *Phase 1 – Netnography-The main study data collection*

Following the entrée and again using the services of twDocs.com, on 29th Oct 2017 the most recent 3,300 tweets containing the @handle of the sample of four fashion retailers. (See Appendix A for company profiles), were captured and exported into Microsoft Excel. 3,300 was the number of tweets captured for operational reasons, as this is default number of tweets this software systems automatically captures. The tweets were manually inspected and the first 50 tweets that contained a complaint were extracted. A screenshot of each of these ‘twitter conversations’ was taken to enable subsequent analysis.

* + - * 1. *Phase 1 – Netnography-Purposive sampling procedure*

Hackley (2003, p. 75) argued that “data gathering for interpretive research need not be random, but it does need to be systematic and/or theoretically informed”, this is because “in interpretative research the researcher seeks to arrive at insights for which he or she will offer as much evidence and reasoning as possible”. Saunders et al. (2009) have stated that there are three broad approaches to selecting a sample for a qualitative study; convenience sampling, purposive sampling and theoretical sampling. This study uses purposive sampling methods. The aim of purposive sampling is to maximise information, it is based on informational, not statistical, considerations (Lincoln and Guba, 1985). This sampling method was implemented as it is useful when the objective of the sampling “is not to focus on the similarities that can be developed into generalisations, but to detail the many specifics that give the context its unique flavour” (Lincoln and Guba, 1985, p. 201).

Spiggle (1994) suggested that a researcher should first pinpoint the categories, constructs and conceptual linkages through preliminary analysis, and then should determine sample elements in order to control similarities and differences in their conditions and characteristics. This ensures that all of the sample elements are relevant to the objectives of study, but not randomised or representative (Mason, 2002). For the purposes of this research, initially four retailers were selected from the top 20 UK fashion retailers by market share (Drapers, 2016) who fitted the following criteria:

* Fashion retailer with significant market share in the UK
* Regular use of Twitter
* High possibility of access to interview employees later in the research project (Phase 4).

These 20 retailers are the sample from which both the pilot and actual observed retailers were chosen as represent the top firms in the sector by market share. From these twenty retailers the four finally chosen retailer, Primark, Next, TU by Sainsburys and the respondent retailer, all initially indicated a potential willingness to participate in Phase 4 of the study. However only one of these retailers, anonymised and referred to in this thesis as “the respondent retailer”, subsequently agreed to be interviewed as part of Phase 4 of this research study.

The complaining tweets to be observed netnographicaly were selected that fitted the following criteria:

* A negative tweet from a consumer containing the @handle of the selected retailer (and subsequent consumer and retailer tweets).
  + - 1. Phase 2 – Questionnaire Survey

On completion of phase 1, netnographic observation of consumer complaining tweets and retailer responses, the second phase was imitated; namely survey of complaining customers. Survey research is especially well suited for answering questions concerning “what is happening?” (Pinsonneault and Kraemer, 1993). Furthermore, surveys are valuable when the research goal is to provide a description of the occurrence or prevalence of a phenomenon (Yin, 1994). In addition, surveys have inherent advantages compared to other methods namely they allow respondents to answer questions at times that are convenient, to see the context of a series of questions, to take time in answering, and to look up information as required (Mangione, 1998).

* + - * 1. *Phase 2 - Survey Sample*

Initially a purposeful sampling approach was adapted as per phase 1 (see section 7.5.3.1.3). However, none of the complaining customers observed in phase 1 elected to participate further in the research study. Thus the sample for this phase of the research consistent of ninety consumers who completed an online questionnaire survey from March 2018 to July 2018. Participants self-selected and were eligible if they were over 18 years old and had complained about a retailer on twitter within the previous 12 months. The online questionnaire survey was promoted through the research website page (see appendix B) as well as the researchers twitter and LinkedIn page (see section 7.5.2.2.4 for more detail). From the initial sample of 109, 19 participants were removed as they did not meet this eligibility criteria.

* + - * 1. *Phase 2 -Survey Design*

The survey consisted of 19 questions and was designed to specifically address research question 1, namely to investigate the motivations and characteristics of consumers in choosing social media as a complaint channel, resulting in a typology of social media complainers, see Table 3-2.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Q #** | **Question** | **Possible response** | **Research Objective** | **Related Literature** |
| Q 1 | Have you complained about a retailer or shop on twitter within the last 12 months? | Yes No | Please note that Q1 does not relate to a Research Objective as it was asked for qualifying purposes  only. |  |
| Q 2 | Thinking of the most recent complaint about a retailer or shop that you have made on twitter, please answer the following questions. | It is easy It is quick  I wanted an immediate response | RO1: To investigate the motivations of consumers in choosing social media as a complaint channel | Matilla & Wirtz, 2004 |
|  | Why did you choose twitter as a method to complain? Rank the options that apply, with 1 being the most important. |  |  |  |
| Q | What other ways (if any) | In person | RO2: To investigate | Parasuraman, A., Zeithaml, |
| 3 | did you complain by? | By email | the behaviour of | V. A., & Berry, L. L. (1988) |
|  |  | By post | consumers who | SERVQUAL: ‘A Multiple- |
|  |  | By telephone | complain on social | Item Scale for Measuring |
|  |  | By online live chat | media | Consumer Perceptions of |
|  |  | None, I only made |  | Service Quality’. Journal of |
|  |  | the complaint on |  | Retailing, 64(1), pp. 12-40. |
|  |  | twitter. |  |  |
| Q | What did you hope to | To get corrective | RO1: To investigate | Parasuraman, A., Zeithaml, |
| 4 | achieve by complaining | action | the motivations of | V. A., & Berry, L. L. (1988) |
|  | on Twitter? | To get and | consumers in | SERVQUAL: ‘A Multiple- |
|  |  | explanation | choosing social | Item Scale for Measuring |
|  |  | To get an apology | media as a | Consumer Perceptions of |
|  |  | To get | complaint channel | Service Quality’. Journal of |
|  |  | compensation |  | Retailing, 64(1), pp. 12-40 |
|  |  | For enjoyment, |  |  |
|  |  | get some likes and |  |  |
|  |  | shares from my |  |  |
|  |  | followers |  |  |
|  |  | To express my |  |  |
|  |  | frustration |  |  |
|  |  | To express my |  |  |
|  |  | anger |  |  |
|  |  | To damage the |  |  |
|  |  | company |  |  |
|  |  | To warn other |  |  |
|  |  | customers |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Q #** | **Question** | **Possible response** | **Research Objective** | **Related Literature** |
| Q 5 | How did the retailer respond? | They asked me for more information They apologised They thanked me for my feedback They redirected me to another channel to make my complaint.  E.g. They asked me to email or telephone them instead.  They took the conversation offline and asked me to direct message them on twitter.  They did not respond at all | RO3: To understand how retailers are conducting service failure identification and service recovery via social media | * + 1. - Apologising:        - *Wirtz and Mattila (2004)*        - *Fan & Niu, (2016)*     2. – Response to humorous complaints:        - *sproutsocial, (2017)*   .3  5.4.6 – Make it personal   * *Crijns, Cauberghe, Hudders & Claeys (2017)* |
| Q 6 | How the retailer handled your complaint on twitter? | Very satisfied Satisfied Somewhat satisfied  Some dissatisfied Dis-satisfied Very dis-satisfied | RO3: To understand how retailers are conducting service failure identification and service recovery via social media | Parasuraman, A., Zeithaml,  V. A., & Berry, L. L. (1988)  SERVQUAL: ‘A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality’. Journal of Retailing, 64(1), pp. 12-40 |
| Q 7 | How likely are you to complain about a retailer on twitter in the future? | Very likely Likely Somewhat likely Some unlikely Unlikely  Very unlikely | RO2: To investigate the behaviour of consumers who complain on social media | 5.2.4 - Communication on Social Media is ubiquitous today:   * *Ofcom, 2018* * *Allen, 2017* |
| Q 8 | When complaining to a retailer on twitter I expect a response…. | Immediately Within 10 minutes  Within 1 hour  Within 5 hours Within one working day Within two working days Within three working days or longer | RO3: To  understand how retailers are conducting service failure identification and service recovery via social media | Parasuraman, A., Zeithaml,  V. A., & Berry, L. L. (1988)  SERVQUAL: ‘A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality’. Journal of Retailing, 64(1), pp. 12-40 |
| Q 9 | The retailer can effectively handle complaints on twitter. | Strongly agree Agree Somewhat agree Somewhat disagree Disagree  Strongly disagree | RO3: To  understand how retailers are conducting service failure identification and service recovery via social media | Parasuraman, A., Zeithaml,  V. A., & Berry, L. L. (1988)  SERVQUAL: ‘A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality’. Journal of Retailing, 64(1), pp. 12-40 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Q #** | **Question** | **Possible response** | **Research Objective** | **Related Literature** |
| Q 1  0 | The behaviour of employees of the retailer when dealing with complaints on twitter instils confidence in me. | Strongly agree Agree Somewhat agree Somewhat disagree Disagree  Strongly disagree | RO3: To  understand how retailers are conducting service failure identification and service recovery via social media | Parasuraman, A., Zeithaml,  V. A., & Berry, L. L. (1988)  SERVQUAL: ‘A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality’. Journal of Retailing, 64(1), pp. 12-40 |
| Q 1  1 | The behaviour of employees of the retailer when dealing with complaints on twitter instils trust in me. | Strongly agree Agree Somewhat agree Somewhat disagree Disagree  Strongly disagree | RO3: To  understand how retailers are conducting service failure identification and service recovery via social media | Parasuraman, A., Zeithaml,  V. A., & Berry, L. L. (1988)  SERVQUAL: ‘A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality’. Journal of Retailing, 64(1), pp. 12-40 |
| Q 1  2 | The retailer gives individual attention to customer complaints on twitter | Strongly agree Agree Somewhat agree Somewhat disagree Disagree  Strongly disagree | RO3: To  understand how retailers are conducting service failure identification and service recovery via social media | Parasuraman, A., Zeithaml,  V. A., & Berry, L. L. (1988)  SERVQUAL: ‘A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality’. Journal of Retailing, 64(1), pp. 12-40 |
| Q 1  3 | The retailer showed a sincere interest in solving complaints on twitter. | Strongly agree Agree Somewhat agree Somewhat disagree Disagree  Strongly disagree | RO3: To  understand how retailers are conducting service failure identification and service recovery via social media | Parasuraman, A., Zeithaml,  V. A., & Berry, L. L. (1988)  SERVQUAL: ‘A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality’. Journal of Retailing, 64(1), pp. 12-40 |
| Q 1  4 | The retailer understands customers' specific needs on twitter. | Strongly agree Agree Somewhat agree Somewhat disagree Disagree  Strongly disagree | RO3: To  understand how retailers are conducting service failure identification and service recovery via social media | Parasuraman, A., Zeithaml,  V. A., & Berry, L. L. (1988)  SERVQUAL: ‘A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality’. Journal of Retailing, 64(1), pp. 12-40 |
| Q 1  5 | The retailer deals with complaints promptly on twitter | Strongly agree Agree Somewhat agree Somewhat disagree Disagree  Strongly disagree | RO3: To  understand how retailers are conducting service failure identification and service recovery via social media | Parasuraman, A., Zeithaml,  V. A., & Berry, L. L. (1988)  SERVQUAL: ‘A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality’. Journal of Retailing, 64(1), pp. 12-40 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Q #** | **Question** | **Possible response** | **Research Objective** | **Related Literature** |
| Q 1  6 | The retailer wants to resolve customers complaint on twitter | Strongly agree Agree Somewhat agree Somewhat disagree Disagree  Strongly disagree | RO3: To  understand how retailers are conducting service failure identification and service recovery via social media | Parasuraman, A., Zeithaml,  V. A., & Berry, L. L. (1988)  SERVQUAL: ‘A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality’. Journal of Retailing, 64(1), pp. 12-40 |
| Q 1  7 | In the last 12 months, how often have you made a complaint on twitter? | Once  2-5 times  6-10 times  11-15 times  16 or more times | RO2: To investigate the behaviour of consumers who complain on social media | Parasuraman, A., Zeithaml,  V. A., & Berry, L. L. (1988)  SERVQUAL: ‘A Multiple- Item Scale for Measuring Consumer Perceptions of  Service Quality’. Journal of Retailing, 64(1), pp. 12-40 |
| Q 1  8 | What age are you? | 18-23  24-33  31-39  40-49  50-59  60-69  70-79  80-89  90+ |  |  |
| Q 1  9 | Thank you for taking part in this survey. If you are happy to discuss your experiences further in a Skype interview, please provide your email address below and I will contact you. |  |  |  |

Table 3-2 Questionnaire design

3.5.2.2.4 *Phase 2 - Questionnaire Pilot Test*

Robson (2002) proposed a pragmatic and logical approach to pilot testing questionnaires, suggesting that the draft questionnaire is best pre-tested informally, initially focusing on individual questions. This was carried out by family, friends and colleagues who afforded useful feedback regarding clarity of particular questions. Robson (2002) then advocated that “a second stage uses respondents from the groups of interest” (p. 254). The author used undergraduate students who previously used twitter to complain for this purpose. Again, useful feedback was obtain regarding individual questions and the structure of the questionnaire. Finally, Robson (2002) suggested that a formal pre-test can be undertaken as a miniature pilot version of the real survey. The author undertook this final stage and here the main takeaway

was to add the criteria that the customer must have made a complaint within the last 12 months to avoid any bias regarding lack of ability to recall.

3.5.2.2.5 *Phase 2 - Distribution method*

A web-based approach was taken to distribution. The questionnaire was constructed in Google Forms, allowing the survey to be completed online. Several approaches were taken to promote participation in the survey including;

* General invitation by the author to participate via the research study information website (See <https://karenjonesmcardle.wixsite.com/complainingontwitter> and Appendix B)
* General invitation to participate via the author’s LinkedIn and twitter page (See Figure 3-6)
* General invitation by the author and Aston University colleagues in undergraduate and post-graduate lectures for students to participate.

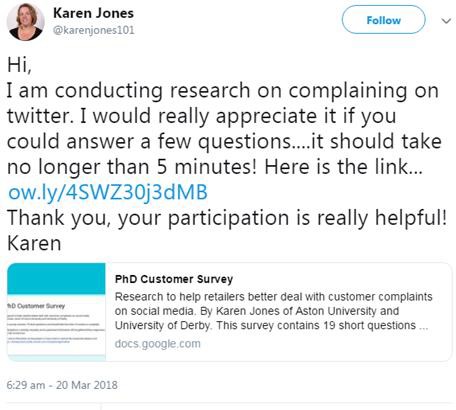


Figure 3-6 Tweet inviting participation in the survey.

* + - 1. Phase 3 - In-depth Interview (Consumer)

As with previous phases of the research project purposeful sampling was adopted, in purposeful sampling participant selection is dependent on the participants’ abilities to provide information required learn about the phenomenon under investigation (Salmons, 2011). Five consumers who took part in phase 2, the online consumer questionnaire survey, expressed a willingness

to discuss their experiences in further detail, (See question 19 of the survey). In July 2018, the five consumers were interviewed; four online via Skype and one in person. See Appendix C for a transcript example. All interviews were in-depth semi-structured in nature, a theme sheet (see Appendix D) was designed to ensure all the required areas were discussed with the consumer, but equally allowed each consumer interviewee some latitude in how questions were answered.

* + - 1. Phase 4 - In-depth Interview (Retailer)

As previously stated (see Section 3.5.2.1.3) the sample of four retailers were purposefully selected for this study based on the following criteria:

* Regular use of Twitter
* Fashion retailer with a UK presence
* High possibility of access to interview employees later in the research project.

Access to an interview and to conduct a site visit with the Respondent Retailer took place on 14th June 2018 at the Respondent Retailer’s head office. Two senior directors were interviewed in person, the Director of outbound delivery solutions and the Director of delivery solutions, see Appendix C for an example of an interview transcript.

### Data Analysis

This section discusses how the data was analysed in each phase of the research project in turn.

* + - 1. Phase 1 – Netnography

This section describes the data analysis methods used in this phase of the study. Netnographic data analysis is defined as turning collected products, including fieldnotes, textual and graphical files, interview transcripts and screenshots, into a finished research representation (Kozinets, 2010). Netnographic data analysis follows largely inductive approaches. Traditional qualitative analysis processes such as coding, noting and comparing can be used as part of netnographic analysis (Kozinets, 2010). Since thematic analysis can be used to analyse textual data to answer how and why questions (Given, 2008), this study used qualitative thematic analysis methods based on interpretive approaches. Qualitative thematic analysis involves scanning the material, and analysing in order to discover themes (Bryman, 2008). Whilst thematic analysis is a systematic and analytic method, it is not rigid in terms of the coding: new categories, and codes can emerge through the investigation of data during the study (Altheide

& Schneider, 2012). Consumers’ tweets containing complaints and firms’ responses to the original and subsequent consumer tweets were scrutinised using thematic analysis.

* + - * 1. *Phase 1- Thematic Analysis*

Thematic analysis is defined as a “method for identifying, analysing and reporting patterns (themes) within data” (Braun & Clarke, 2006, p. 79). To conduct the thematic analysis the six- step process described by Braun and Clarke (2006) was chosen: (1) data familiarization, (2) generating initial codes, (3) searching for themes, (4) reviewing themes, (5) defining and naming themes and (6) producing the report. Inductive thematic analysis, is “a process of coding the data without trying to fit it into a pre-existing coding frame, or the researcher’s analytic preconceptions” (Braun & Clarke, 2006, p. 83). The inductive thematic analysis technique aims to identify salient themes, which seemed more appropriate for this study in lack of prior evidence. Following the six phases of thematic analysis (Braun & Clarke, 2006), the data was firstly carefully reviewed, then generated initial codes and assigned to interesting features identified in the data. Next, salient themes by collating the initial codes into one or multiple potential themes. Then potential themes were reviewed carefully to ensure that they were well supported by the data and developed the thematic map that fits well with the data. Finally, each theme was defined, named, and refined, before the report was written up. Thematic analysis requires the researcher to categorise the underlying themes within data (Miles and Huberman, 2006), thus enabling researchers to draw together the common topics discussed, allowing for the different terminology used by the participants (Morgan, 1997).

* + - * 1. *Phase 1- Objectivity, Systematisation and Quantification*

The distinguishing characteristics of thematic analysis is that it must be objective, systematic, and quantitative (Kassarjian, 1977). The requirement of objectivity stipulates that the categories of analysis be defined so precisely that different analysts may apply them to the same body of content and secure the same results (Berelson, 1952). The forthcoming sections details each stage of the thematic analysis of the data to ensure replicability, reliability and ultimately objectivity. Systematisation means that the inclusion and exclusion of communications thematic or analysis categories is done according to consistently applied rules (Holsti, 1969). This requirement is meant to eliminate partial or biased analysis in which only those elements in the content which fit the analyst's thesis are selected and is discussed in detail in the forthcoming sampling section of this chapter. The quantification requirement of thematic analysis is that the data be amenable to statistical methods not only for precise and

parsimonious summary of findings but also for interpretation and inference (Kassarjian, 1977). Given that this study is grounded the methodology of netnography, quantification in terms of interpretation and inference was guided by the hermeneutic analysis detailed in the fourth stage of netnography, the interpretation phase.

* + - * 1. *Phase 1 -Coding*

Thematic analysis may use either deductive coding also known as *a priori* coding, or inductive coding techniques, or a mix of both techniques. The success of a thematic analysis depends greatly on the coding process. A coding scheme is a translation device that organises data into categories (Poole & Folger, 1981) which includes the process and rules of data analysis that are systematic, logical and scientific (Hsieh & Shannon, 2005).

In this study codes were developed both deductively and inductively. *A priori* or deductively generated codes were development from the literature, while emergent or inductively generated codes developed from the pilot study and the research findings. After completing coding of all of the material, the researcher analysed the material by interpreting codes, forging interconnections, identifying themes and reflecting on findings (see Appendix E for netnographic observations coding spreadsheet).

*Deductive Generation of Codes*

When developing *a priori* codes, the categories were established prior to the analysis based upon the literature. All categories from the relevant literature were listed based on each research question and revisions were made as necessary. Several categories were duplicated, thus this process of tightening the categories to eliminate duplications and up to the point that maximises mutual exclusivity and exhaustiveness (Weber, 1990).

*Inductive Generation of Codes*

Haney, Russell, Gulek, and Fierros’s (1998) approach to inductive or emergent coding was used. First, three people, the researcher and two supervisors in this case independently reviewed the same materials and developed a set of working codes that cover the content well. Second, the researchers compared their lists of codes and reconciled any differences that appeared. Some codes applied by only one researcher were retained as relevant; other codes were consolidated, collapsed and eliminated. This process simultaneously refined the code list and trained the researcher to improve reliability of coding. At the end of this step, the research team finalised a consolidated code list. Third, the researcher used the consolidated checklist to

independently apply codes to the pilot data. Finally, the researcher team again checked the reliability of their completed coding.

Whilst qualitative coding is a systematic and analytic method, it is not rigid, as new categories, and codes can emerge through the investigation of data during the study (Altheide & Schneider, 2012). In this study several new codes emerged during both the pilot and main phase of the data analysis.

* + - 1. Phase 2 – Questionnaire Survey

As the data from this phase was collected from a relatively small number (90 consumers), a non-statistical sample, rudimentary numerical comparisons and percentages were used to analyse the data. This was designed to identify and explore themes or patterns in motivations and behaviours of consumers when complaining to retailers on social media, rather than prove a particular hypothesis.

* + - 1. Phase 3 and 4- In-depth interview (Consumer and Retailer)

The analysis of the data from third and fourth phases of the research adopted a thematic analysis approach, see previous Section 3.5.3.1.1. As previously stated qualitative thematic analysis summarise larger data sets and generates typologies of themes related to the researcher’s purposes and questions (Drisko & Maschi, 2015). Each of the transcripts of the interviews (5 consumers and 2 of the Respondent Retailer’s directors) were summarised and themes in relation to the research questions were identified, see Chapter 4, common themes across the interviews were subsequently compared and contrasted and this analysis is detailed in Chapter 5.

### Conclusion

This research project is an exploratory study that aims to investigate and understand online social media complaining and service recovery behaviour. This chapter has discussed in detail the ontological and epistemological position of this research project which was adopted to meet the research objectives. The discussion subsequently explains the research methodology and finally the research methods of this study are in detail. The following chapter catalogues the findings of each phase of the research.

# CHAPTER 4 RESEARCH FINDINGS

### Introduction

As the methodology of this research project has been explored in the previous chapter, this chapter details the findings of each phase of this research project. Firstly, the netnographic observations of both the consumer and the retailer are catalogued in relation to the research objectives of this study. Then the online customer survey results are itemised question by question and again in relation to the research objectives of this research project. The following sections examines the themes that emerged from each consumer interview in turn while the final section of this chapter specifies the themes in respect of the findings of the interviews with the Respondent Retailer.

### Netnographic Observations Findings

The first phase of this study was a netnographic observation of fifty complaining Twitter complaints and subsequent responses of four fashion retailers, TU by Sainsbury’s, the Respondent Retailer, Next and Primark. The first subsection catalogues the main themes in relation to the first research object of this study, while the second subsection focuses on the observed themes in respect of the second research objective of this research.

### Motivations of consumers in choosing Social Media as a Complaint Channel (RO1)

The aim of this section is to present the nature of CCB on Twitter by focusing on the characteristics of the consumers’ behaviour and the perceived motivations or objectives of this CCB.

Whilst complaining on Twitter is not restricted by forms or text boxes, there are however limitations in terms of the length of individual tweets, currently to 280 characters (Isaac, 2017). This restriction forces brevity and/or the need for several tweets to convey the complaint. Many consumers observed did not follow conventional punctuation, grammar and capitalisation rules. Consumers used a combination of text-based content and photos and to express their complaint.

* + - 1. Seeking corrective action

Across the data set a significant number of complaints observed were seeking corrective action for product failure or online ordering problems. Notably, many complaints did not directly

request corrective action on the initial complaining tweet, but simply name the problem often including a photograph to support the argument. It is not until further into the Twitter conversation that either the consumer directly requests corrective action or the retailer offers corrective action. For example, in the complaint shown below in Figure 4.1 between Next and complaining Consumer 16. The Consumer makes a sarcastic statement that two identical t- shirts have reacted to cleaning differently. Next requests more information and on receipt of this offers a full refund.



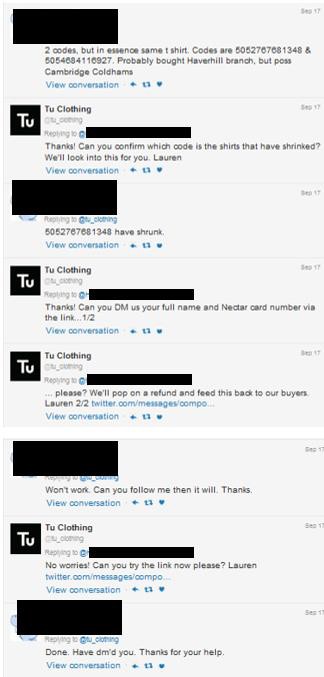


Figure 4-1 Correction Seeking complaining conversation, Next, Consumer 16

Furthermore, several consumers complained via Twitter to seek immediate, real time corrective action. This was observed when consumers sought to resolve both in-store and online difficulties. Figure 4-2 below shows where the consumer sought the retailer to open more tills in-store to reduce the checkout waiting time. Whilst, Figure 4-3 shows an example of the consumer seeking immediate assistance to a complaint regarding an online error.



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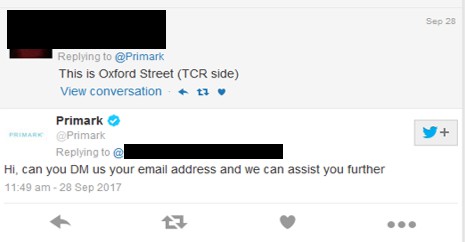


Figure 4-2 Consumer seeks immediate resolution to in store complaint; Primark consumer 9

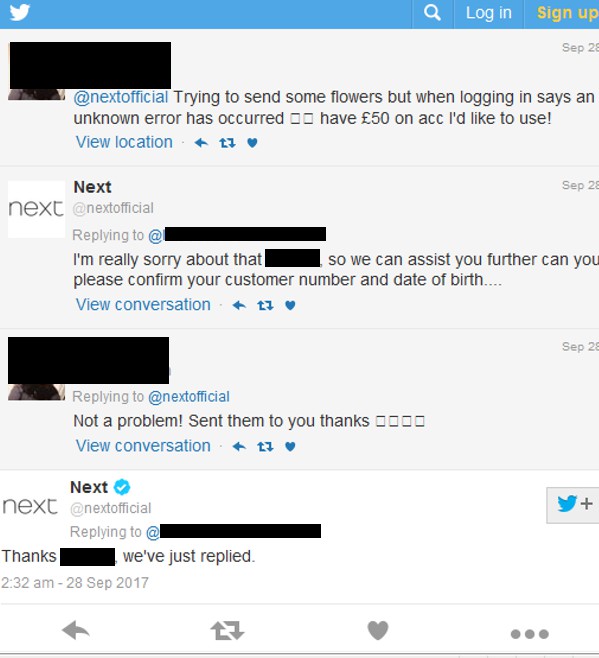


Figure 4-3 Consumer seeks immediate resolution to online complaint; Next, Consumer 21

* + - 1. Seek Explanation

A common theme across that data set was consumer complaining via Twitter to seek an explanation for a product or service-related failure. As discussed previously the restriction to 280 characters encourages brevity, thus complaining consumers may be seeking not only explanations but may also have other motivations and desired outcomes. Figure 4-4 shows an example of an explanation seeking complaint.

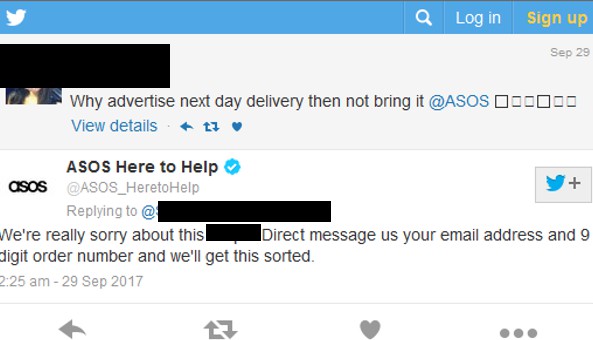


Figure 4-4 Example of explanation seeking complaint; Respondent Retailer and Consumer 39

* + - 1. Expressing Frustration or Anger

Another recurring theme across the netnographic observation data set was consumers using Twitter to express their general frustration and anger. The source of this anger and frustration related to both product and service failures as well as ranging from general gripe to specific incidents. Figure 4-5 below is an example of a Twitter complaint relating to the size range of TU Clothing’s collection, while Figure 5 – 6 is an example of a complaint relating to a failure in service.



Figure 4-5 Complaint expressing general frustration of product size range. TU Clothing, Consumer 24

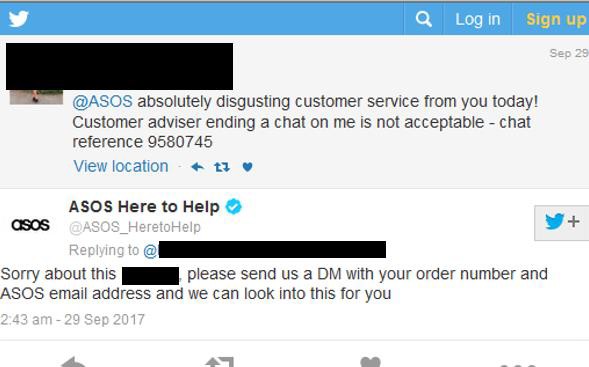


Figure 4-6 Complaint expressing anger relating to a customer service failure. Respondent Retailer, Consumer 35

### To investigate the behaviour of consumers who complain on Social Media (RO2)

* + - 1. Humour

Many consumers used humour, including sarcasm and irony, when complaining to retailers on Twitter. Whilst some complaints where self-deprecating and largely positive in tone, others were more belligerent and sarcastic, see Figure 4-7, 4-8, 4-9 and 4-10.



Figure 4-7 Humorous complaint. Primark, Consumer 27





Figure 4-8 Humorous complaint; TU, Consumer 11

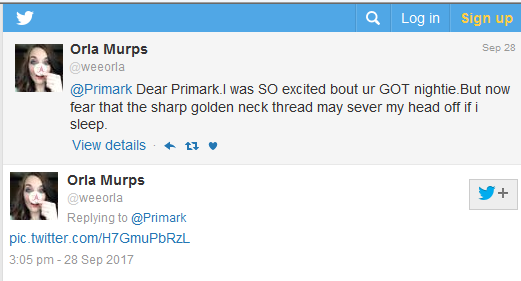






Figure 4-9 Humorous complaint. Primark, Consumer 4



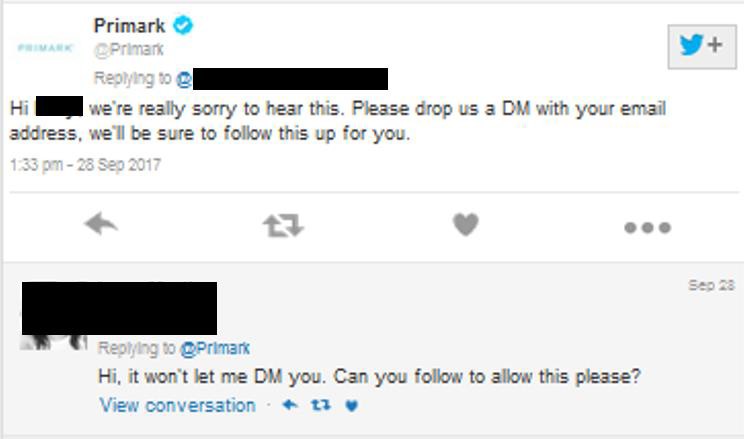


Figure 4-10 Humorous complaint. Primark, Consumer 7

* + - 1. Hashtags

Only on occasion did consumers use hashtags to express and describe their complaints, see figure 4-11 and 4-12.



