Consumer Complaint Actions: A Conceptual Model Based on Complainants about Advertising in Australia
by Michael Volkov

This article presents a new conceptual model detailing consumer complaint responses relating to exposure to unacceptable advertising. The model is initiated by consumer perceptions of negative inequity which elicits one of three consumer complaint responses based on the identified triggers that may influence complaining propensity such as demographic, psychographic, cultural, situational and social factors. Complainant perception of the process encountered together with the overall outcome of their experience affect future complaint behaviour as shown by this evolving model as the end reaction flows on to form the consumer’s next response to a similar situation. The advertising industry in Australia is valued annually at over $8 billion and some advertisements have been identified as ‘unacceptable’ by elements in society. Industry and regulatory response to consumer complaints is thus an important area to address and there is no extant literature utilising such an holistic model.

Introduction
Several theoretical models concerning consumer complaint behaviour have been developed (Day & Landon, 1977; Singh, 1988; Singh & Widing, 1991; Blodgett & Granbois, 1992; Boote, 1998). The purpose of this article is to present a more robust model dealing with complaints about advertising based on a review of extant literature and taxonomy of consumer complaints. This model presents an holistic view of complainants in its attempt to explain their behaviours. Previous models have failed to investigate more than one or two identified triggers to the behaviour exhibited. This paper rectifies this issue with regards to previous research and therein lies its strength and the importance of the model presented. The author has identified a new area of requisite research as well as presenting leading edge theoretical developments in this area that will only benefit practitioners' knowledge when considering their consumers, both current and prospective.

This paper integrates the aforementioned research on consumer complaints and advertising in Australia from which the following processes have been identified and included in the model - the consumer response to exposure to unacceptable advertising, the triggers that elicit complaining actions, the complaining action actually undertaken, the perceived outcomes of the events and the effect that the process and outcomes have on future complaint behaviour. This is a constantly evolving model as the end reaction feeds back into the consumer’s next response in a similar situation. The conceptual model designed is presented in Figure 1.

Consumer Complaint Responses
This paper discusses consumer complaint responses rather than the more accepted consumer complaint behaviour to espouse the thought that “no action” should be treated as a non-behavioural rather than behavioural response. Therefore, consumer complaint responses for the purpose of this model are “the set of multiple, active behavioural responses to dissatisfaction”. Consumer complaint responses are the set of all behavioural responses portrayed by consumers, which involve the communication of negative perceptions relating to a consumption episode, and triggered by dissatisfaction with that episode (Day, 1984; Singh & Howell, 1985; Rogers & Williams, 1990).
FIGURE 1: Conceptual Model of Consumer Complaint Responses

Response

Trigger

Action

Perception

Reaction

(Ti)

(A)

(Rea)

(Res)

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It can be argued that this implies that consumer complaint responses are influenced by a multitude of situational, product and personal variables and unrelated to, but triggered by, the intensity of the consumer’s dissatisfaction. This assertion is supported by empirical evidence discussed by several researchers (Nicosia & Mayer, 1976; Day, 1984; Tse, Nicosia & Wilton, 1989; Vezina & Nicosia, 1990).

Consumers, fundamentally, have 3 alternatives for action in the complaint situation (Hirschman, 1970; Singh, 1988, 1990; Andreasen & Manning, 1990; Rogers & Williams, 1990). These are:

1. Exiting;
2. Direct Voicing; and,
3. Amplified voicing.

*Exiting* involves the consumer establishing a personal boycott against the seller or manufacturer to avoid a repetition of the original transaction that led to the dissatisfaction. Exiting behaviour, when working well, obviates the need for public policy intervention. *Voicing* occurs when exiting is unlikely (for example, if the seller is a monopolistic public utility) or when exiting would not yield appropriately perceived restitution in the opinion of the individual consumer. *Direct voicing* represents the consumer complaining directly to the seller. *Amplified voicing* occurs when the consumer enlists the support of third parties such as newspaper journalists, consumer protection agencies or industry regulatory or self-regulatory bodies to act on her or his behalf.

General findings from the reviewed literature indicate that complainants who respond using amplified voicing tend to be older, have attained higher levels of educational qualifications, earn a higher gross weekly income, possess greater degrees of wealth, have higher participant levels of local community involvement and, in general terms, have more resources, both intrinsic abilities (e.g.: self-confidence, feelings of self-worth) and external (e.g.: time, money, qualifications) to avail themselves of to allow them to take action when dissatisfied (Kolodinsky & Aleong, 1990; Volkov, Harker & Harker, 2002).

