# COMPLAINS MANAGEMENT STRATEGIES AND CUSTOMER SATISFACTION AT KENYA POWER LIGHTING COMPANY, ELDORET NORTH RIFT BRANCH

#### ABIGAEL CHEPKOSGEI NGETICH

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF
THE REQUIREMENTS FOR THE AWARD OF THE DEGREE MASTER OF
BUSINESS ADMINISTRATION

SCHOOL OF BUSINESS,

UNIVERSITY OF NAIROBI

# **DECLARATION**

I declare that this research project is my original work and it has not been submitted for
examinations in any in this or institutions for academic purposes.
Signed: Date.
ABIGAEL CHEPKOSGEI NGETICH
D61/63216/2011
This research project has been submitted for examinations with my approval as
University supervisor.
SignedDate
DR. JOHN YABS
SENIOR LECTURER
SCHOOL OF BUSINESS
UNIVERSITY OF NAIROBI

#### **ACKNOWLEDGEMENT**

I am greatly indebted to several individuals for their selfless contribution towards making the completion of my MBA programs a success.

Special thanks to my supervisor Dr. John Yabs who gave me useful ideas and helped me stay centered in this research, my moderator Dr. Medina Twalib you're an inspiration you helped shape this project to its success. I appreciate my lecturers who imparted knowledge in me in my entire course work.

A big thank you to my MBA colleagues for they too were part of this successful process in many ways each one of them contributed towards this. May god bless you all.

#### **DEDICATION**

To my family, lovely daughter Adeline and dear son Adiel for the love, moral and emotional support, for the sacrifice to keep mummy company to accomplish this despite being so young.

To my beloved parents Jeremiah and Dinah Ngetich, sisters Juliah, Loice, Dorothy, Ruth and dear brother Banny and Adam Ronoh for their love and support in ensuring that all was well with me.

To my loving husband Billy S Ubindi for never ending love and compassion to provide and ensure that I finished my program, am so indebted.

I have never seen such compassion, hospitality and kindness you are all appreciated.

#### **ABSTRACT**

Complaints management strategies involve developing a process in which several discontents and displeasures from customers are handled in organization. Over the last five years the Commission on Administrative Justice (CAJ) in Kenya reported that some of the parastatals were having more complains emanating from the members of public. Complains have risen despite organizations instituting complaint handling strategies. The specific objectives of the study were: to establish how response mechanism strategies to complaints influence customer satisfaction in KPLC, Eldoret North Rift Branch, to assess the extent to which customer complaints follow up strategies influence customer satisfaction in KPLC, Eldoret North Rift Branch, and to evaluate how complains prioritization strategies influence management of customer complaints in KPLC, Eldoret North Rift branch. The study was guided by the theory of argumentation and continual service improvement (CSL) model used to explain key concepts of the study. The researcher did utilize a case study survey research design. The target population of the study was 383 customers and 5 administrative employees of Kenya power lighting corporation. The sample size was 377 respondents obtained from the target population at 99% significant level. Non-probability and probability sampling techniques were used. The study used interview schedule and structured questionnaire to collect information from respondents, the questionnaires were issued to customers while interviews were conducted on administrative staff. The collected data were analysed using descriptive statistics and content analysis. Data was presented in form of frequency distribution Tables and statements. The study establish that once a complaint is responded immediately it leads to customer satisfaction, time taken to respond to a complain increases customer loyalty, methods and techniques employed by employee and staff enhances customer loyalty. Other findings shows that compesation and follow up are necessity in managing complaints. The study further established that conducting reviews on complaints leads to customer loyalty. In general study found that complaint response mechanisms, complaint follow up and complaint prioritization are effective in ensuring customers are satisfied. The study did recommend that organizations need to employ these strategies to manage customer complaints. The public management of government entities need to adopt suitable complain strategies that will enhance the way they will handle complaints from their customers. They need to employ response techniques, follow up and prioritization of complains in order to manage complains effectively and efficiently. Employees working in customer care sections need to adopt valuable lessons from this study to shape their service provision. They need to respond to complains immediately, use quick response mechanisms, prioritize the risks, and give attention to customers in order to offer valuable customer service and complaint handling.

# TABLE OF CONTENTS

DECLARATION	ii
ACKNOWLEDGEMENT i	ii
DEDICATIONi	V
ABSTRACT	V
LIST OF TABLESi	X
LIST OF FIGURES	X
ABBREVIATIONS& ACRONMYS	Κi
CHAPTER ONE: INTRODUCTION	1
1.1. Background of the study	1
1.1.1. Construct of customer satisfaction	2
1.1.2. Customer complains management strategies	3
1.1.3. Public service corporations in Kenya	4
1.2. Research problem.	5
1.3. Research objectives	7
1.4. Value of the study	7
CHAPTER TWO: LITERATURE REVIEW	9
2.0. Introduction	9
2.2. Theoretical foundation	9
2.2.1. The theory of argumentation	9
2.2.1. Continual service improvement (CSL) model	0
2.3. Measurement of constructs	1
2.3.1 Measurement of customer satisfaction	1
2.3.2. Measurement of strategies for customer complaints management	2
2.4. Empirical findings on response mechanism strategies and customer satisfaction 1	3
2.5. Empirical findings on customer follow up strategies and customer satisfaction1	4
2.6. Empirical findings on complain prioritization strategies and customer satisfaction	
2.7. Summary of literature and knowledge gap1	7
2.8. Conceptual framework	8

CHAPTER THREE: RESEARCH METHODOLOGY	19
3.0. Introduction	19
3.1. Research design	20
3.2. Target population	20
3.3. Sample design	21
3.4. Data collection	22
3.5. Data analysis	22
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION	24
4.0. Introduction	24
4.1. Data collection response rates	24
4.2. General information on the respondents	24
4.2.1. Personal information of the customers	
4.2.1.1. Period the staff have worked	26
4.2.2. Reason for visiting customer complain section	27
4.2.4. Complaint management satisfaction levels	29
4.3. Response mechanism strategies and customer satisfaction	29
4.3.1. Availability of response mechanism strategies in the company	30
4.3.2. Response mechanism statements and customer satisfaction	30
4.4. Complain follow up strategies and customer satisfaction	32
4.4.1. Availability of complain follow up strategies	32
4.4.2. Relationship between complain follow up strategies and customer satisfa	
4.5. Complaint prioritization strategies and customer satisfaction	34
4.5.1. Availability of complaint prioritization strategies	35
4.5.2. Relationship between complaint prioritization strategies and customer	
satisfaction	35
CHAPTER FIVE: SUMMARY, CONCLUSION, AND RECOMMENDAT	ΓIONS
	37
5.0. Overview	37
5.1. Summary	37
5.2. Conclusion	38

5.3. Recommendations	39
5.4. Limitations of the study	40
5.5. Suggestions for further studies	40
REFERENCES	41
APPENDICES	43
Appendix I: Introductory Letter	43
Appendix II: Questionnaire for the Customers	44
Appendix III: Interview Schedule	47
11	······································

# LIST OF TABLES

Table 3.1 Target population	21
Table 4.1 Customer personal information's	25
Table 4.2. Reason for complaint	27
Table 4.3. Frequency of visits per month	28
Table 4.4.Complaint management satisfaction levels	29
Table 4.5. Response mechanism strategies and customer satisfaction	30
Table 4.6. Complain follow up strategies and customer satisfaction	33
Table 4.7. Complaint prioritization strategies and customer satisfaction	35

# LIST OF FIGURES

Figure 2.1:	Conceptual	framework	1	9
-------------	------------	-----------	---	---

### ABBREVIATIONS AND ACRONMYS

**CAJ:** Commission on Administrative Justice

**KPLC**: Kenya power Lighting Corporation

**SCAC**: The State Corporations Advisory Committee

SPSS: Statistical package for social science

#### **CHAPTER ONE: INTRODUCTION**

#### 1.1 Background of the study

In service provision the term complaint is common among customers being served. It refers to way in which customers feel unhappy, displeased and discontent over a certain event that has occurred. Customer satisfaction is the concern in which they would feel happy once they have been served. Several organizations, firms and companies have focused on management of complains in order to remain competitive in a dynamic environment in which customers have high bargaining power. In UK, several service stores have ensured that customers are treated formally and professionally to ensure that they remain loyal to the organization products. Customer management involves certain aspects related to service are resolved especially complaints (Singh, 1988).

