

People who dwell on poor service more likely to spread the word online

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People react to customer service failures in three ways, impacting on whether they share their experience online, according to new research which suggests that companies need to rethink how they respond to individual customers.



International and multidisciplinary researchers from Nottingham Business School (NBS), part of Nottingham Trent University, UK; The University of Edinburgh, UK; University of Canterbury, New Zealand; and University of Padua, Italy; questioned more than 880 people on their experiences of services failures within the tourism and hospitality industry.

It is the first study to demonstrate that the coping style adopted by customers can impact on how they reflect on their experience, and whether they share their complaints via electronic word-of-mouth (e-WoM). The analysis also has implications for how organizations deal with customer complaints.

Findings revealed three main coping strategies—customers who respond 'actively' put the blame on the provider; 'expressive' complainers wish to demonstrate their anger; and those who have a 'denial-based' reaction completely disengage with the organization.

The respondents were also sorted into four overlapping clusters depending on how they adopted or avoided each of these strategies; how they experienced anger, such as frustration, irritation, annoyance, and distress; and how this impacted on whether they ruminated on the experience.

When looking at how these coping mechanisms effect whether customers shared their experiences online, it was found that better-educated consumers were less likely to talk about their experience publicly. However, customers who used expressive coping, were irritated, and lingered on an incident, replaying it over and over again in their minds, were more likely to use online channels to warn others.

Babak Taheri, Professor of Marketing and part of the Marketing and Consumer Studies Research Centre at NBS, said, "Service failure can



negatively affect the well-being and resilience of consumers. People inevitably react emotionally to poor customer service and, when they dwell on this, they often cope by sharing their complaints online, damaging the reputation of the provider."

"However, this is not the default reaction of all customers, and our research suggests that responding in a one-size-fits-all manner is not effective. Organizations need a better understanding of how coping strategies interact and shape consumer reactions so they can speak to specific segments and solve problems in a way that suits the individual customer."

The study outlines examples of service recovery strategies, such as freephone numbers and online complaint portals available for 'expressive' customers to vent their frustrations; proactive customer engagement action to identify problems among 'denial' consumers to prevent them moving to another provider; and timely, effective remedial action, such as taking responsibility, quick response times and <u>financial</u> <u>compensation</u>, to appease 'active' customers.

It also highlights the use of social media as an opportunity for service providers to rebuild <u>customer</u> trust post-failure. These <u>online platforms</u> can be managed strategically to address service failures quickly, personalize service recovery, and respond to different forms of service failure in a more bespoke, effective manner.

Professor Taheri added, "Customer service teams should be trained and supported to act quickly and empathetically. They need to be able to employ bespoke solutions to stop consumers' initial complaints from developing into more damaging action, such as negative online reviews."

"Coping, Rumination, and Electronic Word-of-Mouth: Segmenting Consumer Responses to Service Failure via Fuzzy Clustering" is



published in the Journal of Business Research.

More information: Martin Gannon et al, Coping, rumination, and electronic word-of-mouth: Segmenting consumer responses to service failure via fuzzy clustering, *Journal of Business Research* (2023). DOI: 10.1016/j.jbusres.2023.114089

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