Chapter 6

Complaint Management in Business-to-Business Context and Comparison between Business-to-Consumer Context 8

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Abstract

The study aims to understand the strategic importance of effective complaint management in business-to-business (B2B) relations. The study explores the traits and actions that influence purchasing firms during the supplier complaint management process. The second aim is to reveal whether there are different expectations in the complaint management process between B2B and business-to-consumer (B2C) relationships. Semi-structured interview is used in the analysis. Questions are asked to 19 participants to investigate their perspectives on complaint management systems in B2B and B2C contexts and whether there are different influences between the two contexts. Participants are chosen from different hierarchical levels of different-sized firms. This helps see if there are different expectations in different hierarchical levels. Findings reveal that consumers highly value effective complaint management systems, which affect their purchasing decisions. It is considered that complaints in the B2B context are more important than those in the B2C context.

1. Introduction

To keep a competitive advantage and meet customer needs that encourages sustainable relationships, manufacturers are shifting their business view from being product-focused to being centered around the customer (Manoliu & Ungureanu, 2023). Evaluating customer satisfaction is an essential

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responsibility for any firm aiming to keep customers and enhance loyalty. Customer loyalty is influenced by the value provided to the customer, which depends on product quality and the level of customer satisfaction. Thus, customer satisfaction is a key factor that enhances customer loyalty. To achieve customer loyalty, it is essential to maintain customer satisfaction and focus on improvement. Enhancing and maintaining customer satisfaction can be achieved through a customer-centric perspective (Arslan, 2020). To evaluate customer satisfaction, firms use various measurements including customer complaints (Rane et al., 2023).

The most common definition of complaints is "a statement that something is wrong or not satisfactory" (Cambridge Dictionary, 2025). Customer complaints can harm a firm's reputation, but if addressed appropriately, they can result in improved customer satisfaction and loyalty (Nazli & Arbak, 2020). The firm can re-establish contact with the customer and keep them as a customer. Firms should prioritize creating efficient complaint management procedures as part of marketing initiatives to strengthen customer satisfaction and trust in the firm (Morgenson et al., 2020).

A firm's success is dependent on its ability to preserve good relationships with B2B and B2C customers. Even though firms have varying target markets and techniques of engaging with them, it's key to uphold strong relationships in B2B and B2C contexts (Putri & Muslichah, 2024). Even though there are similarities, the two differ from each other. First, complaints in B2B markets have a cascading effect on the network chain, whereas in B2C markets, they only influence a single or small number of customers (Zhu & Zolkiewski, 2015). Since members of buying centers from various functional areas participate in B2B purchasing decisions, resolving complaint necessitates a balance between the needs of buying center members, from users to key decision-makers (Hutt et al., 2014). While B2C purchases are more straightforward and address specific customer needs, B2C purchases are more complex and involve several needs. As a result, the cooperative character of B2B relationships can make problem-solving and complaint handling more complicated than in B2C markets (Baliga et al., 2021).

Therefore, the study focuses on the essentiality of effective complaint management systems in B2B context and investigates whether there are different behaviors between the customers in B2B and B2C context, by using a semi-structured interview technique with the industry professionals in the market.

2. Complaint management

A complaint is a customer's written/verbal communication to the person within the firm expressing dissatisfaction with a good/service (Kormpho et al., 2018). Customers have expectations of the firms, and complaints are common when those expectations aren't fulfilled (Salim et al., 2018). One of the key factors influencing a firm's standing in the market is customer complaints (Helmy et al., 2023).

There are lots of businesses that view complaints negatively (Chwist & Ingaldi, 2024). Nonetheless, they should find this information crucial as it highlights the shortcomings of the product/service and the causes of customer discontent. When complaints are evaluated, they can provide the business with insights into customer satisfaction, product quality, and service. The complaint can be used to identify the product flaws that the customer found and what needs to be solved (Balon, 2024).

It's challenging for customers to switch to a different firm for their purchases. When customers are pleased with the business or the product they acquired, they may be inclined to preserve their relationship with it in the future due to their satisfaction. Firms focus on enhancing their customer retention strategies and transforming the consumers into loyal ones to guarantee their longevity and boost their income. Loyal customers serve as a vital asset for businesses. Firms are aware that the cost of obtaining new customers is greater than the cost of keeping current ones. Thus, they aim to offer exceptional and high-quality goods/services to convert their customers into loyal fans (Arslan, 2020).

Loyalty refers to how often a customer purchases a particular good/ service, consistently opting for the same goods, services, or firm. Customer loyalty denotes the inclination of consumers to return for repeat purchases, influenced by their experiences and anticipated future interactions. A firm that excels in managing customer loyalty effectively draws in customers (Bell & Bell, 2004). Customer loyalty represents a critical aim for businesses looking for success. Loyal customers serve as an economic asset, influencing those in their vicinity via recommendations and encouragement, which allows the firm to attract new clientele at a reduced expense. As a result, fostering customer loyalty not only offers a competitive advantage but also helps in retaining existing customers, securing income, and facilitating the gathering of new ones (Arslan, 2020).