Complaints management strategies involve developing a process in which several discontents and displeasures from customers are handled in organization. Organizations providing services and products across the world developed complain handling mechanisms and strategies that have helped them to remain competitive. Tesco supermarkets in United States is one example of organizations that have developed complaint handling units that gather data and provide mechanisms to resolve them once they escalate. Other institutions and organizations have embraced technology by using social media where they can communicate with customers using live charts. They answer to customer queries using live charts using the social media applications (Karate & Ekiz, 2004).

Public institutions across the world are expected to focus on providing quality, reliable and effective services to the customers. Due to the monopoly of such public institutions customer service have declined over the years. It is reported that there more complains

emanating from customers visiting public institution for service more than private organizations. But due to the competitive environment in which some of the private organizations are offering similar services this has prompted government entities to improve on the services being offered to the customers. In Kenya, Huduma centers were developed in order to increase customer service in some of the public departments. The institution of such centers have reduced complains among customers because majority are addressed directly from those localities.

#### 1.1.1. Construct of customer satisfaction

The term customer complains management refers to the process in which firms, organization and individuals handle customers' complains while customer satisfaction is the level in which the customer is satisfied with the response provided. Both processes refer to the mechanism in which individuals' concerns are being resolved once they are brought forward. Government organizations are expected to be customer focused and be responsive to customer complaints promptly. Complains are important aspects in organizations. Those in management need to understand that complains are not harmful but part of the process to identify unsuitable practices and improvement of quality in organizations (Blodgett & Anderson, 2000).

In normal practice in organizations the way any complain is handled it is a clear indication that the customer is being valued and is part of the system. Customer management process involves giving attention to what the customer is bringing forward. It involves trying to find solution to a comment or remark brought forward by the customer to ensure they are satisfied. One feature of a good customer complains management process is proper communication between the parties involved. Proper communication should be created in which the customer is being given the required

response once the complaint has been brought forward. Customer's expectation on complaint management is that they will be given the required feedback promptly and eventually become comfortable (Hess, Ganesan & Klein, 2003).

#### 1.1.2. Customer complains management strategies

Lee, Barker and Kandampully (2008) state that customer complaint highlights a problem, whether that's a problem with organization product, employees or internal processes, and by hearing these problems directly from customers, the organization can investigate and improve to prevent further complaints in the future. There are several strategies that are employed by organizations in order to manage the different types of complains fronted to them. Examples can be use of customer relationships, feedback mechanism, and complain handling units.

The responses mechanism strategy involves a loop system that involves collection of complains as inputs then transforming them to outputs. This strategy involves collecting several complaints in form of data or queries then acting on them to form valuable decisions. Customer relations management strategy is a technique employed in normal operations that are directly working with customers by providing a friendly way of communicating with customers. The strategy is employed to try and build a positive relationship with the customers. The complaint handling unit's strategy is a more structural method in which organizations set a specific section or department or staff to specifically address customer complaints. The strategy is aimed to resolve issues related to customer to increase customer retention and loyalty (Davidow, 2003).

The concepts of customer complain strategies and customer satisfaction is explained using two theories the theory of argumentation and continual service improvement model. The argumentation theory states that complaints need to be factual in order to

be accepted to be a claim. Management of any complains depends on the factual nature of it to be accepted and resolved. The continual service improvement model states that complain management should form part of quality improvement mechanism in organization (Singh, 1988). The theories will form the motivation of the study to establish the strategies employed to manage customer complaints to ensure customers are satisfied.

#### 1.1.3. Public service corporations in Kenya

Public institutions are important components that have been constituted to offer goods and services to customers without making profit. The Kenya parliamentary act of 1963 did establish structure of public entities in the country. The act showed the role and functions of these organizations to the members of public. The public entities were classified into: parastatal, institutions, schools, and corporations. Some of these organizations were offering unique services in which other private organizations were not offering. State corporations in Kenya are classified into 8 broad functional categories based on mandate and core functions. These include; Financial, commercial manufacturing, regulatory, public Universities, training and research, service, regional Development Authorities and Tertiary Education and Training.

The service provision in public parastatals and corporations in Kenya is guided by the service charter that is controlled by The State Corporations Advisory Committee (SCAC) which was established under section 26 of the State Corporation Act 446. The service charter is aimed at ensuring state corporations offer higher quality services to its customers this is by providing to the customer a conducive environment in which they can have a wonderful experience.

The most notable service charter standards relevant to the study is, that State corporations in Kenya are expected to answer to enquiries and complains immediately, and are expected to offer customer feedback within 7 days upon its receipt of the complains. The service charter has helped to improve service in some of the public corporations where fewer complaints have been reported (SCAC, 2013).

Kenya Power Lighting Corporation owns and operates most of the electricity transmission and distribution system in the country and sells electricity to over 6,761,090 million customers. Their aim is to generate and distribute sufficient power to several customers meeting their retailing needs. The Government has a controlling stake at 50.1% of shareholding with private investors at 49.9%. Kenya Power is listed on the Nairobi Securities Exchange.

The corporation mission and core value relevant to the current study is their focus to provide delightful services to the customer and being accountable to any queries brought by their customers. The service provision at KPLC is guided by The State Corporations Advisory Committee (SCAC) service charter. In 2011, the company did institute a customer service unit that encompasses the complaint section to address customer needs. The aim of the section is to reduce the number of complaints and ensure service delivery is maintained in their operations.

#### 1.2. Research problem

Globalization and changes in the environment has contributed to increased competition in the market making companies and firms to adopt strategies to remain a float. One notable measure that majority of the organizations have adopted is customer service, for which customer complaints are handled and given the required priority. A number of studies have reported that the method in which companies handle complaints can

significantly affect business performance. Poor complaint handling can lead to customer dissatisfaction, damage of company-customer relationship, low customer loyalty and later affecting customer retention. For the past 5 years, there having been complains emanating from some of parastatal and government entities in Kenya.

There are similar studies that have been conducted to explain the aspect of customer complain management. Mensah (2016) did a study on effectiveness of customer complaint handling and its impact on customer retention in selected banks in Ghana. The main finding of the study was that poor customer complaint handling process affects negatively customer retention in banks in Ghana. The gap of the study is that it only focused on the consequences of not handling complaints which affect customer satisfaction. Mayombo (2014) conducted a study on the influence of customer complaint behavior, firm responses and service quality on customer loyalty of mobile telephone subscribers in Uganda. Results from the study showed that the influence of customer complaint behavior on customer loyalty within mobile telephone companies was both directly and partially moderated by firm responses and mediated by service quality. The gap of the study is that it did not mention any strategies that were employed by the firms to manage customer complaints in enhance their satisfaction.

The context of the mentioned studies has shown that there is need for public institution to handle customer complaints more effectively by instituting necessary measures. Over the last five years the Commission on Administrative Justice (CAJ) in Kenya reported that some of the parastatals were having more complains emanating from the members of public. This is against the constitution of Kenya which states the right of service to everyone. Such complains have risen despite organizations instituting complaint handling strategies. It is from these finding that the study is motivated to conduct a

study to establish the influence of complain management strategies on customer satisfaction.

#### 1.3. Research objectives

The broad objective of the study was to establish the influence of customer complaints management strategies on customer satisfaction in Kenya Power Lighting Company, Eldoret North Rift Branch. The specific objectives of the study were:

- i. To establish how response mechanism strategies to complaints influence customer satisfaction in KPLC, Eldoret North Rift Branch.
- ii. To assess the extent to which customer complains follow up strategies influence customer satisfaction in KPLC, Eldoret North Rift Branch.
- iii. To evaluate how complains prioritization strategies influence management of customer complaints in KPLC, Eldoret North Rift branch.