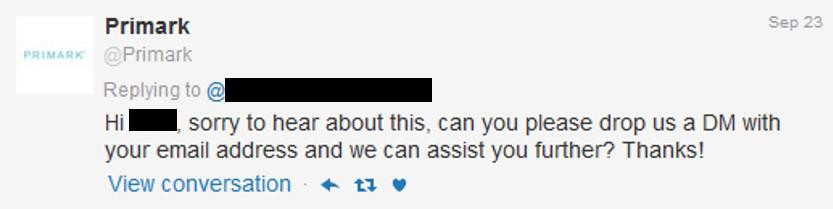


Figure 4-11 Example of consumer using hashtags to express and describe complaint, Consumer 42 to Primark



Figure 4-12 Complaint using a hashtag, TU Clothing, consumer 21

### How organisations are conducting Service Failure Identification and Service Recovery via Social Media (RO3)

* + - 1. Offer Apology

The most consistent service recovery approach by all four retailers (Next, the Respondent Retailer, TU Clothing and Primark) observed in the netnographic aspect of this research was to offer an apology to the consumer. In virtually all recovery conversations Next apologised, with the first recovery tweet opening with such phrases as “Oh no, sorry about this…”, “Oh no sorry to hear this [customers name]….” or “I am sorry about this [customers name…]”, see Figure 4-13 below. This casual, yet empathic opening expression was consistent throughout the net netnographic observations of this retailer.

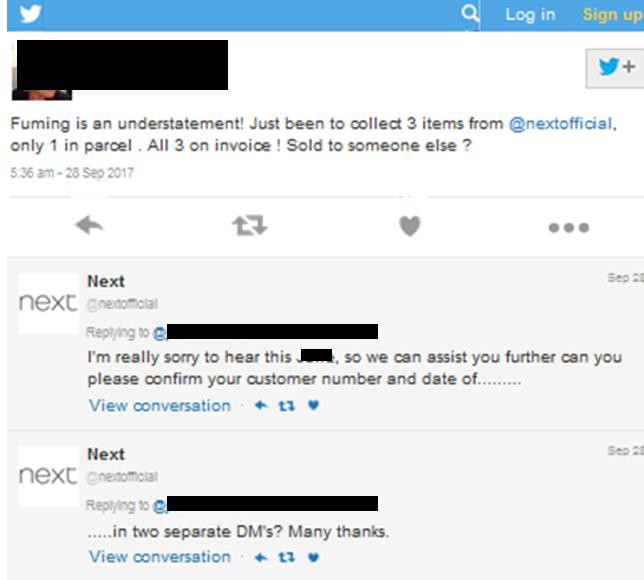


Figure 4-13 Example of offer of apology from Next to Customer 16

TU Clothing offered an apology in not all, but the majority of service recovery conversations observed on Twitter. The phrase consistently used by TU Clothing was the opening expression “Sorry about that [customer’s name]” or “Sorry [customer’s name]”. As with Next, an informal yet understanding tone was adopted, often using the customer’s first name in the initial recovery response, see example below in Figure 4-14.



Figure 4-14 Example of offer of apology from TU Clothing to Customer 5

* + - 1. Ask for more information

The second most common theme in retailer’s service recovery on Twitter was to ask the consumer for more information. This method was consistent across all retailers, with the Respondent Retailer, Next and TU consistently requesting such information as consumer numbers, order numbers, email address and even telephone numbers. On some occasions the consumer had already given some or all information, indicating that this may be a scripted response from the retailer, see Figure 4-15.

This service recovery tactic was less prevalent in the observations of how Primark approached service recovery on Twitter, conversely this retailer tended to direct consumer to reinitiate the complaint instore.

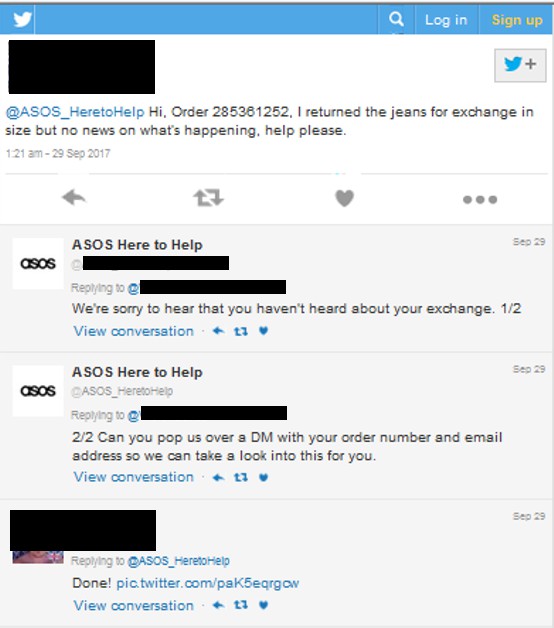


Figure 4-15 Example of request for more information from Respondent Retailer to Customer 50

* + - 1. Redirect to another channel

As discussed in the section above Primark repeatedly redirected complaining consumers on Twitter to alterative channels, in this case to restart the complaint in-store. Whilst the approach of redirecting consumers to alternative channels is consistent across all retailers, see Figure 4 - 16 as an example, in this netnographic observation phase of the study, the other retailers were inclined to redirect consumers complaining of the public Twitter to direct message (DM) them

on the private messaging facility of Twitter, thus taking the conversation offline but remaining on Twitter and not requiring the consumer to begin the complaints process again.



Figure 4-16 Example of Primark redirecting Customer 15 to restart the complain process instore

* + - 1. Acknowledge or thank consumer for feedback

Acknowledging consumer complaints on Twitter was a service recovery strategy adopted by Retailers in a small number of situations. The majority of retailer responses of this kind observed as part of the netnographic phase of this study, tended to be in response to general service failures rather than specific failures in relation to products or orders for example, see Figure 4-17.

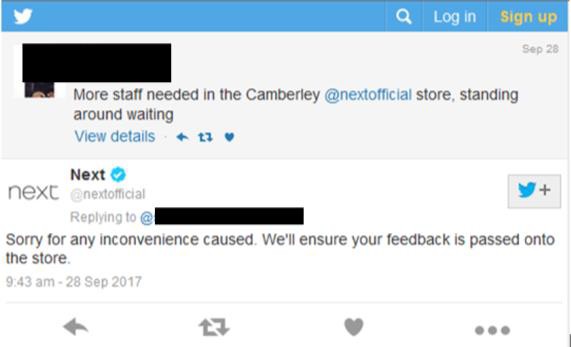


Figure 4-17 Service recovery response from Next acknowledging and thanking the Customer 14 for complaint

* + - 1. Response to humorous complaints

All retailers received a small number of complaints expressed in a humorous manner. Whilst both Next and Primark maintained a standard approach and did not acknowledge the humorous tone of the grievance, see Figure 4-18, TU Clothing and the Respondent Retailer did respond in an equally amusing and playful manner to some humorous consumer complaints observed as part of the netnographic phase of the research study, see Figures 4-19 and 4-20

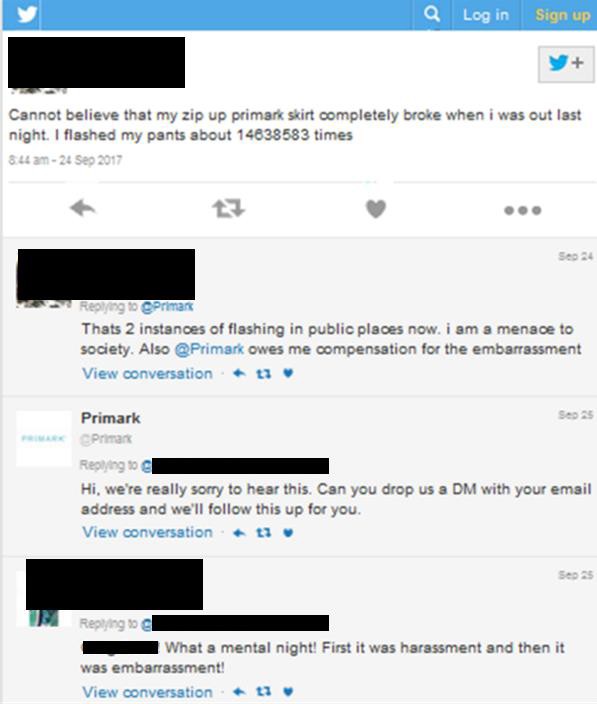


Figure 4-18 Example of Primark responding to humorous complaint in a formal and monotonous manner to Customer 47





Figure 4-19 Example of TU Clothing responding to humorous complaint in an informal and comical manner to Customer 11

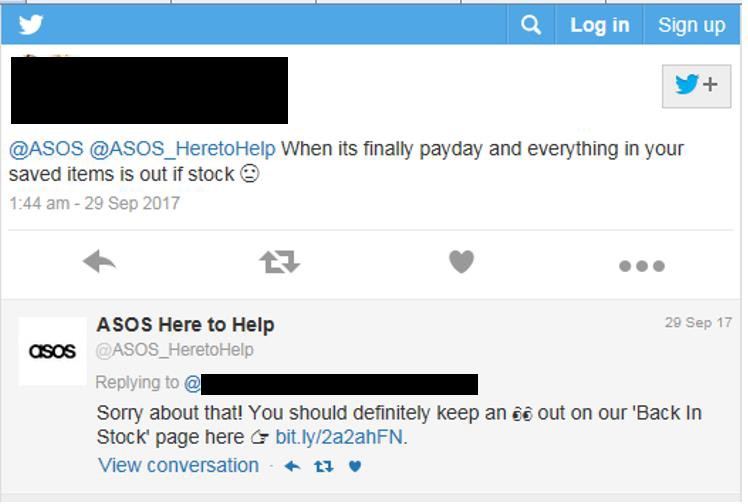


Figure 4-20 Example of the Respondent Retailer responding to humorous complaint in an informal and amusing manner

### Consumer Survey Findings

Of the 109 consumers who participated in the survey, 91 qualified and were subsequently included in the research. To qualify consumers must have “complained about a retailer or shop on Twitter within the last 12 months”. As with previous sections within this chapter the initial subsection focuses on the findings of this phase in terms of research objective one, while the latter subsection spotlights the findings of in relation to the second research objective.

### Motivations of consumers in choosing social media as a complaint channel (RO1)

This section of the questionnaire was designed to explore the motivations of consumers to complain.

* + - 1. Question 2 - Why do you use Twitter to complain?

After the initial qualifying question and once it was determined that the consumer had indeed made a complaint on Twitter within the last 12 months the next question was to identify one or more reason or motivation to complain on Twitter. 67 per cent of consumers identified “I wanted an immediate response” as the most important reason to use Twitter and only 4 per cent of consumers identified this as not applicable at all in their decision to complain to a retailer on Twitter. Whilst speed and ease of use were identified as largely the second and third motivation to complain via Twitter respectively, they were both however a motivation for the vast majority of consumers, See Table 4-1 and Figure 4-21.

Q.2 Why did you choose Twitter as a method to complain?

I wanted an immediate response

It is quick

It is easy

0% 10% 20% 30% 40% 50% 60% 70% 80%

Not 3rd 2nd Most applicable Important

Figure 4-21 Reason why consumer choose Twitter to complain

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Question 2: Why did you choose Twitter as a method**  **to complain?** | **Most Important** | **2nd** | **3rd** | **Not applicable** | **Total** |
| It is easy | 29% | 23% | 20% | 29% | 100% |
| It is quick | 25% | 31% | 13% | 31% | 100% |
| I wanted an immediate  response (within 1 hour) | 67% | 18% | 11% | 4% | 100% |

Table 4-1: Reason why consumer choose Twitter to complain

The vast majority of consumers choose Twitter to complain as this method yields an immediate response (within 1 hour) which consumers identified as the most important reason for using Twitter rather than any other method to make their complaint.

* + - 1. Question 4: What did you hope to achieve by complaining on Twitter?



**What consumers hoped to achieve by complaining on**

**Twitter**

To warn other customers 1% 9% 11%

To damage the company 12%%4% 15%

26%

53%

77%

To express my anger 7% 9% 8% 13% 64%

To express my frustration 12%

25%

23%

16%

For enjoyment, get some likes & shares from my…3% 14%

4%4%4% 11%

10%

24%

76%

36%

35%

To get compensation

To get an apology

7%

To get an explanation

To get corrective action

15% 5% 10%

22% 18% 4% 5%

63%

51%

64%

11% 5%1% 19%

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

Firstly secondly Thirdly Fourthly or more No, not applicable

Figure 4-22 What consumers hoped to achieve by complaining on Twitter

The greatest motivation of consumers of complaining via Twitter was to get corrective action with 74 of the 91 consumers (81%) identifying this as a motivation (see Figure 4-22). For 64 per cent of these consumers seeking corrective action was the primary reason for complaining on Twitter, see Figure 4-23. Thus, it is concluded that while customers primarily wish to have their complaint resolved, they are also motivated by other factors. Enjoyment by getting some likes and shares, expressing frustration, warning others and getting an explanation were all noteworthy motivations for complaining.

I hoped to get corrective action

5%

11%

19%

64%

No, not applicable Firstly secondly Thirdly Fourthly or more

Figure 4-23 Breakdown of importance of the motivation of correction action

Whilst the of goal enjoyment by getting some likes and shares from follower is a recurring objective among consumers it is important to note it is largely an ancillary motivation with only 3 per cent of respondents identifying it as their primary objective. But 62 per cent identifying enjoyment by getting some likes and shares from follower as a lesser objective, see Figure 4-24.

The three least important motivations for consumers to complain on Twitter were to damage the company 30 per cent, get compensation 31 per cent and get an apology 43 per cent, see Figure 4-22.

I hoped to get enjoyment, get some likes & shares from my followers

16%

35%

9%

23%

3%

14%

No, not applicable Firstly secondly Thirdly Fourthly Fifthly

Figure 4-24 Breakdown of importance of the motivation of get enjoyment, get some likes and shares from my followers

### To investigate the behaviour of consumers who complain on Social Media (RO2)

This section of the questionnaire was designed to explore the behaviours of consumers who complain on social media.

* + - 1. Question 3 - What other ways (if any) did you complain by? Tick all options that apply.

When asked what other methods they used, if any, to make their complaint, the majority of consumers (68%) said they only used Twitter to express their grievance, see Figure 4-22. Of the remaining 32 per cent, 76 per cent used only one other method to communicate with the retailer, see Figure 4-26. Various methods were used including in person, by email, by telephone and by live chat. However, no respondents used the postal service to articulate their criticism, see Figure 4-25, 4-26 and 4-27.

Q3. What other ways (if any) did you complain by? Tick all options that apply.

None, Twitter Only

By telephone

By Live Chat

By post

By Email

In person

0

10

20

30

40

50

60

70

Figure 4-25 Other channels consumers used to complain other than Twitter

Number of other methods used by Consmuers who did use other methods to complain

17%

76%

1 other method

2 other method

3 other methods

4 other methods

Figure 4-26 Number of other methods used by consumers who did use other methods to complain

11

12

10

6

Figure 4-27 Other methods used to complain by consumers who did use other methods

**OTHER METHODS USED BY CONSUMERS WHO DID USE OTHER METHODS TO**

**COMPLAIN**

I N P E R S O N

B Y E M A I L

B Y P O S T

B Y L I V E C H A T B Y T E L E P H O N E

0

The overwhelming majority of consumers identified Twitter as the only method of making a complaint. The small group of consumers that didn’t use Twitter sited a variety of other methods to complain however none of these included the postal method.

* + - 1. Question 7 – How likely are you to complain about a retailer on Twitter in the future? When asked how likely they are to complain about a retailer on Twitter in the future the majority (88%) of consumers surveyed asserted that they were indeed likely. Of this group of 81 consumers, 82 per cent of respondents indicated that they were very likely to use Twitter to complain about a retailer, see Figure 4-28.

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  | |  | |  | | | |  |
| 66 | | | | | | | 12 | | 3 | | 4 | 3 | 3 |
|  |  |  |  |  |  |  | |  | |  | | | |

Figure 4-28 Likelihood to complain on Twitter in the future

How likely I am to complain about a retailer on Twitter in the future.

1

0 10

Very likely

20

Likely

30

40

50

60

70

Somewhat likely

Somewhat unlikely

80

Unlikely

90

Very unlikely

100

The majority of consumers asked indicated that in the event of making a complaint in the future they were very likely to use Twitter again suggesting that in relation to retailer complaint handling the method brings a high level of consumer satisfaction.

### How organisations are conducting Service Failure Identification and Service Recovery via Social Media (RO3)

This section on the questionnaire focuses on how the consumers believes retailers are conducting themselves in relation to complaint handling on Twitter.

* + - 1. Question 5 – How did the retailer respond?

The majority (81%) of respondents noted that the retailer apologised. Whilst other retailer responses varied from asking for more information, taking the conversation offline to direct message on Twitter and finally thanking complaining consumers for their feedback, see Figure 4-29.

How did the retailer respond?

They did not respond at all They took the conversation offline and asked me to… They redirected me to another channel to make my…

They offered me a repair, refund or replacement.

They thanked me for myfeedback

They apologised They asked me for more information.

0

6

28

8

8

25

74

30

10

20

30

40

50

60

70

80

Figure 4-29 How the retailer responded to the Twitter complaint

Given the importance of apologising discussed in the literature, see section 2.11, 2.12.2 and 2.16.3, it is unsurprising that the majority of respondents were offered an apology. Further, the need for more information is equally understandable, should the retailer be successful in recovering the service failure. However, the strategy of taking the complaint off line is unique to this medium and not previously seen in the literature, most like due to the public aspect of this new medium.

* + - 1. Question 6 – To what extent were you satisfied with how the retailer handled your complaint on Twitter?

46 of the 91 consumers surveyed (55%) who complained to a retailer via Twitter were unsatisfied with how the retailer handled their complaint, see Figure 4-30. This high level of dissatisfaction should be a concern to the sector and suggests that retailers need to improve their service recovery strategies on social media as a matter of urgency.

|  |  |  |  |
| --- | --- | --- | --- |
|  | 5 |  | 3 |

Figure 4-30 Satisfaction with how the retailer handled the customer complaint on Twitter

Level of satisfaction with how the retailer handled your

complaint on Twitter.

30

25

20

15

10

5

0

1

Very satisfied

Satasfied

Somewhat satisfied

Somewhat dis-satisfied Dis-satisfied Very dis-satisfied

9

23

24

27

* + - 1. Question 8: When complaining to a retailer on Twitter I expect a response….

67 per cent of consumers surveyed expected retailers to respond to their complaint within just 1 hour. However, of these only 13 per cent expected that response to be within ten minutes and no consumers expected an instantaneous response from the retailer, see Figure 4-31. This expectation of such a quick response has management and operational implications for retailers and will be discussed in further depth in the discussions chapter of this thesis, chapter 5.

When complaining to a retailer on Twitter I expect a response…

7%

9%

26%

58%

immediately within 10 minutes

within 1 hour within 5 hours

within one working day within two working days within three working days or longer

Figure 4-31 Expected response time of consumer when complaining on Twitter

* + - 1. Question 9: The retailer can effectively handle complaints on Twitter

Opinion was equally divided with regard to the retailer’s ability to effectively handle the consumers complaint on Twitter, with exactly half the respondents expressing their agreement that the retailer, to varying degrees could effectively handle complaints on Twitter, see Figure 4-32. As with the results of previous questions in this survey, this high level of dissatisfaction should be a concern to the sector and suggests that retailers need to improve their service recovery strategies on social media as a matter of urgency.

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Figure 4-32 Consumers opinion on how effectively the retailer can handle complaints on Twitter

The retailer can effectively handle complaints on Twitter.

1

0

10

20

30

40

50

60

70

80

90

100

Strongly Agree Agree Somewhat agree Somewhat disagree Disagree Strongly disagree

* + - 1. Question 10: The behaviour of employees of the retailer when dealing with complaints on Twitter instils confidence in me.

Consumer confidence in employee’s ability to handle complaints is equally as poor, with just over half agreeing that the behaviour of employees of the retailer when dealing with complaints on Twitter instils confidence in them, see Figure 4-33. And again this high level of dissatisfaction should be a concern to the sector and suggests that retailers need to improve their service recovery strategies on social media as a matter of urgency.

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Figure 4-33 Consumers confidence in the behaviour of the retailers employees when dealing with complaints on Twitter

The behaviour of employees of the retailer when dealing

with complaints on Twitter instills confidence in me.

1

0

10

20

30

40

50

60

70

80

90

100

Strongly Agree Agree Somewhat agree Somewhat disagree Disagree Strongly disagree

* + - 1. Question 11: The behaviour of employees of the retailer when dealing with complaints on Twitter instils trust in me.

Similarly trust in the retailer is equally as poor and should be a major concern to retailers, with just over half agreeing that the behaviour of employees of the retailer when dealing with complaints on Twitter instils trust in them, see Figure 4-34.

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Figure 4-34 Consumers trust in the behaviour of the retailers employees when dealing with complaints on Twitter

The behaviour of employees of the retailer when dealing with

complaints on Twitter instills trust in me.

1

0

10

20

30

40

50

60

70

80

90

100

Strongly Agree Agree Somewhat agree Somewhat disagree Disagree Strongly disagree

* + - 1. Question 12: The retailer gives individual attention to consumer complaints on Twitter The majority of consumers (58%) surveyed believe that the retailer gives individual attention to consumers complaints on Twitter, see Figure 4-35.

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Figure 4-35 Consumers opinion on the individual attention received from the retailer when dealing with complaints on Twitter

The retailer gives individual attention to customer

complaints on Twitter

1

0

10

20

30

40

50

60

70

80

90

100

Strongly Agree Agree Somewhat agree Somewhat disagree Disagree Strongly disagree

* + - 1. Question 13: The retailer showed a sincere interest in solving complaints on Twitter. Whilst only just over half (52%) of consumers surveyed believe the retailer in question is sincere or genuine in their interest in solving complaints on Twitter, see Figure 4-36.

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Figure 4-36 Consumers opinion on the retailers sincere interest in solving complaints on Twitter

The retailer showed a sincere interest in solving complaints on Twitter.

1

0

10

Strongly Agree

20

30

40

50

60

70 80

Disagree

90

Strongly disagree

100

Agree Somewhat agree Somewhat disagree

* + - 1. Question 14: The retailer understands consumers' specific needs on Twitter. Similarly, on the topic of the retailers understanding of consumer’s specific needs consumers surveyed had a poor opinion of the retailer with only just over half believing that the retailer had any degree of understanding of the consumer’s specific needs on Twitter, see Figure 4-37.

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Figure 4-37 Consumers opinion on the retailers understanding of the consumer’s specific needs on Twitter

The retailer understands customers' specific needs on

Twitter.

1

0

10

20

30

40

50

60

70

80

90

100

Strongly Agree Agree Somewhat agree Somewhat disagree Disagree Strongly disagree

* + - 1. Question 15: The retailer deals with complaints promptly on Twitter

Two thirds of respondents believe that retailers do *not* deal with complaints promptly on Twitter, with 43 per cent of these group asserting a strong belief in this perceived lack of sufficient timeliness, see Figure 4-38. The implications here are that retailers need to understand better the expectations of customer choosing to use this channel and adjust and improve their operations to better meet these consumer expectations.

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Figure 4-38 Consumers opinion on how promptly the retailer deals with complaints on Twitter

The retailer deals with complaints promptly on Twitter

1

0

10

Strongly Agree

20

30

40

50

60

70 80

Disagree

90

Strongly disagree

100

Agree Somewhat agree Somewhat disagree

* + - 1. Question 16: The retailer wants to resolve consumer’s complaint on Twitter.

Whilst conversely, two thirds of consumers surveyed believe that the retailer wishes to resolve consumer’s complaint on Twitter, see Figure 4-39. This implies that customers believe the retailer is genuine in their attempts to recover the service failure. While other operational issue have been highlighted as a concer, this is a positive for retailers.

The retailer wants to resolve customers complaint on Twitter

1

0

10

20

30

40

50

60

70

80

90

100

Strongly Agree Agree Somewhat agree Somewhat disagree Disagree Strongly disagree

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Figure 4-39 Consumers opinion on the retailers wish to resolve complaints on Twitter

There is no obvious trend of consumer opinion in terms of how retailers are conducting themselves in relation to complaint handling on Twitter. Opinion is split, by approximately half, in relation to whether Twitter is an effective medium for handling complaints, whether the behaviour of retailer employees is satisfactory and whether the method enables the retailer to provide an individualised response to a complaint. Results for this part of the survey are therefore somewhat inconclusive.

The following sections examines the demographics of the consumers surveyed for this phase of the research project.

### Demographics

This section of the findings focuses on the demographics and other potentially relevant information of the consumer surveyed in this the second phase of the research project.

* + - 1. Question 17: In the last 12 months, how often have you made a complaint on Twitter?

How often I have made a complaint on Twitter in the last 12 months

16%

13%

69%

Once 2-5 times 6-10 times 11-15 times 16 or more times

Figure 4-40 How often in the last 12 months consumers surveyed complained via Twitter

The majority of respondents had complained on twitter between 2 and 5 times, see Figure 4- 40.

* + - 1. Question 18: What age are you?

The age of the respondents ranged from 18 to over 60 years old, see Figure 4-41 and 4-42. Generation Z (18 to 23 years old) accounted for 35% of those surveyed and Millennials (24 to 39 years old) were the largest group of survey participants at 45%, generation X (40 to 49 years old) representing the 3rd largest generation surveyed at 19%. Finally only 1% of the sample surveyed was from the baby boom generation (age 50 and above). This sample broadly resembles the profile of twitter users in general (Statista, 2020c) except the baby boom generation, which accounts for 15% of all twitter users. This may suggest that this older generation are less likely than younger generations to use this more public channel to complain to retailers and is an opportunity for further research.

Age of respondents

18-23 24-33 34-39 40-49 50-59 60+

Figure 4-41 Age of consumers surveyed

Age of Respondents

1%

19%

35%

45%

Generation Z Millennials Generation X Baby boomers

Figure 4-42 Generation of consumers surveyed

### Consumer Interview Findings

This section of the findings chapter details the findings discoveries of this phase of the research project by elaborating on each consumer interview in turn and broadly focusing on the research objectives and any other relevant themes. Note, all interviewees have been given pseudo names.

### Interview 1: Mya

Mya is a female consumer in her 20’s who uses Twitter approximately six times a year to make a complaint. She expects to be answered in 15 minutes.

* *“once every two months”*
* *“That depends on how angry I am! Probably within 15 minutes?”*
  + - 1. Motivations to use Twitter to complain

Mya uses Twitter to complaint about specific issues like late deliveries or late refunds, rather than general issues. She uses Twitter as it is quick, easy and accessible. Furthermore she had a very positive experience when using Twitter to complain the past and this as all reinforced these beliefs. Additional, Mya feels complaining online when somethings goes wrong is simply part of the obvious process of service consumption.

* *“With the means to sort of getting a result as opposed to just giving my opinion and complaining”*
* *“I generally message them on Twitter because they respond quick”*
* *“Because Twitter is easier”*
* *“But it’s [Twitter] much easier [than live chat] to get to because it is on my general social media”*
* *“But it’s been, I can…actually it was during my prom I bought a pair of shoes and they didn’t look right so I complained on Twitter, and they were really quick it was probably within 5 minutes and it was actually my first experience of complaining. I remember it because it went so well because they respond quickly, they get your order and because it was over a certain number of days they just refunded it straight away. So, that was definitely my most positive experience and the one I actually remember the most.”*
* *“I just expect them to respond quick, sort it quick”*
* *“I’ve always been very straight to the point; I give my order number; I tell them the problem and I expect it to be sorted basically straight away”*
* *“When I complain online it doesn’t feel like complaining because it feels part of the deal, you know? If I am going to buy something, I need help when things go wrong?*
* *“I just know that if I complain on Twitter, they will get back quite quick just from experience.”*

She is aware of the public nature of the medium and believes this increases the likelihood of a retailer being more “active” or responsive to complaints.

* *“I have an idea that they might be a bit more active on social media because obviously you can also complain publicly if you want to.”*
* *“I understand that they have a reputation to uphold”*
* *“I think they know as well that things can always escalate, and people will happily complain online publicly if things go wrong.”*
  + - 1. Online Persona

Mya is conscious of her own online persona; she has two Twitter accounts. One is formal and the other is practical. She uses only the second to make complaints as she actively manages her own online persona.

* *“Because I feel like when I complain I am quite blunt, I am quite straight to the point, and I think there’s a certain image you want to put out of yourself. And, I suppose I didn’t want it linked on my direct messages because I like to think they are for more important things, so to speak, and I suppose with my informal Twitter I keep it for*

*everything and my formal Twitter is something I like to keep clear of any…of generally any negativity really, things like complaining.”*

* *“I think I just want to keep my formal one completely clean of any complaining or any sort of angry Mya*
* *“I suppose there’s that problem where it is sitting in your messages amongst all your other personal messages.”*
  + - 1. Humour

Mya says she uses humour not only to help herself feel better about complaining but also not to become over stressed.

* *“I use humour to make myself feel better about it as well, so I don’t get too aggy”*
* *“To be fair, I say humour but I am not very funny……..I guess I just say haha after something”*
* *“I’d say something like ‘I am hoping it doesn’t get lost, I have an event in a few days and I wouldn’t want to turn up with no shoes’, something like that and say ‘haha’”*
* *“But I am always wary that I don’t want to give off that impression that I am trying to make jokes and putting them off what they’re doing.”*

Whilst Mya feels that complaining to the Respondent Retailer is very impersonal, she is aware that it is operated by people and thus remains polite.

* *“But it’s generally…it is very robotic, so it is sort of very impersonal apart from the fact they say your name.”*
* *“I would never be rude because I understand that even when you’re online there are people on the other end of it, which I think a lot of people forget.”*

### Interview 2: Mildred

Mildred is a female consumer in her 50’s and uses Twitter to complain regularly.

* *“Ooh no, quite a few times. I can’t say how many times, but quite a lot”*
  + - 1. Motivations to use Twitter to complain

Mildred complains on Twitter regularly because she believes that when complaining via Twitter she is more likely to get a response form the company. She complains on Twitter in order to get a fast, immediate response and because it is easier. She expects an immediate solution and to be informed instantaneously as to what is happening. Furthermore, if the response is too slow Mildred interprets this as lack of empathy.

