

To Mitigate the Customer's Complaints in a Systematic Way

Kean Hooi Yeoh¹, Rohaida Basiruddin²

¹Universiti Teknologi Malaysia, ²Universiti Teknologi Malaysia

Email: yeohhooi@graduate.utm.my

Corresponding Author Email: rohaidabasiruddin.kl@utm.my

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Abstract

This Action Research investigates customer complaint practices at MLM Packaging Sdn Bhd, revealing a lack of a dedicated unit to address customer concerns. Sales personnel tend to emphasize positive aspects while concealing issues, prompting the business owner to recognize the significance of customer satisfaction. The study aims to systematically mitigate customer complaints. Understanding the current and proposed complaint management processes is crucial for overall improvement within the company. The qualitative case study employs interviews, extracting secondary data from company sources and using literature reviews as guidelines. Online digital forms are introduced to streamline complaint filing. The study emphasizes the importance of handling customer complaints for organizational growth and sustainability, proposing the establishment of a systematic complaint handling process flow and targeted resolution timelines. A well-managed customer complaint system is seen as a catalyst for increased market share and enhanced productivity.

Keywords: Customer Complain, Complaint Handling, Complaint Management; Customer Satisfaction; Justice Theory.

Introduction

The packaging industry experienced significant growth during the COVID-19 pandemic, with a 6.3% increase in the global market in 2020, as analyzed by Fortune Business Insights. This growth can be attributed to changes in eating and purchasing habits. The packaging industry is expected to continue growing in the future. MLM Packaging Sdn Bhd is benefiting from this growth but is also facing an increasing number of complaints. This research focuses on MLM Packaging Sdn Bhd due to its customer complaint issues. Currently, the company lacks a systematic customer complaint management system. The main participants in this study are the four sales and marketing department personnel.

Research Questions (RQ)

To better focus on the research paper, we explore the three Action Research Questions that we adopted as the direction in our research.

- RQ1. What is the current practice of handling customer's complaints?
- RQ2. How to improve the customer complaint management?
- RQ3. What is the impact of chosen strategies on customer complaint?

Table 0

Summary of RQs.

RQ	Research Method	Research Instrument	Source of Data
RQ1	Qualitative	Focus Group Discussion Interview Content Analysis	Primary Data Fieldwork Secondary Data Reports Online Publications
RQ2	Qualitative	Focus Group Discussion Interview Content Analysis	
RQ3	Qualitative	Focus Group Discussion Interview Content Analysis	

Research Objectives

Research objectives have been constructed in order to conduct this research. The research objectives consist of:

- RO1. To understand the current practice of customer’s complaint handling management.
- RO2. To improve the customer’s complaint handling management within the organization.
- RO3. To identify the impact of chosen strategies to customer’s complaint handling.

Literature Review and Action Research Planning

Six issues are identified: logistic, manpower, customer complaints, wastage, discipline, and education. The business owner emphasizes the urgent need to address customer complaints, which directly impact revenue, contrasting with the internal issues that can be resolved internally.

Problem Diagnosis

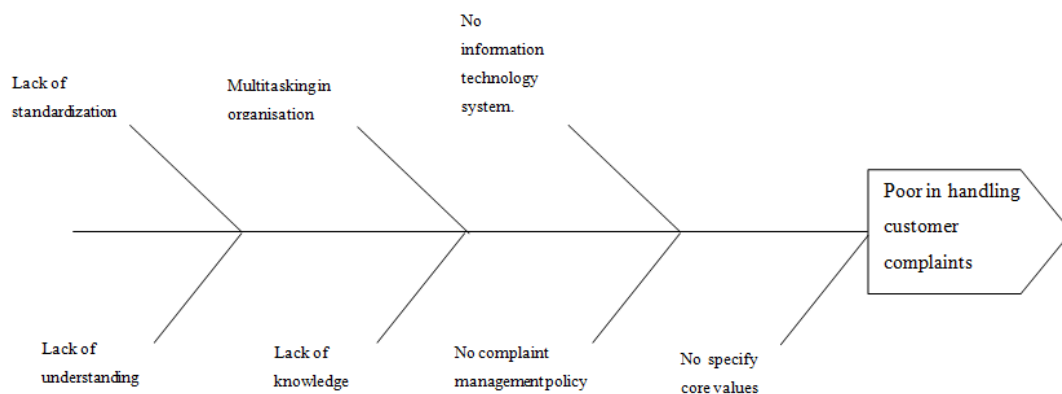


Figure 1. Fish Bone Diagram.

