EFFECTIVENESS OF CUSTOMER COMPLAINT HANDLING AND ITS IMPACT ON CUSTOMER RETENTION: THE CASE OF UNIBANKGHANA LIMITED

by

JUSTICE KINGSLEY BOAKYE MENSAH

(BA Marketing)

A thesis submitted to the Department of Marketing and Corporate Strategy of the Kwame Nkrumah University of Science and Technology in partial fulfillment of the award of the degree of Master of Business Administration (Strategic Management).

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DECLARATION

I hereby declare that this submission is my own work towards the Masters of Business Administration and that, to the best of my knowledge, it contains no material previously published by another person or material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

Justice Kingsley Boakye Mensah	.....	.....
(PG2108714)	Signature	Date
Mr. Samuel Yaw Akomea	.....	.....
(Supervisor)	Signature	Date
Dr. Wilberforce Owusu Ansah	.....	.....
(Head of Department)	Signature	Date

DEDICATION

To My Dear wife Vida Owusu Brobbey and child Ivan Boakye Mensah

ACKNOWLEDGEMENT

I am grateful to the Almighty God for his grace and mercy throughout the conduct of this job. I thank my supervisor Samuel Yaw Akomea for the patient guidance. I thank my family and friends for the support and understanding. Finally, I am grateful to all well-wishers.

ABSTRACT

Market competitiveness demands that companies employ measures to influence potential customers and retain existing customers. It is rather sad situation when companies don't take measures to assess customer complaints to ensure effective resolution. The study sought to assess the effectiveness of customer complaint handling procedures and its impact on customer retention using Unibankghana Limited as case study. This study was conducted using a quantitative research approach and an explanatory research design. The study population included both customers and management of Unibankghana Limited. A respondent sample of 84 respondents made up of 80 customers and 4 branch managers from the 4 selected branches of the bank were sampled to respond to the data collection instrument. The study employed convenient sampling technique. Data was collected through questionnaires. Factor and correlation analysis were used to analyze data. Findings showed that most complainants have made complaints just once or twice predominantly about automatic teller machine (ATM) failures and totally defective ATM machines. The study showed that the reactions of most customer complainants were mostly an expression of disappointment, negative perceptions about the bank, telling other people about their complainants and having an overall mindset of negativity against the bank. Finally, the study showed that majority of customer complainants still maintain accounts with Unibankghana Limited and still transact business with Unibankghana Limited despite making complaints. Based on the findings, the study recommended that management of Unibankghana Limited integrate a complaint mechanism / button into the ATM machines to enhance complaint taking and also ensure total organizational focus to significantly improve services which were found to breed the most complaints.

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CHAPTER ONE

INTRODUCTION

1.1 Background to the study

Globalization has increased competitiveness in the marketing environment, giving rise to the need for companies to adopt diverse strategies to stay competitive. Tronvoll (2012) posits that market competitiveness demands that companies employ measures to influence potential customers and retain existing customers, thereby increasing market share and profitability. To increase market share, Komunda & Oserankhoe (2012) assert that companies must ensure customer satisfaction through counter-measures before sales, during sales and after sales. According to Gruber (2011), one of the most significant counter-measures companies can adopt is customer service, for which customer complaints management is a critical component.

Customer complaint is a customer's expression of dissatisfaction towards a product, service or purchasing situation (Nakibin et al., 2011). Tronvoll (2012) calls it a formal or informal customer report regarding a problem with a product or service. Research has shown that, the way a company handles company complaints can affect its business success in the long term (Robert-Lombard, 2011). Gelbrich & Roschk (2010) assert that poor complaint handling procedures could damage company-customer relationship and cause customer dissatisfaction. It could promote negative word of mouth advertising causing potential customers to refrain from doing business with the company. It could cause low customer loyalty and significantly chances of customer retention. Awara (2010) opines that poor customer complaints handling ultimately cause companies to lose customers thereby losing market share, whilst the recruiting of new customers through marketing promotions cost money, effectively reducing company profitability.

When companies retain effective customer complaint handling procedures, customer attrition is reduced, customer satisfaction is increased, sales figures are boosted and customer loyalty and retention assured (Robert-Lombard, 2011). Various studies have put forward diverse lists of procedures to guide the customer complaint handling process. Gelbrich & Roschk (2010) conducted a meta-analysis of company complaint handling procedures and how they affect future customer response. The study showed that listening to customer complaints, being understanding, and jotting down salient points to gather relevant facts, discussing the complaint and following up with effective solutions was a very effective complaint handling process. Tronvoll (2012) however rejects a stationary procedure, insisting that complaint handling procedures are different in various companies, reaping varying levels of success. Komunda & Oserankhoe (2012) advocates for a comprehensive customer complaints management system, complete with complaint handling procedures, customer satisfaction checks, customer feedback acquisition and customer retention measures.

In Ghana, some companies see the potential benefits of effectively handling customer complaints and the Unibankghana Limited is not an exception. Incorporated as privately operated banks in December 1997 with a mission to, amongst other things provide excellent value to customers, Unibankghana Limited's drive to serve customers has been unflinching, influencing the adoption of several customer service and customer relationship management practices. The mode of customer complaint handling and management however has not received any significant review since the bank's establishment and given the fast-paced nature of competition in the banking industry, it is imperative to examine empirically, the effectiveness of the bank's customer complaint handling approach and how it affects the bank's customers. This

study therefore seeks to assess the effectiveness of customer complaint handling procedures and its impact on customer retention.

1.2 Statement of the Problem

The Ghanaian customer is increasingly becoming self-aware of the need to receive high quality service and to have their complaints over goods or services addressed by companies they deal with. Coupled with that is the increasingly fast-paced competition for excellent customer service amongst banks, handling customer complaints effectively has become a real point for competitiveness. When companies show an inability to deal with customer complaints, customer allegiance could be affected, resulting in high customer turnover and low customer retention. Morrisson & Huppertz (2010) posited that, when companies fail to effectively handle customer complaints, that particular customer could be lost in the process, sparking a chain reaction involving the customer telling at least 27 others, who might also continue to spread negative news about the company involved. Consequently, the loss of one customer could cause a chain reaction where a lot more customers are lost: reducing market share, reducing bank profitability and increasing negative perceptions about the bank.

In light of these assertions, it is imperative that banks perfect their customer handling procedures to avoid the bleak repercussions that come with failure. The challenge here is that, most banks hardly, if not never, assess their customer complaint procedures to find out if it is delivering in terms of handling customer complaints effectively. Due to this, some banks adopt a nonchalant approach to customer complaints, especially if it is related to customer service, oblivious of the latent harm being caused to the bank. Like most other banks, Unibankghana Limited has in a long while not taken a comprehensive look at its customer complaints management process and therefore

cannot be confident of its effectiveness in dealing with customer complaints. It is for this reason and the need for the bank to continuously be at the forefront of customer service and banking excellence in Ghana, that this study has become imperative.

1.3 Research Objectives

The general objective of the study is to assess the effectiveness of customer complaint handling procedures and its impact on customer retention using Unibankghana Limited as case study. The specific objectives of the study are as follows:

1. Examine data records of prevalent complaints over the last 3 years.
2. Find out the reactions of complainants over identified complaints.
3. Find out whether retention resulted in all cases after the resolution of the complaint.
4. Examine the influence of complaint log book in policy formulation at the bank

1.4 Research Questions

The study will seek to achieve the research objectives by answering the following research questions.

1. What is the import of data records of prevalent complaints over the last 3 years?
2. What are the reactions of complainants over identified complaints?
3. What is the level of retention in all cases after the resolution of the complaint?
4. What is the influence of complaint log book in policy formulation at the bank?

1.5 Significance of the Study

Customer complaint management is an important part of both customer service and customer relationship management especially in a highly competitive sector like the banking sector. This study is therefore significant to all stakeholders of the banking sector.

The study would serve to educate Unibankghana Limited in particular and by extension, all other banks in Ghana of the possible latent shortcomings of their customer complaint handling procedures and provide measures on how to remedy the situation. When this is achieved, banks would avoid the harsh repercussions of losing customers to competitors, having to spend large sums of monies to attract new customers and avoid the huge cost of public relations campaigns. To this end, the study would help banks not only avoid cost, but increase market share and profitability in the long term.

To bank employees, the study would equip them with knowledge on better customer complaint processes that would serve to improve their impact on customer service and subsequently improve their customer relationship management skills. A better complaint handling system would also serve to increase market share and thereby preserve the jobs of bank employees.

The study would also benefit the government of the land significantly. A healthy banking sector is a cash cow for revenue mobilization which would help the government fulfil its developmental agenda for the nation. To the general public, the study would help to ensure that their complaints about customer service, bank procedures and certain unexplained charges are given the needed attention and appreciation to enhance their dealings with banks. The study would also enhance the provision of customer service in banking halls. To academia, the study would add to extant literature on the topic and serve as a reference material to future researchers. The findings of the study would also give directions to future researchers as to which areas of the topic need further research.

1.6 Scope of the Study

The scope of the study is limited to assess the effectiveness of customer complaint handling procedures and its impact on customer retention using Unibankghana Limited as case study. Conceptually, the study focuses on customer complaint and handling procedures and how it affects customer satisfaction and customer retention. Geographically, the study confines itself to Unibankghana Limited branches in the Kumasi Metropolis of the Ashanti Region of Ghana.

1.7 Overview of Research Methodology

This study will be conducted using a quantitative research approach and an explanatory research design. Quantitative analysis would enable the study to collect, group and categorize data to allow for statistical analysis. Explanatory design, according to Kothari (2011) looks at how things come together and interact. Explanatory designs seek to uncover causes and effects of interactions and to find true interpretations for phenomena. An explanatory design would allow for deeper investigation into the effects of deep level diversity on work-related attitudes using insights from the healthcare organizations in the Ashanti region. Questionnaires would be used in collecting primary data for the study.

The study population will include both customers and management of Unibankghana Limited. A respondent sample of 84 respondents made up of 80 customers and 4 branch managers from the 4 selected branches of the bank would be sampled to respond to the data collection instrument. The sample would be made up of customers who have made formal complaints in the past 3 years and therefore have their names the banks complaints log books. The compliant log books of 4 branches of the bank would be examined. Since past customer complainants may live and work in diverse places in

and outside Kumasi and could be hard to reach, the study would adopt convenient sampling techniques. A convenient sample according to Yin (2005) is one where the units that are selected for inclusion in the sample are the easiest to access. Collected data would be coded into Statistical Package for Social Science (SPSS) and Microsoft Excel software. Data would be analyzed using factor analysis (frequency tables, mean and statistical standard deviation analysis) and inferential analysis like correlation and regression analysis. Findings would be presented using tables, smartart and charts.

1.8 Limitations of the Study

The study was limited by time. The time allotted for the completion of the study was perceived to be short and therefore limited the ability of the study to select a larger sample size from a larger and geographically more diverse population. To effectively combat this limitation, the study limited the geographical span for respondent sampling to kumasi (the capital of the Ashanti region) employed convenient sampling with the view of ensuring representativeness and generalizability. The study also worked to execute the various chapters of the work concurrently in order to meet the time limitations.

