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RESEARCH ARTICLE

Influence of Customer Complaint Management on Marketing Performance of Banks

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Abstract: Leveraging the cognitive dissonance and attribution theories, this study examined the influence of customer complaint management on the Marketing performance of banks in Afikpo. Applying marketing performance from the lenses of the customer, 323 bank customers were involved in the study. Copies of questionnaire were used to elicit responses from the customers after a test of reliability and validity on the questionnaire. Collected data were analyzed with SPSS Version 21.0, simple regression analysis. Results indicate that the customer complaint based on management constructs (accessibility, responsiveness, integration) significantly influence marketing performance of bank. The study therefore recommends among others that banks should design complaint management systems that are simple and understandable for customers, while being fair, efficient, and responsive in complaint handling.

Keywords: Customer, Complaint Management, Marketing Performance, Banks.

1. Introduction

With the level of competition in the world today, the ultimate aim of most organizations is to maximize profit and to satisfy consumer needs through quality products, (goods and services.) Companies address customer needs by putting forth a value proposition; a set of benefits that satisfy those needs. The intangible value proposition is made physical by an offering, which can be a combination of products, (goods and services,) information, and experience (Kotler and Keller, 2013). The contemporary advancement of commerce and emergence of markets has led to radical economic fluctuations and inflamed fierce competition (Narteh in Wasfi and Kostenko, 2014). As a result, the customer today has a multitude of alternatives to exceed his expectations when making purchasing decision, whereas, rivalry has reached its climax (Leal & Pereira, 2003). Consequently, given the assumption that loyal customers are a vital ingredient of sustainable business operation, therefore, retaining these customers is no doubt an interactive catalyst that will systematically influence the long-term success of any enterprise in today's service driven economy (Chereh, Wang & Liao, 2017).

Komunda and Osarenkhoe (2012) observed that customer retention strategy is the vaccine that companies must utilize to diminish the risk of substitutes. The service sector of the economy has began to play major role in the economies of most nations of the world and citizens living in such economies are living in increasingly service-based economies. This is because the service sector plays dominant role in creating value in such economies and by extension, the purchasing patterns of consumers and managerial decisions of the providers of these services to a large extent are influenced by activities of players in the sector. For the service sector to maintain dominance in the economic sector, the quality of services



being provided should meet or exceed customers' expectations. Kotler, (2003) in Goyit and Mmadu (2016) opined that in most economies of the world, the service sector has assumed a major role. As a result, there has been a dramatic surge in the growth of the service sector. They observed that services account for 74% of U.S.A.'s GDP, nearly 60% of personal consumption and 82% of total employment.

The service industry in Nigeria is important as obtainable in other economies, especially in terms of the number of persons employed in the industries and the contribution of services to the Gross Domestic Product (GDP). Although the required figures are not available to indicate the proportion of Nigeria's work force that are employed in service industries, however, it is considered that all those engaged in government ministries, educational institutions, hospitals, insurance companies, banks and consultancy business are employed in the service sector (Agbonifor, Ogwo, Nnolim & Nkemnebe, 2007).

Most banks today offer special customer service and loyalty programs in an attempt to create a feeling of connection and commitment to the institution and thus, increase customer satisfaction and loyalty (Carvajal, Ruzz, Mogales & Moreno, 2011). In order to be competitive, many banks are investing in improving existing resources to maintain and enhance customer loyalty. They are also trying to get feedback on how to maintain and improve customer loyalty (Salin, Setiawan, Rofiaty & Rohman (2018).

Anyanwu and Nwokah (2008) posit that providers of services have over the years isolated themselves from the implementation of marketing variables in their operations. According to them, marketing was seen as concerning only the marketers of physical goods. The banking sector is not an exception. The executives of most banks have been very slow in adopting marketing orientation in their operations in spite of the effort being made worldwide to embrace marketing in the sector. The marketing concept states that achieving organizational goals depend on understanding the needs and wants of the target market and delivery desired outcomes better than other competitors (Kotler and Armstrong, 2014). Customer satisfaction depends on perceived product performance relative to buyer expectation.

Salim, Satianam, Rofiaty and Rohman (2018) observed that customer satisfaction depends on perceived product performance relative to buyer expectations. Satisfaction is a function of perception and impression, performance and customer expectations. If performance is below expectations customers will not be satisfied. If performance meets expectations, customer will be satisfied. If performance exceeds customer expectation, customer will be happy.

Customer's expectation in the post-consolidation era of the Nigerian banking sector is very high. This is justified by the belief that the exercise had crowded out incompetent banks and left only those ones which are able to compete in both domestic and global market place. However, in recent times, most Nigerian banks have fallen short of this expectation (Farayibi, 2016). He observed that customers have experienced challenges ranging from delay transaction notification, stock out, non-availability of staff at service points, unprofessional conduct or rude behaviours by the staff of the banks, poor standard of records or improper information, failed promises among others. Ogunnaike and Ogbari in Farayibi (2016) opined that customer service in Nigerian banking industry can be mistaken to mean customer delay and frustration. Almost every Nigerian bank encounters similar problem in meeting customers' expectations of services and customer satisfaction. According to them, the issue of delay in posting transactions such as money transfer and payments made between customers is a major problem that customers of Nigerian banks have been made to experience. In most cases the customer hardly receives the notification that an account has been credited or debited immediately. The account holder may have to wait endlessly before seeing the notification or in worse cases may have to visit the bank to confirm such transaction.

