7-1-2008

An exploratory study of customer responses to complaint Web sites

Nolan Taylor

Indiana University, notaylor@iupui.edu

Follow this and additional works at: http://aisel.aisnet.org/sprouts_all

An exploratory study of customer responses to complaint Web sites

Nolan Taylor
Indiana University, USA

Abstract

While the Web is allowing companies to increase their reach, some of their customers are also using the Web as a broad-reaching complaint forum. These complaint Web sites have the potential to reach as many viewers as the companiesâ own sites. The current study examines how these sites affect on three outcome variables - future business intentions, negative word-of-mouth intentions, and referral intentions. The results indicate that the perceived credibility of the comments on the complaint site was a major determinant for all three outcomes. Product importance, attractiveness of alternatives, complaint site knowledge level, and company loyalty had impacts on one or more of the outcome variables.

Keywords: World Wide Web; word-of-mouth; complaint site; e-branding

An exploratory study of customer responses to complaint Web sites

Nolan J. Taylor
Assistant Professor
Indiana University[1]

[1] Kelley School of Business, 801 West Michigan Street, Indianapolis, IN 46202 USA
    Tel.: +1-317-274-0185; fax: +1-317-274-3312
    Email address: notaylor@iupui.edu (N.J. Taylor)

An exploratory study of customer responses to complaint Web sites

Abstract

While the Web is allowing companies to increase their reach, some of their customers are also using the Web as a broad-reaching complaint forum. These complaint Web sites have the potential to reach as many viewers as the companies' own sites. The current study examines how these sites affect on three outcome variables - future business intentions, negative word-of-mouth intentions, and referral intentions. The results indicate that the perceived credibility of the comments on the complaint site was a major determinant for all three outcomes. Product importance, attractiveness of alternatives, complaint site knowledge level, and company loyalty had impacts on one or more of the outcome variables.

Keywords: World Wide Web; word-of-mouth; complaint site; e-branding

An exploratory study of customer responses to complaint Web sites

1   Introduction

The World Wide Web has become increasingly important in shaping opinions about firms. Companies around the world have established "Web presences" as a way of reaching potential customers. Web sites also offer tremendous opportunities for these same customers to submit their opinions of these companies, both positive and negative. In some cases, disgruntled customers or employees have also seen the potential reach of Web sites and have launched complaint sites as a way of expressing their dissatisfaction. Rather than express a single complaint, these customers have developed complete Web sites to solicit and post the comments of still more dissatisfied customers.

In response, many companies have resorted to legal action. A recent court decision that ruled registering a domain with the suffix "sucks" to denote a site that criticized the original site did not confuse Internet users or infringe on trade marks (Masons, 2004). This ruling will likely encourage even more of these complaint sites in the future. Other companies have resorted to procuring the offending domain names to prevent the creation of these sites including, Chase Manhattan Bank, Charles Schwab & Co., GE, Hyatt Resorts, and CIT Group (Thelen, Reid, and Priest LLP, 2000). In addition, some firms also devote resources to monitoring the Internet for this and similar activities that may constitute abuses of a company's trademark or copyrighted material.

In at least one case, the complaint site resulted in substantial losses to the business (Masons, 2004). However, in most cases, neither the impact nor the causal forces of

1

behind complaint site influence on the targeted company is well-understood. The current study examines how five variables - perceived complaint site credibility, purchase importance, customer loyalty, subjective compliant site knowledge, and the attractiveness of alternatives influence opinions. The study is organized as follows. In the next section, the online complaining literature is reviewed and hypotheses formulated. The method section details the experimental measures and procedures. The results section presents empirical assessments of the hypotheses. In the final section, the implications of these results are discussed.