The limitation of time also affected the length of data collection time. Since the study respondents were dispersed over a large geographical area, getting to them on time to provide responses to the study was challenging. The researcher therefore had to take some time off his work schedules and dedicate himself to chasing down respondents (customers who had made official complaints).

1.9 Organization of the Study

This research paper was organized in five chapters. Chapter One introduced the topic, presented a background to the study, put forward a problem statement, enumerated the

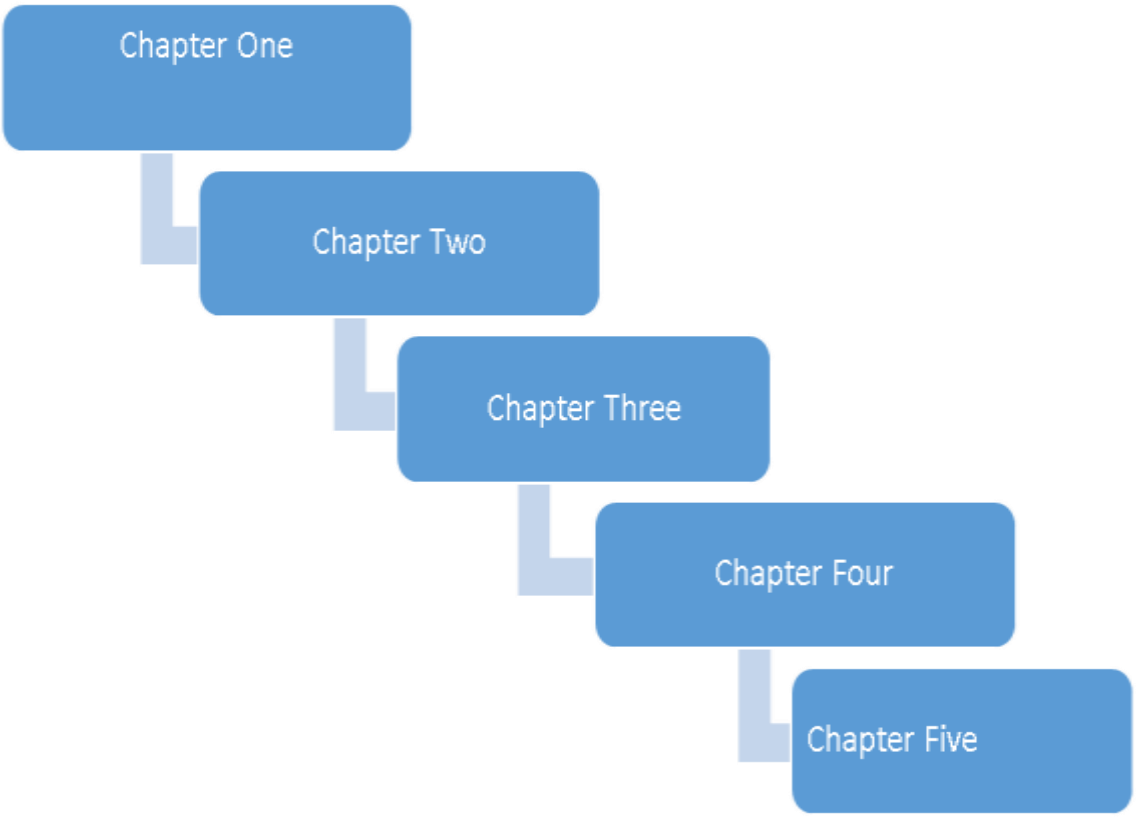
research objectives and questions, discussed the significance of the study to the various stakeholders, showed the scope, limitations and organization of the chapters making up the study.

Chapter Two reviewed extant literature and previous studies relating the subject. The chapter compared the findings and theoretical underpinnings of other studies and assessed their correlations to this study. The study considered other literary works, textbooks, journals, reviewed web articles, and other credible sources of data.

Chapter Three presented the methodology used in undertaking the study. The chapter took an in-depth look into research design, research population, the data collection and analysis methodologies, sample and sampling technique, instrumentation, and data analysis techniques employed in the study.

Chapter Four analyzed the data collected and discussions of the study. The chapter gave a detailed presentation of the collated data, analysis of the data and a discussion of the findings. The presentation of data was divided into two sections, the demographic characteristics of respondents and the presentation of the main findings. Factor and correlation analysis, were employed to analyze data.

Chapter Five presented a summary of the research findings, itemizing all the findings made under the various research objectives and making recommendation based on the findings obtained. The recommendations were mostly geared towards the management and staff of the selected branches. The conclusion of the study put the entire study into perspective and summed up the theme, findings and the directions for future studies.



CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter explores the related and the relevant previous studies conducted in this area. It focuses on what previous studies have said about the organizational responses to consumer complaints and their impacts on complainant's satisfaction and customer retention. Literature was sourced from journals, web articles, books, news reports and other sources considered to be credible.

2.2 The Concept of Customer Complaint

A complaint is an expression of dissatisfaction, about the standard of service, actions or lack of action by an organization to an individual. According to Tronvoll (2012) it is an action taken by an individual which involves communicating something negative regarding a product or service. Crié (2001) assert that it will be based on the perceived dissatisfaction with a product, a service or an event in the course of the buying process or during the consumption. Hoyer & McInnis (2010) further argues this dissatisfaction is based on the customer's feelings and perception. This view is very significant in the services domain since quality evaluation to a certain degree is based on customer's subjectivity and failure in services can affect customer outcome and service process (Hansen et al., 2009).

Complaint management is the way in which companies systematically handle problems in customer relations (Jeschke et al., 2000). According to Johnston (2001) cited in Hansen et al. (2009) it involves the receipt, investigation, settlement and prevention of customer complaints and recovery of the customer. A customer complaint is a report from a consumer providing documentation about a problem with a product or service or

again, is any expression of dissatisfaction by a customer or potential about customer delivery or a product by the company or its agents (Landon, 1980). Tronvoll (2012) argue this processes can be likened to information processing in an organization. The goal is to stabilize customer relationships that are at risk and to assure a specific level of quality by creating a consistent business environment regarding personnel.

2.2.1 Nature and Scope of Customer Complaint

Customer complaints behaviour (CCB) has often in marketing been seen as either a static and post-purchase activity or as a dynamic adjustment process. This issue is still debated. A complaint provides an opportunity for service recovery followed by a chance to educate the customer, strengthen loyalty and evoke positive Word of Mouth (WOM) comments. Successful organizations encourage customers to complain (Tronvoll, 2012).

It is because of the dynamic competition in the service sector that there is a growing interest in understanding how customers evaluate the service experience (Stauss & Seidel, 2004). So since all organizations experience some degree of customer dissatisfaction (Ndibusi & Ling, 2006), it makes it crucial to study post dissatisfaction behaviour of customers. Research by Casado et al., (2011) suggests that consumer complaint behaviour (CCB) is a complex phenomenon.

The complexity in CCB is reflected in the number of alternative taxonomies, schema and definitions proposed to explain this kind of behaviour. Tronvoll (2007) adds that higher information control and weaker ties between the consumer and the service provider enhance customer complaints. Therefore, management needs to establish the processes and service providers' responses in terms of service-recovery activities,

organizational responses and implications for customer experience outcome like problems of lost customer lifetime value and behavioral intentions (Tronvoll, 2007).

Complaint behaviour is not being well handled in terms of customer service (Kim et al., 2003; Ndibusi & Ling, 2006). There is need of feedback and action to reduce their negative effect. Basing on the above, marketers are today seeking information on consumer behaviour and how to handle customer complaints. Information and feedback from customers are generally acknowledged as important factors in achieving a positive marketing outcome (Maxham & Netemeyer, 2003). Unfortunately, most of the customers do not complain after service failure dissatisfaction, but exit (Tax et al., 1998). Therefore, organizations need to understand how customers react to service failure and the providers' efforts towards recovery.

Customer complaint behaviour (CCB) refers to the responses triggered by perceived dissatisfaction that is neither psychologically accepted nor quickly forgotten in consumption of a product or service (Homburg & Fürst, 2005). A commonly used definition of customer complaining behaviour was suggested by Singh (1988), who conceptualized it as a set of multiple (behavioral and non-behavioral) responses, some or all of which are triggered by perceived dissatisfaction with a purchase episode. On their part, Jacoby and Jaccard (1981) had earlier defined it as an action taken by an individual that involves communicating something negative regarding a product or service.

Complaining by satisfied consumers is considered outside the realm of Customer complaints behaviour (Singh 1988). Traditionally, the common determinant of complaining behaviour was described as dissatisfaction. Consumer dissatisfaction is a result of the discrepancy between expected and realized performance (Ndibusi & Ling,

2006). Dissatisfaction is based on disconfirmation of expectation (Oliver, 1987) and it is defined as a customer experience that is less than the perceived expectation. Negative disconfirmation occurs when the service performance does not live up to prior expectations.

During service encounters, consumers expect zero-defects in service delivery. Despite the service provider's attempts to offer consistent, high-quality service to consumers, service failures may still occur because of the critical service characteristics of inseparability and variability. Service delivery is heterogeneous across service encounters due to the variability in situational factors and individual differences between consumers and service employees (Singh, 1990). Dissatisfaction is identified as the independent factor that is necessary to trigger consumer complaints (Johnston & Michel, 2008).

However, many consumers who are dissatisfied may not take any complaint actions, and those who take actions expect to get justice (Gruber et al., 2009). For customers who feel that justice was not served, they are likely to feel angry, and may engage in negative WOM or may exit (Brodgett & Anderson, 2008). It has been argued that organizations may recover customers after one failure; however, it may be difficult to recover from multiple failures. This requires well planned communication effectiveness with appropriate dialogue and interactions.

2.3 Theoretical Review

The following theories relate to the research topic and the objectives set forth within the study.

2.3.1 Equity Theory

Consumers are prone to spread a negative WOM when they perceive an unfair response to a service failure. When customers perceive that they have not been sufficiently compensated for the damage, they may feel even more annoyed than they were subsequent to the failure. This is because a report of a service failure may imply unfair treatment of the customer; service recovery must therefore re-establish justice – from the customer's perspective. With effective handling of complaints, consumers will perceive fair treatment. In the case of a service failure, individuals will perceive inequity and they will try to restore equity by complaining. According to Gruber (2011), complaining customers develop their equity or fairness perceptions by evaluating three facets of the complaint handling encounter: the fairness of the decision making criteria, procedures and polices used to accomplish the final outcome (procedural justice), the fairness of the obtained tangible outcomes (distributive justice) and the interactional justice or manner in which the service complaint handling process is carried out (Tax et al., 1998). Equity theory is relevant where exchange takes place because it is a notion of fairness; and it is conceivable that one or both parties perceive inequity in an exchange (Maxham and Netemeyer, 2003). Equity theory seems quite tenable in a service failure context because consumers usually perceive an inequity following a service failure. When inequities arise, equity theory provides a meaningful framework for shaping consumer perceptions of satisfaction, purchase intent and WOM. The relationship between equity sensitivity and recovery expectations has not been empirically established. Benevolent customers may hold less stringent expectations than entitled customers, but the existence of these groups has not been empirically established (Ruyter & Wetzels, 2000).

