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Research on customer complaints in the background of industry 4.0

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Abstract

Purpose: Today, we often hear complaints from customers: poor quality, poor service, expensive prices, etc. Customer complaints are an indication that the company's products and services do not meet customer requirements, which in turn causes customer complaints. An important content of corporate marketing practice is how to use the opportunity of handling customer complaints to win the trust of customers and gain a competitive advantage. According to the concept of marketing, the way for an enterprise to obtain profits is to continuously meet the needs of customers. However, with increasingly fierce market competition and the overall formation of a buyer's market, providing high-quality products and high-efficiency and high-level services have become the eternal theme of enterprises. Therefore, meeting the actual needs of customers and effectively handling customer complaints are issues that we must take seriously. **Research design, data, and methodology:** This article mainly analyzes the causes of customer complaints, proposes relevant solutions for different types of complaints, builds a customer complaint management system, improves the efficiency and ability of handling complaints, and provides more references and basis for enterprises to solve customer complaints. **Conclusions:** To further improve the quality of enterprise products and service standards, to help enterprises increase customer loyalty and satisfaction, and to enable enterprises to gain advantages in the increasingly competitive global market.

Keywords : Customer complaints, Complaint management, Customer loyalty, Marketing.

Major classifications: Artificial Intelligence Convergence, Case study

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1. Introduction

In the past, when people talked about customer complaints, they immediately thought of "trivial and fault-finding". When facing customer complaints, companies generally feel scared or use evasive methods, instead of thinking from another aspect, and failing to realize the potential value of customer complaints. Nowadays, with the in-depth development of my country's economy, the customer-centric service system has gradually improved, more and more consumers have become more rational, and customers' requirements for goods and services have gradually increased. All the customers were satisfied every time, so customer complaints continued to occur.

According to the concept of marketing, the way for an enterprise to obtain profits is to continuously meet the needs of customers. However, with increasingly fierce market competition and the overall formation of a buyer's market, providing high-quality products and high-efficiency and high-level services have become the eternal theme of enterprises. The ability to meet the requirements of customers has become the key to the success of an enterprise. For the sustainable development of an enterprise, an enterprise needs to adapt to the new form of competition "focusing on customer satisfaction". We must take the customer as the center, proceed from the actual needs of customers, apply customer complaint handling methods and technologies to the management and work practices of the company, help companies better strengthen customer loyalty and satisfaction, and provide customers with Better products and services.

2. Literature Review at Home and Abroad

2.1. Domestic Literature Review

Different scholars have done different depth and direction research on customer complaints. Wang Zhiya (2012) believes that customer complaints are a problem that many companies have to face. The main significance of analyzing customer complaints is to avoid complaints as much as possible in the future. Enterprises must be prepared and constantly improve their comprehensive management level. Therefore, how to compensate for customer complaints is a topic that companies must focus on. Zhang Kunyan (2018) believes that in the process of handling business, employees generally encounter complaints from customers. Therefore, mutual understanding between people is a good medicine to deal with conflicts. Enterprises must put themselves in the

position of customers to deal with customer complaints. Consider the actual needs of customers in many ways, so that customers have a sense of respect. Liu Yaokun (2005) started with the methods and theories of management innovation and applied systematic management methods to study the constituent elements of customer complaints. Based on modern customer service quality and complaint management theory, the concept and value of modern customer complaints are analyzed. Zhu Meiyun, Zhuang Guijun, and Liu Zhouping (2006) jointly researched that customer complaints are an important topic in exploring consumer behavior. Understanding the causes, behavioral characteristics and consequences of customer complaints will help companies design and implement customer retention strategies and repair service failures, which can reduce customer churn and increase customer loyalty.

