



## Consumer Federation of America

### CONSUMER COMPLAINT WEBSITES: AN ASSESSMENT

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#### Introduction

The Internet has made it much easier for consumers to communicate their complaints about a seller or product to large numbers of people. As recently as a decade ago, aggrieved consumers could only either gripe to friends and relatives, or file a complaint with a third party such as the local Better Business Bureau or state Attorney General. Today, because of the growth of free consumer complaint websites, they can also easily place an account of their unsatisfactory experience on many websites.

These free websites have also made it easier for consumers to learn more about sellers, their goods and services, and their customer service. Since some websites have received information about hundreds of thousands of complaints, if there is a widespread problem involving a large company, it is likely to be revealed in a search of the most popular sites. This information is rarely available from traditional complaint handlers, such as a local BBB, which typically only reveals whether there are complaints against a business but does not describe them in any detail, or a government consumer protection agency, which usually only makes this detailed information public when taking formal legal action.

Do these complaint websites offer real value to consumers and to third parties, such as advocates and consumer protection officials? Are they risky to use? To help answer these questions, the Consumer Federation of America created a working committee – made up of a state consumer advocate, Paul Schlaver; retired corporate consumer affairs executive, Peggy Haney Ingalls; and four CFA staffers, director of consumer protection Susan Grant, director of public affairs Jack Gillis; his associate Julia Redmon; and myself, CFA's executive director – that conceptualized and directed the research. Much of the data on the websites studied were collected by law student Spencer Baldwin.

There are complaint websites that focus on one type of product, such as [carcomplaints.com](http://carcomplaints.com), or even one seller, such as (name of financial institution) sucks. And many of these sites, especially those dealing with motor vehicles, are popular. But we decided to limit our attention to the most

popular and credible free websites encouraging consumers to provide information about consumer complaints about all sellers and products. After researching more than a dozen of these general sites, we determined that six were especially popular and potentially useful – complaints.com, my3cents.com, complaintsboard.com, pissedconsumer.com, consumeraffairs.com, and ripoffreport.com. Five were among the first ten listings on a Google “consumer complaints” search, and all were among the first twenty listings.

All six of these sites appear to be run by relatively small companies. At least one, complaints.com which is part of Sagacity Corp., maintains other websites. But consumeraffairs.com, complaintsboard.com, and my3cents.com are run by companies with their webaddress name, and pissedconsumer.com is part of Opinion Corp., a company that appears to be built around the one website.

This report evaluates these six sites in terms of factors affecting both complainants and shoppers. How easy is it to submit information about a complaint? How is this information presented? Is it edited and, if so, how severely? How large is the volume of complaints? Is this database easy to search? Will the site help you resolve a complaint and, if so, how effectively? Should those submitting information be concerned about liability and privacy? The report also comments on their potential usefulness for third parties such as consumer protection agencies, the press, and consumer advocates.

### Usefulness to Complainants

There is little evidence that the websites help consumers resolve their complaints. None of the six sites claims to perform this service. In fact, several contain a disclaimer to the contrary. Most of the websites do offer sellers the opportunity to record a response, and one even offers services to sellers to help resolve complaints against them. Yet, these websites include no evidence that sellers have sought to resolve complaints, and only a small number of these businesses, usually local services, even have taken the time to record responses.

Most of the websites do not even provide much information about complaint agencies and other organizations that seek to resolve individual grievances. The notable exception is my3cents.com, which offers a “my consumer tools” drop-down that, for example, guides the user to a local Better Business Bureau, state Attorney General, or federal agency, though not to a local protection agency. Yet all the websites, even my3cents.com, appear to consider information about complaint resolution resources to be much less important than the posting of complaints.

So why then have hundreds of thousands of consumers over the past decade, tens of thousands each year, recorded their complaints on these websites? As a couple of the sites themselves acknowledge, it is to provide irritated or angry buyers the opportunity to publicly vent and warn other consumers about what they consider to be an unfair business practice or defective product. And despite this irritation or anger, most complainants seem remarkably objective in describing their grievances, typically telling a story with facts and figures.