Several researchers have used equity theory in the explanation of service failure and consumer responses to the failure (Maxham & Netemeyer, 2003). The argument is that consumer ratings of failing organizations will increase when they offer fair recovery efforts. Researchers have suggested that consumers are prone to spread a negative WOM when they perceive an unfair response to a service failure. Therefore, when customers perceive that they have not been sufficiently compensated for the damage, they may feel even more annoyed than they were subsequent to the failure (Maxham & Netemeyer, 2003). This is because a report of a service failure may imply unfair treatment of the customer; service recovery must therefore re-establish justice – from the customer's perspective (Michel et al., 2009).

2.3.2 Perceived Justice Theory

Service researchers have turned to theories of organizational justice to explain customers' reactions to service recovery (Tissot, 2003). Justice perceptions are the individual subjective assessments of organizational responses. The subjective evaluation of the response of the complainant is crucial because perceptions are the subjective, often biased, interpretation of reality that account for individual behaviour (Gelbrich & Roschk, 2010). Blodgett and Anderson, (1994) contend that prior research demonstrates that the behaviour of complainants depends largely on their perceptions of justice. Higher levels of distributive, interactional and procedural justice lead to more favorable repatronage intentions and a decreased likelihood of negative WOM (Blodgett & Anderson, 2000). Complainants who perceive that justice is not served likely become even angrier, engage in negative WOM and exit (Tax et al., 1998).

Distributive justice is outcome justice. It focuses on equity issues in the mind of the customer – an appraisal of the benefits received relative to the costs (money and time)

associated with them. When the organization does not deliver on expected benefits, leading to a sense of being unfairly treated, this necessitates recovery. In recovery, customers may expect a refund, an apology, or/and compensation (Michel et al., 2009). Distributive justice involves dealing with decision outcomes; namely, the principles of equity and equality. Every customer who initiates a complaint expects some outcome to result from it and it is the expectation of positive outcomes that drives consumer complaint decisions (Oliver, 1997). Most often, however, dissatisfied consumers want a refund, replacement, or compensation when they complain, and most studies of post-complaint satisfaction show that distributive justice in the form of compensation has the greatest impact on customer satisfaction with recovery, repurchase intentions and loyalty (Smith et al., 1999; Tax et al., 1998).

Interactional justice refers to how customers perceive the way they are treated; treatment is perceived as fair when complainants assume that information is exchanged and outcomes are communicated in a polite and respectful manner. A complainant procedure is considered fair when it is allegedly easy to access, provides the complainant with some control over the disposition, is flexible and is concluded in a convenient and timely manner, (Gelbrich & Roschk, 2010).

Customers should be treated as individuals whose specific requests are acknowledged. Procedural justice refers to process fairness and the evaluation of the procedures and systems used to determine customer outcomes, such as the speed of recovery (Tax et al., 1998) or the information communicated (or not communicated) about the recovery process (Michel, 2002). Procedural justice involves dealing with decision-making procedures, or having a complaint procedure the customers perceive as fair. Consumer evaluation of the interaction dimension suggests that the quality of the interpersonal

treatment and communication during the encounter are likely to be heavily weighted by consumers when evaluating service encounters (Smith et al., 1999).

However, procedural fairness could be mitigated by a rude, impersonal interactional style through which information is obtained and outcomes are communicated. Therefore, employees have the task of handling customer complaints equitably. In case of unfair treatment of the customer, service recovery must re-establish justice (from the customer's perspective). This is because justice during service recovery is determined by the customer.

2.3.3 Interaction of distributive, interactional and procedural justice

Complainants consider all three justice needs to evaluate the effectiveness of the organizations complaint handling effort, but interactional justice takes the center stage. Blodgett & Anderson, (2000) and Karatepe & Ekiz, (2004) came to a conclusion that interactional justice has a stronger impact on satisfaction than the other two justice dimensions. Interactional justice may be a more important moderator of reactions to unfairness than procedural or distributive justice. Both the immediacy and transparency of social interactions make it relatively easier for customer to assign moral accountability when contact employees violate interactional justice principles.

This proposition is corroborated by Collie et al. (2000), who found that customers reported significantly higher levels of satisfaction in conditions where the service provider was courteous and vice versa. Gelbrich & Roschk (2010) indicated that customers would be satisfied with a partial refund if they were treated kindly and respectfully. Customers who were treated unpleasantly would not continue the relationship with the retailer and would engage in negative WOM even in the case of a total refund (Gelbrich & Roschk, 2010). This stresses the importance of understanding

how dissatisfied customers want to be treated by contact employees during complaint handling encounters.

The assertion is made by Davidow (2003) that the distinctiveness of the three justice dimensions has been called into question. They made a report on high correlations between justice dimensions. Liao et al., (2003) adds that perceived justice has a higher order latent variable in a confirmatory factor analysis using this construct as a single predictor of post complaint satisfaction. Duffy et al., (2006) include the justice dimension in one latent variable in their confirmatory factor analysis (CFA) arguing that customers use a compensatory model when forming an overall perception of justice.

A possible reason for the poor discriminate validity is that consumers are unable to clearly distinguish between a favorable outcome and respectful treatment. Whether the three justice dimensions have distinctive antecedents and consequences that aid in deriving implications for marketing practitioners is questionable. Complainants consider all three justice needs to evaluate the effectiveness of the organization's service recovery efforts, but interactional justice takes the Centre stage. Furthermore, Blodgett & Anderson (2000) discovered that high levels of interactional justice can offset lower levels of distributive justice.

2.3.4 Attribution theory

Attribution theory provides a basis for understanding how consumers respond to service failures (Folkes 1984); and predicts that the perceived reason for a service failure influences the level of consumer satisfaction. Attributions are the perceived causes of a failed service situation (Bitner 2010). Bitner (2010) argues that the perceived causes can be classified into three dimensions, including locus (who is held

responsible), controllability and stability. Regarding controllability, it refers to causes one can control such as skills compared to causes one cannot control such as others' actions (Weiner, 2000).

Attribution theory is concerned with how individuals interpret events and how this relates to their thinking and behaviour. Heider (1958) was the first to propose a psychological theory of attribution; and Weiner (1986) developed a theoretical framework that has become a major research paradigm of social psychology. Attribution theory assumes that people try to determine why they do what they do, like attribute causes to behaviour. Weiner, (2000), asserts that attribution theory is the systematic study of the perception of causality. Maxham & Netemeyer (2003) stated that extant research has found attribution to help explain consumer perceptions and intentions in regard to their service recovery experiences; influence customer communication and recovery outcome effects on satisfaction and repurchase intentions.

There is a well-founded argument in using the attribution construct as a mediator between disconfirmation and service encounter satisfaction Bitner (2010). Kim et al., (2010) and Maxham and Netemeyer (2003) assert that attribution has a direct effect on cumulative satisfaction and repurchase intentions. Attribution search may follow a negative and unexpected event or failure (Weiner, 2000); and attribution theory is the systematic study of the perception of causality. In a complaint behaviour context, product and service failure is the kind of negative and unexpected event that has been shown to bring about causal search; attributed to internal or external locus. When retailers are thought to have control over the cause of product failure and it is stable, consumers feel angry and desire revenge more than when the retailers are believed to

lack control over the failure. The outcome of a purchase situation could be attributed to something temporary (unstable), or to something stable.

Disconfirmation of an expectation acts as an important causal agent for generating attribution processing. This means that events that do not conform to expectations may trigger the search for an explanation for the event (Laufer, 2002). Attribution may follow an expected event or failure (Weiner, 2000). Weiner (2000) further reasoned that the enduring interest in attribution theory is due to its focus upon the universal concern with the explanation why a particular event or outcome has come about and the consequences of phenomenal causality. Swanson and Kelley (2001) stated that extant research has found attribution to influence customer communication, recovery expectations and recovery outcome effects on satisfaction and repurchase intentions. Attribution could help explain consumer perceptions and intentions in regard to their service recovery experiences. Bitner (2010) presents a well-founded argument in using the attribution construct as a mediator between disconfirmation and service encounter satisfaction.

In conclusion, organizations need to strive to achieve perceived justice while handling customer complaints. In case of service failure, individuals will perceive inequity and they will try to restore equity by complaining and to go through service recovery. Unfortunately, many service organizations have developed reactive service failure strategies that focus on complaint management rather than service recovery issues. Just a few organizations seem to be gaining benefits of recovered customers (Johnston & Michel, 2008). The relationship between perceived justice, complaints handling and satisfaction with service recovery as they pertain to different post-complaint behavioral responses have not been investigated (Casado et al., 2011).

2.4 Handling Customer Complaints

Complaints and the processes for handling them are important issues for service providers because they have the potential to have an adverse effect on customer satisfaction and loyalty (Anderson, 1994). Two major areas of research are on the motivation or antecedents for complaining behaviour (Bolfing, 1989); customer factors like demographic characteristics (Tronvoll, 2007); attitudes and experience with regard to complaining behaviour (Singh, 1990). Research on CCB has focused mainly on the customer's attitude towards complaining (Richins, 1983), attribution of blame and the likelihood of a successful solution (Singh, 1990). Lovelock et al., (2001) recommends effective generic guidelines in the successful resolution of complaints. They include acting expediently to resolve the issue; acknowledging mistakes without being defensive; not arguing with customers; openness in solving the problem; considering the possibility of compensation trying to regain the goodwill of customers (McCole, 2004).

Despite the fact that organizations appreciate the importance of managing complaints, overall customer satisfaction after a failure has not improved (Michel et al., 2009). Organizations should encourage dissatisfied customers to complain so that they can solve the problem and retain the customer. Unfortunately, organizations that do not rise to the challenge of complaining customers are turning down the important opportunity of reclaiming and improving a relationship. Owing to the apparent importance of effective complaints handling, there is a research gap on how organization management should treat all complaining customers to create complaint satisfaction. Organizations keep trying to improve the service quality but basing on the nature of the service, overall customer satisfaction remains a problem in organizations.

A meta-analysis of satisfaction with complaint handling has identified antecedents such as expectation, performance and disconfirmation of expectations (Szymanski & Henard, 2001) while another study has looked at the affective responses to complaint handling experienced by the customer (Varela-Neira et al., 2010). From the meta-analyses perspective, complaint handling is judged by post-complaint customer behaviour such as repurchase intentions and WOM activity (Gruber, 2011). Further research is needed in order to establish a clear line between an organisation's response to a complaint and the impact that that response has on post-complaint customer behaviours.

There is also need to quantify the effects of each response dimension on PCB to plan an effective service recovery (Gee et al., 2008). To address this research gap, the researcher ought to develop and empirically test a model based on CCB; complaints handling mechanisms and customer behavioural responses. Service recovery has an outcome dimension (Duffy et al., 2006), which is "what?" the customer receives as part of the organisation's efforts to recover, whereas the process dimension of service recovery is concerned with "how?" recovery is achieved. Duffy et al. (2006) suggest that the outcome dimension is more important when the original service is delivered, but the importance of the process dimension is accentuated in service recovery. However, this may depend on the service in question. Kau & Loh (2006) contends that service recovery involves interaction between a service provider and a customer; a shortfall in the provision of the original service, a response to the shortfall, and a desired result to turn a dissatisfied customer into a satisfied one.

