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**Research Paper No. 76**

**EXECUTIVE SUMMARY**

**April 2019**

*(full paper link: <http://enterpriseresearch.ac.uk/publications/erc-research-papers/>)*

**Innovating into trouble:  
When innovation leads to customer complaints**

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This paper examines the unintended consequences of innovation. We show that innovative activity can have adverse outcomes in the form of increased customer complaints with the potential for reputational and financial damage. Complaints may arise directly from adverse reactions to innovative services or service failures where firms prioritise innovation. Our empirical analysis focuses on legal services in England and Wales. Survey data on innovation by legal service providers is matched with complaints data from the UK Legal Ombudsman. This allows us to identify causal links between innovation activity and subsequent customer complaints. Our analysis reveals that higher levels of innovation activity increase the probability and number of consumer complaints. We identify how firms can reduce the potential for consumer complaints by adopting collaborative innovation strategies and engaging in multi-functional teamworking. Our results have strategic, regulatory and policy implications.