

# **Redress for Customer Dissatisfaction and Its Impact on Customer Satisfaction and Customer Loyalty**

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*This study aims to explore the concept of customer complaint behaviour with a view to establishing relationship between handling customer complaints, customer satisfaction and loyalty. Quantitative and qualitative approaches were employed to investigate customer complaint behaviour among retailers in four supermarkets in Kampala, Uganda. Findings show that there is a need for customer complaints to be handled by competent and service-minded staff. Issues such as lack of courtesy and professionalism characterize the retail sector in Uganda. Concluded that complaints should be handled quickly, and feedback on complaint handling process should be encouraged by management in order to use the feedback as starting point for improving future complaint management. A major managerial implication is that organizations should pay attention to failure attribution, and that providing detailed explanation may be an effective organizational response that will have an impact on behavioural aspects of brand loyalty.*

## **INTRODUCTION**

Complaints handling is not a substitute for abdicating the responsibility for managing quality and achieving customer satisfaction. Indeed, the former and the latter are nothing but synonymous expressions and quite compatible concepts (Zairi, 2000). For example, our pilot study shows that Metro and Half Price super markets failed in Uganda because they could not cope with the prevailing competitive pressure from new actors in food retailing sector – for example, new super markets of Shoprite, Game (from South Africa) and UCUMI from Kenya. Metro and Half Price had staff that lacked customer care skills. The staff talked rudely to customers. They were slow, and were not polite. On complaining, they would not even be apologetic but would comment that it was a case for their suppliers to handle, not their problem. Consequently, supermarkets like Metro and Half Price in Uganda closed their operations in 1995 and 2010 respectively.

A number of works in customer service quality assessment in Africa has been produced since the beginning of the past decade (Woldie, 2003; Bick et al., 2004; Narteh & Owusu-Frimpong, 2011). A common denominator in these studies is that customer satisfaction has become a major concern of retailers in many business sectors, and therefore calls for more research attention. The present study is a response to this call. This study contributes to existing knowledge by investigating the effects of customer complaints on customer loyalty using attribution theory. It is commonly known that there is a positive

relationship between customer loyalty and profitability. Reichheld and Sasser (1990) found that when a company retains just 5 percent more of its customers, profits increase by 25 percent. Their study caught the attention of both practitioners and researchers, arousing a great interest in customer loyalty. Gould (1995) helped to consolidate the interest in loyalty through research that supported Reichheld and Sasser's work. In following, marketers are today seeking information on how to build customer loyalty.

Customer complaints are a natural consequence of any service activity (Michel et al., 2009) because mistakes are an unavoidable feature of all human endeavour and thus also of service delivery" (del Rio-Lanza et al 2009). They are indispensable indicators of unsatisfactory performance and may result in customer dissatisfaction. Customer dissatisfaction can be a combination of the discrepancy between expectations and performance, and the importance of this discrepancy to the customer. Consumer complaint behaviour (CCB) refers to the responses triggered by perceived dissatisfaction that is neither psychologically accepted nor quickly forgotten in consumption of a product or service (Homburg & Fürst, 2005). According to Gruber et al (2006), some customers who buy products from retailers complain about poor product quality, slowness of service providers, lack of staff competence, and unreliable services with hardly any apology, and go through the bureaucracy. Others perceive the causes to their disappointment as relatively permanent and unchanging (stability attribution) and opt to quietly walk away (del Rio-Lanza et al 2009). Still others may complain but regret the time spent complaining when their expectations are not met. Consequently, supermarkets like Metro and Half Price in Uganda closed their businesses, in 1995 and 2010, respectively.

Michel et al. (2009) asserts that disappointed customers may not complain because they wish to avoid confrontation with the person responsible for the failure, because they may be uncertain about their rights and the obligations of the organization, or because of concerns about the cost and time associated with complaining (Bamford & Xystouri, 2005). Against this background, does supermarket management in Uganda create a conducive atmosphere for customers to air their grievances over service failure? Without consumer feedback, firms will be unaware of their problems, and may not improve their performance (Heung and Lam, 2003). It may also be difficult to know what customers expect if they don't provide feedback on their opinions to the managers. The way in which complaints are addressed will lead to satisfaction or dissatisfaction. If customer complaints are not handled properly, the negative consequences may be far-reaching (Maxham and Netemeyer, 2003). Dissatisfied customers will not only discontinue their patronage, but are also likely to spread a negative message, jeopardizing the company image (Gruber et al, 2007; 2010; Sviri et al 2010).