2.4.1 Customer Complaint Procedures

It is essential for a firm to have an effectual response when a complaint takes place. This should be seen in the form of the quality of the reply, ability to address customers concern and perception and plan for future prevention. Behrens et al. (2007). Various authors have separately tried to conceptualized complaint management process. For example, Wysocki et al. (2010) identifies three important aspects of the complaint process which includes (i) activity seeking customer complaints; (ii) recognizing the type of customer that is complaining; and (iii) responding appropriately based on the type of complainants.

Complaint management should be evolved through a four-stage process starting with an in-depth analysis and strategic use of past complaints and results Adams (1993). Cook & Macaulay (1997) deal with the rather normative concept of empowered complaint management. Important elements in this concept include a positive and proactive (non-defensive) attitude towards complaints, fast reply and simple solution, and that complaint handlers should be regarded as an important part of the company. Johnston (2001) however, supports the operational view on complaint management which advocates for the process by which complaints are handled and customers recovered.

The proponents of operational view on complaint management process argued for speedy response, reliability, and consistency of response, ease of access to the complaint process, keeping the complainant informed, and well-trained staff who understand the complaint process (Johnston, 2001) for successful implementation of complain management process. Hansen et al. (2009) categorized operational view on complaint management into three sub-dimensions: (i) complaining accessibility; (ii) retailer-customer interaction; and (iii) compensation policy.

It is important that the retailer convinces his/her customers that complaints are welcome and that they will be handled seriously Hansen et al. (2009). Since Johnston (2001) asserted mistakes are an unavoidable feature of all human endeavor and complaints are a natural consequence of any service. This may imply that if a retailer receives only few complaints, it could be dissatisfied consumers are just switching to a competitive retailer without voicing a complaint (Goodmann, 1999) or if the customer is uncertain on where/or how to deliver the complaint or, even worse, if the customer doubts the retailers interest in receiving the complaint (Hansen et al., 2009).

Retailer-customer interaction stress a complaint process where customers are more interested in obtaining a fair and serious procedural treatment rather than specific result of the complaint process (Kim et al., 2010). Saxby et al. (2000) supported this view and argue that consumers are always occupied with obtaining procedural justice, which according to Sheppard et al. (1992) can be termed perceived fairness of a process that culminates in an event, decision, or action. Hansen et al. (2009) suggested a situation where customers feels exposed to a poor retailer-customer interaction cannot necessarily be compensated by a favorable outcome of the process. Davidow (2007) asserted customer dissatisfaction can also take place during the complaint process.

It is therefore imperative retailers welcome complaints and treats them seriously with positive attitude during the process. Hansen et al. (2009) further suggested the principal motive for complaining is his/her perceived loss and consequently would be expectant of reimbursement or compensation in any of the following forms offering price-reductions, repair or exchange of poor products (Hui & Au, 2001). Blodgett et al. (1995) suggested interactive justice carries a heavier weight which implies fair settlements or distributive justice is not enough. It is therefore imperative for customers

to be treated with such values including empathy, courtesy, honesty, and politeness (Tax et al., 1998). Chase & Dasu (2001) further argue that whether compensation and reaction is perceived as appropriate is dependent on the kind of failure that occurred.

For example financial or tangible reactions are appropriate when there has been a loss of economic resources or there has been a problem meeting demands and an intangible reaction is seen as adequate in the case of a loss of social resources and in the case of failures in the process caused by employee´s behaviour (Chase & Dasu, 2001). Kim et al., (2010) also argue the scale of the failure also has an impact on the evaluation of the compensation. The social exchange theory suggests that the value of the exchanged goods, the loss perceived by the client and the recovery measure should be balanced (Kim et al., 2010).

2.5 Customer Satisfaction

As a quantitative index, customer satisfaction describes the difference between expectation and perceived quality, and measures the degree of satisfaction. If expectation is lower than perceived quality, satisfaction will be high and customers will recognize the product; contrarily, satisfaction will be low and customers will complain the products. In general, high customer satisfaction should indicate increased loyalty for current customers, reduced price elasticity, insulation of current customers from competitive efforts; lower costs of future transactions reduced failure costs, lower coasts of attracting new customers and an enhanced reputation for the firm (Claes et al., 1994). Cardozo (1975) points out the customer satisfaction can boost repeat purchase and cross purchase.

Some other scholars such as Churchill & Surprenant (1982) and Engel et al.,(1984) all report the customer satisfaction is a kind of evaluation about purchase and using, and it is produced by the buyer anticipated result reward and the investment cost. Lerman (2006), in summarizing existing literatures, distinguish from specific transaction and cumulative transaction, two viewpoints explained the customer satisfaction. Specific transaction viewpoint suggested that customer satisfaction was the customer evaluated after buying behavior at some specific purchasing place or time, and it may provide diagnosis information to the specific commodity or service performance. Cumulative transaction viewpoint was that the customer satisfaction evaluated all purchase commodity or service experience, and it may provide the enterprise some important operational performance indicators in future (Bodey & Grace, 2006).

2.5.1 Customer Satisfaction Levels over Complaint Handling

At present, many firms pay great attention to customer complaint, and some ones even take the number of customer complaints as an important measure way about satisfaction. They try to increase customer loyalty by reducing customer complaints, but this approach is not satisfactory. Some statistics indicate that encouraging dissatisfied customers to complain directly is a cost efficient way to improve satisfaction and loyalty (Bodey & Grace, 2006). One reason for the fact is that these firms confuse the types of complaint behaviors.

Customers, complaining directly with high expectations over a firm, are still in the hope of changing and unwilling to abandon the firm immediately. If their complaints could be dealt with well, some dissatisfied customers will be turned into satisfied ones and have a favorable view of the firms, then the overall customer satisfaction will

increase. The complains contain a lot of important information such as product design, quality control and improvement of management, which are helpful to the firms for providing more satisfactory products and services (Lerman, 2006). Bodey & Grace (2006) also found that if the company can disseminate consumer direct complaint information in the organization and create remedies to preserve, customer satisfaction will be elevated.

On the contrary, if consumers are not given organizational channels and opportunities to complain, they will voice concerns to others outside the company and their satisfaction degree will decreased. McCole (2004) thought that the indirect complaint behavior normally indicates a degree of consumer dissatisfaction, company unresponsiveness or related factors, which can severely threaten marketing relationships and effectiveness. According to the viewpoint of Bart & Dirk (2005), if customers who do not complain to the firm when dissatisfied, the company will lose the opportunity to rectify the problem (Fornell & Wernerfelt, 1988) and to restore the customer's satisfaction level (Lerman, 2006).

In addition, some dissatisfied customers may even tell their unpleasant experiences to others forming bad word of mouth, so the performance of advertisements and promotion would be abated as well as overall customer satisfaction. However, it is far from enough for the firms to only concern the significance of customer complaints. In order to improve satisfaction and retain customers effectively, they must deal with the complaints in a right way.

The customers, complaining directly, will be disappointed if encounter blenching, delay, negligence or pretermission, furthermore abandon the firms. In more serious cases, they will seek protection from a third party, which will do harm to the firms. If

taking a positive attitude to handle the voice effectively, such as sincere apologies for the error, investigating the causes of events, and making generous compensations to customers, the firms can considerably increase their customer satisfaction, retain customers, win good public praises and unpredictable economic returns.

2.6 Customer Feedback after Complaint Handling

Once customers have complained about a product or service and the complaining management has been satisfactory, their behavior and attitude can change. Customers can decide to patronize the product or reuse the service provider. Besides, a positive complaining experience can generate positive word-of-mouth (Resnik, Gnauck & Aldrich, 1977; Gilly, 1987; Blodgett, Wakefield & Barnes, 1995, Blodgett et al., 1997).

Nevertheless, the so called recovery paradox, the fact that a successful service recovery can make dissatisfied customers even more satisfied than customers already contented with the product or the service (Seelos & Adamson, 1994) needs to be better documented: a successful service recovery is invaluable, but it will not restore customer satisfaction to pre-service failure levels. Trying to do it right the first time is still valid (Kau & Loh, 2006). On the contrary, customers dissatisfied also by the complaining procedure are more likely to exit and to choose negative word-of-mouth. This remark stresses the responsibility of companies: the combination of a failed service encounter and a failed recovery results in a heightened negative response (Voorhees et al., 2006).

Hardly customers will complain also for a poor complaint handling and no study has been identified on this specific subject. The particular combination of satisfaction/dissatisfaction with a product or service and satisfaction/dissatisfaction with the service recovery process and complaint behavior, allow grouping customers in

four distinct categories (Kau & Loh, 2006): Ordinary satisfied, customers, Dissatisfied non-complainants, Satisfied complainants and Dissatisfied complainants.

2.7 Determine Improved Ways of Handling Customer Complaints.

When dissatisfied customers decide to complain, winning the reluctance explained above, they are offering companies a second opportunity. Only when customers, through direct complaining, are looking for redress, apology and psychological benefit it is possible to transform their dissatisfaction into a second, post-complaining, level of satisfaction or 'secondary satisfaction' (Oliver, 1987).

However, complaint management appears to be a double edge blade: on the one hand there is a favorable opportunity to regain customers; on the other hand a poor complaint management procedure can alienate customers forever. The interesting and challenging side of complaint management is that the company can be aware of the given answer and of the future repurchase behavior, but how the response is perceived by a dissatisfied consumer, how this perception influences the satisfaction or dissatisfaction and, consequently, the repurchase intentions stay completely hidden (Gilly, 1987).

According to research, a complaining customer will perceive and then judge the complaints procedure also according to the concept of perceived justice (Blodgett, Granbois & Walters, 1993; Blodgett, Hill & Tax, 1997). This concept can be separated into three different dimensions:

Distributive justice: related to the specific outcome of the recovery effort.

Procedural justice: related to the adopted set of policies, procedures and criteria used in arriving at the outcome.

Interactional justice: related to the manner in which people are treated during the recovery effort.

It is extremely important to consider all the three dimensions involved, avoiding focusing exclusively on one of them. There is not a common agreement about which dimension of justice has the largest impact on consumers (Kau & Loh, 2006, p. 107) while it is reasonable to think that it is the combination of the three dimensions to determine the overall perception and the subsequent behavior (Blodgett, Hill & Tax, 1997, p. 190). Indeed, a customer can be dissatisfied by a particular complaints procedure if the problem has been completely solved but the procedure is considered too expensive and/or the experienced relationship with the complaint handler has been frustrating.

