

EFFECTIVE COMPLAINT MANAGEMENT STRATEGY-AN APPROACH TOWARDS SIX SIGMA

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ABSTRACT: *The present study is to analyze the complaint management strategy followed by the apparel retail stores and to find out if it can be a way forward to six sigma. Though many retail outlets follow the customer relationship management process it is not as efficient as in other countries around the globe. More over complaint management is one important aspect of Customer relationship management. If not addressed properly, it results in losing out loyal customers which in turn has a negative effect on profitability. The key problem faced by the apparel retail stores in India is lack of a standardized complaint management process which has a spillover effect on effective customer relationship management. Organizations have to gear up to international standards to provide effective and satisfactory complaint handling mechanism in order to maintain sustained relationship with their customers which is a challenging task.*

Key words: *Apparel, Complaint management, Retail, Six sigma, Strategy.*

I. INTRODUCTION

Six Sigma is all about eliminating defects from a manufactured product .The concept of six sigma not only can be achieved in manufacturing sector, Today an error free service delivery and effective complaint management strategy can lead us towards it for service sector as well. Service sector which contributes to a greater percentage to growth of our economy should be systematized. Although most services are performed by human beings and human errors are bound to occur, with proper mechanism and strategies these errors can be minimized to a larger extent and if continued can eventually lead us towards six sigma-The zero defective mechanism or service. In the global economy customer's expectations are continually rising. However, many businesses fail to deliver against expectations. Companies that do not manage customer dissatisfaction well, risk not only losing existing customers but alienate potential customers.

II. APPROACHE TO SIX SIGMA

Six sigma can be administered in an organization, if the top management is keen in implementing it.It is an integrated approach which is a combination of people, processes and technology that seeks to understand and deliver quality service.it comprises of five phases they are

- 1.**DEFINE**-Define the problem and understand what the customers require.
2. **MEASURE**-Measure the defects and process the operation.
3. **ANALYSE**-Analyse the data and discover the causes of the problem.
- 4.**IMPROVE**-Improve the process to remove the causes of defects.
- 5.**CONTROL**-Control the process to make sure that the defects doesn't re-occur.

III. OBJECTIVE OF THE STUDY

- 1.To evaluate the effectiveness of service recovery strategies and complaint management.
2. To analyse the effectiveness of company policy and its impact on customer Loyalty.
3. To find out if effective complaint management process can lead to achieving six sigma.

IV. NEED FOR THE STUDY

In the area of Retail industry, a large number of studies have been conducted to analyze the satisfaction level of the customers, purchasing patterns and shopping habits of the consumer. But hardly there is any effort that has been made to analyze the service failures and recovery practices followed by retailers and its impact on customer loyalty and retention which is a crucial dimension for customer relationship management. Meanwhile, there is no denial of the fact that in order to improve the present situation, where market situation and customer preferences are dynamic, it is very much necessary to understand the recovery practices followed by apparel retailers and suggest suitable strategies for catering and attracting potential customers and develop retail sector.

V. RESEARCH METHODOLOGY

The Research design used for this study is descriptive in nature and the study is confined only to apparel retail stores in top10 malls in Bangalore, and the customers who visit these stores and the store managers of these concerned stores. A sample size of 100 (50 customers and 50 store managers) were used for the study. Data was collected by using a questionnaire, a simple tool of mean, standard deviation and percentage methods were used for the analysis of the study.

