What effect does ‘pre-failure recovery’ have on customer satisfaction?

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Executive Summary

When a company identifies an unavoidable service failure, they do not always inform customers or initiate activities to minimise the negative effects. Thus, customers are exposed to service failures and companies are faced with the issue of recovering. This thesis studies the effect of pre-failure service recovery on customer satisfaction. Also, the joint effect of pre-failure recovery and criticality on customer satisfaction is examined.

A critical review of the literature on service failure and recovery is presented drawing upon the underlying theories of disconfirmation of expectations theory, justice theory, and prospect theory. From this, a conceptual model and hypotheses have been developed and put forward. A non-probability quota sample is employed. Using a 2x2x2 scenario based experimental design, T-Tests and 2-way between-groups analysis of variance are used.

Results show pre-failure recovery can aid the service recovery process and heighten customer satisfaction in the face of inevitable unavoidable service failure. This research adds a new step in the service recovery process extending the literature on service failure, service recovery, and criticality.

The implications of this research are that through using pre-failure service recovery, the damage of an inevitable unavoidable service failure can be minimised resulting in higher satisfaction. Consumers appreciate honesty and upfront service providers regardless of whether they are in a time critical situation or not. A practical implication is that before considering compensation, service providers could use pre-failure recovery as this may be
enough for recovery (and if not then it will make recovery easier and the provider could offer less compensation). This could save providers money. Future studies could consider other forms of pre-failure recovery and their effect on satisfaction. The present study could be extended into other service sectors. Furthermore, researchers could examine pre-information and post-information to compare the two and their effects on satisfaction.
Declaration of Originality

This thesis and the work to which it refers are the results of my own efforts. Any ideas, data, images or text resulting from the work of others (whether published or unpublished) are fully identified as such within the work and attributed to their originator in the text, bibliography or in footnotes. This thesis has not been submitted in whole or in part for any other academic degree or professional qualification. I agree that the University has the right to submit my work to the plagiarism detection service TurnitinUK for originality checks. Whether or not drafts have been so-assessed, the University reserves the right to require an electronic version of the final document (as submitted) for assessment as above.
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“Smile” Charles Chaplin

“These parts of the work should be called: “a best means for getting a headache!”” Vladimir Lenin
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1. Chapter One: Introduction

1.1 Introduction: Service failure, pre-information and customer satisfaction

Services by their nature are prone to error thus service failure is an integrated part of services delivery (Chen, 2016; Miller et al, 2000; Schwiekhart et al, 1993). It may be argued that if a service failure is recovered before the customer experiences it, then it is not a service failure, however, there are service failures that will still occur and are unavoidable despite a company’s best efforts, for example, part of a store closing due to refurbishment. The problem is that when a company identifies a service failure that cannot be avoided, they do not always inform customers about it or initiate activities to minimise the negative effects the service failure will have on customers. Thus, customers are exposed to service failures and companies are then faced with the issue of recovering from them. Additionally, customers may state that the issue would not have been so severe had they known prior to experiencing the failure. Thus, such ‘pre-failure recovery’ activities could help minimise the negative effects of the service failure and recover service performance before the customer experiences the service failure. Many studies have found that effective recovery of a service failure has a positive effect on customer satisfaction (Holloway and Beatty, 2003) and intention to re-patronise (Wirtz and Mattilla, 2004). This thesis seeks to examine the literature on service failure and recovery and see how ‘pre-failure recovery’ affects consumer
satisfaction. This thesis will also aim to examine the joint effect of criticality and pre-failure recovery on customer satisfaction. Current research has already found that criticality has important implication for the service failure and its recovery (Hoffman et al, 1995; Weun et al, 2004). Webster and Sundaram (1998, p153) define ‘service criticality’ as the ‘perceived importance’ of the service to the consumer. Webster and Sundaram’s (1998) study states that the higher the criticality assigned to the service failure, the more the service failure negatively impacts customer satisfaction.

1.2 Research Questions and Objectives

This author puts forward the following research questions:

1. What effect do ‘pre-failure recovery’ activities have on customer satisfaction?, and
2. What joint effect does ‘pre-failure recovery’ and criticality have on customer satisfaction?

To answer the research questions this thesis will have eight main objectives:

1. To examine the effect of a pre-failure recovery stage on customer satisfaction
2. To examine the effect of a pre-failure recovery stage on intention to re-patronise
3. To examine how a pre-failure recovery step affects a consumer’s perception of the severity of a service failure.

4. To examine how a pre-failure recovery step affects a consumer’s perception towards perceived justice.

5. To examine how a pre-failure recovery step effects consumer expectations of service recovery.

6. To examine how a pre-failure recovery step affects a consumer’s disconfirmation of their expectations.

7. To examine the effect of criticality on the variables of interest in this study.

8. To examine the interaction effect of pre-failure recovery and criticality on customer satisfaction.

The literature review will critically discuss each of these variables of interest as outlined in the objectives of this thesis. Then following the development of a conceptual model for the research, hypotheses will be generated and tested within each objective.

**1.3 The contribution of this research**

**1.3.1 Theoretically**

This research seeks to make a valuable contribution to the literature on service failure and recovery in developing a new stage in the service recovery process.
not recognised by any literature to date despite literature acknowledging that recovering failure before it happens as the ‘gold standard’ (Miller et al, 2000).

Although Miller et al (2000) and Schweikhart et al (1993) acknowledged that service recovery can take place before a service failure occurs, they do so only from the perspective of preventing the service failure from occurring. The proposed new ‘pre-failure recovery’ stage is thus distinctive; it does not aim to prevent the failure from occurring but serves to minimise the negative effects of the service failure that will be experienced by the consumer before the consumer is exposed to the failure and making it up to the consumer to overcome the situation. This proposed new stage will thus add to the service recovery process literature in building on the service recovery process as put forward by Miller et al (2000). A similar idea behind this has been explored in an online context by Pizzi and Scarpi (2013) in so far as informing the consumer about out-of-stocks before customers attempt to order an item, however, this idea has not been explored in an offline context despite its relevance and applicability to numerous situations, for example, letting consumers know in advance that a shop they patronise will be closed early on a certain date due to refurbishment is but one situation this proposed new stage could apply to. This research will use a similar theoretical construct as Smith et al (1999) in drawing on theory from disconfirmation of expectations theory, and justice theory, with the addition of prospect theory. Logically, following the concept that Maxham and Netemeyer (2003) advocated in their study, the proposed additional stage in the service recovery process should benefit the overall effectiveness of service recoveries and have a positive influence on
consumer satisfaction. The model will thus be tested in terms of its effect on customer satisfaction and intention to re-patronise thus contributing also to these fields of study.

1.3.2 Practically

This thesis’s practical contribution is that companies may start to implement pre-failure service recovery measures in response to this research when inevitable and unavoidable service failure has been identified. Such activities could include pre-notifying customers about the service failure before they experience it (Pizzi and Scarpi, 2013), providing additional services within the period that the service failure will occur to minimise the negative effects (if new self-service checkouts have been installed have additional staff in place to assist people using them), provide incentives such as coupons to encourage customers to patronise within the period of the service failure, provide explanations for the service failure, and provide apologies which increases ‘customer perceptions of satisfaction and fairness’ and can defuse some of the anger and negative feelings caused by the service failure (Boshoff and Leong, 1998, p27). This would help the company to overcome the service failure in putting into practice a better recovery strategy to minimise (and even eradicate) the negative effects of the service failure, thus increasing customer satisfaction with service performance and retaining customers. In retaining customers, the company will benefit in terms of profitability (Holloway and Beatty, 2003) and competitiveness.
1.4 Service context: restaurants

This doctoral thesis aims to meet the research objectives and answer the research question by focusing on restaurants in the hospitality sector. In this part of the chapter, the service context will be discussed.