Therefore, the concept of justice should be used when evaluating or establishing complaint handling policies and procedures (Blodgett, Granbois & Walters, 1993, p. 402). Davidow (2003) has focused on six complaint handling factors which influence the perceived justice of the procedure. These factors, which represent values for customer, are:

Timeliness: the speed with which organization respond to complaints

Facilitation: the policies and procedures in place to facilitate complaint handling

Redress: the actual compensation

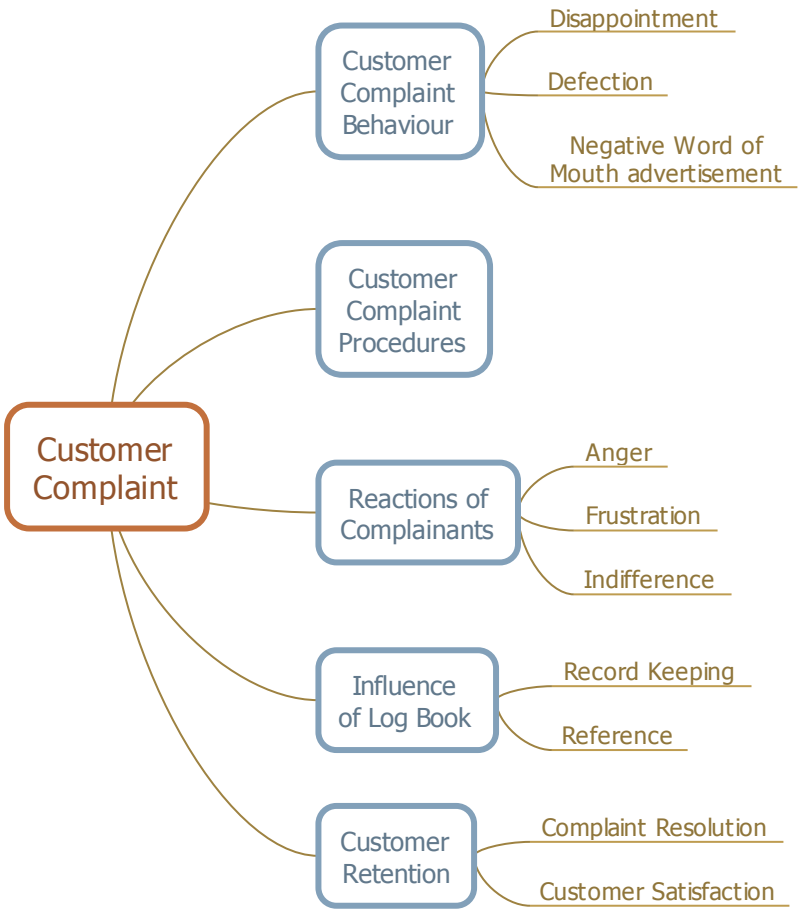
Apology: the psychology compensation

Credibility: the measures adopted in order to prevent the occurrence of the problem in the future.

Attentiveness: the care and attention offered by the organization or its representatives**.**

2.8 Conceptual Framework

Figure 2.1 Conceptual Framework



Source: Researcher's Construct

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter details the methodology used to execute the project. This included the research approach and design, the population, sample and sampling technique, instrumentation, and data analysis techniques employed in the study.

3.2 Research Design

This study was conducted using a quantitative research approach and an explanatory research design. Quantitative analysis enabled the study to collect, group and categorize data to allow for statistical analysis. Explanatory design, according to Kotharii (2011) looked at how things come together and interact. Explanatory designs seek to uncover causes and effects of interactions and to find true interpretations for phenomena. An explanatory design would allow for deeper investigation into the effects of deep level diversity on work-related attitudes using insights from the healthcare organizations in the Ashanti region. Questionnaires were used in collecting primary data for the study. Amin (2005) posits that the combination of quantitative and explanatory research methods helps achieve comprehensive data gathering and analysis processes. Questionnaires were used in collecting primary data for the study.

3.3 Population of the Study

A research population, according to Cooper & Schindler (2003) constitutes the total number of people or study subjects in a particular research setting. The study population included all management staff and customers of Unibank Limited who have made official complaints in the past. The staffs were ten whilst the customers were eighty seven.

3.4 Sample

The position is held by Britton & Garmo (2002) that a research sample size constitutes a selection of a small researchable unit of a given population using methods that enable representation and generalization. A respondent sample of 84 respondents made up of 80 customers and 4 branch managers from the 4 selected branches of the bank were sampled to respond to the data collection instrument. since only customers who had made formal complaints to the bank were targeted, the study sampled all the customers whose details were in the bank's complaint log book in that way, statistical formulations like Cochran (1988) sample size formula for categorical data was not needed to achieve a representative sample since the sample size was already pre-determined by the number of customers in the complaints log book.

The sample was made up of customers who had made formal complaints in the past 3 years and therefore had their names in the banks complaints log books. The compliant log books of 4 branches of the bank were examined.

3.4.1 Sampling Technique

According to Oso and Onen (2005), sampling refers to the process of selecting subsets from a population of research interest to enable detailed study for further generalization of research results. Creswell (2009) defines sampling as the selection of subgroups from statistical populations to enable estimation of characteristics for the whole population. There are two major types of sampling: probability and non-probability. A probability sample is one in which each element of the population has an equal chance of being selected as part of the sample whilst in a non-probability sample, elements of the population are chosen in a non-random way. Non-probability sampling helps researchers to select elements of a population that are seen by the researcher to possess

desirable traits and knowledge vital to the achievement of the study. A non-probability sampling method called convenient sampling was used. Yin (2005) posits that convenient sampling is a non-probability sampling technique where subjects are selected because of their convenient accessibility and proximity to the researcher.

Since past customer complainants may live and work in diverse places in and outside Kumasi and could be hard to reach, the study adopted convenient sampling techniques to enable sampling of complainants who could be reached physically or by phone. A convenient sample according to Yin (2005) is one where the units that are selected for inclusion in the sample are the easiest to access.

3.4.2 Unit of Analysis

The assertion is made by Creswell (2009) that a unit of analysis is the major entity that is being analyzed in a study. It is what or who of what is being studied. In this study, the unit of analysis in this study was customer complaints and how it affects customer retention.

3.5 Sources of Data Collection

The study sourced data from both primary and secondary sources. This section gives details regarding the types of primary and secondary data sourced.

3.5.1 Primary Data

Primary sources of data consist of first-hand data sources. Primary data source can include data collected through questionnaires, interviews (structured, semi-structure and unstructured), observations, discussions, etc. The study utilized questionnaires as the data collection instrument.

3.5.1.1 Questionnaire

A questionnaire is a collection of structured question items presented on a sheet of paper and distributed to respondents to collect their opinions and responses (Britton & Garmo, 2002). Yin (2005) posits that a questionnaire allows for standardization in data taking and also allows for accurate statistical measurement of responses in order to arrive at credible results. Britton and Garmo (2002) opine that questionnaires allow respondents to exhibit objectivity and candidness, especially when it is designed to allow respondents to remain anonymous. The study utilized questionnaires as a primary data collection instrument.

The questionnaire contained both open-ended and close ended questionnaires. The close ended questions came with response options from which the respondent was required to pick. A five-point Likert scale will be used to enable measurement of responses. The questionnaire was divided into two sections. Section one solicited demographic data of respondents whilst section two sought responses to questions based on the research objectives. The researcher personally distributed the responses to the selected respondents. Special permissions were sought from the branch managers to include staff of the bank in the survey.

3.5.1.2 Pilot Testing of Data Collection Instrument

The assertion is made by Yin (2005) that pilot testing allows for early detection of weaknesses in the composition and wording of research questionnaires. In agreement, Britton and Garmo (2002) posit that pilot testing allows the researcher to test the data collection instruments on a section of the targeted population in order to effect necessary corrections and alterations to ensure clarity.

The study tested the questionnaire on 5 selected staff and 5 selected customers at Unibank Adum Branch, Kumasi. Cooper & Schindler (2003) assert that sampling techniques are not of much value in a pre-test. The study required the selected pre-test respondents to respond to the questions contained in the questionnaire. This enabled the researcher to determine the level of understanding and perceptions which ensured the enhancement of the questionnaire by improving the wording, formatting and ensuring brevity. The feedback obtained from the pilot testing exercise enabled effective revision of the questionnaire to allow for easy understanding by all categories and demographics of respondents.

3.6 Secondary Data

A treatise on secondary data by Britton and Garmo (2002) state that secondary data comprise of data not obtained from original or primary sources. Such data can be classified into internal and external data. Internal data relates to secondary data acquired from within an organization whilst external data consist of secondary data acquired from outside an organization. The study collected data from customer complaint logbooks to enable the identification of target respondents and prevalent complaints.

3.7 Data Analysis Methods

The primary data collected was analyzed using statistical analysis tools such as the statistical package for social sciences (SPSS) and Microsoft Excel 2007. The study will analyze data using factor and correlation analysis. Results will be presented using tables, pie charts and columns.

3.8 Ethical Considerations

According to Yin (2005) in his treatise on research design and methods, every research endeavor must be guided by certain ethical considerations. The study, in sampling respondents, considered all situations that might make a respondent ineligible to be sampled. For instance, some of the restraining factors include a respondent's inability to understand the concept of the study due to a lack of adequate education. Secondly, respondents were told that they could opt out of the study if they felt that the study was breaching their right to privacy or any other right in anyway. Thirdly, the purpose and objectives of the study were thoroughly explained to the sampled respondents and their anonymity guaranteed by the policy of not including their names or any other identification detail on the questionnaire sheets in other to ensure confidentiality.

3.9 Reliability and Validity

According to Yin (2005), data validity refers to the degree a research instrument measures what it is designed to measure; whilst data reliability is the degree of consistency, an instrument measures what it is intended to measure. To ensure content validity and reliability, the research took specific measures as follows:

The researcher distributed all questionnaires personally, employing the same distribution techniques, routines and tactics to enable consistency and eliminate data collection bias. The questions on the questionnaire were constructed in simple English to enable greater understanding from respondents. Questions were categorized under individual research questions to achieve comprehensive relatedness of questions to objectives. Preambles preceding questions were boldly stated to enable respondents understand and accurately respond to the requirements of the question. All respondents were encouraged to fill out the study questionnaires in their offices or other places which they considered comfortable and convenient to them. Confidentiality were

ensured by instructing respondents NOT to write down their names or include any feature of identification on the questionnaires. After data was collected, a Cronbach Alpha analysis was conducted on the coded data to determine its reliability.

3.10 Organizational Profile: Unibankghana Limited

Unibankghana) Limited was incorporated as a private company in December 1997 to operate as a bank. It is a wholly owned Ghanaian and authorized to undertake a broad range of banking business. The Bank opened its door to customers in January 2001

Our Vision

To be the leading and preferred Bank offering comprehensive financial solutions to our chosen customers (SME and Personal Banking markets) in a professional, caring, responsive and profitable way.

