

Implications of Consumer Complaints on Social Media for Companies in West Java, Indonesia

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Abstract

The purpose of this research is to find out the background of consumers making complaints on social media and how companies handle them. Social media can quickly spread an issue and prompt netizens to respond. Social media is also an alternative medium for companies to respond quickly, in detail, and precisely to every complaint submitted by consumers.

The research method uses a descriptive qualitative approach with informants from 10 companies and community services that use social media to communicate with consumers and 50 consumers who have filed complaints or made complaints through social media.

According to the study's findings, Instagram and Twitter are widely used by consumers in conveying their complaints, and the time used to resolve complaints is >3 days. The company responds well to every complaint and grievance submitted through social media, and the time needed to complete them is 1 to 3 days. The implications that arise for companies and public services if they do not respond properly to each complaint will have a bad impact, and their image will become negative. A fast, detailed, and precise response as well as a good communication approach between the two parties will give positive results.

Keywords: complaint handling, social media, corporate image

Introduction

When managing social media accounts, social media presence can help understand Internet users' behavior. One of the most important aspects of online marketing management is the time it takes for service providers to respond. Social media is used for more than just private communication and gossip; it is also used for practical purposes, such as remote access to services (Xu et al., 2012). Interactions between businesses and consumers provide numerous benefits to both consumers and businesses (Canhoto & Clark, 2013).

The existence of social media can be an intermediary in conveying something to companies; for example, complaints about services obtained by consumers or dissatisfaction with products and services can lead to negative consumer behavior, which can ultimately harm the company. Negative content can be transmitted to a greater number of people over a longer period of time than positive content (Hornik et al., 2015). Poor handling of complaints can result in the loss of existing customers, and negative word of mouth can damage a company's reputation (Bitner et al., 1990). Users expect companies to respond to their complaints and try to solve problems when they participate in public complaints (Van Noort & Willemsen, 2012). Clients expect their businesses to grow between 1-3 hours on Twitter and 3-6 hours on Facebook (Istanbuluolu, 2017).

Figure 1 shows complaints submitted by consumers through social media and the responses given by managers to the consumers.

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Figure 1. Example of a consumer complaint through social media

The number of complaints in e-commerce cannot be separated from the development of e-commerce (Purnama, 2011), including complaints from consumers in the e-commerce sector, but these complaints were successfully resolved. Cahyono (2016) said that in e-commerce, complaints involve cancellation of airplane tickets, refunds, and purchases of goods that are inappropriate or damaged. Complaints also cover cases where consumers do not receive goods, contractors cancel orders, goods do not arrive as promised, and e-commerce fraud is involved (Krui, 2022). According to Diamond (2015), the handling of consumer complaints can be considered complete if the consumer receives the results of the investigation and confirmation from the seller that the complaint has been resolved (Ransbotham, Lurie, & Hongju, 2019). After that, the complaint is considered complete when an agreement has been reached between the entrepreneur and the consumer and the complaint has been clarified, mediated, or directly resolved by the business actor (Ransbotham, Lurie, & Hongju, 2019).

The purpose of the first research is to find out how the organization responds when there are complaints submitted by consumers through social media. Second, to learn more about the consumers who submit complaints via social media.

Positive content can be transmitted to multiple recipients over a longer period of time than negative content (Hornik et al., 2015). Poor complaint handling can result in lost customers and negative word of mouth can damage a company's reputation (Bitner et al., 1990). Users expect businesses to respond to their complaints and try to solve problems when they participate in public grievance activities (Van Noort & Willemsen, 2012). Consumers expect companies to respond to their Twitter complaints within 1-3 hours and Facebook complaints within 3-6 hours (Istanbululu, 2017).

