

Causes of Consumer Complaint Behaviour in Saudi Arabia: A Proposed Framework

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Abstract

This paper proposes a framework incorporating key contextual and determining variables that can be used to explain retail consumer complaint behaviour (CCB) in Saudi Arabia. The paper argues the need for a contextual approach to the study of CCB, given the current state of research findings. The approach primarily focuses on the role of intra-country cultural and status differences that are likely to generate differences as to when consumers complain and how they complain.

Keywords: consumers, complaint, behaviour, Saudi Arabia, intra-country, differences

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Introduction

The focus of this paper is to obtain a better understanding of the determinants and forms of consumer complaint behaviour (CCB) in Saudi Arabia and to propose a framework that can be used to research its retail CCB causes. The introduction by the International Organization for Standardization of ISO 10002 (ISO, 2004) as an international guide to the design and implementation of an effective complaints management process is intended to address such aspects as suitable personnel training, recognition of the needs and expectations of complainants and providing complainants with an open, effective and easy-to-use process. One of the challenges for the effective implementation of this Standard in any business in any country is the lack of clarity in research findings as to the reasons why dissatisfied customers do or do not complain as well as how they complain. Country and product category differences in CCB appear to exist and for many emerging countries the drivers have not been researched although this would appear to be a prerequisite for implementing ISO 10002.

CCB in this study refers to “an action taken by an individual that involves communicating something negative regarding a product or service to either the firm manufacturing or marketing that product or service, or to some third-party organizational entity” (Jacoby and Jaccard, 1981, p. 6). When and how this action occurs has been the subject of considerable research with outcomes pointing to a diversity of drivers and forms of complaining that restrict drawing general, cross-country conclusions. Drawing from this literature, the framework seeks to incorporate particular contextual variables that, combined with consumer-behaviour determinants advanced in Western literature, may be capable of providing a better understanding of CCB in Saudi Arabia.

Although a growing body of research addresses the causes of CCB, a part of the reason of this growth is the failure to reach generalisable conclusions about CCB across product categories (Singh and Wilkes, 1996) as well as across countries (Blodgett et al., 2006) and cultures (Hernandez et al., 1991; Ngai et al., 2007). The need to develop a country and product category-specific, complaining behaviour model for Saudi Arabia is justified in terms of differences found by the previously cited researchers as well as the dearth of prior research on consumer behaviour in Saudi Arabia in general (Morris & Al Dabbagh, 2004) and within this field, a lack of understanding of CCB determinants in this emerging Arab economy.

The CCB literature contains many studies of factors influencing complaint behaviour. Swartz and Iacobucci (2000) attempted a grouping of the various factors. Market structure and product factors were distinguished from consumer factors such as demographics, beliefs, attitudes, personality and emotions (Swartz & Iacobucci, 2000), a division between context and personal circumstances that suggests the need to examine CCB at both an economy and culture level. Because the CCB literature is overwhelmingly about Western consumers and economies (Sharma et al 2010), with some Asian studies (Jin, 2010; Kim et al., 2003; Ngai et al., 2007), applicability to an Arab context needs to be established. In fact, very limited

research has been conducted on the determinants of CCB in Arab countries including Saudi Arabia and no research has been found dealing with cultural differences within the Saudi market and its possible impacts on CCB. The lack of prior studies in this economy precludes a presumption that Western models of complaining behaviour can be readily adapted to this very different culture (Berry, 1989; Douglas and Craig 2006). In addition, differences between Arab countries within the Middle-East in terms of their level of economic development and affluence, application of Islamic tenets into economic policy and the development of consumer protection laws (Marinov, 2007; Morris & Al Dabbagh, 2004), as well as the cultural diversity of the population, strengthens an emic approach-a focus on behaviour within the context of its culture (Berry, 1989)- in seeking to understand CCB in this country.

After developing an argument that product category and country differences shape CCB, justifying product category and the country selection, the paper proceeds with a review of the consumer-based determinants of complaint behaviour advanced from studies in primarily Western-based, advanced economies. The proposed framework seeks to incorporate this literature, as well as the Saudi context.