Our Mission

- Provide the best value for our customers;
- Create an excellent working environment for our employee development and growth;
- Enhance shareholder value; and
- Be socially responsive to our communities

Shared Values

- Minimal bureaucracy
- Adaptive to changing needs
- Customer delight
- Personalized service

Our core values are worthy of our organization and we believe we should incorporate them as anchor points in everything we do in the Bank. These values provide us with a means of not only guiding but also evaluating our operations, our planning and our vision for the future.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1 Introduction

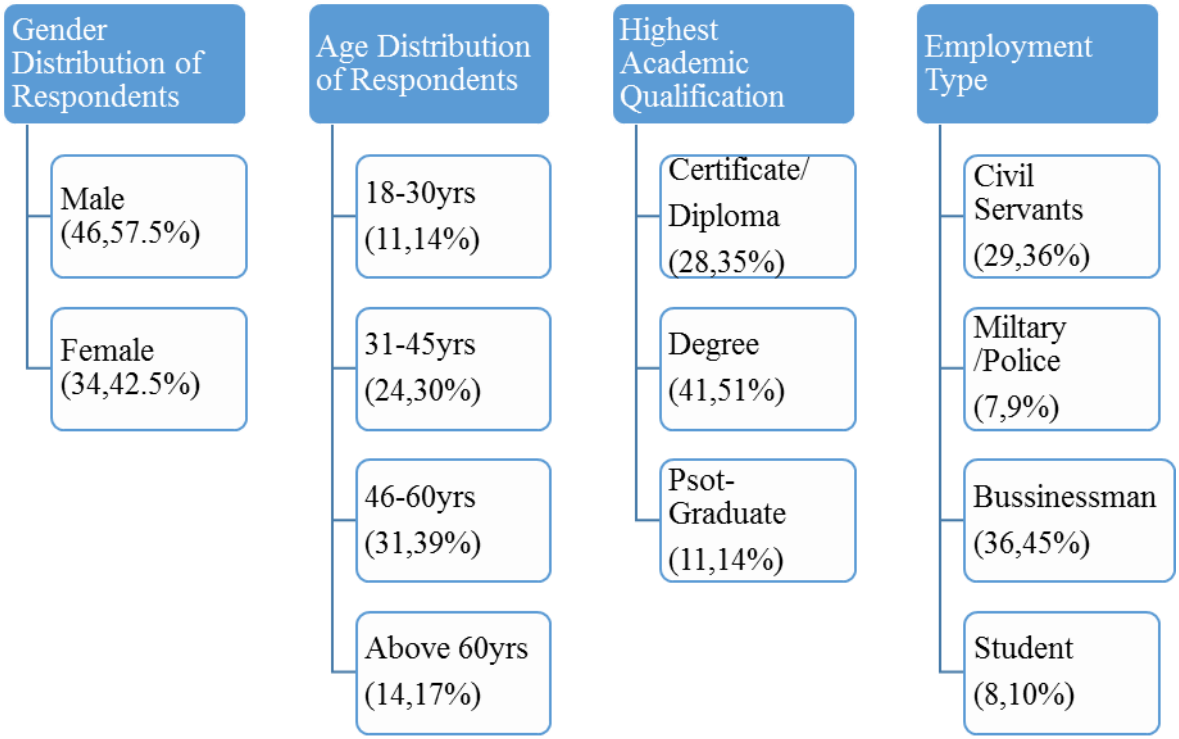
This chapter dealt with the presentation of data as well as the analysis and discussion of it. The chapter is segmented into two sections: the first section discussed the analysis of respondents demographic data whilst the second part analyzed responses to the research questions. Tables and charts were used to present the data.

4.2 Demographic Characteristics of Respondents

This section showed the distribution of the study respondents by their demographic characteristics. The study analyzed respondents demographic data to determine whether the sampled respondents were sufficiently qualified to respond to the data collection instrument. Qualification in this sense referred to the respondents ability to understand the requirement of the data collection instrument (educational level), give credible, matured responses (experience) that could be statistically analyzed. The study analyzed data on such demographic characteristics as gender, age category, highest educational qualification, area of employment and duration of banking with Unibankghana Limited.

Figure 4.1 showed that males constituted a slightly higher percentage of the study sample making up 57.5%. Females were however adequately represented with 42.5%. This statistical make-up mirrors the overall customer gender distribution statistics amongst the customers of the bank and therefore, the percentages obtained can be perceived as representative of the study population. This finding showed that the study was able to achieve equity in the distribution of respondents by gender.

Figure 4.1 Demographic Characteristics of Respondents



Source: Field Data Analysis, 2016

In terms of age, figure 4.1 showed that respondents were sampled from all age categories although clearly more respondents were aged between 31-45 years and 46-60 years compared to respondents under 30 years and those above 60 years. The findings showed that although the number of respondents in some age brackets were higher than others, there remains an equitable distribution of respondents across the age divide. The differences in percentages could be explained by yin (2005) assertion that under social surveys that focus on economic links, there is likely to skewness in favor of the active working ages compared to younger and older people. A higher percentage for respondents between 31 and 60 years was therefore within the realms of normalcy and acceptability due to the economic inclinations of a research focused on the banking sector.

Table 4.1 also showed the distribution of respondents by highest academic qualification. The study showed that the customers of Unibankghana Limited were an adequately educated mix of people, with 5% having achieved a degree in a tertiary education institution and 11% having achieved post-graduate degrees. The study showed that the least educated respondents of this study had attained certificates and diplomas from various accredited institutions in Ghana. The high levels of academic qualification amongst the study respondents gives indications of their capacity to understand the requirements of the data collection instruments and provide credible responses to the study.

Also, distribution of respondents by type of employment they were engaged in showed that businessmen /women and civil servants dominant the customer populations of Unibankghana Limited significantly. Businessmen form 45% of the study sample whilst civil servants form 36%. Together, these two demographics alone make up more than 80% of the customer population of Unibankghana Limited. Whereas civil servants operate in the formal sector, the opposite is true for businessmen and as such, the sampling of two demographics (and the others in figure 4.1) will give the study different angles of view and contribute to the generalizability of the study findings. The study also sampled students and people in the Ghana Armed Forces.

Table 4.1 Years of Banking with Unibankghana Limited

Years	Frequency	Percentage
1-5 years	37	46
5-10 years	28	35
11-20 years	15	19
Above 20 years	0	0
TOTAL	80	100

Source: Field Data Analysis, 2016

Table 4.1 showed the distribution of respondents by the number of years they have been banking with Unibankghana Limited. It is evident from the table that customers with diverse lengths of experience with Unibankghana were sampled, ranging from 1 year of experience to more than 11 years of experience. The study concludes that the length of years a customer conducts business with a bank does not preclude complaints if the customer finds it necessary to make the complaint. Perceived customer loyalty does not prevent a customer from recognizing poor service and making complaints to that effect. The sampling of customers with diverse experiences banking with Unibankghana enriches the study with representative views and opinions that would enhance generalization of the study findings.

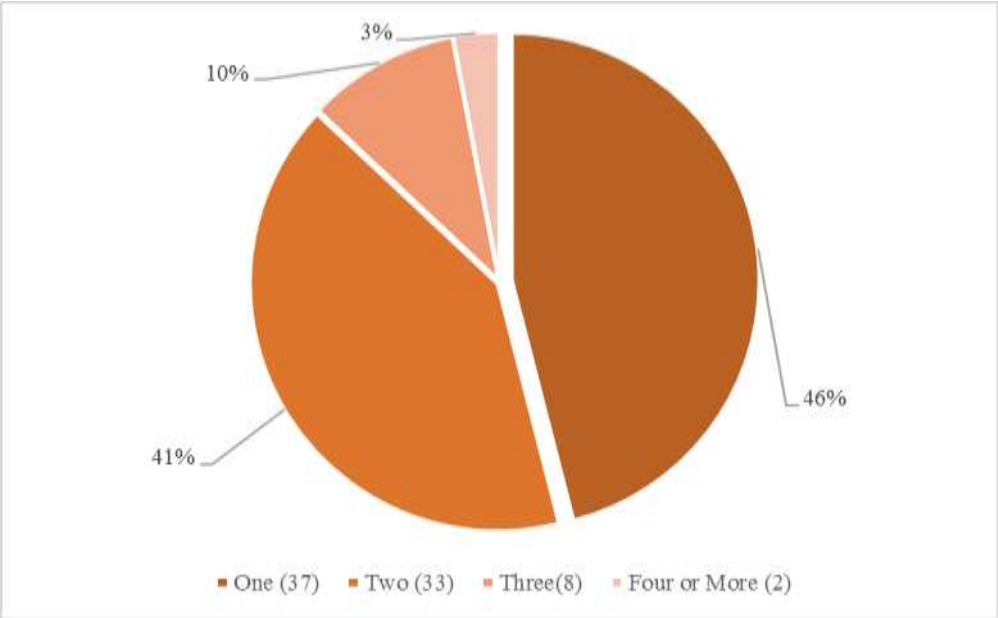
4.3 Research Objectives

The general objective of the study is to assess the effectiveness of customer complaint handling procedures and its impact on customer retention using Unibank Limited as case study. The study sought to achieve the main objective by addressing the following specific objectives.

4.4 Data Records of Prevalent Complaints over the Last 3 Years

Research question one sought to examine data records of prevalent complaints over the 3 years study period.

Figure 4.2 Number of Complaints Made Per Complainant



Source: Field Data Analysis, 2016

Figure 4.2 showed the number of complaints made per customer complainant. The study showed that most complainants have made complaints just once or twice but a significant number of respondents had made comments more than twice. The percentage values show that the percentage of customers who had made two complainants in last 3 years represented almost half of the study sample. This indicates either dissatisfaction with the bank's complaint resolutions mechanisms or that the bank keeps making new customer service mistakes, giving customers the opportunities to complain.

However, the study also showed that as number of complaints made rose, number of complainants lowered, indicating that not many people make complaints after making them once or twice. The study concludes that most complainants make one complaint and it is the resolution process that determined if on another instance, another complaint was necessary. A lowering complaint count might indicate a relative

effectiveness of the bank's complaint resolution system or a loss of believe by customers in the system.

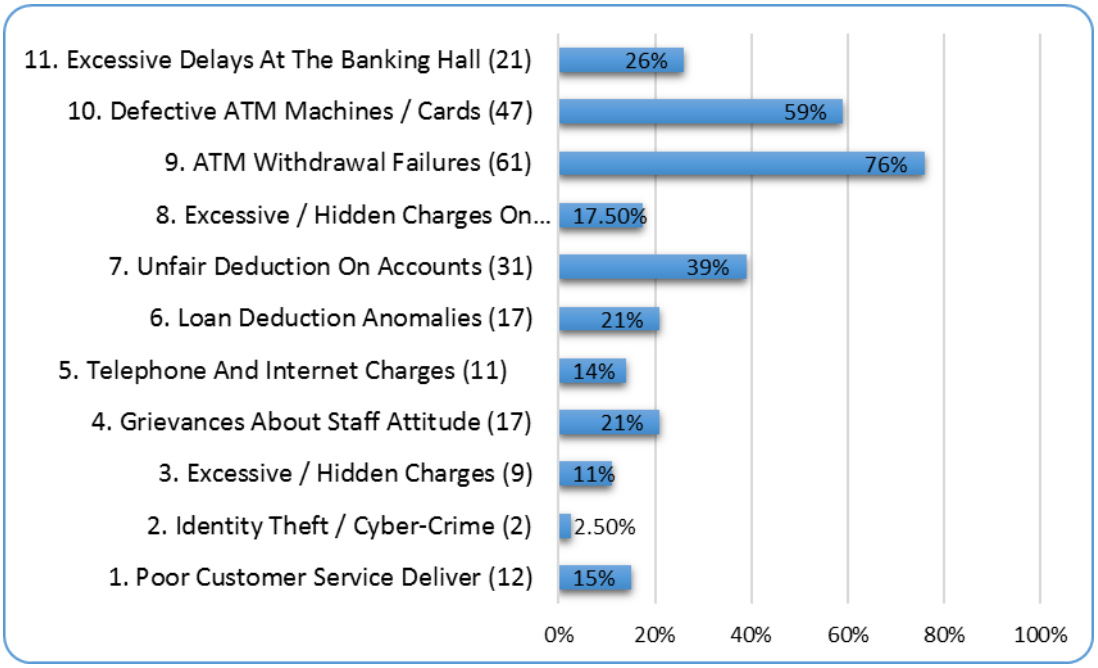
The findings correlate with the Equity theory of marketing which states that consumers are prone to spread a negative WOM when they perceive an unfair response to a service failure. When customers perceive that they have not been sufficiently compensated for the damage, they may feel even more annoyed than they were subsequent to the failure. This is because a report of a service failure may imply unfair treatment of the customer; service recovery must therefore re-establish justice – from the customer's perspective. With effective handling of complaints, consumers will perceive fair treatment. In the case of a service failure, individuals will perceive inequity and they will try to restore equity by complaining.

