

Full Length Research Paper

Banking customers' attitudes toward complaining: Their likelihood of voicing a complaint and service recovery they consider appropriate

DJ Petzer¹ and PG Mostert^{2*}

¹University of Johannesburg, P. O. Box 524, Auckland Park, 2006, Johannesburg, South Africa.

²Faculty of Economic and Management Sciences, School of Business Management, Potchefstroom Campus, North-West University, South Africa.

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This paper measures the attitude of banking customers towards complaining and their likelihood to complain when a service failure is experienced at their current and another bank. Insight is also provided into the service recovery responses customers consider appropriate when a service failure is experienced. The target population included individuals in the Gauteng Province of South Africa who hold a bank account in their personal capacity. An interviewer-administered survey was used to collect data using non-probability quota sampling based upon population group and gender. A demographic profile of respondents, as well as the findings in terms of the aforementioned constructs and related hypotheses is provided. The study found that respondents have a positive attitude towards complaining, and that they are significantly more likely to voice a complaint when experiencing a service failure at their current bank than at another bank. Significant differences also exist with regard to the individual responses respondents consider appropriate when confronted with a hypothetical service failure experienced at their current bank and another bank.

Key words: Services marketing, South Africa, banking, complaining, attitude, likelihood to complain, service failure, service recovery responses.

INTRODUCTION

The South African banking industry is viewed as world class; it has weathered the global recession of 2008 to 2010 (The Banking Association South Africa, 2010) and holds great potential for retail banks wanting to operate in South Africa (Imeson, 2010; SouthAfrica.info, 2010). This is evident in the facts that foreign banks are feverishly buying stakes in local banks and that there are many new entrants (local and foreign) into the market (The Banking Association South Africa, 2010).

Service failure in the retail banking industry is fairly

common due to the nature of the services delivered to customers (Michel, 2004). Service failures lead to customer dissatisfaction. Customers may decide to complain or simply defect to another bank. It is thus important for retail banks who want to survive and prosper over the long-term to understand customer complaints and the service recovery responses they consider appropriate when a service failure does occur (Bamford and Xystouri, 2005). Being able to identify those who complain, and how they complain, is critical to realising high levels of customer satisfaction (Jones et al., 2002). This paper aims at uncovering retail banking customers' attitude towards complaining, their likelihood of voicing a complaint and the possible recovery responses they

*Corresponding author. E-mail: pierre.mostert@nwu.ac.za. Tel: 018 299 1420. Fax: 018 293 5264.

consider appropriate when service failures do occur at their current and another bank.

LITERATURE REVIEW

The banking industry in South Africa

According to The Banking Association South Africa (2010), the banking industry in South Africa is well-developed and compares favourably with its counterparts in the developed world. In addition, the banking industry also contributed 21.2% to the country's GDP during the second quarter of 2010 (The Banking Association South Africa, 2010). The industry survived the global recession experienced in the latter part of the first decade of the 21st century fairly unharmed compared to its counterparts in other markets (Imeson, 2010). The South African market still holds great potential for retail bankers, especially when considering the thirteen million unbanked consumers in South Africa (Imeson, 2010; SouthAfrica.info, 2005).

In 2010, the banking industry in South Africa consisted of 21 registered and mutual banks, 43 foreign banks operating in South Africa and 13 branches of foreign banks located in South Africa (The Banking Association South Africa, 2010). The four major retail banks competing for the lion's share of the South African market include ABSA, First National Bank, Nedbank and Standard Bank of South Africa (SouthAfrica.info, 2005). Apart from these traditional retail banks, there are a number of new entrants into the retail banking scene. Capitec Bank is making major inroads into the South African market (Capitec Bank, 2010). This bank already has over 400 branches countrywide and punts a philosophy of 'simplicity, affordability, accessibility and personal service', and it aims at differentiating itself from its competitors by offering simplified banking at a much lower cost than its competitors (Capitec Bank, 2010). In addition to new entries, the industry is also characterised by international banks investing in retail banking, most notably the acquisition of ABSA by the UK-based Barclays (Absa, 2005) and the deal between Standard Bank and the Industrial and Commercial Bank of China (The Banking Association South Africa, 2010:1).

Service failure

A service failure refers to anything that is perceived to go wrong as viewed from the perspective of the customer when receiving a service from a service provider (Lewis and Spyrapoulos, 2001). It is also no secret that the number of service failures that occur in the banking industry is high, and that keeping existing customers is a high priority in this industry in order for banks to survive

and prosper (Bejou and Palmer, 1998).