2.2. Literature Review of Foreign Countries

Compared with the research in China, the related research abroad is more extensive and profound. This paper selects three articles to summarize. For the handling of customer complaints, McCleery invented a complete set of methods including action, comfort, notification, solicitation, and compensation. After that, Richard Keller and Kevin Lawrence also separately Different customer complaint handling steps are proposed. In his research, Peter Hulten(2012) reported the results of an exploratory study on the management of daily customer complaints from French companies to the corporate sector. The survey results show that this system will not affect managers' perception of communication problems with customers, and the policy of managing customer complaints will affect the company's solutions to customer complaints and adjustments made when the results of the handling are known. George Knox, Rutger van Oest (2014) established a customer base model to study remedial measures to prevent customer churn. They conducted experiments on the actual purchases, complaints, and recovery of 20,000 new customers of an Internet retailer in two and a half years. It turns out that unless the customer leaves the company after the complaint, or a second failure occurs shortly after the first complaint, the relationship will soon return to normal. Jaynelle F Stichler, Lynn Schumacher (2003) discuss the benefits of customer complaints. The author explains that complaints can reduce the damage of bad news to a company ' s reputation, provide opportunities to improve products and services, and create

customer loyalty when the complaint is resolved. This article examines the difference between complaint handling and complaint resolution, and points out the root cause of the problem.

3. The content of customer complaints

The reason why customers complain is usually that the company's products and services do not meet customer expectations and requirements. Moreover, customers' needs are changeable. It is impossible for any company's behavior to satisfy all customers. Therefore, complaints have always accompanied the company's business. contacts. The main contents of customer complaints include:

(1) Product quality complaints. The key points include product quality that does not meet requirements and standards, product design defects, product failures, product failure to deliver on time and sales and price disputes.

(2) Service complaints. The focus includes dissatisfaction and complaints about the service methods, attitudes and service quality of employees.

(3) Complaints about purchase and sale contracts. The key points include the number of products, standards, settlement methods, delivery time and place, and transaction preconditions that are inconsistent with the original purchase and sales contract.

(4) Complaints about cargo transportation. The key points include damage, loss and deterioration of the goods during transportation, and losses due to packaging or loading and unloading errors.

2019 consumer complaint report:

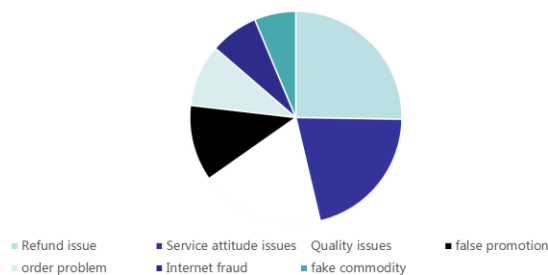


Figure 1:2019 Consumer Complaint Report

4. Reasons for customer complaints

4.1. The company's own reasons

4.1.1. Product issues

The most direct cause of customer complaints is that the company's products or services cannot meet customer requirements, but the reasons that lead to customer complaints also include other aspects. The most common cause of customer complaints is the defects and deficiencies of the company ' s products. Product problems can be summarized in three aspects: product quality, product specifications, and sales.

4.1.2. Service issues

Nowadays, the concept of "customer satisfaction as the center" is gradually deepening among enterprises, but the pressure of competition between enterprises is increasing, and the gap in service is increasing. The continuous improvement of the service system makes customers' requirements and expectations more and more higher. When the company's service quality and service capabilities cannot meet customer expectations, complaints will continue to increase, which seriously affects customer satisfaction. Customer complaints caused by service problems are mainly reflected in service quality, service experience and service assurance.

4.1.3. Mistakes in managing customer expectations

The enterprise's mismanagement of customer expectations has caused customers to have higher expectations and requirements for the company's products or services, but the company has not met customer needs. Generally speaking, the higher the expectations of customers, the more they want to buy products or services. However, when the customer's needs and expectations are too high, the customers will be dissatisfied with the products and services; when the customer's needs and expectations are too low, then customer satisfaction will be greatly improved. Therefore, companies should learn to manage customer expectations so that they are in a balanced state. If they do not manage expectations well, they can easily lead to customer complaints.

4.2. Customer's reason

4.2.1. Make up for losses

There are usually two reasons why customers lodge a

complaint. First of all, it is to obtain financial compensation: when customers are not satisfied with products and services, they first want to clarify the facts and responsibilities, so that the company can understand and bear the damages they have suffered, and then ask the company for a refund or compensation; and another One is to restore self-esteem: when customers complain about a company's products or services, they not only suffer material losses, but they may also suffer unequal treatment, which damages their self-confidence and self-esteem. They want corporate services from the bottom of their hearts. Personnel can think in empathy, understand and respect and pay attention to their actual feelings.