According to Tronvoll (2012), the manner in which complaints are handled significantly influences future complaints. Nicolau & Mas (2011) in a study of bank customer complaints handling procedures in selected Asian countries, findings indicated that regardless of culture or any demographic factors, the consistency of complaints to a large extent depends on the customer belief in the company's complaint resolution procedures. The study opined that a weak procedure would discourage further or future complaints whilst a strong effective procedure would discourage further complaints but encourage future complaints. A weak complaint procedure may negatively influence customer retention whilst a strong one may positively influence customer retention.

To determine the effectiveness of UniBank's customer complaints procedure, the study went further to examine data records of prevalent complaints over the 3 years study

period to determine the dominant complaints and how their resolutions affect customer retention. Figure 4.3 showed a graphical presentation of the analysis.

Figure 4.3 Prevalent Complaints



Source: Field Data Analysis, 2016

Figure 4.3 showed that the study took 11 items for prevalent complaints and all items had been complaints made by one or more customers. The study showed that items 9 and 10 were the most dominant or prevalent complaints received by Unibankghana Limited in the 3 years study period. More than half of the study samples were found to have made complaints about automatic teller machine (ATM) failures (76%) and totally defective ATM machines (59%). Significant percentages of respondents made complaints about unfair deductions on their accounts (39%), excessive delays at the banking halls (26%) and loan deduction anomalies (21%). Though complaints were made on all 11 items, strenuous efforts need to be placed on resolving ATM deficiencies and malfunctions and stopping unfair deductions and charges on customer accounts.

Varela-Neira et al., (2010) in a study of predominant customer complaints in 15 banks in 3 Mexican cities found that customer complaints mostly centered on deficiencies in electronic transactions and unfair charges on customer accounts. Casado et al., (2011) in a study of 12 south American banks made similar findings, indicating a predominance of complaints relating to electronic transactions like ATM service deficiencies and other illegitimate charges on customer accounts.

4.5 Reactions of Complainants over Identified Complaints

Research question two sought to find out the reactions of complaints over identified complaints.

The study conducted frequency as well as mean analysis to gauge response patterns. Mean values were calculated to identify the central tendencies (averages) of data. With a likert response scale of 1 – 5 (with the key: 1=strongly disagree, 2= disagree, 3=uncertain, 4= agree and 5=strongly agree), a mean value higher than 3 indicates that majority of the study respondents agree with a particular questionnaire instrument / variable whilst a mean value less than 3 indicates majority disagreement.

Table 4.2 Reactions of Complainants over Identified Complaints

Statement	N	Mean	Std. Deviation	Std. Error Mean
1. I was disappointed in the bank	80	3.4250	1.49069	.16666
2. I perceived the bank negatively	80	3.7625	1.36172	.15224
3. I contemplated switching banks	80	2.8500	1.41511	.15821
4. I actually switched banks	80	2.3000	1.64894	.18436
5. I opened an alternative account with another bank and kept transactions on my Unibank account a low rate	80	2.5750	1.92765	.21552
6. I told other people about the failings of the bank	80	4.5375	1.04268	.11658
7. I made negative resolutions against the bank	80	3.5125	1.50941	.16876

Source: Field Data Analysis, 2016

Table 4.2 showed that the study took 7 items for reactions of complainants over identified complaints and the mean score of 4 of these reactions had mean scores higher than 3. This indicates that majority of the study sample agreed to (or accept) statements 1,2,6 and 7 but reject statements 3,4,5 and 6. From the table, the study concludes that the reactions of most customer complainants were mostly an expression of disappointment, negative perceptions about the bank, telling other people (potential customers) about their complainants (and probably the failure of the bank to adequately resolve it) and overall mindset of negativity against the bank.

These findings find correlations with some previous study findings and assertions in literature. Ndibusi & Ling (2006) in a study of 20 banks in Kenya found that customer complaints were often born out of disappointment and showed itself mostly in disappointment, feelings of negativity and bad word of mouth. Johnston & Michel (2008) put forward similar positions, stating that when customers find defects in products or services, disappointments crop up, leading to feelings of negativity against the company or business involved.

The study also showed although complaining customers are mostly disappointed and may contemplate switching banks or closing their accounts entirely, most customer do not practicalize these conceptions and mostly return to doing business with the bank. Lerman (2006) posits that customers, complaining directly with high expectations over a firm, are still in the hope of changing and unwilling to abandon the firm immediately. If their complaints could be dealt with well, some dissatisfied customers will be turned into satisfied ones and have a favorable view of the firms, then the overall customer satisfaction will increase. The complains contain a lot of important information such as product design, quality control and improvement of management, which are helpful to

the firms for providing more satisfactory products and services. Bodey & Grace (2006) also found that if the company can disseminate consumer direct complaint information in the organization and create remedies to preserve, customer satisfaction will be elevated.

On the contrary, if consumers are not given organizational channels and opportunities to complain, they will voice concerns to others outside the company and their satisfaction degree will decreased. McCole (2004) thought that the indirect complaint behavior normally indicates a degree of consumer dissatisfaction, company unresponsiveness or related factors, which can severely threaten marketing relationships and effectiveness. According to the viewpoint of Bart & Dirk (2005), if customers who do not complain to the firm when dissatisfied, the company will lose the opportunity to rectify the problem (Fornell & Wernerfelt, 1988) and to restore the customer's satisfaction level (Lerman, 2006).

Having determined predominant complainant reactions, the study sought to know if these reactions were related in any way. That is, if one reaction could trigger other reactions resulting in a boil-up of negative feelings that could cause a customer to defect from the bank to another bank. The study therefore conducted a Pearson correlation analysis with a confidence interval of 95% using a 2-tailed test of significance to test the relationship between the identified reactions.

Table 4.3 Correlations Analysis between Customer Complainant Reactions

		1.	2.	3.	4	5.	6.	7.
1. Disappointment	Pearson Correlation	1	.755**	.715**	.179	.469**	.364**	.954**
2. Negative Perception	Pearson Correlation	.755**	1	.527**	.128	.385**	.510**	.694**
3. Likelihood of Switching	Pearson Correlation	.715**	.527**	1	.090	.515**	.253*	.694**
4. Actually Switched Banks	Pearson Correlation	.179	.128	.090	1	-.035	.200	.273*
5. Opened An Alternative Account	Pearson Correlation	.469**	.385**	.515**	-.035	1	.348**	.485**
6. Propagated Negative Advertisement	Pearson Correlation	.364**	.510**	.253*	.200	.348**	1	.386**
7. Made Negative Resolutions	Pearson Correlation	.954**	.694**	.694**	.273*	.485**	.386**	1

Source: Field Data Analysis, 2016

It is evident from table 4.3 that 7 items on customer complaint reactions were correlated against each other. The study showed significant relations between item 1 and all the other items except item 4. Only item 7 were found to have significant correlations with item 4. From the table, the study concludes that customers being disappointed could lead to negative perceptions towards the bank (.755**, sig. 0.00), contemplation of switching banks (.715**, sig. 0.00), opening an alternative bank account with another bank (.469**, sig. 0.00), spreading bad word of mouth accounts (.364**, sig. 0.00) and making negative resolutions against the bank (.954**, sig. 0.00). The study therefore showed that significant levels of association exist between customer reactions and that a reaction could trigger another reaction.

4.6 Find out whether retention resulted in all cases after the resolution of the complaint.

Research question three sought to find out whether retention resulted in all cases after the resolution of the complaint.

Table 4.3 Rate of Customer Retention after Complaint

Retention	SD	D	U	A	SA	Mean
1. I still have an account with Unibankghana Limited	16	13	0	37	14	3.2500
2. I still transact business with Unibankghana Limited	11	5	0	47	17	3.6750
3. My complaint has caused a change in the processes of the bank	46	22	0	9	3	1.7625
4. My complaint has caused a change in the attitude of bank employees	16	40	0	17	7	2.4875

Source: Field Data Analysis, 2016

As depicted on table 4.3, the study took 4 items for customer retention and the mean scores for two items were more than 3 whilst less than 3 for the other two items. The table shows that majority of respondents rejected items 3 and 4 but accepted / agreed to items 1 and 2. The study therefore concludes that majority of customer complainants still maintain accounts with Unibank (mean=3.2500) and still transact business with Unibankghana limited (mean=3.6750). Some assertions in literature support these findings. Kim et al., (2010) assert that once customers have complained about a product or service and the complaining management has been satisfactory, their behavior and attitude can change. Customers can decide to patronize the product or reuse the service provider. Besides, a positive complaining experience can generate positive word-of-mouth.

4.7 Influence of Complaint Log Book in Policy Formulation at the Bank

Research question four sought to examine the influence of complaint log book in policy formulation at the bank. The study conducted frequency as well as mean analysis to gauge response patterns. Mean values were calculated to identify the central tendencies (averages) of data. With a likert response scale of 1 – 5 (with the key: 1=strongly disagree, 2= disagree, 3=uncertain, 4= agree and 5=strongly agree), a mean value higher than 3 indicates that majority of the study respondents agree with a particular questionnaire instrument / variable whilst a mean value less than 3 indicates majority disagreement. Table 4.4a showed the descriptive statistics of the survey results.

Table 4.4a Influence of Complaint Log Book in Policy Formulation

	N	Mean	Std. Deviation	Std. Error Mean
This local Unibank branch keeps a customer complaint log book	84	4.3000	1.24677	.13939
Complaint log books are factored into policy formulation at the local branch	84	4.0000	1.29263	.14452
customer complaints recorded in log books are sampled for analysis at the bank's headquarters	84	3.4375	1.74910	.19555
Complaint log books are factored into policy formulation at the bank's headquarters	84	3.7000	1.57833	.17646
Complaint log books has significant influence on policy formulation at the bank	84	3.3125	1.66569	.18623

Source: Field Data Analysis, 2016

The mean values of the responses obtained from the survey range from 3.3125 to 4.3000. These mean values were greater than the test value of 1. The standard deviations of the means range from 1.24677 to 1.74910 with standard error of .13939 to .18623. In order to test the significance of the difference between these means and the test value (1), a one-sample t-test was computed. The t-test analysis showed that there is no significant difference between the estimated mean and the test value (1) when the

computed corresponding t-value is significant. A positive t-value means positive effect and vice versa. The results of the test as shown in the Table 4.4a indicated that estimated means were not significantly different from the test-value.