2 Literature review

2.1 e-branding and complaint Web sites

Web addresses can be powerful marketing tools. As some have suggested, the mere presence of a Web address (independent of an actual site visit) can shape consumer attitudes (Maddox and Mehta, 1997). Like other corporate brands, e-branding through web addresses such as amazon.com and google.com represents a source of value and must be protected like any other brand (Cummings, 2001, Ries and Ries, 2000). Threats to the brand equity derived from Web sites comes from two types of "imitations". One type of imitation comes in the form of sites with similar look-and-feel qualities. The other, e-brand abuse, focuses on similarities in the Web addresses by using look-alike domain names (Murphy, Raffa, and Mizerski, 2003).

E-branding abuses may be driven by a desire to intercept traffic from the intended Web sites. These *parasite* sites take advantage of typing errors or phonetic similarities to divert traffic to their own Web sites. Probably, the most well known example is the "adult" site whitehouse.com (as opposed to whitehouse.gov) (Outing, 1998). E-branding

2

abuses may also be a means of showing dissatisfaction with the company. These *anti-domain* or *gripe sites* typically use the domain name of the target company and prefix it (e.g., ihate*domainname*.com) or suffix it (e.g., *domainname*sucks.com) with a negative or derogatory phrase (Band and Schrueres, 2003).

A typical gripe site is initiated by a small number of dissatisfied customers or employees to express specific mistreatments and then later grows through the addition of other customer/employee complaints. These complaint sites cover a broad range of target companies (Table 1). Short of legal action, the targeted company can negotiate with the site owner to have the domain transferred or shutdown, or can take a preemptive approach by registering pejorative versions of their site name and simply not add content to (Kopp and Suter, 2000, Nicholson, 1998-1999, Thelen, Reid, and Priest LLP, 2000).

Insert Table 1 about here

2.2 e-complaining and complaint Web sites

Complaint Web sites are potentially damaging not only for their name confusion but also through their content. In response to unsatisfactory service, consumers who chose to express their dissatisfaction have three basic options: *voice actions* directed to the offending organization, *public actions* directed to an agency such as the BBB, and private actions in the form of word-of-mouth communications to outside parties (Singh, 1988). Of the consumer complaining behaviors, private actions are the most common and are the most difficult to address because there are seldom records of the exchanges.

E-complaining compounds the problem of negative word-of-mouth by giving dissatisfied customers even wider reach.

Previous research has examined several aspects of the consumer influence of Web-based forums. In general, *company-sponsored communities* for customers to post comments and questions in the form of bulletin boards can be a positive influence on customer opinions (Bickart and Schindler, 2001). However, complaint Web sites are neither company sponsored nor positive in nature. Studies addressing complaint sites have focused on classification of the types of comments posted (Harrison-Walker, 2001), motives for posting complaints (Hennig-Thurau, Gwinner, Walsh, and Gremler, 2004), motives for reading complaints (Hennig-Thurau and Walsh, 2003-2004). Little research has examined the impact of these sites.

2.3 Hypothesis development

Antidotal evidence suggests that the negative word-of-mouth expressed through complaint sites should increase the likelihood of complaint site visitors expressing negative comments as well as reduce the probability of doing business in the future with the focus company of the complaint Web site. An additional outcome, the likelihood of referring others to the complaint site, is also considered since an individual can refer someone to a complaint site without themselves making any negative comments. The impact of complaint sites on word-of-mouth, behavior intentions, and referrals may be affected by a number of factors. In this study we focus on five of these factors: perceived complaint site credibility, purchase importance, customer loyalty, subjective compliant site knowledge, and the attractiveness of alternatives.

4

Perceived complaint site credibility

In complaint Web sites, the veracity of the complaints posted can not be verified with complete accuracy. The complaints could be actual complaints where the truth is stretched or could also be completely fictitious. In addition, the source of the information could be altered in deceptive ways. For example, the same complaint could be posted multiple times using different names in order to distort the frequency of occurrence of a particular service failure. The complaints could also be generated by competitors seeking to damage the targeted company's reputation. Because of these possibilities, trust plays a major role in determining the amount of influence of the complaint site information.