According to Michel (2004), the kind of services typically delivered by banks often involves interaction between customers and an employee from the bank. This interaction is not only limited to human contact, but also extends to interaction between customers and self-service technologies (SSTs) banks utilise to bring their services to customers, such as automated teller machines (ATMs) and internet banking (Michel, 2004: 367). Michel (2004) is furthermore of the opinion that since the services delivered by banks are typically delivered and received at the same time, many factors beyond the control of a bank, such as power failures and Internet service providers being down, are also at play that may lead to inevitable service failures.

Siddiqui and Tripathi (2010) distinguish between three different classes of service failures. The first classification refers to those services that are unavailable. An example is an internet banking site that is temporarily out of commission. The second classification involves services that take place at an unreasonably slow pace. A customer may feel he or she is waiting too long in a queue at the general enquiries desk at a bank due to the fact that the employee takes his or her time to serve customers. The last classification involves services failures that customers deem unexpected such as a teller being unfriendly or behaving inappropriately when serving the customer (Siddiqui and Tripathi, 2010).

Complaining and attitude towards complaining

Attitude towards complaining refers to dissatisfied customers' propensity to look for reimbursement from a business when a service failure has occurred (Yuksel et al., 2006). According to Atalik (2007), customers typically find it difficult to complain when a service failure has occurred. Even when customers eventually do complain, employees insinuate, in many instances, that complaining might not be suitable within the particular circumstances (Atalik, 2007). All customers, however, do not complain and whether or not customers complain is influenced by their general attitude towards complaining. According to Velázquez et al. (2006), customers' general attitude towards complaining is influenced by a number of factors which include the importance of the situation to the customer, where the more important the situation in which the service failure occurs, the more willing the customer will be to complain. Another factor that influences attitude towards complaining is the chances that voicing a complaint will make a difference. The better the chances are of a complaint making a difference, the higher the probability will be of customers voicing their complaints. The higher the level of dissatisfaction the customer experiences the better the chances that the customer will engage in private actions such as the

spread of negative word-of-mouth (Velázquez et al., 2006).

Customers can typically be divided into three groups when it comes to their complaining behaviour (Kim and Lynn, 2007; Yuksel et al., 2006). Private response complainers make up the majority of those that do complain. They do not complain to the service provider, but rather to their friends and family and in this way, spread negative word-of-mouth about the service business. The second group is third-party response complainers who prefer complaining to other organisations such as a consumer protection bureau or they take legal action (Kim and Lynn, 2007). The third group refers to the voice response complainers who inform the service provider where the service failure was experienced about their dissatisfaction (Kim and Lynn, 2007).

The effective handling of complaints is seen as critical, since complaints that are not correctly handled will not solve problems within the service business and will only grow into bigger problems (Atalik, 2007). In short, Atalik (2007) is of the opinion that complaint handling is essential to building a competitive service business.

Service recovery

Service recovery refers to the responses or efforts service providers put in place to deal with service failures experienced by their customers (Lewis and Spyropoulos, 2001). The main goal of service recovery should be to restore customer satisfaction (external effort), and to use the opportunity to correct the processes and circumstances within the business (internal effort) that led to the service failure in the first place (Bamford and Xystouri, 2005). Implementing service recovery responses has a major impact on the income and profitability of businesses (Bamford and Xystouri, 2005). Duffy et al. (2006) state that service businesses such as banks should take special care when they offer responses for service recovery. Service recovery should ideally focus on turning an unhappy or disgruntled customer into a happy and content customer (Lewis and Spyropoulos, 2001). All service recovery responses are, however, not equally effective in improving customer satisfaction and service businesses such as banks should therefore determine the combination of service recovery responses that will best suit their particular customers (Park et al., 2008; Duffy et al., 2006). Hedrick et al. (2007) state furthermore that the level of the relationship the service business has with a customer should also be taken into account; the more important the customer is to the service business, the more effort should be placed upon service recovery efforts.

It is finally important to note that the more a customer blames a service provider for the service failure, the

higher the expectation of the customer is in terms of service recovery. Customers using SSTs also tend to blame themselves more when something goes wrong, than customers who deal personally with bank staff (Harris et al., 2006).