Restaurants form part of the hospitality industry. However, the definition of restaurants is broad, thus as in the Keynote (2011) report, this study will also restrict the definition of restaurants to be ‘catering businesses that providing eat-in or sit-down meals and drinks, in a leisure context’ thus excludes takeaway eateries (for example McDonalds and Subway) and motorway services (for example little chef) (Keynote, 2011b). The restaurant sector is made up of three main categories of eating establishment, namely, fast food restaurants, pub restaurants and casual dining restaurants (Keynote, 2011a). To provide more focus to this study, this doctoral thesis will focus on casual dining restaurants (not limited to themed restaurants e.g. Italian restaurants) thus when restaurants are referred to in this study, it will mean restaurant as in casual dining restaurant. The eating-out market was found to be worth a total of ‘£18.27 billion (excluding alcoholic beverages)’ in 2009 in the UK (Keynote, 2011a). Casual dining restaurants are the ‘fastest growing segment in the eating out market’ in the UK (The Caterer, 2014, p4). Despite market growth however from 2008 to 2009 the market has struggled in that restaurants have had to increase their prices due to rising costs which has negatively impacted meals sold (Keynote, 2011a). Independent restaurants are struggling the most against competitive chain restaurants (The Caterer, 2014,
p4). Due to higher prices being charged, it is therefore even more important for such restaurants to provide quality service to its diners as diners are now ‘more demanding than ever’ (Mintel, 2014a). Therefore, this study will examine the effect of pre-recovery measures within the restaurant context as good service is an aspect that will help restaurants to remain competitive in the marketplace.

One incident that could negatively impact restaurant service is slow service (Hoffman et al, 1995; Kelley et al, 1993). One reason for slow service could be restaurants being understaffed (Kelley et al, 1993) however, what if this is due to a member of the kitchen staff falling ill during the day and it is too late or not financially possible for the restaurant to get a replacement chef; service failure can now be foreseen by the restaurateur. To keep service at an acceptable level, service recovery will be needed; this thesis will examine how pre-failure service recovery could help in such a situation. It should be noted that the slow service in the scenario provided to the participants in this study includes the participants having to wait longer for their meal to be served thus it differs from queuing in that the participants are not waiting their ‘turn’ but waiting due to it taking longer to prepare, cook, and serve the dishes. Therefore, this study does not contribute or build on literature in the field of queuing or waiting times. This study instead focuses on slow service as a service failure, consumers waiting is but a symptom of the service failure the participants experience. The symptom however of waiting is an important aspect of the slow service failure situation. Berry et al (2002) state that the perceived fairness of a wait will have an impact on customer satisfaction and
that the perceived fairness will be influenced by the perceived controllability of the situation by the service provider. Berry et al (2002, p3) rightly acknowledges that literature in the area has already explored and examined offering information about waiting to consumers in order to see the effect this has on ‘attribution, fairness, and satisfaction’. Thus, how a restaurateur handles longer waiting times for meals is important. However, the effect of a pre-failure recovery step on customer satisfaction has yet to be examined.

1.5 Summary

This chapter has outlined the research problem and how this thesis aims to address it by outlining the research questions this thesis seeks to answer. To answer these questions eight research objectives have been identified. The contribution this study would make both theoretically and practically were then discussed. Finally, this chapter introduced the sector and context in which this study will be conducted and has discussed how this study is relevant to this service sector and why it is important to this service sector.

1.6 Structure of thesis

In the next chapter (chapter two), a critical review into the literature will be provided into the field of service failure and service recovery. Chapter three forms the second part of the literature review. In chapter four the research model and hypotheses will be presented. In chapter five the methodology used in this research is explained. In chapter six the pilot studies conducted in this
research are all explained and their results reported. In chapter seven the main results of this research are presented. Finally, in chapter eight the results of this research are discussed as well as their theoretical and practical implications and this culminates on a discussion upon the outlook for future research in this field.
2. Chapter two. Literature review part one: service failure and service recovery

2.1 Introduction

This chapter is a literature review of service failure and recovery. Within this chapter, the author will briefly look at what a service is, its attributes, and the service industry. Thus, this part of the chapter, in reviewing the literature to date, will include definitions of service failure and recovery, identify what forms they take, and discuss why they are important and the implications they have for businesses. Moreover, the factors that affect service failure and the factors that affect the effectiveness of service recovery will both be identified and examined. Finally gaps in the literature on service failure and recovery will be discussed.

2.2 A definition of 'service' and a look at the services industry

The services industry is becoming increasingly competitive (Andreassen and Lindestad, 1998). For many companies (including non-service companies), service as an element is being used to differentiate their offering and remain competitive (Devlin et al, 2002). Within services literature there is a lack of definition as to what a service is, however, services are usually distinguished from goods by five key characteristics. The key characteristics which have served to distinguish services from goods are ‘intangibility’, ‘variability’, are produced/consumed simultaneously, and often involves the customer
participating in its production (Brown et al, 1996, p34; Zeithaml et al, 1985) and ‘perishability’ (Vargo and Lusch, 2004, p326). The fundamental characteristic that differentiates services from goods is intangibility (Hoffman and Bateson, 2011; Zeithaml et al, 1985). Despite this there have been some attempts at defining what a service is; Vargo and Lusch’s definition (2004, p326) states that a service is ‘the application of specialized competences (skills and knowledge), through deeds, processes, and performances for the benefit of another entity or the entity itself (self-service)’ which emphasises that services are activities, processes or performances as recognised by earlier attempts at defining services. The difference however between goods and services is still somewhat unclear; Hoffman and Bateson (2011) rightly recognise that as well as pure goods and services being in existence, often tangible goods are used to facilitate the delivery of service or vice versa; this supports the notion of a goods-services continuum. Hoffman and Bateson (2011, p4) also recognise that even in pure services there will often be some tangible elements involved to support the service, for example a ‘written policy from an insurance company’ thus literally from this standpoint there is no such thing as ‘pure’ goods or services. The degree to which thus a market entity is services or goods dominant in its offering will affect its position on the goods-services continuum (Hoffman and Bateson, 2011). The four positions on this continuum are identified by Martin and Horne (1992) as ‘pure goods, core goods with accompanying services, core services with accompanying goods, and pure services’. Fundin et al (2012) acknowledge that other models of market entity placement on the goods-services continuum exist due to the limitations of this model, however, it is not the purpose of this study to go into
this debate; this section merely serves as an introduction to services. The key part to understand is that a continuum exists where firms are seen as either service dominant or goods dominant in their offerings. Due to the intangible nature of services, they are often harder to evaluate, thus for consumers to evaluate the quality of the service they experience they will take into consideration ‘tangibles’ involved, ‘reliability’, ‘responsiveness’, ‘assurance’, and ‘empathy’ (Parasuraman et al, 1991, p116); these five dimensions make up the SERVQUAL measurement of service quality (Parasuraman et al, 1991).