Only 5 out of 10 dissatisfied customers complain about their experiences, and these customers are more demanding and less loyal than ever before (Nakibin et al, 2011) because they believe the organization may not respond. They may wish to avoid confrontation with the person responsible for the failure; they may be uncertain about their rights and obligations; and some may have concerns about the cost and time associated with complaining (Bamford, 2006). Some dissatisfied consumers seek redress, while others do not approach the seller with their complaints (Gruber et al, 2009) but may engage in negative word-of-mouth (WOM) behaviours because many companies do not pay sufficient attention to handling complaints effectively (Stauss and Schoeler, 2004; Homburg and Fürst, 2007). Negative WOM may be damaging to firms because such messages are more likely to be believed (Gruber et al 2009). Larger numbers of unknown dissatisfied consumers respond in covert ways that never come to the retailer's attention (Halstead, 1997); to family, the media or to friends. Staff who do not provide a logical explanation to the customer are unable to recover failures (Karatepe and Ekiz, 2004). Apart from dissatisfaction due to product failure, consumers experience further dissatisfaction due to poor handling of complaints and, in sufficient numbers, this can damage the company's reputation, leading to loss of potential and existing customers and poor customer loyalty.

This study aims to explore the concept of customer complaint behaviour with a view to establishing relationship between handling customer complaints and customer satisfaction and loyalty. Thus, customer complaint behaviour among retailers in four supermarkets located in Kampala, Uganda was investigated. We build on extant knowledge by illuminating customer complaint behaviour (CCB) in a developing country in an African context – Uganda – examining the conditions under which consumers may or may

not voice complaints. This study contributes to existing knowledge by investigating the effects of customer complaints on customer loyalty using attribution theory. Accordingly, the following research questions were used to guide our exploratory effort:

- RQ1) What is the relationship between demographic factors and customer satisfaction?
- RQ2) What is the relationship between CCB and customer loyalty?
- RQ3) What is the relationship between CCB and customer satisfaction?
- RQ4) What is the relationship between customer satisfaction and customer loyalty?

## **THEORETICAL FOUNDATION**

Service quality is a concept that has generated considerable interest and debate in the research literature due to the difficulty of both defining it and measuring it, with no overall consensus emerging regarding either aspect (Wisniewski, 2001). According to the disconfirmation paradigm, satisfaction/dissatisfaction is a direct consequence of the disconfirmation process. Disconfirmation of an expectation acts as an important causal agent for generating attribution processing. This means that events that do not conform to expectations may trigger the search for an explanation or reason for the event. In a complaint behaviour context, product failure is the kind of negative and unexpected event that has been shown to bring about causal search (Weiner, 2000). Consumers may attribute product failure to themselves (internal focus), or to the retailer or some outside agent in the environment (external locus). The main themes in extant literature on customer complaint behaviour encompass issues such as complaint handling in the affective nature of satisfaction (Söderlund and Rosengren, 2004; Dube and Menon, 2000), recovery-related emotions (Schoefer & Ennew, 2005), and negative WOM (Shu-Chuan and Sejung, 2011). A retailer's resistance to listening and responding to consumer complaints increases the likelihood that consumers will complain in private – in the form of negative WOM to family, friends and third parties (Shu-Chuan and Sejung, 2011; Zhang and Daugherty, 2009; Wang, 2011; Lang, 2011). Ways of seeking redress include refunds, exchanges, repairs, discounts on future purchases, or some combination of these (Blodgett et al., 1995).

