

GETTING INSIDE YOUR BRAIN...



and gaining insight about
complaint handling from academic
researchers' perspectives.
A Complaint Is a Gift™ monthly blog
by Janelle Barlow, PhD.

Janelle Barlow is shaking things up in 2024 with her blog by reviewing academic complaint research papers—one a month. If you find this information useful, feel free to copy the PDF file and share it with others. I think you will learn some fresh perspectives on complaint handling in 2024—according to researchers! Comments you make on LinkedIn will be read by others and will help the entire complaint handling community. Any mistakes in understanding and summarizing these research papers are mine alone, and not the researchers.

Thank you.

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“When and Why a Squeakier Wheel Gets More Grease: The Influence of Cultural Values and Anger Intensity on Customer Compensation”

By Ella Glikson, Laura Rees, Jochen Wirtz, Shirli Kopelman,
and Anat Rafaeli, 2019 Journal of Service Research

ABSTRACT SUMMARY

Does it matter how loudly customers complain, that is, "squeak" when they deliver a complaint, and do they receive higher levels of compensation when doing so? This is a common belief about complainers. This statistical paper sets up four groups of contrasting high power and lower power customers and what happens when they complain with either low or intense levels of anger. The research authors then look at whether high-power employees, in contrast to lower-power employees offer more or less compensation when customers show intense levels of anger. See a complete explanation of these cultural differences provided below. (Instead of High-Power Distance or Low-Power Distance, Janelle is substituting the terms: Higher Power Positions or Lower Power Positions, which are easier to comprehend.)

— by Janelle Barlow, Ph.D.
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This paper provides fresh insights into the mix of culture, emotion, and service recovery. It expands our understanding of customer service interactions in different types of cultural environments. The authors are the first to examine the effect of differing levels of anger in service-failure settings when customers interact either with higher-power employees or lower-power employees. It further helps understand the role of anger when businesses have various national customer groups and those that attract customers with differing levels of power or income wealth. Customers who have high income levels which are necessary for elite environments, such as expensive resorts, cruise lines, elite restaurants, financial institutions, branded retail shops, and airlines. When anger feels threatening to lower-power service providers, mainly when expressed by powerful people, the anger can feel intimidating. The authors (all well-known researchers) conclude that managers should design emotional intelligence (EI) management training for their service staff when service failures mean compensation is given to angry customers. You might guess that developing these types of employee programs for service providers is not easy.

High-power employees perceive and respond differently to customer complaints or anger, compared to lower-power employees where equality and directness are more valued. For high-power service employees, this relationship between expressed anger intensity and compensation is influenced by the perceived appropriateness of the anger expression; for lower-power employees, the relationship is mediated by the perceived threat from the customer's anger.

Janelle: This is a complex research article. It is the first to examine how high vs. low power cultures—and the people inside them—influence the reaction to and compensation of customers who show intense anger vs. those who do not. While not specifically addressing this issue, this paper is worth reading to fully understand that service recovery will never work well if managers impose complaint-handling scripts. A single script will never work to address all the differences between influential people and less powerful customers when helped by powerful complaint handlers, such as a company president or less powerful complaint handlers such as front-line staff.

A high-power employee is someone who might have a senior position and works in an environment where hierarchical structures and differences in power and status are highly respected and emphasized, such as in a bank. Less powerful employees are those who work as front-line staff without a great deal of personal power in their positions. There are cultures where there is acceptance of unequal power distribution and hierarchy. In these cultures, authority and hierarchy are more pronounced and they are respected. These cultures include Malaysia, the Philippines, Russia and Mexico. Countries with less power distance built into their cultures include Denmark, New Zealand, Ireland, the United States, and Sweden. These cultures generally value egalitarianism and are characterized by more direct communication and less hierarchical organizational structures.

Because this paper is rather complex, I have shortened the research into a few salient points. Every organization has its unique environment, so it is best to study the points below that relate to your organization instead of organizations in general. Cultural values and how customers express their anger affect how your service recovery teams respond.

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1. Power Influence on Anger: Everyone involved in the service business has experienced people who attempt to "squeak wheels" by throwing their weight around based on who they know, how wealthy or positioned they are, and how knowledgeable or educated they are. They may say, "Don't you know who I am?"

Janelle: Such customers use personal power to get what they want by "squeaking their wheels," as the expression goes. This paper shows that this behavior can influence service providers who tend to compensate more to people with power who show high levels of anger. Perhaps this is how you want to run your business, so you don't lose these wealthy people as customers. In any case, it's essential to understand that service employees can become stressed and burned out by attempting to change their behavior depending on whom they are talking with. This approach also assumes that you can teach service providers to identify power and provide service based on how powerful the customer is.