Andreassen and Lindestad (1998, p9) citing Zeithaml (1988) state that perceived service quality is ‘the consumer’s judgment about a product’s overall excellence or superiority’ and that this depends on the extent to which a customer’s needs are met by the service and any deficiencies within the ‘product or service’ (Andreassen and Lindestad, 1998, p10). Finally, Andreassen and Lindestad (1998, p10; Brown et al, 1996; Parasuraman et al, 1985) state ‘service quality is believed to depend on the gap between expected and perceived performance’; it is when service quality ‘falls below a customer’s expectations’ that service failure then occurs (Hess et al, 2003, p129). Thus, ultimately it is the evaluation of a service against the customer’s expectations that will determine whether a service has been successful in its delivery (expectations will be discussed in-depth in chapter three). This paper will now discuss what a service failure is.
2.3 A definition of service failure

The ideal service is delivered with ‘zero defect(s)’, however in reality this is often not the case and some defects will be present in the delivery of the service (Weun et al, 2004, p133). When services thus have defects, service failure results (Weun et al, 2004). Hess et al (2003, p129; Holloway and Beatty, 2003; Sivakumar et al, 2013) however state that service failure is ‘service performance that falls below a customer’s expectations’; this would mean that even if a service was delivered with ‘zero defects’ it would have failed in its delivery if the customer did not feel their expectations were met. The issue with this definition is that it is arguably too broad; however, it is to a great extent suitable. If expectations have not been met, then the customer is disappointed with the service which can thus be classed as a failure of the service. Moreover, a customer’s expectations allow for shortfalls in service in ranging from a customers’ desired expectations, to a zone of tolerance (for shortfalls), to a minimum adequate expectation for service (Zeithaml et al, 1993). Thus, arguably, even a service with defects may not be classed as a failure but as successful should it at least meet the customers’ adequate expectations. The gap however between adequate and desired expectations (the zone of tolerance) is suggestive that although a customer’s expectations may be met at the minimum level, the fact that desired expectations are not met is somewhat of a failure on the part of a service provider whether there are defects or not. A zone of tolerance is however needed as it allows for temporal variables such as customer mood and weather (outside of the retailer’s control)
which may temporarily affect customer expectations and their perceptions of service performance (Zeithaml et al, 1993) of which are not the fault of the service provider. Weun et al (2004) are more explicit about the level at which service failure occurs stating that service failure occurs when service performance falls below the level of a customer’s zone of tolerance; this however fails to recognise Zeithaml et al’s (1993) final level of adequate expectations that comes after the zone of tolerance (expectations will be covered in more detail in the next chapter). Thus, the definition that this author will use will be the one advocated by Hess et al (2003). This definition albeit broad is strong for this reason; it does not explicitly state that service failure occurs when expectations are not met and fall under a certain level. Hess et al’s (2003) definition is stronger in that it allows for flexibility in recognising that a service can fail within limits acceptable to a customer, and fall below minimal expectations which are then deemed as unacceptable. It is the level of severity of service failure which will determine how far below desired expectations service performance falls. Either way a recovery effort will be needed. However, for service failures with defects that are unavoidable (such as store refurbishment), service failure cannot be avoided but its negative consequences can be minimised and steps taken to overcome it so that customers’ expectations can met at a higher level than if no steps were taken to buffer the effects and compensate for the failure at all. Service recovery will be discussed later in this chapter. This chapter will now look at the forms that service failures come in.
2.4 Forms of service failure

Bitner et al (1990) diagnosed unfavourable service incidents across different service sectors in their study and since then other researchers including Kelley et al (1993) and Hoffman et al (1995) have developed more in-depth examples of service failures that occur. Some examples of service failures are ‘policy failures’, ‘slow/unavailable service’, ‘packaging errors’ (which includes labelling errors, missing parts), ‘out of stock’ (OOS) (or were in stock but not on the shelf), ‘product defects’, ‘bad information’, ‘system pricing failures’, ‘hold disasters’, and errors in ‘alterations and repairs’ (Kelley et al, 1993, pp434-436). This list however is not exhaustive; due to the definition of service failure being so broad, and numerous service industries, a number of situations could be classified as service failures. Holloway and Beatty (2003, p95) in their study of service failure in an online environment expanded types of service failure to include ‘delivery problems, website design problems, payment problems, security problems, problems with product quality and customer service problems’. Hoffman et al’s (1995, p53) study into service failure in restaurants listed service failures to include product defects, slow/unavailable service, facility problems, unclear policy, out of stock, not cooked to order, seating problems, employee behaviour, wrong order, lost order, mischarged’. From these studies, it can be seen that some forms of service failure overlap in different service sectors, however, what is notable also is that there exist some service failures that are specific and unique to certain service contexts. Thus, although Bitner et al’s (1990) framework is
useful in providing examples that are applicable across some service sectors, it
does not capture more service sector specific examples that are present in
studies including Hoffman et al’s (1995). Whatever form a service failure may
take, McColl-Kennedy and Sparks (2003, p262) state that a service failure can
be caused by an issue with the ‘service itself’, ‘problems associated with the
service provider’, ‘problems outside the service provider’s control’, and
‘problems related to the customer’. This paper however is only concerned
with service failures in the context of issues with the service itself. Since this
study is focusing on service failure in restaurants the type of the service failure
that will be used in this study is slow service as was discussed in chapter one.

2.5 The importance of service failure the implications it has

Due to the nature of services (‘high levels of human involvement’, ‘varying
customer expectations’), service failure is inevitable in the delivery of services
and thus needs to be managed to overcome them (Miller et al, 2000, p388;
Hess et al, 2003; Cranage and Sujan, 2004; Wang et al, 2011; Andreassen,
2000; Sengupta et al, 2015; Chen, 2016) and prevent them occurring in the
future. The fact that services are produced and consumed simultaneously also
makes them prone to error (Hess et al, 2003). Service failure leads to customer
dissatisfaction (Hess et al, 2003) and this can result in negative word-of-
mouth, customer switching behaviour, and losing customers to competitors
(Holloway and Beatty, 2003; Wang et al, 2011). Thus, due to the inevitability
of service failure and its negative implications for firms, it is highly important
that firms manage service failure and recovery. For small businesses trying to
remain competitive against large firms such efforts are especially important; independent restaurants in the UK are struggling to compete against chain restaurants (The Caterer, 2014, p4) thus effective management of service failure and recovery will help firms to remain competitive amongst their competitors.

2.6 The factors that affect service failure

In this part of the chapter, the factors that affect service failure will be identified and examined drawing upon literature in the field to date.

2.6.1 Severity of the failure

The resultant effects of service failure depend on the severity of the service failure (Weun et al, 2004). Weun et al (2004, p135) state severity of a service failure is ‘a customer’s perceived intensity of a service problem’. Severity of a service failure is defined by Hess et al (2003, p132) as the extent of loss experienced by the customer as a result of the service failure. Intensity of a problem will affect the loss experienced thus the two different definitions fit together; ‘the more intense or severe the service failure, the greater the customer’s perceived loss’ (Wang et al, 2011, p351). The severity of a service failure ranges from low magnitude to high magnitude (Smith et al, 1999). Such loss can be tangible and/or intangible in nature (Hess et al, 2003; Smith et al, 1999). Hoffman et al (1995) also stated that more serious failures are
more memorable and the more severe the failure, the harder it is to recover from effectively.

Literature that concerns severity of service failure often integrates this with the factors that affect the level of perceived severity of the failure. These factors include the type of failure (Smith et al, 1999), the perceived foreseeability of the failure (Cranage and Sujan, 2004), attribution of blame for the failure (taking responsibility or attributing blame to the firm) (Cranage and Sujan, 2004), controllability of the service failure (whether it was preventable) (Hess et al, 2003; Smith et al, 1999; Boshoff and Leong, 1998), and stability of the failure, that is, the extent to which the service failure is ‘expected to persist’ (Hess et al, 2003, p130). Also, the number of failures will impact the perceived severity of the failures (Maxham and Netemayer, 2002). Additionally, Cranage (2004) stated that criticality affects the customer’s perception of the failure severity. This paper will now examine into criticality and how it affects severity of a service failure.

