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# Management of Customers' Dissatisfactions: Principles and Practices

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## ABSTRACT

This article attempts to discuss how management of customer dissatisfaction in today's business world can be managed. The basic purpose is aimed at knowing how best companies can identify and manage cases of customers' dissatisfactions. The success of any business firm is achieved when customers derive maximum satisfaction from their products. Cases of customers' dissatisfactions are on the rise and the older methods of handling customers' dissatisfactions have not led to the best realization of the firms' objectives. Some mechanisms are put in place in order to solve existing problems: attracting customers is not enough; business must treat customers nicely in order to retain them. Some businesses consider their customer as only past ones while others treat their customers as both past and present and very few others still recognize that customers are much more than past, present and future.

**Keywords:** *Customer dissatisfaction customer, complaint and management.*

## 1. INTRODUCTION

Customer dissatisfaction is a psychological tension that arises post a decision. It is a state that a customer questions the wisdom in his choice. The success of any business firm is achieved when customers derive maximum satisfaction from their products. Owners of businesses budget some reasonable amount of money to be spent on customers all in an attempt to manage dissatisfied customers, so programmes should be in place in order to put an end to customer dissatisfaction. Huge amount of money is spent by owners of businesses in order to create a good environment for customers. Despite all these efforts put in place, cases of customer dissatisfaction still abound.

Customers always expect which offer will give more satisfaction. They are value watchers in the sense that for every expenditure the customers want to get the best out of it. There are some factors that result in customers being dissatisfied despite the deliberate efforts of business to give customers the desired satisfaction. Management of customer dissatisfaction involves working with the relevant groups in order to manage the problem of customers being dissatisfied before it gets to potential customers. Customers are increasingly worried about inaccurate information, rude, or poorly trained personnel, substandard facilities, higher fees, and etc. Management of businesses together with employees must have an understanding of what value they want to present before customers [4].

## Complaint Management

A lot much is known about how complainers have access to the organizational response, and how assessments affect their consumer behavior as far as word of mouth activity and intention are concerned. Consumer complaints cannot be ruled out in any given business environment; customers complaints should be constantly monitored to avoid it growing to unmanageable proportion which may be detrimental to the overall objectives of the organization. It is necessary for the business owners to take steps to minimize complaints. But where they occur, they should be able to manage them wisely. This can be better done when there is a reasonable understanding of customer attitudes and behavior [9].

According to Leboeuf (2005), a typical business hears from only four percent of its dissatisfied customers. The other ninety six percentages just quietly go away and ninety one percent will never come back. That represents a serious financial loss for companies whose people do not know how to treat customers and tremendous gain to those that do. Avery (2002), a typical dissatisfied customer will tell eight to ten people about his problem. One in five will tell twenty. It takes twelve positive incidents to make up for one negative incident. But seven out of ten complaining customers will do business with you again if you resolve the complaint in their favours. If you resolve it or settle it immediately, ninety

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five will do business with you again. On the average, a satisfied complainer will tell five people about the problem and how it was satisfactorily resolved. Studies of customer dissatisfaction show that customers are dissatisfied with their purchase about twenty five of the time but that is only five percent complaint. While the other ninety five percent either feel complaining is not worth the effort most times they do know how or whom to complain, [5].

A satisfied customer tells three people about a good product experiment, but the average dissatisfied customer complains to about eleven people. If each of them tells some other persons the number of bad word of mouth grows rapidly. Customers whose complaints are satisfactorily resolved often become more loyal to the company than customers who were never dissatisfied, [8]. Complaint management involves the social process of planning, execution, and overall control of all measures which a company undertakes when dealing with complaints. Accordingly, customer complaint programmes in business are very much important in order to win back customer satisfaction, thereby building the achievement of the organization objective.

### General Outlines on How to Resolve Customers Complains.

There are some general outlines on how best to resolve customer complains in business that every employee need to understand. (1). **Welcome complains.** It should not annoy you, but it should be seen as an opportunity to get and improve on customer loyalty, be cautious of long term customers that never complain. No body is ever satisfied for an extended period of time (2). **Take every complaint seriously.** It is necessary to take every complaint seriously when it has to do with customers' dissatisfactions and wise to give them satisfactory service without further delay. (3). **Get people at the top to be actively involved in both listening and help resolve customer complains.** This is a very good way of involving top management to gain knowledge of customer wants and then respond immediately at these wants. Some managers most times make decisions without taking into consideration the needs and wants of their customers who make the business possible.(4). **Set up a system to document and classify complaints.** This is very necessary because it enables you to be able to fish out areas that do not interest the customer for an immediate action to be taken. You may also need an exercise book where complaints received and solved are documented, when and how it was resolved is documented in the exercise book. (5). **You need to setup goals for resolving complaints.** This is very necessary because setting up goals for resolving complaints enables you to use the feeling that more cases of customer dissatisfaction will be satisfactorily handled.

Assuming you want to set goals such as calling back ninety percent of all customers who may have complained within an hour and resolve sixty five percent immediately, which means you have achieved your goal and you have now turned complaints into an asset rather than liability. (6).**Learn and get better from complains.** This means that learning is getting better as a result of complains. It enables you to notify way quality of service can be improved upon. There is also the need for proper training on the area of complaints handling and also a better exposure to effective communication concepts.