2. Compensation Dynamics: This paper explores how powerful and less powerful complaint-handling employees perceive and compensate for customer anger differently.

Janelle: Service employees who feel they do not have power in relation to high-power customers tend to compensate customers at higher levels when issues cause intense anger. I must admit that I assert "power" when I do not receive what I think I deserve after service failure. I tell the service provider that I am the author of the best-selling, "A Complaint Is a Gift," and that I write about both bad and good service that I receive. Please understand, I never ask for outrageous compensation, but mentioning that I am a public "complaint" author loosens the help that I receive. For example, I recently attempted to renew my subscription to Apple Care for my iPhone on the day the policy expired. The Apple person (three of them, in fact) told me my iPhone was purchased through my carrier and Apple could do nothing for me; they said I had to call Xfinity directly to solve this issue. I pointed out that it is challenging to reach Xfinity directly without first spending at least a half-hour to find a live person who will help. I suggested that big, powerful Apple could probably more easily get a direct Xfinity number for me to call. Within a few hours, I got the number I needed and could solve my own problem. I have no doubt that "power" got me the telephone number without y showing intense anger.

3. Perception of Threat from Customers: When service providers assess their customers, they tend to see potential threats from angry customers who do not demonstrate high power. They assume that high-power customers are "appropriate" in their anger, even if intense. Service providers tend to compensate at higher levels when they do not feel they are being threatened.

Janelle: In short, service providers, especially in cultures that bow to high-power categories of people, have different reactions to customers. They "cut slack" for high-power individuals. Service providers are likely unaware of their behavioral choices when dealing with high- or lower-power customers though they probably feel uncomfortable when placed in these situations. Awareness is a big part of what influences behavioral decisions, and considerable self-awareness is needed when dealing with a range of customers. Managers need to help with this reality.

4. Findings on Position Power and Compensation: The researchers of this paper find that more powerful employees (for example, a senior-level boss or manager of a branch operation) offer less to customers who display intense anger unless they are powerful people. In contrast, less powerful employees (such as bank clerks) tend to do the opposite. They offer more to customers who display intense anger when they complain.

Janelle: Situations like this can be very confusing for these clerks, for example, when they see their managers giving higher levels of compensation to powerful customers, who reduce their level of animosity when talking with an employee in a powerful position. This is especially confusing if service staff are instructed to treat everyone equally about compensation.

5. Role of Threat and Appropriateness: The researchers found (albeit with small sample sizes) that if the employee perceives a threat from customers in environments that are primarily low-power environments, they reduce the level of compensation given. However, if an employee works in an environment where customers are more powerful (consider an expensive cruise line), if the service provider perceives appropriate levels of anger from their high-powered guests, they provide higher levels of compensation.

Janelle: It's very challenging to discuss the validity of these findings as the number of subjects in the experiments was very small. Some sample sizes were 50 participants or small groups of 100+ business school students who were given partial course credit for participating. It might be more meaningful to develop an analysis of staged online complaints. Some complainers could be powerful complainers as determined by degrees after their names vs. complainers who write comments displaying poor language skills. Then, you could more easily see who gets special treatment when different intensity levels of anger are expressed.

6. Impact of Anger Intensity: The researchers also demonstrated that the anger intensity expressed by customers significantly impacts compensation decisions. Powerful employees in powerful positions offer less to intensely angry customers, but the opposite is true for less-powerful employees, who compensate at higher levels if powerful-customers are hostile.

Janelle: Here's the bottom line. If you want to be an effective "squeaky wheel," show your anger to front-line staff rather than their senior managers. This behavior seems rather obvious. When you are a loudly complaining customer, it's best to tone down your anger if a senior-level manager shows up to help you. And it's what most customers do. They know they should control their anger when a high-power person appears, and this research would support this conclusion.

7. Managerial Implications: As the authors write, this research suggests that understanding cultural differences is crucial for designing effective management and customer service compensation strategies that take the reality of emotions into consideration.

Janelle: In countries and businesses with highly diverse populations, it's a good idea, at a minimum, to discuss cultural differences about anger and power with your teams.

8. Contribution to Research: This paper offers new insights into the impact of culture, emotion, and service recovery. It expands understanding of customer service interactions in a global context. Because of the way it is written, however, it is likely to be read only by other academics and not make its content into the business world.

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