2.6.2 Criticality

Webster and Sundaram (1998, p153) state that ‘service criticality’ is the ‘perceived importance’ of the service to the consumer. Ostrom and Iacobucci (1995) state that criticality of the service will be affected by the purchase occasion, for example, buying for a special occasion. Webster and Sundaram’s (1998) study states that the higher the criticality assigned to the service failure, the more the service failure negatively impacts customer satisfaction. Consequently, more recovery activity is then needed to overcome the failure.
and restore customer satisfaction (Webster and Sundaram, 1998). Cranage (2004, p213) supports this stating that criticality affects the service failure in that the more critical the service is viewed as by the consumer, the more severe the perception of the service failure and the greater the perception of loss. A limitation of the Ostrom and Iacobucci (1995) study and Webster and Sundaram’s (1998) study are that they use convenience samples of students thus their sample is unlikely to be representative of the population they study (Saunders et al, 2009). Also, these studies use an experimental methodology which also compromises their external validity (Saunders et al, 2009). Therefore, the results in these two studies are not generalisable (Saunders et al, 2009). Also, Cranage’s (2004) paper is a literature review which lacks depth in its content. Although Cranage's (2004) article provides a useful insight into service recovery, it lacks critique of the theories and papers it draws upon. One example of this is Cranage (2004) mentioning the 'service recovery paradox', providing supporting evidence for it, but not being critical of it and looking at the arguments against this theory. Another example is Cranage (2004) drawing from papers which have arrived at their results through using critical incident technique without mentioning the possible limitations of this method which could have affected their results. Thus, more critique is required in this paper. Also, whilst good coverage of the topic of service recovery is achieved in this article, more sources could be used to strengthen the article and the arguments it puts forward. For example, one statement made in this paper has no source to support it: 'When customers experience a service failure, their confidence in the company becomes
uncertain' (Cranage, 2004, p210). This makes some of the statements in this article questionable.

Despite the weaknesses in these studies, it is logical that the more critical a service is perceived by a consumer, the higher the perceived loss will be, therefore when the consumer experiences the service failure they will perceive the failure as more severe. The consumers’ situation, for example time pressure, may also increase the criticality of the service delivery to the consumer; the service failure being ‘slow service’ is going to be worse for a consumer who is in a hurry to be somewhere else thus making the delivery of that service more critical to the consumer.

2.6.3 Failure type

Literature on failure type has looked at creating a typology of failures (Bitner et al, 1990; Hoffman et al, 1995), linking type of failure to perception of severity of failure (Bitner et al, 1990; Hoffman et al, 1995), and looking at how different failure types affect what recovery activities are needed to redress service failure (Smith et al, 1999).

Numerous service industries mean that numerous failure types are in existence. Bitner et al’s (1990) study made three broad typologies of service failure events and related employee behavioural response that could be applied across different service sectors which in this study were airlines, restaurants, and hotels. These three types were ‘employee response to service delivery
system failures’, ‘employee response to customer needs and requests’, and ‘unprompted and unsolicited employee actions’ (Bitner et al, 1990, p75). This study provides a useful broad framework that is applicable to multiple sectors, but what is not covered in the study are industry specific failure types. Literature on failure type mainly identifies types of failure existent within certain service industries such as online retail (Holloway and Beatty, 2003) and restaurants (Hoffman et al, 1995). Hoffman et al’s (1995) study put forward a typology of service failures in the context of restaurants and then looked at how these types of failure corresponded with typology of recovery strategies in the restaurant context. Hoffman et al’s study (1995) stated that certain types of failure were rated more severely and particularly hard to recover from, namely, employee behaviour and facility problems. This indicates that customers view certain types of failure more severely than others. Although such studies provide insight into failure types in certain service contexts, their results are limited in that such studies including Bitner et al’s (1990), Holloway and Beatty’s (2003) and Hoffman et al’s (1995) use convenience samples and critical incident theory (CIT). In using field studies using actual consumers and CIT an in-depth consumer understanding is gained (Gremler, 2004; Bitner et al, 1990). Also, a justification for these studies using CIT is that it suitable for the purposes of inductive research (Gremler, 2004). However, the issue with the convenience sampling technique employed is that the results of the studies are not generalisable to the wider population of consumers since the samples are unlikely to be representative of the consumer population (Saunders et al, 2009). Furthermore, the results of these studies are to be treated with some degree of caution in that by using CIT as a method,
less severe failure incidents are less likely to be reported thus affecting the
data collected and the results since failures reported are likely to be the more
extreme end of the spectrum (as these incidents are more memorable to
consumers) (Miller et al, 2000). This method is also subject to recall error
(Gremler, 2004; Miller et al, 2000). These studies do however provide a useful
insight; in conducting inductive research the types of service failure found are
useful in understanding what failure types are in existence. However, in the
statistical measurement of these service failure types and perceptions of
severity attributed to them, research is limited and more rigorous research is
needed in this area to increase external validity and credibility of findings.
From the insight provided however, an assumption may be made that certain
types of failure are viewed with different levels of severity by consumers.
Smith et al’s study (1999) supports this assumption in that it found satisfaction
after a service failure differed according to the type of failure and the severity
of failure. However, within one type of failure, this author proposes that
severity of a particular failure can still differ within its type, for example, a
product defect in a restaurant, a consumer may order a steak well-done and
severity of failure will be perceived differently if the steak turns up medium or
completely raw; this is in line with the spectrum of severity from low to high
magnitude of severity (Smith et al, 1999). The figure (2.1) below illustrates
this.
Research therefore on one specific type of failure may still report different
perceptions of failure severity depending on individual cases, and an averaged
result would not be representative.
Smith et al’s (1999) study takes a useful approach in forming a typology of service failures however, unlike the studies above its aim is not to develop a typology of failures. Smith et al (1999, p358) organise failures into two types: ‘process’ (the way in which the service is delivered) and ‘outcome’ (what the customer receives from the service). This may be more useful to researchers in that it allows for different forms of service failure (whatever service sector they are relevant to) to fit in the framework. Smith et al (1999) found that using these types of failure categories, that type of failure affected customer satisfaction post failure, and what recovery effort is appropriate (which will
affect level of customers’ perception of justice). Thus, type of failure will also affect what form of recovery is appropriate to redress the service failure (Roschk and Gelbrich, 2014; Smith et al, 1999; Boshoff and Leong, 1998). Smith et al’s (1999) study provides a deeper insight into the effects of failure type and although consumers are used in one part of the study, the issue is that the surveys conducted are experimental in nature providing scenarios in which participants are asked to respond to thus data is not collected on the basis of incidents the customer has been exposed to, but is collected in the context of an artificial scenario. This may limit results in that participants may not be as emotionally invested in the situations than if they were to experience them for real, thus results may not be completely reflective of customer responses. The results of the first sample used are not generalisable due to convenience sampling using student subjects which will not be representative of the consumer population (Saunders et al, 2009) whilst the second sample, albeit using consumers, is generalisable only to the extent of business travellers.

The literature on service failure type thus shows that type of failure may influence the perceived severity of the failure, customer satisfaction, and what recovery activities are appropriate (which will affect consumer’s perception of justice).

2.6.4 Attribution of blame

Attribution theory states that ‘the perceived cause will influence the dissatisfied consumer’s response to a service failure’ (Boshoff and Leong,
 Attribution has been demonstrated to affect ‘consumers’ complaint intentions, repurchase intentions, word-of-mouth (WOM) behaviour, redress preferences, and anger toward the firm’ (Yen et al, 2004, p8). Attribution is influenced by the stability of the service failure, controllability of the service failure, and locus of control (Boshoff and Leong, 1998; Bitner, 1990; Folkes, 1974). Bitner (1990, p77) found that controllability has a negative impact on satisfaction and perceived service quality whilst stability has a negative impact on satisfaction. This paper will now examine each of the three elements of attribution.