#### 1.4. Value of the study

The current study was aimed at providing knowledge and contributing to normal management practices in organizations. Indirectly or directly there are a number of persons or individual, institutions expected to benefit from the study. Findings from the study will be useful to the public organizations, employees working in public institutions, other organizations in general, scholars, academicians and future researchers.

Customer response process through complains is important in quality improvement and customer's management in organizations. Findings from the study is hoped to be helpful to management of public institutions and employees in improving their own ways of ensuring customers are satisfied. The study evaluates the strategies employed to manage customers complains to establish their effectiveness or reliability in daily

application at work environment. In which the relevant parties can rectify or redesign their policies to become relevant. The findings will be beneficial to all organizations public and private.

The study is to provide secondary data both empirical and theoretical this will be beneficial to the academic fields. Additional knowledge on strategies to manage customer complains in public institutions will be documented. Secondary data will be found in the University e-resources and library section in which scholars can use it as a reference material. Future researchers can identify gaps from the current study and form topics to be researched upon. Others can use the findings as secondary data to make references to their studies.

#### **CHAPTER TWO: LITERATURE REVIEW**

#### 2.0. Introduction

The section provides the theories order to explain the key concepts of the study. In addition, it explains measurement of complain strategies and its management. Secondary sources of data were reviewed in order to provide factual knowledge to explain the relationship between the study variable and support the identification of the knowledge gap. A diagrammatic illustration of the variables is also shown using the conceptual framework in this section.

#### 2.2. Theoretical foundation

The study theoretical foundation explains the theories employed by the study to bring meaning to the study variables. Theories provide a different dimension that is important in explaining the variables of the study. The two theories outlined and discussed in this section is theory of argumentation and continual service improvement (CSL) model.

#### 2.2.1. The theory of argumentation

To bring the understanding on the concept of complains strategies the theory of argumentation was used. The theory is the work of Toulmin (1958) who developed it to understand the argument among individuals. The theory states that an argument moves from accepted data after passing stages of warrant and claims. The argumentation theory contains three components. The first component is data which refers to any facts that are provided as evidence, the second component is the claim which represents the conclusion provided, and the last is the warrant which advances the brought data into a claim. According Toulmin (1958) this is important in explaining the communication process in organizations or society. It is through communication that individuals express their ideas, feelings and emotions.

The theory is applicable in the study because it clearly defines the stages in which customers complain, and the way they are addressed by the concerned persons. Complains is part of an argumentation process in which facts must be brought forward through a warrant process and later a claim made which is a conclusion. The concerned individuals must understand the data brought forward to them before making a claim or strategy to address them. Toulmin (1958) effective complain handling mechanism will depend on the strategy employed which is based on the data brought forward by the concerned person. The theory is applicable in explaining the complain process but does not explain the acceptance by the concerned persons towards complains brought forward.

#### 2.2.1. Continual service improvement (CSL) model

The model was compounded by Tylor and Deming in 1953 it is based on ways to improve service in organizations. It is a six stepped model that focuses on customer handling mechanisms within organization. The model is brought to cover the gap that the other theory was unable to fulfill. The six steps of the model include: identifying the organization vision, assessing the current position, understanding the future goal, devising methods to reach the intended goals, assessing performance, and method to sustain the performance. Formulation of customer complains strategies need to follow the six steps in order to be effective in organization. Customers will be satisfied if only there concerns were addressed. But it should be the culture of the organization to ensure that customers are fully satisfied by developing suitable strategies. They need to identify vision that address customer needs and work fully toward it and ensure consistency in implementing it. Through the outlined model customer complains can fully be implemented by the available strategies in the organization increasing satisfaction levels.

#### 2.3. Measurement of constructs

The section outlines indicators in which the study constructs were measured. This important in deriving the instruments to collect data and in identifying the relevant data related to the study variables. The two constructs of the study are customer satisfaction and strategies for complaints management.

#### 2.3.1 Measurement of customer satisfaction

Davidow (2003) states that customer satisfaction is one of the important aspects in organization relationship process. A good customer complaint handling process can increase the company competitive edge and help to deliver value to its customer. Measurement of the way a customer is satisfied can be done using different methods. It can range from customer satisfactions levels of timeliness to respond to complaints, method of communicating, the response towards the complaint, loyalty, and quality of response provided.

Day & Landon (1977) states that customer satisfaction is a key component in complaint management process. Once the complaint has been advanced by the customer there is expectation that it will be addressed fully. Effective customer complaint management can be measured on the basis in which the customer is satisfied with the response or mitigation provided. Hess, Ganesan and Klein (2003), explains the need to measure the extent to which customer is satisfied depends on whether the complaint was adequately addressed. Organizations strive to ensure that customers remain satisfied by addressing their concerns and complaints once they escalate.

Karatepe and Ekiz (2004) outline that complaint management can be measured on the basis of the media or channel used to communicate. Communication forms a critical component in a complain management process because it builds the relationship

between the company and the client. The language and the method of communication directly measure the extent to which the customer feels the complaint has been addressed. Kau and Loh (2006) states that organization is required to formulate suitable communication policies that will be used to address complaints. Kim, Wang and Mattila (2010) mentions that in complaint handling can be measured on the based on the time used to manage it. The author state that customers will feel that their concerns have been addressed if only the responses are done promptly or within a specified period of time. Organizations have focused on ensuring they have charters that address complaints within a required time period.

#### 2.3.2. Measurement of strategies for customer complaints management

Kinoti and Kibera (2019) states that strategies represent unique ways that organizations or companies can use to address complain. Strategies for complaint management can be measured according to the policies drafted by the organization or the institution. Every organization has different types of strategies that they are using to manage complaints. The study will be measuring the strategies using three components found in the service charter of the public corporations in Kenya which include: response mechanism, customer relationship management and customer prioritization strategies.

Lee, Barker and Kandampully (2008) state that response mechanism strategies can be measured on the basis in which complaints are given or provided to the clients or customers. The indicators for measuring responses include; frequency of the response, timing of the response and mode of responding. The authors further explain that responses are critical in addressing immediate needs of clients. Tronvoll (2012) opines that customer relationship management involves the process in which customer-company relationship is built and measured. The author states that it can be measured

based on the strategies that have been used to build it. For example, reward mechanism, frequency of communication, and after sale services. Wong and Sohal (2003) explain that complaint prioritization is important in addressing the most serious customer complaints. The author explains that complains prioritization strategies can be measured according to the number of time allocated to deal with certain complaints, methods used to address them, and frequency in which the problem is addressed.

# 2.4. Empirical findings on response mechanism strategies and customer satisfaction

According to Blodgett & Anderson (2000), feedback is defined as any customer comment that can be positive or negative which does not or require formal response. The comment can be a complaint over a service provided by the organization. A feedback process provides a clear picture on which activities are conducted or the extent to which the complaint handling mechanism is effective or efficient enough. It is the work of the concerned persons in organizations to determine the extent of seriousness is the feedback in order to establish a method or technique to address it.

Weiner (2000) recommends a quick response mechanism for handling complains in organization. The author states that there is need to have a generic method of resolving complaints in organization by quickly responding to them. The generic formula encompasses having a system to receive and acknowledge a mistake, listening to the customer and developing a quicker mechanism to solve the problem. According to the author if that is done well it helps to improve and increase goodwill of the customers towards the organization services and products in the long run.

Singh (1988) addresses the aspect of response mechanism by stating that it is important for organizations to have an effectual response strategy for complains escalated to them. This should be seen in the form of the quality of the reply, ability to address customers concern and perception and plan for future prevention. In the process of complaint handling and management three components are important they include: identification of the type of complaints, recognizing the key parties involved with the complaint, and responding adequately to complain brought forward. Following this simple process enables the organizations to handle problems or complaints with simple ease increasing customer satisfaction and enhance customer loyalty.