Also, the long queues and huge crowds in the banking halls can be highly devastating and discouraging especially when the weekend is near. Most times, these long queues are as a result of the breakdown of the network on the computer use for operation. Sometimes, it occurs as a result of the cash officers pushing duties to one another, as to who is to attend to the customer or not. Consequently, there is a problem of customer loyalty and profitability of the banks. One of the major requirements for bank efficiency is to match their service facilities with the needs of customers without much delay. However, the common experience in Nigeria in most banks do not have the facilities and capabilities to service the number of customers without much delay on the part of the customers. This situation has led to poor efficiency in banking service delivery in Nigeria and has thus caused low customer satisfaction. Many Nigerian banking public has thus wondered when the endless desires of spending least possible time for banking transactions will be met by banks in the country. Although, one of the strong objectives of banks is want to attract, retain customers and at the same time optimize profit. However, profit maximization in banking industry is a function of the management's ability to provide efficient services to customers at little or no time wastage (Agbadudu, 1995). Excellence in customer service is the most important tool for sustained business growth in service industry and in particular banks and consultancy business are employed in the service sector (Agbonifor, Ogwo, Nnolim & Nkemnebe, 2007).

1.1. Statement of the Problem

Complaints should be considered as an indicator of organizational performance assessment, signaling problems or failures in internal processes that need quick recovery in order to avoid loss of profitable customers. Organizations must learn that the consequences of losing customers include both profit decrease and negative word-of-mouth (Alina, 2012). Although the first law of service quality and productivity is: "do it right the first time", hence businesses recognized that improving service quality is an essential strategy for their success and survival in today's competitive marketing environment. Parasuraman et al., 1985. Many organizations cannot reject the fact that failures continue to occur, sometimes for reasons outside the organization's control. Currently, banks are concentrating on satisfying customers from their unique services, with the growing concern to deliver the best services. No matter how diligent bankers may have been, service failures still occur in the form of personal mistakes by the employees; which might be caused by lack of adequate training given to frontline staff, lack of experience and inability to meet customer requests efficiently. Besides, the poor technology base of these firms can lead to service failure. These most times lead to long waiting times and response times, poor attention to customers, unprofessional and impersonal interactions with customers, failures of automated teller machines (ATM), and network failures, among others. These affect the service quality of such banks and trigger complaint. While banks attempt to manage these complaints by handling them or responding in certain ways, the implications of corporate response styles on marketing performance indicators such as customer loyalty, satisfaction and referral seem to be undermined by the banks, and very scanty research has been published in the Nigerian context, especially in Afikpo metropolis. The researchers observed a research gap from the various empirical studies in reputable journal on the relationship between customer complaint management and marketing performance on banks in Afikpo. Whether the customer complaint management and marketing performance relationship is of any importance to the banking industry in Afikpo Metropolis, Ebonyi State has gained little or no empirical evidence in the literature. This study, thus aims to investigate how customer complaints handling in this context affects the performance of the various banks as perceived by the customers, using the Commonwealth Ombudsman (2010) principles of customer complaint handling.

1.2. Objectives of the Study

The major objective of the study is to investigate the influence of customers' complaints management on the marketing performance of banks in Afikpo. The specific objectives include to:

- 1) Measure how ease of complaints lodging (accessibility) influences marketing performance of banks in Afikpo.
- 2) Examine the effect of prompt response to complaints (responsiveness) on marketing performance of banks in Afikpo.
- 3) Determine the effect of adequate service recovery after complaint (integration) on marketing performance of banks in Afikpo.

1.3. Research Hypotheses

- Ho₁ There is no significant relationship between ease of customer complaints lodgment (accessibility) and marketing performance of banks in Afikpo.
- Ho₂ Prompt response to customer complaints (responsiveness) does not significantly affect marketing performance of banks in Afikpo.
- Ho₃ Adequate service recovery after complaint (integration) does not significantly affect marketing performance of banks in Afikpo.

1.4. Scope of the Study

The study covers deposit money banks. The geographical scope covered four banks in the Afikpo metropolis which are: Fidelity Bank Plc, Poly Unwana Micro Finance Bank (in Unwana), First Bank Nigeria Plc and Zenith Bank Plc. The unit of analysis is the customers of these banks. Customers were chosen in the present study given the need to explore the relationship between complaint management and marketing performance from the lenses of bank customer.

2. Literature Review

2.1. Conceptual Framework

2.1.1. Customer Complaints and Complaints Management

The concept of customer complaint has been defined in many ways by different authors. Complaint is defined as an expression of dissatisfaction with organization's procedures, charges, employees, agents or quality of service (Sydney Electrical, Australia, 2011). ISO 10002 (2004) in Agu (2014) sees a complaint as an expression of dissatisfaction made to an organization, related to its products, or the complaints handling process itself, where a response or resolution is explicitly or implicitly expected. To Raghavar (2013), customer complaint is an expression of dissatisfaction made by a customer to a service provider relating to the products and services of the firm or the complaint handling process itself while a response of resolution is explicitly or implicitly expected.

The concept of "complaint" in the opinion of Hakiri (2012) may be considered as a customer's attempt to change a situation perceived unsatisfactory. While Sabadie and Allazl (2005) define complaint as a result of an explicit action by customers, or their representatives, towards the concerned organization. They stated further that complaint is a request for information, change and/or compensation from the part of a consumer towards an organization, following a dissatisfaction of which the organization is held responsible by the customer (Sabadie & Allazl, 2005).