2.6.5 Locus of control

Consumers experiencing service failure will look to assign responsibility for the service failure (Gelbrich, 2010; Hess et al, 2003). In their exploratory study into managing consumer emotions in service recovery, McColl-Kennedy and Sparks (2003, p262) stated that service failure can stem from ‘a range of sources’ which include four major triggers: issues with the actual service, ‘problems associated with the service provider’, ‘problems outside the service provider’s control’, and ‘problems related to the customer’. Locus for the attribution of blame thus in two of the four situations thus fall with the service provider. For the purposes of this study, the focus of the review and research will be on service failures due to the service provider, not service failures as a result of consumer actions.
For foreseeable service failures, attribution of blame in terms of where the locus lies has been researched in terms of disclosure of information to consumers. Cranage and Mattilla (2006) found that when consumers were informed about issues and given a choice as a result, consumers assigned more blame to themselves which resulted in higher satisfaction with the service and loyalty to the service provider. However, the studies into such ‘choice’ by Cranage and Sujan (2004) and Cranage and Matilla (2006) are limited in that they are focused around the specific situation of customers deciding where to sit in a restaurant based on information they are provided with by the service provider. In terms of foreseeable failure, providing customers with information in the situation of the studies above is relevant, however in many situations it is not about ‘choice’ but about minimising the negative emotions consumers hold as a result of the service failure through providing prospective explanations for the service failure to help consumers accept and adapt to the situation (Gelbrich, 2010), it is not about informing them so that they take responsibility for their experience. Providing prospective explanations for service failure may help the consumer to attribute responsibility for the service failure (should the firm accept responsibility or state why it was not the firm’s responsibility), however largely this course of action ties into the being treated correctly by the service provider which is linked to service recovery and interactional justice (Mccoll-Kennedy and Sparks, 2003) (service recovery is discussed later in this chapter whilst interactional justice will be discussed in chapter three). Moreover, Cranage and Sujan (2004) and Cranage and Mattilla (2006) use convenience sampling of students, and are experiments utilising hypothetical situations thus their results lack applicability, external validity,
and generalisability (Saunders et al, 2009). Research on attribution of blame for service failure extends to accountability on how the service provider handles the failure (Mccoll-Kenneddy and Sparks, 2003), however, service recovery will be discussed later in this chapter. Stability and controllability will influence who is perceived to be the foci of blame and these elements will now be examined respectively.

2.6.6 Stability

Stability refers to whether the cause of service failure is short-term or a long-term issue (Folkes, 1984; Hess et al, 2003). When a service failure cause is perceived as stable, consumers will be more expectant of service failures in the future (Folkes, 1984). Customers are more forgiving of unstable service failures as they are less expectant of future service failures (Magnini et al, 2007).

Maxham and Netemayer (2002) found that multiple service failures had a strong impact on customer satisfaction causing dissatisfaction. Maxham and Netemayer (2002, p67) also found that the second failure will be perceived as more severe by customers since customers account for ‘failure history’. Maxham and Netemayer (2002) found that when experiencing a second failure, customers are more likely to perceive the cause of the service failure as stable and attribute the blame for the service failure to the service provider. Maxham and Netemeyer (2002) found no difference in ratings between service providers making two distinct or two similar failures, however,
recovery ratings were lower for customers experiencing two similar failures. It may thus be stated that the more stable a failure is perceived, the harder effective service recovery becomes for the service provider. Stability of service failure thus has a negative impact on satisfaction (Bitner, 1990, p77).

Magnini et al (2007) and Bitner’s (1990) studies are limited in terms of their external validity in that they both use an experimental methodology (Saunders et al, 2009). Also, Magnini et al (2007) in using a convenience sample of students and Bitner (1990) using a convenience sample of consumers means that the results of their studies are not generalisable since it is unlikely that the samples are representative of the population. However, Magnini et al’s (2007) results are supported by Maxham and Netemayer (2002). Although Maxham and Netmeyer (2002) also used a convenience sample, it used a sample of actual consumers and used a survey based methodology drawing upon the consumers' real-life situations thus although this earlier study is not generalisable, in using actual consumers and real situations the results of Maxham and Netemayer’s (2002) and Magnini et al’s (2007) studies show stronger external credibility. Maxham and Netemayer’s (2002) study however opens itself to recall bias in asking consumers to recall events (Groves et al, 2009; Maxham and Netemeyer, 2002). The advantages of Magnini et al (2007) and Bitner (1990) using experimental methodologies is that they show stronger internal credibility and are not suspect to recall error (Saunders et al, 2009; Bitner, 1990). The popular methodologies in this area are experiments using convenience samples, thus more field studies are needed. Additionally,
Hess et al (2003) found that women were more likely to perceive service failures as less stable.

2.6.7 Controllability

Controllability refers to whether the service failure could have been prevented (Hess et al, 2003). Whether the consumer believes that the service failure was preventable or not depends on their perception as to whether the cause of the failure was ‘volitional’ that is, out of choice (for example, not to train staff), or ‘non-volitional’, out of control restraints (for example a ‘fire in the store’) (Folkes, 1984, p399; Hess et al, 2003). This also ties in with the concept of whether the service failure was foreseeable; customers will be more forgiving when service failures are perceived as non-foreseeable by the service provider (Magnini et al, 2007). Heider (1958) in Cranage and Sujan (2004, p5) states ‘Greater responsibility is assigned those who could have foreseen the outcome’ thus should service failures be foreseeable and controllable by service providers there is higher attribution of blame to them (as the locus of the attribution) than if the service failure were not foreseeable. Moreover, if a foreseeable service failure arises and something could have been done to aid or prevent the situation and was not (before the customer experiences it), a sense of injustice will induce negative emotions including ‘frustration’ and ‘anger’ in the consumer since they may view that the service provider could have done something to help them (Mccoll-Kennedy and Sparks, 2003, p262; Choi and Matilla, 2008); such an activity could be to inform consumers of the service failure before they experience it (Gelbrich, 2010). This could apply to
both volitional (store refurbishment due) and non-volitional situations (deliveries taking longer due to adverse weather conditions). Folke’s (1984, p406) research supports this as in this author’s study; it was found that controllability of a service failure was positively correlated to ‘anger and revenge’. Therefore, when service failures are perceived as controllable and foreseeable, more responsibility rests on the service provider than if the service failure was non-volitional and unforeseeable. In controllable and foreseeable service failures thus, actions should be taken to mitigate the negative effects of the service failure or negative emotions could result. For example, a customer could identify a foreseeable service failure when a retail store is undergoing a refurbishment which is visible to them which could suggest to the customer that it is likely that the normal standard of service would not be delivered. Therefore, service providers in this situation should do something to aid the customer before they experience the service failure. Failure to do so could cause negative emotions in the consumer as they would have seen that the service provider could have done something to minimise the negative effects of the service failure. On the other hand, if a staff member goes ill in a restaurant and a member of the kitchen staff needs to be sent home thus meals would take longer to be cooked and served, it is likely that a customer would not be able to foresee the service failure occurring. The service provider would also not be able to foresee this occurring but should this situation arise they should act as soon as possible to mitigate the effects of the service failure before the customer experiences it. In this situation, pre-informing customers before they experience the service failure would possibly be of help as they would then understand that the service failure was not
foreseeable by the service provider. This may then serve to mitigate the negative effects that would be caused by the service failure than if customers were not pre-informed.

Bitner (1990) found that controllability has a negative impact on both satisfaction, and perceived quality of service. The study by Blodgett et al (1993, p423) also found that controllability had a negative impact on re-patronage intention stating ‘consumers who perceived that the retailer could have prevented the problem probably were angry and may have vowed to “get even” by never shopping there again’. Choi and Matilla (2008, p28) support these findings stating that controllability negatively impacted satisfaction, and negatively affected ‘return intent’, and ‘word-of-mouth’. Additionally, Hess et al (2003, p139) found that where the service was considered of more importance to the consumer, that consumers attributed higher controllability to the service provider for the failure.

2.6.8 Summary of attribution

This thesis focuses on service providers being the loci of control. Service providers are assigned more responsibility by consumers if service failures are perceived to be stable and controllable. Moreover, when a service failure occurs multiple times, or is perceived as stable in its cause, it is more likely that the service provider will be perceived to be the locus of blame. Although it can be seen from the literature that attribution of blame affects the service failure, it will not be the purpose of this thesis to study into attributions.
Instead, this thesis will focus on the service provider being aware of the service failure that will inevitably be experienced by customers. The next part of this chapter will examine into service recovery and the factors which affect it.