Effective complaint management has emerged as a key component for firms aiming to enhance customer relationships within a competitive

landscape (Carlson et al., 2023). Study findings, primarily derived from a B2C view, indicate that countless firms continue to handle complaints ineffectively. The literature on complaint behavior and management is extensively developed within the realm of B2C marketing; however, findings related to B2B marketing remain limited. This is unexpected, considering the key role that effective relationship management plays in the B2B context (Gruber et al., 2010). The study of Gruber et al. (2010) indicate that major firms that frequently lodge complaints regard interruptions in their supplier relationships as important. This's not only due to the threat these disruptions pose to strategically vital supplier connections but also, they influence the business network in which these firms operate.

3. Methodology

The research was conducted by using semi-structured interview method between 15 November and 15 December 2024. Six open-ended questions were sent via email, and the responses were collected by email. Two of the questions were designed to gather demographic information, while the remaining four questions aimed to understand the participants' thinking and behavior. All interviews were conducted in Turkish with Turkish participants, all of whom currently work or have previously worked in industrial facilities or engineering firms. All participants are directly informed before the interview submission by phone calls or by text messages. Participant selection was done by considering to gather answers from different industries; work departments and years of experience to have an average view of the population (Denny & Weckesser, 2022). There are 19 volunteer participants in this research. All of these participants are industrial consumers in their professional lives and end-users in their personal lives.

Two of the questions, Q1 and Q2, were to understand the demographic profile. Third question, Q3, was designed to uncover the participant's emotions. Therefore, aimed to encourage participant to talk about their deep perceptions and ideas. Fourth question, Q4, was designed to understand whether the participant can reach buying firm and buying firm's complaint management systems about the complaint. Fifth question Q5, was designed to understand the study aim: the importance of effective complaint management. This question aimed to see if effective complaint management may influence customer loyalty and selection. The last question, Q6, was designed to understand the second aim of this study: Is there differences between B2B complaints and B2C complaints?

Table 1: The questions directed to the participants

Number	Question
Q1	"What is your department and position?"
Q2	"What are your total years of experience?"
Q3	"How do you feel when you have a negative experience with a good/service supplier in your professional work life?"
Q4	"When you have a negative experience with a good/service supplier, what actions do you take regarding your complaint?"
Q5	"How does your supplier's view to resolving your complaint and the solutions they provide affect your future supplier selections?"
Q6	"Consider a situation where you made a complaint after purchasing a product/service in both your professional life (industrial consumer) and personal life (end consumer). Which one was more critical for you? Why?"

4. Results and findings

Table 2 presents the demographic characteristics of 19 volunteer participants. In addition, 63 percent of the participants are male and 37 percent are female along with their different mid-level and upper-level managerial positions. The participant's average work experience is 14.6 years in their field.

Table 2: Demographic features

Number	Gender	Department and position	Total years of experience
1	Male (M)	Sales Engineer	7
2	M	General Manager	24
3	Female (F)	R&D Senior Consultant	9
4	F	Area Sales Manager	13
5	F	Operations Manager	3
6	F	Operations Manager	5
7	F	R&D Industrial Engineer	3.5
8	M	Engineering Firm Owner	35
9	F	Supply Chain Manager	4
10	M	Instrument & Control Chef Engineer	14
11	M	Project Engineer	11
12	M	Sales and Service Manager	18

13	F	Procurement Manager	14
14	M	Project Chef Engineer	15
15	M	Maintenance Chef Engineer	7
16	M	Factory Director	30
17	M	Service Engineer	10
18	M	Instrument & Control Engineer	5
19	M	Senior Engineer	10

Based on an analysis of qualitative data, the majority describes the deep negative feelings when they have a negative experience with the supplier. Participants revealed their feelings directly with these descriptions: "shaken trust", "sad", "disappointment", "angry", "cheated", "anxious", "regret", "stressful", "restless", "demotivated", "disturbed", and "worthless". Participant 9, who has a critical role of her firm as a global supply chain manager denoted that "You're in an anxious state until the issue is resolved." Most participants stated that they have negative feelings because they have responsibility to their firm and the complaint related situations directly effects their operations, production, and project deadlines.

Almost all participants stated that when they experienced a negative situation that was the subject of a complaint, they contacted their product/ service suppliers through appropriate channels instead of exhibiting a passive-aggressive attitude, according to the responses in Q4. Participants 2 and 8, who possess more years of experience than the average, indicated that they attempt to reach higher-level personnel if they feel the initial contact person is not sufficiently competent.