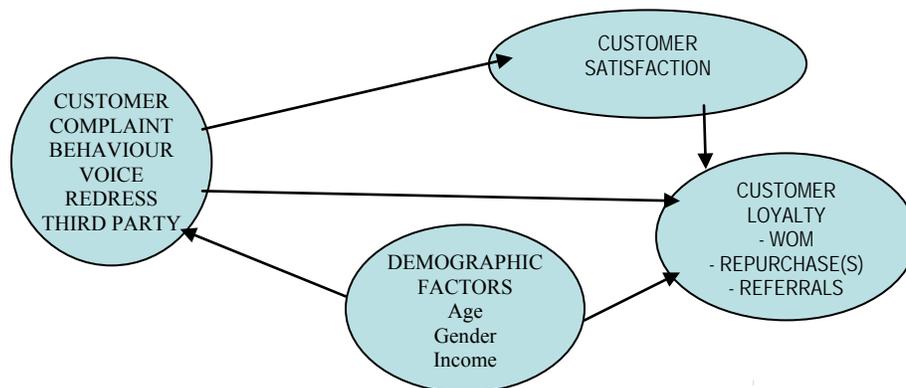
A service failure perceived as insignificant from the organization's perspective can be of great importance to the customer. For example, as McDougall and Levesques (1999) demonstrated, a customer's reason for buying a meal affects his or her perception of the seriousness of a service failure: a meal that is intended as a celebration is much more important to the customer than a casual meal, and a policy of fixed compensation from the provider will not always appease the dissatisfied customer. A provider's failure to eradicate disappointment can lead to customers making strong negative judgments of the organization (Marmorstein et al., 2001; Boshoff, 1997 & 2005), and such dissatisfied clients will seek every opportunity to criticize the offending companies, thus becoming what Heskett et al. (2003) characterize as "terrorist" customers. There are investigations on the cognitive and affective antecedents of satisfaction with complaint handling (Söderlund and Rosengren, 2004). Stauss and Schoeler (2004) define complaint satisfaction as "the satisfaction of a complainant with a company's response to her/his complaint" (p. 174). A meta-analysis by Gruber et al (2008) and Sviri et al (2010) looks at satisfaction and complaint handling (SATCOM) in relation to return intent, WOM behaviour and SATCOM outcomes. In other words, outcome of a purchase situation could be attributed to something temporary (unstable), or something likely to occur each time the product is purchased or used (stable) – customers expect the product to fail if they purchase it again in the future; if unstable, customers will purchase it again (Weiner, 2000). A consumer's perception of attribution, in terms of locus, stability and controllability dimensions, is explained by Weiner (2000), who investigated different affective reactions. For example, when retailers are thought to have control over the cause of product failure and it is stable (re-occurs), consumers feel angry and desire revenge more than when the retailers are believed to lack control over the failure. And it is not until retailers comprehend the customers' complaint behaviour, their reasons for engaging in specific complaint behaviour, and reasoning behind their behaviour (cognitive processes), that they will recognize the link between complaint handling and customer loyalty.

Customer loyalty could be described as a “customer’s commitment to do business with a particular organization, purchasing their goods and services repeatedly, and recommending the services and products to friends and associates” (McIlroy and Barnett, 2000, p. 348). Customer loyalty is neither easy to gain nor maintain, rather it is vulnerable, where “even if (a company’s) customers are satisfied with the service they will continue to defect if they believe they can get better value, convenience or quality elsewhere” (McIlroy and Barnett, 2000, p. 349). Oliver (1999, pp.34, cited in Chumpitaz and Paparoidamis, 2007) defines loyalty as: “a deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing despite situational influences and marketing efforts having the potential to cause switching behaviour.” According to Klabi and Debabi (2011), the brand personality concept is studied in the sphere of the relationship marketing, which explores the shape and the evolution of relationships between brands and consumers. However, brand loyalty consists of behavioural aspects and attitudinal aspects (Pinar et al, 2011; Oliver, 1999). Behavioural loyalty refers to repeated purchases of a brand, whereas attitudinal loyalty refers to a degree of dispositional commitment (Anisimova, 2007; Javis et al, 2006). In other words, behavioural loyalty is partly determined by situational factors, and attitudinal loyalty is more enduring. Loyal customers are the backbone of any business because it is less expensive to keep customers than to recruit new ones (Gee et al, 2008).

## CONCEPTUAL FRAMEWORK

In conceptualizing Customer complaint behaviour (CCB), customer satisfaction and customer loyalty, customer complaint behaviour focuses on satisfaction or dissatisfaction through voicing a complaint, private action or public action. Demographic factors may have a relationship with both CCB and customer loyalty. Figure 1 illustrates the constructs that extant literature consider relevant when conceptualizing satisfaction and complaint handling. We investigate the relationship between the dependent variable (customer loyalty) and the independent variables (CCB and customer satisfaction), with the moderating variable of demographic factors.