The combination of all the root causes in the Fish Bone Diagram in Figure 1 attributes to the poor in handling customer complaints. A complaints management policy is very important to every organization. It is about resolving customer complaints and identifying opportunities to make systematic improvement. Problem handling is a key driver of people’s perceptions of excellent or poor service. Thus, it is essential to establish a customer complaint handling management system within every company.

Underpinning Theory and Models

This research involves in two main areas. The first is dissatisfaction and the second is dissatisfaction that leads to the customer complaint. Prior literatures highlight that there are two (2) theories and one (1) model that are relevant in the context of the study.

1. The principles of the behavioral theory of the firm (Cyert & March, 1963) (Kessler et al., 2016)
2. The justice theory (Gilliland, 1993) (Lind & Tyler, 1988)
3. The complaint management/ service recovery process model (Cunliffe & Johnston, 2007)

Proposed Interventions

The study uses theory and models to understand issues and proposes a Customer Complaint Unit, a complaint flow diagram, and an online form for logging complaints. Cycle 1 introduces a Complaint Handling Process Flow Diagram, while Cycle 2 enhances it with detailed timeframes and specific process steps. A customer satisfaction form will be distributed for each business deal involving a complaint.

Methodology

Interview Protocol Design

The qualitative method is employed for data collection in both Cycle 1 and Cycle 2 of this study. This involves utilizing qualitative data collection procedures, specifically interviews conducted throughout the research. Interviewing all four personnel from the sales and marketing department at MLM Packaging Sdn. Bhd. enables the collection of descriptive and informative qualitative data. Table 2 illustrates the main sections of Interview Protocol 1 in Cycle 1, while Table 3 outlines Interview Protocol 2 in Cycle 2.

Table 2
Main sections of Interview Protocol 1.

INTERVIEW PROTOCOL 1	
Objective: The in-depth interview objectives are to examine:	
<ul style="list-style-type: none"> • To discover the current practice of customer complaint handling process. • To check the level of understanding of current customer complaint handling process among the staff. 	
SECTION A	STAFF’S DEMOGRAPHIC INFORMATION
SECTION B	ENABLING COMPLAINT DOMAIN
SECTION C	RESPONDING TO COMPLAINTS DOMAIN
SECTION D	ACCOUNTABILITY & LEARNING DOMAIN

Table 3

Main sections of Interview Protocol 2.

INTERVIEW PROTOCOL 2	
Objective: <ul style="list-style-type: none"> The in-depth interview objectives are to gather valuable insights from the participants about the impact of the new customer complaint system and their experiences with it. 	
SECTION A	STAFF'S DEMOGRAPHIC INFORMATION
SECTION B	IMPACT OF NEW CUSTOMER COMPLAINT SYSTEM
SECTION C	OVERALL EXPERIENCE AND SUGGESTION

Data Analysis and Discussion

The research presents qualitative data analyzed through manual thematic analysis, including interviews with salespersons. Findings show positive responses to the customer complaint handling intervention, with themes like Enabling Complaint and Accountability & Learning. The study offers insights into salespersons' views, identifying factors affecting participation. It emphasizes the need for a clear workflow and suggests customer motivation strategies (Sigurdsson et al., 2021).

Participants are comfortable with the intervention, leading to themes like Customer Complaint Record and Customer Complaint Management Unit. The Customer Complaint Record involves standardized record-keeping and user-friendly processes, while the Management Unit enhances accountability and systematic complaint resolution. Overall, the research contributes to refining customer complaint management practices, emphasizing adaptability and ongoing engagement for sustained improvement.

Conclusion

The research significantly improved customer complaint management at MLM Packaging Sdn Bhd, showing positive impacts and setting a foundation for ongoing enhancement. Future efforts should refine methodologies for a deeper understanding of customer complaints, emphasizing adaptability, ethics, and continued engagement for organizational growth.

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