The Product and Country Context of CCB

CCB is likely to vary between product categories. Day's (1984) conceptual model proposes that the likelihood of complaining is linked to the significance of the consumption event, centred on the value and importance of the product to the consumer. Using a framework incorporating multiple antecedents of CCB, including three different service categories, Singh and Wilkes (1996) established significant category differences, reinforcing the difficulty of understanding CCB without understanding the importance of the product to the consumer. This importance is likely to vary between consumers based on socio-economic differences within a country. Additionally, because of cultural differences, CCB between cultural groups may also vary for the same product consumed within a country (Ngai et al., 2007). Drawing from these findings, the study of CCB should be linked to the context of the product category being purchased.

CCB can vary between countries but multiple reasons for inter-country differences have been advanced. The dominant role of complaint policy in influencing individual complaint behaviour was examined by Blodgett et al. (2006). Questioning the view that cultural differences account for differences in CCB across countries, using qualitative, exploratory research methods they concluded that CCB was largely dependent on the return and exchange policies of the particular country. Consumer rights legislation and other measures that encouraged competition between retailers were argued to be more important in determining when consumers are likely to complain than cultural differences between countries.

Based on these tentative findings, CCB in Saudi Arabia could be expected to differ from Western, advanced economies both because of the embryonic stage of consumer protection laws as well as the state of competition in retailing. Consumer protection issues and consumer market regulation are only now starting to be addressed. For example, consumer protection issues were only recently recognised (Kingdom of Saudi Arabia, 1995). As Morris and Al Dabbagh (2004) comment, the main thrust is not about consumer protection but protection of Saudi domestic producers against foreign competition. Reflecting the transition

occurring, the Saudi government has recently established a consumer protection section as part of the Ministry of Commerce (<http://www.commerce.gov.sa/mok2/background.asp>).

In this environment, the return and exchange policy of retailers in Saudi Arabia appears largely voluntary rather than bound by any specific consumer protection laws and for those with a returns policy, the conditions appear no different to Western advanced economies. Some of the policies cited include: return of the products recalled within seven days from the date of purchase; requiring the original invoice or receipt as a proof of purchase; requiring return of all product elements (e.g., including accessories and manual) (Extra Store Website, 2010). Marinov (2007) describes the Saudi retail sector as well developed with the number of large and modern retail chains (some Western) on the rise with increasing competition.

Contrary to Blodgett et al., (2006) lack of strong consumer protection policy and enforcement and less intense retail competition than in Western economies may not be the major influence on CCB country differences. CCB differences have been found for the same product consumed within one country by two different cultural groups (Ngai et al., 2007). While regulatory and competitive conditions between countries may influence when and how CCB is expressed, both demographic and cultural variables are also likely to influence this decision (Ngai et al., 2007), a situation pertinent to Saudi Arabia.

The Saudi Arabian economy strongly depends on guest workers who occupy both highly skilled and unskilled occupations. Guest-workers comprise two thirds of the workforce (CDSI, 2009) and according to CIA Fact Book (<https://www.cia.gov/library/publications/the-world-factbook/geos/sa.html>), more than 20% of the Saudi population is made up of non-Saudis. Of these, probably the largest single group by nationality are Filipinos [18% of all guest workers]. Working visas largely depend on contracts of individual employment with an employer who is usually a Saudi national. Free work permits are rare and so switching employers is a difficult step unless approval is given by the previous employer. Guest worker permits are of a temporary nature but can be renewed, hence not preventing workers living in Saudi Arabia for long periods (POEA, 2009). Marinov (2007) claims Saudi consumer behaviour is strongly influenced by Islamic beliefs to the point that there are two distinct consumer segments, Saudi and non-Saudi (p.144). If so, both cultural and demographic (especially residential status conditions) differences could be expected to generate differences between cultural groups in their CCB.

