Chapter 6

Customer Complaints in Social Networks in the Spanish Telecommunication Industry: An Analysis Using ‘Critizen’

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ABSTRACT

Nowadays social networks have a high potential to disseminate information, positive and negative, of any person, organization or product generating electronic word of mouth through customers’ comments and complaints. Consequently, this paper proposes a novel research on the content related to the users’ online complaints and seeks to understand the power of social networks as creating electronic word of mouth. For this task, the user-generated social network Critizen is used, especially critiques related to one of the most criticised sectors in Spain, that is, the telecommunication industry. The main results of this paper reveal that content analysis is an effective technique to extract business value from the vast amount of data available on the Internet, and especially in social networks.

INTRODUCTION

Social media have intensely changed our lives, how we interact with one another and the world around us (He, Zha, & Li, 2013). They offer what was never before thought possible, that is, constant connectivity between people (Jansen, Zhang, Sobel, & Chowdury, 2009). Although social networks have existed for a short while, they are evolving into an essential part of many businesses’ marketing strategies. In this regard, companies are increasingly adopting social media tools (e.g., Twitter, Facebook, Instagram) to provide services, and more importantly, interact with customers (Woo, Lim, & Brymer, 2015). However, customers are also generating their own communities in order to give their opinions about products and...
services they acquire and use every day (Jeong & Koo, 2015). The emergence of Web 2.0 has promoted the development of this user-generated content about companies, which creates electronic word of mouth (e-WOM) through customers’ comments and complaints. E-WOM refers to any statement made by potential, actual, and former customers about products, services, and/or companies, which is made available to a multitude of people and institutions via the Internet (Henning-Thurau, Gwinner, Walsh, & Gremler, 2004). In this regard, e-WOM can be positive or negative, seriously improving (in case of positive comments) or harming (in case of negative comments) a company reputation in a short period of time. More specifically, the negative e-WOM is created by dissatisfying product or services customers’ experiences (i.e., complaints), which can lead to consumer exit and have a detrimental effect on the reputation of companies (Clark, 2013).

Therefore, as a result of the rapid evolution of social networks, a large amount of user-generated content is available on the Internet. In order to benefit from this customer-generated content and increase the competitive advantage of business, companies need to monitor and analyse this information. In an effort to help companies understand how to perform social media competitive analysis and transform social media data into knowledge for decision making, this research describes a case study that applies content analysis methodology to evaluate unstructured text content on ‘Critizen’, a Spanish user-generated online community. This social network facilitates a platform for customers to write reviews about companies, brands, products and services from different industries (e.g., telecommunication sector, banks and insurance sectors, e-commerce, hotels, restaurants). As a social network, this website requires users to sign up to write a comment or a complaint. Users also have the opportunity to view, write comments and pass comments and complaints within this social network, generating the three types of e-WOM, that is, opinion seeking (i.e., the display level of a comment/critique), opinion giving (i.e., the level of comments received by a comment/critique) and opinion passing (i.e, the level of sharing of a comment/critique), respectively. For this study, we have analysed users’ comments and critiques related to the telecommunication sector, because this is the leading sector on complaints for more than a decade in Spain. Telecommunication sector has received more than 37% of complaints handled by Facua in 2014 (Facua, 2014), being more than seven points up the same period on 2013. Thus, these figures make this sector of particular interest for this study.

Some previous studies analyse customer complaints within the telecommunication companies (e.g., Edvardsson & Roos, 2003), but expressed in an offline context. Despite the fact that previous research shows that in the context of tourism and hospitality, the use of consumer rating, travel blogs, and review sites on the Internet (e.g., Tripadvisor) have received increasing attention from researchers in recent years (Leung, Law, van Hoof, & Buhalis, 2013), the use of this kind of customers’ data from other sectors, such as telecommunications, is scarce. From a wider perspective, previous research about e-WOM has been mainly focused on review-generating factors (previous factors that cause consumers to write reviews), and impacts of e-WOM (impacts caused by online reviews) from a consumer perspective and a company perspective (Cantallops & Salvi, 2014). However, there is a certain lack of research analysing which information depicted in comments contributes more to increase the e-WOM of companies, and more specifically, about the role of social media platforms in generating public concerns and complaints against organizations (Clark, 2013).

The main goal of this research is focused on analyzing the power of social networks in creating e-WOM. In particular, this study seeks to show the relationship between the public response (i.e., the act of publicly expressing a complaint addressed to the company providing the service, and which cause dissatisfaction to customer) and the private and amplified response (because of the effect of spreading