**FIGURE 1**  
**RELATIONSHIPS BETWEEN CUSTOMER SATISFACTION, CUSTOMER LOYALTY AND**  
**CUSTOMER COMPLAINT BEHAVIOUR**



## METHODOLOGY

The study aims to expand the understanding of how people who buy from super markets interpret the concepts of Customer complaint behaviour (CCB), customer satisfaction and customer loyalty. A phenomenological method was used as a technique for gathering and analyzing data (Goulding, 1999) and this allows the presentation of the people's own interpretation of concepts of disappointed customers who seek redress, customer satisfaction and customer loyalty. This method allows the people's views to be presented, and to find what is hidden in the ordinary experiences (Gibb, 1998). The study aims to expand our understanding of how people who buy from supermarkets interpret the concepts of CCB, customer satisfaction and customer loyalty.

The population of interest was defined as people who shop from the supermarkets regularly. The study was carried out in retail stores in Uganda with visits to selected large retail stores in Kampala City. The unit of analysis was the customers who were in direct contact with employees of the selected large retail stores. Respondents who shop at the sampled Super markets were sampled since they buy from various super markets. The sample size was based on Krijcie and Morgan (1970) and it was 140. The systematic sampling procedure was employed to ensure that the sample included different demographic and socio economic groups. Participation of the respondents was voluntary. The different categories of people were interviewed individually. The customers were encouraged to speak freely about the research topic, in order to obtain the fullest descriptions of their experiences.

The people surveyed were customers of Shoprite supermarket, Game, Capital Shoppers and UCUMI. The specific retail stores dealt in household items. Both the qualitative and quantitative data collection methods were used to capture the views and opinions of respondents. A five-point Likert scale ranging from *strongly agrees* to *strongly disagree* was adopted for questions regarding customer complaints, customer satisfaction/dissatisfaction and customer loyalty. The questionnaire consisted of three sections on the dependent variable (customer loyalty), customer satisfaction, customer complaint behaviour and demographic factors. The questionnaire was designed to capture the items necessary to address the research questions, thus the customers' feelings, beliefs and attitudes about how the service failures they encountered were handled by the super market staff. The first section were on demographic characteristics of the respondents such as gender, age, education and gross income per month. The other questions focused on issues like: the supermarket staff responding to complaints promptly and complaining customers being taken care of quickly; the super market showing interest and ability to solve the problem encountered by customers in service delivery system, and trying to put right what had gone wrong while providing a service; getting an appology from the staff; getting a clear explanation about why the problem occurred; customers getting a clear explanation why the problem occurred; getting satisfied with the way staff handled their complaints; customers recommending the supermarket to their friends and family and customers willingness to continue to buy from the supermarket.

The respondents were mainly covered using questionnaires and interview guides to enable them to describe their feelings, beliefs and attitudes regarding the services in retail stores. The instrument was first designed, pilot tested to check for ambiguities and incomprehensiveness. Changes were incorporated into the final version of the questionnaire. Potential respondents were approached and requested to participate in the study. Those that agreed were given the questionnaire. Interviews lasting about ten minutes were conducted with the respondents as well. The aim of the interviews was to give them the opportunity to express their feelings, beliefs and attitudes regarding the research questions. The interviews were taped and the interviewer took notes as well. Questionnaires were filled by respondents that were selected to participate in the study. Questionnaires were used because they cover a large number of respondents in a relatively short time and reliable data can be generated since the questions asked can be responded to at the respondents appropriate time. The sample was selected through convenience sampling due to the nature of the respondents. The response rate for supermarket customers was 68%.

After collecting data, it was edited and the researchers made sure that every questionnaire was filled. The raw data was coded and entered into the computer. Then the frequencies and percentages were used to make comparisons of the responses. The relationships were tested using Pearson Correlation

Coefficient. Validity and reliability tests were carried out. Reliability analysis is established by testing whether the items grouped under a factor are internally consistent and stable. Cronbach's  $\alpha$  was used to analyze the reliability of the instruments. Reliability over 0.80 is good; reliability in the range of 0.70 is acceptable; and reliability less than 0.60 is considered poor (Sekaran, 2003). The instrument was reliable since the variables were higher than 0.60. Then the data from the reliable instruments was entered in the SPSS packages.