Weiner (2000) studies the need to develop response mechanism to manage complaints in organizations. The response mechanism involves developing a system that identifies problems, communicating the extent of the problem, and setting the time limit to address the problem with the customer. The mechanism is employed in mobile service agencies in which communication on the complaint escalation is agreed between the parties involved. Employing expert in the process of response strategy is important because it enables organizations to adequately give on the spot response rather than buying time on it. Effectiveness of a response depends on the extent to which the customers has been served well or provided a suitable mitigation solution to the complaint (Sweeney, Soutar & Johnson, 1996).

2.5. Empirical findings on customer follow up strategies and customer satisfaction Studies have empirically proven that there is positive relationship between the complaints brought forward and the customer association with the company. These associations are known as company-customer relationship (Sweeney, Soutar & Johnson, 1996). The more the customers complain on a service or product it directly

shows that they are directly attached to it. Organizations are required to know this in order to develop mechanisms that they can use to address such problems or complains brought to them. The long-term effect of resolving a problem amicably is a relationship created between the two parties.

Shields (2006) states that customer satisfaction can be built if they are compensated in case of any loss accrued brought by the complain process. Compensation is a mechanism that recognizes a mistake has risen and requires a quick response to it. Some of the customer relationship strategy is to identify the mistake brought by the customer then later developing a suitable compensatory mechanism in which the customer will feel comfortable thus ensuring customer loyalty in the long run. Compensation mechanisms are not common with public institutions although it is clearly spelt out in public charters.

Tronvoll (2010) opines that the frequency in which customer and the company are in touch shows a positive relationship between the parties involved. Frequent communication is an important factor in enhancing relationship between parties involved. Studies have shown there is positive relationship between customers and companies that frequently communicate to each other. Example is in the banking sector where the customer care of the various banks communicates with customers to check the extent of the problem or complains resulting to account dormancy. Shields (2006) argue that it is necessary for organizations to be in contact with customers after they have filed a complaint to them in order to build a more sustainable relationship with them.

Singh (1988) explains the need to conduct reviews occasionally or after period in which certain complaints have been addressed. The author states that companies are required to solve a complaint and continue following on it to ensure that the customer is satisfied in the long run. By conducting reviews the organization will be able to identify if there was a chance that problem was not solved or the customer gave up with the product or service. In modern customer complain relationship management it is important that reviews be conducted in order to establish satisfaction levels of the complaint provided. Shields (2006) makes a further addition that companies that conduct review strategies have enhanced their customer loyalty and reduced customer complains significantly in their organizations.

# 2.6. Empirical findings on complain prioritization strategies and customer satisfaction

Tronvoll (2010) states that frequency in which complaints is being provided or addressed also measures the extent to which it is managed. Organizations need to have a mechanism in which the complaints from the customers will be appreciated and resolved. If corrections are given priority as soon as they occur, it does not matter if the fault occur million times what matters is that are they given the required attention by the relevant authorities. The author states that attention given to a complaint, measures the level of satisfaction in which the clients have on the service provided. Several organizations do encourage customers to complain in order to rectify their own systems.

Shields (2006) argue that the method chosen by the organizations to communicate to customers after receiving complaints explains whether they will be satisfied with the service or not. Several organizations have outlined communication policies in which the type of complains is addressed specifically using a particular method of

communication. The choice of the method clearly illustrates the need to prioritize certain complaints over others. Customers will feel their problem have been addressed adequately if it is communicated within the required timeline. That shows the need for organizations and companies to specify techniques used for communication in their specific plans for handling complaints.

Studies have shown that customers feel wanted if the company representatives show a positive attitude towards a particular problem. The first contact between the company representative and the customer defines whether the problem or complain will be solved or not. This attention is a form of prioritization in which the customers feels that attention has been given to the particular problem (Tronvoll, 2010). Some companies have even employed well trained communication customer care representatives in order to bring a positive attitude between the customer and the company. According to Shields (2006) the aim of using strategies is to portray that the organization is caring about the needs of the customers and increase customer loyalty in the long run.

#### 2.7. Summary of literature and knowledge gap

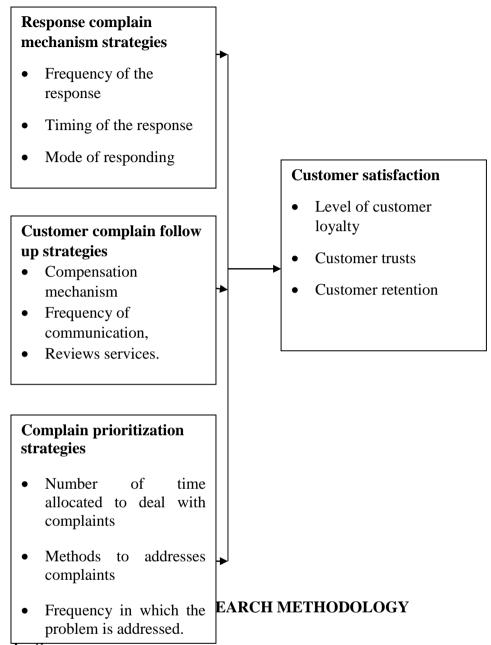
The several studies reviewed have shown that customer management is a critical and important factor in ensuring customer are satisfied. The studies have shown processes that organization have instituted in order to address customer complaints. Mensah (2016) did a study on effectiveness of customer complaint handling and its impact on customer retention in selected banks in Ghana. The study is related to the current study because it focused on several techniques or methods that are used to manage customer complaints in reference to ensuring customer is retained. Although the study is similar in many aspects it did not focus on public institution in which the current study seeks to fill using a case study research design.

The other similar study was conducted by Mayombo (2014) who did a study on the influence of customer complaint behavior, firm responses and service quality on customer loyalty of mobile telephone subscribers in Uganda. The study was important in explaining the need of having a wider mitigation view of solving customer complaints using certain aspects like quality and understanding customer loyalty. The gap provided by the study is that it did not focus on strategies and public institution as a study location. Although there is a public charter in Kenya to govern the way service is delivered in public studies no much related studies have been done on the area of customer complaint strategies and customer satisfaction. It is from this gap that the current study intended to fill.

#### 2.8. Conceptual framework

The conceptual framework provides an illustrative relationship between the study variables. Figure 2.1 shows the conceptual framework of the study.

Figure 2.1 conceptual framework



3.0. Introduction

Methodology is a section in research in which the research identified a suitable framework to answer the study objectives. The methodology part outlined the design, key informants targeted, sampling design to be adopted, methods of obtaining data, and ways to analyze data. Methodology explains the mechanism in which the researcher was able to provide findings to be reported, summarized, and concluded in the next chapters.

#### 3.1. Research design

Research designs in methodology section provide a suitable framework in which the entire parts were opined upon. According to Kothari (2014), research design represents a plan to be adopted to achieve the desired study outcomes. The researcher did utilize a case study survey research design. Kumar (2018) explains the case study survey design to be a specific study of an institution by seeking responses from key informants. The study found that the research design is appropriate in providing a unique responses to the main goal of the study

#### 3.2. Target population

Fink and Kosecoff (2006) have defined target population to be key informants that are required or chosen to answer the research objectives. The target population of the study was383(customers & administrative employees of Kenya power lighting corporation staff who are located in Eldoret North Rift branch.

The 5 employees of KPLC includes the top middle administrative employees from sections that directly deal with customers. The information was obtained from KPLC human resource section master roll of July 2019. The 378 customers represent those visit the customer complain section for various complains within two days. The customer service records as per the complaint section shows that an average of 189 customers visit the section per day. Table 3.1 ahows the summary of the senior middle employees represented as per section.

**Table 3.1: Target population** 

Section	Target group Senior staff	
Customer care/relations section	1	
Meter reading section	1	
Cash/payment section	1	
Electricity/meter installations	1	
Administration/management section	1	
Total	5	

Source: KPLC master roll 2019

population. Sample size was calculated as follows:

#### 3.3. Sample design

The sample size determination formula that was used in the study is by fisher's formula.

