LITERATURE SURVEY

A Model for Customer Complaint Management System using SOA

[1]. Develop a new complaint management system called (e-Aduan)

AUTHORS : MONA AHMED KADRY EL-SAYED

Summary : The researcher found out that the most appropriate to the research topic handling customer complaint using SOA was: Najar et al. (2010) tried to improve relation between Citizens and Government by presenting a new model based on Service Oriented Architecture (SOA).For a Social Solidarity, there is a need for a Complaint Management System in order to deal with complaints concerning their food quality or delivery service … etc. Every day Citizens complaint to staff of the service department because of feeling dissatisfied. No matter direct or indirect accusation to any staff, such as face to face complaint, telephone complaint, complaint letter, and message on the web, all the complaints should be accepted and properly cared for. The resolution of the complaint might be economic compensation,improving service and so on. Also it should weight this complaints i.e., weak complaint or strong complaint and take respective measures in order to prioritize handling of complaint.

[2]. "An Analysis of Online Customer Complaints: Implications for Web Complaint Management".

AUTHORS : Cho Y., Hiltz R., & Fjermestad J

Summary : Customer complaining behavior effectively has been considered a "defensive marketing" strategy or a irzero-defectionsl. strategy, which diminishes customer dissatisfaction. Handling customer dissatisfaction accompanies Web customer complaint management, which might be the critical issue for online customer service solutions and e-CRM. In this paper, the authors 1) investigate the current sources and causes of online complaints; 2) seek effective ways of handling customer complaints by examining different product types; and 3) provide guidelines for successful e-CRM. One thousand customer complaints from three different publicized e-business customer service centers and five hundred complaints from online feedback systems were analyzed in this study. The research findings suggest that e-businesses should 1) provide excellent online customer services because customer service is the most important factor in online customer satisfaction; 2) respond to customers' requests/complaints fast because the response speed is more important in online customer satisfaction than offline; and 3) employ strategies that are appropriate for the product category in question.

[3]. "The Vicious Circle of Consumer Complaints".

AUTHORS : Fornell C., & Westbrook A. Robert

Summary : Little is known about how organizations respond to consumer complaints. This paper suggests a process whereby increasing consumer complaint proportions leads to organizational suppression of the unit receiving the complaints, which subsequently contributes to a further increase in complaints due to inaction by marketing management. This vicious circle is tested in two independent studies which provide support for its existence.A ring-model of vicious cycles in customer-employee-interaction is proposed: service employees perceive complaints as a threat to their self-esteem resulting in defense responses such as an increased need for cognitive closure, a devaluation of the customer and their information and degrading service behavior. Confronted with such degrading service behavior, customers react defensively as well, by devaluing the employee for example with regard to his/her competence and by reducing repurchase and positive word-of-mouth (WOM). Three studies investigated each link in this ring-model. In study 1, participants were confronted with an aggressive or neutral customer complaint. Results show that motivated closed-mindedness (one aspect of the need for cognitive closure) increases after an aggressive complaint leading to a devaluation of the customer and their information, and in turn to a degrading service reaction. In study 2, participants were confronted with a degrading or favorable service reaction. Results show that they devaluate the employees' competence after receiving a degrading service reaction and thus reduce their intention to repurchase. In study 3, we finally examined our predictions investigating real customer-employee-interactions: we analyzed data from an evaluation study in which mystery callers tested the service hotline of an airline. Results show that the employees' competence is devaluated after degrading behavior and thus reduces positive WOM.

[4]. **"Service-oriented architecture Revolutionizing today's banking systems".**

AUTHORS : Jay DiMare & Richard S. Ma

Summary : Service Oriented Architecture (SOA) has been a topic in the IT industry for quite some time now. Over the last years, many (and sometime almost religious) discussions have taken place about the concepts of SOA, its applicability to a companies IT system landscape, whether it is a revolutionary or an evolutionary approach, whether it is just over-hyped and so on.Despite all discussions, Service Oriented Architecture is real and has itself proven to stay. In this Blog series I'd like to share some of the concepts we apply when implementing service oriented solutions in the banking industry. However, we will not deep dive into the three letter acronym world of IT technology, but rather look at the conceptual ideas and building blocks from an architectural perspective.As mentioned before, there have been controversial discussions about SOA, so let's look briefly on what it is. Primarily, Service-Oriented Architecture – as the name implies – is an architectural style for building IT systems. Within this paradigm, a service becomes the centerpiece of the design.However, even though in the end we will deliver an IT solution, let's not loose the view on what the essential purpose of IT is: To enable a company executing its business processes more

efficiently, with a higher degree of automation, more agile and flexibly. Some of today's processes would not even be possible without the support of IT systems. Just think about the amount of payment orders being processed across payment networks and between different banks on a daily basis.So the architectural style of SOA is really about the decomposition of business functionality into dedicated business domains and providing pieces of business activities that make up business processes as "services". The benefit of having those services is that the encapsulated business functionality can now be reused in a variety of different processes within and even outside the company boundaries.