## FINDINGS AND DISCUSSION

### **Research Q1: What is the Relationship Between Demographic Factors and Customer Satisfaction?**

Regarding gender, the majority of shopping at the supermarkets is done by males (47%), while females represent 38% of shoppers. It is mainly men who do most shopping because they are the ones who are employed and therefore earn, while majority of women either manage their homes (housewives) or earn little income. From the interaction with Kato, *men want to be felt as the heads of the home (male chauvinism) and they express this by doing the family shopping*. Kahunda added: *'A man must be a major provider of his family – that is what makes you a real man and not a woman. On the other hand, men want to control the expenditure of the family income and feel unsafe when the women go shopping. They say that women sometimes buy even what is not budgeted for and hence overspend. It therefore becomes a control method of the family finances when the men do most of the shopping for the family'*.

With regard to age, the group doing most of the shopping at the supermarkets is the 20-29 years age group (38%). This is a category of people who spend most of the income in shopping. Most of the people in this category do not have big expenditure like paying school fees for children. The money earned is mainly spent on shopping in the super markets as they are starting off their new homes like buying radio, television, home equipment, etc. And the age group with the least amount of shoppers is >60 years (1.2%). The people who are more than 60 years of age do the least shopping mainly because they are out of formal employment and are retired; usually the income at that age has reduced. And at retirement, majority of the people go back to their country homes and produce their own food for home consumption and do minimum shopping. And the people who do most of the shopping in the supermarkets fall in the income bracket 100,000-399,000 UGX (34%). The people who fall in that income bracket are mainly those who have just started employment and are doing a lot of shopping to start up a home with kitchen equipment, electronics for entertainment, etc. And from the survey, 35% of the sample responded that supermarkets meet their expectations. This is in terms of handling customer complaints and they are mainly the simple cases like of exchange of good products for faulty ones, simple repairs, etc.

38% of the respondents felt supermarket staff do not respond adequately to customer complaints. This is unfortunate when staff do not respond well to complaints because handling customer complaints well enables one to get feedback on how the business is performing and in case of complaints, there is an opportunity for redress. Unfortunately, many companies do not pay sufficient attention to handling complaints effectively (Homburg and Furst, 2007; Stauss and Schoeler, 2004) and that is partly the reason why disappointed customers exit the service (Bodey and Grace, 2006). This is because they already have a set mind and do not expect to have their complaints handled to their expectation. Failure to meet the customer's complaints will lead to double deviation which some customers call 'double portion of disappointment'. Some staff just performs duty because they are employed to work but do not handle customer complaints well. They do not listen to the customers attentively and consequently they waste customer's time and many times do not address the disappointments to customer's expectations. Customer complaints are made in person with very few expressed on the telephone, and this increases the congestion at the customer care desk.

### **Correlations**

The correlations were performed to test associations between the dependent variable (customer loyalty) and the independent variables (CCB and customer satisfaction). The findings are shown in the table below.

**TABLE 1**  
**RELATIONSHIP BETWEEN DEPENDENT VARIABLE AND INDEPENDENT VARIABLES**

	1	2	3
Customer loyalty	1		
Customer complaint behaviour	0.621** 0.000	1	
Customer satisfaction	0.595** 0.000	0.801** 0.000	1
Significance at 0.01 level (2-tailed)			

Table 1 shows the correlations between stable variables. The results revealed that customer loyalty is positively related to the variables in the study, i.e. to customer complaint behaviour ( $=0.621^{**}$ ,  $P=0.000$ ), and to customer satisfaction ( $0.595^{**}$ ,  $P=0.000$ ). CCB is also positively related to the customer satisfaction variable ( $0.801^{**}$ ,  $P=0.000$ ).

**Research Q2: What is the Relationship Between CCB and Customer Loyalty?**

The findings showed there was a significant relationship between CCB and customer loyalty at  $0.621^{**}$  with a significance level of 0.000. This means that when returns and exchanges are handled well and meet the expectations of the customer, customers feel well taken care of and appreciated, and are more inclined to become loyal to the supermarket. Customers expect supermarket service providers to show courtesy and a sincere interest when handling their queries, by keeping the customers' best interests at heart. When the staff discuss and try to resolve the complaints, the customers are more inclined to become loyal to them. According to this survey, some employees do not listen attentively to the cause of the dissatisfaction, resulting in further customer disappointment. Yet, in attribution theory, the handling of complaints with an external locus (where the cause of service failure stems from the organization) has been recognized as a critical task for service managers (Hess et al., 2003).

