

Abstract

Complaint Management through the E-State Portal: Is Digitalization Actually Beneficial? [†]

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1. Introduction

Complaint management is a crucial strategic instrument utilized by businesses to recognize and eliminate customer discontentment, with the aim of retaining customers, enhancing profitability, and augmenting service quality perceptions [1,2]. However, it is frequently perceived as a cost-increasing factor by firms [2] that undervalue this tool [3].

Complaint management in service organizations covers the process of complaint generation, processing, resolution, and post-resolution [4]. Digitalization involves using digital technologies to implement these processes to manage data, automate operations, and engage customers; manage customer complaints, follow-up, and documentation; and build long-term customer connections and trust including arranging state–citizen interactions [5–10]. The intricacy of managing complaints, adhering to legal regulations, meeting customer expectations, and adapting to limitations on time pose significant challenges in this regard [9]. On the other hand, online complaint websites generate a negative word-of-mouth effect, providing consumers with emotional relief and retaliation opportunities, becoming a behavioral indicator that impacts future sales [11,12]. According to Pio et al. [9], the implementation of digitalization in the banking sector increases consumer satisfaction and retention, highlighting its advantages in complaint management with integrated systems like increased accessibility, enhanced consumer experience, decreased response times [13], and increased accountability [14]. Nonetheless, this pertains to what is essentially an administrative procedure. Currently, the resolution of complaints is ambiguous.

The purpose of this study is to investigate the implications of the integrated structure in terms of the finalization of applications and whether the integrated system is advantageous for the system by using Türkiye as a case study. This study will use the banking sector and complaint management as study areas.

2. Methodology

This exploratory study uses the banking sector and complaint management as study areas. According to the 2021 data of sikayetvar.com, one of Türkiye’s online complaint websites, the second most complained about sector in Türkiye in 2021 was the finance sector, which was also the most visited sector as a subject on the website [15]. The regulatory structure of the sector (including actors like the Grand National Assembly, Banking Regulation, and Supervision Agency and the Republic of Türkiye Ministry of Trade [16] enforce firms’ and customers’ functions within a specified service ecosystem. This enables the analysis of a structure that is more transparent and traceable.

The present investigation is founded on an exploratory analysis of the Annual Reports of Individual Customer Arbitration Committees of the Banks Association of Türkiye, spanning the years 2008 to 2022 [17]. The Banks Association of Türkiye instituted a



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committee with the purpose of objectively and equitably investigating conflicts between banks and individual customers for facilitating a mutually agreeable resolution between the parties involved [18]. Prior to 2016, individual customers submitted their applications directly to banks, whereas subsequent to 1 December 2016, all applications have been processed via the E-State Portal. The E-State Portal is an electronic platform that offers e-state services from various institutions through diverse channels, all from a single point. Authentication tools, such as passwords, e-signatures, and internet banking, are utilized to ensure security [19]. Consequently, individual consumers have begun to lodge their complaints via the state, which acts as an intermediary. The applications considered were submitted to the Individual Customer Arbitration Committee between 2008 and 2022.

3. Results

The E-State Portal has facilitated the convergence of various stakeholders, namely banks, customers, and the state, by integrating the previously independently conducted service process, which is certainly beneficial for customers. Subsequent to 2017, there has been a substantial increase in the number of applications. This has resulted in the alignment of the service process offered by the state to citizens and institutions with the service process offered by institutions to customers [6]. Hence, the inclusion of customers' citizenship role is encompassed within the aforementioned content.

As for the evaluation process, digitalization has only had an impact on the expansion of the service area. Findings show that the number of applications that were rejected due to non-compliance with the Communiqué or a lack of information and documents, as well as those that were removed from the agenda as a result of the bank's positive opinion, increased, but there was no change in terms of their ratio to total applications.

On the other hand, the number of favorable decisions for customers and institutions, as well as their ratio to the total number of applications, increased. Accordingly, it can be stated that there is a favorable process for banks in 2017 and beyond. The most significant change in ratio in 2020 was the negative trend favoring banks. In 2020, two significant adjustments affected in the banking industry: The first was the pandemic [20] and the other was the Regulation on the Information Systems and Electronic Banking Services of Banks [21].

The decisions made regarding banks can be attributed to a variety of issues, including exacerbated problems with contactless payments, dues fees, credit increases, and requests for loan debt postponement and additional credit opportunities [22]. Digitalization has created benefits for banks, but consumers have not reaped the same advantages. This suggests that consumers are actually more emotional, anticipating support from a sanctioning actor by complaining to the state and expressing their frustrations [12]. In contrast to the literature's intensified debate on the benefits, the case of Türkiye serves as evidence that the utilization of a system without proper adherence to its intended purpose can result in an excessive burden on the system, thereby negating any potential advantages.

4. Implications and Contribution

In Türkiye, the state has instituted an Individual Customer Arbitration Committee to resolve individual customer issues in the banking sector. Since 1 December 2016, the application and evaluation process has been incorporated into the E-State Portal system, through which citizens can access all public services and service applications. Similar systems have been debated in the literature with various examples, as well as their benefits and drawbacks [2,23]. However, the majority of these discussions focus on the implementation and its evaluation. The purpose of this chapter is to discuss the implications of the integrated structure in terms of the finalization of applications and whether the integrated system is advantageous for the system by using Türkiye as a case study.

In the case of Turkey, this phenomenon is manifested by a significant surge in the quantity of submissions. Conversely, upon examination of the finalization status, it becomes apparent that banks hold a comparatively advantageous position with regard to favorable

determinations. The lack of adequate information available to consumers regarding product and service conditions may contribute to their tendency to file complaints on a wide range of issues, potentially driven by emotional factors. To clarify, the system that was integrated aided the process; however, it did not result in an improvement in content efficiency. Instead, it is believed to result in an increase in the quantity of files and workload. In order to realize the benefits highlighted in the literature, it is necessary to enhance the content. While digitalization improves processes, it does not appear to be possible to expect development unless the content itself is altered.

Disseminating information pertaining to application procedures to consumers has the capacity to enhance the effectiveness of the system. In contrast, the implementation of a system update that offers consumers ample information and guidance before submitting their applications could prove to be efficacious in mitigating the incidence of non-compliant or incomplete applications.

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