Table 4.4b Influence of Complaint Log Book in Policy Formulation

	Test Value = 1					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
This local Unibank branch keeps a customer complaint log book	30.848	83	.000	4.30000	4.0225	4.5775
Complaint log books are factored into policy formulation at the local branch	27.678	83	.000	4.00000	3.7123	4.2877
customer complaints recorded in log books are sampled for analysis at the bank's headquarters	17.578	83	.000	3.43750	3.0483	3.8267
Complaint log books are factored into policy formulation at the bank's headquarters	20.968	83	.000	3.70000	3.3488	4.0512
Complaint log books has significant influence on policy formulation at the bank	17.787	83	.000	3.31250	2.9418	3.6832

The one-sample t-test therefore revealed that complaint log books influence policy formulation at Unibank Limited in the following ways:

- This local Unibank branch keeps a customer complaint log book
- Complaint log books are factored into policy formulation at the local branch
- customer complaints recorded in log books are sampled for analysis at the bank's headquarters

- Complaint log books are factored into policy formulation at the bank's headquarters
- Complaint log books has significant influence on policy formulation at the bank

The findings of the study correlate with some assertions in literature. Tronvoll (2012) asserts the critical importance of a complaints log to an organization in the sense that it conveys the expectations and recommendations of customers to the company and enables the company to make adjustments that would not only please the customer, but also increase the customer's loyalty and satisfaction for the company. Nicolau and Mas (2011) suggests that consumer complaint behaviour (CCB) is a complex phenomenon and that only recorded expectations in the form of complaints could be used to gauge customer complaint behaviour so as to effect the necessary changes.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1. Introduction

This chapter presents a summation of the study findings, conclusions and recommendations for stakeholders.

5.2. Summary of Findings

The general objective of the study was to assess the effectiveness of customer complaint handling procedures and its impact on customer retention using Unibankghana Limited as case study.

Research question one sought to examine data records of prevalent complaints over the 3 years study period. The study showed that most complainants have made complaints just once or twice but a significant number of respondents had made comments more than twice. More than half of the study samples were found to have made complaints about automatic teller machine (ATM) failures and totally defective ATM machines. Significant percentages of respondents made complaints about unfair deductions on their accounts, excessive delays at the banking halls and loan deduction anomalies.

Research question two sought to find out the reactions of complaints over identified complaints. The study showed that the reactions of most customer complainants were mostly an expression of disappointment, negative perceptions about the bank, telling other people (potential customers) about their complainants (and probably the failure of the bank to adequately resolve it) and overall mindset of negativity against the bank.

Research question three sought to find out whether retention resulted in all cases after the resolution of the complaint. The study showed that majority of customer

complainants still maintain accounts with Unibank and still transact business with Unibankghana limited.

Research question four sought to examine the influence of complaint log book in policy formulation at the bank. A one-sample t-test analysis showed that complaint log books influence policy formulation at Unibankghana Limited in the following ways:

- *This local Unibank branch keeps a customer complaint log book*
- *Complaint log books are factored into policy formulation at the local branch*
- *customer complaints recorded in log books are sampled for analysis at the bank's headquarters*
- *Complaint log books are factored into policy formulation at the bank's headquarters*
- *Complaint log books has significant influence on policy formulation at the bank*

5.3 Conclusion

At some point in their operations, every business / organization has to deal with dissatisfied customers, some of who may make complaints. How the company handles the complaint resolution process would determine whether the customer is retained to the company or not. Customer retention is an important factor to consider is dealing with customers and conducting business to satisfy customers. When companies deploy customer complaint logbooks, the process of complaint resolution is further enhanced. The customer complaint logbook serves as a record of the complaints and recommendations of customers that when factored into policy decisions, can improve the company's customer service operations and public image. The objective of the study was to assess the effectiveness of customer complaint handling procedures and its impact on customer retention using Unibankghana Limited as case study. The study therefore conducted an extensive review of related literature to put the study in a strong

theoretical position and through a detailed analysis of primary data, findings and recommendations was made for adoption by the various stakeholders in the banking industry.

5.4 Recommendations

Based on the findings, the study puts forward the following recommendations.

5.4.1 Improve complaint collection mechanisms

The study found that most complaints were about ATM machine malfunctions and deficiencies. Complaints about such deficiencies can only be forwarded to the bank during the day when the bank is open. Customer complaints become impossible when ATM service is deficient at night and the client cannot make it to the bank during the daytime to make a complaint. This may not only deny the bank a chance to address its customer needs but also a chance to implement critical service improvements. Owing to this fact, the study recommends that banks institute mechanisms to take complaints at night or during off hours. The study recommends that a complaint box be posted besides ATM stations physically to take complaints. Another way would be to factor complaint services into ATM services such that complaints can be made electronically by just pressing a button. This would relieve customers of some frustrations that go with poor service at the time it is encountered and positively influence retention.

5.4.2 Improve most-complained-about Services

The study showed that majority of complaints made by customers over the last 3 years was centred on a few critical services. In fact, more than half of the study samples were found to have made complaints about automatic teller machine (ATM) failures and totally defective ATM machines, unfair deductions on their accounts, excessive delays at the banking halls and loan deduction anomalies. The study recommends total

organization focus to significantly improve these services to enhance product offerings and customer service.

5.4.3 Conduct a Wider Survey

The findings of the study are representative of the geographical areas and organizational setting in which it was conducted. A larger generalization cannot be effected done until the study is replicated across the geographical span of Ghana and in other industries to determine if conditions and perceptions in other areas of the country match those in the selected research areas for which the findings of the study were made possible. In this state, the scope of the study, being for purely academic purposes could be considered narrow, preventing any significant large scale generalization. The study therefore recommends that a wider survey with a bigger population be conducted across the country to confirm or reject the findings of this study. Such an action will enable the full generalization and adoption of the study findings across the country.

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APPENDIX:

QUESTIONNAIRE for Bank Customers

EFFECTIVENESS OF CUSTOMER COMPLAINTS HANDLING AND ITS IMPACT ON CUSTOMER RETENTION: THE CASE OF UNIBANKGHANA LIMITED

Dear Respondent,

Please take some time off your busy schedule to respond to this questionnaire in fulfilment of an academic requirement. Please provide true and honest responses only. Tick a response or multiples of it where appropriate and write down responses in spaces provided where required. There are no right or wrong answers so no particular response options are targeted. Please maintain confidentiality by NOT writing down your name or any identifying details.

Thank You.

Section A: Respondents' Demographic Data

Please tick [√**]** in the appropriate box provided to indicate your answers.

1. What's your gender? ( ) Male ( ) Female

2. Which age category do you belong?
( ) 18-30years ( ) 31-45years ( ) 46 – 60years

3. What is your highest academic qualification?
( ) Basic Level Education ( ) Certificate / Diploma ( ) Degree
( ) Post-Graduate / Masters ( ) Other, Please specify……

4. What is your area of employment?

( ) Civil Servant ( ) Military / Police, etc. ( ) Businessman

( ) Farmer ( ) Student ( ) Unemployed ( ) Other, Please specify……

5. How long have you been / did you bank with Unibankghana Limited?

( ) 1-5 years ( ) 5–10 years ( ) 11-20 years ( ) over 20years

Section B: Responses to Research Questions

6. You are recorded in Unibankghana customer complaints log book as having made a complaint within the past 3 years. Is this information correct?

( ) Yes ( ) No ( ) Other, Please specify……

7. How many complaints have you had to make?

( ) One ( ) Two ( ) Three ( ) four or more

Please indicate your agreement of disagreement to the following statements to

Please use the following key:

(Key: SD= Strongly Disagree, D=Disagree, U=Unsure, A=Agree, SA= Strongly Agree)

What was / were the complaint(s) about?	**SD**	**D**	**U**	**A**	**SA**
8. Poor customer service delivery					
9. unfair / illegitimate telephone and internet charges					
10. identity theft / cyber-crime					
11. loan deduction anomalies					
12. identity theft					
13. excessive / hidden charges					
14. grievances about staff attitude					
15. telephone and internet charges					
16. excessive / hidden charges on notifications, forex rates					
17. ATM withdrawal failures					
18. defective ATM machines / cards					
19. Excessive delays at the banking hall					
20. unfair deduction on accounts					

21. Are there other complaints that you would like to add? Please state them here.

…….
…….
…….
…….

22. Would you say your complaint was adequately resolved?

a. ( ) Yes b. ( ) No c. ( ) Other, Please specify……

What were / are your reactions over the complaints you made	**SD**	**D**	**U**	**A**	**SA**
23. I was disappointed in the bank					
24 perceived the bank negatively					
25. I contemplated switching banks					
26. I actually switched banks					
27. I opened an alternative account with another bank and kept transactions on my Unibank account a low rate					
28. I told other people about the failings of the bank					
29. I made negative resolutions against the bank					

Level of Retention	SD	D	U	A	SA
30. I still have an account with Unibankghana Limited					
31. I still transact business with Unibankghana Limited					
32. My complaint has caused a change in the processes of the bank					
33. My complaint has caused a change in the attitude of bank employees					

Thank You for Your Time

QUESTIONNAIRE for Bank Branch Management

EFFECTIVENESS OF CUSTOMER COMPLAINTS HANDLING AND ITS IMPACT ON CUSTOMER RETENTION: THE CASE OF UNIBANKGHANA LIMITED

Dear Respondent,

Please take some time off your busy schedule to respond to this questionnaire in fulfilment of an academic requirement. Please provide true and honest responses only. Tick a response or multiples of it where appropriate and write down responses in spaces provided where required. There are no right or wrong answers so no particular response options are targeted. Please maintain confidentiality by NOT writing down your name or any identifying details.

Thank You.

Section A: Respondents' Demographic Data

Please tick [√**]** in the appropriate box provided to indicate your answers.

1. What's your gender? ( ) Male ( ) Female

2. Which age category do you belong?

( ) 18-30years ( ) 31-45years ( ) 46 – 60years

3. What is your highest academic qualification?

( ) Diploma ( ) Degree ( ) 2nd Degree ( )PhD / Doctorate

( ) Other, Please specify……

4. How long have you worked with Unibankghana Limited?

( ) 1-5 years ( ) 5–10 years ( ) 11-20 years ( ) over 20years

Section B: Responses to Research Questions

Please indicate your agreement of disagreement to the following statements to

Please use the following key:

(Key: SD= Strongly Disagree, D=Disagree, U=Unsure, A=Agree, SA= Strongly Agree)

	SD	**D**	**U**	**A**	**SA**
This local Unibank branch keeps a customer complaint log book					
Complaint log books are factored into policy formulation at the local branch					
customer complaints recorded in log books are sampled for analysis at the bank's headquarters					
Complaint log books are factored into policy formulation at the bank's headquarters					
Complaint log books has significant influence on policy formulation at the bank					

10. On a scale of 1-5, one being the low and 5 being high, how would you rate the influence of complaint log book in policy formulation at the local branch?

1	**2**	**3**	**4**	**5**

11. On a scale of 1-5, one being the low and 5 being high, how would you rate the influence of complaint log book in policy formulation in Unibank generally?

1	**2**	**3**	**4**	**5**

12. What ways do you think complaints can be handled more effectively?

a) ……

b) ……

c) ……

Thank You for Your Time