Chebat and Slusarczyk (2005) in Hakiri (2012) observed that the process of complaining implies "transactions" between the dissatisfied customer and service provider. These

exchanges may lead to compensation mechanisms that meet more or less customers' expectations. In the opinion of Jacoby and Jaccard (1981) they see complaining behaviour as "an action undertaken by an individual in the form of a communication about a negative element of a product (service), either to the firm or to a third party"

According to Farrell and Westbrook, in Anyanwu and Nwokah (2008), complaint management is "the dissemination of information for the purpose of finding and correcting the causes of consumer dissatisfaction". Strategies for managing the effects of service incidents on satisfaction and intention to complain have been studied to restore exchange balances between a customer, potentially disappointed by a flawed service, and the "offending" firm. Faulty services and their management may be seen as an exchange situation in which players evaluate their profits and losses (Hakiri 2012). He remarked further that, complaint management may be considered as a key or an essential variable within a service- based relationship.

In the opinion of Agu (2014) "*Customer complaint management refers to the application of management principles in handling customer complaints*" It requires planning, organizing, controlling and directing of activities towards identifying, anticipating, communicating and responding to new complaints as they come'. While Seyran, (2005) in Metechan and Yesemin (2011), opine that customer complaint management is described as the whole practice for eliminating the circumstance or discontent that leads to customer complaint.

The Commonwealth Ombudsman in Agu (2014) identified the following steps of effective management of customer complaints:

- Acknowledge all complaints quickly
- Assess the complaint and give it priority
- Plan the investigation
- Investigate the complaint
- Respond to the complaint with a clear decision
- Follow up any customers service issues
- Consider if there are any systemic issues.

The guide equally identified five principles of effective complaint handling as fairness, accessibility, responsiveness, efficiency and integration. Effective complaint management benefits an organization in the following ways:

- It identifies areas that need to be changed and allows clients to provide input to service improvement.
- It gives the organization a second change to serve and satisfy dissatisfied clients.
- It provides an opportunity to strengthen public support for the organization.
- It helps reduce an organization's workload.
- Improves customers loyalty
- enhances word-of-mouth promotion
- Ensure Long-term profitability.

In addition, effective customer complaint management strategy in banks requires careful development of complaint handling standard that has clear objectives, is customer-focused and well communicated.

2.1.2. Principles of Effective Customer Compliant Management

There are many models for effective complaint handling, and the choice of model must be suited to the work, structure and size of an agency and the needs of its clients (Commonwealth Ombudsman, 2010). Generally, these principles are applicable to any model

2.1.3. *Accessibility*

A complaint handling system should be accessible to clients. Accessibility rests on two features—public awareness of the system and effective access options (Commonwealth Ombudsman, 2010). Awareness implies that an agency should tell its clients about its complaint system and how to gain access to it. Information can be provided in numerous ways—for example, on the agency’s website, in correspondence with a client and through pamphlets and posters. Some complaint handling units conduct outreach activities, have a telephone directory listing or use media coverage. When dealing with dissatisfied clients, agency staff also have a responsibility to direct them to the complaint process. Access requires that clients should be given a range of contact options. At a minimum, this means a telephone number (preferably toll-free), an email address and a postal address. Other options that can be considered are face-to-face contact with a staff member and online lodgement of complaints. The contact options available to clients should be clearly identified and simple to use. Clients should be consulted about their preferred method of contact and about improvements that would help them make a complaint. Even if clients use one contact option more often than other options, all options should be well maintained and supported. Previous studies have found a link between complaint process accessibility and customer satisfaction/loyalty (Agu et al., 2017; Metehan & Yesemin, (2011).

2.1.4. *Responsiveness*

A complaint handling system must be responsive to the needs of all complainants. This requires proper training of staff, adequate resources for the complaint unit or function, and constant review and improvement of the system. According to Agu (2021) responsiveness in service recovery involves issues of timing, responsiveness and customer waiting in times of recovery. This strategy denotes the service provider's quick response to a service failure or to a customer complaint (Liao, 2007). Previous studies including Agu et al. (2017), Mostafa et al. (2014), and Madumere et al. (2020) found a positive link between responsiveness and customer behaviour (marketing performance).

2.1.5. *Integration*

According to the Commonwealth Ombudsman (2010), Integration is important in two ways. First, complaint handling must be integrated within an agency’s core business activities. Second, agencies that deliver services jointly with other government agencies or in partnership with private sector organizations might need to integrate their complaint handling arrangements. Agencies should treat enquiries and complaints from clients and members of the public as core business. This means integrating the complaint system with the agency’s other activities. This is beneficial to an organization since information from complaints can be used to identify weaknesses in the agency’s services and lead to improvements in overall service (Tax et al., 1998).

2.1.6. *Complaints Management in the Banking Sector*

Complaint management is important for service sector as the customer finds services difficult to evaluate and as the firm finds controlling them even harder (Sabadie, Allazl & Llosa, 2006 in Hakiri, 2012). Complaining presumes that the customer blames all or part of his/her dissatisfaction on the provider Chebat, Davidow and Codjovi (2005). The blame is the customer’s own perception and it is this latter which is decisive in managing complaints. Indeed, even if the firm is not responsible, yet the customer is convinced otherwise. He/she expects a resolution for the problem as he/she believes that the firm is the only part responsible for it. Thus, identifying the origin of the problem as perceived by the customer is a major element of complaints management process. Indeed, the firm entertains a duality of interest preserve.