Perceived information credibility is a key determinant of perceptions of information quality (McKinney, Yoon, and Zahedi, 2000). Consumers who believe that the information posted on the complaint site is accurate and truthful are more likely to consider the information when making judgments about company identified in the complaints. That is, the more reliable the complaint data is perceived to be, the more likely it will result in negative impacts. Therefore,

H1: Perceived complaint site credibility will be
  a) negatively related to business intentions,
  b) positively related to WOM intentions, and
  c) positively related to referral intentions

Purchase importance

The degree to which the product is considered important to the buyer is also an important factor effecting how complaint site information is processed. The level of importance is a function of a number of factors including cost (in terms of dollars and

time), the potential risk to the consumer of using the product or service, and the required length of commitment once the product or service is purchased (Bloch and Richins, 1983). For any given product or service, some consumers will attach greater value to it than consumers.

Higher levels of perceived importance intensify feelings of is directly related to negative word-of-mouth intentions (Blodgett, Granbois, and Walters, 1993). Higher levels of perceived importance are also associated with greater levels attention and sensitivity to incoming product related information (Bloch and Richins, 1983). All else equal, consumers are more likely to attend to complaint site information when evaluating items of higher importance. This should, in turn, increase the influence of this information. Thus,

> *H2: Purchase importance will be*
> *a) positively related to business intentions,*
> *b) negatively related to WOM intentions, and*
> *c) negatively related to referral intentions*

Customer Loyalty

Customer loyalty is a buyer's overall commitment to a product, service, brand, or organization (Lam, Shankar, Erramilli, and Murthy, 2004). Increasing levels of loyalty have been conceptualized as "ladders" or "pyramids" (Lowenstein, 1997). With successive positive interactions, consumers move to higher and higher rungs. At the upper levels of loyalty, consumers are motivated to process all new information in a biased manner - overweighting positive past experiences while at the same time discounting specific negative information about the product or service (Supphellen and Nysveen, 2001).

6

Loyalty's halo-effect should serve to mitigate the effects of negative comments posted on the Web. The stronger the relationship (i.e. the higher the customer loyalty), the more likely he or she is to remain in the relationship (Jones, Mothersbaugh, and Beatty, 2000). That is, the more loyal the customer, the more likely he or she is to do nothing and continue to do business with the firm despite negative comments (Hirschman, 1970). Hence,

> H3: Customer loyalty will be
> a) positively related to business intentions,
> b) negatively related to WOM intentions, and
> c) negatively related to referral intentions

Complaint site knowledge

Given the same source of information, consumers will vary in their understanding of the facts presented. This subjective knowledge or self-perceived is a function of both knowledge as well as self-confidence (Park and Lessig, 1981). Thus in one case, variations in subjective knowledge may simply be a reflection of different levels of confidence in the consumers' understanding of the presented information. In the other case, variations in subjective knowledge may be the result of differences in expertise or attentiveness.

Different levels of knowledge lead to differences in the types of information used to evaluate alternatives (Rao and Sieben, 1992). These differences should ultimately to differences in decision outcomes (Raju, Lonial, and Mangold, 1995). That is, the greater confidence a consumer has in his information, the more likely he or she is to rely on this information. Consequently,

7

H4: Complaint site knowledge will be
  a) negatively related to business intentions,
  b) positively related to WOM intentions, and
  c) positively related to referral intentions

Attractiveness of alternatives

Attractiveness of alternatives refers to customer perceptions of the availability of viable competing alternatives in the marketplace marketplace (Jones, Mothersbaugh, and Beatty, 2000). When a customer is unaware of attractive alternatives or does not view the known alternatives to be attractive, he or she is likely to stay in the current relationship, even if problems exist in the relationship (Patterson and Smith, 2003). When customers view the number of attractiveness alternatives to be high, customers are less likely to be passive in the face of problems (Ping Jr., 1993). Thus,

