

# Complaints are different when customers think a company cares

June 12 2024, by Vivek Astvansh

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When a consumer has a bad experience involving a company's products—be it purchasing a car with a safety defect, becoming the victim of a data breach or having baggage lost by an airline—you might

think he or she wouldn't care too much about the business's good intentions.

But the opposite appears to be true. When deciding whether to [report](#) a negative incident, customers seem to be more influenced by whether they think the company is friendly, sincere and well-intended—a quality that marketing academics and practitioners call "brand warmth"—than by whether they think the company can produce high-quality products, or what marketers call "brand competence."

That's [the key finding](#) of a team's research, which was published in March 2024 in the *Journal of the Academy of Marketing Science*.

They wanted to understand how [brand identity](#) affects customers' willingness to report problems. So, they analyzed more than 500,000 reports of product-harm incidents that vehicle owners submitted to the National Highway Traffic Safety Administration between 2005 to 2021.

Holding other factors constant, the researchers found that the "warmer" an automotive brand is, as judged by Young and Rubicam's "brand asset valuator" data, the more likely customers are to report problems involving its products.

In fact, for the average automaker in an average year, a one-percentage point increase in brand warmth was associated with nearly 100 additional reports. Meanwhile, brand competence had no effect.

At first glance, this suggests that being nice is bad for business. But first glances can be misleading. When the team looked deeper into the data, classifying consumers' descriptions of the incidents as either feedback intended to help the company improve or complaints intended to punish, they found that consumers were motivated to provide feedback to warmer companies.

Every percentage-point increase in brand warmth was linked to a 4% increase in the proportion of feedback reports.

## Why it matters

As marketing professors, they study why consumers make the choices they do so that companies can better serve them. Because businesses spend a lot of time and money trying to create an image that appeals to consumers, they would benefit from knowing what qualities consumers value and how that affects their decision-making.

Their research suggests a company like Ford—a brand that scores high in warmth—might gain more from investing in [customer service](#) than a company with a low warmth score, such as Rolls-Royce.

It also offers lessons for managers at high- and low-warmth companies alike. For example, the team found that managers can win back consumers if they respond to customers' reports of negative incidents by acknowledging the customer's desire to offer feedback.

Finally, they say their research adds to a larger body of work about decision-making. Earlier research in psychology has suggested that people judge others by their intentions first and their ability to act on those intentions next. Interestingly, researchers have found that the opposite order prevails when consumers judge companies.

## What's next

The team is working to build a tool that will, they hope, help businesses retain customers who report data breaches, service failures or other bad experiences. Specifically, they are training a [large language model](#) that will help managers respond to customer complaints.

Unlike generative AI tools such as ChatGPT, which are trained on vast amounts of data available on the internet, the team's tool will be trained on complaints sourced from [regulatory agencies](#) and the Better Business Bureau, as well as company responses.

The team believes their model will distinguish between responses that elicit consumer disputes and responses that don't, and so generate responses that will help the company retain customers. They intend to test and improve the model as the regulators and third parties update their databases.

**More information:** Vivek Astvansh et al, Brand warmth elicits feedback, not complaints, *Journal of the Academy of Marketing Science* (2024). [DOI: 10.1007/s11747-024-01009-w](https://doi.org/10.1007/s11747-024-01009-w)

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