

**Determining Consumer Satisfaction with
Complaint Handling in State Government**

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A resurgence of the consumer movement took place in the 1960s and 1970s, and consequently, state consumer protection offices began to emerge (Maynes & ACCI Research Committee, 1988). By 1974, all 50 states had established consumer agencies in state government (Louisiana Office of the Governor, 1974). With the exception of Alaska, all states have retained their consumer protection agencies, although some states have experienced a reduction in funding and personnel (U.S. Office of Consumer Affairs, 1994).

Major roles of state consumer protection agencies include enforcing existing consumer legislation, assuring equality and justice in the marketplace, and acting as third party mediators for consumer complaints (Liefeld, Edgecombe, & Wolfe, 1975). Although some researchers have studied the extent of consumer satisfaction with these services (Andreasen, 1977a; Bemacchi, Kono, & Smith, 1978; Francken & van Raaij, 1985; Geistfeld & Choy, 1978), none of the work is recent. Researchers have agreed that consumer complaint handling agencies should continually determine their level of effectiveness and identify areas for improvement to enhance communication with and protection of consumers (Andreasen, 1977b; Bernacchi et al., 1978; Bers, 1979; Francken & van Raaij, 1985; Malech, 1987; Moyer, 1984; Singh, 1989; Technical Assistance Research programs [TARP], 1989; Warland, Herrmann, & Willits, 1975).

Purpose

The purpose of this exploratory study was to determine consumer satisfaction with complaint handling procedures of the Consumer Protection Section of the Louisiana Attorney General's Office (CPSLAGO). In addition, relationships were explored between overall and specific measurements of satisfaction and each of the following selected variables: (a) age, (b) race, (c) gender, (d) educational level, (e) employment status, (f) income, (g) type of complaint, and (h) amount of money involved in the complaint.

Methodology

Questionnaire Design

A survey questionnaire, designed by the researchers with input from experts in the consumer economics field, was used for data collection. Using a five-point Likert scale, ranging from very dissatisfied to very satisfied, respondents were asked to indicate how satisfied they were overall with the way their complaint was handled. Additional questions measured satisfaction with specific aspects of complaint handling: (a) four questions related to courtesy, professionalism, knowledge, and helpfulness of personnel; (b) three questions related to length, ease of completion, and thoroughness of the complaint form; and (c) one question related to the amount of time between complaint and response.

Data Collection

The Dillman (1978) Total Design Method was adapted for administration of the questionnaire. Survey questionnaires were mailed in spring, 1994 to the 133 consumers who had filed complaints with the CPSLAGO during the time period of September 1, 1993 through November 30, 1993. Ninety-nine subjects responded, resulting in a 74% response rate.

Data Analysis

Frequency distributions were used to determine the number of respondents at each level of overall satisfaction and satisfaction with specific aspects of services. To reduce the number of variables, principal components analysis was performed to determine whether the four questions related to personnel could be combined and whether the three questions related to the complaint form could be combined. Simple linear regression and analysis of variance were used to test for relationships between satisfaction and the selected variables. Alpha level was .05.

Findings

Profile of the Sample

Respondents ranged from 18 to 86 years of age, with a mean age of 46 years and a median age of 43 years. Nearly three-fourths (74%) of the sample were white, 19% were black, and 7% were other than white or black. Almost two-thirds (64%) of the respondents were male, and 36% were female. Nearly two-thirds (63%) had education beyond

high school; 26% had some college, 26% completed a college degree, and 11% had a graduate or professional degree. Almost two-thirds (64%) reported being employed, 11% were unemployed, and 25% were retired. Ten percent reported total household incomes of less than \$10,000, while 18% earned between \$10,000 and \$19,999 annually. Another 17% reported incomes between \$20,000 and \$29,000. One fourth had annual incomes between \$30,000 and \$49,999, and the remaining 30% reported incomes of \$50,000 and over.

The majority (53%) of the respondents' complaints were related to automobile purchases/repairs (27%) or misleading advertising/scams (26%). The amount of money involved in the complaints ranged from \$0 to \$275,000 with a mean of \$5,987.94 and a median of \$699.50.

Satisfaction with Overall and Specific Aspects of Services

Approximately one-fourth (27%) of the respondents were very satisfied with how the complaint was handled by the CPSLAGO; 13% were somewhat satisfied (see Table 1). One fifth (20%) were uncertain.

Table 1. Satisfaction with Overall and Specific Aspects of Services

Services	Percent Level of Satisfaction				
	VS	SS	U	SD	VD
Overall Satisfaction	27	13	20	11	30
Courtesy of Personnel	56	23	13	3	4
Ease of Completing Complaint Form	41	37	12	6	4
Professionalism of Personnel	50	26	12	1	11
Thoroughness of Complaint Form	42	28	18	8	4
Length of Complaint Form	32	33	22	8	4
Knowledge of Personnel	39	21	28	7	6
Response Time of CPSLAGO	34	25	10	12	19
Helpfulness of Personnel	40	17	16	9	16

Note. VS = very satisfied; SS = somewhat satisfied; U = uncertain; SD = somewhat dissatisfied; VD = very dissatisfied.

Overall, 30% were very dissatisfied and 11% were somewhat dissatisfied. For statistical analysis, very satisfied and somewhat satisfied were combined to indicate satisfaction (40% of the sample). Very dissatisfied and somewhat dissatisfied were combined to indicate dissatisfaction (41% of the sample).