Problem statement, objectives and research hypotheses

Based on the theoretical background, the following problem statement is formulated for this study: The South African banking industry is viewed as world-class with strong local and international players in the industry vying for the business of South African banking customers. The South African market also holds great potential with large numbers of consumers not being banked. Banks offer a range of services to their customers with the aim of attracting, satisfying and ultimately retaining customers. Things, however, do go wrong when services are delivered to customers irrespective of the bank's best intentions. When service failures do occur, banks rely on customers to complain in order to bring service failures under their attention. If customers do not complain, banks may remain unaware of the service failures customers' experience. A complaint may gear a bank into action to put service recovery responses in place to restore customer satisfaction. The service recovery responses to be implemented are influenced by several factors, including what bank customers consider as appropriate in a particular instance. If customer satisfaction is not restored, customers may eventually defect to another bank. It is therefore important for banks to determine the attitude of customers towards complaining, as well as their likelihood of voicing a complaint. Coupled with this, it is also important for banks to know which service recovery responses customers consider appropriate in the event of a service failure. Based upon the problem statement, the following objectives are formulated for the study:

- i. To determine the demographic profile of respondents who took part in the study.
- ii. To determine respondents' general attitude towards complaining.
- iii. To determine and compare the likelihood of respondents voicing their complaints when confronted with a hypothetical service failure at their current bank and another bank.
- iv. To determine whether significant relationships (correlations) exist between respondents' general attitude towards complaining, and their likelihood of voicing a complaint in different ways when confronted with a hypothetical service failure at their current bank and another bank.
- v. To determine and compare the individual responses respondents consider appropriate when confronted with a

Table 1. Scenarios respondents were presented with in the questionnaire.

Scenarios	
1. Service failure at another bank	You decide to go to a bank you have not banked with before to explore the possibility of opening a new account with them. The information desk refers you to a waiting area where an advisor will call you. Although the advisor you were referred to is aware of your presence, you are initially ignored. After a few minutes the advisor motions to you to come to his cubicle, greets you abruptly and mumbles, "how can I help you?" (You think that was what he said) without making eye contact or appearing truly interested in assisting you.
2. Service failure at current bank	You decide to go to the bank that you currently bank with to explore the possibility of opening a new account with them. The information desk refers you to a waiting area where an advisor will call you. Although the advisor you were referred to is aware of your presence, you are initially ignored. After a few minutes the advisor motions to you to come to his cubicle, greets you abruptly and mumbles, "how can I help you?" (You think that was what he said) without making eye contact or appearing truly interested in assisting you.

hypothetical service failure at their current bank and another bank.

vi. To determine whether significant relationships (correlations) exist between respondents' overall likelihood of voicing a complaint, and the individual responses they consider appropriate when confronted with a hypothetical service failure experienced at their current bank and another bank.

The following hypotheses are formulated for this study:

H₁: Significant differences exist with regard to respondents' likelihood of voicing their complaints when confronted with a hypothetical service failure at their current bank *and* another bank.

H_{2a}: Significant relationships (correlations) exist between respondents' general attitude towards complaining, and their likelihood of voicing a complaint in different ways when confronted with a hypothetical service failure experienced at another bank.

H_{2b}: Significant relationships (correlations) exist between respondents' general attitude towards complaining, and their likelihood of voicing a complaint in different ways when confronted with a hypothetical service failure experienced at their current bank.

H₃: Significant differences exist with regard to the individual responses respondents consider appropriate when confronted with a hypothetical service failure experienced at their current bank *and* another bank.

H_{4a}: Significant relationships (correlations) exist between respondents' overall likelihood of voicing a complaint, and the individual responses they consider appropriate when confronted with a hypothetical service failure experienced at another bank.

H_{4b}: Significant relationships (correlations) exist between respondents' overall likelihood of voicing a complaint, and the individual responses they consider appropriate when confronted with a hypothetical service failure experienced

at their current bank.

METHODS

The target population included individuals in the Gauteng Province of South Africa who hold a bank account in their personal capacity. Two-stage non-probability sampling was used to select the respondents from the target population. Quotas based upon population group and gender was established to ensure that the target population was representative of the population under study. In total, 316 useable questionnaires were collected for analysis. An interviewer-administered survey was used to collect data from respondents in their homes. Fieldworkers had to select respondents and fill quotas as previously explained.

