

Exploration of Customer Complaint Behavior toward Asian Full-Service Restaurants

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Abstract

The first law of service productivity and quality in restaurants is doing it right the first time. In today's highly competitive environment, restaurants should acquire feedback from their customers to improve further the products and services they offer. One means to obtain customer feedback is to encourage and facilitate the complaint process. In response to an unhappy service, customers either speak with the management, their friends or do nothing, and they may also expect fair compensation whenever service failure occurs. This study aimed to investigate the complaint behavior of Hong Kong customers toward Asian full-service restaurants. A qualitative approach was adopted with a sample of 30 respondents who often dine in Asian full-service restaurants. Semi-structured questions were asked through an in-depth interview. Based on the results, the reasons for the complaints and complaint behavior of Hong Kong customers were identified, and recommendations were made to provide insights for industrial practitioners.

Keywords: Asian full-service restaurant, customers, complaint behavior, Hong Kong

1. Introduction

To establish a long-term business relationship with profitable customers, customer-centric marketing philosophy is undoubtedly important in driving the success of a business organization (Kotler & Keller, 2003; Gronroos, 1989). Various strategies have been employed to understand customers further and retain them in an organization (Kotler & Keller, 2003). Among these strategies are customer relationship management, customer compliance management, and customer satisfaction surveys.

Customer complaint behavior (CCB) is one of the crucial areas in marketing that should be given due attention, and it has been endorsed in various marketing literature. Previous studies found that CCB is significantly raised by customer satisfaction/dissatisfaction and that dissatisfied customers are more likely to complain than the satisfied ones (Heung & Lam, 2003; Maute & Forrester, 1993; Mowen, 1993).

Operating a restaurant is a challenging task; its operating environment is complex because of high rental fees, high labor costs, and shortage of labor, particularly skilled labor for low-paying jobs. The most important aspect in restaurant operations is service satisfaction. Given the tough competition in the food and beverage industry, customer satisfaction has become one of the most important issues that draw managers' attention to generate further income. Many studies mentioned that customer satisfaction is crucial in increasing revenue (Barlow, 1996; cited by Heung & Lam, 2003). Therefore, restaurant management should understand CCB to facilitate effective management. Notably, even satisfied customers complain to provide useful service quality feedback to providers (Liu, Kang, Bai, & Zhang, 2006).

1.1 Background Overview

According to a survey (Euromonitor International, 2014), over 85% of Chinese consumers eat out at least once a week. Eating out is common in Hong Kong, and it is regarded as something that Hong Kong consumers cannot do without. Family reunions and socializing with friends require considerable food consumption. In addition, a growing demand for exotic dishes and culinary fusions has been observed among Chinese consumers, as well as improving living standards and disposable income. Hong Kong residents tend to eat their meals at set times. Lunch and dinner are the most important times of the day for eating out. Lunch tends to take place between

12.00 noon and 2.00 p.m., whereas dinner is served between 6.00 p.m. and 9.00 p.m. Snacking between regular meal times, such as tea-time, is becoming prevalent, but meals at set times of the day are still preferred.

In Hong Kong, eating out is usually done in large groups, often in the form of family reunions and socializing with friends in Asian restaurants. With the improvement of purchasing power, families prefer to eat out during traditional holidays and festivals. Thus, family dining plays an increasingly pivotal role in the demand for consumer food service, and socializing with friends also increases the frequency of eating out in full-service restaurants. This finding indicates that restaurant operation is one of the most important businesses in Hong Kong. Table 1 shows that from 2009 to 2014, the overall value and transactions of the food and restaurant industry increased. At present, local restaurants in Hong Kong have a net worth of HK\$77.6 million (Hong Kong Census, 2016), which is the highest revenue in the industry.

1.2 Asian Full-Service Restaurant

Asian full-service restaurants, which recorded a strong growth in 2014, have become a major theme in full-service restaurants in 2014 (Euromonitor International, 2014). A full-service restaurant offers fine dining with a wide selection of food and beverages and table service. In addition, a full-service restaurant may come with a coffee shop and specialized (ethnic) food restaurant (Oxford Dictionary, 2012).

Chinese food remains the mainstream dish in Asian restaurants in Hong Kong because over 90% of Hong Kong residents are Chinese, including the restaurant operators themselves. Thus, these operators are in a good position to cater to local tastes and lifestyles with tailor-made menus. Previous generations may have enjoyed traditional Chinese cuisine from various provinces, such as Peking, Shanghai, Chaozhou, and Guangdong. By contrast, the preference of the young generations has evolved to Chinese cuisine that features modernist ingredients and innovative food art. Other Asian cuisines, including Thai, Vietnamese, Taiwanese, Korean, Japanese, and Malaysian, also performed well in 2014. A number of specialist restaurants have opened, focusing on only one aspect of the cuisine, such as serving tempura or ramen in Japanese restaurants or fried chicken in Korean restaurants (Euromonitor International, 2014).