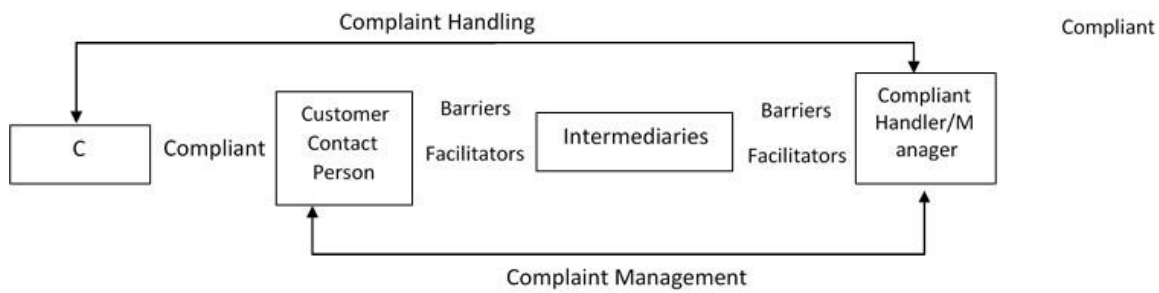


Figure 1. Information Flows within Consumer Complaint
Sources: Bateson (1995: 497) in Anyanwu & Nwokah (2008)

The information flows within consumer complaint depict the route a consumer should follow when there is a service failure. He will first complain to the customer contact person (sales person) who in turn will take the complaint to intermediaries (sales officer, sales manager etc). Barriers or facilitators could come up in the course of transmitting the complaint to the intermediaries. These barriers could hinder the complaint reaching the destination. Could take the complaint while facilitators would ensure that the complaint reaches the destination. The intermediaries baring any barriers would take the complaint to the designated compliant handler/manager.

2.1.7. Marketing Performance

Neither a consensus nor explicit definition of marketing performance exists yet, but scholars agree that it is multidimensional in nature (Morgan & Strong 2003). Homburg (2007, p.21) see marketing performance “...the effectiveness and efficiency of an organization’s marketing activities with regard to market-related goals, such as revenues, growth, and market share...”. From the late 1970s through the late 1980s, there was a move to expand the consideration of output measures to non-monetary measures of marketing performance. A measure of performance advocated at this time, and receiving continuing attention, is the adaptability or innovativeness of a firm’s marketing (Bhargava, Dubelaar, & Ramaswami, 1994). Typically cast in terms of the firm’s new product or marketing innovations, the idea behind measuring adaptability is that in a changing environment, firms that are unable to adapt will fail (Walker & Ruekert, 1987). Perhaps no recent measure of business performance has attracted as much attention as customer satisfaction. With a large and continuing academic research stream (Yi, 1990), customer satisfaction measures have become important benchmarks in many industries. The presumption is that firms with high customer satisfaction will perform better financially in the long run. One mechanism that has been proposed by which customer satisfaction could influence financial performance is through customer loyalty (Reichheld & Teal, 2001). In the literature, marketing performance has been measured using qualitativehe compliant to the intermediaries. These barriers could hinder the complaint reaching the destination. While facilitators would ensure that the complaint reaches the destination. The intermediaries baring any barriers would take the complaint to the designated compliant handler/manager.

2.2. Theoretical Framework

2.2.1. Dissonance Theory

The term cognitive dissonance is used to describe the feelings of discomfort that result when your beliefs run counter to your behaviour and/or new information that is presented to you (Kendra, 2019). Psychologist Leon Festinger in 1957 first proposed a theory of cognitive dissonance, which centered on how people try to reach internal consistency. He suggested that people have an inner need to ensure that their beliefs and behaviours are consistent.

Theory of cognitive dissonance is the psychological tension, which results from holding two conflicting ideas at the same time (Blythe, 2008: 327). Simply put it is the after-purchase regrets of customers. Kurtz, (1998) in Blythe defines cognitive dissonance as the imbalance among a person's knowledge, beliefs and attitudes that occurs after an action or decision, such as purchase. Cognitive dissonance theory is based on three fundamental assumptions (Festinger, 1957):

- Humans are sensitive to inconsistencies between action and beliefs.
- Recognition of this inconsistencies will cause dissonance and will motivate an individual's to resolve the dissonance
- Dissonance will be resolved in one of three ways: change beliefs, change actions and change perception of action.

2.2.2. Dissonance reduction strategies

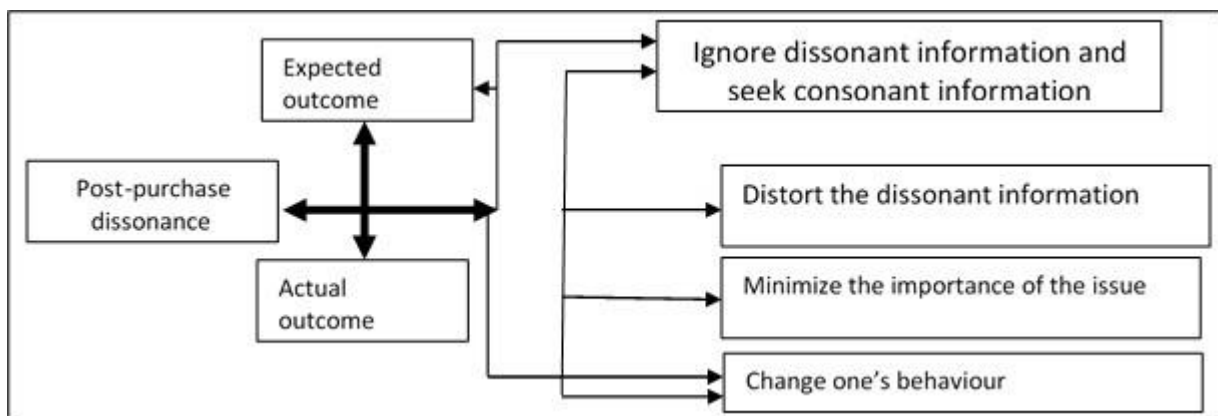


Figure 2. Dissonance Reduction Strategies

Source: Blythe, J. (2008). *Consumer behaviour*. London: Thomson learning.