Structured questions were used to elicit responses and the questionnaire consisted of a number of main sections. The first section served as an introduction, as it explained the intent of the survey. A screening question was subsequently posed to ensure only respondents who hold a bank account in their personal capacity participated in the study. The next section determined the demographic profile of respondents, as well as aspects related to their relationship with their current bank.

In addition, the questionnaire included three measurements sets. Two measurement sets were taken from Yuksel et al. (2006). The one measurement set measured general attitude towards complaining (8 scale items), while the other measurement set measured consumer complaining behaviour. Of importance to this paper is one dimension of consumer complaining behaviour namely, the likelihood of voicing a complaint (5 scale items). The last measurement set included in the questionnaire measures 8 possible appropriate responses consumers expect when experiencing a service failure. After respondents' general attitude towards complaining had been measured, they were presented with a service failure scenario at their current *and* another bank respectively. Table 1 provides the two scenarios the respondents were presented with. Subsequent to being presented with a scenario, respondents had to indicate their likelihood of voicing a complaint, as well as the responses they consider appropriate to recover from the service failure presented in the scenario.

All scale items were measured with multiple-item, unlabelled, five-point scales that require respondents to indicate their level of agreement (where 1 is 'strongly disagree' and 5 is 'strongly agree') with these scale items. The questionnaire was furthermore pre-

Table 2. Cronbach's alpha for measurement sets used in the study.

Measurement sets	Cronbach's alpha
Attitude towards complaining (8 scale items)	0.745
Likelihood of voicing a complaint – Scenario 1 (5 scale items)	0.703
Likelihood of voicing a complaint – Scenario 2 (5 scale items)	0.722

tested before it was fielded among the target population of the study.

Paired sample t-tests were conducted to determine whether significant differences exist with regard to respondents' likelihood to complain when confronted with a hypothetical service failure at their current bank and another bank. These tests were furthermore used to uncover significant differences between the individual responses respondents consider appropriate when confronted with a hypothetical service failure at their current bank and another bank.

The Pearson's product moment correlation technique was used to determine whether significant relationships (correlations) exist between respondents' general attitude towards complaining, and their likelihood of voicing a complaint in different ways when confronted with a hypothetical service failure at their current bank *and* another bank. The Pearson's product moment correlation technique was also used to determine whether significant relationships (correlations) exist between respondents' overall likelihood of voicing a complaint, and the individual responses they consider appropriate when confronted with a hypothetical service failure experienced at their current bank *and* another bank. The Pearson's product moment correlation technique is appropriate since the variables contain interval scaled data, the association between the variables is linear, and both variables are normally distributed (Eiselen et al., 2007). The distribution of results is further reported.

The authors relied on a 95% level of confidence, or a 5% level of significance, therefore, a p-value of equal or less than 0.05 indicated a significant difference between means. Furthermore, a correlation coefficient of less than 0.1 indicated no effect, between 0.1 and 0.3 indicated a small effect, between 0.3 and 0.5 indicated a moderate effect, and a correlation coefficient of greater than 0.5 indicated a large effect (Eiselen et al., 2007).

RESULTS

Reports on the distribution of results, construct validity, reliability, the demographic profile of respondents, hypotheses testing and the results obtained in relation to the constructs measured in this study are presented here.

Distribution of results

It is first of all important to determine the distribution of results for each of the scale items reported in the study. Scale items or variables should ideally show a normal distribution in order for it to be considered for parametric tests, although this is not always important when the sample size exceeds 30 respondents (Eiselen et al., 2007). A scale item or variable that exhibits a skewness of the distribution of less than an absolute value of 2.00

and a kurtosis of the distribution of less than an absolute value of 7.00 can be considered as indicative of a normal distribution (West et al., 1995). All scale items measured fall within these limits. Since all scale items are normally distributed and the sample size is larger than 30 ($n = 316$), parametric tests were used for testing hypotheses (paired sample t-tests and Pearson product moment correlations).

Construct validity

Construct validity was assessed by using scale items taken from previous research for use in this study (Yuksel et al., 2006). Results when using these scale items in the aforementioned research indicated significant paths to the constructs with low residuals.

Reliability

Cronbach's alpha was used to calculate the reliability of the measurement sets used in this study. The closer the value is to 1, the more reliable the measurement set. A value of 0.70 is considered the cut-off point (Hair et al., 1998). Table 2 presents the Cronbach's alpha values for the three measurement sets of concern in this study. It is evident from the results that the measurement sets used in the study can be considered reliable.