The sample determination formula is chosen because it is suitable for known

$$NF = N$$

$$1 + N(e)^{2}$$

Where:

n =the sample size

N = Population size; 383

e = 0.01

Therefore, the sample size for this survey was calculated as follows;

$$n = 383$$

$$1 + (383 \overline{(0.01)^2})$$

= 369

The sample size was 369 respondents obtained from the target population at 99% significant level. Non-probability and probability sampling techniques was used. For the 14administrations and management staff purposive sampling technique was used. Kumar (2018) defines purposive sampling technique to be the process in which respondents are chosen based on certain criteria. The management staff was chosen with biasness due to the information they possess. The remaining sample size 364(369-

5) respondents who are the customers was sampled through simple random sampling technique was used.

#### 3.4. Data collection

The process of data collection begins by identifying the instruments used to collect data. The study used interview schedule and structured questionnaire to collect information from respondents. Interview schedule involved a series of questions linked to the objective of the study (Kothari, 2014). Interview was done to the senior administrative management staff.

Other respondents who are customers were issued with structured questionnaires after they have been tested for validity and reliability. Validity was achieved by checking the contents of the questions with the study supervisor while reliability was achieved after a test-pretest, and later conducting correlation on the set of the two results. The questionnaire provides a wider way of collecting information within a short period of time (Fink & Kosecoff, 2006). Data was collected for a period of 2 days through questionairres while inteviews for a period of 5 days after bookings have been done. The collected data was organized ready to be analyzed.

#### 3.5. Data analysis

Kumar (2018) defines data analysis as a process in which data is organized, coded and subjected to analysis to obtain required information. Data collected from the two types of instruments structured questionairre and interview schedule was analysed using descriptive statistics and content analysis. Kumar (2018) states that descriptive statistics are those that organize and summarize data to make a presenTable conclusion.

The study did utilize mean, frequency, standard deviation and percentages for quantitative data. Information from interview schedule was analysed using multi-dimensional content analysis. Kothari (2014) describe multi dimensional content analysis to be the process of grouping similar statements to make one logical paragraph that can be linked to the study objectives. Data was presented in form of frequency distribution Tables and statements.

#### CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

#### 4.0. Introduction

This chapter provides analysis of data based on the themes of the study. Descriptive statistics and multi-dimensional content analysis is used to explain the relationship between the various variables. This is findings entailed the study response rate, general information, complaint response strategies, follow up strategies, and prioritization strategies.

#### 4.1. Data collection response rates

A sample size of 364 customers was targeted to be issued with the questionnaires but only 278 of the customers were obtained. This represented questionnaire that were correctly filled and returned. The finding represented a 76% questionnaire response rate. The study further sought to interview 5 of the KPLC staff but 5 of the interviews were successful. This also represented a 100% response rate. According to Kumar (2018) a response rate of more than 75% is sufficient for the study to be conducted and findings accepted empirically.

#### 4.2. General information on the respondents

This section represents information obtained from the respondents regarding their own personal information's and relationship with the study unit. The information entails customer's gender, age category, academic qualification, reasons for visiting customer complain section, number of times they have visited the institution section, and their satisfaction levels on the management of the complaints. The section also describes information on the background information of the staff.

#### **4.2.1.** Personal information of the customers

Customers were asked to state their gender, age category and highest academic qualification. These questions were useful in categorizing the extent of complaints among different demographic characteristics. The response to the questions was summarized in Table 4.1.

**Table 4.1: Customer personal information's** 

Question		Frequency	Percentages
		(n=278)	(%)
What was your gender?	Male	167	60
	Female	111	40
Which age category do you	18-30 years	74	27
belong?			
	31 - 45 years	111	40
	46 -60 years	93	33
What is your highest	Basic level	56	20
academic qualification?			
	certificate/diplo	74	27
	ma		
	Degree	111	40
	Post	37	13
	graduate/masters		

Source: Author 2019

On the question stating on the customers gender, Table 4.1 shows that 167 (60%) of the respondents were male while 111 (40%) of the respondents were female. This finding denotes that there were more male respondents than female but this was not significant in the study. It was helpful in getting responses from both genders.

On the question stating the age category of the customers, findings on Table 4.1 showed that 74 (27%) of the respondents had a category between 18 and 30 years, 111 (40%) of the respondents had 31 to 45 years, and 93(33%) of the respondents had age category between 46 to 60 years. This finding shows that age category of the respondents were spread with more of ages being between 31 to 45 years.

On the question stating the highest qualifications of the customers, Table 4.1 findings showed that 56 (20%) of the respondents had basic level (primary/secondary), 74 (27%) of the respondents had certificate/diploma level of education, 111 (40%) of the respondents had degree, and 37 (13%) of the respondents had post graduate/masters degrees. This shows that majority of the respondents had certificate and above highest level of academic qualifications.

#### 4.2.1.1. Period the staff have worked

The staff of the company was asked to state the period in which they have worked in the company. The question was important in ascertaining whether they understand the company strategies. Findings were summarized qualitatively as follows 42% of the respondents interviewed stated that they have worked with the company for a period of 5 years and below, 33% of the respondents have worked for a period between 6 -10 years while 25% of the respondents have worked more than 11 years in the company. The finding denotes that a slightly majority of the staff have worked 5 years and below in the company.

#### 4.2.2. Reason for visiting customer complain section

The study sought to establish from the customers to state the main reason that made them visit the customer complaint section. This question was important in determining the nature and frequency of complaints brought forward by the customers. The findings to the question was reported and presented in Table 4.2.

**Table 4.2: Reason for complaint** 

Reason for complaint	Frequency (n=278)	%
Billing complaint	93	33
Power out-rages	37	13
Delayed new connections	37	13
Disconnections & reconnections	18	8
Contract terminations & compensations	93	33

Source: Author, 2019

The study reports as per Table 4.2 that 93(33%) of the respondents complained about billing, 37 (13%) of the respondents complained about power out-rages, 37 (13%) of respondents did complain on delayed new connections, 18 (8%) of them did complain in issues related to disconnections and reconnections, while 93(33%) did complain on issues related to contract terminations and compensations. The findings shows that there is a spread in the number of complaints brought forward by the customers but more significantly are issues related to billing and contract termination and compensation.

#### 4.2.3. Number of customers and frequency of visits

The study sought to find from the customers the frequency in which they have been visiting the customer complaint section or the company in a month. The question was appropriate in ascertaining the extent to which their complaint is being addressed. The findings to the question were summarized in Table 4.3.

Table 4.3: Frequency of visits per month

Frequency of visits	Frequency (n=278)	%
Once	186	67
Twice	37	13
Thrice	18	7
More than thrice	37	13

Source: Author 2019

The findings on Table 4.3 shows that 186 (67%) of the customers have visited the company once in a month, 37 (13%) have visited the company twice in a month, 18 (7%) of the respondents have visited the company thrice, while 37 (13%) of respondents have visited more than three times in a month. Majority of the customers have visited the complaint section once per month this shows that their problems were either solved within one particular month.

The study further needed to establish from the staff through interviews on the number of customers visiting their sections per day. The findings to the question was summarized qualitatively as follows: 25% of the respondents stated that they have 100 customer visits per day in their section, 50% of the interviewees stated that they have 101 to 150 customer visits per day, 17% of the interviewees stated that they have 151 to 200 customer visits per day, while 8% of the respondents stated that they only have

more than 200 customer visits per day. The findings as per staff shows that about an average of 150 customers visit the company per day.

#### 4.2.4. Complaint management satisfaction levels

The customers were asked to state the extent to which they were satisfied with the way their complaint was handled by the company. The findings to the question were presented in Table 4.4.

**Table 4.4: Complaint management satisfaction levels** 

Response	Frequency (n=278)	%
Yes	167	60
No	11	40

Source: Author 2019

The findings as per Table 4.4 shows that 167 (60%) of the customers agreed that they were satisfied with the way the company managed their complaint while 11 (40%) of the respondents stated that they are not satisfied with the way the company is not satisfied with the way company managed their complaints. They gave reasons for not being satisfied as it takes long time before the company rectifies complaints, delays in solving the problem, and they have been given documents in which they do not act on them. The findings show that majority of the customers are satisfied with the way the company is managing their complaints.