* *“I find that when you complain on Twitter you get a faster response, so sometimes it can just be a little bit easier.”*
* *“what I wanted was an instant solution. I wanted to know what was going on straight away.”*
* *“They replied to me the next day…. it was too slow. I think if you are going to say we are here to help with any queries, then you should be there to help with any queries; otherwise, it is just a complete waste of time. It doesn’t deliver what it says it is going to deliver.”*
* *“I think if they cared they would have responded super quickly”*
* *“because you are more likely to get a response”*
* *“Because I would gain a speedier resolution to the issue and because it sorts out the problem, it puts it on the agenda for people to deal with it, where traditionally people just don’t seem to be dealing with it.”*

She believes it is a better method of complaining than more traditional routes because of the public nature of Twitter and the need for organisations to project a positive public image. Furthermore, she believes it transfers the burden onto the organisation and away from her and her busy schedule.

* *“Because I would gain a speedier resolution to the issue and because it sorts out the problem, it puts it on the agenda for people to deal with it, where traditionally people just don’t seem to be dealing with it.”*
* *“I think one of the advantages of Twitter there is because it is public there is this panic and there is this desire to do something, whereas if I pick up the telephone, I don’t know…and I am also quite busy, …… I don’t know what number to phone, I would probably have to google it, I’d find the number, the number would probably be press 1 for this, press 2 for this, press 3 for this. It might also say the person I need to speak to isn’t there, they will get back to me next week.”*
  + - 1. Online Persona

Mildred, is aware that the complaint is publicly available and as a result maintains a polite, composed tone as wells as saying please. Furthermore, she looks at previous complaints on the organisations Twitter feeds to gain additional information and form an impression of the organisation.

* *“I tried to keep it quite balanced, because it is something that is in the public domain, I am aware it is in the public domain, so anybody who is looking at my tweets can see it as well. I am trying to be calm about it and I think I used the words ‘please can you help?’, so I left it quite balanced.*
* *“And, I looked on their Twitter feed first of all to see if anybody was on duty that day, as sometimes there is and there was a message that said ‘Hi, it’s Zoe, I am on duty today until such a time’. I thought this was perfect”.*

Mildred understands the public nature of complaining on Twitter is what makes it such a productive medium to use when complaining. However, conversely Mildred sees the public nature of complaining on Twitter as a disadvantage of using the medium to complain, as a result she limits her complaints on Twitter to serious grievances only. She considers her online security, reputation both personal and professional and the potential negative counterattack from followers.

* *“I think one of the advantages of Twitter there is because it is public there is this panic and there is this desire to do something, whereas if I pick up the telephone I don’t know”*
* *“Yeah, it is public, and I do think, I wouldn’t complain on Twitter about everything. You know, if it was… Some stuff is either trivial or not relevant. We were in a hotel last week and I had poached eggs before we left and they were a bit over-cooked but that isn’t the end of the world, it isn’t a big issue. It was a very very small, minor detail, whereas these other issues had an impact”.*
* *“It shows what I've purchased or where I am and I might not want to do that publicly all the time. That could be seen as over-sharing.”*
* *“Appearing spoiled [is a disadvantage]….I'd only complain where there was a need or I may appear as a prima donna or moaning Minnie which I wouldn't want to do, so hence why the poached eggs were less of an issue. There could be a backlash…if others didn't agree.”*
* *“My Twitter tends to be a professional account, so I consider what I post. If it was too trivial I am sure there could be a backlash which could negatively affect my account.”*
  + - 1. Double deviation

Mildred spoke about a particular instore service failure that she subsequently complained about instore to the store manager. He failed to respond adequately (double deviation) and thus outraged Mildred escalated the issue by complaining to the retailer on Twitter.

* *“In that particular instance I wanted to get attention because I had tried to sort it out in store and it didn’t get sorted out.”*
* *“I tried the in-person route and it hadn’t worked, but I know because Twitter is a public space that I am more likely to get a solution, or resolution to the issue because they take it more seriously”.*
* *“I only complain where there is a specific issue, often a poor service, that hasn't been sorted out when there was the first opportunity, so where something is fundamentally wrong, unacceptable and needs to be shared with senior management”.*



Figure 4-43 Original complaining Twitter conversation between the Customer (Mildred) and the Retailer (Waitrose)

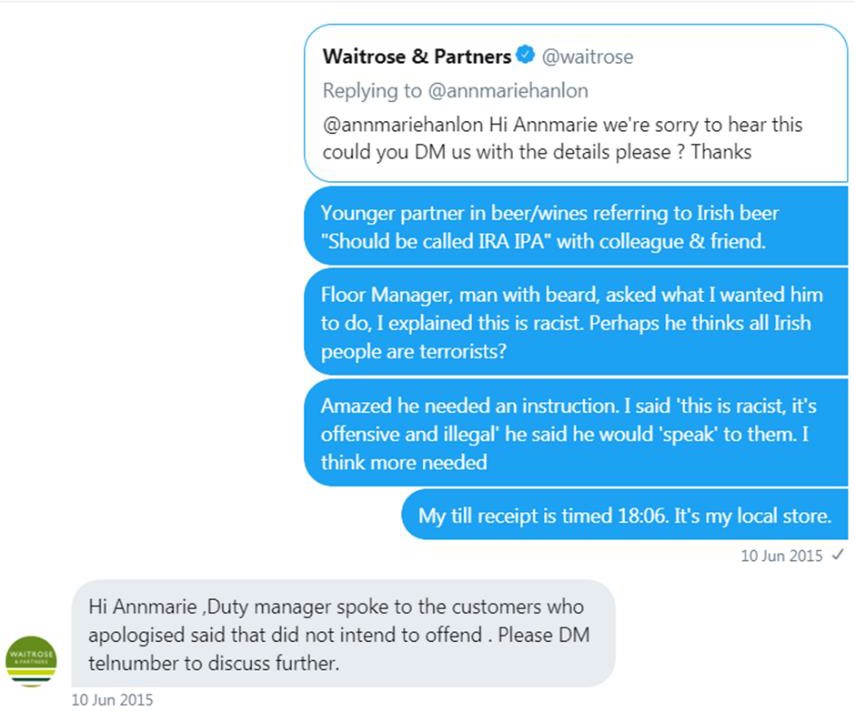
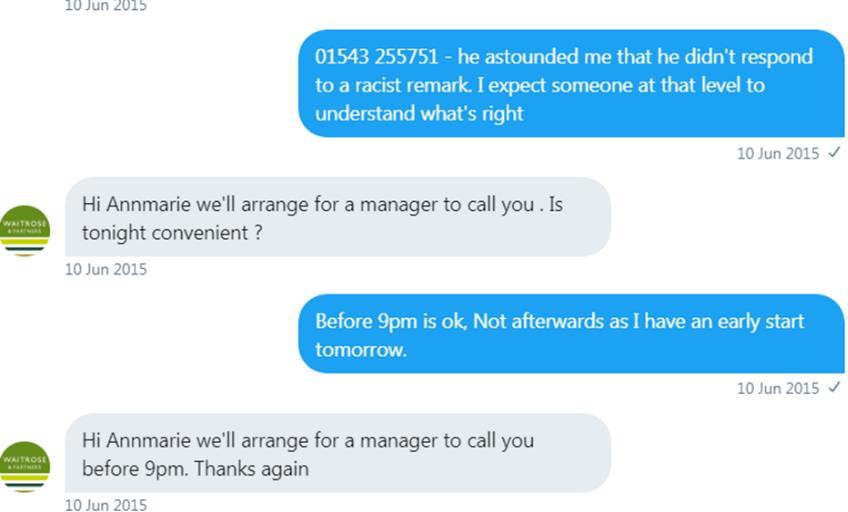


Figure 4-44 Private DM complaining conversation between the Customer (Mildred) and the Retailer (Waitrose)

### Interview 3: Kate

Kate is a female consumer in her 20’s. She has used Twitter to complain at least twice.

* + - 1. Motivations to use Twitter to complain

Kate uses Twitter as it is convenient, requires less physical effort and time.

* *“I think it is just more convenient.”*
* *“if you have to go in-store it is sort of having to go out of your way. Say if you don’t drive, then you have to get the bus and if you do drive you have to pay for parking, then go in and you’ve got to speak to somebody who probably has no idea what to do, so then you have to wait for a manager and then…*
* *“It is the same with the phone; I get really annoyed when I am on the phone and they put you on hold and you’re on hold for like 15 minutes and you’re like ‘Is this it? I am already angry about complaining now you’re keeping me waiting for 15 minutes!”*
  + - 1. Online Persona

Kate is conscious of how she appears to others on Twitter. She used emojis and a calm, business like tone to soften the complaint as she is cognisant of her online persona. She does not like complaining on Twitter due to the public nature of the medium. However, she is aware that the retailer may also be conscious of the negative impact and open, visible nature of the medium.

* *“I think I put something like ‘Ordered this for next day delivery, absolutely gutted it has holes in it’ and like loads of sad faces. So, it wasn’t particularly like nasty or anything like that…I don’t want to start a massive drama on Twitter, like when I complain I don’t really want to, want everybody to see I am complaining.*
* *“I don’t really like doing it [complaining] publicly on my Twitter”*
* *“So, it was sort of quite impersonal, quite just generic ‘give me your details and we will look into it’. Probably trying to get it away from the public eye”*

Furthermore, Kate would not like if an organisation made a laugh at her expense which she has observed happen to other complainers on Twitter.

* *“Sometimes companies can sort of like take the mick out of it a bit as well, like I have seen when people are complaining to Tesco Mobile I have seen them come back with something quite witty. Quite sarcastic, which if I was a consumer and it was a genuine complaint I would be quite annoyed, but I guess for everybody else on Twitter it is quite funny to see”*
* *“if it was a genuine complaint then I would be quite angry that it would have like…if they replied with something sarcastic.”*

### Interview 4: Thomas

Thomas is a male consumer in his 50’s and has used Twitter to make a complaint on at least two occasions.

* + - 1. Motivations to use Twitter to complain

Thomas uses Twitter to complain when other more traditional methods of complaining do not work. He complains on Twitter, because it is quick, easy and flexible. Furthermore, he feels more in control of the process and does not have to wait.

* *“I would probably have one attempt at the standard/published/normal complaints process and if they didn’t work I would turn to Twitter and Facebook… and LinkedIn if I could find anything/anywhere to publish.”*
* *“Well, I suppose it is quick and it’s easy, you can do it in your own time. You don’t have to wait for hours in a queue until somebody phones up…I mean until somebody picks up the phone.”*
* *“you’re pretty much in charge of how the process works.”*
  + - 1. Double Deviation

Thomas complained on Twitter for the first time when an organisation repeatedly failed to resolve a complaint made via telephone. After several weeks his service failure remained unresolved, when a colleague recommended that he tweet the complaint tagging the service provider and using a hashtag. Within half an hour the organisation contacted him, appointed a complaints manager and Thomas continued to tweet his complaint for several weeks until the issues was successfully resolved as this was the most successful method.

* *“I get even more irate if the complaint process is [difficult], it just compounds the problem”*
* *“And repeatedly they either didn’t follow up [as] they promised, they kept saying that the individual person I spoke to was now my issue manager and it was being highlighted and escalated as a serious problem. But the problem with [them] is there is no one consistent person, whenever you dial the call centre a different person picks up and just looks at what’s logged on the system”*
* *A “colleague …. suggested I started tweeting about them with the hashtag [and handle]”*
* *“I would say within about half an hour I had a tweet back from somebody in their service department apologising and offering to take over, look after me, blah blah blah.”*
* *“It wasn’t perfect …… So, I tweeted and tweeted and tweeted, and I found that the results of the tweets was the most effective way to get things done”*
  + - 1. Humour

Thomas says he uses intellectual rudeness or sarcasm if need. His followers think his complaining on Twitter is very funny. He gets a lot of feedback and support from his followers on Twitter and feels morally supported by this.

* *“Well, if it is necessary, I am quite sarcastic and quite sort of rude…rude, but intellectually rude. I don’t use bad language, I just sort of highlight the complete idiocy of their performance. “*
* *“They [Twitter followers] think it’s hilarious”*
* *“I get lots of feedback from them saying “yes they’re terrible, we have had exactly the same experience, they are awful”.”*
* *“It gives me moral support that it is entertaining”*

### Interview 5: Barry

* + - 1. Motivations to use Twitter to complain

Barry is a male consumer in his 40’s. He has complained via Twitter at least three times. Barry complains on Twitter because it is easy and past experience has shown him that it is effective and timely. He no longer uses traditional methods and goes straight to complaining on Twitter due to previous successful situations. He believes complaining on Twitter is effective because it is public and organisations wish to minimise the negative impact, further Barry believes it is successful as it disrupts organisation’s usual procedures and forces them to think and have empathy.

* *“I generally now find it easier to go to Twitter”.*
* *“So, it is kind of like, you know, as soon as you start making it public and everybody can see what is going on, they seem to respond”.*
* *“I don’t bother with the customer line I will just go to Twitter because I know it’s going to get a response.”*
* *“almost instantly you will get a response saying ‘not a problem’ and it is sorted”*
* *“However, as soon as you tweet it, thousands of people are seeing it and seeing the negativity side of it.”*
* *“As I say, you just seem to get a quicker and better response, and problems seem to get resolved, when you start discussing it on Twitter for the world to see.”*
* *“, so what they will do is go into autopilot and go ‘right, somebody says this, somebody says that’ and what I am actually trying to do is make them think”.*
  + - 1. Double Deviation

Barry spoke of an example when he tried to resolve a service failure for several weeks without success. He decided to complain on Twitter and the complaint was answered within an hour and subsequently resolved, giving him confidence in the effectiveness of complaining on

Twitter. Barry no longer uses traditional channels to communicate due success of previous services recovery situations when complaining on Twitter.

* *“I thought ‘you know what, I just went on Twitter and went as soon as this goes public that you are hounding a customer you know something will get done. So, I tweeted it and I said, ‘Can you tell me why you are doing this and why you refuse to stop?”*
* *“Within about half an hour I had a private message of them saying ‘Can we call you, discuss this and sort it all out? They rang me up and it just solved it straight away”.*
* *“somebody contacted me [on Twitter] and asked me to ring them with a number, and when I rang it, it was the PR manager for [the organisation]” for the UK”*
* *“Like, if I just phone up a call centre and say this is my complaint, then they almost say ‘alright, okay, whatever’ and just leave you and know that the only person it is affecting is you”.*
* *“I don’t bother with the customer line I will just go to Twitter because I know it’s going to get a response.”*
  + - 1. Online Persona

Barry believes the effectiveness of complaining via Twitter is because of the public nature of the medium and the fact that organisations wish to protective their image and minimise the negative effects of this.

* *“you just seem to get a quicker and better response, and problems seem to get resolved, when you start discussing it on Twitter for the world to see.”*
* *“It is almost like they know everybody else can see this and they can’t hide away from it.”*
* *“I think what you are doing is you are pointing out to other people. So, again when they see it and they go that is similar to my experience, they go okay”*
* *“you are obviously limited to the number of characters. So, what I try and do is think of the keywords are going to get people attention.”*

With regard to his own online persona, Barry wishes to be seen as firm but not aggressive and actively appeals for empathy from the organisation and followers. He is somewhat perturbed by the public nature but overall has no issue with this.

* *“how I hope it comes across is just a rational, normal tone where I am being assertive without being aggressive. These are the facts, this is the issue and this is what I want done about it”.*
* *“I also find if you twist it back around as well, so it is like ‘how would you feel in this situation?’.”*
* *“Again, it is kind of like, what I am trying to say is if you were me would you think it is acceptable? What I am hoping to get across is no, so why are you inflicting it on me if you don’t think it is acceptable?”*
* *“It bothers in one sense in that I shouldn’t have to resort to this tactic, but it doesn’t bother me in the sense that I don’t mind airing my dirty laundry in public, if you get what I mean!”*
* *“[I] just kind of point out, like what I kind of think is without trying to be aggressive, what I am trying to put across”*

### Retailer Interview Findings

This section of the findings chapter specifies the findings of the final phase of the research project by elaborating on two interviews with directors of the Respondent Retailer organisation in turn and broadly focusing on the research objectives as well as any other relevant themes the emerged.

### Interview 1: Respondent Retailer Director of Outbound Delivery Solutions and Returns

This section presents the themes that emerged during the in-depth interview with the Respondent Retailer Director of outbound delivery solutions and returns.

* + - 1. Motivations of consumers in choosing social media as a complaint channel (RO1)

In relation to the first research objective of the project the two themes that emerged in this interview where the retailers belief that consumers are motivated to complain on social media because it is easy to use and it is an instinctive communication channel to the Respondent Retailer’s consumer base.

* + - * 1. *Ease of use*

It is an easy channel and it is how the consumer communicates in their daily life.

*“It’s an extremely easy way to interact.”*

* + - * 1. *Instinctive method of communication to the demographic of the target market*

The Respondent Retailer’s target market is primarily to consumers in their twenties, they communicate in a different way than previous generations, i.e. social media.

*“Elizabeth\* [our target market] consumes media and communicates with her peers in a completely different way than what I do. .. it is ubiquitous. It wouldn’t occur to Elizabeth\* [our target market] to communicate in any other way! Elizabeth\* doesn’t watch TV programmes, she watches YouTube. Like, she. Like that is a massive generational gap, that is. It’s really easy to miss that and discount that when you are a bit older, but like.”*

*“It is not going to go away.”*

*“It’s like bricks and mortar retailers looking at e-commerce retailers. We [online only retailers] are coming and we are coming hard. And it [complaining on social media] is not going to go anywhere because our core demographic is going to age. So, they are complaining on social media because it wouldn’t occur to them not to.”*

*“So, our target demographic is 20 somethings. It would never occur them to talk to us any other way [other than social media] and then we can also.”*

*“It also shows them through the social part of social media, they can see what everyone else is experiencing at that moment in time”*

\* pseudonym used

* + - 1. How organisations are conducting service failure identification and service recovery via social media. (RO3)

In relation to the third research objective of the project the two themes that emerged in this interview where how the Respondent Retailer actively tries to get ahead of the complaint and own the first communication; their use of operational software and social listening software, the Respondent Retailer’s strategy for dealing with humorous complaints; how the Respondent Retailer’s culture and staff training effects how they conduct service failure identification and service recovery via social media; their strategy in relation to a timely response and finally how the Respondent Retailer actively prioritise consumers with high visibility and high following.

* + - * 1. *Get ahead of the complaint and own the first communication*

The Respondent Retailer actively seek to communicate any potential issues, for example late deliveries, with the consumer as soon as possible, rather than waiting for the complaints to come in.

*“It is a very good way to gauge the temperature of their complaint.”*

*“The philosophy we adopt when communicating with the customer is, if anything is wrong at all, if you sniff that something might be wrong you communicate. You have to own the message and get in front of the message.”*

*“So, if you [The Retailer] get ahead of that first question to the Respondent Retailer and you [The Retailer] say ‘Hey, we think your order may be late’.*

*“I don’t remember the metrics but we have got data that shows us that [Communicating the possibility of a problem first] stops the customer coming at us. Because you own that early communication.*

* + - * 1. *Operational software and social listening*

Furthermore, the actively socially listed to the conversation relating to their brand on Social Media to identify any issues or potential problems that are trending. They are aware that when consumers experience a problem that they monitor the company’s Twitter feed and if there is evidence here of others experiencing the same complaint this will escalate and exasperate the complaint.

*“If you are the only person sat on the Twitter feed saying where is my order then you just ask your question. If you log onto that Twitter feed and see that 500 customers before have said where the hell is my order. Then you see the tone of the comments start getting harder and harder because it self-justifies because you see everyone else trying to chase their order. And you say well the Respondent Retailer are obviously not on top of it.”*

*“We have got Gnatta. Its core monitoring software.”*

* + - * 1. *Dealing with humorous complaints*

The Respondent Retailer do receive humorous complaints and see it as an opportunity to showcase fun, carefree brand values. However, they also remain focused on solving the actual problem.

*You will get people being a bit cheeky on there [Twitter]. That’s social media, everyone’s trying to go viral.*

*“We had one a couple of weeks ago where a lad said we had miss-picked an item in the warehouse. It was a dress and he posted a picture of him wearing the red dress. And he said this doesn’t look like the jeans I ordered! We pulled out his order history and he had ordered the red dress and the jeans. He was being a smiley comedian you know; he was looking for likes. It’s no big deal.”*

*“Oh yes, yes [we see humorous complaints as an opportunity]. We engaged; we had a laugh you know. We got cheeky back. We keep it light, we keep it breezy with the customer. We do what we can.*

*“But remember, the first thing we did was do an actual business investigation! Have we miss-picked this guy that red dress. The minute we found out that we hadn’t we said alright we will have a laugh with him but we are not doing PR for him.*

*“We have a giggle and we shut it down.”*

* + - * 1. *Culture and Staff Training*

Staff receive training on how to communicate and deal with complaints, including humorous complaints.

*“Yea, a lot of the staff are in their 20’s. They go through a training process. You say this, you do that. They are told be fun, respect our values, be authentic, be creative. It’s a great job straight out of Uni.”*

* + - * 1. *Timely response*

*We know that [a timely response to the complaint is important]. They [social media complaints handling team] have KPI’s. They game the customer experience. They say ‘Hey we received your tweet. We are looking into it.’*

*“As soon as you message the Respondent Retailer’s with a complaint we have an automated email that shoots back we are looking into it. We are always looking for that premium experience.*

* + - * 1. *Prioritisation of Customer with high visibility and following*

The Respondent Retailer is very aware of the importance of dealing efficiently and effectively with complaints from consumers with high social media visibility and high social media following and will go to extreme lengths to fix the problem. Consumers with high visibility and following, referred to as high “surplus of followers” are actively monitor and prioritised. Solution’s to resolve social media complaints of these consumer may not make sense from a financial or operational perspective but are necessary in order to be seen to resolve the complaint of consumers with high social media visibility and following.

*“If a celebrity tweets a complaint they are all over it. Ignore the fact of why it happened for now, let’s fix it. We will motorcycle stuff if we need to.”*

*“We had a reality TV star [with 3.1 million Twitter followers], on in the middle of the snow as her order had gone missing. Turns out she lives up a steep hill. The UPS guy went halfway up the hill and went you know what I am not doing that and has turned*

*around. But he hadn’t reported that back correctly. So, it’s still down as out for delivery and she tweets it’s a next day delivery and I am still waiting for 4 days for my delivery. So instead of trying to figure it out, we went to the warehouse and went just pack a new order and get it there now.”*

*“From a supply chain perspective, we don’t care who the reality TV star is. But from a social point of view our customer base is going ‘Oh my God it’s a reality TV star.”*

*“In the middle of black Friday a celebrity from X Factor [with over 1.1 million Twitter followers] ordered a black dress. At this point DPD had fallen over and our network is bursting, we are struggling to get anything out let alone a dress for a celebrity TV star. So, we have gone, right, someone find a van and just stick it on a van to whatever location she wants.”*

*“We had a complaint from a world-renowned musician. PR came straight up to us and said, look this has happened. We got it on a plane to NY the next day. We couldn’t get it in cargo, so someone went on the plane with her order as hand luggage.”*

*“We are process driven to a point. You need flexibility of approach. You cannot do what we do over a cyber weekend without micromanaging the life out of it! We are already Cyber weekend planning and it’s June and we have been for two months. But there is a point when a superstar needs her order, yea we will get her order.”*

*“Someone monitors the Twitter feed. They do a thing called surplus of followers. So if you have got over 1,000 followers. They will say this is now an issue for us. Customer care will flag that.”*

*“They will take a screenshot, with a link and sent it over to outbound solutions and say delivery solutions you find the order, logistics you get ready to repack the order. They will tweet back we are looking into it. They are really quick.”*

### Interview 2: Respondent Retailer Director of Delivery Solutions

In this section the themes that emerged during the in-depth interview with the Respondent Retailer’s Director of delivery solutions are identified.

* + - 1. Motivations of consumers in choosing social media as a complaint channel (RO1) This interview identified the fact that social media is public and this effective as the primary motivation of why the Respondent Retailer’s consumers choose to complain via social media.
         1. *It is public and effective*

Consumers choose to complain on social media because they understand that complaining on social media is public and thus will be effective.

*“It gets visibility and therefore the brand doesn’t want that negative perception of their brand out there on social media and therefore the consumer is going to get a better and quicker response from the retailer than if they did it by a private email.”*

*“People always go on about the negative and social media is place to be highly visible, but if that’s their medium of choice to communicate then we will communicate on that and everyone will see us and our conversation. So even when the complaints do come in they look different because it’s a conversation and we are dealing with it.”*

* + - 1. How organisations are conducting service failure identification and service recovery via social media (RO3).

In relation to the third research objective of the project the two themes that emerged in this interview were how the Respondent Retailer use operational software and social listening software, their strategy to take the complaint offline; how they deal with humorous complaints and how the Respondent Retailer’s culture and staff training effects how they conduct service failure identification and service recovery via social media.

* + - * 1. *Operational software and social listening*

The Respondent Retailer prioritise the need for industry leading software to exploit social media as not only a method of public communication, but also from an operational perspective.

*“Without social media we wouldn’t get half the recommendations that we do and we absolutely need them.”*

*“We need to make sure we have the best methods to capitalise on it and communicate on it. We have that, we have the systems and we have the products. Customer care see to that”.*

*“It [Gnatta software] brings it in to one point. If you tweet and do a Facebook post and mention the Respondent Retailer both times, we will get back to you on both channels. That’s two contacts, don’t forget, it aggregates that. It sends that to one point.”*

*“Yes, it’s about keeping up with the technology to insure we handle this in the best way, because often when people have a complaint they will go on Facebook and Twitter and bombard the retailer with their negative vibe.”*

* + - * 1. *Take the complaint offline*

The Respondent Retailer’s policy is to immediately take the conversation offline as this is more personal and removes negative conversation from the public domain.

*“We will take them offline. One of the first things we will say is DM us.”*

*“Firstly, it’s more personal, between you and them and secondly we are taking the negatives offline.”*

* + - * 1. *Dealing with humorous complaints*

The Respondent Retailer have a policy respond to funny complains in an equally humorous manner. The time of the consumers tweet is gauged and where appropriate this will be mirrored in the retailer response. The retailer is aware of the sophistication of the consumer in their assessment that this may illicit a more positive response from the retailer.

*“A customer recently had a complaint; they went on social media and basically made a rap about their complaint. So, our customer care advisor responded in the form of a rap. They were blown away, it got a great reaction, what great customer service, and the customer loved it. That was just an individual customer care advisor being a bit tongue and cheek and having fun with it”*

*“We post cheeky messages. We look at that as an extension of our brand.”*

*“So, the tone of voice is what we match in the posts and the content. So, if a customer is being deadly serious and saying really bad things, probably don’t go back with a rap.”*

*“If they [the customer] are complaining but not doing it in an informal way. You are not really in danger of losing them. They are saying there is a problem here but I am doing it in a bit of a fun way.”*

*“They [the complaining customer] also know that it [a humorous complaint] is going to get a more positive reaction. If you’re and advisor in customer care and you’re having shit thrown at you all day, then a fun one comes in its probably a relief to have a bit of fun back. So, the customers know that I think.”*

*“They think I have a serious complaint here but I am delivering it in a fun way and I will probably get a better response out of you.”.*

* + - * 1. *Culture and Staff Training*

As an internet only retailer, the internet including social media is more than a communication channel, it is embedded on their culture and the Respondent Retailer understands this as well as their resulting dependency. Staff are trained operationally but encouraged to be individual and personal.

*“When you are an online retailer you cannot look at the internet as a negative, without it we would not exist. A traditional retailer can say social media is killing our brand, we cannot say that.”*

*“Everything we do is on the internet. It is not a necessary evil for us, it is who we are, and it is in our DNA. It is who we are. We are part of the internet.”*

*“They [customer care staff] get training and that advisor had been around a long time. They can respond how they want. They have frequently asked questions and a template of responses and they are told to personalise that. But if it something like that or if its high profile”*

*“Our culture breeds that [empowerment to personalise]. It is like I said earlier, and this is going to sound arrogant but we are not the norm. We are not Amazon; we are the opposite. They are high volume, they are transactional, we try to be inspirational.”*

### Conclusion

In this chapter the details of the findings of each phase of this research project were discussed. Firstly, the netnographic observations of both the consumer and the retailer were catalogued in respect to the research objectives of this study. Then the online consumer survey results were documented question by question and again in relation to the research objectives of this research project. The penultimate section of this chapter examined the themes that emerged from each consumer interview, while the final section of this chapter identified the themes in respect of the findings of the interview with the Respondent Retailer.

The next two chapters, Chapter 5 and 6, focus on the integration of these findings discussed in this chapter. These chapters subsequently relate these findings to the existing body of scholarly knowledge. Whilst each phase aims to address one or two of the Research Objectives specifically the research was equally designed so that all phases could potentially contribute to the generation of insights into all Research Objectives and in particular the final Research Objective, RO4, to develop a social media service failure identification and recovery framework to assist retailers as well as other organisations to identify service failures and recover from complaints via social media in an effective and timely manner.

Thus, the next chapter begins the discussion and analysis phase of this thesis by discussing the findings and insights of this research and then will discuss the findings and insights of this research in relation to each Research Objective concurrently ins the subsequent chapters.

# CHAPTER 5 DISCUSSION AND ANALYSIS

### Introduction

This chapter integrates the results described in chapter 4 of this thesis, where the findings from each stage of the empirical research were detailed individually. As noted previously, while each phase of the research aimed to address one or more of the Research Objectives specifically this research was designed with the intention that all phases could potentially contribute to the formation of observations into all Research Objectives. This approach is consistent with the concept of methodological pragmatism adopted in this research. Furthermore, this chapter relates these findings to the existing body of scholarly knowledge.

This following section discusses these findings from the various phases of the author’s empirical research in a holistic and unified manner. It does so with specific reference to each research objective (ROs) in turn. This discussion does not purport to answer each of the objectives in a definitive manner; rather, it furnishes fresh insights into the issues under investigation.

* 1. **RO1: Motivations of consumers in choosing social media as a complaint channel** This section is a discussion and analysis of the findings in relation to the first research objective RO1 namely the motivations of consumers in choosing social media as a complaints channel. This section discusses the findings in relation to how consumers are motivated to complain on Twitter to seek corrective action, because it is quick and easy to use, because of their expectations of excess due to the public nature of this medium and finally the motivation to express frustration and anger, as illustrated in Figure 5-1.