H5: Attractiveness of alternatives will be
  a) negatively related to business intentions,
  b) positively related to WOM intentions, and
  c) positively related to referral intentions

3 Method

To test the research hypotheses, an experiment was designed with five independent variables: targeted company, perceived credibility of the complaint site information, pre-exposure loyalty, post-exposure complaint site familiarity, and attractiveness of alternatives. Three targeted companies and corresponding complaint sites were selected based on coverage in the popular press (France and Muller, 1999, Thelen, Reid, and Priest LLP, 2000, Wolrich, 2002) as well as relevancy to the subject population. The three complaint sites (corresponding targeted companies) are: starbucked.com

(Starbucks Coffee), paypalsucks.com (The PayPal division of eBay), and amexsux.com (American Express Company).

3.1 Subjects

Subjects were 217 undergraduate students who completed the survey in partial completion of course requirements. One hundred fifty-six (71.9%) were female; sixty one (28.1%) male. Ages ranged from 18 to 49 years (the median age group was 20-25). As a whole, the sample was generally unfamiliar with the tested complaint sites. The overall means (standard deviations) for pre-exposure familiarity measured by the single item "Prior to this study, I had never heard of (complaint site name)" (reverse scored) was 1.65 (1.72). Pre-exposure familiarity means did not differ significantly between the three complaint Web sites ($F(2, 214) = .741$; $p=.964$).

3.2 Stimulus materials and procedures

Stimulus materials consisted of the complaint Web site and the survey Web pages used to control the flow of the experiment and collect responses. Because the survey was Web-based, participants completed the survey separately at a time and location of their convenience. Web scripts were used to randomly assigned participants to one of the three Web sites and to record the total viewing time of the complaint site for each participant.

The experimental pages consisted of 4 main sections. Section 1 introduced purpose of the study. Section 2 gathered pre-exposure impressions of the targeted company. Section 3 opened the complaint Web site in a separate window and suspended the survey for 6 minutes to ensure a minimum level of viewing time for all participants. Each participant was free to continue viewing the complaint Web site after the 6

9

minutes had expired. The average (standard deviation) view time was 574s (157) - i.e., 9 minutes, 34 seconds. Section 4 of the survey assessed perceptions related to the complaint Web site, behavior intentions, and demographic information.

3.3   Measures

Five independent measures and one control measure were included in the analysis. All measures were derived from existing items used in both Web or non-Web tests of consumer actions. Specific items and reliabilities are reported in the appendix.

Perceived complaint site credibility was measured with four items adapted from (McKinney, Yoon, and Zahedi, 2000). Purchase importance was measured via three items derived from (Blodgett, Granbois, and Walters, 1993). Customer loyalty to the targeted company was measured by three items adapted from (Lam, Shankar, Erramilli, and Murthy, 2004). Complaint site knowledge was measured with three items adapted from (Chang and Thorson, 2004). Attractiveness of alternatives was measured with three items taken from (Jones, Mothersbaugh, and Beatty, 2000). Confirmatory factor analysis (CFA) indicated that all items loaded on the intended constructs with no cross loadings greater than .40. A sixth variable, targeted company is a dummy coded variable representing one of the three tested companies was added as a control variable.

Three dependents variables were each measured using a four-item seven-point semantic differential scale adapted from (Jones, Mothersbaugh, and Beatty, 2000). The items were anchored as follows: unlikely/likely, very improbable/very probable, impossible/possible, and no chance/certain. For behavior intentions (toward the target company), the four items were preceded by the question "How likely are you to do business with this company in the future?" Negative word of mouth intentions (toward

10

the target company) were measured by responses to the question "How likely are you to speak negatively about this company in the future?" Referral intentions (to the complaint site) were assessed by responses to the question "How likely are you to talk to friends about the customer complaints on the Web?"