4.2.2. Personality differences

Customer complaints are actions taken when they are dissatisfied with the company. Each customer has a different personality, so he has a different attitude when complaining. First, quality-supervised customers are generally loyal to a certain company or brand. If they use a certain company's products and services, they will not easily change their choices, and will not waste time to experience or replace other ones. Brand; Second, when sane customers choose a product or service, they usually shop around. They will compare various aspects according to their needs, and finally choose their favorite target. However, when they are dissatisfied with the product or service, they will sensibly explain the responsibilities of both parties, reason and present the facts, and ask for a clear answer; third, negotiating customers will emphasize more on what each supplier gives They generally have an attitude of negotiating if they can talk and choosing another company if they can't. Fourth, melancholic customers usually do not complain or complain when they are dissatisfied with the company, and may just leave silently, But never choose the same company again.

4.3. Other reasons

There are many reasons that can cause customer complaints, which vary from person to person and from time to time. The other causes of customer complaints are mainly environmental factors. Environmental factors include economic, political, technological, cultural and other aspects, which are factors beyond our control and cannot be changed in a short period of time.

Each of our lives cannot be separated from the material

and spiritual civilization of the society, and the products and services we need have always been with us, but companies cannot meet everyone's requirements, and sometimes customers will be unable to meet their own needs. Complaints against the company, and each of us has complained to the company more or less.

Because we accept different cultures and different life experiences, everyone has different ways of thinking and working, so customers' complaints are also different. In a collectivist culture, people don't like to express their emotions, especially negative emotions, in public, and each person's attitude towards things depends on whether he can gain a sense of belonging, whether he can maintain social harmony, and protect others and himself. face. Because people in a collectivist culture think in the "us" way, they pay more attention to the harmonious coexistence between people, so this type of customer is more inclined to complain privately. However, in the individualistic culture, people like to think in the self-centered way and think in the way of "I". They pursue independence and self-satisfaction, and express their dissatisfaction with things by showing their personality and true feelings. Therefore, this type of customer is more inclined to complain publicly. Obviously, different cultural backgrounds will affect customers' perceptions, which in turn will affect customer complaints.

In addition to the reasons mentioned above, customer complaints will also be affected by factors such as people's living standards, the effectiveness of the market system, and government management policies.

5. Measures to resolve customer complaints

5.1. Selling good products

The basic premise for preventing customer complaints is that the products produced by the company must strictly comply with the relevant standards. This mainly includes: First, it is necessary to accurately control the materials required for product production and the storage methods of the product, so as to enable customers to understand more relevant knowledge during sales; Second, the company must go into the market many times for on-site inspections, based on this Manufacture high-quality products that satisfy customers; thirdly, if the product has defects or problems, the company must conduct inspections to improve the deficiencies of the products, and prevent customers from buying defective products, causing customer complaints, leading to customer complaints .

5.2. Provide good service

The main factors affecting the service level of an enterprise are the personal cultivation, service attitude and ability of the employees. Therefore, we must start with the service staff to provide customers with satisfactory services. First, do a good job in the pre-job training and learning of service personnel in the enterprise, paying particular attention to the service attitude, knowledge and skills of service personnel; second, hold various skills competitions and other activities to continuously improve the service level of service personnel; Third, pay attention to safety. If a customer is injured or suffered an accident within the scope of the company's service, no matter how the company defends itself, it must bear responsibility. Therefore, beware of safety issues in the service process.