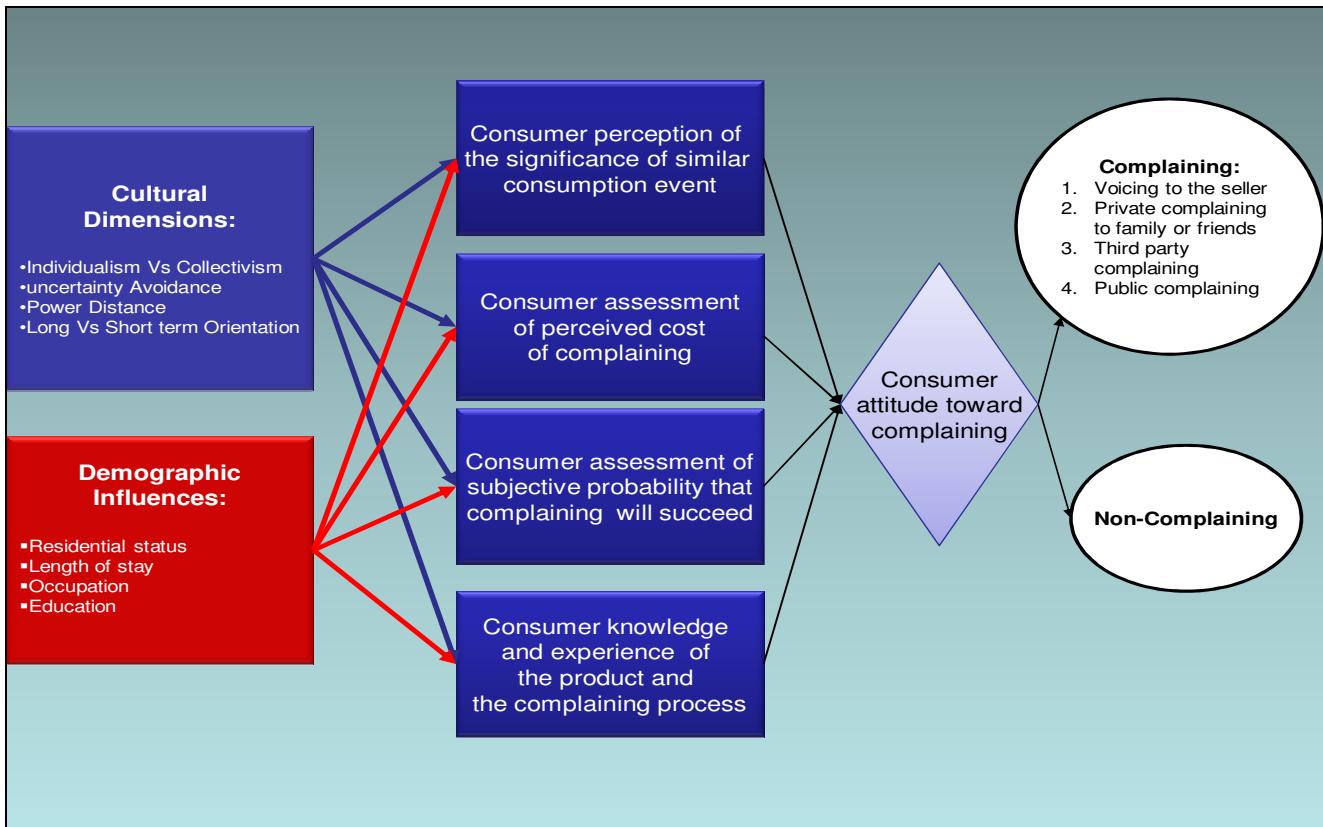
The role of status as an influence on CCB was argued by Andreasen and Manning (1990) in terms of the need for social policies to address ‘vulnerable consumers’ (p.13), “those at a disadvantage in exchange relationships... where that disadvantage was attributable to characteristics largely not controllable by them at the time of the transaction”. Ethnic minorities fell into this definition, leading Andreasen and Manning (1990) to argue they may be less likely to be dissatisfied; less likely to complain when they experience a problem or to report dissatisfaction. Because many guest workers, including Filipinos, often occupy low income, low status occupations, their vulnerability has an added socio-economic dimension that may further impact on their CCB compared with Saudis. Finally, cultural differences between the service provider and customer in terms of both behaviour and expectations could also influence CCB (Bailey, 2000). Thus, residential and socio-economic status, as well as cultural differences, between Saudi and non-Saudi consumers warrant examination from this perspective. Filipinos, as probably the largest national non-Arab, largely non-Islamic population, were chosen as a comparison to the Saudi.