To their credit, all six websites make it easy to file and publish a full complaint. The complaint forms are easy to locate, the complainants are required to provide minimal personal information (which must include their email address), and the sites allow these consumers to tell their stories completely in their own words reserving only the right to remove postings, or portions of postings, that contain profanity, obscenity, threats, or private financial information. Consumeraffairs.com, however, does not publish all complaints received, only those that seem to them to be “representative.” While it is not clear how much editing takes place at the six sites, the recorded complaints seem to be as complete and informative as the accounts submitted.

Moreover, three of the websites allow complainants to edit or remove entries after they have been published. These three are my3cents.com, complaintsboard.com and complaints.com.

Pissedconsumer.com does offer a service to sellers that allows them “to tell your side of the story and address the complaints received from consumers.” But this service may not be frequently used since it is costly, \$4999 annually. Moreover, it apparently does not include deleting or editing complaint entries, but rather allowing rebuttals to be posted and “monitoring their online profile.”

Should complainants worry about potential violations of privacy or harassment by sellers? There is little indication that they should be concerned about either. All six websites promise not to share a complainant’s email address or other personal information with third parties, except in some instances to law enforcement agencies and private attorneys considering class action lawsuits. Furthermore, none include personally identifiable information on the site, though complaintsboard.com has apparently given complainants the option of including a first and last name in their posting, and a number of complainants do.

Should complainants worry about harassment or even lawsuits from businesses about which they have complained? While complainants often include sufficient information for sellers to identify them, and both pissedconsumer.com and my3cents.com offer sellers the opportunity to communicate directly with complainants, we have no evidence of seller harassment or litigation. (The website, pissedconsumer.com, has been sued for refusing to remove what is alleged to be inaccurate and outdated information.) What complainants should keep in mind is that since truth is an effective legal defense, they should just stick to the facts in describing their complaint and avoid what might be interpreted by a court as slander or defamation of character.

### Usefulness to Shoppers

Consumer complaint websites may well be of more use to shoppers than to complainants. These six websites contain information that can help consumers choose which companies to do business with, what products or services to purchase from these companies, how to purchase these products or services, and after purchase, what problems might occur and how to resolve them.

There are, however, limits to the usefulness of this information. First, although a consumer can complain about any seller, large or small, a large majority of the complaints are made against big

firms that operate nationally or regionally. In fact, a significant percentage of complaints are against the largest U.S. corporations: For example, fourteen of the twenty-one sellers with the most comments (over 300) at my3cents.com are Fortune 200 companies. Those complaints directed at small or local firms are usually so few in number that they cannot be considered to be a reliable guide to the conduct of that business. Thus, the complaint sites contain much more useful information about large businesses than small ones.

Also limiting the usefulness of the complaint information is the absence of complaint/sales ratios to facilitate comparisons among companies. If a consumer uses frequency of complaints as a measure, then it is important to understand the volume of sales as well as the volume of complaints. Company A may have twice as many complaints reported as Company B, but if it is four times larger, it is complained about half as frequently.

Regardless, what shoppers probably find most useful in the websites is the content of the complaints, especially when many consumers are complaining about the same problem. Focusing on these frequent complaints about a specific seller also reduces the chances shoppers will be misled by any complaints that are not fair to sellers, or even complaints from business competitors, though we have no evidence that these are being filed. (One would hope that firms not take the risk of having this type of unfair competitive practice exposed.)

For all six websites, the easiest way to access complaint information about a specific company or product is to use the search function. All work at least reasonably effectively. If, however, one wants to search a product category or industry, only consumeraffairs.com, complaintsboard.com, pissedconsumer.com, and my3cents.com provide a related list with links.

We believe it very important that, since recent complaints are far more useful indicators of current business practices than earlier ones, the website list the complaints chronologically or even limit those posted to the past two or three years. The only website that does not do this, at least fairly consistently, is complaints.com, which mixes recent complaints with those that may date from as early as 2001 or 2002.

The volume of complaints received by each website, especially those about types of businesses, should be an important consideration for shoppers seeking information. While the websites contained no comparable information about annual complaint volumes, we did tally the numbers of their posted complaints about six national companies or their products since 2008. (For any company or product on any website with more than 100 postings, we sampled pages then estimated a round number.)