**Dissatisfaction**

There is no one accepted academic theory of dissatisfaction within consumer complaining behaviour (Yi, 1990; Woodruff et al., 1991; Erevelles & Leavitt, 1992; Boote, 1998). However, in this study we utilised equity theory to discuss consumer dissatisfaction within the setting of responses to advertising. The decision to base our assumption within the equity theory framework is based on the extensive review of literature and subsequent investigation of satisfaction/dissatisfaction by Fournier and Mick (1999). Their study indicates that the equity model of satisfaction is most appropriate here. Equity theory relates to perceived fairness of a particular transaction (Boote, 1998). Tse (1990) outlines the three possible outcomes of a transaction utilising equity theory. These are:

1. Equity;
2. Positive Inequity; and,
3. Negative Inequity.

*Equity* is said to occur when the relative inputs and outputs from both parties to a transaction are perceived to be equal. *Inequity* then can be seen to have occurred when the inputs and outputs from both parties to a transaction are perceived to be unequal. *Positive Inequity* is said to exist when, from the consumer’s perception, she/he has gained more from the transaction in terms of either inputs or outputs, than the other party to the transaction. *Negative Inequity* is said to exist when the other party to the transaction is perceived to have gained more than the consumer through the transaction. Using equity theory, consumer dissatisfaction results from negative inequity – the consumer perceives that they have gained less than the other party from the transaction. Equity judgements can be seen to be based on the consumer’s perceptions of fairness (Oliver & Swan, 1989; Fisher et al., 1999). Resnik and Harmon (1983) discuss that
due to personal biases inherent in people, consumers and managers rarely agree on the appropriateness or fairness of responses to consumer complaints. In some cases, consumer complaint response would be evident following an experience of negative inequity. The link identified here relates to the issue that consumers who complain about advertising in Australia perceive that it is unfair (or inequitable) that they are exposed to ‘unacceptable advertisements’ with little active control and only having retrospective ability to amend this inequity post-exposure.

**Identified Triggers**

Past studies have examined characteristics of complainants that may influence complaining propensity such as demographic, psychographic, cultural, social and situational factors:

*Demographic factors* linked to propensity to complain include age (Singh, 1990; Fails & Francis, 1996; Volkov, Harker & Harker, 2003), gender (Parker, Funkhouser & Chatterjee, 1993; Volkov et al., 2003), income (Fails & Francis, 1996; Volkov et al., 2003), level of education (Kolodinsky & Aleong, 1990; Volkov et al., 2003) and lifecycle stage (Kolodinsky, 1993).

*Psychographic factors* that have been implicated in consumers’ propensity to complain include personal values (Rogers & Williams, 1990), personality factors (Fornell & Westbrook, 1979; Bolfing, 1989), attitudes towards complaining (Day, 1984; Bearden & Oliver, 1985; Singh, 1990; Volkov, Harker & Harker, 2002), attitudes regarding business and government (Jacoby & Jarrard, 1981; Moyer, 1984), personal confidence levels (Richins, 1983) and attitude to past complaining situations (Singh & Wilkes, 1996; Volkov et al., 2002).

*Cultural factors* that have been identified as contributing to consumer propensity to complain including the various dimensions of culture such as collectivism-individualism (the traditional continuum whereby according to sociological and social psychology research people in individualist cultures value independence and self-sufficiency and those in collectivist cultures tend to behave according to social norms that are often designed to maintain social harmony among members of the in-group) (Liu, Watkins & Yi, 1997; Liu & McClure, 2001).

*Social factors* that have been identified as influencing consumer complaint behaviour include consumer response to peer-pressure (Malafi et al., 1993; Slama & Celuch, 1994) and an individual’s self-view (Markus & Kitayama, 1990; Liu, Watkins & Yi, 1997).

*Situational factors* involved in consumer complaint behaviour include issues such as the perceived importance of the product/service (Blodgett & Granbois, 1992), the intensity of consumer dissatisfaction (Prakash, 1991), consumers’ decisions to voice or not to voice their dissatisfaction to the firm (Richins, 1983; Day, 1984; Moyer, 1984; Bolfing, 1989; Singh, 1990; Volkov et al., 2002) and the perception of the consumer regarding the cost/benefit of complaining at all (Singh & Wilkes, 1996).