Individual Determinants of CCB and Cultural Differences

Research on context and situational determinants of CCB has not damped growing cross-cultural research seeking to ascertain how differences in culture may influence individual complaint behaviour (Blodgett et al, 2008; Hernandez et al, 1991; Liu and McLure, 2001; Sharma, 2010; Ngai et al, 2007). Cultural values have long been linked to consumer behaviour (Hernandez et al., 1991; Schiffman et al., 2008) and the basic argument is that the proclivity to complain as well as how an individual complains will be influenced by their values. Apart from Blodgett et al., (2008) which was qualitative, the cross-cultural studies noted above have all used some of Hofstede's cultural dimensions (Hofstede, 2001; 2005), with a common emphasis on such dimensions as individualism versus collectivism, uncertainty avoidance and power distance. Donthu and Yoo (1998), on the closely related topic of cultural influences on service quality expectations, include long-term versus short-term orientation. Differences between consumers in these cultural dimensions have been linked to antecedents of CCB, attitudes, methods of complaining as well as non-complaining, generally confirming differences in these aspects.

Comprehensive models that seek to depict the decision-making process leading to CCB are few (Blodgett and Granbois, 1992; Day, 1984; Huppertz, 2003; Stephens and Gwinner, 1998). Day's (1984) conceptual model offers a broad umbrella to examine the role of both cultural and status differences on the complaining process with four antecedent variables (Perceived significance of the consumption event; Consumer knowledge and experience of the product and complaint process; Perceived difficulties of seeking redress; and Assessment of the likelihood that complaining will be successful) influencing attitudes towards the act of complaining, the mediating variable that could lead to either complaining (in its various forms) or not complaining (Figure 1). In addition to this broad approach, as Hernandez et al (1991) noted, the model offered a proposal to operationalise its constructs which have been subsequently tested (Fernandes and Santos, 2007; Hernandez et al., 1991; Kim et al., 2003).

Differences in CCB responses that may arise at each stage of the Day (1984) model may be attributable to possible factors ranging from the previously discussed environmental context and specific consumption situation, to the personal. Personal factors can be broadly grouped in terms of demographics and lifestyle, beliefs and attitudes, personality; and emotion factors (Swartz & Iacobucci, 2000). While personality type and traits (Sharma et al., 2010; Swartz & Iacobucci 2000, Bennett, 1997) and emotional states (Stephens and Gwinner, 1998; Volkov et al, 2005) are shown to influence the complaining/non complaining decision, they are not examined because there is insufficient evidence they are culturally based. Demographic and lifestyle factors such as residential status, length of residency in Saudi Arabia, education and socioeconomic levels are particularly relevant to differences between Saudis and Filipinos in Saudi Arabia, with the likelihood that the latter are more vulnerable consumers, more prone to feel a lack of power when it comes to complaining (Andreasen & Manning, 1990).

Figure 1: Suggested Framework

Sources: Day 1984; Hofstede 2001; Sharma et al., 2010; Ngai et al., 2007; Blodgett et al, 2008; Liu & McLure, 2001; Hernandez et al., 1991; Schiffman et al, 2008; Andreasen & Manning 1990; Goetzinger, 2007; Hirschman, 1970; Singh, 1991.

Framework Proposal and Conclusion

Complaint behaviour actions may vary from the seeking of direct redress from the perceived responsible party to prolonged litigation, and/or a wide range of indirect actions such as negative word of mouth. No action is also a possibility if there is a sense of powerlessness (Sharma et al., 2010; Stephens and Gwinner, 1998; Andreasen and Manning, 1990).

Research findings support an argument that, aside from personality and emotional drivers, consumer choices are influenced by country differences centred around culture, market structure conditions and product category. Intra-country cultural differences have rarely been explored. However, the particular position of non-Saudi consumers within that country may influence their choices, suggesting an interaction between culture and demographic variables that impacts on CCB antecedents, the mediating variable of attitudes, as well as the complaining/non complaining outcome as shown by the directional arrows in Figure 1. Future research will formulate hypotheses that link cultural dimensions used in previous cross-cultural CCB studies to differences in complaining behaviour, as well as variables capturing the differences in the residential and socio-economic status of resident Filipino consumers and Saudi nationals. Groups will be compared in terms of links to the factors in the Day (1984) model. If ISO 10002 is to be implemented in Saudi Arabia so that it is

accessible, effective and easy to use for all consumers, research using the proposed framework may provide a useful start.

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