There are four basic strategies in dissonance reduction (Blythe, 2008) as drawn below:

- 1) *Ignore the dissonant Information and Seek Consonant Information.* For example, if a customer has made a fixed large sum of money with a Bank and a friend says that the Bank has a bad reputation. The customer could ignore the new information entirely (insisting that the friend is jealous) and could search online for reports to confirm the good reputation of the Bank.
- 2) *Distort the Dissonant Information.* Here the customer may agree with the friend's statement, but rationalize it by thinking that the Bank's bad reputation arises from issues which would not affect the product / services performance.
- 3) *Minimize the Importance of the Issue.* The customer might agree that the supplier has a bad reputation, but also believe that this is not important in the context of the product itself, which is certainly alright.
- 4) *Change One's Behavior.* Here, the customer may reduce the amount of money to be fixed and ask for a refund of the excess amount, or not make further fixture in future.

In figure 2.6, the gap between the expected outcome and the actual outcome is what causes the post-purchase dissonance. The actual outcome is used as the benchmark for choosing which route to go in reducing the dissonance, and the end result of the dissonance-reducing activity is fed back into the dissonance itself to cause the reduction. Cognitive dissonance is a motivator to process information or to act, because the individual (customer) driven to

reduce dissonance wherever possible. Dissonance can occur at any point in the purchase cycle:

- When considering a major purchase
- Pre-purchase dissonance can easily affect the way decisions are arrived at
- Pre-purchase can easily delay the final purchase as the individual spends time reducing dissonance. Cognitive dissonance is a motivator to process information or to act, because the individual (customer) driven to reduce dissonance wherever possible. Dissonance can occur at any point in the purchase cycle.

2.2.3. *Attribution Theory*

The second theory adopted in this study is the attribution theory. It provides marketers with guidance on how to deal with potential or existing perception of consumer dissatisfaction. If the cause of the dissatisfaction actually is permanent, market-related and under the marketer's control, something must be done to correct the problem or provide the consumer with restitution. As observed by Kumar (2018), banks around the world are faced with radical changes – new technology, deregulation and globalization, hence many banks are marketing value added services such as financial advice, stock quotes and bill payment among others in an attempt to satisfy their customers.

Heider (1958) was the first proponent of attribution theory; while Weiner and colleagues developed a theoretical framework that has become a major research paradigm of social psychology (www.instructionaldesign.org) assessed (2019). Attribution theory is concerned with how individuals interpret events and how these relate to their thinking and behavior. It assures that people try to know why people do what they do i.e. attribute causes to behaviour. Attribution theory explains how individuals think about explanations for or causes of effects or behavior, when a product or services does not fulfill consumers' needs, individuals will attempt to find an explanation based on three factors.

- Stability: Is the cause of the event temporary or permanent?
- Focus: is the problem customer or marketer related?
- Controllability: Is the event under the customers or marketer's control?

Attribution theory also applies to service. Consumers who can choose whether to participate in a service are likely to attribute at least part of the negative outcome to their own involvement. They will also attribute a good part of any positive outcome to their own participation (Benda Pudi and Leone, 2003: 14-28) quoted in Hoyer and Macinnis (2008: 283). Satisfaction with services also depends on whether the consumer holds the company responsible for the outcome and believes the outcome stems from a stable or unstable cause (Tsiros, Mittal and Ross, 2004: 476-483) in Hoyer and Macinnis, 2008: 283). Finally, consumers are more satisfied when companies exert extra effort to serve them, even when the offerings are not great (Morale 2005) quoted in Hoyer and Macinnis (2008: 283).

2.3. *Empirical Review*

Alina (2013) conducted a study on complaint management and customer satisfaction in third world conference on learning which the researcher considers relevant and related to the present study. The major objective of the study was to highlight the key features of an effective complaint management process as a less expensive system of diagnosing and learning a company's weakness and also researching customer perceptions on the quality of complaint management process. It was concluded that practical realities prove that dissatisfaction leads to customer to both migration behaviour and negative referrals to other potential buyers which adversely affecting retention rates, profitability and organizational image. Meanwhile, it was recommended that frontline employees should communicate with customers during settlement of the claims.

The study by Agu et al. (2017) compared the employee complaint management systems in the Nigerian oil and gas industry with the commonwealth ombudsman standard. Three oil

and gas servicing firms in Lagos State were used for the study. Respondents were randomly selected to provide answers to the structured questionnaire. A sample size of 236 was adopted for the study while stated hypotheses were tested using paired samples *t*-test of difference. Also, variables in each element hypothesized were measured using the ordinal multiple regression analysis to ascertain contribution of each variable to the tested element. The study revealed that employees' rating of the complaint handling systems in their firms in terms of culture, principles, process, people and analysis were significantly lower when compared with international standards. They also found the principles are relevant in satisfactory resolution of complaints. It was recommended among others that oil and gas firms should adopt their new proposed model in evaluating employee complaint handling and that complaint lodging and resolution systems should be transparent, fair and devoid of victimization as this will enhance productivity and overall organizational performance.