This fulfils the first requirement of this paper – to review and analyse the extant literature involving consumer complainants. To contextualise this discussion to advertising in Australia it is necessary to provide an overview of the industry itself.

**Advertising**

Advertising has been described as “pervasive, intrusive and pernicious”, whilst advertisers have been labelled as “mischievous” in their attempts to reach and persuade their target markets (Harker & Wiggs, 1999). Globally, advertising spend has grown dramatically. For example, advertising expenditure in the USA is predicted to increase by 6.5% to $US251 billion during, 2001 or 2% of the Gross Domestic Product of the USA (Elliott, 2000; Hays, 2000; Kranhold, 2000). In Australia strong growth in advertising expenditure is predicted where advertising expenditure has risen nearly
two-fold in the last 10 years and is now an $8 billion industry (CEASA, 2000). Growth in ‘real’ terms, taking into account the Consumer Price Index, has been in the order of nearly 3-fold. Broadcast and print media are the areas in Australia that receive both the largest proportion of industry expenditure and the largest number of consumer complaints (Advertising Standards Bureau (ASB) 1999).

It has also been suggested that the more money spent on advertising in a country, the greater the need for protection from unacceptable advertising (Harker, Harker & Volkov, 2001). Research has found that a connection exists between annual advertising expenditure in a nation and the presence of a self-regulatory body concerned with the investigation of ‘unacceptable advertising’ (Miracle & Nevitt, 1987). This is indicative of the importance of, and the emphasis placed on, the most visible element of the marketing mix, however, it clearly raises concerns regarding the potentially harmful effect that advertising can have on the more vulnerable members of our society.

This leads to the problems within advertising identified by Harker, Harker and Volkov (2001) where it is suggested that some advertisements may be ‘unacceptable’, that is, unfair, misleading, deceptive, offensive, false or socially irresponsible. Further, ‘acceptable advertising’ can be viewed as advertising that does not contravene legal or self-regulatory standards in place within a society (Figure 2).

**FIGURE 2: Acceptable Advertising: A Framework for Analysis**
It is for these reasons that industry and regulatory response to consumer complaints about these problems is thus an important area to address. Examples of advertisements that members of the Australian public have found unacceptable, have complained about and had that complaint upheld are outlined in Table 1.

<table>
<thead>
<tr>
<th>BREACH</th>
<th>GUILTY PARTY/CASE</th>
<th>REASONING</th>
<th>CASE NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unfair</td>
<td>Kemalda Entertainment Pty Ltd</td>
<td>Television commercial titled “Rodney Rude – Ya’ Mum’s Bum” featured jokes that the ASB ruled constituted vilification on the basis of disability and therefore breached the Advertiser Code.</td>
<td>ASB – Media Statement (2000)</td>
</tr>
<tr>
<td>Offensive</td>
<td>Smiths Foods</td>
<td>Animated advertisement depicting “camera-clicking” Asians touring a suburban street in a bus.</td>
<td>Complaint Number 69/98</td>
</tr>
<tr>
<td>Socially Irresponsible</td>
<td>People’s Truth/Heartbalm</td>
<td>A billboard advertisement promoting an adults-only Website failed to treat sex, sexuality and nudity with sensitivity to its relevant audience, particularly given its prominent outdoor location, which effectively placed it on general exhibition to the general public</td>
<td>ASB – Media Statement (2000)</td>
</tr>
<tr>
<td>Misleading/Deceptive/False</td>
<td>Sony Australia Limited</td>
<td>Promotional material claimed that Sony’s DRC television sets provided “Four times the picture resolution of conventional screens”. The Board reasoned that average readers of the material would have limited understanding of terminology associated with digital broadcasting and found that while average consumers might infer from the material that the picture quality is four times better than that available from a standard television set “this is in fact not the case”.</td>
<td>ASB – Media Statement (2001)</td>
</tr>
</tbody>
</table>

The strength of this model lies in its ability to analyse complainants who utilise amplified voicing in their complaint responses. The model presented identifies that consumers, when exposed to unacceptable advertising, may respond with the perception of negative inequity. Various triggers elicit an action which, when coupled with the consumer’s perceptions of the process that they had to follow and the outcome of their action, the consumer bases their reaction to the entire episode. This reaction then forms the basis of their future responses to a similar situation.