Table 1. Units, transactions, and value sales in consumer food service 2009-2014

	2009	2010	2011	2012	2013	2014
Units	14,093.0	14,214.0	14,272.0	14,413.0	14,496.0	14,542.0
Transactions (mn)	941.7	961.1	972.5	1,008.5	1,048.8	1,065.9
HKD million current prices	82,317.2	86,174.5	88,631.8	93,473.9	97,792.8	102,549.9
HKD million constant prices	82,317.2	84,206.3	82,260.7	83,353.6	83,583.1	84,158.8

Source: Euromonitor International, 2014.

Ajisen (China) Holdings recorded the steepest decline in sales in 2014. The food service revenue of Ajisen fell by 52%, and the number of its outlets declined from 30 in 2013 to 12 in 2014 (Euromonitor International, 2014). This significant drop was mainly due to the tough operating environment in restaurants, including high rental and labor costs. Table 2 shows that the number of chain Asian full-service restaurants has decreased from 2013 to 2014, whereas independent Asian full-service restaurants have shown a small growth. Table 3 indicates that sales reduced the transaction growth of the industry from 2009 to 2014.

Table 2. Full-service restaurants by category: units/outlets 2009-2014

Outlets	2009	2010	2011	2012	2013	2014
Asian Full-Service Restaurants	6,809.0	6,777.0	6,710.0	6,670.0	6,673.0	6,667.0
Chain Asian Full-Service Restaurants	192.0	178.0	175.0	170.0	153.0	137.0
Independent Asian Full-Service Restaurants	6,617.0	6,599.0	6,535.0	6,500.0	6,520.0	6,530.0

Source: Euromonitor International, 2014.

Table 3. Sales in full-service restaurants by category: % transaction growth 2009-2014

% transaction growth	2013/14	2009-14 CAGR	2009/14 Total
Asian Full-Service Restaurants	0.3	-1.3	-6.4
Chain Asian Full-Service Restaurants	-13.1	-6.7	-29.4
Independent Asian Full-Service Restaurants	1.0	-1.0	-5.0

Source: Euromonitor International, 2014.

1.3 Study Rationale

Based on the data on Hong Kong customers in Asian full-service restaurants, the main reason for management complaints in restaurants is to determine the subject of complaint, identify reasons for the problems, and to rectify and convert dissatisfied customers into loyal ones.

Several studies have looked into customer complaints and complaint behaviors (Heung & Lam, 2003). However, the comparison of different nationalities in hotel restaurants in terms of customer complaints and CCB in Hong Kong is limited (Yuksel et al., 2006). DeFranco et al. (2005) investigated CCB toward cultural difference in Hong Kong and Houston. Ngai et al. (2007) studied CCB toward hotel enterprise in Hong Kong among Asian and non-Asian tourists. Kim & Lynn (2007) classified Asian tourism in terms of restaurant services. Hui & Au (2001) studied the complaint behaviors of Chinese and Canadian tourists on hotel services. Despite the immense international interest in the topic, it has only been explored by a few studies, and no scientific research has been conducted about the dissatisfaction complaints in Asian full-service restaurants in Hong Kong.

Based on previous studies, a knowledge void exists concerning Hong Kong customers and their complaint behavior toward Asian full-service restaurants in Hong Kong. The differences of CCB in terms of complaint channels will be investigated.

The objectives of the study are the following:

- To examine customer perceptions toward complaints in Asian full-service restaurants;
- To examine the channels through which customers express their complaints with the services of Hong Kong Asian full-service restaurants; and
- To make recommendations to the management on devising policies to improve complaint handling and service recovery.

2. Literature Review

2.1 CCB

The concept of CCB has received considerable attention among previous scholars. Jacoby & Jaccard (1981) identified CCB as an action taken by an individual that involves communicating a negative message regarding a product or service, either to the manufacturing firm, the marketing arm of that product or service, or to a third-party organization. Mowen (1993) stated that complaint behavior is any action triggered by perceived dissatisfaction with a purchase episode. Complaint behavior is a process that “constitutes a subset of all possible response to perceived dissatisfaction around a purchase episode, during consumption or during possession of the goods or service” (2003, p. 62).

Complaint may arise as a result of defective or poor product or service quality, unfulfilled expectations in service encounter, or an unfulfilled promise given by a product manufacturer or service provider. Customer complaints occur because of service quality that is perceived as satisfactory or below expectation. Poor services, unreliable services, discrepancy of service commitment all lead to complaints.

2.2 Performance, Fairness, and Response Theories

2.2.1 Performance Theories

Various studies have identified complaint behavior (Blodgett et al., 1992; Crie & Ladwein, 2002; Folkes, 1984; Ganesh et al., 2000; Johnston, 1995; Oliver, 1993) and discussed expectation-disconfirmation theory. This theory suggests that satisfaction is related to disconfirmation experience, in which disconfirmation is related to the customer's initial expectation (Parasuraman et al., 1985; Tse & Wilton, 1988). Expectation-disconfirmation theory suggests that if an experience falls below expectation, then the service quality perceived by the customer will be poor service, which causes dissatisfaction or may result in complaint (Bearden, 1983; Berry et al., 1985; Bolton & Drew, 1991; Gronroos, 1989). According to Berry & Parasuraman (1991), expectations can be portrayed as a zone of tolerance between the customers' desired level of service and the level of service that they consider satisfactory. The zone of tolerance should be the acceptable performance for customers. Any service below the acceptable level will cause frustration and increase the possibility for complaints (Stauss et al., 2005; Tronvoll, 2008).