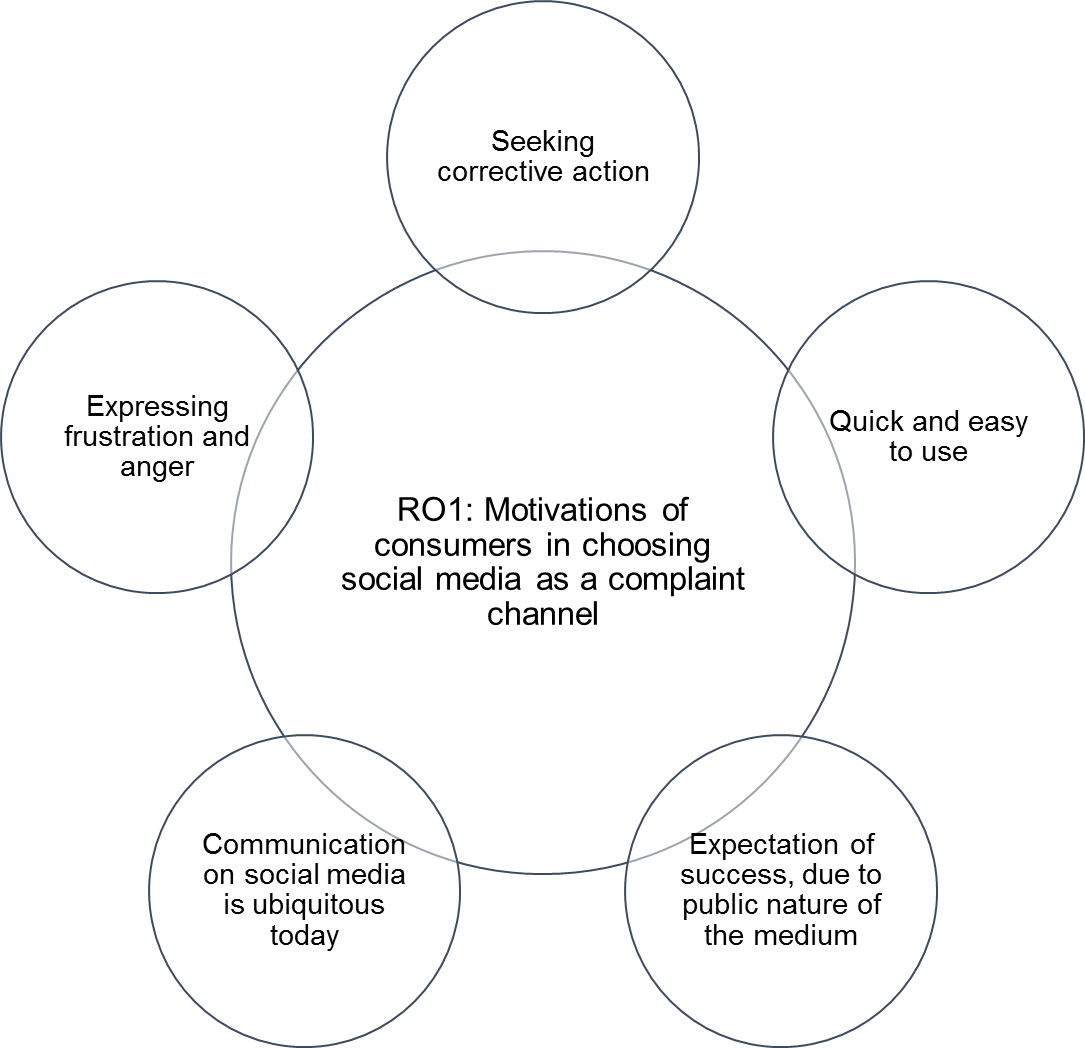
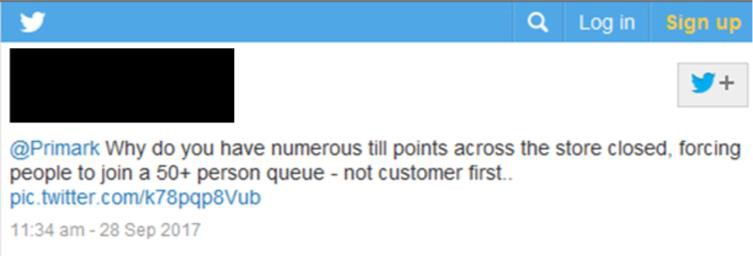


Figure 5-1 Motivations of consumers in choosing social media as a complaint channel

### Seeking Corrective Action

As noted in the previous chapter, the netnographic observations of complaining Twitter conversations concluded that across the data set that a significant number of complaints observed were seeking corrective action for product failure or online ordering problems. It is important to note that unlike with more traditional channels used to complain, such as by email, by telephone etc., consumers complaining via social media seek often require immediate real- time corrective action (for example see Figure 5-2). This example shows where the consumer sought the retailer to open more tills in store to reduce the checkout waiting time, unfortunately the retailer responded with an automated or scripted answer that was inappropriate for this type of complaint. This type of complaint requires the retailer to make imminent assessment of the both the nature and failure severity of the complaint and in turn take appropriate corrective action accordingly in real time and communicate this corrective action with the consumer, also

in real time. This concurrent with the findings and subsequent management implications of Fan and Niu (2016).



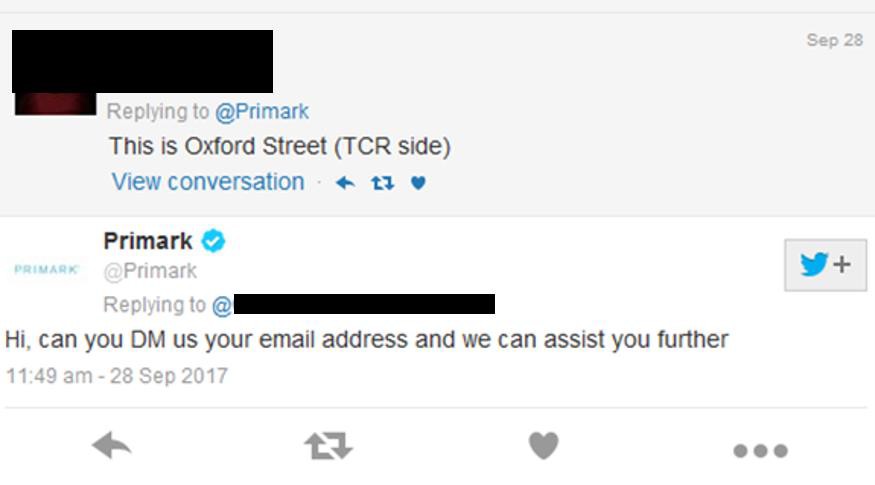
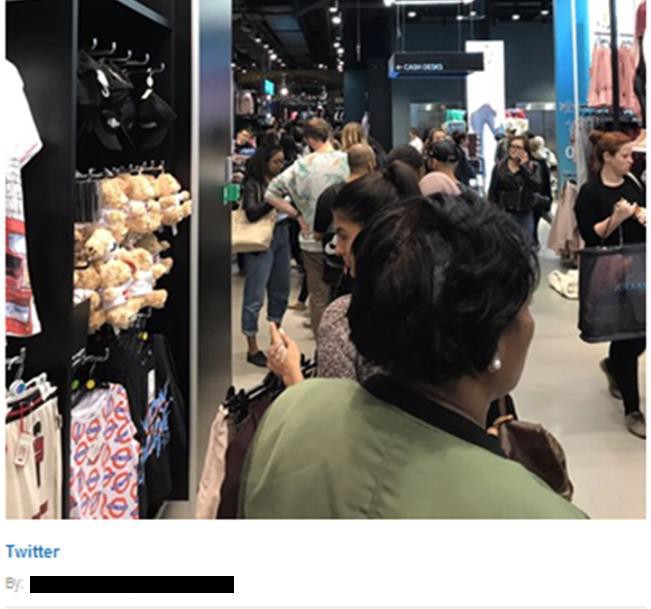


Figure 5-2 Immediate correction seeking complaining conversation, Primark to Consumer 9

Furthermore the findings of the initial netnographic phase of this empirical research are consistent with the findings of the next stage of the research, namely the online consumer survey. Here the greatest motivation of consumers to complain via Twitter was to get corrective action with 81 per cent identifying this as a motivation, see Figure 5-3.

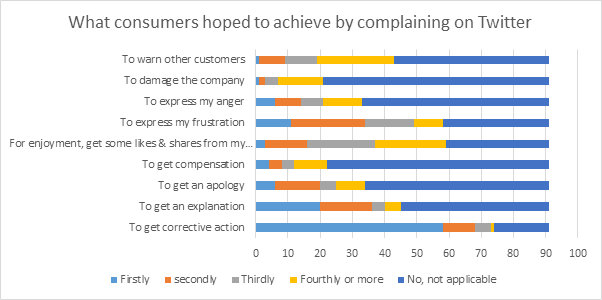


Figure 5-3 Survey results in relation to what Consumers hoped to achieve by complaining on Twitter

Furthermore, 64 per cent of all consumers surveyed identified this as the primary reason for their Twitter complaint. In addition, as seen in Figure 5-4, 94 per cent of consumers surveyed identified that they chose Twitter to complain as they wanted an immediate response again suggesting that not only do consumers complaining require corrective action but they desire immediate corrective action (See Figure 5-5). This concurs with a study by Istanbulluoglu (2017) that explored how the complaint response time on social media influences consumer satisfaction. Here participants in the study stated that they expected companies to reply to their complaints within one to three hours on Twitter and within three to 6 hours on Facebook. Furthermore, this analysis revealed that both a quicker first response and a quicker conclusive response lead to higher satisfaction with complaint handling.

I hoped to get corrective action

5%

11%

19%

64%

No, not applicable Firstly secondly Thirdly Fourthly or more

Figure 5-4 Breakdown of the consumers who hoped to get corrective action by complaining on Twitter

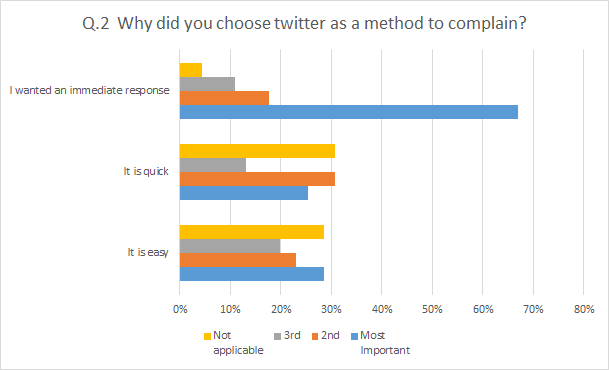


Figure 5-5 Survey results in relation to why consumers choose Twitter to complain

The next phase of the empirical research, in-depth consumer interviews also highlighted taking corrective action as one of the major motivators in using Twitter to complain. All consumers interviewed complained to have a problem resolved. For example, Mya explained; I complain

* *“With the means to sort of getting a result as opposed to just giving my opinion and complaining...I’ve always been very straight to the point; I give my order number, I tell them the problem and I expect it to be sorted basically straight away”*

Again, the conclusion that consumers are motivated to complain via social media to gain corrective action, is consistent with earlier research into why consumers choose to complain per se, see for example Nimako and Mensah (2012) as well as Heung and Lam (2003). However, this research proposes that consumers who choose to complain to retailers on social media in particular often require immediate corrective action. Thus, the implication for retailers is that they must design social media recovery systems that identify complaints that require real time immediate resolutions and prioritise these.

### Quick and Ease of Use

Throughout the datasets from the various phases of this empirical research there is evidence that consumers who chose to complain via Twitter chose this particular channel due to its perceived ease of use and speed. Whilst the researcher knows of no previous peer reviewed empirical research into why consumers are motivated to choose social media specifically, or Twitter in particular, the motivation to choose a channel per se to complain on due to the perception of ease of use and speed is a consistent motivation as to why consumer choose a complain channel in general (Matilla & Wirtz, 2004).

In the second phase of the research, the online consumer surveys, a significant number of consumers identified that speed and ease of use were reasons to choose to complain via Twitter, with 70 per cent identifying speed and 71 per cent identifying ease of use, see Figure 5-5. Furthermore, 67 per cent of consumers surveyed expected retailers to respond to their complaint within just one hour. However of these only 13 per cent expected that response to be within ten minutes.

In the in-depth consumer interview the third phase of the research, the theme of ease-of-use and speed as a motivator to choose Twitter to complain was evident in all five interviews. This qualitative phase of the research highlighted further and deeper insight into this motivation. In the first consumer interview Mya identifies that she uses Twitter “Because Twitter is easier”, further she explained another motivation or the use of Twitter to complain to retailers is the fact that she knows she will get quick response this is based on previous usage.

* + - * *“I just know that if I complain on Twitter they will get back quite quick just from experience.”*

Mildred also confirmed that she uses Twitter because she feels it is easy to use and receives a faster response from the retailer.

* + - * *“I find that when you complain on Twitter you get a faster response, so sometimes it can just be a little bit easier.”*

Furthermore, she believes complaining on Twitter transfers the burden onto the organisation and away from her and her busy schedule.

* + - * *“Because I would gain a speedier resolution to the issue and because it sorts out the problem, it puts it on the agenda for people to deal with it, where traditionally people just don’t seem to be dealing with it.”*
      * *“Whereas if I pick up the telephone I don’t know…and I am also quite busy, I don’t know what number to phone, I would probably have to google it, I’d find the number, the number would probably be press 1 for this, press 2 for this, press 3 for this. It might also say the person I need to speak to isn’t there, they will get back to me next week.”*

This concurs with Barry's motivation, who explained that he no longer uses other channels to complain but go straight to Twitter because he has found it successful in the past

* + - * *“I generally now find it easier to go to Twitter.”*
      * *“I don’t bother with the customer line I will just go to Twitter because I know it [Twitter] is going to get a response.”*
      * *“Almost instantly you will get a response saying ‘not a problem’ and it is sorted”*

Another consumer interviewed, Kate, confirmed with this motivation and elaborates as to why she finds other more traditional channels of communication so frustrating compared to the easy to use Twitter application.

* + - * *“I think it is just more convenient.”*
      * *“If you have to go in-store it is sort of having to go out of your way. Say if you don’t drive, then you have to get the bus and if you do drive you have to pay for parking, then go in and you’ve got to speak to somebody who probably has no idea what to do, so then you have to wait for a manager and then…*
      * *“It is the same with the phone; I get really annoyed when I am on the phone and they put you on hold and you’re on hold for like 15 minutes and you’re like ‘Is this it? I am already angry about complaining now you’re keeping me waiting for 15 minutes!”*

Thomas also gives rich insights into why he finds Twitter so easy to use compared to other traditional complaint channels.

* + - * *“Well, I suppose it is quick and it’s easy, you can do it in your own time. You don’t have to wait for hours in a queue until somebody phones up…I mean until somebody picks up the phone.”*

Finally, in the ultimate phase of this empirical research, the retailer in-depth interviews, the retailer of was also aware that consumers choose this channel to complain because of its ease of use.

* + - * *“It’s an extremely easy way to interact.”*

Furthermore, the retailer is aware of the expectation of speed and has put into place operations and procedures to ensure that it respond in the expected timely manner.

* + - * *“We know that [a timely response to the complaint is important]. They [social media complaints handling team] have KPI’s. They game the customer experience. They say ‘Hey we received your tweet. We are looking into it.’*
      * *“As soon as you message the Respondent Retailer with a complaint we have an automated [message] that shoots back we are looking into it. We are always looking for that premium experience.”*

### Expectation of success, due to public nature of the medium

In final two phases of the empirical research, the consumers expectation of success, often due to the public nature of the medium, was highlighted as one of the factors that motivated consumers to complain on Twitter.

All consumer interviews in the third stage of the research design identified this factor as a motivator to complain on Twitter in the first interview Mya is aware of the public nature of complaining on Twitter and believes this increases the likelihood of a retailer being more “active” or responsive to complaints.

* + - * *“I have an idea that they [the retailer] might be a bit more active on social media because obviously you can also complain publicly if you want to.”*
      * *“I understand that they have a reputation to uphold”*
      * *“I think they know as well that things can always escalate, and people will happily complain online publicly if things go wrong.”*

The second consumer interviewed also highlights the same motivation. Mildred believes Twitter is a better method of complaining than more traditional channels because of the public nature of Twitter and the need for organisations to project a positive public image.

* + - * *“I think one of the advantages of Twitter there is because it is public there is this panic and there is this desire to do something”*

Another consumer interviewed, Barry, is motivated to complain on Twitter because he expects to get a positive outcome and believe its effectiveness is because of the public nature of the medium and the fact that organisations wish to protect their image and minimise the negative effects of this.

* + - * *“As soon as you tweet it, thousands of people are seeing it and seeing the negativity side of it.”*
      * *“You just seem to get a quicker and better response, and problems seem to get resolved, when you start discussing it on Twitter for the world to see.”*
      * *“It is almost like they know everybody else can see this and they can’t hide away from it.”*
      * *“I think what you are doing is you are pointing out to other people. So, again when they see it and they go that is similar to my experience, they go okay”*
      * *“You are obviously limited to the number of characters. So, what I try and do is think of the keywords are going to get people attention.”*

Whilst the likelihood to gain a desired outcome (Matilla & Wirtz, 2004) had already been identified in the literature as a motivator of channel choice to complain the understanding of the consumer’s awareness of the public nature of the channels and its resulting implications for the retailer is a new contribution to the body of knowledge.

The final phase of the empirical research, the interview with the retailer, also highlighted the awareness that consumers choose to complain on Twitter because they believe it to be successful and because they understand that it is a public arena.

* + - * *“It gets visibility and therefore the brand doesn’t want that negative perception of their brand out there on social media and therefore the consumer is going to get a better and quicker response from the retailer than if they did it by a private email.”*
      * *“People always go on about the negative and social media is place to be highly visible, but if that’s their medium of choice to communicate then we will communicate on that and everyone will see us and our conversation. So even when the complaints do come in on there they look different because it’s a conversation and we are dealing with it.”*

### Communication on Social Media is ubiquitous today

A theme or motivation as to why consumers use social media to complain to retailers was highlighted in the third phase of the research and expanded on in the final stage of the research mainly the interview with the retailer. This motivation to complain on Twitter is that in today's modern world using social media to communicate is now a persuasive method of communication that is simply a natural or an obvious choice for the consumer and continues to grow.

This is consistent with non-peer reviewed industry research. The number of social media users worldwide in 2019 was 3.484 billion, up 9 per cent year-on-year and has almost doubled in just five years (we are social, 2019), see Figure 5-6. In the UK 80 per cent of eligible adults (i.e. over the age of 13) are active users on social media (we are social, 2019). In the UK Twitter is the second most popular social media sites with a reach of 60 per cent in eligible adult (Ofcom, 2018), see Figure 5-8. Furthermore, in just one minute almost half of a million tweets are sent (Allen, 2017) see Figure 5-7. Finally, the penetration of social media into the lives of future generations has already begun. In 2018, research by Ofcom highlighted that 69 per cent of 12 to 15 year olds and 18 per cent of 8 to 11 year olds who go online have a social media profile. (See Figure 5-9).

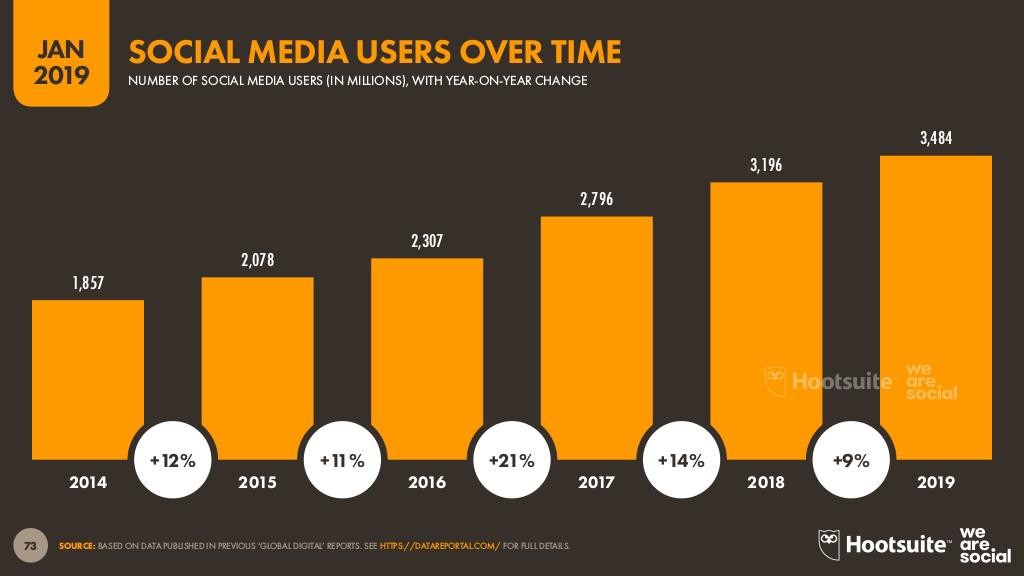


Figure 5-6 Social media users globally (Source: we are social, 2019)

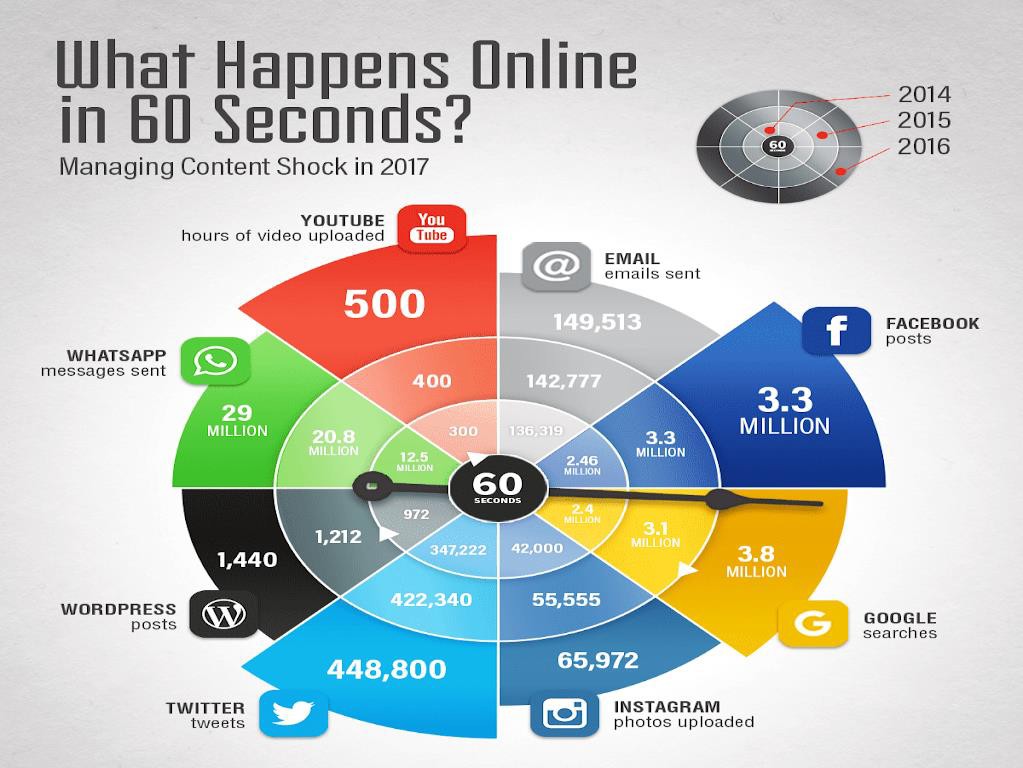


Figure 5-7 What happens online in 60 seconds (Source: Allen, 2017)

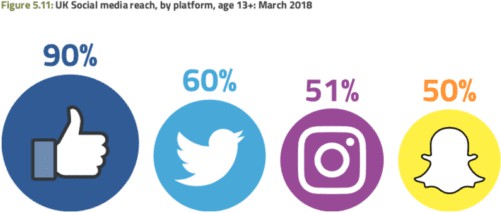


Figure 5-8 UK social media reach by platform, age 13 plus March 2018 (Source: Ofcom, 2018)

The third phase of the research, in-depth interviews with complaining consumers, offered significant insights into this motivation, namely choosing social media as a channel to complain is ubiquitous. Mya explains that using social media to inform a retailer of a problem simply feels like part of the process.

* *“When I complain online it doesn’t feel like complaining because it feels part of the deal, you know? If I am going to buy something I need help when thing go wrong?”*

When the Respondent Retailer was interviewed for the final stage of this empirical research project the fact that communicating on social media and thus complaining on social media is ubiquitous was also highlighted. The Respondent Retailer’s target market is primarily females in their twenties, and the retailer understands that they communicate and consume media in a different way than previous generations.

* *“Elizabeth\* [our target market] consumes media and communicates with her peers in a completely different way than what I do. ... It is ubiquitous. It wouldn’t occur to Elizabeth\* [our target market] to communicate in any other way! Elizabeth\* doesn’t watch TV programmes, she watches YouTube. Like, she. Like that is a massive generational gap, that is. It’s really easy to miss that and discount that when you are a bit older, but like.”* \*pseudonym used
* *“It is not going to go away.”*
* *“It’s like bricks and mortar retailers looking at e-commerce retailers. We [online only retailers] are coming and we are coming hard. And it [complaining on social media] is not going to go anywhere because our core demographic is going to age. So they are complaining on social media because it wouldn’t occur to them not to.”*

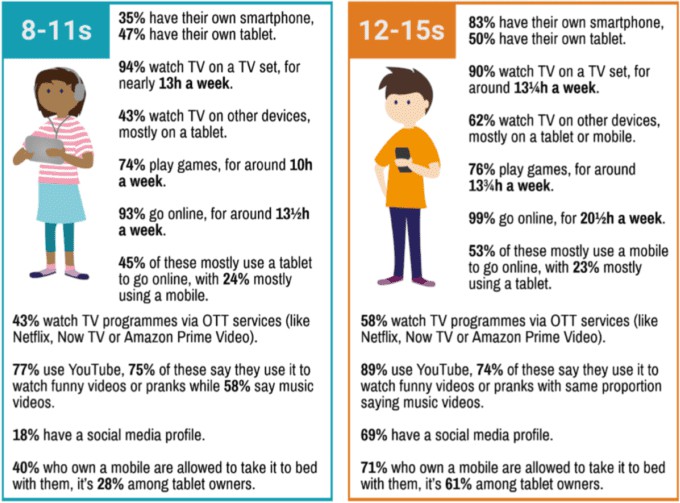


Figure 5-9 Internet usage in children in the UK. (Source, Ofcom 2018)

### Expressing Frustration and Anger

In the initial three phrases the motivation to complain on Twitter to express frustration was a recurring theme. This is consistent with the literature the literature in general (For example Nimak & Mensha, 2012 and Heung & Lam, 2003). Additionally, when studying complaining on social media based in the hospitality sector Sparks and Browning (2010) discovered that consumers resort to the social media to vent their frustration after being offended or ignored by the organisation as they were beyond seeking compensation. This is supported by commentary by Grégoire *et al.* (2015). Furthermore, a study by Mei, Baggass and Relling (2019) concluded that the main reasons for the respondents to voice their complaints on Facebook is to vent frustration.

A recurring theme across the netnographic observation data set was consumers using Twitter to express their general frustration and anger. The source of this anger and frustration related to both product and service failures as well as ranging from general grips to specific incidents. Figure 5-10 is an example of a Twitter complaint relating to the size range of the retailers

collection, while Figure 5-11 is an example of a Twitter complaint regarding consumer service failure.



Figure 5-10 Complaint expressing general frustration of product size range. TU Clothing, Consumer 24

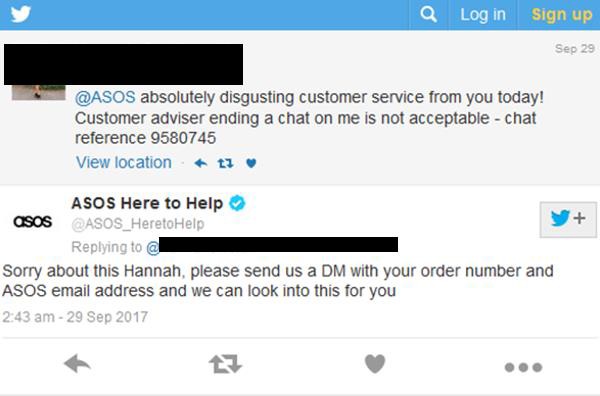


Figure 5-11 Complaint expressing anger relating to a consumer service failure. Respondent Retailer, Consumer 35

The second phase of the research, the online consumer survey, revealed that while expressing frustration was only the primary motivation of a minority of consumers, i.e. only 12 per cent. However, 64 per cent of consumers identified it as factor in what they wish to achieve by complaining to the retailer on social media, as shown in Figure 5-12. In this phase of the empirical research this was the second objective identified by respondents, following only corrective action which was identified by 82 per cent as a factor in the motivation to complain on Twitter, see Figure 5-13.

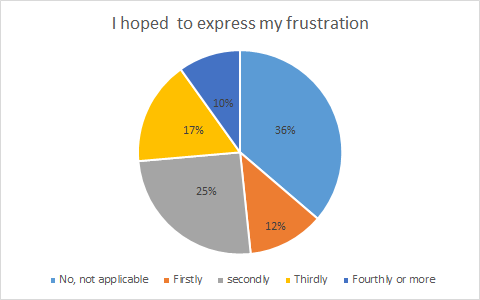


Figure 5-12 Breakdown of consumers who identified the expression of frustration as a factor in complaining on social media when asked Q4.What did you hope to achieve by complaining on Twitter?

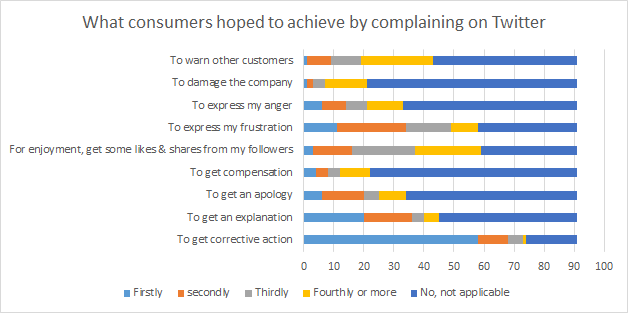


Figure 5-13 Illustration of all responses to Q4. What did you hope to achieve by complaining on Twitter?

### RO2: Behaviour of Consumers who complain on Social Media

This section is a discussion and analysis of the findings in relation to the second research objective RO2, namely the behaviours of consumers who complain on social media. This is in relation to how consumers react due to double deviation, are conscious of the online persona as well as the retailers online persona, use humour when complaining on social media, use hashtags when complaining at social media and finally the frequency on which they complain on Twitter, as illustrated in Figure 5.14.

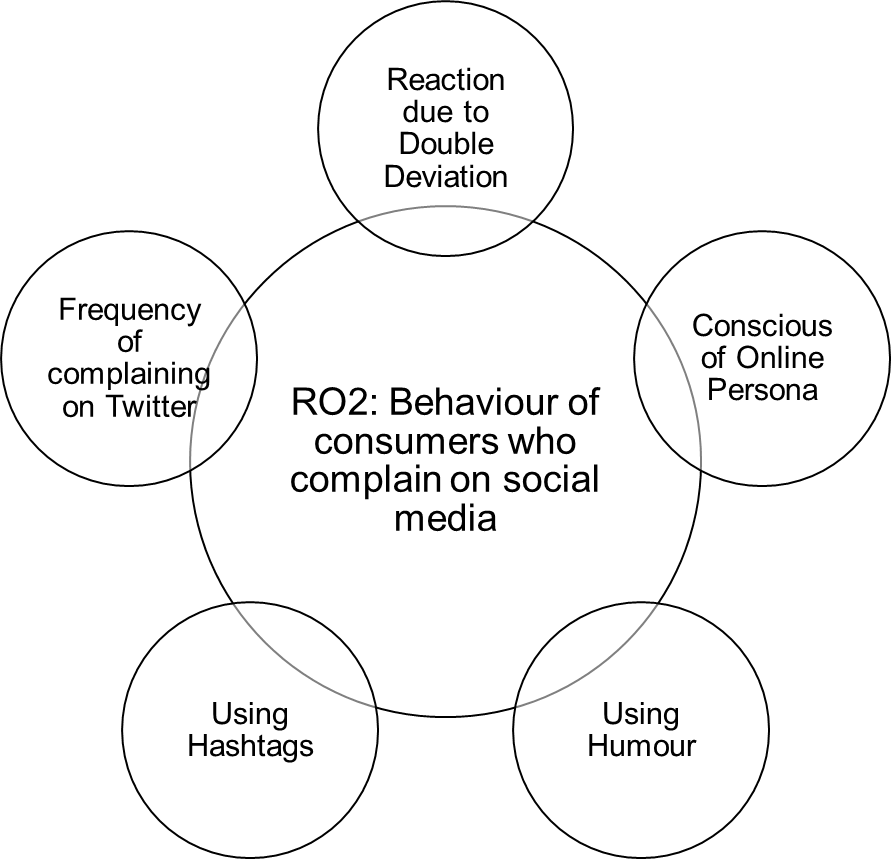


Figure 5-14 Behaviour of consumers who complain on social media

### Reaction due to Double Deviation

One common theme that emerged in the second and third phase of the research project was consumers choosing to complain on Twitter due to double deviation. This is where the consumer becomes more dissatisfied by a firm’s failure to recover than by the initial service failure itself (Berry & Parasurman, 1991; Bitner et al., 1990). When consumers perceive a firm’s response to a service failure to be inappropriate or inadequate it magnifies their negative evaluation. Situations where inferior service recovery exists are Bitner el al (1990) referred to as a double deviation from consumers’ expectations. As such the firms failed recovery attempt intensifies consumer’s already negative attitude toward the firm, resulting in a state of extreme dissatisfaction (Lee & Park, 2010).