According to Fatmawati (2021), social media is an online resource that users can easily follow. Social media plays a role in making it easy for someone to share news, create content, or obtain content. Everything can be done quickly and without restrictions. Online media facilitates engagement, sharing, and creation of content, including blogs, social networks, organizations, and cyberspace (Fatmawati, 2021). Social networks are the most popular form of social media in the world. According to some experts, social media includes: Social media is (Rezeki, 2020) a user-friendly digital platform that has independent content and can connect individuals in the community and interact through various forms of popular communication such as blogs, social networks, online organizations, and virtual worlds. Twitter (Kahneman & Tversky, 1979) is a website founded and operated by Jack Dorsey in 2006. Twitter (Kosasih, 2016) is one of the easiest social networks to use because it only requires short symbols, but the message sent can spread quickly.

According to Sias and Laura (1997), Twitter is a messaging service whose characteristics vary depending on the communication medium used. Twitter has elements such as the use of electronic mail (email), instant messaging, short messaging (SMS), blogs, RSS, social networking, and so on. Still, according to Sias and Laura (1997), Twitter has become an important business channel. Social media can be a tool for companies and consumers to respond to complaints, communicate, and file complaints. According to Brandwatch (2020), complaint response engagement on Twitter has increased by 250% over the past two years.

The rise in popularity and use of social media as a channel for complaints hope that the younger generation will become consumers. So is social media the main source of information for investors in listed companies? (Colicev et al., 2018). As a result, both response to communication complaints and information seeking about companies on social media increased (Brandwatch, 2020). As a result, the dynamics of complaint response communication on the platform can have an impact on company value (Brandwatch, 2020).

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More complaints may result from a "negative spiral" effect (Hewett et al., 2016). As a result, a complaint that appears at the top of a company's social media page may result in additional complaints (Nguyen et al., 2020). The company's response (aka responsiveness) to these additional complaints can turn a company's social media page into an arena of perpetual grievances that cause more grievances, resulting in a vicious circle. By the way, investors are increasingly following conversations on social networks about its business and consumer trust in social network aggregation services (Nguyen et al., 2020), which tend to capture more and more negative social network feelings about the company.

The use of social media is important and a source of information for investors in every activity (Maharani & Hidayah, 2021) and has an impact on both private and institutional investors. Therefore, posting complaints on social media can influence investors' attitudes towards companies (Maharani & Hidayah, 2021). As explained earlier, the publication of a complaint is the result of a decisive response to the complaint and occupies the main display position on a company's social media page for complaints (Nguyen et al., 2020). When the company responds to a new complaint, the complaint response message is moved to the top of the company's social media pages, and when the company responds to an existing complaint, the existing complaint response message is moved to the top of the page.

Research Method

The research method uses a descriptive-qualitative approach. The study collects various opinions that appear on social media, which are carried out by organizations and consumers as observational data. The study's findings show that the more dominant the dissemination of information through social media, the more social media expresses the dominant opinion in society, and the fewer opinions among those who oppose the dominant opinion, the weaker it is (Bilinski, 2019). Because of this, companies use social media as a forum for submitting complaints (Bukovina, 2016), with the aim of getting a quick response from internet users who use social media platforms (Culotta & Cutler, 2016). A qualitative approach is used because

the effects of social media are basically documents that can be analyzed by text analysis (Bukovina, 2016). To support the research objectives, 50 informants were selected as consumers who had made complaints through social media and 15 informants from companies who responded to complaints made by consumers on social media.

Result and Discussion

From the results of open and in-depth interviews with consumer informants, the following information can be obtained:



Figure 1. Reasons for consumers to file complaints

The questionnaire is open, and consumers are given the freedom to express their reasons. Figure 1 shows that there are several reasons why consumers file complaints. The most common reason for goods not being received as ordered is unpleasant or unsatisfactory service. Next, consumers feel that the response given by the company is too long. Furthermore, the delivery of goods that are too long for consumers to receive is not in accordance with the promised schedule. The next reason is that the goods received by consumers are damaged or defective. There are other reasons why costs do not match usage, for example, electricity and water usage. Furthermore, consumers complain because returns are too long and difficult. Finally, there is an element of fraud and items lacking.