[5]. **"Enabling and Measuring Electronic Customer Relationship Management Readiness".**

AUTHORS : Julta, D., Craig, J., & Bodorik, P

Summary : Customer-focused evaluation framework that businesses can use to assess their electronic customer relationship management (e-CRM) readiness. The framework is intended to provide a big picture of the overall composition of e-CRM, to facilitate gap analysis, and to support a monitoring and feedback process. Knowledge management, trust, and technology are identified as key enablers of e-CRM. Finally, we propose weighting and rating scales to aid in assessing customer relationship management readiness, and provide examples of their use.Customer Relationship Management (CRM) is a broad term for managing a business' interactions with customers. Effective CRM is about acquiring, analyzing and sharing knowledge about and with your customers. Total CRM covers your direct business contacts with customers, your channel partners' indirect contacts with customers, and customer contact management in your supply chain. More importantly, it allows a business to focus on the customer. Electronic CRM or e-CRM is the customer relationship care component of e-Business. Customer care linkages in the value chain for B2C and B2B electronic commerce are critical elements for successful adoption of new products and for the evolution of existing products [26]. Technology is being deployed to an ever-broadening set of businesses and the challenge for developers is to not only have the correct customer care mechanisms in place, but in order to differentiate themselves from the competition, it must be done either more cheaply or better than its competitors. Customerfocused implies that there is a demand-pull of information that ultimately focuses on the customer. e-CRM extends to all of the stakeholders that create value for the customer. Value for the customer may be lower prices, higher quality products and services, continuous stream of innovative new products and services, speedier responses, convenience, and customization of products and services. Value is essential - it is what customers are willing to pay in exchange for some offering. When a company is the customer, Anderson [1] defines value as "the worth in monetary terms of the technical, economic, service, and social benefits a customer company receives in exchange for the price it pays for a market offering." Customer characteristics have changed. Although value is what customers have always wanted, today's customer has greater access to it. The new customer is fickle, demanding, informed, and in the driver's seat.

[6]. "The Application of Service-Oriented Architecture in E-complaint System".

AUTHORS : Najar, A. S., Al-Sukhni, H. A., & Aghakhani, N.

Summary : Complaint handling as an important part for minimizing user dissatisfaction and increasing users' loyalty has got high influence in developing governments' websites. Moreover, governments' complaint handling websites do not encourage citizens to submit their complaints online as users were confused in interacting with different departments websites in order to make a simple complaint. Many governments tried to utilize SOA in their e-government system to avoid as such confinement among their citizens. However, these developed SOA based systems were not covering comprehensive complaint handling. In this study researcher represented a new e-complaint model base on SOA to develop existing e-governments' complaint systems into more comprehensive complaint systems. However, many investigations have been done on the topic of e-complaint system, none of these researches focused on using SOA in e-complaints system. We believe using SOA in e-complaint system can bring more flexibility for complaint departments to change their complaint services. In this paper firstly the concept of e-government, SOA and e-complaint system were explored after that our new model was presented and in continue the obstacles in implementing of the new model were discussed.However one of the services is offered by the government is 'Forms made available for sending complaints', researcher found out that most of complaint services are just cover complaining from website or feedback for improving online services. Only a few number of websites considered on idea of government staff complaining.

[7]. "Quality Improvement of Complaint Services in Mara Pahang from a Management Perspective".

AUTHORS : Razali R., Abd Halim K. N., & Jusoff K.

Summary : The services and facilities available at a university are the determining factors in identifying its level of quality. Universiti Teknologi MARA (UiTM) Pahang always trying to improve their quality of services and facilities to make sure their customers are satisfied. Customers have the right to complaint or give comments on the services and facilities provided by university (Zirtiloglu & Yolum, 2008). Normally the customers will make their complaints directly to the university. Unfortunately, in most of cases customers face difficulties to channel their complaints and comments to the right party. Hence, resulting them in complaining in the media such as television and newspapers. This actually gives a negative impact to the university's reputation. Besides that, the customers also have difficulties in knowing the status of their complaints. For the university, the weaknesses of the complaint management process hamper them from taking immediate actions against any complaints forwarded. They also have difficulties in compiling the information regarding customers' dissatisfaction that can be used to improve their services and facilities. Trappey et al. (2010) developed and analysed a framework of complaint handling system for a Japanese restaurant chain. The complaint handling process is overcomes the deficient approach of previous complaint handling through process reengineering. Thus, it is giving benefits to the operations between headquarter and branches of the restaurant. A formal integrated process modelling (INCOME) approach is used to define the complaint handling