#### 4.3. Response mechanism strategies and customer satisfaction

The first specific objective of the study was to establish the extent to which response mechanism strategies are useful in ensuring customer satisfaction is achieved. Response mechanism involves ways in which the company is employing to frequently respond to the customer complaints, the timing to such responses, and mode of responding.

#### 4.3.1. Availability of response mechanism strategies in the company

The study sought to establish from the members of the staff whether response mechanism is available on usage, and if available which are some of the response mechanism strategies are being used. Findings from the interview were qualitatively summarized as follows: 78% of the interviewed staff stated that response mechanism strategies are used while 22% refuted that is not used. Those who mentioned to be in use stated examples of the strategies: that the company is using service charter to respond to customer needs, have contact numbers for quick responses, and they have complaint registers to record complains. The findings from the interviews show that response mechanism strategies are being employed by the company to manage complaints.

#### 4.3.2. Response mechanism statements and customer satisfaction

The findings showing the relationship of response mechanism statements and customer satisfaction indicators is summarized in Table 4.5.

Table 4.5. Response mechanism strategies and customer satisfaction

Statements	N	Mean	Standard deviation (SD)
Frequency of the response to your complaints has enhanced your loyalty	278	3.801	0.784
Timing of your complaints response has increased your satisfaction levels	278	4.874	0.813
Mode of responding to your complaints has enhanced your loyalty	278	3.753	0.943
Responding to complaints immediately have left you satisfied	278	3.943	0.812

Source: Author 2019

Table 4.5 shows findings explaining relationship between response mechanism strategies influence on customer satisfaction. Respondents with a mean of 3.801 (SD=0.784) in a moderate amount agreed that frequency of the response to their complaints had enhanced their loyalty. This finding shows that if a complaint is responded frequently it makes the customers to be loyal with the company. The finding is supported by Weiner (2000) finding who recommends a quick frequent response mechanism for handling complaints in organization leads to increased satisfaction levels among the customers.

Respondents with a mean of 4.874 (SD=0.813) did in a great deal agree that timing of their complaints response has increased their satisfaction levels. This finding empirically denotes the time taken by the company to respond to complaints increases the customer satisfaction levels. The finding is supported by Blodgett & Anderson (2000) who state that quick feedback is defines to a customer comment whether positive or negative brings a positive feeling among them.

The study established that respondents with a mean of 3.753 (SD=0.943) in a moderate amount agreed that the mode of responding to their complaints has enhanced their loyalty levels. This finding opines that the method and technique employed by the company staff to address complaint enhances customer loyalty. This finding is supported by Singh (1988) who addresses the aspect of response mechanism by stating that it is important for organizations to have an effectual response strategy for complains escalated to them. This should be seen in the form of the quality of the reply, ability to address customers concern and perception and plan for future prevention.

Lastly, the study found that respondents with a mean of 3.943 (SD=0.812) in a moderate amount agreeing that responding to complaints immediately have left them satisfied. This finding shows the need to respond immediately to any customer complaint because it leads to customer satisfaction. This finding is supported by the interview findings in which the staff qualitatively mentioned that; response mechanisms employed by company is effective in addressing customer complaints and ensures that customer are satisfied.

#### 4.4. Complain follow up strategies and customer satisfaction

The second objective was to establish the extent to complaint follow up strategies influence customer satisfaction. Complaint follow up strategies involves compensation mechanisms, frequency of making follow ups, and organization reviews services.

#### 4.4.1. Availability of complain follow up strategies

The staffs were asked to state whether the company is applying complaint follow strategies to ensure customers are satisfied. The findings were qualitatively analyzed as follows: 66% of the respondents agreed that complaint follow up strategies are used while 34% of the interviewee refuted that is not done in the company. Those who stated that it is done mentioned some of the techniques that are used during these strategies. They include: use of power clinics done during events, setting private sections to address chronic cases, making follow up phone calls after some time, visiting customer premises, and using social media to carry out interactive sessions with customers. The findings empirically show that complaint follow up strategies are being applied in the county.

# 4.4.2. Relationship between complain follow up strategies and customer satisfaction

The customers were provided with statements in order to assess their level of agreement in responding on the extent to which complaint follow up strategies influence customer satisfaction. The findings were summarized in Table 4.6.

Table 4.6. Complain follow up strategies and customer satisfaction

Statements	N	mean	Standard
			deviation (SD)
You are satisfied with compensation mechanism for your complaint	278	3.643	0.732
Frequency of communication by the institution has enhanced your loyalty	278	3.775	0.814
The organization reviews services has enhanced your loyalty	278	3.845	0.911
Organization complaint follow ups has enhanced your satisfaction levels	278	3.756	0.782

Source: Author 2019

Table 4.6 shows responses on the respondent's level of agreement on complain follow up strategies and customer satisfaction. Respondents with a mean of 3.643 (SD=0.732) did in a moderate amount agreed that they are satisfied with the compensation mechanism for their complaints. The findings show that compensation is a necessity in managing complaints. The finding is supported by Shields (2006) who states that customer satisfaction can be built if they are compensated in case of any loss accrued brought by the complain process.

Findings showed that respondents with a mean of 3.775 (SD=0.814) did at a moderate amount agreed that frequency of communication by the institution has enhanced your

loyalty. The finding showed that it important for the management to conduct frequent communication with the customers. Tronvoll (2010) concurs with the finding by opining that the frequency in which customer and the company are in touch shows a positive relationship between the parties involved.

The findings as per Table 4.6 further showed that respondents with a mean of 3.845 did a moderate amount agree that the organization reviews services has enhanced their loyalty. The findings signify that organization reviews on customer complaints need to be conducted for it increases customer loyalty. In support to the finding Singh (1988) states that companies are required to solve a complaint and continue following on it to ensure that the customer is satisfied in the long run. The finding further from respondents with a mean of 3.756 was in a moderate amount agreeing that organization complaint follow ups has enhanced your satisfaction levels. This finding was supported by the interviewed staff: 67% of them agreed that complaint follow up strategies have been effective in enhancing customer satisfaction, 37% of the interviewed staff refused that it is not effective in handling customer complaints. Those who refuted stated that they always come back to complain after certain assurances from the company but remain unfulfilled.

#### 4.5. Complaint prioritization strategies and customer satisfaction

The third objective was to establish the extent to which complain prioritization strategies influence customer satisfaction. Complaint prioritization strategies involve the number of times allocated to solve complains methods used to address the complaints, and frequency in which the problem is being solved.

#### 4.5.1. Availability of complaint prioritization strategies

The staff was asked on whether the company is applying complaint prioritization strategies as a method to handle customer complaints. The finding to the question was analyzed qualitatively as follows: 62% of the staff agreed that it is being applied while 38% of them stated that it is not applied. For those who stated that it is applied they gave some of the techniques used in complaint prioritization as: using complaint registers for ranking risks, giving priority to those risks with high magnitude and impact, appointing specialists to deal with certain complaints, and dealing with complaints as per need and loss. These findings show availability and applicability of complaint prioritization strategies in the company.

## 4.5.2. Relationship between complaint prioritization strategies and customer satisfaction

The study sought to establish from the customers their level of agreement on the extent to which complaint prioritization strategies influence customer satisfaction. The findings to the responses were summarized as per 4.7.

Table 4.7: Complaint prioritization strategies and customer satisfaction

Statements	N	Mean	Standard deviation (SD)
The number of time allocated to deal with your complaints has improved your loyalty	278	3.786	0.843
Methods to address complaints has increased satisfaction levels	278	3.324	0.534
Frequency in which your problem is being addressed has helped to increase loyalty to the organization	278	3.112	0.852
Prioritization of complaints has increased your level of satisfaction	278	3.842	0.910

Source: Author 2019

The findings as per Table 4.7 shows that respondents with a mean of 3.786 (SD=0.843) stated in a moderate amount that the number of time allocated to deal with their complaints has improved their loyalty. The finding shows that allocation of time to deal with a complaint brings satisfaction among the respondents. Respondents with a mean of 3.324 (SD=0.534) stated that occasionally the methods to address complaints has increased satisfaction levels. This finding is supported by Shields (2006) argue that the method chosen by the organizations to communicate to customers after receiving complaints explains whether they will be satisfied with the service or not.