2.7 Defining Service Recovery

Service recovery is defined by Hess et al (2003, p129) as ‘the actions and activities that the service organization and its employees perform to “rectify, amend, and restore the loss experienced” by customers from deficiencies in service performance’ (Bell and Zemke, 1987; Gronroos, 1988). Additionally, Miller et al (2000) and Schweikhart et al (1993) state that the actions and activities also serve to change the negative attitudes customers may hold as a result of the service failure. These recovery actions and activities can take many forms including ‘refunds, price discounts, upgraded services, free products or services, apologies, and acknowledgment of the problem’ and product replacement (Hess et al, 2003, p129; Kelley et al, 1993; Smith et al, 1999; Brown et al, 1996). Additionally, ‘compensation’ may be given as a form of service recovery (Brown et al, 1996, p34; Smith et al, 1999).

2.8 The importance of service recovery and what it can lead to

Holloway and Beatty (2003, p92) state service recovery is essential to ‘maintain satisfied, loyal customers’ and is expected by customers when a service failure arises. Moreover, service recovery provides opportunities to
rectify service failures in order to satisfy customers and retain them (Holloway and Beatty, 2003; Hess et al, 2003). Holloway and Beatty (2003, p94; Brown et al, 1996) state also that service recovery is an integral part of developing customer relationships; successful management of service recovery can lead to higher customer ‘satisfaction, loyalty ... and ultimately result in superior firm profitability’. Weun et al (2004, p133) support Holloway and Beatty (2003) stating that literature has linked service recovery to ‘greater satisfaction’, ‘trust’, ‘commitment’, and ‘word-of-mouth’. Thus, literature has shown that successful service recovery results in desirable relationships with consumers. This ultimately benefits the film in terms of reputation and profitability. It is also noteworthy that service failure and recovery can provide companies the opportunity to further develop relationships with their customers; successful service recovery can lead to higher favourability in customer ratings of service encounter than if no failure or recovery were to have taken place at all (this is known as the service recovery paradox) (Kelley et al, 1993; McCollough and Bharadwaj, 1992). Recent research however has found that the service recovery paradox is ‘likely to occur only in limited situations’ (Gulas and Larsen, 2012, p262) and literature on the paradox has been ‘mixed’ thus weakening its case (Maxham and Netemayer, 2002, p57). Despite this, the benefits and implications of successful service recovery are well recognised and thus should not be ignored. Maxham and Netemayer (2002, p57) state that ‘poor recovery efforts intensify customer dissatisfaction’ thus not only is service recovery important, but its success is also important (Smith et al, 1999; Hess et al, 2003; Blodgett et al, 1995; Blodgett et al, 1993). Should a service recovery not result in the consumer perceiving that justice has resulted this has
been found to result in dissatisfaction, negative word of mouth behaviour and negatively affects re-patronage intention (Blodgett et al, 1993; Blodgett et al, 1995). Service recovery is important for firms economically; it is more cost effective to retain existing customers than acquire new ones (Boshoff, 1997). This next part of the chapter will examine into factors that affect the effectiveness of service recovery.

2.9 What affects service recovery and its success

This section looks at the actual service recovery and what factors affect its success. Miller et al (2000, p388) stated in their model that actual service recovery is comprised of four components ‘psychological’ recovery, ‘tangible’ recovery, ‘speed of recovery’, and ‘front line empowerment’. This section will begin with a discussion into each of these elements and their effect on the success of recovery; psychological and tangible elements will be discussed together as ‘atonement’, then speed of recovery will be discussed, and empowerment will then follow. Additionally, Andreassen (2000) recognised that customer expectations of service recovery, disconfirmation of expectations with service recovery and customer’s perceived equity also affects the success of the service recovery. However, customer expectations, equity theory (also known as justice theory) and how customer’s perception of justice affects service recovery will be discussed in chapter three. Also, the elements that affect customer’s expectations of service recovery will also be discussed in depth in chapter three and include past experience with the service provider (Smith et al, 1999), customer loyalty (Miller et al, 2000),
service guarantee (Miller et al, 2000), and information about the service (Lin, 2010) and many more elements. Type of failure will also affect the success of the service recovery as it will affect what recovery activities are appropriate for the failure in question (Smith et al, 1999).

### 2.9.1 Type of failure experienced

Type of service failure (process, interactional or outcome) will affect what type of recovery activities are appropriate and post recovery customer satisfaction (Smith et al, 1999; Roschk and Gelbrich, 2014). Also, type of failure was seen to lead to different types of emotional response from consumers which may affect what service recovery activities are appropriate to alleviate the different types of negative emotional response and resolve the service failure (Smith and Bolton, 2002).

### 2.9.2 Type of compensation

There are many forms in which service recovery comes in and these can be divided into two main categories, tangible recovery activities and psychological recovery activities (Miller et al, 2000; Roschk and Gelbrich, 2014). Tangible recovery activities which include compensation for ‘costs and inconvenience caused’ and to provide ‘fair restitution’ and sometimes aim to provide ‘value-added atonement’ (Miller et al, 2000, p390). Psychological recovery activities include apologies and empathising with the focal party (Miller et al, 2000). An apology is an expression of regret and is an
acknowledgement that the customer has suffered an inconvenience (Boshoff and Leong, 1998). Boshoff and Leong (1998) recognise that studies in apology literature have outlined the advantages and disadvantages of the mode through which the apology is delivered in terms of how it is received by the consumer. Boshoff and Leong (1998) found that a personal face to face apology was preferred by consumers. Literature to date has examined types of atonement and their relationship with forms of justice as perceived by the customer (Smith et al, 1999), and customer satisfaction (Hoffman et al, 1995; Boshoff, 1997; Wirtz and Mattilla, 2004; Cranage and Mattilla, 2006). More in-depth studies have further looked into specific forms of service recovery such as the disclosure of information and explanations as forms of service recovery and their effects on customer emotions (Gelbrich, 2010), satisfaction and intention to re-patronise (Bradley and Sparks, 2012). First in this section will be a review of the literature that has examined types of atonement and their effect on the success of service recovery.

Research has tried to examine which service recovery strategy is the most effective in resolving service failures and ensuring customer satisfaction. Although Miller et al’s (2000) study showed that there was a link between tangible recovery activities and successful recovery of service failures, no such link was found between successful service recovery and psychological recovery activities unless accompanied also by tangible recovery activities. This thus follows that an apology alone for a service failure is ineffective, however, accompanied with tangible recovery activities both work together to increase the effectiveness of service recovery (Miller et al, 2000; Boshoff,
Miller et al (2000) stated also one important factor in the successful recovery of a service failure are value adding activities. Goodwin and Ross (1992) support this stating that the effectiveness of an apology is increased when accompanied by a tangible form of atonement. This confirms the results in the study by Hoffman et al (1995) that examined into the effectiveness of different recovery activities.

The limitations of Hoffman et al (1995) and Miller et al’s (2000) study is that they both use convenience sampling. Also, Miller et al’s (2000) sample of students. Therefore, Hoffman et al (1995) and Miller et al’s (2000) results are not generalisable as their samples are unlikely to be representative of the populations they study (Saunders et al, 2009). Also, their CIT methodologies mean that there is a possibility for recall error (Gremler, 2004). Boshoff’s (1997) study is also limited in that it uses a convenience sample. Boshoff (1997) claims to use a random sample of consumers, but these were consumers of a resort of which was selected by convenience (this is not made explicit in the article) however, it supports the results of Miller et al (2000) and Hoffman et al (1995) in providing greater internal validity to the results in being an empirical study through its use of a quantitative survey methodology. Boshoff’s (1997) study does however compromise its external validity in utilising a scenario based experimental methodology (Saunders et al, 2009).