VI. FINDINGS OF THE STUDY

TABLE I: DESCRIPTIVE STATISTICS OF SERVICE RECOVERY PROCESS

SERVICE RECOVERY	MEAN	STANDARD DEVIATION
Service recovery process has been designed more for convenience of the customer than company	4.4713	0.52320
Formats and documents are customer friendly	4.2529	0.50930
Service recovery process are flexible and adaptable to meet the requirements of the customer	4.3448	0.48866
Internal service recovery process are simple, flexible, user friendly	4.1552	0.42201
Organization compares the service recovery process to those of the competitors and revises regularly	4.2874	0.71980
Organization revises the recovery process regularly to remove blockages if any.	4.2241	0.76882

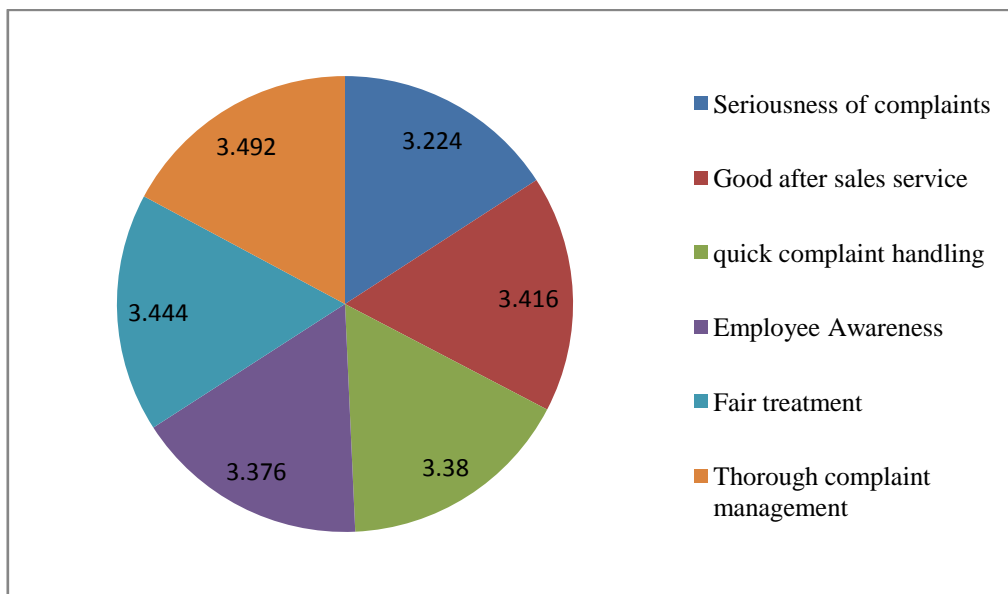


Figure 1: Graphical Representation of Service Recovery Process

The above table indicates the descriptive statistics of the service recovery process followed in the retail stores. This reveals that

1. The mean score for the recovery process being customer convenience gets maximum score of 4.47.
2. Whereas the recovery process being flexible, simple and user friendly gets a least score of 4.15.
3. The mean score of 4.22 indicates that the organization’s recovery process is not up to the mark, findings indicates that the organization has to revise and remove the blockage in the process regularly in order to ensure better service.
4. A mean score of 4.25 shows that the Formats and documents are not that customer friendly.

TABLE II: DESCRIPTIVE STATISTICS OF CUSTOMER'S OPINION ON AFTER SALES SERVICE

AFTER SALES SERVICE	MEAN	STANDARD DEVIATION
Customers Can contact the store easily	3.6200	0.97127
Complaints are taken seriously	3.2240	0.91277
After sales service is good	3.4160	0.97917
Complaints are dealt speedily and immediately	3.3800	1.06966
Complaints are dealt by employees who understands the issue	3.3760	0.79823
Customers are treated fairly during complaint	3.4440	0.94362
Complaints are investigated fairly and thoroughly	3.4920	0.98683
Customers are told the truth and receive an apology if organization is at fault	3.3775	0.95147
The store redress the issue with fast resolution	3.4080	0.99069