In the third phase of the research, in-depth consumer interviews, Mildred spoke about a particular instore service failure that she subsequently complained about in store to the retail store manager. He failed to respond adequately (double deviation) and thus Mildred escalated the issue by complaining to the retailer on Twitter.

* + - * *“In that particular instance I wanted to get attention because I had tried to sort it out in store and it didn’t get sorted out.”*
      * *“I tried the in-person route and it hadn’t worked, but I know because Twitter is a public space that I am more likely to get a solution, or resolution to the issue because they take it more seriously”.*
      * *“I only complain where there is a specific issue, often a poor service, that hasn't been sorted out when there was the first opportunity, so where something is fundamentally wrong, unacceptable and needs to be shared with senior management.”*

When interviewed for the third phase of the research, the consumer named Thomas spoke about this first ever complaint on Twitter. Here the organisation repeatedly failed to resolve a complaint made via telephone. After several weeks his service failure remained unresolved, when a colleague recommended that he tweet the complaint tagging the service provider and using a hashtag. Within half an hour the organisation contacted him, appointed a complaints manager and Thomas continued to tweet his complain for several weeks until the issues was successfully resolved as this was the most successful method.

* + - * *“I get even more irate if the complaint process is [difficult], it just compounds the problem”*
      * *“And repeatedly they either didn’t follow up [as] they promised, they kept saying that the individual person I spoke to was now my issue manager and it was being highlighted and escalated as a serious problem. But the problem with [them] is there is no one consistent person, whenever you dial the call centre a different person picks up and just looks at what’s logged on the system”*
      * *A “colleague …. suggested I started tweeting about them with the hashtag [and handle]”*
      * *“I would say within about half an hour I had a tweet back from somebody in their service department apologising and offering to take over, look after me, blah blah blah.”*
      * *“It wasn’t perfect …… So, I tweeted and tweeted and tweeted, and I found that the results of the tweets was the most effective way to get things done”*

Furthermore, another consumer interviewed, Barry, spoke of an example when he tried to resolve a service failure for several weeks without success. Frustrated with the double deviation, he chose to complain on Twitter and the complaint was answered within an hour and

subsequently resolved. This experience gave him confidence in the effectiveness of complaining on Twitter. As a direct result Barry no longer uses traditional channels to communicate due success of previous services recovery situations when complaining on Twitter.

* + - * *“I thought ‘you know what, I just went on Twitter and went as soon as this goes public that you are hounding a customer you know something will get done. So, I tweeted it and I said ‘Can you tell me why you are doing this and why you refuse to stop?’”*
      * *“Within about half an hour I had a private message of them saying ‘Can we call you, discuss this and sort it all out? They rang me up and it just solved it straight away.*
      * *“somebody contacted me [on Twitter] and asked me to ring them with a number, and when I rang it, it was the PR manager for [the organisation]” for the UK”*
      * *“Like, if I just phone up a call centre and say this is my complaint, then they almost say ‘alright, okay, whatever’ and just leave you and know that the only person it is affecting is you.”*
      * *“I don’t bother with the customer line I will just go to Twitter because I know it’s going to get a response.”*

Finally, another consumer, Thomas, explained in the in-depth interview that now that he is experienced in using Twitter to complain he would first give the firm the opportunity to resolve the complaint in the traditional manner and if they do not resolve the issue to his satisfaction he will then use Twitter to complain.

* + - * *“I would probably have one attempt at the standard/published/normal complaints process and if they didn’t work I would turn to Twitter and Facebook… and LinkedIn if I could find anything/anywhere to publish.”*

In the second phase of the research 68 per cent (i.e. 62 of the 91 consumers surveyed) used only Twitter to make their complaint, see Figure 5-15. This may be because they believe this channel to be the most likely to achieve desired results, as discussed previously. Of the 32 per cent of consumer’s surveyed who did also use another channel to make their complaint, the other channels chosen to complain included in person, by telephone, live chat and email in relatively similar proportions of these, see Figure 5-15. Furthermore, the majority used only one other channel to complain, but 24 per cent of respondents did make their complaint on more than one other channel, see Figure 5-16.

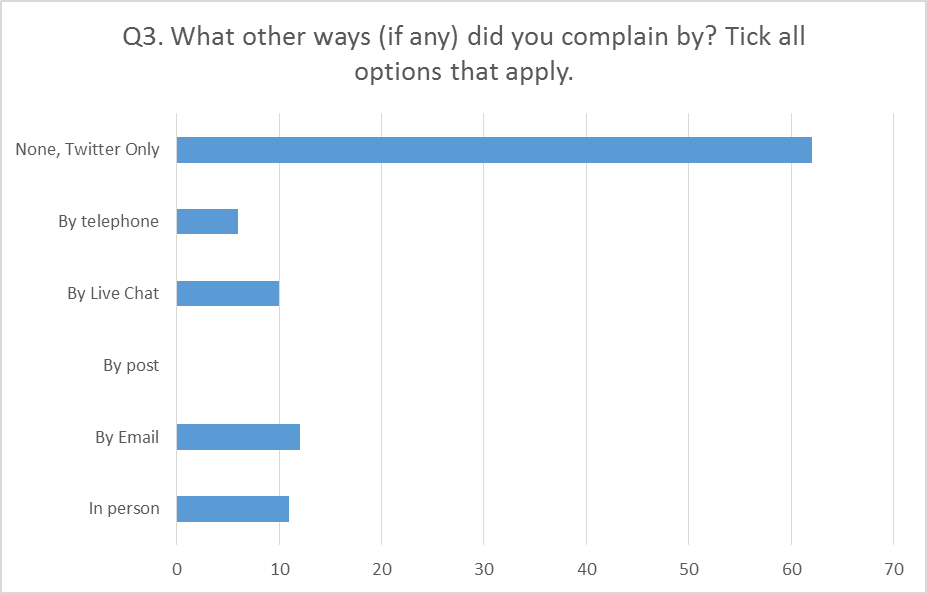


Figure 5-15 Other channels the consumer used to make their complaint

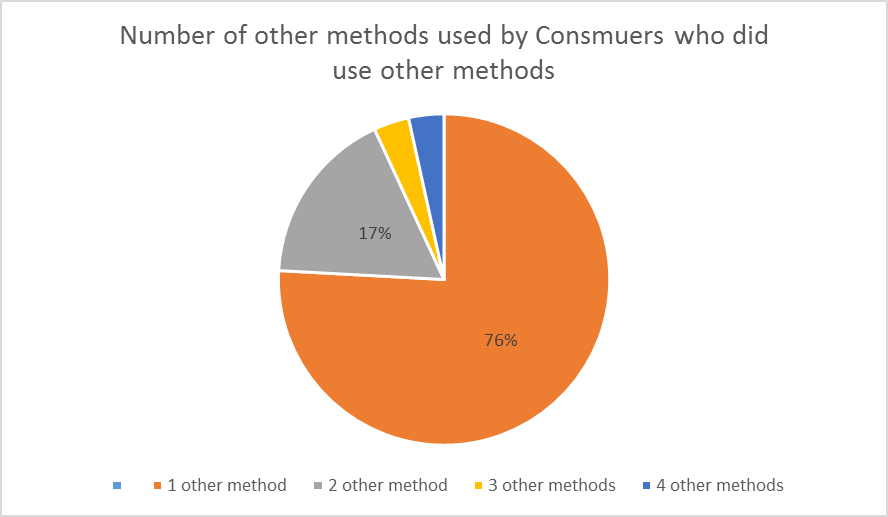


Figure 5-16 Number of other channels used by consumers to complain

These findings concurred with those of a study by Mei, Baggass and Relling (2019) into CCB in the retail sector as to why do customers voice their complaints on Facebook. In this study a qualitative research approach was adopted and twelve in-depth interviews were conducted. The

findings indicated that the respondents’ initial contact with the retailer directly resulted in service recovery failures and undesirable outcome i.e. double deviation. Such double deviation then leads to frustration and uncertainty of the situation, which furthermore led to the respondents’ need to voice their complaint by sharing their unfavourable experiences on Facebook (Mei, Baggass and Relling, 2019).

### Conscious of Online Persona

One theme that emerged in the third phase of this research, the consumer, was the how consumers are aware of their own online persona or reputation and not just that of the retailer. This aspect of consumer behaviour was a theme in four of the five in-depth consumer interviews.

One consumer, Mya was so conscious of her own online persona; that she has two Twitter accounts. One is formal and the other is practical or personal and she deliberately uses only the second to make complaints as she actively manages her own online persona.

* + - * *“Because I feel like when I complain I am quite blunt, I am quite straight to the point, and I think there’s a certain image you want to put out of yourself. And, I suppose I didn’t want it linked on my direct messages because I like to think they are for more important things, so to speak, and I suppose with my informal Twitter I keep it for everything and my formal Twitter is something I like to keep clear of any…of generally any negativity really, things like complaining.”*
      * *“I think I just want to keep my formal one completely clean of any complaining or any sort of angry Mya”.*
      * *“I suppose there’s that problem where it is sitting in your messages amongst all your other personal messages.”*

Another consumer interviewed also expressed active management of her online persona in relation to complaining. Mildred, is aware that the complaint is publicly available and as a result maintains a polite, composed tone as well as saying please.

* + - * *“I tried to keep it quite balanced, because it is something that is in the public domain, I am aware it is in the public domain, so anybody who is looking at my tweets can see it as well. I am trying to be calm about it and I think I used the words ‘please can you help?’*

Mildred sees the public nature of complaining on Twitter as a disadvantage of using the medium to complain, as a result she limits her complaints on Twitter to serious grievances only. She considers her online security, reputation both personal and professional and the potential negative counterattack from followers.

* + - * *“Yeah, it is public and I do think, I wouldn’t complain on Twitter about everything. You know, if it was… Some stuff is either trivial or not relevant.”*
      * *“It shows what I've purchased or where I am and I might not want to do that publicly all the time. That could be seen as over-sharing.”*
      * *“Appearing spoiled [is a disadvantage]….I'd only complain where there was a need or I may appear as a prima donna or moaning Minnie which I wouldn't want to do, so hence why the poached eggs were less of an issue. There could be a backlash…if others didn't agree.”*
      * *“My Twitter tends to be a professional account, so I consider what I post. If it was too trivial I am sure there could be a backlash which could negatively affect my account.”*

The third consumer interviewed, Kate, was also conscious of her online persona. And how she appears to others on Twitter. She used emojis and a calm, business like tone to soften the complaint as she is cognisant of her online persona. She does not like complaining on Twitter due to the public nature of the medium.

* + - * *“I think I put something like ‘Ordered this for next day delivery, absolutely gutted it has holes in it’ and like loads of sad faces. So, it wasn’t particularly like nasty or anything like that…I don’t want to start a massive drama on Twitter, like when I complain I don’t really want to, want everybody to see I am complaining.*
      * *“I don’t really like doing it [complaining] publicly on my Twitter”*

With regard to his own online persona, Barry, wishes to be seen as firm but not aggressive and actively appeals for empathy from the organisation and followers. He is somewhat perturbed by the public nature of complaining on Twitter but overall has no issue with this.

* + - * *“how I hope it comes across is just a rational, normal tone where I am being assertive without being aggressive. These are the facts; this is the issue and this is what I want done about it”.*
      * *“It bothers in one sense in that I shouldn’t have to resort to this tactic, but it doesn’t bother me in the sense that I don’t mind airing my dirty laundry in public, if you get what I mean!”*

### Using Humour

Several phases of the research uncovered that common theme of using humour including sarcasm and irony to express a complaint.

In the first phase of the netnographic research there are several such examples. Here it was observed that while some complaints were self-depreciating and paradoxically positive in tone see Figures 5-17, 5-18 and 5-19, others where more belligerent or sarcastic, see Figures 5-20, 5-21 and 5-22. Furthermore, the majority of the humorous complaints used pictures and emojis as well as text to wittily express their complaint.

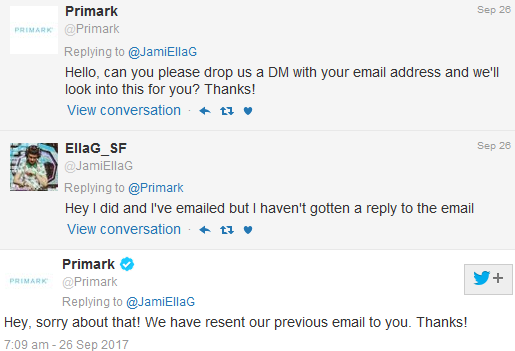
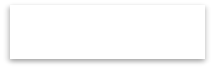


Figure 5-17 Humorous complaint. Consumer 27 to Primark





Figure 5-18 Humorous complaint. Consumer 11 to Sainsbury’s TU





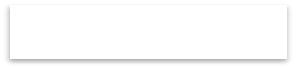


Figure 5-19 Humorous complaint from Consumer 14 to the Respondent Retailer

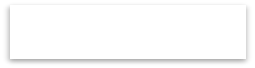
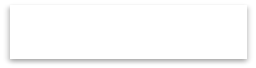
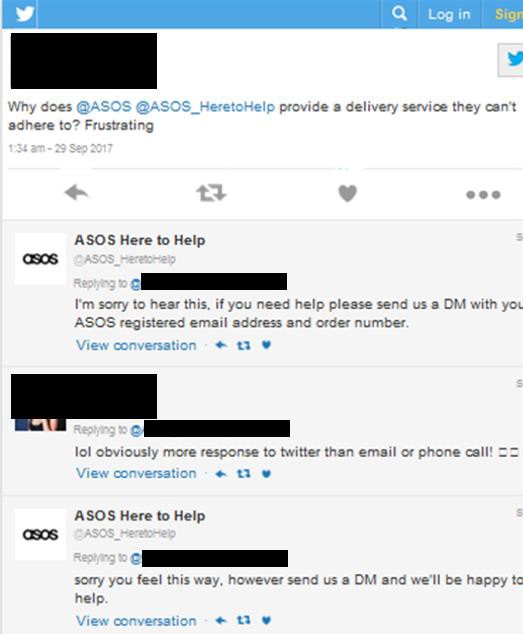


Figure 5-20 Humorous complaint from Consumer 47 to the Respondent Retailer



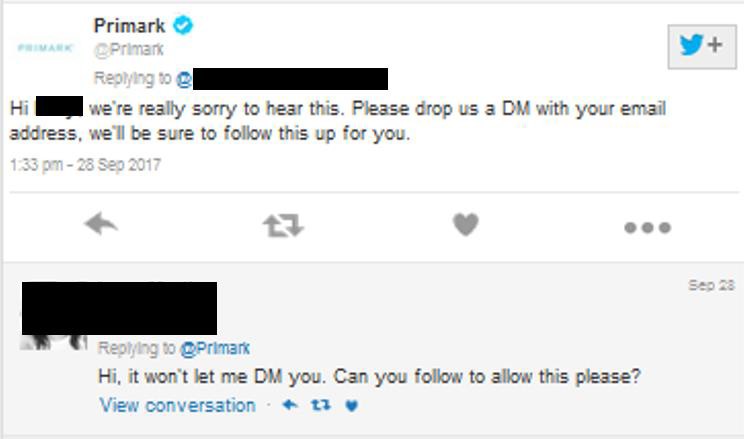


Figure 5-21 Humorous complaint from Consumer 7 to Primark

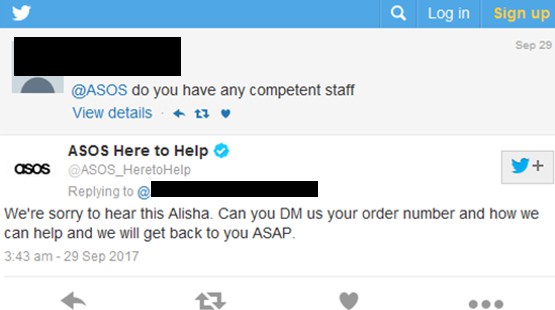


Figure 5-22 Humorous complaint for Consumer 18 to the Respondent Retailer

In the third phase of the research, the in-depth consumer interviews Mya identified that she uses humour to lessen the personal stress of complaining as well as to maintain a positive online persona or image. However, she that she wishes to encourage the retailer to remain focused on the objective, namely service recovery.

* *“I use humour to make myself feel better about it as well so I don’t get too aggy”*
* *“To be fair, I say humour but I am not very funny……..I guess I just say haha after something”*
* *“I’d say something like ‘I am hoping it doesn’t get lost, I have an event in a few days and I wouldn’t want to turn up with no shoes’, something like that and say ‘haha’”*
* *“But I am always wary that I don’t want to give off that impression that I am trying to make jokes and putting them off what they’re doing.”*

Thomas actively uses humour in a more forceful sarcastic manner when complaining on social media. Thomas believes his followers think his complaining on Twitter is very funny and gets a lot of reaction and support from his followers on Twitter. He feels morally supported by this.

* *“Well, if it is necessary, I am quite sarcastic and quite sort of rude…rude, but intellectually rude. I don’t use bad language, I just sort of highlight the complete idiocy of their performance.”*
* *“They [Twitter followers] think it’s hilarious”*
* *“I get lots of feedback from them saying “yes they’re terrible, we have had exactly the same experience, they are awful”.”*
* *“It gives me moral support that it is entertaining”*

In the final stage of the research during an in-depth interview with the Respondent Retailer, it was identified that humorous complaints were indeed received via social media. Their strategy

for dealing with these types of complaints is the focus of RO3 and was discussed in detail in Chapter 5.

* *“You will get people being a bit cheeky on there [Twitter]. That’s social media, everyone’s trying to go viral.*
* *“We had one a couple of weeks ago where a lad said we had miss-picked an item in the warehouse. It was a dress and he posted a picture of him wearing the red dress. And he said this doesn’t look like the jeans I ordered! We pulled out his order history and he had order the red dress and the jeans. He was being a smiley comedian you know, he was looking for likes. It’s no big deal.”*
* *“A consumer recently had a complaint, they went on social media and basically made a rap about their complaint.”*

### Using Hashtags

In the first phase of the research, netnographic observation, a small number of complaints that included the use hashtags to express and describe their complaints was observed, see Figures 5-23 and 5-24. There was no pattern or recurring hashtag observed, rather the hashtags observed were random and varied and expressed the service failure or frustration of the complaining consumer, for example #nothappy and #badquality.





Figure 5-23 Complaint using a hashtag; Consumer 16 to Primark

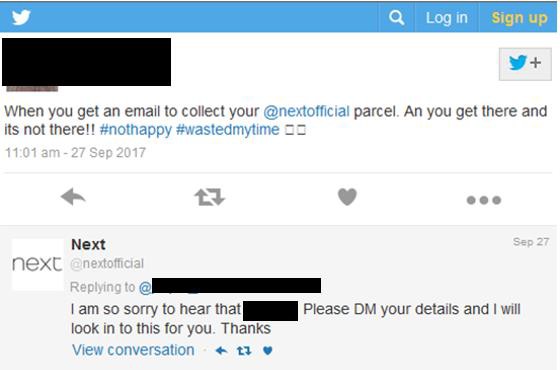


Figure 5-24 Complaint using a hashtag, Consumer 29 to Next

In the in-depth consumer interview stage of the research one consumer identified using hashtags as a strategy to complain.

* + - * *A “colleague …. suggested I started tweeting about them with the hashtag [and handle]”*

Furthermore, while the Respondent Retailer’s interview for this research project did not identify particular hashtags monitored, they do actively monitor the online conversation, which will be discussed in further detail in subsequent sections.

* + - * *“We have got Gnatta. It’s core monitoring software.”*

### Frequency of Complaining on Twitter

The second and third phases of the research explored the frequency of complaining behaviour of consumers on Twitter. The second phase, online consumer survey identified that the majority, 69 per cent of respondents, complained between two and five times in the previous twelve months, as shown in Figure 5-25. This concurs with the data from the in-depth interviews, with two or the five consumers (Mya and Mildred) having complained “quite a lot” and the remaining three having complained via Twitter between 2 and 3 times.

* + - * *Mya “once every two months”*
      * *Mildred “Ooh no, quite a few times. I can’t say how many times, but quite a lot”*

How often I have made a complaint on Twitter in the last 12 months

16%

13%

69%

Once 2-5 times 6-10 times 11-15 times 16 or more times

Figure 5-25 Example of frequency of complaining behaviour

### RO3: How retailers are conducting Service Failure Identification and Service Recovery via Social Media

This section of the discussion and analysis on how retailers are conducting service failure identification and service recovery via social media explores the strategies of all four retailers in this study for retailers, Next, TU by Sainsbury's, Primark and Respondent Retailer. As with previous sections in this chapter this is achieved by identifying themes across the dataset of all phases of the research study. The themes discussed include how the retailers apologise, had they asked to consumer for further information and direct the complaint offline, how the retailers acknowledge and thank the consumer for feedback, how they respond to humorous complaints and finally how they make the conversation as personal as possible, see Figure 5- 26.

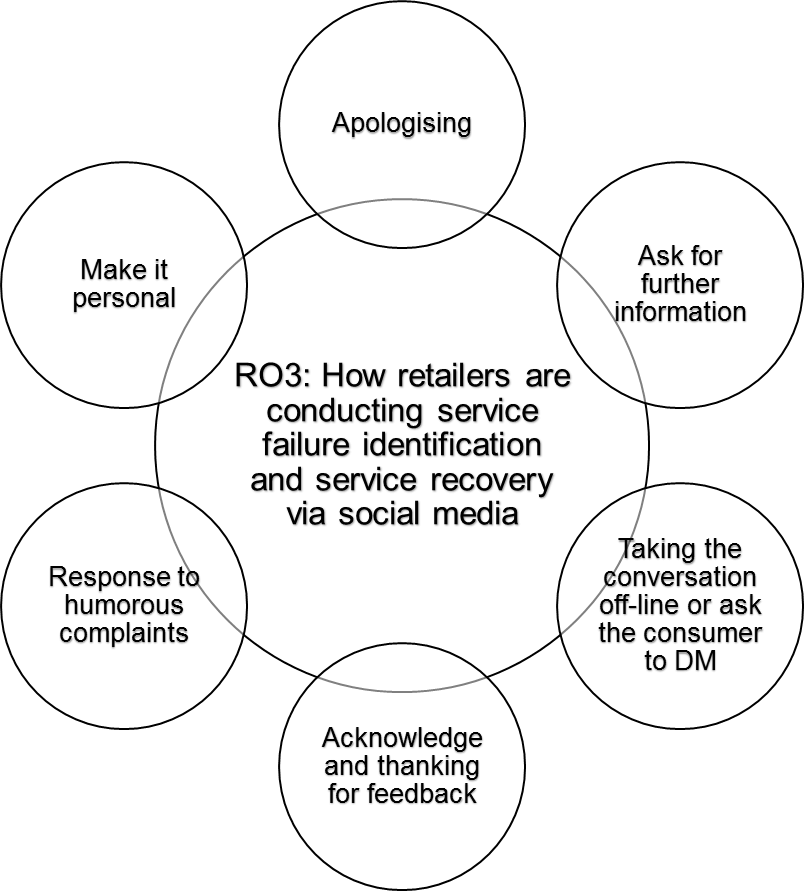


Figure 5-26 How retailers are conducting service failure identification and service recovery via social media

### Apologising

Across the two hundred Twitter complaint conversations between consumers and the four retailers, Next, TU by Sainsbury’s, the Respondent Retailer and Primark, observed in the initial netnographic phase of this research, offering an apology was by far the most consistent and recurring theme observed in respect of recovery responses from the retailers, see Table 6-1.

|  |  |  |
| --- | --- | --- |
| **Retailer** | **Number** | **Percentage** |
| NEXT | 45 | 90% |
| TU by Sainsbury’s | 31 | 62% |
| Respondent Retailer | 35 | 70% |
| Primark | 36 | 72% |

Table 5-1: Number and percentage of observed retailer responses that contained an apology

In forty-five of the fifty observed Twitter complaint and recovery conversations observed between consumers and the retailer Next, the retailer apologised, i.e. 90 per cent. The first recovery tweet from the retailer Next opened with such phrases as “Oh no, sorry about this…”, “Oh no, sorry to hear this [consumer’s name]….” or

* + - * *“I am sorry about this [customers name…]”,*

See Figure 5-27 below for an example. This informal, yet empathic opening expression was consistent throughout the netnographic observations of the initial responses form this retailer, Next.



Figure 5-27 Retailer offering an apology: Next to consumer 30

In thirty one of the observed fifty Twitter complaints (62%) to TU Sainsbury’s “Sorry about that” was consistently the phrase of choice when offering an apology as part of the initial service failure recovery response on Twitter, see Figure 5-28. Similarly, Primark’s initial standard response contains an apology and in the case of this retailer largely contains the phrase “we’re sorry to hear about this”, see the example in Figure 5-29.



Figure 5-28 Retailer offering an apology: TU Sainsbury to Consumer 25



Figure 5-29 Retailer offering an apology: Primark to Consumer 14

This is consistent with the results of the second phase of the research, the online consumer questionnaire. Here when consumers were asked how the retailer responded to their complaint on Twitter; the majority, 74 of the 91 respondents surveyed noted that the retailer apologised when responding to their complaint on Twitter, see Figure 5-30. It is interesting to note however that conversely, seeking an apology was identified as a motivation to complain by 63 per cent of consumers surveyed, see Figure 5-31. Equally, it was not a theme that emerged in the later stage of the research, namely the in-depth interviews with consumers and in-depth interview with the Respondent Retailer.

How did the retailer respond?

They did not respond at all They took the conversation offline and asked me to… They redirected me to another channel to make my…

They offered me a repair, refund or replacement.

They thanked me for myfeedback

They apologised They asked me for more information.

0

6

28

8

8

25

74

30

10

20

30

40

50

60

70

80

Figure 5-30 Retailer offering an apology: Primark to Consumer 14

I hoped to get an apology.

10%

5%

15%

63%

7%

No, not applicable Firstly secondly Thirdly Fourthly or more

Figure 5-31 Motivation to complain on Twitter

It is important to note that offering an apology has been identified as an important dimension of procedural justices, when conducting service recovery, see literature review Section 2.16. Apologising is specifically a component of interactional justice, one of three sub elements of procedural justice, see Figure 5-32. Wirtz and Mattila (2004) suggest that compensation might not be required when the recovery is immediate, and an apology is offered. Thus, while seeking an apology might not be an objective or motivation of consumers to complain the literature suggests it is an important factory in service recovery.



Interactional Justice

* Interest & Respect
* Courtesy & Careful Listening,
* Trust, Effort & Explanation, Communication,
* Empathy & Apology

Distributive Justice

* Refunds,
* Discounts,
* Coupons,
* Compensation.

Procedural Justice

* Timeliness & Promptness,
* Approach & Flexibility,
* Procedure Control,
* Rights Policy & Execution,
* Outcome Control,
* Appropriate Method.

Figure 5-32 The three dimensions of procedural justice and service recovery examples

### Ask for further information

The initial netnographic phase that observed the two hundred Twitter complaint conversations between consumers and the four retailers, Next, TU by Sainsbury’s, the Respondent Retailer and Primark, identified asking for further information as a recurring theme observed in respect of recovery responses from the retailers, see Table 6-2.

|  |  |  |
| --- | --- | --- |
| **Retailer** | **Number** | **Percentage** |
| Next | 37 | 74% |
| TU by Sainsbury’s | 36 | 72% |
| Respondent Retailer | 33 | 66% |
| Primark | 13 | 26% |

Table 5-2: Number and percentage of observed retailer responses that requested further information from the consumer

The Respondent Retailer, Next and TU Clothing by Sainsbury’s systematically and consistently requested further information from consumers. This is perhaps not a surprising strategy for retailers to adopt given the restriction of characters in a tweet, which would limit

the information the consumer may give in the initial complaining tweet. Largely consumers were asked to provide information necessary to process a complaint and subsequent recovery, such as name, first line of address, online order numbers (see Figure 5-33) etc. Furthermore, the retailers consistently asked customers to DM them with this further information. This is discussed in more detail in Section 6.4.3.



Figure 5-33 Retailer requesting further information: Next to Consumer 19

However, Primark asked the consumer for further information in only the minority of cases, namely 26 per cent of observed Twitter complaint and recovery conversations. This alternative recovery via social media strategy adopted may be as a result of the fact that this retailer is the only retailer of the four observed in this netnographic phase of the research that does not have an e-commerce facility to purchase online. Thus, if a consumer initiates a complaint in relation to a product purchased instore on Twitter, it can only be resolved in store. As a result requesting further information is unnecessary and not advantageous as this retailer, Primark, can only process this type of recovery in store. Thus, Primark’s strategy, unlike the other retailers observed, is to redirect the consumer in store was appropriate, rather than request further information, see Figure 5-34.

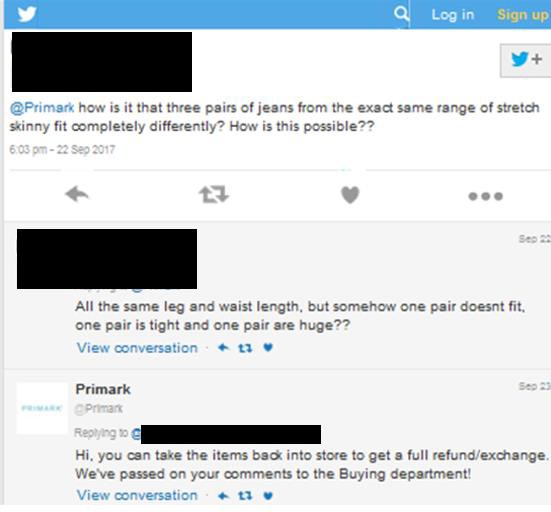


Figure 5-34 Retailer redirecting consumer to an alternative channel (in store): Primark to Consumer 49

Other phases of the research confirmed that retailers consistently ask consumers to provide further information when handling complaints on Twitter. 33 per cent of consumers surveyed in the online questionnaire confirmed that the retailer asked them to provide further information. Likewise, all consumers interviewed in-depth as part of this research when discussing their past experience of complaining and subsequent service recovery experiences on Twitter spoke about how they were asked to provide further information to allow the retailer solve the issue.