Prospect theory examines how customers make choices between alternatives that involve risk, such as whether to complain (Kahneman & Tversky, 1979). Customer perception of potential outcomes with special actions may influence their complaint behavior. Customer complainants have experienced two negative events, which include negative critical incident and unfavorable recovery.

2.2.2 Fairness Theories

Equity theory proposes that customer attitudes and behaviors are affected by their assessment of their contribution and the reward they receive (Austin & Walster, 1974; Walster et al., 1978). Contributions or inputs may include resources, effort, skills, and money. Rewards or outcomes may include elements such as favorable service experiences, status, and recognition. When customers believe that inequality exists in an exchange, they become upset, disappointed, or regretful. Customer may choose a different complaint response depending on the action that is most likely to restore equity with minimum cost.

Theory of justice refers to the 3D view of the concept of fairness and has evolved over time to include distributive justice (Deutsch, 1985), procedural justice (Lind & Tyler, 1988), and interactional justice (Bies & Shapiro, 1978). Distributive justice refers to the perceived fairness of the actual outcome. Procedural justice refers to whether the procedures or criteria used in making the decision are perceived as fair. Interactional justice deals with interpersonal behavior in the enactment of procedures and delivery outcomes. Justice theory offers a comprehensive framework for understanding the complaint process from initiation to completion (Tax & Brown, 1998).

Equity and justice theory suggests that the perceptions of fairness are induced when a customer compares interaction, procedure, and outcomes with other customer or a prior experience. According to theories based on fairness, a service provider perceived by customers as expendable will adopt an under-benefiting strategy that either ignores customer complaints or merely acknowledges them with an answer. Tourism and hospitality industry providers should emphasize on long-term commitment with their customers to develop an over-benefiting strategy. Over-benefiting implies increasing profits through future purchase and favorable word of mouth (Gilly & Hansen, 1985). Complaint handling can be as delighting or disappointing based on whether the customer's expectations are met or exceeded (Shields, 2006).

2.2.3 Response Theories

Attribution theory refers to the cognitive processes through which an individual infers the cause of a customer's behavior. This theory suggests that when customers believe that a service company is responsible for a harmful outcome or a service company fails to meet performance expectations, they are likely to assign blame (Allred 1999). Responsibility judgment is based on two aspects, namely, the customer's perception of who caused an outcome and their perception of whether that outcome met expectations (Hamilton, 1978). Attribution theory identifies customers who complain and those who believe that the service provider made mistakes.

Previous theories that describe CCB cannot be characterized as theory-driven. Nonetheless, the theories based on customer prospect, fairness, and response are suitable for explaining CCB.

Previous scholar Keaveny (1995) identified three single sources for complaint behavior, including the single sources for complaint behavior: (1) core service failure, (2) service encounter failure, and (3) response to failures. Core service failure is the most commonly reported reason for dissatisfaction (Bitner et al., 1990). The main reason for an unsatisfactory outcome in service encounter is the employees' response to service delivery system failures (Bitner et al., 1990).

2.3 Benefit of Customer Complaints

Many studies examined the benefits incurred by customer complaint. Companies can benefit by preventing customers from switching to competitors (Fornell & Wernerfelt, 1978). Other studies also provided dissatisfied consumers the chance to vent their anger (Aleong & Koldinsky, 1990). CCB is crucial for the development of effective service recovery strategies by encouraging organizations to adopt a relevant strategy to manage unresolved customer complaints and gain the confidence of dissatisfied customers. Furthermore, CCB can help organizations re-design their service or product to meet customer expectations. Last, effective complaint handling can culminate into satisfaction, trust, positive word-of-mouth communication, and future purchase (Kau & Loh, 2006). Overall, researchers agree that service organizations should not only seek to address and welcome complaints, but should also make a purposeful attempt to encourage complaints from their customers, particularly the dissatisfied ones (Heung & Lam, 2003).

2.4 Customer Satisfaction/Dissatisfaction and Complaining Behavior

The rationale of CCB is strongly linked to customer dissatisfaction. Previous studies confirmed that dissatisfaction is the main reason for complaints (Liu & McClure, 2001; Williams, Drake, & Moran, 1993). This view has its roots in expectancy disconfirmation theory (Oliver, 1989), which suggests that dissatisfaction results from a discrepancy between customer expectation and perceived product/service performance. Given that consumer expectation is a major factor that affects consumer's evaluation of their purchase experiences, (Day,

1977) consumers become dissatisfied when their expectations are not met by the current performance of a product or service. As result, these consumers become upset and disappointed, thereby engaging in a complaint behavior. Correspondingly, an overall customer evaluation of a product or service should be conducted based on buying experiences (Hunt, 1997; Oliver, 1980; Wang & Lo, 2002).