3. Research Methodology

3.1. Research Design and Scope of the Study

The study adopted a descriptive survey research design, using questionnaire as the instrument for collecting relevant primary data. Secondary data were gathered from books, periodicals internet published and unpublished journals among others. A structured research questionnaire was designed in likert scale of five points rating scales which was based on the major objective of the study. These were administered with the aid of two research assistants face to face. Since there was no information on the number of customers for each of the banks, the population of the study was unknown. The sample size of the study was determined using the Topman's formula for unknown population, as cited by Luck and Rubin (1989) in (Ozo, Odo, Ani and Ugwu, 2007) was used to derive 323 as the sample size. Sample size allocation to each bank was based on privileged information from the top employees of the banks on the estimated number of customer lodging one form of complaint or the other for the past six months June 2019 to December, 2019. The constructs in the study were subjected to internal reliability and validity tests using the Cronbach Alpha. While expert opinion and the component factor analysis in SPSS was used for test of validity. As it is the rule, variables that met the minimum threshold of 0.60 and 0.50 for reliability and validity respectively were accepted and used for the study. Also, experts' opinions were used to affirm the face validity. The study population was made up of customers of the four selected banks in Afikpo. The scope of the study include four selected banks in Afikpo Metropolis which include: Fidelity Bank, PolyUnwana Micro Finance Bank, First Bank of Nigeria Plc, and Zenith Bank Plc.

3.2. Method of Data Analysis

Descriptive and inferential tools were used in the analysis of collected data. Descriptive tools such as tables, chart and percentage were used while formulated hypotheses were tested using simple regression analysis in SPSS version 21 based on model specification of the study. Decision was based on SPSS version 21 output at 0.05 level of significance.

Decision Rule: In order to validate (accept) or nullify (reject) any stated hypothesis tested with the simple regression, major attention was paid to the P-values of the tested constructs while noting the strength of the R and adjusted R squared in the model summary table. Therefore, we rejected the null hypotheses where the SPSS version 21.0 p-values are less than alpha (0.05) and the alternative hypotheses accepted.

4. Results and Discussion

4.1. Analysis of Data

4.1.1. Analysis of Demographic Variables of Respondents



Table 1. Questionnaire distribution

Bank	Number Distributed	Number Retrieved and Used	Percentage of Used Copies
Fidelity Bank	86	67	78.00
Poly Unwana Micro Finance Bank	43	36	84.00
First Bank	108	86	80.00
Zenith Bank	86	69	80.00
Total	323	258	81.00

Table 2. Demographic Variables of Respondents

Option	Fidelity	Microfinance	First	Zenith	Total	Percentage
Male	34	18	38	39	129	50
Female	33	18	48	30	129	50
	67	36	86	69	258	100
<i>Marital Status</i>						
Single	33	3	28	21	85	32.9
Married	31	19	49	43	142	55
Others	3	14	9	5	31	12
	67	36	86	69	258	100
<i>Age Bracket</i>						
						0
18 – 25	11	6	11	12	40	15.5
26 – 35	18	9	21	18	66	25.6
36 – 45	24	14	34	23	95	36.8
46 years and above	14	7	20	16	57	22.1
	67	36	86	69	258	100
<i>Educational Status</i>						
O'Level/ND	8	5	12	9	34	13.2
B.Sc./HND	46	23	56	45	170	65.9
Masters and Above	13	8	18	15	54	20.9
	67	36	86	69	258	100
<i>Length of Patronage</i>						
Below 2 years	14	10	18	15	57	22.1
2 - 4 years	21	14	25	21	81	31.4
5 - 7 years	17	8	24	19	68	26.4
Above 7 years	15	4	19	14	52	20.2
	67	36	86	69	258	100

Source: Field Survey, 2021

Table 3. Respondents and complaint to their various banks

Option	Frequency	Percentage
Yes	258	100.00
No	00	00.00
Total	258	100.00

Source: Field Survey, 2021



Table 4. Areas of complaints among the respondents

Option	SA	A	UN	D	SD	Total
Excess bank charges	154	72	17	8	7	258
Delayed attention	89	88	36	25	20	258
Malfunctioning of the ATMS	241	10	3	2	2	258
Poor ventilation in the banking hall	64	15	166	8	5	258
Poor customer relationship (staff attitude)	57	67	113	11	10	258
Total	605	252	335	54	44	1290
Average	121	50	67	11	9	258
Percentage	47	20	26	4	3	100

Source: Field Survey, 2021

Table 5. Resolution to complaints

Option	Frequency	Percentage
Yes	258	100.00
No	00	00.00
Total	258	100.00

Source: Field Survey, 2021

Table 6. Responses on customer complaints lodgment (accessibility) in the banks

Statement	SA	A	UN	D	SD	Total
My bank has identifiable complaint procedure	188	45	19	3	3	258
The procedure for lodging complaints in my bank is simple.	128	97	16	9	8	258
The staff that handle customer complaints in my bank are approachable.	144	92	8	7	7	258
The complaint procedure of my bank is just	201	39	8	6	4	258
The procedure is transparent	169	57	24	5	3	258
Total	830	330	75	30	25	1290
Average	166	66	15	6	5	258
Percentage	64	26	6	2	2	100

Source: Field Survey, 2021

Table 7. Responses on responsiveness to customer complaints in rural banks in Afikpo

Statement	SA	A	UN	D	SD	Total
The staffs have good knowledge of the complaint handling procedure in my bank.	154	75	17	8	4	258
The complaint procedures are timely.	143	84	17	7	7	258
The staffs treat customer complaints speedily in my bank.	144	87	11	9	7	258
Total	441	246	45	24	18	774
Average	147	82	15	8	6	258



Statement	SA	A	UN	D	SD	Total
Percentage	57	32	6	3	2	100

Source: Field Survey, 2021

Table 8. Responses on customer integration after complaint in rural banks in Afikpo

Option	SA	A	UN	D	SD	Total
The bank supports and guides customers in the process of service recovery.	201	52	2	2	1	258
The bank gives customers information on how to avoid the issues that led to such complaints after resolution.	188	59	4	4	3	258
The bank followed up to ensure the issue did not recur	193	51	6	3	5	258
Total	582	162	12	9	9	774
Average	194	54	4	3	3	258
Percentage	75	21	2	1	1	100