4 Results

Multivariate analysis of covariance (MANCOVA) was used to test the research hypotheses. Means, standard deviations, and intercorrelations are reported in Table 2. Follow-up univariate statistical results are reported in Table 3.

```
----------------------------------------------------
                Insert Table 2 about here
----------------------------------------------------
```

Complaint site credibility

Future business intentions toward the company (B=-0.29, t=-3.47; p <.01), WOM intentions (B=0.33, t=3.67; p <.001), and referral intentions were all significantly related to perceived credibility of the complaint site information. Thus, hypotheses H1a, H1b, and H1c are all supported.

Purchase importance

Only future business intentions toward the company (B=0.24, t=3.61; p <.001) was a function of purchase importance. Thus, hypotheses H2a is supported but H2b and H2c are rejected.

11

Customer loyalty

Loyalty was statistically related to future business intentions (B=0.47, t=6.36; p <.001) and WOM intentions (B=-0.29, t=-3.69; p <.001) but not referral intentions (B=0.04, t=0.47; p =.643). Thus, hypotheses H3a and H3b are supported but H3c is rejected.

Compliant site knowledge

Subjective complaint site knowledge was only related to referral intentions (B=0.15, t=2.40; p <.01). Thus, hypotheses H4c is supported but H4a and H4b are rejected.

Attractiveness of alternatives

Attractiveness of alternatives was statistically related to WOM intentions (B=0.32, t=4.12; p <.001) and referral intentions (B=0.25, t=2.69; p <.01). Thus, hypotheses H5b and H5c are supported but H5a is rejected.

Insert Table 3 about here
----

5 Discussion

The results show that complaint sites can negatively affect customer intentions and increase the likelihood of negative word-of-mouth and referrals. However, knowing which factors affect the degree of influence of these sites can provide answers to firms on how to mitigate complaint site influence.

12

Consistent for all three outcome variables was the importance of the perceived credibility of the complaint site information. While trying to discredit each complaint individually is not feasible, it is possible to convey compliments from other customers that refute these complaints. For example, a firm criticized on customer service could add testimonials from satisfied customers. Conversely, a firm could in effect bite the bullet and use the complaint site comments as a basis for restructuring operations to reduce the number and/or the magnitude of similar complaints in the future.

In terms of WOM and referrals, the attractiveness of alternatives was the only common theme. That is, customers were less likely to complain when there were few viable options available. Thus, one strategy would be for a company to sufficiently differentiate itself from its competitors such that the other firms' offerings appear more like compromises rather than interchangeable substitutes. Similarly, emphasizing relative performance within an industry might also be an effective strategy. For example, an airline noted for flight delays could emphasize that 1) the problem is industry-wide and 2) noting that the company is performing better than average within the industry.

Loyalty was a powerful force for both raising intentions and lowering the probability of negative WOM. Thus, programs to build loyalty such as frequent customer programs and rewards might serve to reduce the influence of these complaint sites.

Finally, because referrals to negative WOM information sources have been infrequently considered in previous research, a complete look at its determinants is warranted. In addition to the perceived complaint site information credibility and attractiveness of alternatives, subjective knowledge of the complaint site content was

also found to bear a statistically significant relationship with referral likelihood. Affecting site familiarity is a risky proposition since suggestions to avoid a complaint site might evoke a sense of curiosity that actually increases the number of complaint site visits.

Given this predicament, a firm should instead seek to reduce customers' opportunities to become familiar with these sites. As noted, strategies for such situations (listed in descending order of effort) include: preemptive registration of offensive versions of a company's domain name, settlement with the complaint site owner before the number of comments and/or site visitors becomes large, and take legal action to have the site shut down.

6 Summary and conclusions

These results represent a first step in quantifying the influence of complaint Web sites. However, several limitations must be considered in interpreting these results. These limitations also suggest possible areas for future research. First, the college students sample was relatively homogeneous in nature. As such, generalizations to broader populations in terms of both education level and culture/nationality must be made with caution.