Respondents with a mean of 3.112 stated that occasionally the frequency in which their problem is being addressed has helped to increase loyalty to the organization. The findings show that frequency in which the problem is handled does not increase loyalty of the customers. The finding is supported by Tronvoll (2010) who states that frequency in which complaints is being provided or addressed also measures the extent to which it is managed. Prioritization of complaints has increased their level of satisfaction this was according to respondents with a mean of 3.842 (SD= 0.910). This finding is supported by responses from the interview schedule: 69% of the respondents agreed that prioritization is effective to enhance customer satisfaction while 31% refuted that it does not. The finding shows that prioritization is important in management of complaints in organizations.

#### CHAPTER FIVE: SUMMARY, CONCLUSION, AND RECOMMENDATIONS

#### 5.0. Overview

The chapter presents summary of the findings obtained in chapter four. Further it presents the key conclusions of the study and recommendations of the study. The chapter outlines limitation and suggestions for further studies.

#### **5.1. Summary**

The finding was represented by a 76% questionnaire response rate and 100% interview response rate. This finding show that age category of the respondents was spread with more of ages being between 31 to 45 years, there were more male respondents than female and with majority of respondents having certificate and above highest level of academic qualifications. The findings showed that there is a spread in the number of complaints brought forward by the customers but more significantly are issues related to billing and contract termination and compensation. Majority of the customers have visited the complaint section once per month, and majority of the customers are satisfied with the way the company is managing their complaints.

The first specific objective of the study was to establish the extent to which response mechanism strategies are useful in ensuring customer satisfaction is achieved. The findings from the interviews shows that response mechanism strategies are being employed by the company to manage complaints, some of customers agreed that the frequency of the response to their complaints had enhanced their loyalty, and timing of their complaints response has increased satisfaction levels. Findings have shown that the mode of responding to complaints has enhanced loyalty levels, and responding to complaints immediately has left them satisfied.

The second objective was to establish the extent to complaint follow up strategies influence customer satisfaction The findings empirically shows that complaint follow up strategies is being applied in the county. Respondents agreed that they are satisfied with the compensation mechanism for their complaints, and frequency of communication by the institution has enhanced the customer loyalty. The study further found that respondents agreed that the organization reviews services have enhanced their loyalty. The finding further from respondents agreeing that organization complaint follow ups has enhanced your satisfaction levels.

The third objective was to establish the extent to which complain prioritization strategies influence customer satisfaction. The findings show availability and applicability of complaint prioritization strategies in the company. Respondents stated in a moderate amount that the number of time allocated to deal with their complaints has improved their loyalty, and occasionally the methods to address complaints have increased satisfaction levels. Respondents stated that occasionally the frequency in which their problem is being addressed has helped to increase loyalty to the organization, and prioritization of complaints has increased their level of satisfaction this was according to respondents.

#### 5.2. Conclusion

The study concludes that majority of the customers are satisfied with the way the company is managing their complaints, and response mechanism strategies is being employed by the company to manage complaints. This further shows that if a complaint is responded frequently it makes the customers to be loyal with the company, and the time taken by the company to respond to complaints increases the customer satisfaction levels. This study further opines that the method and technique employed by the

company staff to address complaint enhances customer loyalty, and there is need to respond immediately to any customer complaint because it leads to customer satisfaction.

The study concludes complaint follow up strategies is being applied in the company and compensation is a necessity in managing complaints. These signify that organization reviews on customer complaints need to be conducted for it increases customer loyalty. The study concludes that allocation of time to deal with a complaint brings satisfaction among the respondents, and study found that frequency in which the problem is handled does not increase loyalty of the customers.

#### 5.3. Recommendations

The study findings were useful to a number of individuals, and institutions by providing empirical and scientific information. The study seeks to recommend as follows:

The public management of government entities need to adopt suitable complain strategies that will enhance the way they will handle complaints from their customers. They need to employ response techniques, follow up and prioritization of complains in order to manage complains effectively and efficiently.

Employees working in customer care sections need to adopt valuable lessons from this study to shape their service provision. They need to respond to complains immediately, use quick response mechanisms, prioritize the risks, and give attention to customers in order to offer valuable customer service and complaint handling.

Researchers can use the findings to enrich part of their work; they can use it to be part of the secondary data for the study. The researchers can identify gaps that can be used to conduct future studies.

#### **5.4.** Limitations of the study

The study faced the limitation in which respondents were unwilling to participate with the study due to confidential issues. But the study was able to assure customers of their privacy and confidentiality.

#### **5.5.** Suggestions for further studies

The study suggestion for future studies is that it needs to be conducted in other public institutions to ascertain the nature of complaint strategies being employed. Other researchers in future can use other research methodologies to obtain a different type of findings.

#### REFERENCES

- Blodgett, J.G., & Anderson, R.D. (2000). A Bayesian network model of the consumer complaint process. *Journal of Service Research*, 2 (4), 321-38.
- CAJ (2018). Report on complaint handling in public entities in Kenya, Office of the Ombudsman, Constitutional Commission. Retrieved on 10/7/2019 from: https://www.ombudsman.go.ke/
- Davidow, M. (2003). Organisational responses to customer complaints: What works and what doesn't. *Journal of Service Research*, 5 (3), 225-50.
- Day, R.L., & Landon, E.L.J. (1977). Toward a theory of consumer complaining behaviour, in Woodside, A.G., Sheth, J.N., Bennett, P.D. (Eds), *Consumer and Industrial Buying Behavior, North-Holland Publishing*, New York, NY, 425-37.
- Fink, A., & Kosecoff, J. (2006). *How to Conduct Surveys: A Step-by-step Guide*. Beverly Hills. CA: Sage.
- Hess, R.L., Ganesan, S., & Klein, N.M. (2003). Service failure and recovery: the impact of relationship factors on customer satisfaction. *Journal of the Academy of Marketing Science*, 31(2), 127-45.
- Karatepe, O. M. & Ekiz, E. H. (2004). The effects of organizational responses to complaints on satisfaction and loyalty: a study of hotel guests in Northern Cyprus. *Managing Service Quality*, 14 (6), 476 486.
- Kim, M. G., Wang, C., & Mattila, A.S (2010). The relationship between consumer complaining behaviour and service recovery: An integrative review. *International Journal of Contemporary Hospitality Management*, 22 (7), 975 – 991.
- Kinoti, M., & Kibera, F. (2019). Moderating Effect of Marketing Channel Dynamics on the Relationship between Market Entry Strategies and Performance of Multinational Corporations in Kenya. *Journal of Marketing and Communication*, 2(1), 64-79.
- Kothari, C. R. (2014). Research methodology. New Delhi: New Age.

- Kumar, K. (2018). Research methodology. New Delhi: Cengage.
- Lee, S. Barker, S., & Kandampully, J. (2008). Technology, service quality, and customer loyalty in hotels: Australian managerial perspectives. *Managing Service Quality*. 13 (5), 423 432.
- SCAC (2013) Customer Service Charter, Retrieved on 11/08/2019 from: http://www.isc.go.ke/state-corporations-their-parent-ministry/
- Singh, J. (1988). Consumer complaint intentions and behaviour: definitional and taxonomical issues. *Journal of Marketing*, 52 (1), 93-107.
- Sweeney, J.C., Soutar, G.N., & Johnson, L.W. (1996). Are satisfaction and dissonance the same construct? A preliminary analysis. *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behaviour*, 9, 138-43.
- Tronvoll, B. (2012). A dynamic model of Customer Complaint Behaviour from the perspective of service dominant logic. *European journal of Marketing*, 46, ½, 284-305.
- Tronvoll, B. (2010). Negative emotions and their effect on customer complaint behaviour. *Journal of Service Management*, 22, 1.
- Weiner, B. (2000). Attributional thoughts about consumer behaviour. *Journal of Consumer Research*, 27 (3), 382-387.
- Wong, A. & Sohal, A. (2003). Service quality and customer loyalty perspectives on two levels of retail relationships. *Journal of Services Marketing*, 17 (5), 495-513.