## 2. COMPLAINT MANAGEMENT PROCESS

(1) **Setting up complaint handling system.** This system is very important because it enables the customers to complain and their complaint resolved. It creates a good impression in the minds of customers that their problems can always be resolved whenever there is a complaint and they are the reason why the business exists. The ideology behind the complaints handling system is to persuade and to notify the business with regards to dissatisfaction. This will go a long way to enhance the business and to spot areas that cause irritation to the customers. (2) **Gathering and collecting complaint.** The aim of this is to enable the company to be recording various areas that the company experiences dissatisfaction, or which cause worry to the customer so that the solution can be proffered. Some other means of collecting complaints from customers are as follows: by writing, customer complaints and suggestion system, customer survey, through telephone calls, and sales force [1Step I](3) **Handling Complaints.** Problem analysis enables the firm to be able to discover the wants of a customer in order to restore satisfaction. Analyzing a problem gives an opportunity for classification and tabling in order to find out customers who as a result of dissatisfaction may want a refund, credit, replacement or free products in the future.(4). **Providing a solution.** Every research is a problem driven, [7]. The aim of complaint management system is to provide or prescribe solution to customers' dissatisfaction. This function enables the customer to be more loyal than before by offering a solution as a result of their opportunity. Customers who are dissatisfied are interested in the following solutions: (a) assurance that problem would not be repeated. (b)Financial compensation for the loss incurred as a result. (c) Opportunity to express anger and tell their side of the story. (d) Free product or service in the future and (e) pay for hassle and inconveniences. (5) **Customer Feedback.** Following up the customer after solution has been satisfied in order to make him more delighted. It also creates a good perception that customer satisfaction is the reason for the existence of a firm in the minds of the customers. It is a feedback loop leading into the organizations which provide the firm with useful

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information about the firm's products, customer satisfaction and perception of the firm. It is a two way communication [3].

### 3. METHODS FOR HANDLING CUSTOMERS' COMPLAINTS

(1) **Listening with Understanding:** If for any reason you are angry, the customer knows that his concern is your outmost priority so it is necessary that you apologize like this "I am sorry for the inconvenience I caused you. Tell me where you need my assistance so that I can help you" The most important thing is that you have shown interest and willingness to help. No matter what may have caused the problem, don't put the blame on them or create an excuse. Take full responsibility for fixing the problem and do whatever you can to solve the problem as possible. (2). **Paraphrase and record what the customer tells you:** You listen carefully whenever you hear a point that is relevant, but not quite clear, you pause the person by saying "please let me get this straight". (3). **Find out what the Customer wants:** If the customer wants a refund, a credit, a discount, or a replacement. The customer is complaining because he has a problem and wants a solution as soon as possible. Finding out what the customer wants amounts to resolving the problem of the customer.. (4) **Propose a solution and get his support:** Immediately you have found out what the customer wants, solution should be provided. You now state your solution in a polite and positive manner. For examples, "I will be happy to take it back and give you full credit for it and other merchandise. I hope it will be okay with you? Is that okay with you"? If it is, act quickly as soon as possible. (5) **Assuming the customer does not like your solution; ask him what he would consider a fair settlement:** Most times it is only a small fraction of complaints from a customer that is actually not fair. It is only people who have knowledge of what is fair and quite often they will propose an equitable solution. If the customer makes a request and you can grant the request assuming it is reasonable and you are under authority to handle it, then you immediately grant the request, but if it is a request that you can not handle, you just politely offer him a refund.

(6) **Make a follow up call to ensure satisfaction:** Where necessary you do a follow up call to the customer much later in order to make sure the customer is satisfied. The purpose of this is to achieve two things. First, it will make sure the problem has been taken care of. And secondly, it will leave final and positive impression in the minds of the customer about your desire to give qualitative service. This may be right or wrong but the customer's contact with you is final. The impression is long lasting. (7) **Never let the customer lose confidence in you:** Where you cannot meet up with the expectations of the customer, politely tell him or her

without any form of delay. But never tell a customer to his face that he is wrong, and never allow yourself to be drawn into an argument. Business must identify, collect, analyze, and bring solution to customers' dissatisfactions since they are the most important assets of the business by encouraging customers to complain. Through these complaints, channel systems, evaluating customer complaints and solutions are provided in order to achieve the goals of the business.

### 4. CONCLUSION

This article has gone a long way to expose the importance of the management of customer dissatisfaction to the entire business sector. The long term survival of businesses depends on their ability to constantly satisfy their customers. There is a basic agreement that customers' dissatisfactions and restoring customers' satisfactions play a vital role in organizational performance, which cannot be over emphasized but indispensable. We must note that the organizations depend on the customers and their satisfactions will to a large extent to determine the survivals or otherwise of the firms. Organizations must strive and ensure that customers are retained by implementing policies that give total consideration to the customers' need and expectation. Satisfied customers can be a good "lead" to prospective customers. The employees of the organizations must be courteous, friendly, and polite and willing to assist the customers at all times. When handling complaints, the employees must not argue, sound unprepared, unwilling to accept faults and interrupt the customers. The organization must necessarily plan and take good care of its customers for survival in today's competitive world.

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