Several studies have investigated formal complaint and intention. A numbers of cases found that fewer formal complaints are made than expected from the expressed levels of dissatisfaction (Barnes & Kelloway, 1980; Dolinsky, 1994). In several cases, dissatisfied consumers never complain to retailers, manufacturers, or third parties. Therefore, we can safely assume that retailers, manufacturers, and third parties receive complaints or requests for redress from an unrepresentative sample of the total population of consumers who have experienced dissatisfaction; complaint statistics understate the frequency of dissatisfaction (Day & Landon, 1977). Many dissatisfied consumers take part in a variety of “hidden” or indirect activities, including boycotting the retailers, changing service operator, or engaging in negative word-of-mouth. Many service operators underestimate the effect of such indirect activities. By contrast, numerous unhappy customers opt to “do nothing.” By not taking action, a consumer effectively decides to tolerate the dissatisfaction, rationalize it, or forget it and do nothing (Singh, 1988). Non-behavioral response should be considered a legitimate form of consumer complaining despite its passive nature (Singh, 1988). Therefore, such response is justified and necessary in comprehending the process underlying CCB response (Singh, 1988).

Day & Landon (1977) claimed that CCB (see Figure 1) falls under three major categories of consumers who are dissatisfied with their purchase: no action, private action, or public action. Consumers may refrain from doing any action by rationalizing and forgetting the problem. Consumers may engage in private actions, such as telling their friends and family about the service or boycotting the company and switching to other service providers. Additionally, consumer may engage in public action, such as seeking redress (i.e., refund, exchange, or replacement) directly from the service organization. Others may complain to the service organization or to a consumer protection agency, share their unsatisfactory experience to the media, or take legal action (Day & Landon, 1977; Broadbridge & Marshall, 1955).

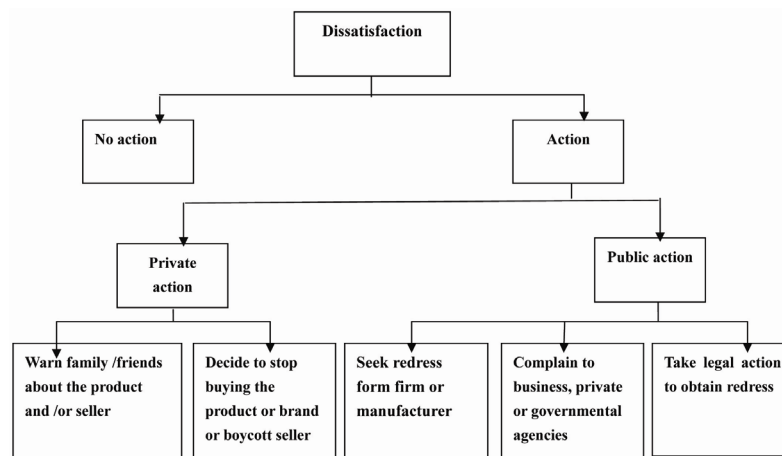


Figure 1. Taxonomy of CCB

Source: Day & Landon, 1977.

2.5 CCB in Restaurants

According to Gursoy (2003), identifying the future of restaurants depends on the extent of their satisfied customers and their continuity. Most marketing concepts focus on the purpose of the activities in a company to satisfy customers and build long-term customer relationship (Lee et al., 2010). Most restaurants attempt to please all customers. Given the nature of services provided in restaurants, consumption and production happen simultaneously and are influenced by several reasons, such as service presentation, attitude of service staff, and the capacity of services provided at the restaurant (Hart et al., 1990). Many restaurant managers cannot always prevent service problems from happening, but they may learn something from these situations (Gursoy et al., 2003). Yaacob (2010) mentioned that good customer management systems have manageable customer complaint systems; these systems allow customers to forward their complaints easily at any time, attend to customer complaints quickly, and offer a fast and definite solution for complains received from customers, which is another means to acquire customer loyalty after complaints.

Wildes & Seo (2001) investigated the influence of demographic information on general customer complaint items (rudeness, lack of product knowledge, slow service, rushed and over friendly service, and unwillingness to correct problems); they found that the demand of specific customers depends on their demographic features and that the realization of this situation may prevent the occurrence of customer complaints. The study also suggests that if the complaints of 68% of the customers are not solved, then these customers will not return to the restaurant. The same study identifies customer complaints about the miscalculation of bills, the consequent unwillingness to solve the problem, and failing to meet special demands.

A different study (Su & Bowen, 2001) examined the factors related to the complaint actions of restaurant customers and revisited their intentions and “negative word-of-the-mouth.” The researchers determined that the degree of dissatisfaction, importance of the dining occasion, and perceived assurance that the management will resolve the problem affect whether the customer will complain. A number of studies have identified the relations between effective complaint management and return intention. Most complaints about restaurants include slow or poor service, food quality, and overpriced meal. Moreover, rude and intolerant service staff members are often cause of complaint issues (Su & Bowen, 2001).