	Complaints	Ripoff	Pissed	ConsAff	CompBd	My3Cents
Airline	39	63	100	30	150	500
Appliance retailer	130	68	240	0	800	800
Restaurant chain	5	7	7	0	50	110

Insurance co.	3	5	12	120	240	200
Bank checking	22	3	27	100	30	250
Car model	4	11	55	12	65	130

As is evident, for almost every company or product, my3cents.com contains the largest number of complaints since 2008. Second in popularity is complaintsboard.com, though consumeraffairs.com received far more complaints about the checking services of a big bank. Complaints.com and ripoffreport.com posted the fewest recent complaints overall.

My3cents.com permits consumers to submit information about positive as well as negative experiences with sellers – that’s why it refers to “reviews,” not “complaints.” So does pissedconsumer.com, though one might think that, just because of the website’s name, it would not attract many favorable comments. And in fact, both of these websites contain a far larger number of complaints than “testimonials.”

Three of the websites – complaints.com, complaintsboard.com, and my3cents.com – permit shoppers to contact complainants who agree to receive emails. The dialogue is through the website for complaints.com and my3cents.com but directly to the complainant at complaintsboard.com. This ability could be useful if the information in the complaint is incomplete or confusing.

Consumers should be aware that unless websites specifically vouch for the companies whose advertisements they accept, there may be no screening to ensure that the advertisers and the products and services they offer are legitimate. Therefore, consumers should use the same caution when they view advertisements on these sites as they would on other types of websites.

### Usefulness to Third Parties

The six websites can be useful, not just to complainants and shoppers, but also to third parties such as consumer protection agencies, reporters, other consumer information sources, and consumer advocates seeking changes in policies and practices. While the websites may be of limited value to groups, such as the Federal Trade Commission and Better Business Bureaus, which receive relatively large volumes of complaints, the sites could well provide useful information to other groups or individuals supplying information, advice, or assistance to consumers about individual companies or products. For example, in a newspaper article published several years ago, New York consumer protection officials working for state, city, and county agencies said they consult the complaint sites and find them useful.

The complaint websites can also be useful to advocates seeking to confirm widespread unfair and deceptive practices or even to identify “victims” from the three sites which permit users to

communicate with many individual complainants. That was the case a couple years ago, for example, when consumer advocates built a case for federal reform of credit card practices.

Complained-about companies have mixed feelings about the websites. On the one hand, they would rather not have complaints about their practices aired publicly. On the other hand, they can gain information about which practices have especially irritated many of their customers. What several large companies have told us, though, is that they monitor all public mentions of their firm, including those on the complaint websites.

Another potential use of these three websites is to organize consumers into groups that seek either individual redress or policy reforms. Just as groups have mobilized consumers locally to resolve individual grievances, so might organizers mobilize complainants to make enough of a fuss that companies are persuaded to take their complaints seriously. These “complaint groups” could use strategies ranging from communicating not just with companies but also with a government consumer protection agencies and/or the press.

### Conclusion

Consumer complaint websites have their limitations. For complainants, they do not resolve problems. Consumers whose problems are not resolved by the company involved should seek assistance from a third party such as a state or local consumer protection agency, a local Better Business Bureau, a small claims court, or an attorney. For shoppers, the complaint sites contain only one type of information about sellers, and this information does not permit easy comparison of sellers or their goods and services. Those desiring more complete and balanced information about products should start with sources such as Consumer Reports and local Consumer Checkbooks.

Nevertheless, all six complaint websites can offer value to complainants, shoppers, and third parties who recognize these limits. Complainants can publicize their problems, reaching not only many consumers but also some complaint agencies, advocates, reporters, litigators, and the companies themselves. To maximize these communications, we recommend posting complaints on all six websites.

Shoppers gain access to a unique type of source containing detailed information about large numbers of problems other consumers have had with sellers. When they read many similar complaints about a seller or product, they can ask themselves whether they should risk making a purchase. We recommend that shoppers first consult [my3cents.com](http://my3cents.com), which not only apparently contains the largest number of recent complaints but also lists the number of comments per company, offers information about complaint resolution, and is organized in a user-friendly way.

For some complainants and shoppers, however, we also urge the use of other more specialized websites. That is especially true for consumers interested in automobiles, who should begin with [carcomplaints.com](http://carcomplaints.com).