Demographic profile of respondents

In total, 316 respondents completed the questionnaire. Of the 316 respondents taking part in the study, 45.6% were male and 54.4% were female. The majority of respondents (47.8%) are between the ages of 20 and 29 years of age, 18.4% are between the ages 30 and 39 years, 15.8% between 40 and 49 years and 10.1% between the ages of 50 and 59 years. The majority of respondents (48.9%) have English as a home language followed by Afrikaans (16.2%) and Sotho (15.9%). Most respondents have a university degree (38.4%), followed by those who have a matric qualification (28.3%) and a technical diploma or degree (27.3%). The majority (62.6%) of respondents are full-time employees and 13.5% of respondents are students. More than half of the respondents (55.9%) have been with their current bank

Table 3. Respondents' general attitude towards complaining.

Scale items	N	Standard deviation	Mean
Complaining is a customer's right, not an obligation	309	0.885	4.26
I always complain when I am dissatisfied because I feel it my duty	309	1.114	3.55
Complaining is not easy, but it should be done when 'things' are not right	312	0.927	4.19
I always feel better once I voice my dissatisfactions through a complaint	311	1.116	3.61
For me, complaining usually makes me more frustrated*	309	1.245	3.18
Complaining about anything is distasteful to me*	306	1.207	3.62
People who have little task to do are the ones who complain the most*	312	1.324	3.72
I am embarrassed to complain no matter how bad the product or service was*	314	1.200	3.79
Overall	281	0.685	3.73

*Inverted scores for negative scale items are presented for statistical comparison purposes.

Table 4. Likelihood of respondents voicing a complaint when confronted with a hypothetical service failure at their current and another bank.

Scale items	Scenario 1 (service failure at another bank)			Scenario 2 (service failure at current bank)			p-value
	N	Std. dev.	Mean	N	Std. dev.	Mean	
Voice							
I would complain to the staff member	311	1.361	3.42	310	1.248	3.81	0.000*
I would demand immediate and active involvement of a manager	312	1.364	3.13	311	1.272	3.65	0.000*
I would write a letter of complaint to the head office	313	1.331	2.49	312	1.378	2.89	0.000*
I would talk to other customers about the problem	313	1.321	2.90	305	1.322	3.15	0.001*
I would complain to an external agency (for example, newspaper)	311	1.149	1.99	310	1.247	2.24	0.000*
Overall	301	0.888	2.79	302	0.888	3.14	0.000*

*Significant difference between the means at the 0.05 level.

for five years and longer.

complaining.

Respondents' general attitude towards complaining

Table 3 provides an exposition of the results obtained with regard to respondents' general attitude towards complaining. As is evident from Table 3, 'complaining is a customer's right, not an obligation' is the scale item respondents agree with the most (mean = 4.26; standard deviation = 0.855). This was followed by 'complaining is not easy, but it should be done when things are not right' (mean = 4.19; standard deviation = 0.927). The scale item respondents agree with the least, is 'complaining makes me more frustrated' (mean = 3.18; standard deviation = 1.245). The overall means score for respondents' general attitude towards complaining is 3.73 (standard deviation = 0.685). Considered on a five-point scale, it can be said that overall, respondents strongly agree with the scale items contained in this measurement set and thus have fairly positive attitudes toward

The likelihood of voicing a complaint

Table 4 presents the counts, standard deviations and means of scale items that measure respondents' likelihood to complain when confronted with a service failure at another bank (scenario 1) and their current bank (scenario 2). Table 4 also reflects the overall mean score for this measurement set. In addition, the results of the paired sample t-test that statistically compared the means from the two scenarios are also presented.

It is evident from the Table that respondents are most likely to complain to a staff member (mean = 3.42; standard deviation = 1.361 for a service failure at another bank, and mean = 3.81; standard deviation = 1.248 for a service failure at their current bank) when a service failure is experienced. Respondents are least likely to complain to an external agency (mean = 1.99; standard deviation = 1.149 for a service failure at another bank and

Table 5. Responses respondents consider appropriate when confronted with a hypothetical service failure at their current bank and another bank.