Other researchers however have argued that when a recovery strategy is executed well compensation may be superfluous (Wirtz and Mattilla, 2004). Wirtz and Mattilla (2004) found that when a recovery strategy is executed
well in that speed of recovery was immediate and an apology was given, that
compensation made no difference to consumer satisfaction; satisfaction was
only impacted by compensation when either speed of recovery was lagging or
where no apology was given. Smith et al (1999) examined this deeper and
of atonement should correspond to whether a failure is one of process or
outcome; perceptions of justice and what is considered fair restitution by
consumers will differ according to the type of failure experienced. In the case
of process outcomes, Smith et al (1999) states that an immediate apology
should suffice to resolve the issue and result in customer satisfaction. These

Wirtz and Mattilla (2004) and Smith et al’s (1999) studies however are not
without their limitations; although they do not use CIT method (which is
subject to recall error (Gremler, 2004) and more extreme situations being
reported (Miller et al, 2000)) both use experimental methodologies utilising
scenarios which may mean that the studies lack external validity (Saunders et
al, 2009) since respondents may find difficulty ‘project(ing) themselves into
the imaginary situations’ thus not respond in the same way they would in a
real life situation (Wirtz and Mattilla, 2004, p163). Also, both use convenience
samples meaning that the samples are unlikely to be representative of the
population (Saunders et al, 2009). It should be noted however that Smith et al
(1999) also uses a probability sample of hotel guests alongside a convenience
sample. Furthermore, in Wirtz and Mattilla’s (2004) study severity of failure
(which has been shown to effect customer expectations of service recovery
(Hess et al, 2003)) was not a controlled variable which may have affected results, thus the internal validity of the study is weakened (Saunders et al, 2009; Wirtz and Mattilla, 2004).

Thus, the studies on each side of the conflicting argument both use convenience samples and experimental methodologies. Boshoff (1997), who is in agreement with Miller (2000) and Hoffman et al (1995), likewise uses an experimental methodology utilising scenarios instead of CIT. However, unlike the other studies Boshoff (1997) uses a random sample of consumers. Thus, although the study may lack external validity somewhat, the fact that results can be generalised to the population of consumers who travel makes the results stronger in their external applicability (Saunders et al, 2009).

Therefore, although further research is needed in this area (in particular field studies), the argument that an apology is not enough and that the success and effectiveness of service recovery is strengthened by compensation and value adding activities is the more supported side of the argument in the literature to date.

Specific forms of service recovery and their effect on service recovery, customer satisfaction and intention to re-patronise have also been examined in more focus and depth. Such forms that have been examined include compensation (Grewal et al, 2008), explanations (Bradley and Sparks, 2012), apology (Boshoff and Leong, 1998; Bradley and Sparks, 2012), and so on. This literature review however will not examine each form of service recovery and all the literature associated with them. Researchers have aimed to look at
the particular effectiveness of certain forms of atonement. On a broad level, it has been found that using tangible forms of service recovery alone such as compensation have the best effect, whilst using an apology by itself has a smaller impact (Hoffman et al, 1995; Miller et al, 2000).

What is evident is that it is not possible for research to find out which service recovery strategy is best suited to certain service failures as ‘service recovery is situation specific’ (Boshoff and leong, 1998, p40). This is due to the vast amount of different service failure situations, differing levels of severity within a service failure, and consumers having different expectations and perceptions as to what constitutes a ‘fair’ recovery (Miller et al 2000). Goodwin and Ross’ (1992) results are a good example of this in finding that different types of recovery had differing levels of impact according to what service sector the failure was experienced in. What is highlighted by the literature, is that whatever the recovery may be, an important element in its success and ensuring customer satisfaction is that the restitution is perceived as fair by the customer (Miller et al, 2000; Smith et al, 1999; Andreassen, 2000). Therefore, in service recovery, fairness and value adding activities are the most important elements in its success (Miller et al, 2000).

Smith et al (1999) found that different forms of atonement affected customer’s perceptions of justice which then affected customer satisfaction. Smith et al (1999) also found that certain types of atonement correspond more to certain forms of justice (Smith et al, 1999). Therefore, Smith et al (1999) state that to understand customer satisfaction, both disconfirmation and customer
perceptions of justice should be studied by management (Smith and Bolton, 2002). It can be seen thus, that perceptions of justice and disconfirmation act as moderators of customer satisfaction in service recovery situations. Justice theory and disconfirmation theory will be discussed in depth in chapter three.

**2.9.3 Speed of recovery**

The speed at which the recovery follows the service failure will also affect the success of the recovery effort (Smith et al, 1999). The speedier the service recovery the more effective the recovery will be leading to higher levels of customer satisfaction (Boshoff, 1997; Wirtz and Matilla, 2004). Boshoff (1997, p125) found a non-linear negative relationship between speed of recovery and customer satisfaction; although speed of recovery does have an effect, its effect in the short term is not too big but, as time goes on, its effect on dissatisfaction increases thus the longer a service recovery effort is left, the higher the level of recovery needed to overcome the service failure and ‘appease an annoyed customer’. Thus, this shows that ‘consumers have a perception of what constitutes a reasonable waiting time’ (Boshoff, 1997, p125). Liao (2007) supports this stating that speed of recovery will affect customers’ perceptions of justice with the service recovery. Boshoff’s (1997) study is useful in that it utilises a random sample of consumers meaning that its results are generalisable to the population of airline travellers (Saunders et al, 2009). However, the study is limited in that it uses an experimental methodology, and some variables that were controlled in the study would have influenced the results, which means that the results may lack external validity
(Saunders et al, 2009; Boshoff, 1997). Despite this, the study is strong and provides a useful insight into service recovery and customer satisfaction. Liao’s (2007) study usefully highlights perceptions of justice as a mediator between speed of service recovery and customer satisfaction with the service recovery. Justice theory will be examined in chapter three.

Additionally, Wirtz and Mattilla (2004) found that speed of recovery effected repurchase intention and word of mouth; immediate recovery led to higher repurchase intention and less negative word of mouth. Wirtz and Matilla’s (2004) results however should be treated with caution as the study is very specific, uses a convenience sample, and uses an experimental methodology thus results are not generalisable to the population and may lack external validity (Saunders et al, 2009). Miller et al (2000) however also states that quick response to service failure aids customer retention.

**2.9.4 Front line empowerment**

Literature has studied into empowerment of front line staff in service recovery situations, and the organisational level of person performing the service recovery. Bowen and Lawler (1992) acknowledge four levels of empowerment namely high involvement, job involvement, suggestion involvement, and production line.

Boshoff (1997) found that who performed the service recovery had no effect on customer satisfaction except for when an apology was immediately given
by a frontline employee in contrast to an immediate apology given by a high ranking manager. Thus, who performs the service recovery is not an issue to the consumer; instead, other elements such as speed and atonement are of more importance (Boshoff, 1997). For this reason, front line empowerment of employees has been suggested by many studies in order for service recovery to be carried out effectively (Boshoff, 1997; Miller et al, 2000; Mattila and Patterson, 2004). Boshoff and Leong (1998) support this stating that customers preferred the frontline employees to be empowered to overcome their service issue. In empowering front line staff to deal with service failures and perform recovery, consumers’ situations may be resolved quicker and *can act in the best interests of their customers ...to provide good service...which 'cascades' into customer satisfaction’* (Boshoff, 1997, p126; Schwiekhart et al, 1993; Boshoff and Leong, 1998; Boshoff and Allen, 2000). Frontline empowerment enhances the service recovery process; in making service recovery quicker and more convenient to carry out, procedural fairness perceptions are enhanced leading to higher customer satisfaction (Mattila and Patterson, 2004) (for more information on procedural fairness please see chapter three ‘justice theory’). Miller et al (2000, p396) found a positive relationship between successful service recovery and the first person contacted about the service failure if they attempted to resolve the situation, there was also a positive relationship found between successful recovery and the first person contacted having the ‘authority to solve the problem’. Thus, there is a link between front line empowerment of employees and successful service recovery. Literature has also examined the effect of employee effort/the manner in which they perform the service recovery, however the next section
will cover this as this is different from empowerment of employees. Empowerment of employees however, tends to facilitate employee engagement and effort (Bowen and Lawler, 1994; Mattila and Patterson, 2004). Although empowerment is thus conducive to effective service recovery, Bowen and Lawler (1992) rightly recognise that staff empowerment is not suitable to all types of service, for example, in a McDonald’s a production line, approach to service is more appropriate, and is in turn expected by its clientele whilst not all employees will want to be empowered. Also, Bowen and Lawler (1992) acknowledge some disadvantages to employee empowerment, namely that employees may make bad decisions (which justifies why more training will need to be given to such employees which is costly), and may slow down the speed of service which may aggravate other customers.