**Research Q3: What is the Relationship Between CCB and Customer Satisfaction?**

There was a significant relationship between CCB and customer satisfaction, at  $0.801^{**}$ , with a significance level of 0.000. Handling customer complaints requires a willingness on the part of the employees and management of the supermarkets to handle the queries. Of the customers surveyed, 47% were satisfied with the services of the supermarkets; According to the respondents, 34% of staff were willing to handle customer complaints, while a larger percentage (over 50%) were not willing. Customers expected staff to be courteous, attentive, and competent in handling their complaints. These qualities were at times lacking. Unfortunately, supermarket staff did not show much effort in making the filing of complaints accessible for customers; other staff lacked competence in handling customer complaints, with slow responsiveness and failing to calm down angry customers. Kakuru, a customer of Game Supermarket, said *“that customers who sought redress expected employees to courteously provide accurate information and show a sincere interest in solving their problems, yet the staff lacked professionalism in handling customer complaints, sending the customers around from one staff to another, which irritated the customers”*. There was lack of courtesy where the staff asked questions like ‘Yes, what is the problem ... maybe you are the one who does not know how to use the product or you spoil the product yourself. They push the blame onto the customer. That was very annoying to the customers. There were some incompetent staff that lacked professionalism when handling customer complaints through use of guess work where the staff could not handle technical faulty products and yet they could keep sending the disappointed customers from one manager to another. That was very irritating to the customers. It was further confirmed by Hansen, Wilke and Zaichkowsky (2010) that non-

active complaint handlers do not perceive complaint management as a strategic tool. In the current survey, 49% of customers felt committed to the store, 38% were uncertain, and 18% were not committed. This may have a negative impact on sustainability of the business. A regression analysis was also carried out and the results are shown in the table below.

**TABLE 2**  
**REGRESSION MODEL SUMMARY - DEPENDENT VARIABLE (CUSTOMER LOYALTY)**

Model	B	Standard error	Beta	t	Sig.
1 (constant)	1.786	0.243		7.358	0.000
CCB	0.487	0.074	0.621	6.586	0.000
2 (constant)	1.443	0.305		4.729	0.000
CCB	0.315	0.120	0.402	2.631	0.011
Cust satisf	0.265	0.147	0.276	1.806	0.075

R = 0.578 R-square= 0.335 Adjusted R-square = 0.331 Standard error of estimate = 65.991

The results in the prediction model (Table 2 above) were generated to explore the extent to which the predictors, i.e. CCB and Customer Satisfaction, can explain the dependent variable, i.e. Customer Loyalty. The results indicated that the predictors together have the potential of explaining up to 39.2% of the observed changes in customer loyalty of an institution (Adjusted R-Square = 0.331). Among these predictors, CCB ( $t = 7.358$ ) and Customer Satisfaction ( $t = 4.729$ ) were observed to be best at predicting Customer Loyalty. These results imply that, for instance, for every 1000 increment increase in loyal customers a supermarket attains, 331 of these customers will be loyal as a result of the way staff manage the predictors.

#### **Research Q4: What is the Relationship Between Customer Satisfaction and Customer Loyalty?**

There was a significant relationship between customer satisfaction and customer loyalty, at 0.595\*\*, with a significance level of 0.000. This means that when the supermarket meets the expectations of the customer, the customer may be loyal. Ideally, customers expect that their complaints will receive a quick response, and that mistakes will be quickly noticed and acknowledged by supermarket staff. That is, when a mistake has been made, employees will respond to the complaint as expected by the customers, such as apologizing or providing some form of compensation, and when compensation is promised, they don't go back on their word. When the service is rated as extremely satisfying, in terms of overall quality, this may lead customers to recommend the supermarket's products and services to others (positive WOM). Evidence of the moderating role of failure attributions has been shown in previous studies in the service failure context (Grewal et al., 2008; Tsiros et al., 2004). Grewal et al. (2008) added that compensation is necessary only when the company is responsible for the failure and the failure occurs frequently. Tsiros et al. (2004) found customer satisfaction to be stronger when the client's perception of the dimensions of causal attribution is low; in other words, when service failure is attributed to unstable (may not continue to re-occur) or uncontrollable causes.