Scale items	Scenario 1 (service failure at another bank)			Scenario 2 (service failure at current bank)			p-value
	N	Std. dev.	Mean	N	Std. dev.	Mean	
Appropriate responses							
It is not necessary for the bank to do anything	311	1.089	1.70	311	1.187	1.72	0.753
Apologise to me for the poor service I received	309	0.982	4.21	309	0.954	4.31	0.056
Acknowledge that I was not properly treated	307	0.952	4.22	307	0.903	4.35	0.015*
Provide me with an explanation for the poor service	307	1.127	3.94	307	1.039	4.13	0.003*
A supervisor has to intervene in the situation	307	1.158	3.72	307	1.121	3.84	0.60
A manager has to intervene in the situation	307	1.167	3.64	307	1.128	3.78	0.025*
Apologise to me in writing	307	1.283	2.70	307	1.390	2.95	0.000*
Open a new account for me with no banking costs for a year	308	1.541	2.95	308	1.471	3.35	0.000*

*Significant difference between the means at the 0.05 level.

mean = 2.24; standard deviation = 1.247 for a service failure at their current bank) when a service failure is experienced.

The results of the paired sample t-tests indicate furthermore that the means for all scale items, as well as the overall mean score for the likelihood of respondents of voicing a complaint are significantly different between a service failure experiences at their current bank (scenario 2), in comparison with a service failure experienced at another bank (scenario 1).

Therefore, H_1 which states significant differences exist with regard to consumers' likelihood of voicing their complaints when confronted with a hypothetical service failure at their current bank and another bank can therefore be supported. Respondents are significantly more likely of voicing a complaint when experiencing a service failure at their current bank than at another bank.

Relationships (correlations) between general attitude towards complaining and likelihood of voicing a complaint

With respect to H_{2a} that significant relationships (correlations) exist between respondents' general attitude towards complaining and their likelihood of voicing a complaint in different ways when confronted with a hypothetical service failure experienced at another bank, the following findings were made:

- i. There is a small significant relationship (Pearson correlation coefficient = 0.293; p-value = 0.000) between respondents' attitude towards complaining and the scale item 'I would complain to the staff member' in case of a service failure at another bank.
- ii. There is a small significant relationship (Pearson correlation coefficient = 0.288; p-value = 0.000) between respondents' attitude towards complaining and the scale

item 'I would demand immediate and active involvement of a manager' in case of a service failure at another bank.

It can therefore be concluded that a small significant relationship exists between respondents' general attitude towards complaining, and their likelihood of voicing a complaint in the two aforementioned ways when confronted with a hypothetical service failure experienced at another bank (p-values < 0.05 and Pearson correlation coefficients between 0.1 and 0.3, respectively). H_{2a} can therefore only be partially supported.

With respect to hypothesis 2b that significant relationships (correlations) exist between consumers' general attitude towards complaining, and their likelihood of voicing a complaint in different ways when confronted with a hypothetical service failure experienced at their current bank, the following findings were made:

- ii. There is a small significant relationship (Pearson correlation coefficient = 0.277; p-value = 0.000) between respondents' attitude towards complaining and the scale item 'I would complain to a staff member' in case of a service failure at the respondents' current bank.
- iii. There is a small significant relationship (Pearson correlation coefficient = 0.298; p-value = 0.000) between respondents' attitude towards complaining and the scale item 'I would demand immediate and active involvement of a manager' in case of a service failure at the respondents' current bank.
- iv. There is a small significant relationship (Pearson correlation coefficient = 0.124; p-value = 0.040) between respondents' attitude towards complaining and the scale item 'I would talk to other customers about the problem' in case of a service failure at the respondents' current bank.

It can therefore be concluded that small significant relationships exist between respondents' general attitude towards complaining, and their likelihood of voicing a complaint in the three aforementioned ways when

confronted with a hypothetical service failure experienced at their current bank (p-values < 0.05 and Pearson correlation coefficients between 0.1 and 0.3, respectively). H_{2b} can therefore only be partially supported.

Appropriate responses when confronted with a service failure

Table 5 presents the counts, standard deviations and means of scale items that measured the responses respondents consider appropriate when confronted with a service failure at another bank (scenario 1) and their current bank (scenario 2). The results of the paired sample t-test that statistically compared the means from the two scenarios are also presented.

It is evident from Table 5 that respondents consider an acknowledgement that they were not properly treated most appropriate (mean = 4.22; standard deviation = 0.952 for a service failure at another bank and mean = 4.35; standard deviation = 0.903 for a service failure at their current bank) when a service failure is experienced. They consider the bank doing nothing as least appropriate (mean = 1.70; standard deviation = 1.089 for a service failure at another bank and mean = 1.72; standard deviation = 1.187 for a service failure at their current bank) when a service failure is experienced.