#### **APPENDICES**

**Appendix I: Introductory Letter** 



# UNIVERSITY OF NAIROBI COLLEGE OF HUMANITIES & SOCIAL SCIENCES SCHOOL OF BUSINESS

Telephone: +254 795121
Telegrams: "Varsity" Nairobi
Telex: 22095 Varsity

P.O. Box 594 - 30100 Eldoret, KENYA

15 September 2019

TO WHOM IT MAY CONCERN

Dear Sir/Madam.

## INTRODUCTORY LETTER FOR RESEARCH ABIGAEL CHEPKOSGEI NGETICH – REGISTRATION NO. D61/63216/2011

This is to confirm that the above named is a bona fide student in the Master of Business Administration (MBA. Strategic Management) option degree program in this University. She is conducting research on "Complain Management Strategies and Customer Satisfaction At Kenya Power Lighting Company, Eldoret North Rift Branch."

The purpose of this letter is to kindly request you to assist and facilitate the student with necessary data which forms an integral part of the research project. The information and data required is needed for academic purposes only and will be treated in **Strict-Confidence**.

Your co-operation will be highly appreciated.

NAIRO

Thank you.

Dr. John Yabs Co-ordinator,

School of Business

**Eldoret Campus** 

JY/mk

### **Appendix II: Questionnaire for the Customers**

Please tick in the appropriate box provided to indicate your answers.

1a. wh	at's your gend	er?				
	Male [ ]	Female	[]			
b. Wh	ich age categor	y do you bel	ong?			
	18-30years	[] 31-	45years	[]	46 – 60 years [ ]	
c. Wha	at is your highe	est academic	qualificat	ion?		
a)	Basic Level E	Education	[]			
b)	Certificate / D	Diploma	[]			
c)	Degree		[]			
d)	Post-Graduate	e / Masters	[]			
	Other, Please	specify				
2a. Gi	ve the main rea	son for visit	ing the cu	stomer c	complains section?	
a)	Billing compl	ains			[]	
b)	Power outage	s complain			[]	
c)	Delayed new	connections			[]	
d)	Disconnection	ns and Recor	nnections		[]	
e)	Contract term	ination and	compensat	tion	[]	
Any o	ther specify be	low				
b. Hov	w many times h	nave you visi	ted the co	mpany f	or service in a month	?
a)	Once		[]			
b)	Twice		[]			
c)	Thrice		[]			
d)	More than thr	rice	[ ]			

If no, give your reasons						
3. Mark the number that best reflects your level of agreement with the following statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=4 great deal  Statements  I 2 3 4 5  Frequency of the response to your complaints has enhance your loyalty  Timing of your complaints response has increased your satisfaction levels  Mode of responding to your complaints has enhanced your loyalty  Responding to complaints immediately have left you satisfied  4. Mark the number that best reflects your level of agreement with the following statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=4 great deal  Statements  1 2 3 4 5	TC :					
Statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=4 great deal  Statements    1	If no, give your reasons					
Statements  Statements  I 2 3 4 5  Frequency of the response to your complaints has enhance your loyalty  Timing of your complaints response has increased your satisfaction levels  Mode of responding to your complaints has enhanced your loyalty  Responding to complaints immediately have left you satisfied  4. Mark the number that best reflects your level of agreement with the following statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=4  great deal  Statements  1 2 3 4 5	3. Mark the number that best reflects your level of agreement	ent v	vith	the f	ollo	wing
Statements    1   2   3   4   5	statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=mediane	odera	ate a	amou	ınt,	5=A
Frequency of the response to your complaints has enhance your loyalty  Timing of your complaints response has increased your satisfaction levels  Mode of responding to your complaints has enhanced your loyalty  Responding to complaints immediately have left you satisfied  4. Mark the number that best reflects your level of agreement with the following statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=4 great deal  Statements  1 2 3 4 5	great deal					
your loyalty  Timing of your complaints response has increased your satisfaction levels  Mode of responding to your complaints has enhanced your loyalty  Responding to complaints immediately have left you satisfied  4. Mark the number that best reflects your level of agreement with the following statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=4 great deal  Statements  1 2 3 4 5	Statements	1	2	3	4	5
Timing of your complaints response has increased your satisfaction levels  Mode of responding to your complaints has enhanced your loyalty  Responding to complaints immediately have left you satisfied  4. Mark the number that best reflects your level of agreement with the following statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=4 great deal  Statements  1 2 3 4 5	Frequency of the response to your complaints has enhance					
satisfaction levels  Mode of responding to your complaints has enhanced your loyalty  Responding to complaints immediately have left you satisfied  4. Mark the number that best reflects your level of agreement with the following statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=4 great deal  Statements  1 2 3 4 5	your loyalty					
Mode of responding to your complaints has enhanced your loyalty  Responding to complaints immediately have left you satisfied  4. Mark the number that best reflects your level of agreement with the following statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=4 great deal  Statements  1 2 3 4 5	Timing of your complaints response has increased your					
loyalty  Responding to complaints immediately have left you satisfied  4. Mark the number that best reflects your level of agreement with the following statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=Agreat deal  Statements  1 2 3 4 5	satisfaction levels					
Responding to complaints immediately have left you satisfied  4. Mark the number that best reflects your level of agreement with the following statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=4 great deal  Statements  1 2 3 4 5	Mode of responding to your complaints has enhanced your					
4. Mark the number that best reflects your level of agreement with the following statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=4 great deal  Statements  1 2 3 4 5	loyalty					
4. Mark the number that best reflects your level of agreement with the following statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=4 great deal  Statements  1 2 3 4 5	Responding to complaints immediately have left you					
statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=A great deal  Statements  1 2 3 4 5	satisfied					
statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=A great deal  Statements  1 2 3 4 5						
great deal  Statements  1 2 3 4 5	4. Mark the number that best reflects your level of agreement	ent v	vith	the f	ollo	wing
Statements         1         2         3         4         5	statements. KEY: 1=never, 2=rarely, 3=occasionally, 4=mediates	odera	ate a	amou	ınt,	5=A
	great deal					
You are satisfied with compensation mechanism for your		1	2	3	4	5
	Statements					
-	You are satisfied with compensation mechanism for your					
	You are satisfied with compensation mechanism for your complaint	<u> </u>				
	You are satisfied with compensation mechanism for your complaint Frequency of communication by the institution has enhanced					
	You are satisfied with compensation mechanism for your complaint Frequency of communication by the institution has enhanced your loyalty					
Organization complain follow ups has enhanced your satisfaction levels	You are satisfied with compensation mechanism for your complaint  Frequency of communication by the institution has enhanced your loyalty  The organization reviews services has enhanced your loyalty					
	You are satisfied with compensation mechanism for your complaint  Frequency of communication by the institution has enhanced your loyalty  The organization reviews services has enhanced your loyalty  Organization complain follow ups has enhanced your					

5. Mark the number that best reflects your level of agreement with the following statements. **KEY: 1=never, 2=rarely, 3=occasionally, 4=moderate amount, 5=A great deal** 

Statements	1	2	3	4	5
The number of time allocated to deal with your complaints has					
improved your loyalty to the company institution.					
Methods to addresses complaints has increased your					
satisfaction levels					
Frequency in which your problem is being addressed has					
helped to increase loyalty to the organization					
Prioritization of complains has increased your level of					
satisfaction					

#### **Appendix III: Interview Schedule**

- 1. How long have you been working in the institution?
- 2. How many customers visit your section in a day?
- 3. Does your section have response mechanism to customer complains?
- 4. Which response techniques are you employing to customer complains?
- 5. Are the response techniques effective to enhance customer satisfaction?
- 6. Does your section have customer complain relationship strategies?
- 7. Which customer complains relationship strategies are you employing?
- 8. Are the customer complains relationship strategies effective to encourage customer loyalty?
- 9. Does your section prioritize complains?
- 10. Does complain prioritization help in enhancing customer satisfaction?