Second, this study examined only three such complaint Web sites. For these three sites, the approach taken was a forced period of complaint site examination. Future research should not only consider a broader range of complaint sites but also the manner in which respondents are exposed to these sites. For example, having respondents made aware of the existence of a complaint Web site without exposure to the actual content (such as seeing the compliant site mentioned in a news article). Or

14

similarly, having the complaint site returned as part of search engine results for the targeted company resulting in a case where visiting the site is completely voluntary.

Finally, the relatively small amount of explained variance in word-of-mouth and referral intentions suggests that a number of variables remain untested. Therefore future research should consider other factors that explain WOM and referral intentions. A set of possible test variables include the number of posted complaints on the site, the perceived site quality, and number of years the site has been in operation, and whether the viewer has experienced incidents similar to those posted.

7 References

Band J. and Schrueres M. Toward a bright-line approach to [trademark]sucks.Com. Computer and Internet Lawyer 2003;20(7):1-15.

Bickart B. and Schindler R. M. Internet fourms as influential soucres of consumer information. Journal of Interactive Marketing 2001;15(3):31-40.

Bloch P. H. and Richins M. L. A theoretical model for the study of product importance perceptions. Journal of Marketing 1983;47(3):69-81.

Blodgett J. G., Granbois D. H., and Walters R. G. The effects of perceived justice of complainants' negative word-of-mouth behavior and repatronage intentions. Journal of Retailing 1993;69(4):399-428.

Chang Y. and Thorson E. Television and web advertising synergies. Journal of Advertising 2004;33(2):85-84.

Cummings B. What's in a domain name? Sales and Marketing Management 2001;153(1):75.

France M. and Muller J. A site for soreheads. Business Week 1999 3624 April 12:86-88.

Harrison-Walker L. J. E-complaining: A content analysis of an internet complaint forum. Journal of Services Marketing 2001;15(5):397-412.

Hennig-Thurau T., Gwinner K. P., Walsh G., and Gremler D. D. Electronic word-of-mouth via consumer-opinoin platforms: What motivates consumers to articulate themselves on the internet? Journal of Interactive Marketing 2004;18(1):38-52.

15

Hennig-Thurau T. and Walsh G. Electronic word-of-mouth: Motives for and consequences of reading customer articulations on the internet. International Journal of Electronic Commerce 2003-2004;8(2):51-74.

Hirschman A. O. Exit, voice and loyalty. Cambridge, MA: Harvard University Press, 1970.

Jones M. A., Mothersbaugh D. L., and Beatty S. E. Switching barriers and repurchase intentions in services. Journal of Retailing 2000;76(2):259-74.

Kopp S. W. and Suter T. A. Trademark strategies online: Implications for intellectual property protection. Journal of Public Policy & Marketing 2000;19(1):119-31.

Lam S. Y., Shankar V., Erramilli M. K., and Murthy B. Customer value, satisfaction, loyalty, and switching costs: An illustration from a business-to-business service context. Journal of the Academy of Marketing Science 2004;32(3):p293-311.

Lowenstein M. W. The loyalty pyramid. Westport, CT: Quorum Books, 1997.

Maddox L. M. and Mehta D. The role and effect of web addresses in advertising. Journal of Advertising Research 1997;37(2):47-59.

Masons. Legal news and business guides. Retrieved December 18, 2004, from http://out-law.com/php/page.php?page_id=sucks1044887636&area=news.

McKinney V., Yoon K., and Zahedi F. The measurement of web-customer satisfaction: An expectation and disconfirmation approach. Information Systems Reseaerch 2000;13(3):296-316.

Murphy J., Raffa L., and Mizerski R. The use of domain names in e-branding by the world's top brands. Electronic Markets 2003;13(3):222-32.

Nicholson T. Horror in cyberspace. Managing Intellectual Property 1998-1999 85:18-25.