Gursoy et al. (2003) classified CCB and defined the socio-demographic elements that determine the differences, including private and public responses. For example, Asian response shows that they usually engage in private response. Heung & Lam (2003) investigated Hong Kong hotel restaurants and determined that customers expect proper attitudes from the restaurant management for the solution of the problem, such as an apology in cases where the problem is explained to the management. Other studies (Lam & Tang, 2003) on Hong Kong hotel restaurants demonstrated various complaint behaviors, including personal and urgent complaints, bad mouthing, complaining to the management, publicizing the complaint, and usually voicing out among young customers who have high education and income. In this case, many complaining customers decide to stop using the services and products of such provider and then warn other people not to come to the restaurant and be wary of its negative advertisements.

Previous studies on restaurants showed that many authors have investigated customer behavior, but they ignored other complaint channels and processes. In Hong Kong, most studies on hotel restaurants seem to neglect the main stream of Asian full-service restaurants as well as the complaint factors related to others issues, such as an unhappy customer doing nothing. Restaurants may offer an apology and correct the problem, but the customer may not return or revisit. Compared with restaurants in hotels, customers have more choices in Asian full-service restaurants. Customers who do not take action may consider other reasons. The present research fills this gap and identifies the reason for such.

3. Methodology

A descriptive qualitative research design was adopted in this study. Customers who had a complaint experience in an Asian full-service restaurant were chosen as target respondents. Data were collected from this sample using in-depth interviews. Semi-structured questions were used, and the data were analyzed using grounded theory framework. Purposive sampling was adopted in 30 complaining customers who have dissatisfaction experience. The researcher sent invitations for in-depth interviews at a point when information saturation was expected to be reached (Webber & Huxley, 2007). The interviews lasted for one hour, and each interview was audio recorded and fully transcribed.

The interview questions were based on the framework proposed by Day & Landon (1977). The bilingual versions of the question were provided in English and traditional Chinese using the back-translation method. To facilitate credibility, back-to-back translation was applied in question setting. The agenda for the interviews and a detailed list of questions were given to the participants one week prior to the formal discussion to allow them to reflect on the areas of concern of the study. The interviews were administered from September 2015 to December 2015 in different restaurants to allow the participants to freely share their comments about their complaint experience. The data were summarized and organized according to the themes generated by the documentary review. Summaries of the interviews were also prepared to highlight the main concepts and to set the context for quotes selected and used as examples in the research report.

Data analysis and coding were conducted in several stages. The codes generated were displayed in different categories in themed charts; each theme was described and analyzed separately through domain analysis. The coding results at different levels were compared to explore differences in opinion and suggestions. The secondary data of this research were mainly obtained from published materials and electronic databases from the Hong Kong Census and Statistics Department. The industrial report provided sufficient statistical data, and the relevant journals provided clear concepts regarding the research.

4. Result and Discussion

The research sampling was followed by the theoretical saturation of Strauss & Corbin (1998) when no additional new finding was presented. This study interviewed 30 participants (Table 4), including managerial and non-managerial level subjects. The age of the interviewees ranged from 27 to 55 years old, and the distributions are as follows: 13.3% (4 out of 30) were below 35 years old, 46.7% (14 out of 30) were aged 36 to 45 years, and 40% (12 out of 30) were aged 46 and above. Approximately 26.7% of the respondents (8 out of 30) were male and 73.3% (22 out of 30) were female. The educational level of the respondents ranges from high school to master's degree level. Most meal expenditure of the interviewees in Asian full-service restaurants ranges from HK\$150.00 to HK\$3000.00, and their average frequency of dining in such restaurants is from one to four times per a month. Approximately 63.3% (18 out of 30) of the interviewees have actually complained at the hotel restaurant. By contrast, 100% (30 out of 30) of the interviewees admitted that they are knowledgeable of and understand their rights if they encounter dissatisfactions that warrant a complaint.