This model amplifies several testable hypotheses, however, the following notational formulae appear central to the model’s applicability in explaining consumer exposure to unacceptable advertising. These being:

\[ T_i = D \times P \times S_o \times C \times S_i \]

where, \( T_i \) is the trigger that elicits the complaint response from the consumer. This comprises of a combination of personal and situational variables as discussed in the literature and includes demographic factors \( D \), psychographic factors \( P \), social factors \( S_o \), cultural factors \( C \) and situational factors \( S_i \). These act in combination to provide the impetus to the consumer to take action following a perception of negative inequity. To identify an Australian advertising example, consumers may be exposed to an ‘unacceptable’ advertisement and subsequently respond using amplified voicing by complaining to the Advertising Standards Board. This particular response would not be possible unless certain personal and situational factors combine. Factors such as resource availability (both internal and external), a feeling of community involvement, a positive attitude towards complaining, a feeling of belonging to a collectivist culture, and the perceived importance of the advertisement all combine as multipliers of each other to produce the overall trigger of the consumer complaint response.

\[ A = Res + T_i \]

where: \( A \) is the action performed by the consumer, \( Res \) is the consumer’s response to the advertising exposure and \( T_i \) are the various internal triggers that cause the consumer to take action in their own specific way. To identify an Australian advertising example, consumers have three options as depicted in the model. To exit, a consumer may, for example, change the television channel. To respond using direct voicing, a consumer may complain to the manufacturer of the product being advertised. To respond using amplified voicing, a consumer may lodge a complaint with the Advertising Standards Board.

\[ Rea = A + P_p \times P_o \]

where, further to above: \( Rea \) is the reaction of the consumer which will evolve to form the basis of future responses; \( P_p \) is the consumer’s perception of the process that they have undergone to act on their negative inequity, and \( P_o \) is the consumer’s perception of the outcome of their action. To identify an Australian advertising example, consumers may find they are disappointed that their complaint to the Advertising Standards Board was dismissed, however, this feeling of disappointment may be moderated if they found the process involved in complaining was satisfactory. This may have the effect of creating a positive perception of the complaint process designed by the Advertising Standards Board and may mean that the consumer avails themselves of the complaint response in the future if there is any further perceived inequity in advertisements in Australia.

\[ Res_n = A + Rea \]

where, \( Res_n \) is the new, evolved consumer response to exposure to advertising based on previous action and reaction to similar
stimuli. To identify an Australian advertising example, based on the previous two symbols explained, if a consumer perceives negative inequity post-exposure to an advertisement they will have to evaluate whether to repeat an earlier action or attempt a new one based on past experience through the feedback component of the model. That is, if a consumer previously utilised exit as an action but perceived that it was ineffective in alleviating the negative inequity, then they may elect to respond using amplified voicing when exposed to ‘unacceptable’ advertising in the future.

This paper presents a new model in the area of consumer complaint research that focuses on consumer response to exposure to unacceptable advertising. The model includes various triggers that elicit action from consumers in situations of negative inequity. In this model, all the triggers outlined are treated on an equal basis to avoid empirical difficulties that coincide with measuring moderating influences. The model also utilises the taxonomical approach to consumer complaint actions outlined by several researchers including Hirschman (1970), Andreasen and Manning (1990) and Singh (1988, 1990). Consumer perception of their action is addressed as is the flow-on effect of the entire complaining process by including a “loop” which signifies the fact that any action undertaken by consumers when coupled with their perceptions and reaction, in turn influences any future response to a like situation (in this case, an exposure to ‘unacceptable’ advertising).

**Conclusion**

Through a review of the extant literature on consumer complaint behaviour and advertising in Australia, this paper presents a new model encompassing consumer response to perceived negative inequity following exposure to unacceptable advertising. The next step is to empirically test the model to assess its validity and, hopefully, explain a greater degree of the variance in consumer complaint behaviour than have previous attempts. The benefits of utilising such an holistic theoretical model include affording practitioners the knowledge to enable them to develop strategies to better communicate with consumers and thereby employ the resultant competitive advantage.

**References**


Dissatisfaction and Complaining Behaviour, Vol 5, pp. 36-44.