The results of the paired sample t-test indicate that the means for five of the eight scale items are significantly different between when respondents experience a service failure at their current bank (scenario 2), in comparison with experiencing a service failure at another bank (scenario 1).

H_3 states that significant differences exist with regard to the individual responses consumers consider appropriate when confronted with a hypothetical service failure experienced at their current bank, and another bank can therefore be partially supported. Respondents are significantly more likely to expect the bank to: 'acknowledge that I was not properly treated', 'provide me with an explanation for the poor service', 'a manager has to intervene in the situation', 'apologise to me in writing', and 'open a new account for me with no banking costs for a year' when experiencing a service failure at their current bank as compared to experiencing the same service failure at another bank.

Relationships (correlations) between overall likelihood of voicing a complaint and responses considered appropriate

With respect to H_{4a} that significant relationships (correlations) exist between consumers' overall likelihood of voicing a complaint and the individual responses they consider appropriate when confronted with a hypothetical

service failure experienced at another bank, the following findings were made:

- i. There is a small significant relationship (Pearson correlation coefficient = 0.135; p-value = 0.020) between respondents' overall likelihood of voicing a complaint, and the response 'apologise to me for the poor service I received' in case of a service failure at another bank.
- ii. There is a small significant relationship (Pearson correlation coefficient = 0.152; p-value = 0.009) between respondents' overall likelihood of voicing a complaint, and the response 'acknowledge that I was not properly treated' in case of a service failure at another bank.
- iii. There is a moderate significant relationship (Pearson correlation coefficient = 0.316; p-value = 0.000) between respondents' overall likelihood of voicing a complaint, and the response 'provide me with an explanation for the poor service' in case of a service failure at another bank.
- iv. There is a small significant relationship (Pearson correlation coefficient = 0.280; p-value = 0.000) between respondents' overall likelihood of voicing a complaint, and the response 'a supervisor has to intervene in the situation' in case of a service failure at another bank.
- v. There is a moderate significant relationship (Pearson correlation coefficient = 0.380; p-value = 0.000) between respondents' overall likelihood of voicing a complaint, and the response 'a manager has to intervene in the situation' in case of a service failure at another bank.
- vi. There is a moderate significant relationship (Pearson correlation coefficient = 0.477; p-value = 0.000) between respondents' overall likelihood of voicing a complaint, and the response 'apologise to me in writing' in case of a service failure at another bank.
- vii. There is a small significant relationship (Pearson correlation coefficient = 0.163; p-value = 0.005) between respondents' overall likelihood of voicing a complaint, and the response 'open a new account for me with no banking costs for a year' in case of a service failure at another bank.

It can therefore be concluded that small to moderate significant relationships (correlations) exist between respondents' overall likelihood of voicing a complaint, and seven of the eight individual responses they consider appropriate when confronted with a hypothetical service failure experienced at another bank (p-values < 0.05 and Pearson correlation coefficients between 0.1 and 0.5, respectively). H_{4a} can therefore only be partially supported.

With respect to H_{4b} that significant relationships (correlations) exist between respondents' overall likelihood of voicing a complaint and the individual responses they consider appropriate when confronted with a hypothetical service failure experienced at their current bank, the following findings were made:

- i. There is a small significant relationship (Pearson

correlation coefficient = 0.169; p-value = 0.003) between respondents' overall likelihood of voicing a complaint, and the response 'it is not necessary for the bank to do anything (something)' in case of a service failure at their current bank.

ii. There is a small significant relationship (Pearson correlation coefficient = 0.234; p-value = 0.000) between respondents' overall likelihood of voicing a complaint, and the response 'apologise to me for the poor service I received' in case of a service failure at their current bank.

iii. There is a small significant relationship (Pearson correlation coefficient = 0.291; p-value = 0.000) between respondents' overall likelihood of voicing a complaint, and the response 'acknowledge that I was not properly treated' in case of a service failure at their current bank.

iv. There is a moderate significant relationship (Pearson correlation coefficient = 0.354; p-value = 0.000) between respondents' overall likelihood of voicing a complaint, and the response 'provide me with an explanation for the poor service' in case of a service failure at their current bank.