Table 4. Interviewee profiles

No.	Sex	Age	Education Level	Employment Level	How many times do you dine in at a restaurant each month?	Estimated total expenditure for meal at Asian full-services restaurant per month (HK\$)	Complaint to the restaurant	
							Yes	No
P1	M	49	Master's Degree	Managerial	2 to 3 times	\$1,500		✓
P2	F	45	Master's Degree	Managerial	1 to 2 times	\$1,000		✓
P3	F	38	Bachelor's Degree	Non-managerial	1 time	\$2,000	✓	
P4	F	49	Bachelor's Degree	Non-managerial	1 time	\$3,000	✓	
P5	F	48	Bachelor's Degree	Non-managerial	4 to 5 times	\$2,000 to \$2,500	✓	
P6	M	43	Bachelor's Degree	Managerial	1 time	\$3,000	✓	
P7	F	40	Master's Degree	Managerial	1 time	\$3,000		✓
P8	M	45	Bachelor's Degree	Non-managerial	2 to 3 times	\$1,500	✓	
P9	F	46	Bachelor's Degree	Managerial	2 to 3 times	\$2,000		✓
P10	M	43	Bachelor's Degree	Non-managerial	2 to 3 times	\$3,000	✓	
P11	F	44	High school	Managerial	3 time	\$3,000	✓	
P12	F	51	Master's Degree	Managerial	2 times	\$1,000		✓
P13	F	43	Bachelor's Degree	Non-managerial	1 to 2 time	\$500	✓	
P14	M	27	Master's Degree	Non-managerial	1 to 2 time	\$1,000		✓
P15	F	55	Bachelor's Degree	Non-managerial	1 time	\$1,500 to \$2,000	✓	
P16	F	45	Bachelor's Degree	Non-managerial	1 time	\$150		✓
P17	F	50	Master's Degree	Managerial	1 to 2 time	Less than \$300		✓
P18	M	52	Master's Degree	Managerial	2 time	\$300 to \$500		✓
P19	F	48	High school	Managerial	1 time	\$500	✓	
P20	F	46	Bachelor's Degree	Managerial	1 to 2 times	\$500		✓
P21	F	48	Bachelor's Degree	Managerial	2 to 3 times	\$1,500	✓	
P22	M	43	High school	Non-managerial	1 to 2 time	\$1,000	✓	
P23	F	40	Bachelor's Degree	Managerial	2 times	\$600		✓
P24	M	54	Bachelor's Degree	Managerial	3 times	\$1,000		✓
P25	F	34	Bachelor's Degree	Managerial	2 time	\$500	✓	
P26	F	30	Bachelor's Degree	Non-managerial	3 time	\$500	✓	
P27	F	36	Bachelor's Degree	Managerial	3 time	\$500	✓	
P28	F	40	Bachelor's Degree	Managerial	1 to 2 times	\$800	✓	
P29	F	30	Bachelor's Degree	Managerial	1 to 2 times	\$1,000	✓	
P30	F	43	Bachelor's Degree	Managerial	2 time	\$1,500 to \$2,000		✓

4.1 Customers' Perceptions toward Complaints in Asian Full-Service Restaurants

The result demonstrated that several Hong Kong customers are relatively familiar with the complaint system. When the interviewees were asked of their response to a complaint, they indicated that they will stop patronizing the restaurant. A total of 90% (27 out of 30) of the respondents were rational and objective when they expressed that they will search for further information regarding the complaint before making a decision not to patronize the restaurant. Some of the respondents have also expressed that receiving a complaint is common due to various social media platforms. This observation indicates that complaint culture is widely common in the general public. Only 10% (3 out of 30) of the respondents have chosen not to patronize the restaurant regardless of the details of the complaint. Two reasons support their opinion: 1) many options exist in the market, and 2) given that the restaurant charges a high price, taking the risk of money loss is unjustified.

4.2 Customer Complaint Responses that Are Expressed in Asian Full-Service Restaurants in Hong Kong

Approximately 63.3% (19 out of 30) of the respondents have complained toward the restaurant in their past experience. Most of these respondents complained for the services: (1) attitudes of service staff; (2) overpriced meals; (3) lack of relevant manpower; (4) overcharges; (5) overpromise of the inclusive services; (6) food quality; (7) hygiene factor. Some of the customers have no experience in making a complaint to the restaurant because of certain reasons, such as the degree of dissatisfaction or they do not wish to spoil the dining atmosphere.

In general, 98% of the respondents claimed that they would complain to the management at the restaurant if they encountered dissatisfaction. However, this result contradicts the findings of previous studies claiming that Asian, specifically Chinese, are less likely to complain and are only inclined to take private action instead of public action (Ngai et al., 2007; Fitzpatrick, Davey, & Dai, 2012).

Only 3.33% (1 out of 30) of the respondents claimed that they will not proceed with any private action such as sharing with family and friends, spreading negative word-of-mouth, or even boycotting the restaurant due to the incident. However, 96.7% of the respondents have shown that they will demonstrate aggression regarding the incident by using internal source to at least share the experience with their family and friends. Given the cutting edge technology at present, 20% (6 out of 30) of the young respondents claimed that they will share the incident with others using external sources, such as posting the incident on their own social media account, to blast out negative word-of-mouth effectively and to release their aggression. Some respondents asserted that they will ask for a refund and compensation from the restaurants. Despite the degree of dissatisfaction, 98% of the respondents stated that they prefer not to proceed with any public action. However, the reason behind such decision is inconsistent with the findings of previous scholars who posited that Asians fear of losing face (Ngai et al., 2007); rather, customers will not take public action mostly because it is not worth their time and effort (Day et al., 1981). Some respondents claimed that they will share the complaint with the Consumer Council in Hong Kong as part of taking public action. In a metropolitan city like Hong Kong, time is money. Thus, consumers are less willing to be involved in these kinds of complaint action because it may be time-consuming and costly, and the results are sometimes unpredictable. Some of the respondents (6.67%; 2 out of 30) expressed that they will boycott the restaurant.