model and its process. The new framework includes complaint reporting, compensation diagnosis, and complaint analysis. Furthermore, the model has capability of the decision supports on complaint resolution automatically by the system. Torben et al. (2010) identified two clusters of retailers from the cluster analysis. The clusters are non-active complaint handlers and medium-active complaint handlers. Medium-active complaint handlers regard complaint handling as having higher strategic relevance than non-active complaint handlers. The medium-active complaint handlers also are more inclined to compensate the complaining customers for the loss they might have experienced. The developed cluster profiles are reveal that medium-active complaint handlers perceive a higher degree of customer dissatisfaction than do non-active complaint handlers and also that a larger proportion of their customers have complained. The results obtained are indicating that retailers hesitate from inciting customers to complain. This is unfortunate, as dissatisfied customers should be regarded as a strategic asset, which potentially could provide retailers with important knowledge concerning their products and services and thereby helping retailers in improving their market place behaviour.

[8]. **"A Critical Review of Consumer Satisfaction".**

AUTHORS : Yi, Yooujae.

Summary : Customer complaint behavior (CCB) is referred to as the action that is taken by an individual after experiencing negative product consumption attributes. When a product is received by the consumer, it produces positive or negative outcomes depending upon the quality, price, and expectations of the consumers about the product. If the product meets the quality and expectations of the consumer, there are no complaints, but if the quality and expectations of the consumer are not met, it results in CCB. Dissatisfaction with the product may lead to altering outcomes because of the different nature of the consumers. Being dissatisfied with the product, the consumer may choose to make a private complaint to the company or altogether reject using the products of the company. Moreover, if the consumer is dissatisfied, he/she would not recommend the product to friends, family, or relatives resulting in loss of word of mouth publicity for the company. The consumer may also choose to complain about social media sites by posting negative comments or user experience regarding the consumption of the product. All these attributes negatively impact the association between consumers and retailers and weaken the bond of trust between them.
Complainants are categorized into different types depending upon their response style to the issues with the products. It includes passive complainants that do not make any complaints against the retailer or company even if they are dissatisfied with the product. The second category is complainant of voicers that complain about the poor quality of the product and asks for replacement or readdress the issue with the retailer. The third type of complainant is irate that makes a direct complaint to the company and along with that provides negative comments and remarks about the product through word of mouth. It also includes posting negative comments on all social media platforms and switching providers to ensure that they do not receive poor quality products again. The fourth category of complainants is activists that complain to third party agencies so that the issue is readdressed and social change is initiated in the online retailing segment. CCB is also associated with personality-based

complaints as different consumers have different personalities and they react differently. For example, the consumers that have aggressive personalities are likely to voice against issues faced by them on receiving poor quality products. Aggressive personality consumers make complaints to the online retailer and complaint agency regarding the discrepancies in the product and the failure of their expectations. On the other hand, some consumers have less aggressive personalities. Such consumers do not express their discontent openly and prefer to make private complaints to the company. It includes privately boycotting the use of products and warning close associates, friends, and family against using the default company products.

[9]. **"Consumers propensity-to-complain".**

AUTHORS : Gursoy et al.

Summary : Both theoretical and empirical studies demonstrate that in the conditions of global changes it is increasingly difficult to exercise customer care. When Tomić S., et al: Consumers' Propensity to Complain Towards Tourist Agencies'… 116 Industrija, Vol.46, No.3, 2018 tourists' expectations are high, they are more often likely to assess the tourist service quality as less favourable for themselves. In relation to this, tourists' expectations influence the perception of the tour quality negatively, whereas tourist motive influences the perception of the tour quality positively (Sangjae, Sungil, Doyoung, 2011). The customer contact persons' behaviour is focused on creating consumer value, and it determines the level of consumer orientation (Homburg, Wiesere, Likas & Mikolon, 2011). Trust is the key variable for a successful relationship between a travel agency and a consumer (Alvarez, Casielles & Martín, 2010, p. 146). The papers of many authors (Chumpitaz Caceres, & Paparoidamis, 2007; Alvarez et al., 2010) point out that the key trust component is the degree to which the customers deem that the contact person intends to deal with issues that have positive results for them. Ngai, Heung, Wong & Chan (2007) state in their article that complaints are a clear expression of dissatisfaction, but that they also represent an opportunity to reduce dissatisfaction and encourage cooperation. Barlou and Moller (2007) point out that nobody likes to receive complaints. Staff will be affected by complaints made by customers; they will also deem that their work is not appreciated (Bell, Mengüç & Stefani, 2004). They are, however, another external source for attracting and keeping customers, as well as a way to gather information essential for further progress of the organization (Yilmaz, Varnali & Kasnakoglu, 2016). It is impossible to always provide 100% flawless service, despite the importance (Tao, Karande & Arndt, 2016, p. 266). Service failure is inevitable, and it is of key importance for companies to successfully renew their services (Choi & Choi, 2014, 109). Contact personnel cannot eliminate complaints, but can learn to respond to them efficiently. Some researchers (Maxham & Netemeyer, 2002; Priluck, 2003) point out that the salesperson's response to failures can either strengthen or deteriorate client relationships (Maxham & Netemeyer, 2002). The costs of creating a new client are far higher than the costs of retaining the existing ones, which is an additional indicator of complaint management significance (Assaf, Josiassen, Cvelbar & Woo, 2015, p. 78). Service recovery includes all activities designed to handle a problem, negative attitudes of dissatisfied consumers and a tendency to retain them all eventually. When an organization initiates recovery, the customer's perception of interactional justice should be improved.