Source: Field Survey, 2021

Table 9. Responses on Customer Perception of the Marketing Performance of Rural Banks in Afikpo

Option	SA	A	UN	D	SD	Total
I am attracted to the services of my bank.	109	121	14	8	6	258
I will continue to bank with them.	179	61	7	7	4	258
I will continue to patronize this bank	201	48	4	3	2	258
I will always defend this bank before others	208	41	4	3	2	258
I will do anything within my reach to protect the image of my bank.	223	23	6	5	1	258
I will recommend the bank to others	144	88	13	8	5	258
I am satisfied with the services of this bank.	175	66	8	8	1	258
Total	1239	448	56	42	21	1806
Average	177	64	8	6	3	258
Percentage	69	25	3	2	1	100

Source: Field Survey, 2021

4.2. Test of hypotheses

4.2.1. Test of Hypothesis One

Descriptive Statistics

	Mean	Std. Deviation	N
Marketing performance of banks	4.5736	.76677	258
Customer complaint accessibility	4.4806	.86074	258

Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Customer complaint accessibility ^b	.	Enter

a. Dependent Variable: Marketing performance of banks

b. All requested variables entered.



Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.943 ^a	.888	.888	.25671	.404

- a. Predictors: (Constant), Customer complaint accessibility
 b. Dependent Variable: Marketing performance of banks

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	134.230	1	134.230	2036.856	.000 ^b
	Residual	16.871	256	.066		
	Total	151.101	257			

- a. Dependent Variable: Marketing performance of banks
 b. Predictors: (Constant), Customer complaint accessibility

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.812	.085		9.562	.000
	Customer complaint accessibility	.840	.019	.943	45.132	.000

- a. Dependent Variable: Marketing performance of banks

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.6512	5.0097	4.5736	.72270	258
Residual	-.65121	.82990	.00000	.25621	258
Std. Predicted Value	-4.044	.603	.000	1.000	258
Std. Residual	-2.537	3.233	.000	.998	258

- a. Dependent Variable: Marketing performance of banks

4.2.2. *Test of hypothesis two*

Descriptive Statistics

	Mean	Std. Deviation	N
Marketing performance of banks	4.5736	.76677	258
Customer complaint responsiveness	4.3798	.90561	258

Correlations

		Marketing performance of banks	Customer complaint responsiveness
Pearson Correlation	Marketing performance of banks	1.000	.901
	Customer complaint responsiveness	.901	1.000
Sig. (1-tailed)	Marketing performance of banks	.	.000
	Customer complaint responsiveness	.000	.
N	Marketing performance of banks	258	258
	Customer complaint responsiveness	258	258

Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Customer complaint responsiveness ^b	.	Enter

a. Dependent Variable: Marketing performance of banks

b. All requested variables entered.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.901 ^a	.812	.811	.33338	.222

a. Predictors: (Constant), Customer complaint responsiveness

b. Dependent Variable: Marketing performance of banks

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	122.648	1	122.648	1103.509	.000 ^b
	Residual	28.453	256	.111		
	Total	151.101	257			

a. Dependent Variable: Marketing performance of banks

b. Predictors: (Constant), Customer complaint responsiveness

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.233	.103		12.003	.000
	Customer complaint responsiveness	.763	.023	.901	33.219	.000

a. Dependent Variable: Marketing performance of banks

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.9954	5.0467	4.5736	.69082	258
Residual	-.99544	.71611	.00000	.33273	258
Std. Predicted Value	-3.732	.685	.000	1.000	258
Std. Residual	-2.986	2.148	.000	.998	258

a. Dependent Variable: Marketing performance of banks

4.2.3. *Test of hypothesis three*

Descriptive Statistics

	Mean	Std. Deviation	N
Marketing performance of banks	4.5736	.76677	258
Customer integration after complaint	4.6783	.67846	258

Correlations

		Marketing performance of banks	Customer integration after complaint
Pearson Correlation	Marketing performance of banks	1.000	.917
	Customer integration after complaint	.917	1.000
Sig. (1-tailed)	Marketing performance of banks	.	.000
	Customer integration after complaint	.000	.
N	Marketing performance of banks	258	258
	Customer integration after complaint	258	258

Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Customer integration after complaint ^b	.	Enter

a. Dependent Variable: Marketing performance of banks

b. All requested variables entered.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.917 ^a	.841	.840	.30630	.259

a. Predictors: (Constant), Customer integration after complaint

b. Dependent Variable: Marketing performance of banks

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	127.084	1	127.084	1354.594	.000 ^b
	Residual	24.017	256	.094		
	Total	151.101	257			

a. Dependent Variable: Marketing performance of banks

b. Predictors: (Constant), Customer integration after complaint

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.275	.133		-2.068	.040
	Customer integration after complaint	1.036	.028	.917	36.805	.000

a. Dependent Variable: Marketing performance of banks

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	.7612	4.9071	4.5736	.70320	258
Residual	-.90708	.23879	.00000	.30570	258
Std. Predicted Value	-5.422	.474	.000	1.000	258
Std. Residual	-2.961	.780	.000	.998	258

a. Dependent Variable: Marketing performance of banks

4.3. Discussion of Findings

The result of the test of hypothesis one shows that there is significant relationship between ease of customer complaints lodgment and customer satisfaction of rural banks in Afikpo. That is to say, that the banks in Afikpo had has identifiable complaint procedures, which are simple, just and transparent, with approachable staff. These influenced the marketing performance of the banks as they enable customer attraction and retention. This finding is in line with the findings of Kian, Suradi and Saludin (2013), which revealed that complaints management indeed have its impact on the outcome tested, including customer satisfaction.

