The Effects of Time on Customer Revenge and Avoidance: an Examination in Online Public Complaining Contexts

Yany Gregoire, Washington State University, USA
Thomas Tripp, Washington State University, USA
Renaud Legoux, HEC Montreal, Canada

After taking online public actions, do customers forgive firms over time? This research examines the effects of time on customers’ revenge and avoidance (i.e., two key components reflecting a lack of forgiveness) after they have engaged in online public complaining. Overall, our results reveal that time has differentiated effects on revenge versus avoidance. On one hand, customers’ desire for revenge quickly decreases after online actions, whereas their desire for avoidance, on the other hand, gains in strength over time. Our hypotheses are tested with a longitudinal field study, which was performed in collaboration with two established online third-party organizations over a two-month period.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/14581/volumes/v36/NA-36

[copyright notice]:
This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at http://www.copyright.com/.
The Effects of Time on Customer Revenge and Avoidance: An Examination in Online Public Complaining Contexts

Yany Gregoire, Washington State University, USA
Thomas Tripp, Washington State University, USA
Renaud Legoux, HEC Montreal, Canada
Jeffrey Radighieri, Washington State University, USA

EXTENDED ABSTRACT

The potential for customers to get even with service firms after a service failure has grown exponentially with the advent of the Internet. As highlighted by Ward and Ostrom (2006), disgruntled customers can develop their own anti-corporation websites to denounce firms’ misbehaviors. Based on a review of consumer advocacy websites (Yahoo! 2007), “homemade” anti-corporation websites represent only the tip of the iceberg of online public complaining, a phenomenon broadly defined as the act of using the Internet to publicly complain about a firm (cf. Singh 1988). A vast array of online third-party organizations now offers preformatted platforms that customers can use with even more convenience and at virtually no cost. As a general purpose, this study examines the phenomenon of public complaining made via online third-party organizations.

Online public complaining is intimately related to the notion of customer revenge, defined as the actions taken by a customer to cause harm to a firm for the damages it has caused (Bechwati and Morrin 2003). Given its managerial and financial implications (Luo 2006), research on customer revenge has recently gained in popularity (Bechwati and Morrin 2003 and 2007; Grégoire and Fisher 2006 and 2008).

Although progress has been made concerning our comprehension of customer revenge, a simple but important question still remains: How does customer revenge evolve over time? Does it grow stronger, or does it fade away? Managers should have a special interest in this question, because they need to know whether “online retaliators” will naturally reduce their vengeful activities over time, or persist in their efforts.

Our research here fills this gap by examining the effects of time on customer revenge. Moreover, we extend the revenge literature by incorporating another dimension reflecting a lack of forgiveness, avoidance. In this study, we suggest that customers fail to forgive as long as they stay motivated (a) to seek revenge against the firm, and (b) to avoid any form of interaction with the firm (cf., McCullough and colleagues 1998; 2007). Overall, we posit that time has differentiated effects on revenge versus avoidance.

Our hypotheses are tested with a longitudinal field study that was performed in collaboration with two established online third-party organizations over a two-month period. The study involves a series of four questionnaires that were administered at a regular interval of two weeks (cf., McCullough, Root and Bono 2007). Our sampling frame was composed of customers who made an online complaint at consumeraffairs.com (CA) or initiated a blog on rip-off_report.com (RR) in the 10 days preceding the first questionnaire. Initially, the sampling frames were composed of 1,434 and 952 individuals for CA and RR, respectively, for an overall sampling frame of 2,386. After the first wave, 431 participants completed the first survey, with 247 and 184 participants for RR and CA, respectively. For wave 1, the overall response rate was of 18.1%—17.2% and 19.3% for CA and RR, respectively. The number of respondents decreased by 131 between waves 1 and 2, by 85 between waves 2 and 3, and by 43 between waves 3 and 4. Overall, 172 respondents completed the four phases of the survey, with 111 and 61 respondents for CA and RR, respectively.

The central question of this research has both theoretical and managerial implications, and it can be formulated as follows: Do customers forgive firms over time? Our results suggest that customers have difficulties forgiving firms after a service failure that led to an online public complaining (see Figure 1). While customers lose their desire for revenge over time, which is perhaps satisfied after their online actions, their desire for avoidance increases over time, showing that they hold grudges. Overall, our results show little evidence that time would help the restoration of a relationship as it was before the service failure episode.

Despite an unforgiving tendency, the decrease of a desire for revenge over time constitutes encouraging news for managers. Let us remember that a desire for revenge is found to be associated with online public complaining for help-seeking in this research, and that this desire was found to be an important driver leading to harmful behaviors such as negative word-of-mouth, and vindictive complaining in previous research (Bonifield and Cole 2007). Compared to the results reported in the case of intimate relationships (McCullough, Bono, and Root 2007), the desire for revenge experienced by customers seems less sustainable. Overall, managers can find some comfort in these findings. The use of revenge is very demanding for customers in terms of time and emotional energy, and maintaining this response seems unproductive and unnecessarily costly. Note that these findings provide an explanation about the disappearance and lack of maintenance of many anti-corporation websites, after a given period of time (Ward and Ostrom 2006).

Although the consequences of a desire for avoidance are arguably less spectacular than those of revenge, they also come with costs that should not be underestimated by managers. In light of the influential work on lifetime customer value, the definite loss of a customer patronage can have non-negligible long-term financial repercussions (Luo 2007), especially in the case of strong-relationship customers. In addition, the service paradox literature has highlighted the importance of the recovery process through which a firm has the ability to create a renewed sense of loyalty (Maxham and Netemeyer 2002). Based on this paradox, customers’ definite withdrawal from the recovery process may constitute the loss of a firm’s last chance to restore a valuable relationship.

REFERENCES


FIGURE 1
Changes in Revenge and Avoidance over Time (Observed Means)