The majority of respondents were satisfied with each of the eight aspects of the CPSLAGO services. Respondents were satisfied with the courtesy of the personnel (79%), followed by ease of completing the complaint form (78%), professionalism of the personnel (76%), and

thoroughness of the complaint form (70%). Although respondents remained satisfied, their satisfaction was lower with length of complaint form (65%), knowledge of personnel (60%), response time (59%), and helpfulness of personnel (57%).

Relationship between Overall Satisfaction and Selected Variables

Relationships were found between overall satisfaction with how complaints were handled and two of the selected variables. Overall satisfaction was negatively related to both income ($R^2 = .087$, $p = .005$) and educational level ($R^2 = .053$, $p = .027$). As income increased, the level of satisfaction decreased. Similarly, as the level of education increased, the level of satisfaction decreased. However, less than 10% of the variation in satisfaction could be attributed to either predictor alone.

Relationship between Satisfaction with Specific Services and Selected Variables

Principal components analysis revealed that questions concerning satisfaction with personnel (i.e., courtesy, professionalism, knowledge, and helpfulness) could be combined into a single personnel traits variable as 83% of the variance could be explained by a sum of the four services. Thus, further analyses were executed using a sum of the satisfaction scores of these four questions to indicate satisfaction with personnel. Likewise, principal components analysis revealed that questions concerning satisfaction with complaint form (i.e., length, ease of completion, and thoroughness) could be combined into a single complaint form variable as 86% of the variance could be explained by a sum of the three services. Thus, further analyses were performed using a sum of the satisfaction scores of the three questions to indicate satisfaction with the complaint form.

The only significant relationship between specific services and selected variables was a negative relationship between satisfaction with personnel traits and educational level ($R^2 = .046$, $p = .047$). That is, as the level of education increased, the level of satisfaction with personnel traits decreased. Neither satisfaction with the complaint form nor satisfaction with response time was significantly related to any of the selected variables.

Conclusions, Discussion, and Implications for Consumer Educators

Similar percentages of consumers were either satisfied (40%) or dissatisfied (41%) with how their complaints were handled overall by the Consumer Protection Section of the Louisiana Attorney General's Office,

indicating that CPSLAGO personnel might consider how to improve the way future complaints are handled. Satisfaction appeared to be higher with specific aspects of complaint handling than with the overall level, ranging from a high of 79% satisfied with courtesy of the personnel to a low of 57% satisfied with helpfulness of personnel. Although it appears that there is room for improvement in all aspects of CPSLAGO services related to complaint handling, particular attention might be given to the knowledge and helpfulness of personnel, length of complaint form, and amount of time taken to respond to a complaint. It was interesting to note that satisfaction was higher with specific aspects than with overall satisfaction. This finding might stimulate an interesting teacher/student discussion as to the "why" of this result. One possible reason is that overall satisfaction could have been affected by whether the consumers had their problem resolved to their satisfaction, a question that was not asked. An analogy may be made to that of a trial where all of the court procedures were followed but the defendant was found guilty, and thus was probably not satisfied.

Researchers have found that complainers are an upscale group, better educated with higher incomes than consumers who do not complain (Bearden, 1983; Bearden and Oliver, 1985; Bourgeois and Barnes, 1979; Warland et al., 1975). In the current study, the majority of complainants were educated beyond high school. However, as education increased, satisfaction with agency personnel and handling of complaints decreased. Little is known about the role played by opportunity cost in the process of taking complaint action. Perhaps for the better educated, expectations for satisfactorily handled complaints are high in relation to the amount of time and energy spent in the complaint process. Therefore, self-assessment of satisfaction level might tend to be lower when the well-educated consumer weighs the costs against the benefits of complaining. This finding could help students to understand the concept, opportunity cost.

According to Bearden and Oliver (1985), it is logical to assume that those with higher incomes have greater savvy in the marketplace, which would be reflected in proportionately greater satisfaction with complaint resolution. However, their hypothesis of a positive relationship between income and complaint resolution satisfaction was not supported. In the current study, income was negatively related to satisfaction with how complaints were handled. This finding can be explained somewhat by Singh's research (1989). In a study of dissatisfied consumers who sought third party redress, Singh found that as income levels increased, expectations of successful complaint resolution decreased. When consumers expect to be less satisfied, does dissatisfaction then become the self-fulfilling prophecy? Are upscale complainers less satisfied because they expect to be so? Perhaps an improvement to future studies would be to include questions to measure expectations about

satisfactory complaint resolution and attitudes about whether complaining is worth the time and energy involved.

Consumer educators may find the questionnaire used in this study helpful as a springboard for a student project. Students could develop a questionnaire for evaluating their state office of consumer protection or another third party complaint handling agency. Additionally, students could submit, as an individual or group, a legitimate complaint to a local seller or third party complaint handling agency and use the questionnaire as an assessment of the response and handling of their complaint. Since satisfaction is likely to be linked to expectations (Gilly, 1987), it is recommended that questions be added to learn the expectations of the complainants and what the complainants thought would be reasonable solutions. Students could discuss other questions that might be added to improve the questionnaire. That is, what other information would be useful to help determine why consumers were more satisfied with specific aspects of services than with overall services.

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Notes

The Consumer Complaint Survey Report with details of the study's methodology, questionnaire, and findings is available on request from the authors.

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