Recent research focusing on service recovery on Twitter in the airline industry suggests that agent responses that do not require consumers to take further initiatives for problem solving have positive effects on consumer emotion alleviation and satisfaction (Fan & Niu, 2016).

Equally, responses that provide further directions poses negative effect on service recovery outcomes (Fan & Niu, 2016). Thus while it may be necessary to request further information to solve the consumers complaint, due to the briefness of the nature of communication on Twitter and the resulting lack of information from original complaining tweets, it is recommended that this is kept to the absolute minimum information required. Furthermore, redirection away from the consumers chosen channel of complaint, for example away from Twitter (online) and into in-store (offline), is avoided as this may poses negative effect on service recovery outcomes.

### Taking the conversation off-line or ask the Consumer to DM

A consistent strategy observed across the data set off the 200 Twitter complaint conversations of the first netnographic phase of the research, is for the retailer to take the conversation offline. Repeatedly, but to varying degrees of frequency the four retailers asked consumers to DM them with further information to process the service recovery, see the example in Figure 5-35.

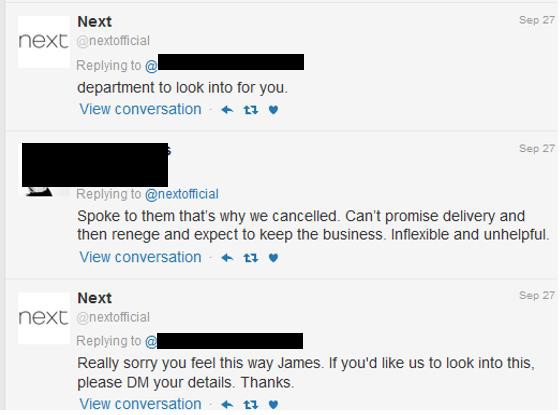
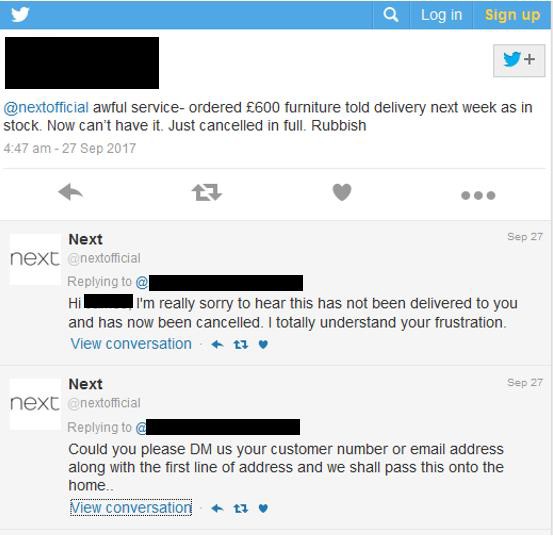


Figure 5-35 Example of retailer directing the customer to DM them: Next to Consumer 37

This approach was also confirmed in the second stage of the research project, the in depth interviews of consumers, Likewise, several consumers interviewed in-depth as part of this

research when discussing their past experience of complaining and subsequent service recovery experiences on Twitter spoke about how the process went offline into direct message with Kate commenting that this was because the retailer wished to keep the issue more confidential.

* + - * *“So, it was sort of quite impersonal, quite just generic ‘give me your details and we will look into it’. Probably trying to get it away from the public eye…So they want to do it through directing messaging”*

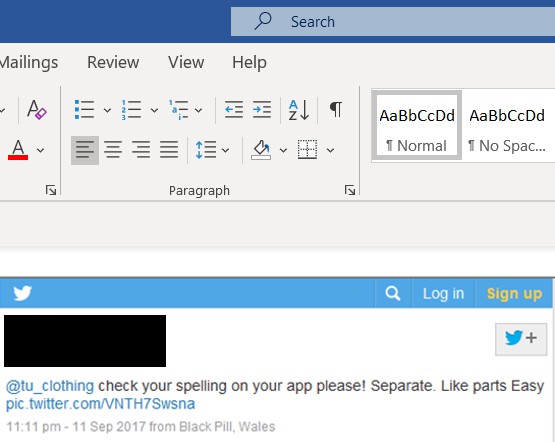
Finally, in the last stage of the research the in-depth interviews with the retailer, the strategy of asking consumers for more information when dealing with complaints on Twitter was also highlighted. Here the Respondent Retailer confirmed their strategy of consciously taking the conversation to the direct message facility to both allow for a more personal exchange as well as remove the potential adverse or harmful information exchange from the public domain.

* + - * *“We will take them offline. One of the first things we will say is DM us….Firstly, it’s more personal, between you and them and secondly we are taking the negatives off line.”*

When looking at the entire dataset from each stage of the research there is no data to indicate that retailers return to the original complaining Twitter conversation to confirm that the complaint has been resolved. this is particularly surprising given the fact that the retailer is aware of the public nature of this domain, as well as the fact that understand that consumers actively search and view previous Twitter feed. This missed opportunity will be discussed later in the Proposed Proactive Social Media Recovery System (PSMRS) framework as well as in the final conclusion chapter.

### Acknowledge and thanking for feedback

The strategy of the retailer acknowledging and thanking the consumer was identified in the initial netnographic stage of this research project. This strategy is arguably the reverse strategy to the strategy previously identified in section 6.4.2, namely asking for further information. This strategy tended to be adopted by the retailer when the particular complaint was of a more general nature rather than a specific product or service failure, see the example in Figure 5-36.



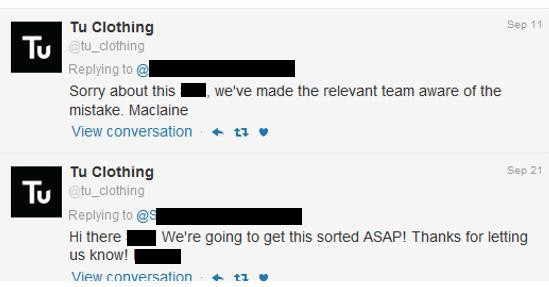
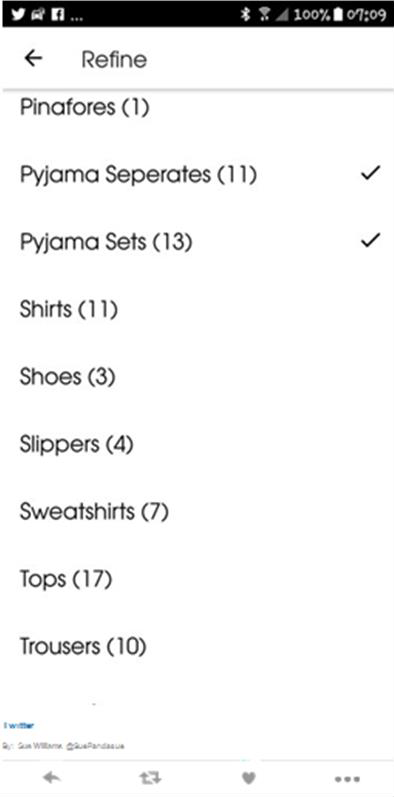


Figure 5-36 Example of retailer acknowledging and thanking consumer for feedback: TU by Sainsbury to Consumer 10

However, there are several examples, particularly within the Primark dataset, that suggest this tactic or strategy is used in potentially unsuitable circumstances, see Figure 5-37. On occasion specific solvable product or service-related failures were responded to in this manner. This entire public Twitter conversation appears unsolved to the researcher, as well as potentially on looking consumers.

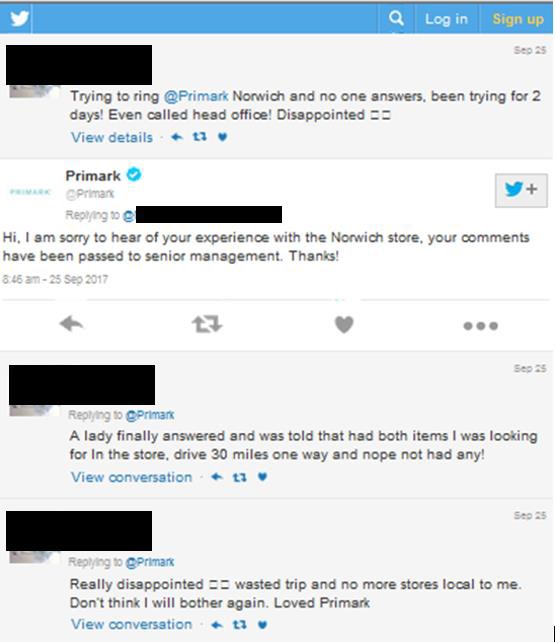


Figure 5-37 Example of the retailer responding with an acknowledgement and thanks: Primark to Consumer 35

### Response to humorous complaints

In the first phase of the research, the netnographic observations, a total of 25 of the 200 complaint conversations observed the use of humour by the consumer when initiating the original complaining tweet. These complaints elicited differing responses from the retailers. Whilst both Primark and Next maintained a formal or traditional approach and did not recognise the humorous tone of the complaint, see Figure 5-38 and 5-39. However, TU by Sainsbury’s and the Respondent Retailer did acknowledge the humorous nature of the original complaining tweet and respond in an equally amusing and playful manner to a number of humorous consumer complaints observed, see Figure 5-40 and 5-41 below.

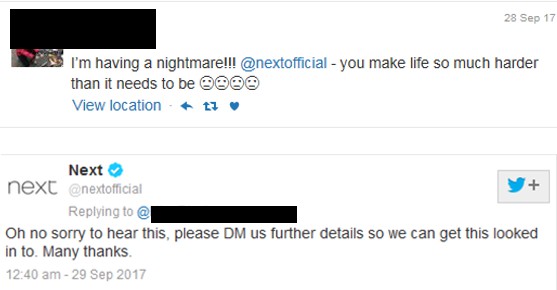


Figure 5-38 Example of Retailer responding to humorous complaint in a standard manner: Next to Consumer 8



Figure 5-39 Example of Retailer responding to humorous complaint in a standard manner: Primark to Consumer 27

Figure 5-40 Example of retailer responding to humorous complaint in an equally informal and comical manner: TU to Consumer 11



Figure 5-41 Example of Retailer responding to humorous complaint in an informal and amusing manner: The Respondent Retailer to Consumer 14

In the third phase of this study, in-depth interviews with consumers who have complained on Twitter, the theme of humour also arose. In respect to how retailers respond to humorous complaints some consumers interviewed highlighted that she used humour for further details. When discussing expectations of how the retailer should respond one consumer, Mya, noted that she didn't want her humorous tone to distract the retailer from dealing with the complaint.

* *“But I am always wary that I don’t want to give off that impression that I am trying to make jokes and putting them off what they’re doing.”*

Another consumer interviewed, Kate, highlighted the fact that she has seen other consumers complain on Twitter and the retailer respond in a witty or sarcastic manner. She noted that

should she have had a complaint she would not have been happy with the retailer responded in this manner

* *“I think sometimes things can go viral, like I have seen a lot of complaints go viral. Sometimes companies can sort of like take the mick out of it a bit as well, like I have seen when people are complaining to Tesco Mobile I have seen them come back with something quite witty. Quite sarcastic, which if I was a customer and it was a genuine complaint I would be quite annoyed, but I guess for everybody else on Twitter it is quite funny to see…..No, if it was a genuine complaint then I would be quite angry that it would have like…if they replied with something sarcastic. Yeah, I think…”*

In the final stage of the research process, in-depth interviews with the Respondent Retailer when asked what was the organisation strategy for dealing with humorous complaints highlighted that the organisation treat this type of an complaint as an opportunity rather than a threat. The retailer discussed a recent example of a humorous complaint and highlighted that while they did respond to the consumer in a fun and humorous manner the first step in the process was to review the consumer's purchase history, identify the order in question and complete a business investigation to understand what had occurred. In summary they deal with the complaint as any other namely by conducting an investigation and finding a solution, however their communication with the consumer mirrors that humour in which the complaint was originally made.

* *“We had one a couple of weeks ago where a lad said we had miss-picked an item in the warehouse. It was a dress and he posted a picture of him wearing the red dress. And he said this doesn’t look like the jeans I ordered! We pulled out his order history and he had order the red dress and the jeans. He was being a smiley comedian you know, he was looking for likes. It’s no big deal.”*
* *“Oh yes, yes [we see humorous complaints as an opportunity]. We engaged, we had a laugh you know. We got cheeky back. We keep it light, we keep it breezy with the customer. We do what we can.”*
* *“But remember, the first thing we did was do an actual business investigation! Have we miss-picked this guy that red dress. The minute we found out that we hadn’t we said alright we will have a laugh with him but we are not doing PR for him.”*
* *“We have a giggle and we shut it down.”*

Finally another aspect in how the retailer deals with complaining on social media pertains to employee experience, training and empowerment.

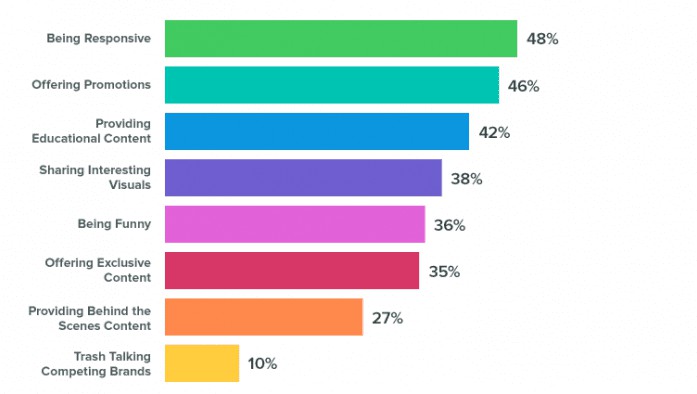
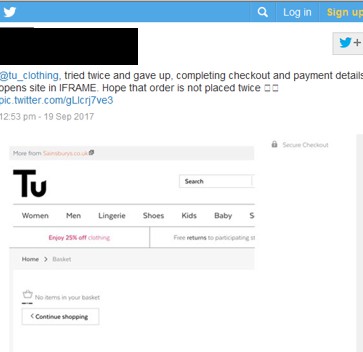


Figure 5-42 Brand actions on social media that prompt purchase (Source: sproutsocial, 2017)

### Make it personal

In the first phase of the research the netnographic observations, one theme that was identified when examining how retailers dealt with consumer complaints on Twitter, was the strategy of making the conversation more personal. When this strategy was used it either involved addressing the consumer by name or the social media consumer service representative signing off their recovery or response tweets with their own name, see Figure 5-42. Both next and TU by Sainsbury's systemically used the consumers first name in their initial recovery response tweet, see example in Figure 5-43. Primark uses the consumer's name on a less consistent basis and across the dataset the Respondent Retailer rarely uses the consumer's first name when responding to the initial consumer complaint on Twitter. Finally, of all the four retailers observed in this netnographic phase of the research only TU by Sainsbury's appear to have the procedure of signing off the response tweet with the consumer service representatives first name. This personalisation strategy concurs with a study by Crijns, Cauberghe, Hudders & Claeys (2017) that examined how organisations in crisis best deal with positive and negative consumer comments to an organisational online crisis-related post that proposed that when consumer reactions are personalising the organisational response is beneficial for organisational reputation due to increased perceptions of conversational human voice.



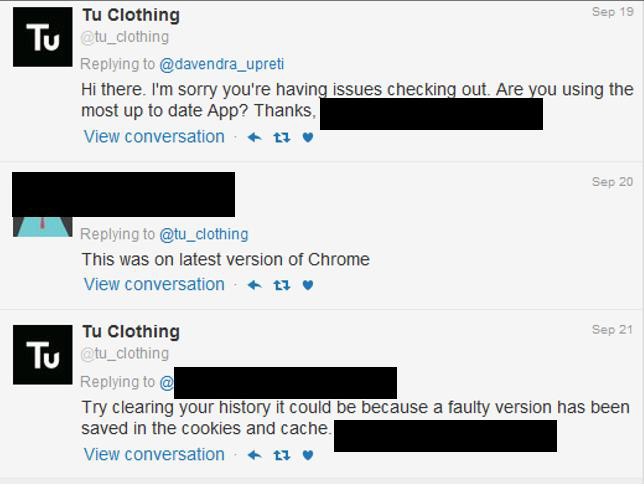


Figure 5-43 Example of retailer making the conversation more personal by addressing the consumer by name as well as signing the tweet with the consumer service representative name: TU by Sainsbury's to Consumer 13

### Conclusion

This chapter integrated the results of each phase of the research project and clearly addresses the first three research objectives in turn. Chapter 6 that follows is the final discussion and analysis chapter and concentrates on the fourth and final research objective for the first time, namely it proposes a social media service failure identification and recovery framework to

assist retailers as well as other organisations to identify service failures and recover from complaints via social media in an effective and timely manner.

* 1. **Introduction**

# CHAPTER 6 CONCLUSION

This final chapter summarises the main contributions of the research expressed in this thesis. It goes on to identify some key implications for retailers and other organisations when dealing with complaints on social media. Finally, the limitations of this project are discussed which could lead to suggestions for future research.

### Contribution of the Research

The development of the author’s four research objectives was based on the comprehensive literature review set out in Chapters 2. The fundamental aim of this research was to better understand complaining, service failure identification and service recovery via social media. To achieve this the research explored the consumers’ motivations and behaviours when complaining on social media (RO1 and RO2), how retailers are currently handing complaints on social media (RO3) and finally a framework for dealing with such complains was proposed (RO4). The in-depth discussion of these findings can be found in Chapters 3, 4, 5, and 6.

The main contributions to the body of knowledge in relation to this phenomenon are: RO1: Motivations of consumers in choosing social media as a complaint channel;

1. Consumers are often not only seeking corrective action, they are seeking immediate corrective action.

Nimako and Mensah (2012) as well as Heung and Lam (2003) identify seeking corrective action as a motivation to complain. Further Istanbulluoglu (2017) stated consumers expect companies to reply to their complaints within one to three hours on Twitter and within three to 6 hours on Facebook. This study extends the body of knowledge by identifying that customers are seeking immediate corrective action, namely within one hour. See section

5.2.1 for in-depth discussion.

1. Consumers are frequently motivated to complain on social media as they are aware of the public nature of the medium, the retailer’s desire to maintain a positive public reputation and thus expect this medium to be more successful than more private channels.

Whilst the likelihood to gain a desired outcome was identified by Matilla & Wirtz (2004) as a motivator of channel choice to complain, the understanding of the consumer’s

awareness of the public nature of social media as a channel to complain and their consciousness of the resulting implications for the retailer is a new contribution to the body of knowledge. See section 5.2.3 for in-depth discussion.

RO2: Behaviour of consumers who complain on social media;

1. Consumers frequently turn to social media to complain following double deviation.

Mei, Baggass and Relling (2019) identified that when consumers initial contact with the retailer directly resulted in service recovery failures and undesirable outcome i.e. double deviation, such double deviation then leads to frustration and uncertainty of the situation, which furthermore led to the respondents’ need to voice their complaint by sharing their unfavourable experiences on Facebook (Mei, Baggass and Relling, 2019). This PhD study contributes to the body of knowledge by recognising that consumers frequently turn to a different platform, namely twitter, to complain following double deviation, see section 5.3.1 for in-depth discussion.

1. Consumers are largely aware of their own online persona and reputation when complaining via social media and adjust their behaviours accordingly, often by softening or down playing their issue.

While this aspect of consumer complaining behaviour has been discussed in the grey literature, for example marketingdonut.co.uk (2018), however to date no previous peer reviewed literature addresses this particular behaviour of consumers who complain on social media, thus highlighting this gap in the body of knowledge and the subsequent contribution.

1. Consumers occasionally use humour when complaining on social media.

McGraw, Warren and Kan (2015) conducted six studies, which use social media and online reviews as stimuli. Their analysis concluded that humorous complaints benefit people who want to warn, entertain, and make a favourable impression on others. Furthermore, humour makes complaints seem more positive (by making an expression of dissatisfaction seem acceptable), but makes praise seem more negative (by making an expression of satisfaction seem wrong in some way). Finally, McGraw, Warren and Kan (2015) proposed that complaining humorously on social media has a cost to the complainer, because being humorous suggests that a dissatisfying situation is acceptable, humorous complaints are less likely to elicit redress or sympathy from others than non-humorous complaints (McGraw, Warren & Kan,

2015). This study contributes to the literature by identifying that customers complaining to fashion retailers do indeed occasionally use humour when complaining on social media. Further, research is recommended to identify why customers use humour, what the hope to achieve and how retailers should best respond to the type of customer complaining behaviour. See section 6.6 for suggestions for further research and section 2.43 for an in-depth review of the literature in relation to humorous complaining on social media.

RO3: How retailers are conducting Service Failure Identification and Service Recovery via Social Media

1. The retailer’s primary strategy when dealing with complaints on social media is to apologise and direct the complaint to the private DM channel.

The service failure and recovery literature proposed several strategies of service recovery efforts that firms attempt, including apologising e.g. (Miller, Craighead and Karwan, 2000; Kelley, Hoffman & Davis, 1993; Forbes, Kelley & Hoffman, 2005; Boshoff, 1997; Miller et al, 2000), see section 2.11 for an in-depth review of this literature. This study contributes to this body of knowledge by asserting that retailer’s primary strategy when dealing with complaints on social media channels. Further, this study contributes by identifying the practice of directing the complaint to the private DM channel.

RO4: To develop a social media service failure identification and recovery framework to assist retailers as well as other organisations to identify service failures and recover from complaints via social media in an effective and timely manner.

1. The Proactive Social Media Recovery System (PSMRS) framework is proposed.

Optimal strategies for responding to customer complaints in social media is a gap in the body of knowledge that requires research. (Hoffman et al, 2011). Such a framework offers practitioners the opportunity to strategies towards effective management of complaints, service recovery and customer relationship. (Nimako and Mensah, 2012). This study contributes by proposing such a framework based on the findings of all four phases of the research project. See section 6.5.

### Managerial Implications

The above contributions have managerial implications for retailers and other organisations, in summary these managerial implications are

1. Since consumers are often not only seeking corrective action, they are seeking immediate correction action, retailers need to identify these type of complaints in an equally immediate manner and instantly begin the service recovery process. This involves proactive social listening, a triage approach to prioritise and appropriately direct these types of complaints to ensure a real-time instantaneous resolution.
2. As discussed, consumers are frequently motivated to complain on social media as they are aware of the public nature of the medium, the retailer’s desire to maintain a positive public reputation and thus expect this medium to be more successful than more private channels. Retailer’s need to demonstrate an ability and willingness to solve service failures across all mediums or channels, thus lessening the consumer’s motivation to complain on this more public forum.
3. As communicating on social media is now a ubiquitous form of communication in today’s society, retailers need to put in place the systems and procedures to effectively deal with complaining on this more public medium. As younger generations of consumers progress through the life cycle more and more ‘traditional’ retailers will no longer be able to ignore social media, complaining or otherwise.
4. Since consumers frequently turn to social media to complain following double deviation, retailer’s need to ensure service failure processes and systems across all channels are as effective as possible. Otherwise, more consumers will be motivated to complain on social media not only placing further pressure on social media service recovery systems already in place, but potentially damaging the retailer’s brand reputation from potential viral complaints or the impression of excess service failure.
5. As consumers are largely aware of their own online persona and reputation when complaining via social media and adjust their behaviours accordingly often by softening or down playing their issue, retailers can use this knowledge to ensure they do not underestimate the extent or nature of the consumer’s complaint, simply because it is being presented in a subtle or muted manner.
6. Consumers occasionally use humour when complaining on social media and while the central service failure for these consumers still needs to be resolved in the usual manner, these types of complaints should be seen as an opportunity to engage with consumers

in a manner that is consistent with the retailer’s brand values. Furthermore staff training and empowerment is vital to ensure the likelihood of the success of such a strategy.

1. Retailer’s primary strategy when dealing with complaints on social media is to apologise and direct the complaint to the private DM channel. This pattern is visible on retailer’s social media feeds and on looking consumers are thus unsure whether or not the retailer has actually resolved the long list of complaints. When a complaint is finally resolved and the retailer is confident that the consumer is returned to a state of satisfaction the retailers should return to the initial public social media complaint conversation and message the consumer thanking them and confirming with them, and thus on-looking consumers, that the initial service failure has been resolved. This ensures that the retailer’s social media feed has a pattern of consumer complaint – retailer apology – retailer request to DM – retailer thanks and confirmation all is resolved.
2. The Proactive Social Media Recovery System (PSMRS) framework is proposed, thus giving retailers a practical and robust framework to effectively and efficiently handle complaints on social media.

### Proactive Social Media Recovery System (PSMRS)

Following the discussion of the analysis of the data of this research in relation to the first three research objectives, this thesis concludes with the discussion and analysis section focusing on the fourth and final research objective for the first time. Specifically the proposal a social media service failure identification and recovery framework to assist retailers as well as other organisations to identify service failures and recover from complaints via social media in an effective and timely manner. This framework is named, Pro-Active Social Media Recovery System (PSMRS) and is based on the triangulation of the data and analysis of the findings of all phases of this PhD research.

### RO4: A social media service failure identification and recovery framework to assist retailers and other organisations identify service failures and recover from complaints via social media in an effective and timely manner

This section of the analysis and discussion combines and aggregates the findings, discussion and analysis across the entire data set of this research project, to establish a PSMRS for retailers to use when dealing with consumer complaints on social media applications, such as Twitter. This proposed framework is built on the exploratory research of this project and can be seen in

Figure 6-1. Each stage of the four-stage system will be discussed in depth in this section, starting with the pre-recovery stage moving to the triage stage and the recovery stage and finally discussing the post-recovery stage of the proposed process.

### PSMRS

* + - 1. **Pre-recovery**
         * Monitor online for Social Media complaints:

Active social listening

@Mention

#hashtag

Direct message

* + - 1. **Triage**
         * Real time assessment

of:

1. Excess of followers

2. Severity of

complaint

3. Immediacy of

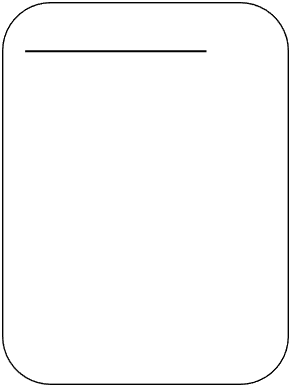
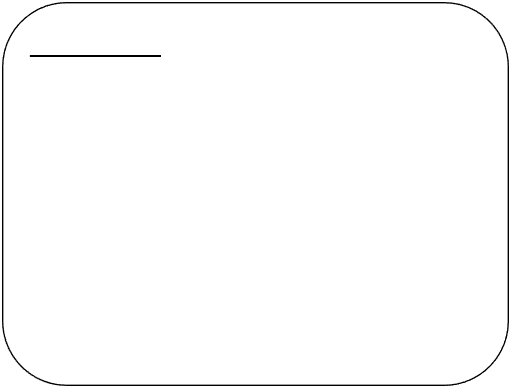
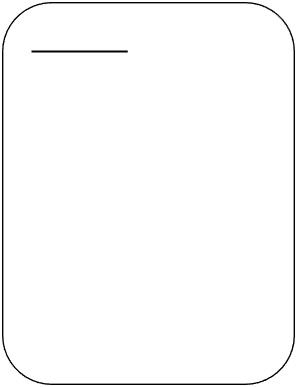
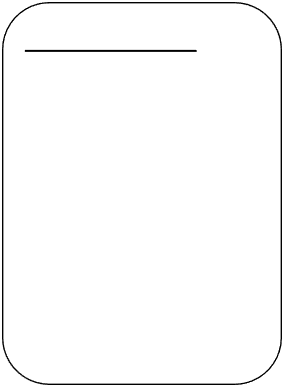
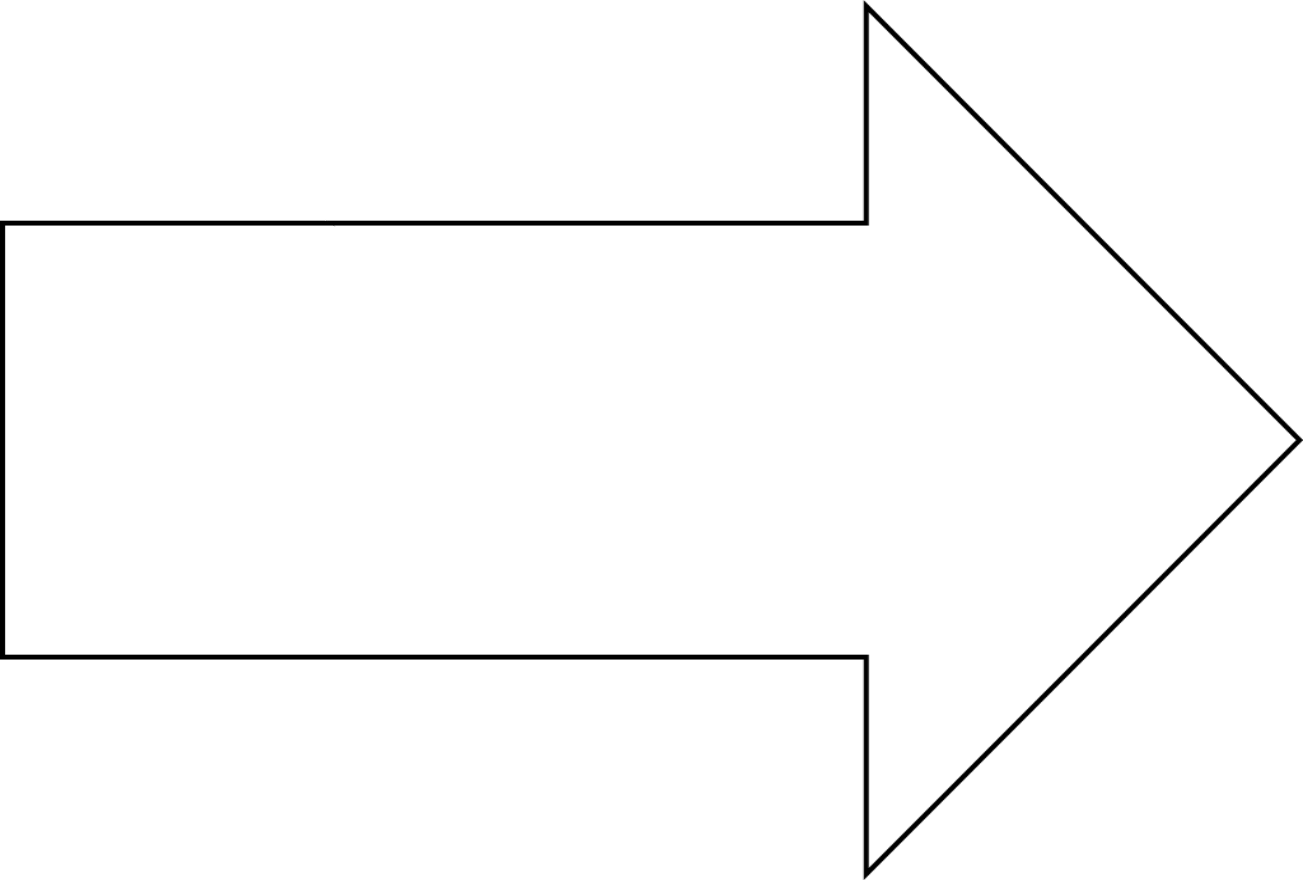
complaint

4. Tone of complaint

* + - 1. **Recovery**
         * Mirror tone of original complaint (consistent with brand values /brand personality & excepting sarcasm or aggression)
         * Offer apology
         * Ask consumer to direct message on current SM application/channel
         * Request only minimum required details of the

complaint

* + - * + Specific failures – Resolve
        + General failures – Thank and provide further feedback hyperlink
      1. **Post-recovery**
         * Re-respond to original



online complaint:

Thank customer

Clarify publicly that the complaint has been resolved

Identify and report product and service redesign potential through co-creation of value from complaints

Figure 6-1 PSMRS for retailers to use when dealing with consumer complaints

* + - 1. Pre-recovery stage

This represents perhaps the most progressive or newest phase of such a service recovery system for many retailers. In the past retailers could sit back and wait for consumers to come to them with their complaints or issues. However due to the progression of web 2.0, technology and the dawn of social media combined with the open and public nature of social media, retailers cannot afford to longer wait for the consumer to contact them. Thus an active listening software system combined with consumer service software system is imperative.