Outing S. Porn instead of online news. Editor & Publisher 1998;131(10):5-6.

Park C. W. and Lessig V. P. Familiarity and its impact on consumer decision biases and heuristics. Journal of Consumer Research 1981;8(2):223-30.

Patterson P. G. and Smith T. A cross-cultural study of switching barriers and propensity to stay with service providers. Journal of Retailing 2003;79(2):107-20.

Ping Jr. R. A. The effects of satisfaction and structural constraints on retailer exiting, voice, loyalty, opportunism, and neglect. Journal of Retailing 1993;69(3):320-52.

芽|Sprouts

16

Raju P. S., Lonial S. C., and Mangold W. G. Differential effects of subjective knowledge, objective knowledge, and usage experience on decision making: An exploratory investigation. Journal of Consumer Psychology 1995;4(2):153-80.

Rao A. R. and Sieben W. A. The effect of prior knowledge on price acceptability and the type of information examined. Journal of Consumer Research 1992;19(2):256-70.

Ries A. and Ries L. The 11 immutable laws of internet branding. New York: HarperCollins, 2000.

Singh J. Consumer complaint intentions and behavior - definitional and taxonomical issues. Journal of Marketing 1988;52(1):93-107.

Supphellen M. and Nysveen H. Drivers of intentions to revisit the websites of well-known companies: The role of corporate brand loyalty. International Journal of Market Research 2001;43(3):341-52.

Thelen, Reid, and Priest LLP. Corporate strategies for addressing internet "complaint" sites. Retrieved December 18, 2004, from http://www.thelenreid.com/articles/article/art_49.htm.

Wolrich C. The best corporate complaint sites. Retrieved December 18, 2004, from http://www.forbes.com/2002/08/21/0821hatesites.html.

17

Appendix

Complaint Site Credibility (Cronbach's alpha = .874)
The information is trustworthy
The information is accurate
The information is credible
In general, the information is reliable for making my purchases.

Product Importance (Cronbach's alpha = .954)
I depend upon these products/services a great deal.
The products/services mean a lot to me.
Compared to most products/services I buy, these are fairly important to me.

Customer Loyalty (Cronbach's alpha = .960)
I have said positive things about this company to others.
I have recommended this company to others who seek my advice.
I have encouraged others to do business with this company.

Complaint Site Knowledge (Cronbach's alpha = .890)
I have visited the site (complaint site name).
I am personally familiar with the content of the site (complaint site name).
In general, I am familiar with the site (complaint site name).

Attractiveness of Alternatives (Cronbach's alpha = .809)
If I need to change companies, there are other good companies to choose from.
I would probably be happy with the products and services of another company.
Compared to (company name), there are other companies with which I would probably be equally or more
   satisfied.

Business Intentions (Cronbach's alpha = .968)
How likely are you to do business with (company name) in the future?
Unlikely	1----2----3----4----5----6----7	Likely
Very Improbable	1----2----3----4----5----6----7	Very Probable
Impossible	1----2----3----4----5----6----7	Possible
No Chance	1----2----3----4----5----6----7	Certain

Word-of-Mouth Intentions (Cronbach's alpha = .952)
How likely are you speak negatively about (company name) in the future?
Unlikely	1----2----3----4----5----6----7	Likely
Very Improbable	1----2----3----4----5----6----7	Very Probable
Impossible	1----2----3----4----5----6----7	Possible
No Chance	1----2----3----4----5----6----7	Certain

Referral Intentions (Cronbach's alpha = .971)
How likely are you to talk to friends about the customer complaints on the Web?
Unlikely	1----2----3----4----5----6----7	Likely
Very Improbable	1----2----3----4----5----6----7	Very Probable
Impossible	1----2----3----4----5----6----7	Possible
No Chance	1----2----3----4----5----6----7	Certain