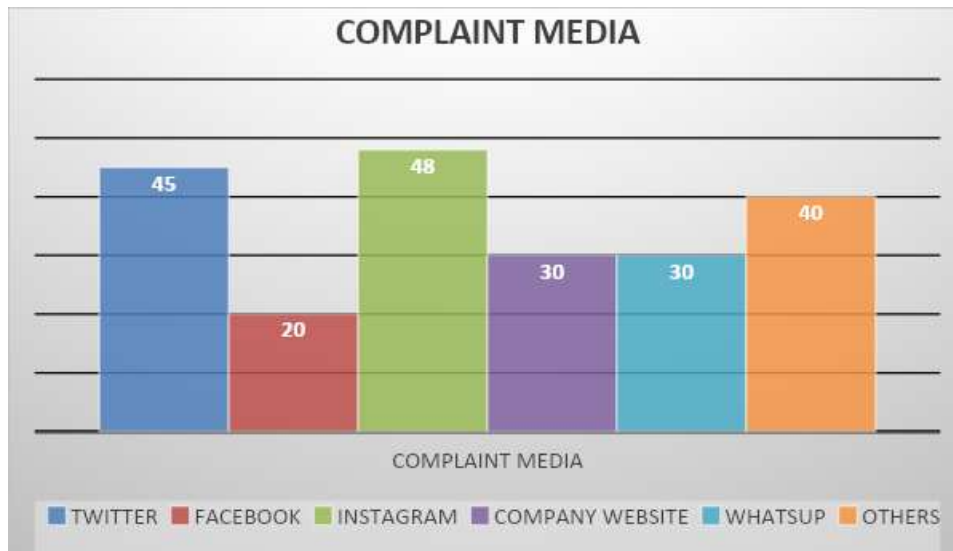


Figure 2. Media complaints

The next question posed was that the media used to convey the most complaints were Instagram, Twitter, other social media, company websites, WhatsApp and Facebook. The reason is that their consumers are more familiar and have many social media accounts, so they use it to submit complaints.



Figure 3. Complaint waiting time response

The next question is the response time when submitting a complaint, which is received by the consumer the most when the consumer takes more than 3 days; the next is a response from 1 to 3 days; the response time is less than 1 day, and there are consumers who say there is no response from the company or community service providers. This condition shows that the response received by consumers is not in the form of hours but in a matter of days, so it feels very long.

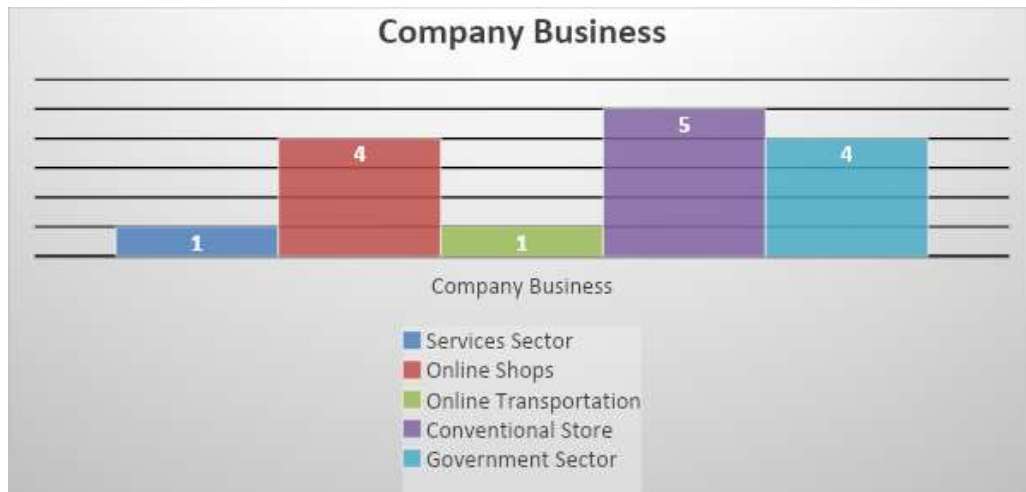


Figure 4. Company business

As a counterweight, questions are asked of organizations that provide services to consumers and those who interact with buying and selling. The results include five conventional stores, four online stores, the public service sector (government), and one company each in the service sector and online transportation.