This initial stage is the most proactive of the entire system or framework proposed. Therefore the retailer must actively monitor social media for negative user-generated content and complaints. This will involve using active social listening software such as Gnatta as used by the Respondent Retailer, to identify @mentions of the retailer’s handle, identified and comprehend relevant #hashtags and recognise DM’s from disgruntled consumers. Once the software system aggregates the identified complaints from the various social media sources the framework moves onto the next step namely the triage stage.

* + - 1. Triage stage

The chosen software system should aggregate all the social media consumer complaint, from the various social media sources or applications together into one place or dashboard. This dashboard should clearly show the actual complaint from the consumer, together with necessary and vital information such as excess followers. Those complaints with sufficient excess of followers should be directed to identified, experienced, well-trained social media consumer service representatives. Consequently, the assigned consumer service representative must assess the severity of the complaint, the immediacy of the complaint and the tone of the complaint. Those complaints with fewer excess of followers will be directed by the chosen software system to less experienced, but equally well-trained consumer service representatives. Again, the assigned consumer service representative must assess the severity of the complaint, the immediacy of the complaint and the tone of the complaint. Once the social media consumer service representative has assigned a ranking to each of these factors the software will use an algorithm to assess which complaints should be dealt with immediately, see Table 7-1 as an example. At this point the proposed proactive social media recovery system moves on to the next phase.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Criteria** | **1** | **2** | **3** | **4** |
| Severity of complaint |  |  |  |  |
| Immediacy of complaint |  |  |  |  |
| Tone of complaint |  |  |  |  |
| TOTAL |  |  |  |  |

Table 6-1: Elementary example of triage stage ranking/algorithm

* + - 1. Recovery stage

Here the system mirrors the more traditional service recovery systems used by many retailers in the past. As such, a real time investigation must take place with whatever information the consumer has already given. At this point it is important for the consumer service representative to respond to the consumer with an apology in the tone of the consumer’s original complaint. This tone must be consistent with the retailer’s brand values or brand personality and must mirror the original consumer communication unless it contains sarcasm and aggression. In this case the social media consumer service representative should revert to a more formal traditional tone that is again consistent with the retailer’s brand values and persona. If further information is required the consumer service representative should ask the consumer to DM them with the

required information to allow an investigation and potential recovery. This communication should be on the same social media application on which the consumer has made the original complaint and it should be a simple and as painless, straightforward or as uncomplicated as possible, for example it could include a hyperlink for the consumer simply to click. It is also important that the social media consumer service representative only asks for the minimum amount of information required. Similar to requesting the consumer to DM on the original application used, this strategy of only asking for the minimum required information to process the complaint, is intended to minimise the stress of the process of complaining on the consumer. If the complaint is of a specific product or service failure the social media consumer service representative should use the information given to resolve or recover the complaint immediately. As with traditional methods of service recovery this could take a number of communications between the consumer and the retailer. However if the complaint is of a more general nature the consumer service representative should simply thank the consumer for their information or feedback and then ask the consumer, if desired, to give further feedback by clicking on hyperlink provided within the communication or tweet. At this step the proposed PSMRS moves onto its fourth and final stage the post recovery stage.

* + - 1. Post-recovery Stage

Similar to the first pre - recovery stage of this proposed framework this final stage is unique to this system. Once the complaint has been resolved between the consumer and the consumer service representative the consumer service representative should revert back to the original public online social media communication. Consequently the consumer service representative should respond by thanking the consumer and clarifying that the complaint has now been resolved. This part of the system is intended for on-looking consumers rather than the complaining consumer from which the original complaint was initiated. Thus it is clear for all consumers who scroll through the retailer Twitter feed that there has been responsive action to the complaint and more importantly that there has been a resolution to the complaint. This completes the loop not only from the perspective of the original complainer, but in the eyes of on looking consumers.

The final aspect of this post-recovery sage involves learning and the co-creation and value as a result of the complaint. Therefore, a system should be in place for the consumer service representative to feedback to other departments within the retail organisation who can learn from whatever product or service failure has been identified by the consumer. This is an

invaluable stage of the proactive social media recovery system as it could it potentially prevent future service and should not be overlooked.

### Research limitations and suggestions for further investigation

The author adopted a methodologically pragmatic, mixed methods approach using netnographic observation, a questionnaire survey and both consumer and retailer interviews. Whilst this approach resulted in useful insights into the four research objectives it did not completely answer the objective in a definitive or statistically significant manner. Whilst it never intended to do so, it must be recognised as a limitation and an opportunity for future research.

The use of netnographic observations in the first phase of the research uncovered some valuable insights, however due to the short nature of a tweet and the prolific strategy adopted by several retailers to take the conversation offline, observation of the conversation was restricted. The researcher was unable to determine analyse any further communication between the retailer and the consumer, nor to determine if the complaint was resolved to the satisfaction of either the customer or retailer.

Furthermore, when approached to participate further in the study, none of the 200 consumers observed opted to participate. This again limited the study and thus presents opportunities for further research. By gaining access from a retailer to their data set of DM complaint conversations future research could gain a broader picture of the entire complaint and service recovery conversation between retailer and consumer. Further research could examine the unwillingness of consumers to participate in this type of online netnographical study. An understanding of this aversion would not only benefit the effectiveness of netnography as a methodology but could also help future researchers more successfully recruit participants.

Another limitation of this study that presents opportunities for future research is the non- statistical sampling method used in the online questionnaire survey. As stated before the nature of this research study, including this phase, was exploratory and not intended to be generalisable, however this offers researchers the opportunity to conduct a statistically significant online questionnaire survey exploring this topic that can be generalised across populations.

Finally, one of the main disadvantage of qualitative approaches is that their findings cannot be extended to wider populations with the same degree of certainty that quantitative analyses can

(Ochieng, 2009). It is important to recognise that online complaints are not limited to fashion retail and are not limited to the UK. The nature of complaints in other retail sectors and other countries may be different, especially as complaints in fashion are not very high stakes, e.g. they are unlikely to be life threatening, whereas problems with groceries or plant machinery or medical supplies, etc. could be much more serious. Therefore, this study’s findings are relevant and applicable for fashion retail in the UK but may not be very applicable to other retail sectors. Further, considering whether this was a UK or British phenomenon was outside the scope of the study, as the cultural complexities of consumer complaining behaviour in different nations, where for example, consumers may not be so inclined to use SM, may not feel so entitled to complain, humour may not be perceived in the same way etc would require complex cultural analysis. Thus this study focuses on the UK fashion retail industry and consequently this must be identified as both a limitation of the research and as an opportunity for future research.

### Conclusion

This concludes the discussion and analysis of this thesis by focusing on the fourth and final Research Objective for the first time, specifically the proposal for a social media service failure identification and recovery framework to assist retailers as well as other organisations in identify service failures and recover from complaints via social media in an effective and timely manner. This PSMRS framework was proposed and discussed in detail. Finally, the limitations of this project were discussed which could lead directly to suggestions for future research.

In order of occurrence;

# GLOSSARY OF TERMS

|  |  |
| --- | --- |
| **ACRONYM** | **TERM IN FULL** |
| UGC | User Generated Content |
| RO | Research Objective |
| SNs | Social Networks |
| CCB | Consumer Complaining Behaviour |
| OECD | Organisation for Economic Co-operation and Development |
| WOM | Word of Mouth |
| eWOM | electronic Word of Mouth |
| SMEs | Small and Medium Enterprises |
| CBS | Consumer Brand Sabotage |
| DM | Direct Message |
| PSMRS | Proactive Social Media Recovery System |

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# APPENDICES

1

### Appendix A – Company Profiles; Primark, TU Clothing and Next

# COMPANY PROFILE 1 – SAINSBURYS TU CLOTHING

### Overview

First launched in 20041, the fashion arm of Supermarket giant Sainsbury’s has undergone a dramatic transformation in recent years after it’s re-launch in 20132. The relaunch saw the final evolution of the TU brand, with a clearly defined visual and brand identity, renewed investment in terms of money and resources, and a focus on more contemporary fashion in line with ‘fast fashion’ outlets like Primark.

### Core Strategies

Ever since the relaunch in 2013, the TU brand has looked to develop a series of distinct core strategies, aimed at not only competing with other supermarket fashion offerings but with high street fashion retailers themselves3, highlighted by the launch of their upmarket Tu Premium range in 20164. Central to Tu’s marketing and offerings is the deliberate strategic choice to position it as a destination shopping choice in its own right, rather than an element of the larger supermarket brand. This meant having to develop a distinctive brand identity, with modern and creative marketing that appeals to the retail consumer5. This also meant a change in pricing, with a focus on blouses and jackets retailing at high street prices, something that has been a definite success. 6 Their approach to stock also follows a trend and quality based approach that emulates that at high street fashion destinations like Zara7. As well as changing the in-store experience, with dedicated departments and staffing solely responsible for TU8.

1 Catherine Neilan, “Sainsbury's relaunches clothing arm Tu”, Drapers, 17th June 2013, <https://www.drapersonline.com/news/sainsburys-relaunches-clothing-arm-tu/5050088.article>

2 Catherine Neilan, “Sainsbury's relaunches clothing arm Tu”, Ibid

3 Kirsty Macgregor, “How Sainsbury's is building a £1bn fashion brand”, Drapers, 6th July 2017, <https://www.drapersonline.com/people/how-sainsburys-is-building-a-1bn-fashion-brand/7021985.article>

4 Kirsty Macgregor, “How Sainsbury's is building a £1bn fashion brand”, , Ibid

5 Kirsty Macgregor, “How Sainsbury's is building a £1bn fashion brand”, , Ibid

6 Kirsty Macgregor, “How Sainsbury's is building a £1bn fashion brand”, , Ibid

1. Lauren Cochrane, “Sainsbury's Tu clothing range tries its hand at fast fashion”, The Guardian, 24th June 2013, <https://www.theguardian.com/fashion/fashion-blog/2013/jun/24/sainsbury-tu-clothing-fast-fashion>
2. Lauren Cochrane, “Sainsbury's Tu clothing range tries its hand at fast fashion”,

In terms of Tu’s position within the larger Sainsbury’s operation, it can be seen as a key part of their transformation from Supermarket into something that functions more like a high-street department store with significant offerings in terms of clothing, homeware, and electrical goods.9

### Current Outlook

In terms of Tu’s current outlook, their committed strategy of developing into a destination fashion shopping outlet is already paying dividends. As Sainsbury’s is the now the 6th biggest clothing-seller in the U.K10, and has both improved market share and outperformed the retail market in recent times. In total, Tu now contributes close to 1 billion pounds in annual sales to the company11.

However, despite these successes, Tu is still vulnerable to the poor position of the company overall. A poor standing that is highlighted by two major recent developments. Firstly, poorer than expected Christmas numbers12, which saw a significant decline in their stock price13. The second major development is the recent blocking by competition regulators of their proposed merger with Asda14. Something that had drastic consequences, with a reported 41.6% fall in pre-tax profits15 and speculation over the future of the company16.

1. Neil Craven, “Tu from Sainsbury's and George at Asda will pose threat to Primark”, This Is Money, The Mail On Sunday, 5th May 2018, https://[www.thisismoney.co.uk/money/markets/article-5695231/Tu-Sainsburys-](http://www.thisismoney.co.uk/money/markets/article-5695231/Tu-Sainsburys-) George-Asda-pose-threat-Primark.html
2. Sandra Halliday, “Tu Clothing and Argos outperform for Sainsbury's”, 10th January 2018, The Fashion Network, https://uk.fashionnetwork.com/news/Tu-Clothing-and-Argos-outperform-for-Sainsbury- s,934342.html#.XOgYtI7Yp6x
3. Prachi Singh, “Annual sales increase 3.8 percent at J Sainsbury's Tu Clothing” Fashion United, 30th April 2018, https://fashionunited.uk/news/business/annual-sales-increase-3-8-percent-at-j-sainsbury-s-tu- clothing/2018043029341
4. Emily Hardy, “Sainsbury's delivers 'truly woeful' Christmas results as Argos flops with the supermarket blaming cautious consumers for its troubles”, This Is Money, 9th January 2019, https://[www.thisismoney.co.uk/money/markets/article-6572247/Sainsburys-delivers-truly-woeful-Christmas-](http://www.thisismoney.co.uk/money/markets/article-6572247/Sainsburys-delivers-truly-woeful-Christmas-) results-Argos-flops.html
5. Emily Hardy, “Sainsbury's delivers 'truly woeful' Christmas results as Argos flops with the supermarket blaming cautious consumers for its troubles”, Ibid
6. John-Paul Ford-Rojas “Sainsbury's profits fall 41.6% as charges of £396m hit bottom line“, Sky, 1st May 2019, https://news.sky.com/story/sainsburys-profits-fall-as-it-counts-cost-of-failed-asda-deal-11708253
7. John-Paul Ford-Rojas “Sainsbury's profits fall 41.6% as charges of £396m hit bottom line“, Ibid
8. John-Paul Ford-Rojas “Sainsbury's profits fall 41.6% as charges of £396m hit bottom line“, Ibid

### Key Challenges

There are two immediate challenges facing the Tu department of Sainsbury’s, the fiscal and corporate fallout to come from the failed Sainsbury’s-Asda merger, and the ability their own marketing and retail offerings to compete with the bigger high-street fashion retailers.

### Competing With High Street Fashion

Since the relaunch in 2013, the leadership of the Tu brand has made a concerted effort to revamp both its marketing image and stock offerings. However, not all retail analysts are convinced in spite of the numbers17. This is an issue of both talent and design, as well as one of marketing. People’s perception of supermarket fashion offerings remains significantly beneath those of their high-street compartments in terms of both style and quality.

### Sainsbury’s Corporate Future

It’s impossible to separate the Tu brand from the fortunes of Sainsbury’s as a whole, and whether they can maintain success in the fashion area in spite of recent setbacks related to the failed merger with Asda will be an ongoing development over the rest of 2019 and 2020. The failed merger has seen Sainsbury's not only have to accept a loss in terms of the significant financial investment they made in the move18 but, they are also now in a perilous position strategically. As they face damaged confidence and standing with analysts and market experts19, as well as a lack of solutions to the problem that spurred the merger in the place. Namely, their inability to compete with discount heavy options in the Supermarket sector such as Aldi or premium competitors like Waitrose, increasingly occupying a disappearing middle ground20.

### Future Outlook

In summary, in spite of recent successes, the tumultuous situation with the Sainsbury’s company as a whole makes it difficult to project a future outlook for the Tu brand. With the

1. Kirsty Macgregor, “How Sainsbury's is building a £1bn fashion brand”, , Ibid
2. Zoe Wood, “Sainsbury's-Asda merger blocked by competition watchdog”, The Guardian, 25th April 2019, <https://www.theguardian.com/business/2019/apr/25/sainsburys-asda-merger-blocked-by-competition-watchdog> 19 Zoe Wood, “Sainsbury's-Asda merger blocked by competition watchdog”,Ibid

20 Duncan Angwin, “Sainsbury’s-Asda merger: failed big bet has serious strategic consequences”, The Conversation, April 25th 2019, [https://theconversation.com/sainsburys-asda-merger-failed-big-bet-has-serious-](https://theconversation.com/sainsburys-asda-merger-failed-big-bet-has-serious-strategic-consequences-116012) [strategic-consequences-116012](https://theconversation.com/sainsburys-asda-merger-failed-big-bet-has-serious-strategic-consequences-116012)

potential for a new merger or a change in strategy to cause Sainsbury’s to roll back their investment in their fashion arm. However, in light of their precarious position within the supermarket sector, a pivot to a different model that would require Tu’s success is also not out of the question.

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* 1. **Overview**

# COMPANY PROFILE 2 – PRIMARK

Primark began as Penney’s in Ireland in 1968 and has grown over time to be the crown jewel of Associate British Foods’ portfolio, as well as one of the leading names when it comes to ‘fast fashion’ and retail.21 Capitalizing on the fast fashion trend that boomed throughout the 90s, their revolutionary pricing strategy and strong brand identity have seen them expand beyond the U.K, with a successful portfolio of stores throughout mainland Europe22, and recent expansion efforts in the United States23. As well as continued growth during a troubled time for the sector over the last 10 years24.

### Core Strategies

Perhaps the central driving force behind Primark’s success is that all of their core strategies revolve around creating the same brand identity and user experience, that of being able to pick up multiple ‘bargains’ in the same space, at the same time, creating a rush of satisfaction and providing tremendous value25. This is what has made them into one of the pioneers of fast fashion. The crux of this is their ability to offer low prices across a wide range and large collection of stock26, emphasizing a diversity of choice and volume that other ‘fast fashion’ discount pricing strategies can’t replicate.

Crucial to this is the in-store experience, with everything from customer service to the physical arrangement of the aisles and items combining to enhance the value proposition behind their brand identity. Something that in turn, explains why they have never needed, or planned on having an online experience27. An online experience would also be fiscally draining, with

21 Julia Shawcross, “The rise and rise of Primark“, AOL, March 23rd 2014, [https://www.aol.co.uk/2014/03/23/the-](https://www.aol.co.uk/2014/03/23/the-rise-and-rise-of-primark/?guccounter=1) [rise-and-rise-of-primark/?guccounter=1](https://www.aol.co.uk/2014/03/23/the-rise-and-rise-of-primark/?guccounter=1)

22 Julia Shawcross, “The rise and rise of Primark “, Ibid

23 Mary Hanbury, “The fastest-growing retailer in America doesn't sell clothes online, and there's a simple reason why”, Business Insider, [https://www.businessinsider.com/primark-does-not-sell-online-why-2018-](https://www.businessinsider.com/primark-does-not-sell-online-why-2018-8?r=US&IR=T) [8?r=US&IR=T](https://www.businessinsider.com/primark-does-not-sell-online-why-2018-8?r=US&IR=T)

24 Jeroen Kraaijenbrink, “Why Is Primark So Successful? The Power Of Alignment”, Forbes, January 22nd 2019 [https://www.forbes.com/sites/jeroenkraaijenbrink/2019/01/22/why-is-primark-so-successful-the-power-of-](https://www.forbes.com/sites/jeroenkraaijenbrink/2019/01/22/why-is-primark-so-successful-the-power-of-alignment/#24df30fc769d) [alignment/#24df30fc769d](https://www.forbes.com/sites/jeroenkraaijenbrink/2019/01/22/why-is-primark-so-successful-the-power-of-alignment/#24df30fc769d)

25 Jeroen Kraaijenbrink, “Why Is Primark So Successful? The Power Of Alignment”, Ibid

26 Jeroen Kraaijenbrink, “Why Is Primark So Successful? The Power Of Alignment”, Ibid

27 Jeroen Kraaijenbrink, “Why Is Primark So Successful? The Power Of Alignment”, Ibid

shipping and other logistical costs, something that a company who operates on the profit margins associated with discount and volume can’t necessarily afford28.

### …..Current Outlook

Thanks to these unique and creative strategies, Primark’s current outlook positions them as something of an outlier in the retail sector. Whilst they were affected by the historically low sales that were seen across the British high street in the last quarter of 201829, 2019 has seen them bounce back and continue the upward trend that has defined their rise throughout the 21st century. Something that was demonstrated in their numbers for the first quarter of 2019, with profits jumping by 25% up to £426 million30. This corresponded with a 4% jump in sales after significant expansion moves with new stores opening across the U.K31.

By outperforming their competitors in an underperforming market, Primark has also been able to increase their market share32, and position themselves at the top for the future, giving them a strong platform on which to continue this growth. There are however notes of caution, with some analysts speculating that this growth has already plateaued and that the lack of significant future increases will leave them with no margin for error33.

28 Mary Hanbury, “The fastest-growing retailer in America doesn't sell clothes online, and there's a simple reason why”, Ibid

29 Hannah Utley, “Black Friday hits Primark sales: High Street suffers 'worst November on record' as customers are distracted buying gadgets online”, 25th February 2019, This Is Money, Daily Mail, [https://www.thisismoney.co.uk/money/markets/article-6743933/Black-Friday-hits-Primark-sales-High-Street-](https://www.thisismoney.co.uk/money/markets/article-6743933/Black-Friday-hits-Primark-sales-High-Street-suffers-worst-November-record.html) [suffers-worst-November-record.html](https://www.thisismoney.co.uk/money/markets/article-6743933/Black-Friday-hits-Primark-sales-High-Street-suffers-worst-November-record.html)

30 Hannah Utley, “Profits soar as Primark defies High St gloom and hikes its interim dividend by 3%”, This Is Money, Daily Mail, 24th April, [https://www.thisismoney.co.uk/money/markets/article-6956469/Profits-soar-](https://www.thisismoney.co.uk/money/markets/article-6956469/Profits-soar-Primark-defies-High-St-gloom-hikes-interim-dividend-3.html) [Primark-defies-High-St-gloom-hikes-interim-dividend-3.html](https://www.thisismoney.co.uk/money/markets/article-6956469/Profits-soar-Primark-defies-High-St-gloom-hikes-interim-dividend-3.html)

31 Emily Hardy, “Primark toasts bumper profits haul as the cut price fashion firm opens its largest ever store in Birmingham”, This Is Money, 24th April 2019, [https://www.thisismoney.co.uk/money/markets/article-](https://www.thisismoney.co.uk/money/markets/article-6954161/Primark-toasts-bumper-profits-fashion-firm-opens-new-stores.html) [6954161/Primark-toasts-bumper-profits-fashion-firm-opens-new-stores.html](https://www.thisismoney.co.uk/money/markets/article-6954161/Primark-toasts-bumper-profits-fashion-firm-opens-new-stores.html)

32 Emily Hardy, “Primark tops expectations over Christmas to sweeten parent firm Associated British Foods' profits as sugar sales sour”, This Is Money, 17th January 2019, [https://www.thisismoney.co.uk/money/markets/article-6601843/Primark-pulls-Christmas-sweeten-parent-firm-](https://www.thisismoney.co.uk/money/markets/article-6601843/Primark-pulls-Christmas-sweeten-parent-firm-ABF-sugar-sales-soured.html) [ABF-sugar-sales-soured.html](https://www.thisismoney.co.uk/money/markets/article-6601843/Primark-pulls-Christmas-sweeten-parent-firm-ABF-sugar-sales-soured.html)

33 Emily Hardy, “Primark tops expectations over Christmas to sweeten parent firm Associated British Foods' profits as sugar sales sour”, Ibid

### … Key Challenges

Any sustained growth in the future will hinge on Primark’s ability to meet the key challenges outlined below; Political and economic uncertainty, the evolving retail market, and ethical concerns and public image.

### … Political and Economic Uncertainty

For all of the major players within the U.K retail sector, especially those reliant on overseas production and stores, how they navigate the outcome of Brexit, as well as the nature of the outcome itself, will play a large role in their future outlook.

The economic uncertainty surrounding Brexit has already had an impact on consumer confidence and industry investment in 2019, something that would be further compounded by a hard Brexit34. Already companies such as Primark may be failing to meet this challenge, as some analysts have criticized their preparations in the event of a hard Brexit35. A more measured outcome, however, would greatly favour Primark36, with a recovery in the value of the Pound as well as continuity when it comes to imports.

### The Evolving Retail Market

In terms of consumer habits and confidence, the retail market has evolved and changed at a rapid pace in recent years, and with Primark remaining as one of the few retailers without an online shopping experience, they sit at a crucial nexus in this evolution. Something that was highlighted by their poor Black Friday numbers37. This evolution is expected to continue, with

34 Emily Hardy, “High Street struggle will 'intensify' next year regardless of Brexit outcome, experts warn, but there may be a slight shift back in favour of physical shops”, This Is Money, 27th December 2018, [https://www.thisismoney.co.uk/money/markets/article-6532479/Struggle-High-Street-intensify-year-experts-](https://www.thisismoney.co.uk/money/markets/article-6532479/Struggle-High-Street-intensify-year-experts-warn.html) [warn.html](https://www.thisismoney.co.uk/money/markets/article-6532479/Struggle-High-Street-intensify-year-experts-warn.html)

35 Emily Hardy, “High Street struggle will 'intensify' next year regardless of Brexit outcome, experts warn, but there may be a slight shift back in favour of physical shops”, Ibid

36 Neil Craven, “Clothing chain Primark expected to report resilient sales, bucking the trend of High Street gloom”, This Is Money, Financial Mail On Sunday, 16th February 2019, [https://www.thisismoney.co.uk/money/news/article-6712253/Clothing-chain-Primark-expected-report-resilient-](https://www.thisismoney.co.uk/money/news/article-6712253/Clothing-chain-Primark-expected-report-resilient-sales-figures-later-month.html) [sales-figures-later-month.html](https://www.thisismoney.co.uk/money/news/article-6712253/Clothing-chain-Primark-expected-report-resilient-sales-figures-later-month.html)

37 Hannah Utley, “Black Friday hits Primark sales: High Street suffers 'worst November on record' as customers are distracted buying gadgets online”, 25th February 2019, This Is Money, Daily Mail, [https://www.thisismoney.co.uk/money/markets/article-6743933/Black-Friday-hits-Primark-sales-High-Street-](https://www.thisismoney.co.uk/money/markets/article-6743933/Black-Friday-hits-Primark-sales-High-Street-suffers-worst-November-record.html) [suffers-worst-November-record.html](https://www.thisismoney.co.uk/money/markets/article-6743933/Black-Friday-hits-Primark-sales-High-Street-suffers-worst-November-record.html)

an abundance of retail spaces, debt, compliance costs, consumer spending habits and more expected to have a significant impact according to a leading think-tank38.

In spite of this, and the plethora of online offerings, Primark’s unique store only approach may, in fact, have positioned them well to flourish in this evolving market. With some experts forecasting that there will be a shift in consumer habits towards physical retail spaces and tangible experiences39. Evidence of Primark’s strategy in this area can be found in their new Five-floor store, their largest in the U.K, which also offers a beauty bar, two hairdressers, and a Disney cafe40.

### Ethical Concerns and Public Image

Another key development in the retail market is growing pressure, from both consumers and regulators for the fashion industry to source and produce items in an ethical manner. An area in which Primark has something of an ignominious history following their links to the factory deaths of over 1000 Bangladeshi workers in 201341.

Since that incident, Primark has thoroughly revamped its ethical practices as a part of a committed effort42 and was lauded in a recent parliamentary report in the subject43. However with consumers, both increasingly concerned with ethical practices, and unsure over which brands to trust44, translating these improved practices into PR and awareness will be a key challenge for Primark going forward.

38 Emily Hardy, “High Street struggle will 'intensify' next year regardless of Brexit outcome, experts warn, but there may be a slight shift back in favour of physical shops”, Ibid

39 Emily Hardy, “Primark toasts bumper profits haul as the cut price fashion firm opens its largest ever store in Birmingham”, Ibid

40 Emily Hardy, “Primark toasts bumper profits haul as the cut price fashion firm opens its largest ever store in Birmingham”, Ibid

41 Emma Thomasson, “Primark sharpens ethical focus in bid for German customers”, Reuters, October 18th 2018, [https://www.reuters.com/article/us-abf-primark-germany/primark-sharpens-ethical-focus-in-bid-for-german-](https://www.reuters.com/article/us-abf-primark-germany/primark-sharpens-ethical-focus-in-bid-for-german-customers-idUSKCN1MS1YP) [customers-idUSKCN1MS1YP](https://www.reuters.com/article/us-abf-primark-germany/primark-sharpens-ethical-focus-in-bid-for-german-customers-idUSKCN1MS1YP)

42 Emma Thomasson, “Primark sharpens ethical focus in bid for German customers”, Ibid

43 Emma Batha,, “Britain's fashion industry is exploitative and unsustainable: parliamentarians”, Reuters, January 31st 2019, [https://www.reuters.com/article/us-britain-fashion-retail/britains-fashion-industry-is-exploitative-and-](https://www.reuters.com/article/us-britain-fashion-retail/britains-fashion-industry-is-exploitative-and-unsustainable-parliamentarians-idUSKCN1PP005) [unsustainable-parliamentarians-idUSKCN1PP005](https://www.reuters.com/article/us-britain-fashion-retail/britains-fashion-industry-is-exploitative-and-unsustainable-parliamentarians-idUSKCN1PP005)

44 Emma Batha, “Britain's fashion industry is exploitative and unsustainable: parliamentarians”, Ibid

### Future Outlook

Whilst alarming prognoses are in abundance for retail giants in the fashion sector, Primark remains consistently and uniquely apart from that. Their value proposition approach to fast fashion has been proven to strike a chord with customers, and if they can continue to navigate the demands and challenges of relying on physical spaces and footfall, that growth should continue.

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* 1. **Overview**

# COMPANY PROFILE 3 – NEXT

Founded in 1864 by Joseph Hepworth, with current headquarters located in Leicester45, Next is one of the giants of retail in the U.K, with a household brand name and market success stretching back decades. Offering both fashion and home products through their various departments46, Next’s appeal is rooted in popular brands and trends with an affordable yet stylish core identity.

### Core Strategies

At its heart, Next’s strategy has remained unchanging, focusing on affordable pricing and on- trend store offerings across a range of lines and sectors. With significant investment in stock and store offerings, and a cash generative model47. At the core of this is their brand identity, which remains strong and valued by consumers, the strength of this model can be seen in their continued profitability, which has been upward of £700 million for 3 consecutive years48 However, in recent years they have also proven that they can adapt and evolve, reacting to developments in technology and the retail market with a strategy that pushes online shopping and digital technologies. With an initial £10 million investment in digital marketing in 201749, a significantly improved online presence50, and digital updates to both their own sites51 and a click and collect deal with Amazon52.

45 https://[www.forbes.com/companies/next/#b1e37e2615d4](http://www.forbes.com/companies/next/#b1e37e2615d4)

46 https://[www.forbes.com/companies/next/#b1e37e2615d4](http://www.forbes.com/companies/next/#b1e37e2615d4)

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48 [https://www.youinvest.co.uk/articles/investmentarticles/142999/next-keeps-cool-head-many-its-rivals-and-](https://www.youinvest.co.uk/articles/investmentarticles/142999/next-keeps-cool-head-many-its-rivals-and-peers-start-flounder) [peers-start-flounder](https://www.youinvest.co.uk/articles/investmentarticles/142999/next-keeps-cool-head-many-its-rivals-and-peers-start-flounder)

49 Jennifer Faull, “Next plots £10m digital investment following lacklustre sales”, The Drum, 4th January 2017 <https://www.thedrum.com/news/2017/01/04/next-plots-10m-digital-investment-following-lacklustre-sales>

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The success of this evolution has been defined by how seamlessly it has integrated with an approach that still relies on stores and physical spaces53. Next’s online sales also, in turn, generate footfall, with over 50% of online orders and 80% of returns being fulfilled in store54. This leaves them uniquely poised to take advantage of both the online market and the desire for a tangible store experience by providing alternative facilities such as restaurants and prosecco bars55.