Only 16.7% (5 out of 30) of the respondents stated that they will patronize the same restaurant again. The tolerance level of the majority of the respondents toward dissatisfactions is not high in this research, and customer loyalty seems difficult to maintain because of high competition in the market. High expenditure also drives customers to consume carefully and wisely. The majority of the respondents claimed that they will not patronize the same restaurant again, especially if the complaint is not handled with satisfaction. Previous studies found that the Chinese seldom complain because they are less familiar with the complaint paths/channels (Fitzpatrick M., Davey J., & Dai L., 2012). By contrast, 100% of the respondents (30 out of 30) of this study were Chinese, and they have shown that they are knowledgeable about their rights and the paths and channels they can take to make further complaints; it is their decision not to take further complaint toward a service failure.

4.3 Recommendations to Management on Devising Policies to Improve Complaint Handling and Service Recovery

During the interviews, the respondents showed a strong expectation of professional training among the restaurant employees. The interviewees assume that most Asian full-service restaurants, as one of the major players in the food and beverage industry, operate under large local or international corporations, and their brand names signify their service. Restaurants should have large resources to improve their services and build, enhance, sustain, or protect their brand name. The management should also identify an appropriate strategy to handle meaningful complaints and to review and maintain their service constantly. The respondents suggested that continuous and sufficient trainings should be provided to service staff members. In addition to usual job trainings, trainings that focus on complaint handling and service recovery are also significant. Reviewing the complaint cases regarding employees is important to prevent future complaints, and a constant reminder at daily briefing is also suggested. Most of the respondents also expressed that they prefer an explanation, apology, or simply respect for their complaint and not some tangible compensation because the management may misunderstand them. Therefore, a suggestion for the management to study CCB is also important. However, most of the respondents actually expressed that prevention of complaint is more important than complaint handling and service recovery to nurture customer loyalty. Therefore, constantly studying consumer expectation, reviewing their service quality, and continuously examining employee performance can be employed to gain positive word-of-mouth, enhance customer loyalty, generate new business, and, most importantly, increase *profit*.

4.4 Significance of the Findings

The respondents reflected that they are matured and objective when dealing with dissatisfactions because negative disconfirmation leads to dissatisfaction with services from a restaurant. Dissatisfaction with services and products leads to the complaints of Hong Kong customers (Figure 2). The research findings show that various customer demographic, values, personality, experience, and knowledge will drive customers to either take action or not as their response. This finding implies that customers have high expectation toward the services provided by a restaurant, and their data are trustworthy and representable. The significance of this research is its finding on CBB, in which the complaint choices of customers to dissatisfactions are private or public action or no action at all. Hong Kong customers are not concerned about “losing face.” Given the development in technology, customers will use the Internet, Facebook, or other social media platforms to vent their anger. Other effective channels can also be used by customers who intend to spread negative word-of-mouth about the service provider. Instant uploads of pictures and video clips will be used by those who are dissatisfied, which will create a huge and harmful impact to the service provider.

Hong Kong customers are not likely to take public action not because of “face culture,” but because such action is time-consuming and costly, and the results are sometimes unpredictable. This study determines that Hong Kong customers have relevant knowledge of their consumer rights, and they know how and where to voice their complaints. In addition, such consumers know how to make use of the media, how to take legal action, as well as the complaint process. This finding implies that the complaint channels in Hong Kong are transparent to the general public.

The respondents with high educational background prefer not to take action, or they engage in private action instead of a public one. The respondents who have not taken any action for dissatisfaction are inclined to return or revisit the restaurant again because it offers many choices and alternatives.