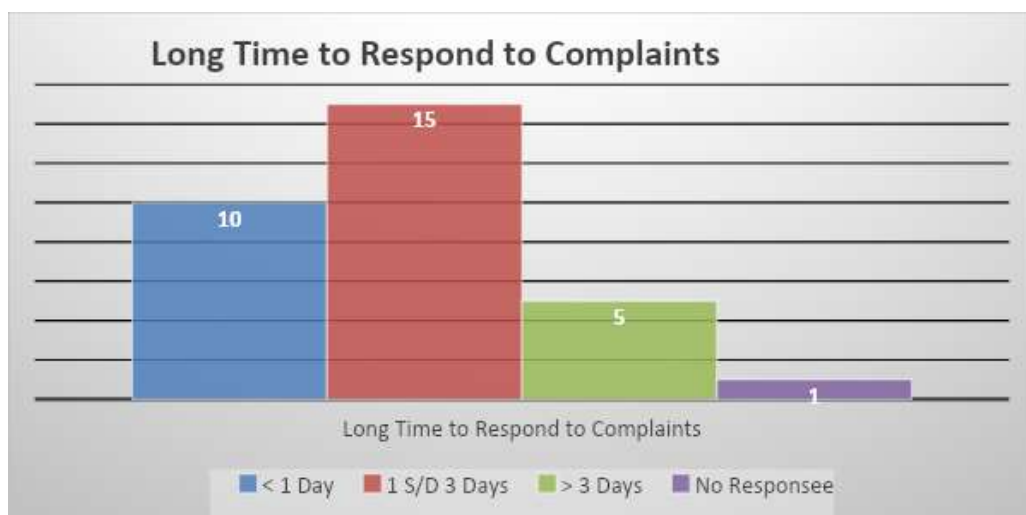


Figure 5. Long time to respond to complaints

The following question was asked about the company's response time when consumers filed a complaint: 15 companies responded within 1 to 3 days, 10 companies responded within 1 day, 5 companies responded within 5 days, and no company responded indefinitely.



Figure 6. Company response to consumer complaints

The following questions were asked related to the company's response in resolving the complaint as follows: customer response regarding the complaint resolution stated well, the use of the complaining language style was quite good and the solutions provided were not good (Figure 6). These results show that there are still solutions provided by consumers that do not provide satisfaction for consumers.

Conclusion

Social media is a collection of applications that use Internet-based technology to allow sharing and creating user-generated content, and one of its uses is to express opinions or complain to other parties. Social media is (Rezeki, 2020) a digital platform that is user-friendly, has independent content, can connect individuals in a community, and is interactive through common forms of media such as blogs, social networks, online institutions, and the virtual world. The "negative spiral" effect can cause more complaints (Hewett et al., 2016). As a result, deterioration in the company's social media presence can exacerbate deterioration (Nguyen et al., 2020). A company's response to these additional complaints can turn a company's social media page into a perpetual complaint arena, leading to a vicious downward spiral (Hewett et al., 2016), an echo chamber of complaints loud enough to grab investors' attention, especially against viral negativity. In addition, investors are becoming more aware of the importance of social media in business and consumer trust in social media aggregation services (Nguyen et al., 2020), which is attracting an increasing number of users. Social media is an important source of information for investors (Maharani & Hidayah, 2021) and has an impact on both private and institutional investors. Therefore, posting complaints on social media can influence investors' attitudes towards companies (Maharani & Hidayah, 2021).

The publication of a complaint is the result of a decisive response to the complaint. Social media homepages are used as a tool for consumer complaints (Nguyen et al., 2020). The sequence in placing the customer complaint on display on the company's website and amending any issues that arise will make it easier to track the progress of the resolution. The negative implications of consumer complaints on social media for companies are online resources that users can easily follow. Participation means that someone easily shares news, creates content, or receives content. According to Fatmawati (2021), everything can be done quickly and without limits. Online media facilitate participation, sharing, and creation of content, including blogs, social networks, institutions, and cyberspace.

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