The most recurring phrases in the responses to Q3 and Q4 are 'root cause' and 'being solution oriented". By examining the contexts in which participants used these phrases, it can be understood that they aim to comprehend the root cause to prevent the situation from recurring, and that they try to be solution-oriented until the process is resolved.

When participants were asked in Q5 about the impact of their suppliers' view to resolving complaints and delivering effective solutions on their future supplier selections, it was noted that nearly all participants exhibited a strong tendency to favor suppliers who either successfully resolved the complaint or, at a minimum, exhaustively explored potential solutions. Participant 13, a professional buyer with 14 years of experience denoted: "If they don't make an effort to resolve the issue, it'll have a negative impact. However, if they try to resolve it, even if it remains unresolved, it'll still be viewed

positively." Participants stated that they preferred suppliers who effectively managed their complaints, and prioritized them in future selections. Participant 14, an experienced engineer, stated: "Our supplier's perspective to our complaint and the solutions they provide significantly influence our future supplier selections. Suppliers who demonstrate a quick, professional, and constructive attitude toward complaints earn our trust and become our best choice for long-term collaborations."

Some participants reported that a negative complaint management experience with a supplier compelled them to seek new suppliers, and that they consider their negative experiences when making future supplier selections. Another professional buyer, participant 9, stated: "When I'm unable to achieve positive progress with the current supplier, I'm often compelled to explore alternative options. In selecting new suppliers, I ensure to communicate this previous negative experience and state at the outset that we would be unable to proceed under similar circumstances." Similarly, participant 15 who's a maintenance chef engineer: "Negative experiences with a supplier act as a precautionary measure prior to the selection of the next supplier. To mitigate the risk of a similar situation occurring, precautionary clauses may be included in agreements with new suppliers." Some participants shared that they remove suppliers who fail to manage complaint processes effectively and repeatedly from their supplier list, and add them to the blacklist.

In the final question, participants were asked to reflect on the complaints they had encountered in both their professional and personal lives, and to determine which they considered more critical. Fifteen out of nineteen participants indicated that the issues faced in their professional lives were significantly more critical. It is clear that the word 'responsibility' occurs most frequently in the responses. Participants stated that they feel a sense of responsibility towards their firms in a B2B context. Along with 13 years of experience of a sales manager, participant 4, clearly stated: "The issue I experience in my professional life is more important in terms of the responsibility I carry towards my job and my firm." Participant 3, who works as Senior Consultant in R&D department state: "The issue I experience in my professional life is more critical because when a supplier complaint arises at work and affects the client we serve, the responsibility partially falls on us."

A significant portion of participants who believe that the situation in a B2B context is more critical stated that it is due to the broader impact of the complaint. The negative situation can influence not only themselves or

their colleagues but also stakeholders, processes, and their clients within the firm. Operations Manager of a firm, one participant denotes: "The issue I experience in my professional life regarding a product/service is more critical because ongoing production, orders, and customer-related matters impact the firm and a specific group of people, and you are held responsible for this situation." Similarly, participant 10: "The complaints I experience in my professional life (as an industrial consumer) are more critical. The primary reason for this is that a disruption in industrial processes not only influences our operations but also our commitments to clients and business continuity. For instance, a supplier's delay in delivery/sending faulty products can disrupt production plans lead to huge losses." The most experienced participant in this research, participant P8, who has an engineering firm, denotes: "The situation I experience as an industrial consumer is more critical because the product, we purchase is used in a project for the end user. Any issues that arise impact not only my business but also the end user. This situation can even affect the next level of consumer who purchases the products provided by the end user. The problem I face as an industrial consumer may influence me as a final consumer."

5. Conclusion

The research was conducted with 19 participants who are consumers in both B2B and B2C contexts. The emotions and behaviors of consumers in complaint situations were analyzed based on the participants' responses. The impact of effective complaint management on the preferences of consumers in the B2B context was examined, as well as whether there're differences between the B2B and B2C contexts. The study concludes that consumers highly value effective complaint management systems, which influence their purchasing decisions. It is also considered that complaints in the B2B context are more important than those in the B2C context.

This pilot study has a few limitations. 1) There is a limited number of volunteer participants in the Aegean region of Turkey, Izmir. 2) This study applied qualitative research technique (semi-structured interview method through email) rather than a quantitative approach. 3) The study focused on mid-level and upper-level management participants rather than general consumers in the market. 4) The study paid attention to participants who have worked or previously working in the industrial facilities or engineering firms.

Future research studies may emphasize how to use an effective complaint management system in their operational processes and possibly establish an apology mechanism in their firms (Nazli, 2018) by using a quantitative technique with a larger sample in different destinations/regions and different types of firms, especially for tourism and hospitality firms and the firms in the aviation industry, where the quality of service and time management is crucial.

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