#### **CONCLUSION AND IMPLICATIONS**

Complaints handling is not a substitute for abdicating the responsibility for managing quality and achieving customer satisfaction. Indeed, the former and the latter are nothing but synonymous expressions and quite compatible concepts. This paper treats the issue of complaints handling and management as essential for achieving customer retention and loyalty. We contribute to extant literature by exploring the concept of Customer Complaint Behaviour (CCB) with a view to establishing the relationship between handling customer complaints, customer satisfaction and customer loyalty. A lot is required to turn disappointed customers into loyal customers for improved business performance in Africa. Disappointed customers are hardly encouraged to forward their complaints to the staff of supermarkets, so retailers miss

out on the strategic asset of customer's complaints that could provide important knowledge concerning the performance of the business. Some customers who complain receive little attention, exhibited through a lack of active listening, and a lack of competence and professionalism in handling complaints. The levels of significance of CCB and customer loyalty were very high for those respondents who were satisfied with the handling of customer complaints.

In order to improve customer satisfaction, supermarket owners should strive to consider the following items, which deserve priority, so as to improve customer loyalty: i) Staff should respond quickly in handling customer complaints; ii) Ugandan supermarkets should have staff who give customers personal attention; iii) Staff should be trained to give them the skills and knowledge to handle customers' complaints; iv) Supermarket staff should listen attentively to understand the specific complaints of customers; v) Supermarket staff should do more than just smile to address the needs of customers. No matter how excellent service the company delivers, mistakes will still be made in meeting customer expectations and customers will become more demanding and less loyal (Nakibin et al., 2011). When complaints are handled well, this may lead to customer loyalty (34% according to the responses), where customers can be retained through more future purchases.

Post-purchase dissatisfaction is very important because it may be closely linked to negative outcomes such as less favourable purchase attitudes, lower or non-existent purchase intentions, negative WOM, complaining, and changes in shopping behaviour (Omachonu et al, 2008). Based on the study, negative WOM communications to friends, relatives and the media is generally considered detrimental to retailers and this was confirmed by Nakibin et al, 2011). The dissatisfied customers were not happy with the process complaints by the supermarket staff. In some cases, staff did not have the authority to handle some cases raised by disappointed customers and would therefore refer the customers to the managers, who would sometimes handle or not handle the problems. This was annoying to the customers as it would waste their time. Customers noted that it was not enough to say "yes, how may I help you", but what happened from the point of receiving the complaint up to the time of getting a solution, which was the process of handling complaints. And for the cases where the staff neither apologised nor compensated the disappointed customers, it angered the customers leading them to negative word of mouth to the families, friends, etc. this was also confirmed in the literature (Tax et al, 1998; Tax and Brown, 1998 and Gruber et al 2009; Shu-Chuan and Sejung, 2011; Zhang and Daugherty, 2009; Wang, 2011; Lang, 2011). Companies discourage complaints by not providing convenient opportunities for customers to lodge complaints, and when staff display negative attitudes towards disappointed customers they miss out on valuable information for improvement (Sheth et al., 1999).

In addition to the dissatisfaction that results from product failure, consumers experience further dissatisfaction due to the disappointment caused by retailers who turn a deaf ear to their complaints. This is mainly because complaint management is left to front-line staff that lack adequate skills and authority. It is also confirmed that some customers who do not perceive any avenues to complain simply exit with their dissatisfaction (Hansen et al, 2010). In Ugandan supermarkets, overall customer satisfaction after a failure has not improved in the last decade (since we did our last study), and many managers claim their organizations cannot respond to and fix recurring problems quickly enough. Supermarkets ought to be aware of the problems that lead to customer complaints. Efficient management of customer complaints efficiently also provides feedback that can be used in managing, and ultimately resolving, future complaints. This is also confirmed by Boshoff (1997) and Crie (2003). Employees' efforts to handle customer complaints – providing prompt attention to complainants and detailed explanations constitute the most effective organizational responses, which in turn can have an impact on behavioural aspects of the loyalty constructs of WOM communications, recommendations and repurchase intention (e.g. see findings in conjunction with Question 4 presented above).

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