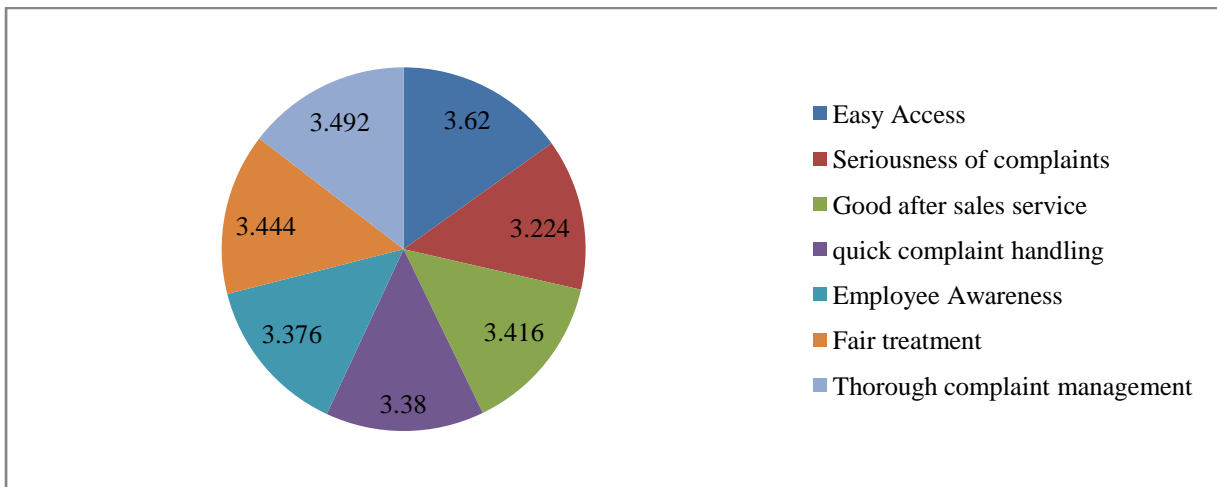


Figure 2: Graphical Representation of After Sales Service

A comparative analysis of service recovery process from the store manager and after sales service from the customer is taken in to consideration and the analysis reveals the following findings

1. Mean score of 3.62 indicates that the customers can contact the store easily.
2. A low score of 3.22 shows that the customers feel that the complaints are not taken seriously.
3. It is eminent from the analysis that the stores ability to deal with the complaints speedily and immediately also shows a lesser mean score.
4. Fair treatment of the complaint and fair and thorough investigation of the complaint is average as the mean score indicates as 3.44 only.
5. Customers feel that the organization has to improve on being apologetic towards their fault in case of service failure. This again is not up to the mark as the mean score is very less (3.37).
6. Majority of the customer feel that the complaint redressel mechanism should be fast.

VII. SUGGESTIONS

1. An organised structure is not in place to address the complaint management process. Exclusive complaint redressel cell should be maintained in the store. The store manager deals with the entire store operations and complaint management is a part of it.Hence organization should have a proper mechanism to deal with complaints.
2. High levels of autonomy and responsibility should be given to the front line staffs and the employees should be empowered to handle and rectify the service failure.
3. There should be a continuous and extensive training programme designed for the store managers which should be industry specific and should be throughout the year.
4. Redressel should be fast and the store has to apologize if there is a service failure. Many a time's customers value the response shown than the outcome.
5. Recovery process should be revised regularly this will in turn help the store to deliver error free service.
6. Employees should be educated to take the complaints seriously. A Customer is dissatisfied if his or her complaints are taken lightly. This leads to customer switching the brand.

VIII. CONCLUSION

The challenges facing the Indian organized retail sector are various and these are stopping the Indian retail industry from reaching its full potential. The behaviour patterns of the Indian consumer have undergone a major change. Indian consumer is earning more now, western influences, women working force is increasing, desire for luxury items and better quality. Customer wants to eat, shop, and get entertained under the same roof. All these have lead the Indian organized retail sector to give more to satisfy the customer .The biggest challenge facing organized retail sector is providing error free service to the customers thereby reaching global standards. This can be achieved by active involvement of top management, training the front line staffs and continuous monitoring of service quality. Complaint management if executed accurately can definitely be a way forward to achieving six sigma.

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