Again, the study found that there is significant association between prompt response to customer complaints (responsiveness) and marketing performance in rural banks in Afikpo. Thus, with their good knowledge about the complaint handling procedure, the banks attended to the complaints of the customers timely and patiently. These influence customer attraction, repeat patronage, commitment, trust and retention of customers. This finding supports the findings of Wasfi and Kostenko (2014) as well as Bengul and Yilmaz (2015), which revealed that dimensions of customer complaint management quality might develop business performance via both increasing customer loyalty and supporting organizational learning.

Finally, the result of the test of fifth hypothesis shows that there is significant relationship between customer integration after complaint and marketing performance of rural banks in Afikpo. That is to say, that the banks in Afikpo had has identifiable complaint procedures, which are simple, just and transparent, with approachable staff. These influenced the marketing performance of the banks as they enable customer attraction and retention. This

finding is in line with the findings of Kian, Suradi and Saludin (2013), which revealed that complaints management indeed have its impact on the outcome tested, including customer satisfaction.

4.4. *Summary of findings*

The major findings of the study include that:

- 1) There is a significant relationship between ease of customer complaints lodgment (accessibility) and customer satisfaction of rural banks in Afikpo.
- 2) There is a significant association between prompt response to customer complaints (responsiveness) and customer loyalty in rural banks in Afikpo.
- 3) There is a significant relationship between complaint-handling fairness and marketing performance of banks in Afikpo.
- 4) There is significant relationship between adequate service recovery after complaint (integration) and marketing performance of banks in Afikpo.

5. Conclusion and Recommendations

For Conclusions.

5.1. *Conclusion*

Following the findings of this study, it could be concluded that the marketing performance of any bank is influenced, largely by their customer complaints management system. That is to say that, when banks have accessible customer complaints lodgment systems, respond effectively to customer complaints, ensure efficiency and fairness in treating the complaints, and properly integrate customers to the service system after complaint resolution, they achieve greater marketing performance. The marketing performance takes the form of customer attraction, patronage, advocacy, satisfaction and referrals. Best practice firms strive to abide by recognized global standards in managing customer complaints. Paying attention to the identified principles of effective complaint handling has proven to be relevant in moving marketing performance metrics. Given the level of completion in the Nigerian banking industry, integrating these principles is imperative for firms wishing the survive in the industry.

5.2. *Recommendations*

Based on the findings of this study, the following recommendations are advanced:

- To ensure effective marketing performance, banks should design customer-complaint management systems that are simple or easily understandable by the customers. Thus, accessibility is imperative in compliant handling. Management of banks should provide regular information to the employees about the organizations' overall goals, activities, processes and progress and constantly train the employees on new technologies and reward them adequately. This would ensure greater attention to customers in the banks.
- Again, banks are encouraged to respond timely to complaints. This will result in greater satisfaction and advocacy among customers.
- The integration of complaining customers after the complaints have been handled is highly recommended to ensure greater marketing performance of firms. Firms are required to make complaint handling part of their business, and should be prepared and ready to handle complaints when they arise.

5.3. *Contributions to knowledge*

This study investigated the relationship between customer complaint management and marketing performance among rural banks in Afikpo, Ebonyi State. The study was based

on the assertion that customers' complaints, if well handled, results in improved marketing performance (satisfaction, loyalty and advocacy) of banks in Afikpo.

Although several studies had been carried out on customer complaint management system, this study took a different dimension by studying the five principles outlined by the Commonwealth Ombudsman (2010) – accessibility, fairness, efficiency, responsiveness, and integration. Although there are many indicators of marketing performance, this study considered marketing performance from the customer perspective by studying customer satisfaction, customer loyalty and advocacy customer (referral). By establishing that significant relationship exists between the five independent constructs and the single dependent variable, the study contributes to knowledge by proposing the model as specified in the methodology (figure 3).

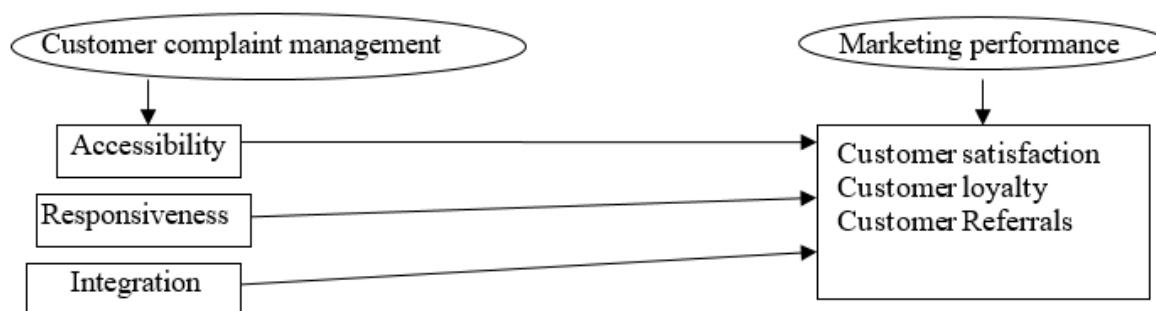


Figure 3. Model of Customer Complaint Management and Marketing Performance
Researchers Pro-Position, 2021

5.4. Suggestions for Further Studies

Through this study certain areas that demand investigation have been identified. They include:

- Study of the effect of staff-customer relationship on marketing performance of banks.
- In this study, three marketing performance indicators were studied and each of them had some other indicators. It is suggested that these variables be studied independently.
- Moreover, the study focused mainly on one sector of the economy – the banking sector. It is suggested that further studies be carried out on the same topic using other sectors.

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