5.3. Strengthen the training of complaint handling

The ability of corporate service personnel to handle customer complaints will have a certain impact on solving customer complaints. First of all, we must take customer satisfaction as the main concept, train employees to handle complaints efficiency and ability, so that they can deeply understand the overall goals of the company, the company's operations and business missions, and realize that the service attitude of each employee is important to the company's image Influence, and will further affect the interests of enterprises. Secondly, company employees must master various professional skills at work. If the technical level of the employees is not enough and their behavior is clumsy, this will affect the customer's experience and satisfaction with the products and services. Therefore, the premise for the company's products and services to meet the needs of customers is that the employees must be very proficient in various job skills. The personnel responsible for customer complaint management usually communicate directly with customers, which requires the concerted efforts of personnel from various departments in the company. Therefore, it is extremely important for company employees to master the communication skills with customers. Employees who have direct contact with customers shall conduct professional training on time, so that they can master and use communication skills flexibly. Finally, the concept of "internal customers" should be established. Different departments and employees of the company must learn to cooperate. The previous process should treat the next process as "internal customers". The employees of the company should provide products and services that can

meet customer needs. Need help and support from other departments and personnel of the enterprise.

5.4. Build a new corporate culture around "customer satisfaction as the center"

The reason why customer complaint management can be carried out efficiently generally requires the participation of almost all departments and personnel within the enterprise. Therefore, the focus is on paying attention to customer needs. All employees of the enterprise must take the improvement of customer satisfaction as the value orientation and establish "customer satisfaction "Centered" corporate culture.

6. Build a customer complaint management system

As mentioned earlier, all customer complaints are related to the company's production, marketing, service and management, so no complaint can exist alone. The company will always have customer complaints and complaints throughout the operation process. The company can handle a complaint relatively easily, but it is a troublesome thing to handle all complaints satisfactorily every time, so effective management is required System to ensure the satisfactory resolution of every complaint. Therefore, in order to prevent the occurrence of complaints that have an adverse effect on the company, improve the service awareness of employees, and enhance customer satisfaction, companies should establish a "customer satisfaction-centric" complaint management system. This system can be summarized in the following aspects.

6.1. Complaint management

The focus of the functions and responsibilities of complaint management is to speed up the establishment of a complaint service management system, formulate customer complaint management methods, supervise and guide the management of customer complaints by production departments, marketing departments, and service departments at all levels, and make things difficult for customer complaints Problem companies must collectively make plans, discuss and solve problems, and conduct comprehensive rectifications on hot issues

complained by customers. In order to ensure the timely and effective implementation of the complaint service management mechanism and customer complaint management methods, the department responsible for complaint management should preferably be directly under the concurrent management of the company's top management department or management personnel.

6.2. Complaint acceptance

The functions and responsibilities of complaint acceptance are mainly to accept customer complaints through different channels, such as through 24-hour service telephone, email, website, counter, etc. Nowadays, a specially established customer service department handles most of the customer complaints, but the most important thing is the attention and concern of the company's senior management or top management.

6.3. Complaint handling

Relevant customer service departments can handle customer complaints in a timely and effective manner, and can directly appease customers' emotions. Therefore, the relevant customer service department is responsible for handling complaints, and then the production department and technical department professionals will jointly assist carry out. For large and medium-sized enterprises, the key is to divide the complaint handling personnel in the customer service department from two aspects: one is the level of customer value. This can be determined according to the customer's consumption style, consumption brand, consumption ability or other aspects; the second is the type of customer complaints. This can be classified according to the different issues raised by customers when they complain, which reflects the professionalism and differentiation of enterprises in handling complaints. However, if the company has the ability to set up corresponding professional handling personnel based on the above two aspects, it will be more efficient in handling complaints and can continuously improve customer satisfaction.

6.4. Complaint response

The focus of complaint response includes the phased response in the complaint handling process, the timely

response after the complaint is handled, and the company's regular return visits to customers. Under normal circumstances, most companies have the customer service department to respond to complaints. If professionals from the production department or technical department respond, because these personnel have insufficient experience in handling complaints, they must concentrate on learning the skills of handling customer complaints.

For the construction of a large-scale enterprise customer complaint management system, it is necessary to determine the respective functions and responsibilities of the production departments, marketing departments, service departments and other professional departments at all levels in the entire complaint management system. It is necessary to appropriately set up a centralized complaint management system. Conducive to the integration of resources and uniform standards, and then form a "customer satisfaction-centric" complaint management system.

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