### Current Outlook

This evolved strategy is already leading to dividends, with Next generating £1.9 billion in sales and £426 million in profit—accounting for 46% and 59% of its total—from online sales56. Giving Next the enviable position of being the first major High Street chain to generate more sales through its website than through its stores57. This bodes well for any future forecasts, with online shopping becoming more and more commonplace.

They also offer both robust planning, and an ability to forecast the market58, with predictions for sales figures proving accurate, and cost-cutting measures ready to be implemented in the event of a no-deal Brexit59.

With that in mind, it’s no surprise the numbers paint a positive picture for Next, with shares climbing to 5,272p and forecasts that maintain expectations for the current fiscal year with only a 0.4% drop in profit, a stark contrast to its competitors60.

53 Ben Chapman, “Next will pass on £15m no-deal Brexit tariff savings to customers”, 21st March 2019, The Independent, [https://www.independent.co.uk/news/business/news/next-price-cuts-brexit-tariff-savings-retail-](https://www.independent.co.uk/news/business/news/next-price-cuts-brexit-tariff-savings-retail-sales-a8834056.html) [sales-a8834056.html](https://www.independent.co.uk/news/business/news/next-price-cuts-brexit-tariff-savings-retail-sales-a8834056.html)

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55 Andrea Felstead, “UK retailer Next builds its revival with a blend of online and store strategy”, Ibid

56 [https://www.youinvest.co.uk/articles/investmentarticles/142999/next-keeps-cool-head-many-its-rivals-and-](https://www.youinvest.co.uk/articles/investmentarticles/142999/next-keeps-cool-head-many-its-rivals-and-peers-start-flounder) [peers-start-flounder](https://www.youinvest.co.uk/articles/investmentarticles/142999/next-keeps-cool-head-many-its-rivals-and-peers-start-flounder)

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58 Matthew Vincent, “Next challenges received wisdom of high-street Brexit gloom”, The Financial Times, March 21st 2019, <https://www.ft.com/content/dfb1db42-4be2-11e9-bbc9-6917dce3dc62>

59 Ben Chapman, “Next will pass on £15m no-deal Brexit tariff savings to customers”, Ibid

60 [https://www.proactiveinvestors.co.uk/companies/news/216910/next-confirms-2019-profit-decline-as-it-](https://www.proactiveinvestors.co.uk/companies/news/216910/next-confirms-2019-profit-decline-as-it-tackles-challenging-retail-market-216910.html) [tackles-challenging-retail-market-216910.html](https://www.proactiveinvestors.co.uk/companies/news/216910/next-confirms-2019-profit-decline-as-it-tackles-challenging-retail-market-216910.html)

### Key Challenges

In a sector that is undergoing a transformative phase, with evolving demographics and emergent technologies, as well as economic uncertainty—There will inevitably be a number of challenges facing a chain retailer such as Next, this report has outlined the two biggest obstacles facing them.

### The Evolving Retail Market

One of the key shifts in the retail market is the point of purchase and the role of the physical store space, increasingly two trends are emerging in consumer behaviour. Firstly, there is a greater preference for an online purchase journey61. Which has a knock-on-effect, as the profit margins for these online purchases are smaller than their in-store counterparts62, something that Next could be poised to handle due to lower rent and running costs, as well as a shift in the role of their stores to being geared towards click and collect purchases63. Secondly, there is a desire for tangible and customer-driven experiences6465, with consumers prioritizing those over goods. This is something that Next may be in a healthy position to capitalize on, as their online offerings still allow them to retain a healthy number of physical spaces and they are committed to taking advantage of lower rental costs in the retail sector.

### Ethical Consumption

One of the most radical shifts in consumer behaviour in recent years has been the growing rise to prominence of ethical consumption. The conscious consumer is no longer an outlier, and this new brand of consumer will make decisions not only based on personal preference and cost, but also on lines that broadly fall under either environmental or social concerns66.

61 Hannah Utley, “Next becomes the first major High Street chain to sell more online than in stores”,

62 Ben Chapman, “Next will pass on £15m no-deal Brexit tariff savings to customers”, Ibid

63 Ben Chapman, “Next will pass on £15m no-deal Brexit tariff savings to customers”, Ibid

64 Rob Waugh, “The Future Of Retail”, The Telegraph, 2018, [https://www.telegraph.co.uk/business/tips-for-the-](https://www.telegraph.co.uk/business/tips-for-the-future/future-of-retail/) [future/future-of-retail/](https://www.telegraph.co.uk/business/tips-for-the-future/future-of-retail/)

65 Apostolos Lambrianides, “The changing face of retail: top trends and challenges” The Drum, 26th April 2018 <https://www.thedrum.com/opinion/2018/04/26/the-changing-face-retail-top-trends-and-challenges>

66 Apostolos Lambrianides, “The changing face of retail: top trends and challenges”, Ibid

This is a huge challenge for large chains such as Next, who will be fighting against both public perception and recent history that doesn’t reflect favourably in this areas, especially in light of recent legal action brought against them over discriminatory payment practices67.

However, there are signs of progress, particularly on the environmental front. Having recently committed to helping to make the fashion industry more environmentally sustainable by 2020 as a part of the sustainable clothing action plan68.

### Future Outlook

Given the strength of their brand and profitability, it would be hard to imagine a future outlook for Next that wasn’t positive. With that being said, the retail sector is proving increasingly volatile, so it will be reassuring that Next has plans to not only take advantage of shifts in consumer habits but also to do so in a way that will help them outflank their competitors.

67 Ben Stevens, “Next could back-pay £30m amid major equal pay claim”, Retail Gazette, March 8th 2018, <https://www.retailgazette.co.uk/blog/2018/03/next-back-pay-30m-amid-major-equality-claim/>

68 Sarah Butler, “Is fast fashion giving way to the sustainable wardrobe?”, The Guardian, 29th December 2018, <https://www.theguardian.com/business/2018/dec/29/fast-fashion-giving-way-sustainable-wardrobe>

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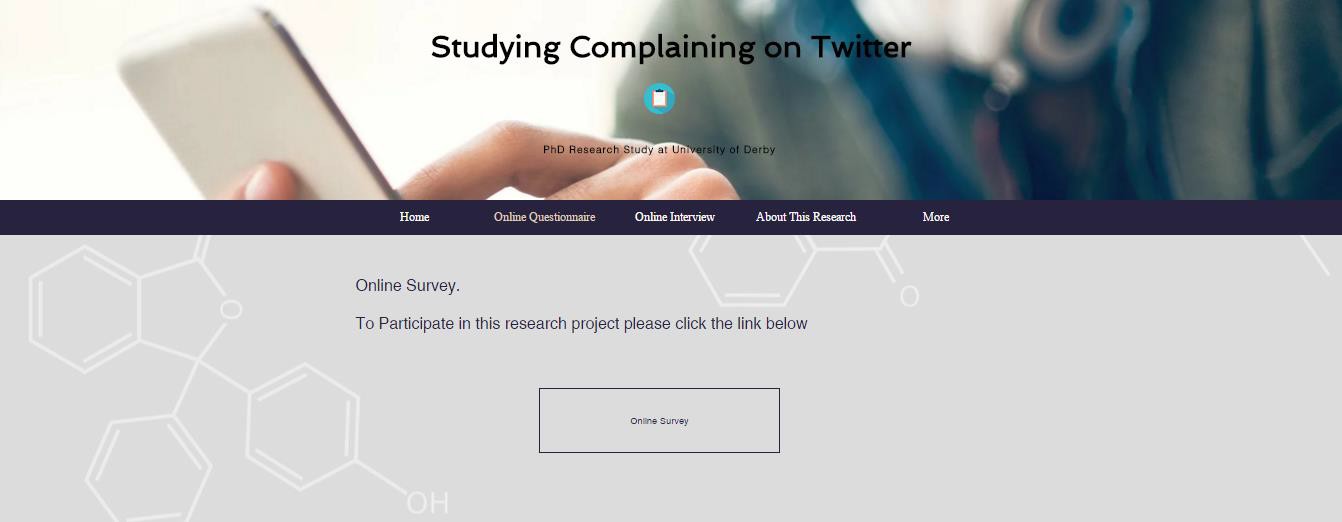
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### Appendix B – Website Screenshots







### Appendix C – Interview Transcripts

**Consumer Interview-MYA I=INTERVIEWER M=MYA**

I-Hello?

M-Hello

I-Hi Mya! How are you?

M-Oh, I’m good thank you, just took me a bit longer to get home

I-No problem, thank you very much for agreeing to do this, I’m sure it’s the last thing you want to do after a long day at work.

M-It’s okay, I’m just hoping people will do it for me I suppose on my dissertation

I-Yeah, get some good karma back. Okay, well I won’t keep you long as you’re just back from work. Just to tell you a little about the study it’s about complaining on twitter and in particular I’m looking at retailers. One of the retailers I’m looking at is the Respondent Retailer.

M-Okay

I-And I believe you have complained to the Respondent Retailer on twitter, is that correct? M-I have done my fair share of complaining

I-Yeah?

M-well, yeah, general customer service more, I have never actually complained about any kind of customer service, but I have sort of complained that an order hasn’t come or something like that

I-Yeah

M-With the means to sort of getting a result as opposed to just giving my opinion and complaining

I-Yeah, that’s exactly what we’re focusing on, really. M-Oh, okay!

I-So, can you tell me a little bit about…was it one instance with the Respondent Retailer, one time that you complained, or was it more than that?

M-Probably quite a few times. I generally message them on twitter because they respond quick and that…if I…my second sort of option if they didn’t respond on twitter, just because twitter is easier, is the live chat

I-Okay

M-But it’s much easier to get to because it is on my general social media and also I know that I can sort of…I have an idea that they might be a bit more active on social media because obviously you can also complain publicly if you want to. It has usually been for if an order hasn’t come or if I’ve made a return and I haven’t got a refund yet

I-Okay

M-It has been things like that

I-Can you…do you remember the most recent case or is there one case that sticks out in your head more?

M-Yeah, I mean I can think of a time I had returned some shoes and they’ve taken a while to give me my refund. I mean, I might have it if you want the example

I-Yeah

M-Do you need it or just my experience of…

I-No, you talk me through your experience and if you have an example maybe you could send me a screenshot later if that’s possible?

M-Well, yeah yeah, I hope I’ve still got it as it would have been probably on my older twitter as obviously on my more formal one I keep complaint-free.

I-Okay

M-But it’s been, I can…actually it was during my prom I bought a pair of shoes and they didn’t look right so I complained on twitter, and they were really quick it was probably within 5 minutes and it was actually my first experience of complaining. I remember it because it went so well because they respond quickly, they get your order and because it was over a certain number of days they just refunded it straight away. So, that was definitely my most positive experience and the one I actually remember the most.

I-Okay

M-But it’s generally…it is very robotic, so it is sort of very impersonal apart from the fact they say your name. But yeah, I have had a pretty good experience there

I-Okay

M-I have always had quite a positive experience when complaining on social media in general

I-Okay okay. And you said there, you made a comment that you keep your own more formal twitter feed complaint free. Why would you do that?

M-Probably because…I don’t know really because I am aware when I message them it’s just dialogue with them in my private messages, but I suppose it’s because I’d rather keep that sort of formal aspect of my life away from things like that because I feel like when I complain I am

quite blunt, I am quite straight to the point, and I think there’s a certain image you want to put out of yourself. And, I suppose I didn’t want it linked on my direct messages because I like to think they are for more important things, so to speak, and I suppose with my informal twitter I keep it for everything and my formal twitter is something I like to keep clear of any…of generally any negativity really, things like complaining

I-Okay

M-I mean, even if I am following a retailer I’d prefer to do it on an account I suppose I am more lenient with.

I-Okay, and what do you mean lenient?

M-Well, if it is your personal twitter…I suppose if you’ve got your friends from home on it it’s always sort of informal, you know you joke about silly things on it, so I guess I’m…I think because the process of complaining is so informal, I think in my head…I don’t know really, because I have never really analysed it, but I have always made sure that I complain when I’m on my informal one. I’m not sure why, I think I just want to keep my formal one completely clean of any complaining or any sort of angry Mya.

I-Okay. Fair enough, yeah, that make sense. For the Respondent Retailer in particular how did you feel about the company before you complained versus afterwards?

M-I feel like with the Respondent Retailer and a lot of other online retailers that I shop from a lot, because I just can’t be bothered sometimes, but I feel like they all are…I have sort of very high standards already, so I understand that they have a reputation to uphold and the fact that they are online means that…I mean, they want to look good online because they sort of have nowhere else. I don’t think I’ve personally ever since them advertised on the street and I have obviously never seen a store or anything, so I know their presence is sort of completely dependent on what they look like online. So, I suppose I sort of expect them to do it out of having no choice because they are so dependent on their online imagine, their brand image. So, you know, I guess I’m aware they have a reputation to uphold. So, I just expect them to respond quick, sort it quick; and, I think they know as well that things can always escalate and people will happily complain online publicly if things go wrong.

I-Yeah, yeah. Do you ever complain using humour, or is it…

M-Yeah, that’s probably my mechanism. Generally, I suppose, nowadays more so because I work so I guess I use humour to make myself feel better about it as well so I don’t get too aggy, but back in…when I used to order before I would be very straight to the point. I would never be rude because I understand that even when you’re online there are people on the other end of it, which I think a lot of people forget. But I’ve always been very straight to the point; I give my order number, I tell them the problem and I expect it to be sorted basically straight away, and that is something I have always sort of expected from them and so I’ve always begun with a very nice tone, I’ve been very straight to the point and they usually will just reciprocate that and I am aware that is just how it works.

I-Yeah, and when you do bring humour into it how…can you give me an example of how you would?

M-To be fair, I say humour but I am not very funny, so my idea of humour is more…so, I suppose…what would I say? I can’t sound very humorous; I guess I just say haha after something and that would be my idea of ‘humour’

I-Yeah

M-But I’d say something like ‘I am hoping it doesn’t get lost, I have an event in a few days and I wouldn’t want to turn up with no shoes’, something like that and say ‘haha’. Just create a dialogue, but I am always wary that I don’t want to give off that impression that I am trying to make jokes and putting them off what they’re doing. You know, I want them to sort out my order, I don’t really want a chatter, so…

I-Yeah yeah yeah. Fair enough. You made a comment that you’ve complained quite a bit…is that…how often do you complain?

M-I’d say quite a bit because I am taking into account all of the fashion labels because I suppose when you collect it it is quite a bit. It is probably about once every two months because I order quite frequently, but obviously only run into issues now and again, or if I want to know

something in particular I’ll contact. It is…that would be with all, but I have probably had about two or three case with the Respondent Retailer, but that’s been in the past maybe two years…

I-Okay

M-So it hasn’t really been that frequent, but I think in regards to maybe how often you would complain to a high street retailer it is definitely more frequently because of course there are more problems. I guess with shopping online you don’t know what you’re getting

I-Yeah, yeah. How do you feel about complaining in general? Not just on twitter, but in general. How do you feel about it?

M-Do you mean to a person in-store, or?

I-Just complaining in general, does it make you…for example, does it make you feel anxious? Or is it something you enjoy?

M-Well that completely depends. I guess if I was complaining for something quite small or it was quite…I mean I do…I think online retail is one of my exceptions because I would never be one to complain really unless it is that bad, I would usually just sort of, just walk away. I mean, if I was getting quite rude customer service…all transactions in my life are quite quick, you pay and you go. So, if it’s like that I never really…I’ve never really thought about it too much but I suppose if I was going to complain…I don’t know I can’t think of a time I have actually complained not online because even when I complain online it doesn’t feel like complaining because it feels part of the deal, you know? If I am going to buy something I need help when thing go wrong? So, I don’t really complain in real life, but I suppose if I did I wouldn’t mind. If there is a reason to complain I am not…I don’t really hold back, I give them the problem and just hope they sort it out.

I-Yeah, okay. Great. What are the advantages, in your opinion, of using twitter to complain? In your experience?

M-They respond quickly. I just know that if I complain on twitter they will get back quite quick just from experience. I suppose the first time I complained was over twitter and then I was just

like ‘that worked out alright’. It is just past experience and you know it has never gone wrong, so.

I-Okay. Are there any drawbacks or disadvantages of using twitter to complain?

M-I wouldn’t say so. There’s probably like once where I have complained on twitter and they have taken over 5 minutes and then I have used live chat instead, but maybe there were occasions where the live chat just popped up and so I thought ‘Alright, that’s easier’. It’s really just what’s there. There’s never been…I guess one disadvantage might be that it’s on your personal, it’s on your twitter on your messages, so you have to be reminded all the time, but that’s the same with anything. In comparison to maybe the live chat where you get rid of the dialogue and it’s done. I suppose there’s that problem where it is sitting in your messages amongst all your other personal messages. Hello?

I-Yeah, I can hear you.

M-Oh dear…Hello? Sorry!

I-No problem, no problem. The disadvantages being that it would be on your twitter feed and when the live chat pops up, then sometimes you would just use that because it’s there.

M-Well yeah, on their website yeah. If it says live chat I would just be like ‘Alright…’. But it’s been more, no it’s probably been online more just because I know they’re going to respond really quick, I just know it.

I-How quick would you expect them to respond?

M-That depends on how angry I am! Probably within 15 minutes? Sounds ridiculous

I-No no, not at all. What else have I got to ask you? You’ve covered pretty much everything. We’re nearly done. Would you continue to use twitter to make complaints?

M-Probably not. I think I have grown out of it now, I think nowadays they do respond very quickly over live chat or personal messages and I think I would just use those. I mean, live chat

especially because I have found that having a sort of one-way dialogue in a private environment is much better, just because I feel like I’ve got their attention fully and of course it’s completely private which I think is much better. Also, yeah, I just don’t think it’s necessary now that I understand…You know they’ve taken great lengths…I guess it is more out of respect that they have taken great lengths to provide other outlets you can contact them on. So, I just don’t see the need.

I-Okay, fair enough. Would you recommend to your friends that they use twitter to make a complaint?

M-Probably not, just for the same reasons as me I would just say to use the live chat, which most of my friends do. We all have the same sort of attitude; probably back in the day if you’ve got a bit more sassiness then you might be like ‘right, I am going to complain to get an answer’, but nowadays, especially as you get older and realise there is a person behind the screen, you’ll be like ‘no, I was will just use live chat as you will get an answer just as fast’.

I-Yeah, okay. Let me think. I think we’ve covered everything, Mya. Thank you very much, that’s really helpful to my research.

M-Good luck

I-When are you doing your own dissertation?

M-Erm, in a year. Actually, in two years because I have just started my placement year, so I’ve got a while to go thank god!

I-If I can help at all at the time, do let me know and I will send it…As I do work in Aston, so if it’s consumer-based I can send it on to my students. And if it is industry-based you never know who I might know to be able to help.

M-Yeah, that’s really helpful…have you got twitter, or perhaps you could follow me through Anne-Marie?

I-Yeah, I think I did follow you M-Did you? Sorry!

I-Oh, no problem. I think I did, but I will do if it is okay with you is I will send you an email and I’m actually as part of PhD doing surveys. So, as well as qualitative interviews talking to consumers, I am also doing quantitative as well. So, I am doing a survey, would you mind filling that in if you have the chance?

M-Yeah! Yeah, anything that helps.

I-Brilliant, thank you. I will send you an email with a link to that and my twitter account, which is full of complaints. I think it actually could be nothing but complaints.

M-What else is it for, right?

I-Well, for me anyway, that is what it is lately. I will say in the email anyway, but if you do have a screenshot of any of the complaints, to the Respondent Retailer in particular, but any of the complaints you have mentioned that would be really helpful too.

M-Yeah sure, no problem. I will have a look. Is that public complaints or any kind of complaint or private complaint?

I-Anything that is on twitter, so private messages or public complaints but on twitter M-No problem

I-I will send you that email. It will probably be the morning by the time I get to doing that M-Yeah, that is fine, I will just reply back with whatever I can find I suppose

I-Thank you very much

END

**Director of outbound delivery solutions and returns**

I: Why do customers complain on social media?

Matt: Us [outbound delivery] and products are the single biggest drivers of complaints. So to answer your first question, why do customers complain on social media? They complain on social media because it’s… for me there is two reasons. It’s an extremely easy way to interact. When you talk to me at 33 [years of age] compared to Ellie [my colleague] at 21. Ellie consumes media and communicates with her peers in a completely different way than what I do. And it’s only since I started hanging out with Ellie that I noticed like how she communicates on social media. She is on snap chat. I hate snap chat. But it is ubiquitous. It wouldn’t occur to Ellie to communicate to Ellie to communicate in any other way! Ellie doesn’t watch TV programmes, she watches YouTube. Like, she. Like that is a massive generational gap, that is. It’s really easy to miss that and discount that when you are a bit older, but like.

I: Yes

Matt: It is not going to go away. It’s like bricks and mortar retailers looking at e-commerce retailers. We [online only retailers] are coming and we are coming hard. And it [complaining on social media] is not going to go anywhere because our core demographic is going to age. So they are complaining on social media because it wouldn’t occur to them not to.

The other reason is that it is a very good way to gauge the temperature of their complaint. So what we notice is, our. The philosophy we adopt when communicating with the customer is, if anything is wrong at all, if you sniff that something might be wrong you communicate. You have to own the message and get in front of the message. So the point is, is that you have to go onto the Respondent Retailer’s twitter page. If you are the only person sat on the twitter feed saying where is my order then you just ask your question. If you log onto that twitter feed and see that 500 customers before have said where the hell is my order. Then you see the tone of the comments start getting harder and harder because it self-justifies because you see everyone else trying to chase their order. And you say well the Respondent Retailer is obviously not on top of it. So if you get ahead of that first question to the Respondent Retailer and you say Hey, we think your order may be late then. We say either your order will be late or potentially your order may be late. I don’t work directly in customer care and I don’t remember the metrics but we have got data that shows us that that stops the customer coming at us. Because you own that early communication. So while our target demographic is 20 somethings. It would never

occur them to talk to us any other way [other than social media] but then we can also. It also shows them through the social part of social media, they can see what everyone else is experiencing at that moment in time.

I: My research has brought to light humorous or sarcastic that would ordinarily have come up before [in more traditional mediums]. Have you any opinions on this?

Matt: We skipped over a question. Which is how we monitor it [social media]. We have got Gnatta. Its core monitoring software.

You will get people being a bit cheeky on there [twitter]. That’s social media, everyone’s trying to go viral. We had one a couple of weeks ago where a lad said we had miss-picked an item in the warehouse. It was a dress and he posted a picture of him wearing the red dress. And he said this doesn’t look like the jeans I ordered! We pulled out his order history and he had order the red dress and the jeans. He was being a smiley comedian you know, he was looking for likes. It’s no big deal.

I: Do you see that as an opportunity?

Matt: Oh yes, yes. We engaged, we had a laugh you know. We got cheeky back. We keep it light, we keep it breezy with the customer. We do what we can. But remember, the first thing we did was do an actual business investigation! Have we miss-picked this guy that red dress. The minute we found out that we hadn’t we said alright we will have a laugh with him but we are not doing PR for him. We have a giggle and we shut it down.

I: So are the staff empowered to have a laugh with them [the customer]

Matt: Yea, a lot of the staff are in their 20’s. They go through a training process. You say this, you do that. They are told be fun, respect our values, be authentic, be creative. It’s a great job straight out of Uni.

I: My research is showing that the timing of the retailer’s response to the complaining tweet is important. Operationally do you have any opinions on that?

Matt: We know that. They have KPI’s. They game the customer experience. They say “Hey we received your tweet. We are looking into it. Like there is nothing personal in that. We do that. As soon as you message the Respondent Retailer with a complaint we have an automated

email that shoots back we are looking in to it. We are always looking for that premium experience.

If a celebrity tweets a complaint they are all over it. Ignore the fact of why it happened for now, let’s fix it. We will motorcycle stuff if we need to. We had the Charlotte Crosby one, in the middle of the snow Charlotte Crosby’s orders gone missing. Turns out she lives up a steep hill. The UPS guy went half way up the hill and went you know what I am not doing that and has turned around. But he hadn’t reported that back correctly. So it’s still down as out for delivery and she tweets it’s a next day delivery and I am still waiting for 4 days for my delivery. So instead of trying to figure it out, went to the warehouse and went just pack a new order and get it there now. From a supply chain perspective we don’t care who Charlotte Crosby is. But from a social point of view our customer base is going ‘Oh my God it’s Charlotte Crosby’.

In the middle of black Friday Ella Henderson form X Factor ordered a black dress. At this point DPD had fallen over and our network is bursting, we are struggling to get anything out let alone a dress for Ella Henderson. So we have gone, right, someone find a van and just stick it on a van to whatever location she wants.

Someone monitors the twitter feed. They do a thing called surplus of followers. So if you have got over 1,000 followers. They will say this is now an issue for us. Customer care will flag that. They will take a screenshot, with a link and sent it over to outbound solutions and say delivery solutions you find the order, logistics you get ready to repack the order. They will tweet back we are looking into it. They are really quick.

With the Beyoncé complaint. PR came straight up to us and said, look this has happened. We got it on a plane to NY the next day. We couldn’t get it in cargo so someone went on the plane with her order as hand luggage.

We are process driven to a point. You need flexibility of approach. You cannot do what we do over a cyber weekend without micro managing the life out of it! We are already Cyber weekend planning and it’s June and we have been for two months. But there is a point where Beyoncé needs her order, yea we will get her her order. Now we are bigger than M&S and Sainsbury’s. I was here in the days when we could wing it.

### Appendix D – Theme sheet for Interviews

## Consumer Interview Theme Sheet

### R0 1 & 2: Motivations and Behaviours of consumers

Possible questions:

* Can you tell me a little about when you complained about a retailer on social media?
* What were you hoping to achieve?
* Did you use humour in your tweet?
* Did you use pictures, emoji’s or hashtags in your tweet?
* Do you think complaining on social media in this way is effective?
* Would you complain about a retailer in the future on social media?

### RO 3: How retailer are handling complaints on social media

Possible questions:

* How did the retailer respond?
* How satisfied were you with this response?
* How did you feel about the retailer before and after this complaint conversation on social media?

## Retailer Interview Theme Sheet

### R0 1 & 2: Motivations and Behaviours of consumers

Possible questions:

* Why do you think consumers complain on social media?
* What do you think consumers are trying to achieve?
* Have you any experience of consumers using humour when complaining on social media?

### RO 3: How retailer are handling complaints on social media

Possible questions:

* How do you feel about consumers complaining about your brand on social media?
* How do you monitor complaints about your brand on social media?
* How do you treat humorous complaints?
* What type of training do your staff receive in relation to dealing with complaints on social media?

Have you any procedures in relation to timeliness of response to complaints on

### Appendix E – Netnographic observations coding spreadsheet

|  |  |  |
| --- | --- | --- |
| **Content Codes for netnographic analysis of customers motivations & behaviours (RO 1 & 2):** | | |
|  |  |  |
| **Priori Codes or Deductively Generated Codes** | | |
| **Authors:** | **Motivations and behaviour:** | **Communication Characterised by:** |
| Nimako, Gyasi & Mensah (2012) | Seeking corrective action | Content. Tone. Emotion. |
|  | Seeking explanation | Content. Tone. Emotion. |
|  | Seeking remedy or redress | Content. Tone. Emotion. |
|  | seeking apology | Content. Tone. Emotion. |
|  | Expressing emotion or anger | Content. Tone. Emotion. |
|  | Seeking compensation or damages | Content. Tone. Emotion. |
|  |  |  |
| Heung an Lam (2003) | Seeking redress | Content. Tone. Emotion. |
|  | Seeking apology | Content. Tone. Emotion. |
|  | Seeking compensation | Content. Tone. Emotion. |
|  | seeking corrective action | Content. Tone. Emotion. |
|  | Ask for explanation | Content. Tone. Emotion. |
|  | Expressing emotional anger | Content. Tone. Emotion. |
|  |  |  |
| **Emergent Codes or Inductively Generated Codes** | | |
|  | **Motivations and behaviour:** | **Communication Characterised by:** |
|  | Seek immediate real time resolution to instore  problem | Content. Tone. Emotion.  Type of Failure. |
|  | Seek immediate real time resolution to online problem | Content. Tone. Emotion.Type of Failure. |
|  | Express anger | Content. Tone. Emotion. |
|  | Express frustration | Content. Tone. Emotion. |
|  | Express humour | Content. Tone. Emotion.Formal v Informality |
|  | Have a laugh at the brands expence | Content. Tone. Emotion.Formal v Informality. Hastages  used. |
|  | Damage the brand | Content. Tone. Emotion.Hashtags used |
|  | Altruistic, warn other consumers. | Content. Tone. Emotion.Hashtags used |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| **Content Codes for netnographic analysis of current service recovery by retailer (RO 3)** | | |
|  |  |  |
| **Priori Codes or Deductively Generated Codes** | | |
| **Authors:** | **Recovery Approach;** | **Characterised by:** |
| Kelly, Hoffma & Davis 91993) | Offer discount | Content |
|  | Offer correction | Content |
|  | Offer correction plus | Content |
|  | Offer replacement | Content |
|  | Offer apology | Content |
|  | Offer refund | Content |
|  | Offer customer initiated correction | Content |
|  | Offer store credit | Content |
|  | Esculate the failure | Content |
|  | Do Nothing | Lack of response |
|  |  |  |
| Forbes, Kelley & Hoffman (2005) | Offer unsatisfactory correction | Content of customers reaction. |
|  |  |  |
| Boshoff (1997) | Acknowledgement and willingness | Content |
|  | Denial | Content |
|  | Correct combination of What, Who and How quickly. | Content |
|  |  |  |
| Miller et al (2000) | Psychological - Apology | Content. Tone. Emotion. Formality. |
|  | Psychological - Empathy | Content. Tone. Emotion. Formality. |
|  | Tangible - Fair Fix | Content. |
|  | Tangible - Value Added | Content. |
|  | Speed of recovery | Time between customers first tweet and the tweet from the  customer indicating recovery |
|  | Frount line empowerment | Content. Tone. Emotion. Formality. |
|  | Follow Up Service Recovery - Psychological - Apology | Content. Tone. Emotion. Formality. |
|  | Follow Up Service Recovery - Psychological - Show  Interest | Content. Tone. Emotion. Formality. |
|  | Follow Up Service Recovery - Tangible - Small token | Content. Tone. Emotion. Formality. |
|  |  |  |
| Einwiller and Steilen (2015) | Ask for more information | Content |
|  | Conecting with someone who can solve the  complainant | Content |
|  | Thanking for the complainant | Content |
|  |  |  |
| Istanbulluoglu (2017) | Timing of first response | Time between initial complaining tweet and firms first  response |
|  | Timing of conclusive response | Time between initial complaining tweet and firms final  response |
| **Emergent Codes or Inductively Generated Codes** | | |
|  | Redirecting customer to another complaint medium. | Content |