18

Table 1 Sample complaint sites on the Web

Target Company	Complaint site	Number of Posts†
Allstate Insurance	http://www.allstateinsurancesucks.com	895
American Express (Amex)	http://www.amexsux.com	19,930
American Online (AOL)	http://www.aolsucks.org	#,*
Bally's Total Fitness	http://www.ballysucks.net	2,400
Capitol One	http://www.cap1sucks.com	460
J. P. Morgan Chase	http://www.chasebanksucks.com	#
The Home Depot	http://www.homedepotsucks.com	#,*
McDonalds	http://www.McSpotlight.org	#
Microsoft	http://www.microsucks.com	#,*
Mitsubishi Motors	http://www.mitsubishisucks.com	#
PayPal	http://www.paypalsucks.com	29,891
Starbucks Coffee	http://www.starbucked.com	167
United Parcel Service	http://www.unitedpackagesmashers.com	1,450
United Airlines	http://www.untied.com	#
Wal-Mart	http://www.walmartsucks.com	108,491

† As of December 18, 2004
* Primarily a newsletter with few or no user postings
# Site did not include automated site postings statistics

Table 2 Means, standard deviations, and intercorrelations

	Mean	S.D.	1	2	3	4	5	6	7	8	9
1 Credibility	3.58	1.10	**0.87**	0.00	-0.08	-0.01	0.10	-0.11	-0.23 **	0.30 ***	0.27 ***
2 Importance	2.87	1.75		**0.95**	0.58 ***	-0.04	-0.18 **	0.10	0.48 ***	-0.01	-0.08
3 Loyalty	3.77	1.76			**0.96**	-0.13 *	-0.10	0.42 ***	0.67 ***	-0.02	-0.22 **
4 Site Knowledge	4.82	1.88				**0.89**	0.11	-0.11	-0.07	0.22 **	0.29 ***
5 Alternatives	4.55	1.34					**0.81**	-0.01	-0.13	0.17 *	0.09
6 Company	.	.						**NA**	0.40 ***	-0.05	-0.03
7 Intentions	3.78	1.91							**0.97**	-0.16 *	-0.23 **
8 Referral	3.85	1.84								**0.95**	0.39
9 WOM	3.63	1.58									**0.97**

*** Correlation is significant at the 0.001 level (2-tailed)

** Correlation is significant at the 0.010 level (2-tailed)

* Correlation is significant at the 0.050 level (2-tailed)

Off-diagonal values are Pearson's correlations; Diagonal values are internal reliabilites (Chronbach's alphas)

N(starbucks) = 72;   N(PayPal) = 73;   N(Amex) = 72

Table 3 Statistical test results

		Intentions (H$_a$)		WOM (H$_b$)		Referrals (H$_c$)	
		B	t	B	t	B	t
H1	Credibility	-0.29	-3.47 **	0.33	3.67 ***	0.47	4.36 ***
H2	Importance	0.24	3.61 ***	0.13	1.86	0.01	0.11
H3	Loyalty	0.47	6.38 ***	-0.29	-3.69 ***	0.04	0.46
H4	Site knowledge	-0.05	-0.99	0.03	0.47	0.15	2.40 *
H5	Alternatives	0.04	0.54	0.32	4.12 ***	0.25	2.68 **
a	Amex	-0.83	-3.27 **	-0.58	-2.12 *	0.09	0.26
a	PayPay	-0.92	-3.66 ***	-0.29	-1.08	0.10	0.31
a,b	Starbucks	0.00	.	0.00	.	0.00	.

$F_{(7,209)}$ = 33.90 ***	$F_{(7,209)}$ = 7.56 ***	$F_{(2,209)}$ = 5.41 ***
R^2 = 0.532	R^2 = 0.202	R^2 = 0.153
Adjusted R^2 = .516	Adjusted R^2 = .175	Adjusted R^2 = .125

a Dummy variables representing each of the three targeted companies.

b This parameter is set to zero because it is redundant.

  * p <.05; ** p < .01; *** p < .001