v. There is a moderate significant relationship (Pearson correlation coefficient = 0.364; p-value = 0.000) between respondents' overall likelihood of voicing a complaint, and the response 'a supervisor has to intervene in the situation' in case of a service failure at their current bank.

vi. There is a moderate significant relationship (Pearson correlation coefficient = 0.435; p-value = 0.000) between respondents' overall likelihood of voicing a complaint, and the response 'a manager has to intervene in the situation' in case of a service failure at their current bank.

vii. There is a large significant relationship (Pearson correlation coefficient = 0.517; p-value = 0.000) between respondents' overall likelihood of voicing a complaint and the response 'apologise to me in writing' in case of a service failure at their current bank.

viii. There is a small significant relationship (Pearson correlation coefficient = 0.240; p-value = 0.000) between respondents' overall likelihood of voicing a complaint, and the response 'open a new account for me with no banking costs for a year' in case of a service failure at their current bank.

It can therefore be concluded that small, moderate and large significant relationships (correlations) exist between respondents' overall likelihood of voicing a complaint and all eight individual responses they consider appropriate when confronted with a hypothetical service failure experienced at another bank (p-values < 0.05 and Pearson correlation coefficients between 0.1 and larger, respectively). H_{4b} can therefore be supported.

MANAGERIAL IMPLICATIONS AND RECOMMENDATIONS

The study uncovered that respondents have a positive attitude towards complaining. This implies that banking

customers are willing to complain, and they feel that it is worth their while to complain when something does go wrong. A positive attitude towards complaining is beneficial to banks, since they will be able to address such complaints and retain customers. Banks should therefore put mechanisms in place to make it convenient for their customers to voice complaints. They should also employ service recovery responses to rectify and address complaints.

Respondents are significantly more likely to voice a complaint when experiencing a service failure at their current bank than at another bank. Customers have an interest in and in many cases are loyal to their current bank. Current customers are more disappointed with a service failure experienced at their current bank, than when a service failure occurs at a bank the customer does not have a vested interest in.

Significant differences with regard to the individual responses respondents consider appropriate when confronted with a hypothetical service failure experienced at their current bank and another bank can be partially supported. Respondents are significantly more likely to expect the bank to: 'acknowledge that I was not properly treated', 'provide me with an explanation for the poor service', 'a manager has to intervene in the situation', 'apologise to me in writing', and 'open a new account for me with no banking costs for a year' when experiencing a service failure at their current bank as compared to experiencing the same service failure at another bank. Banks should therefore consider service recovery responses on a case-by-case basis, and also consider whether they are dealing with an existing customer or a non-customer before a service recovery response is put in place, since these customers expect different responses to service recovery. Appropriate service recovery responses will assist in banks retaining existing customers and might even convince non-customers to defect from their current banks.

Conclusions

The paper indicates that respondents who participated in this study have a positive attitude towards complaining when a service failure is experienced. Receiving customer complaints gives banks the opportunity to implement suitable service recovery responses. Current banking customers are also significantly more willing to voice a complaint when a service failure occurs than non-customers. Furthermore, current banking customers and non-customers require different service recovery efforts from a bank when service failures occur. Banks should thus tailor recovery efforts to suit specific customer groups. Most studies on this topic require respondents to think back to a service failure they have experienced and respond with the service failure in mind. This study is unique in the sense that respondents are presented with

these particular service failure scenarios taking place at their current bank and another bank. All respondents then had to respond to this particular scenario. The researchers were thus able to use a uniform scenario to measure attitudes and perceptions of the target population.

LIMITATIONS AND RECOMMENDATIONS FOR FUTURE RESEARCH

The target population included bank customers from only one province in South Africa, namely Gauteng. The results are therefore not representative on a national level, and only reflect the attitudes and views of the respondents in this province. Just over 300 respondents, selected using a non-probability sampling technique, took part in the study. This could be considered by some as not representative of the population. The researchers, however, made use of quotas based upon gender and race to improve the representativity of the sample.

The respondents were presented with fictional service failure scenarios in order to determine the service recovery responses they consider appropriate. It could be argued that determining such strategies consumers consider appropriate, will be more accurate when based upon service failures consumers' have actually experienced and not fictional ones. Future research could focus on fielding the survey in other provinces of the country and comparing the results obtained between provinces. Instead of comparing two fictional scenarios, researchers could investigate actual service failures experienced by banking customers and then determine the service recovery responses customers expect from banks.

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