The customer can then see active effort as an act of courtesy, and demonstration of sincerity and openness as showing understanding and respect (Smith, Bolton, & Wagner, 1999).

[10]. **"Collecting comprehensive consumer complaint data by survey research".**

AUTHORS : Ralph L. Day and E. Laird Landon, Jr.

Summary : It is widely recognized that data on specific complaints reported by individuals and collected and summarized by various agencies are seriously flawed. Problems with complaint data are usually attributed to the fact that the people who come forward with complaints are not a representative sample of the population. In the words of Dr. Raymond C. Stokes, former Director of the Consumer Research Institute, "No one maintains that complaint letters which flow to governmental agencies or to private business firms come from a representative sample of the consuming public. In fact, the contrary is know to be true. Analysis of complaint letters show that they are heavily weighted by two groups: (1) people with time on their hands; and (2) highly educated, articulate people" (Stokes, 1974). Although the limited number of studies of consumer complaining behavior do not all agree on the precise ways in which complainers are different, there seems to be general agreement that people who come forward with complaints are quite atypical of the population (Warland, 1974).

In studies where researchers have gone to the consumer to get information on consumer complaints through survey research, one can break out those who have not complained because they have not been dissatisfied from those who have not complained even though they have been highly dissatisfied. The results of one recent study offered additional evidence that complainers are quite different and provides some new insights on the transmission of complaints. The study was a telephone survey of a national probability sample of 1,215 consumers. All respondents were asked "lately, have you gotten good and mad about the way you were treated as a consumer?" A large majority of the respondents (64.5%) said they had not been upset about their treatment as consumers, 24.2% said that they had been upset and had taken some action, and 11.3% reported that they had been upset but had taken no action. The three groups were quite different on demographic variables and in their attitudes toward government and business. The upset-complainers were at one extreme (young, affluent, activist liberals), the upset-noncomplainers were at the other extreme (older, poorer, politically alienated), while the non upset-noncomplainers fell in between on most measures. While hardly definitive, these results suggest that the young and highly educated are overrepresented in complaints although they may be quite atypical of the population in terms of their consumption patterns (Warland, 1974).

Perhaps the most interesting result of this study was the small fraction of those who reported complaining who had taken action that would be likely to contribute to the complaint statistics of consumer protection agencies. Of the 294 respondents who reported taking action, there were only 15 cases of reports to "Better Business Bureau, government official, TV station or newspaper" and 10 cases in which the action was "contacted a lawyer, filed a suit, went to small claims court." The great majority of the complainers had complained to the firm or firms involved, boycotted the seller, refused to pay, or simply complained to relatives and friends (Warland, 1974). Without a lot more information than is now available about the processes which determine which complaints eventually reach consumer

protection agencies, the assumption that these complaints even roughly reflect the nature and scope of consumer concerns seems highly questionable.

It should be recognized that the relevant issue is whether reported and recorded complaints are a representative sample of "the population of legitimate complaints" and not whether the complainers are a representative sample of the general population in terms of demographic characteristics. In other words, there are factors other than what the individual is like which bear on the accuracy of conventional complaint data, and these are not necessarily predicted by demographic data. While a comprehensive "theory of consumer complaining behavior" remains to be formulated and tested, a preliminary effort will be made here to identify the major factors. At a rather general level, we will consider complaining behavior as a function of four factors: (1) the individual's propensity to complain when dissatisfied; (2) the individual's opportunities to become dissatisfied with products or services; (3) the opportunities available to the individual to obtain redress and/or register complaints; and (4) disparity in consumer knowledge. Each of these will be discussed very briefly.