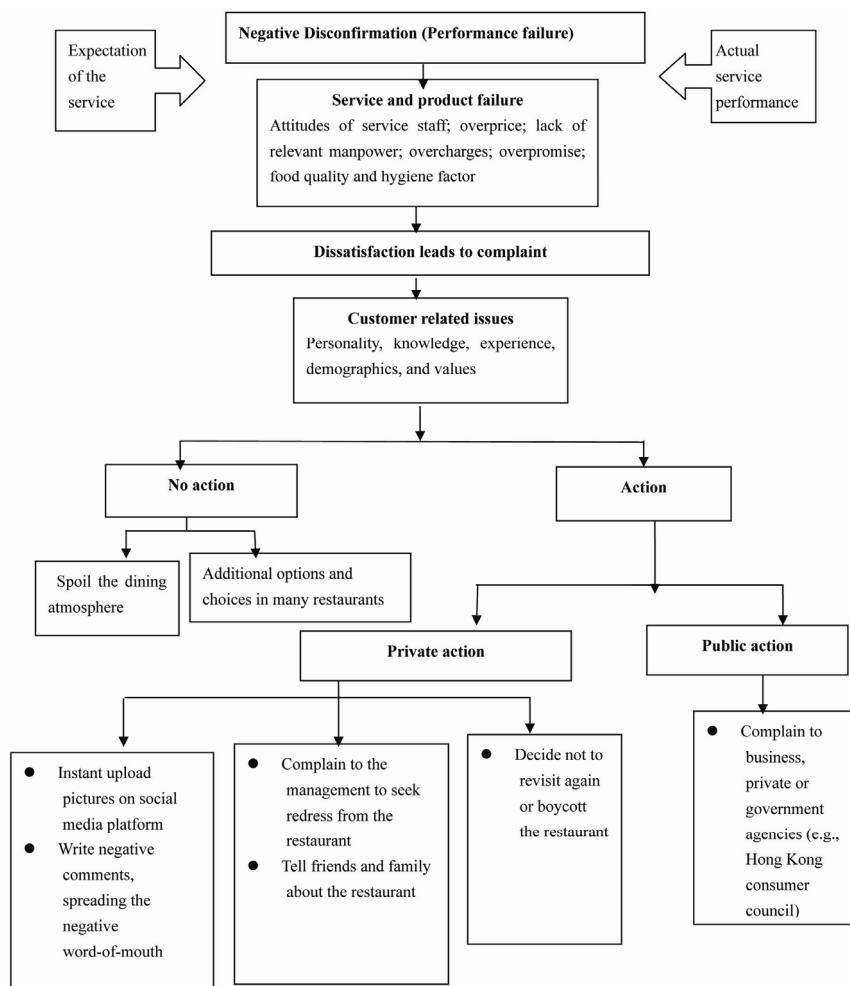


Figure 2. Dissatisfaction Hong Kong customers complaint behavior toward to Asian full-service restaurant

5. Implication and Conclusion

The servicing industry is one of the largest industries in Hong Kong. Thus, the service providers from all categories in this industry should improve and maintain their service quality/level to stand out from competitors and to satisfy customer expectation if they wish to increase customer loyalty for repeat purchase and generate further profit.

For industrial implications, this study identifies a strong expectation of professional training among restaurant employees and high expectation from customers. The interviewees assume that Asian full-service restaurants, as the main players of the food and restaurant industry, operate under a large local or international corporation, and their brand names signify their service. Restaurants should have large resources to improve their services and build, enhance, sustain, or protect their brand name. The management should also identify an appropriate strategy for handling meaningful complaints and should review and maintain their service constantly. The respondents suggested that the service staff members should undergo continuous and sufficient trainings. In addition to the usual job trainings, trainings focused on complaint handling and service recovery are significant. Reviewing the complaint cases with employees is also important, and a constant reminder at daily briefings is also suggested.

Most respondents admitted that the intention of their complaint is to obtain an explanation, apology, or simply respect and not for some tangible compensations, and they opt to adopt private action than a public one. Therefore, the management should study CCB. However, most of the respondents expressed that the prevention of complaint is more important than complaint handling and service recovery. Therefore, a constant study of consumer expectation, review of service quality, and continuous examination of employee performance can be employed to gain positive word-of-mouth, enhance customer loyalty, generate new business, and increase profit. Highly educated customers tend to take no action because the market offers numerous options. Industrial practitioners should be aware of these “no action” customers. Service providers can increasingly pay attention to those customers, actively ask them for feedback, and engage in relevant communication with them to gain further information about their satisfaction in dining experience.

Hong Kong customers prefer to use private action than public action. Uploading pictures or spreading negative word-of-mouth through social media platform will create a negative impact on service organizations. Marketers can therefore create a platform through which they can monitor comments on their restaurant and provide relevant communication with their customers.

Researchers should pay attention to “no action” customers because they have many options and choices and are inclined not to revisit. Previous studies ignored the customers who did not take action and have underestimated the power of social media, consumer-related factors, and service-specific factors, which are likely to affect CCB. The demographic information of consumers and their knowledge experience-related variables influence CCB. Service cost, service failure, and the severity of a problem influence CCB. A new taxonomy of CCB provides a special view of reasoning behind the formulation of research for prospective studies regarding consumer dissatisfaction with the performance failure of major Asian full-service restaurants. To conclude, customers know their consumer rights; for any dissatisfaction service they face, they will voice out their aggression, not worrying about “lose face”. To obtain goodwill, restaurants should provide quality service to meet the expectations of their customers and reduce their dissatisfaction.

Besides, high educational group prefer not to revisit again instead of compliant to the restaurant. Compare male and females customers, females customers prefer to voice out more than male customers.

5.1 Limitation and Further Research

This study evolved from the observation that considerable literature, including the use of secondary data analysis and in-depth interviews, seemed to be constrained. However, the research findings have limitations because of the size of the sample (30 participants) and the form of approach employed to consumers. Therefore, the conclusions must be drawn within the framework of these constraints.

Future study can use a different approach, such as quantitative approach, to investigate the relationship between CCB and demographics. In addition, future research can conduct further in-depth investigation in the post-purchase expectation of customers and the levels of dissatisfaction for service failure or how to improve the restaurant business. Future research can also investigate the complaint behavior of different Chinese culture-oriented cities, such as Macau and cities in Mainland China or Taiwan.

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