2.9.5 Employee effort

Tax et al (1998) found that consumers will value encounters more when employees put effort into the service recovery situation, but that they will find the encounter less valuable should the outcome of the service recovery be delivered in a rude manner by the service personnel. Hoffman et al (2016) support this stating that employee encounters with the customer can, if not delivered properly, escalate the service failure situation. McColl-Kennedy and Sparks (2003) supports this stating that if customers perceive the service provider to put effort into the service recovery effort then customers are likely to feel valued as a customer and thus be more satisfied with the service.
recovery than if less effort was seen to be exerted. This feeds into the consumer’s perceived interactional justice which will be discussed in chapter three. This study is not concerned with the employee effort but it is important to recognise that it is a variable that affects the effectiveness of the service recovery.

2.9.6 Who initiates the service recovery

The service recovery can be initiated pro-actively by the service provider or by the consumer lodging a complaint (Smith et al, 1999). However, research shows that ‘70% to 95% of dissatisfied customers do not bother to complain’ (Smith et al, 1999). This behaviour is not ideal, especially when service providers are not aware of a service failure as in not knowing it is occurring takes away the opportunity to resolve the failure. However, it is not the purpose of this study to examine consumer complaint behaviour but to focus on organisation initiated recovery. Smith et al (1999) and Patterson et al (2006) both found that when organisations initiated the service recovery process, that this had a positive effect on customer perceptions of interactional justice as Smith et al (1999, p359) states ‘the customer is likely to view a proactive effort as an act of courtesy, a demonstration of honesty and forthrightness, and a show of empathic understanding and respect’. Thus, Smith et al (1999) propose that ideally firms should be proactive and initiate the recovery themselves and that this will have a positive effect on consumer satisfaction with the service provider.
In terms of proactively initiating the service recovery process, the ideal situation is addressing the service failure before the customer experiences it. There are situations where the service failure is not preventable but are foreseeable to the service provider. In these situations actions can be taken to minimise the damage of the service failure before the customer experiences it. This is notably different from proactively identifying parts of a service that are especially prone to failure (and taking preventative measures to deter service failure from occurring in the first place). Disclosure of information about this former type of service failure before the customer experiences it has been researched in a few studies. The next section will review the literature on the disclosure of information of service failures to consumers.

2.9.7 Disclosure of the service failure to consumers

Although organisation initiated service recovery is concerned with interactional justice (Smith et al, 1999), disclosure of information regarding the service failure to customers is concerned with procedural justice (Patterson et al, 2006). On the other hand, disclosure of information to consumers regarding the service failure could also have an effect on interactional justice as such an activity may also be associated with courtesy and respect for the customers of the service provider. Literature regarding disclosure of information has developed in a few directions which will now be discussed.

Although not explicitly stated in the articles, this study proposes that disclosure of information can also be regarded as a service recovery activity in
minimising the damage caused by a service failure. Pizzi and Scarpi (2013) studied into disclosure time of information and its effects on satisfaction and re-patronage intention in out of stock situations online. Pizzi and Scarpi (2013) found that timing was important and that in providing ex ante information about out of stock items before customers chose the items minimised the negative effects of the out of stock situations and led to higher decision satisfaction and intention to re-patronise the service provider.

Literature on queue management also provides some important insights into disclosure of information and how it can be used by service providers to manage consumer expectations and thus aid customer satisfaction. These insights are possibly transferable to the situations of disclosure of information as an activity of service recovery in response to a service failure that is foreseeable by a service provider. Maister (1985, p5) states that ‘uncertain waits are longer than known, finite waits’ and that by informing customers how long they should expect to wait, that this helps to manage the customer’s expectations and reduces the anxiety of the wait the customer will have to endure as the customer will adjust their expectations in accordance with the information that have been given thus come to relax and accept the situation rather than letting them experience a unknown wait exposing the customer to continual anxiety and annoyance. Maister (1985, p5) also states that ‘unexplained waits are longer than explained waits’ thus in the situation that a person is waiting to see a doctor, should he be called out to an emergency and this explained to the patient, the patient may be more accepting of the longer wait that is now inevitable rather than if no explanation was given which will
feed the customer’s anxiety and uncertainly about the time they will have to wait. Gelbrich (2010) supports this line of logic stating that in providing a prospective explanation to customers prior to the service failure that it helps customers to accept the situation. Following this logic, should a service failure be foreseeable by the service provider, in disclosing information to the consumer about the service failure prior to them experiencing it, and providing an explanation as to the service failure, the customer’s expectations will adjust down in line with the situation and thus meeting this new predictive expectation/falling in the zone of tolerance (or exceeding it) should result in maintaining customer satisfaction (or increase customer satisfaction) when they come to experience the delivery of the service.

This adjustment in customer expectations thus makes customer satisfaction more achievable and more likely in light of the service failure being experienced by the customer. Bies (2013, p141) terms this adjustment/management of expectations as ‘calibrating expectations’. Disconfirmation of expectations theory is the underlying theory that supports this conceptual argument; this theory will be discussed in chapter three. Also, in providing information about a service failure to a customer and an explanation, these activities also help in that they allow for the consumer to prepare for and accept the situation before they experience the service failure (Bies, 2013). Thus, in managing expectations through disclosure of information and explanations, the negative impact of the service failure will be minimised and the service failure effectively recovered from by these activities.
Maister’s (1985) study is but a conceptual article, however its statements regarding the effects of disclosing information about waiting time to consumers and providing explanations for delayed waiting times in terms of increasing consumers satisfaction and perceived acceptability of the waiting times are supported by the literature that follows it. This study will not critique literature on how such activities have changed perceptions of waiting times in comparison to actual waiting times. Bielen and Demoulin’s study (2007, p188) support Maister (1985) in that they found that by informing customers in the event of a delay about the delayed waiting time, customers were more satisfied with their waiting time and with the service provided. Bielen and Demoulin (2007, p188) also state that by the service provider providing information about the delayed wait, such actions may be reflective of ‘attentiveness and empathy towards customers’ thus contributing towards perceived interactional justice (interactional justice will be discussed in chapter three). Hui and Zhou (2006) also support Maister (1985) in stating that providing customers with information concerning waiting time increased the acceptability of the waiting time amongst customers. Both Bielen and Demoulin (2007) and Hui and Zhou (2006) stated that these affects were due to customers perceiving a greater sense of control over the situation when information about the delayed waiting time was given to them, however Hiu and Zhou (2006) states that the longer the wait the less important a customer’s sense of control over the situation is and time loss becomes more important in the consumer’s mind. The important point for this study to take from the literature in queuing management, is that providing information to consumers
about their waiting time lowers dissatisfaction with the customers wait and
makes it more acceptable (Hui and Zhou, 2006; Bielen and Demoulin, 2007).
Thus, in the event of a service failure, providing information about it to the
consumer before they experience it will lower customer dissatisfaction
through better management of customer’s expectations thus make the service
level experienced under the conditions of the service failure more acceptable
to the customer.

Bielen and Demoulin’s (2007) study is useful in that it is a field study survey
thus the results demonstrate more external validity (Saunders et al, 2009),
however Bielen and Demoulin (2007) acknowledge that the result’s external
validity may be affected somewhat by its convenience sample of outpatients
and the fact that these patients will have high involvement with their service
experience thus applicability to other service sectors could be compromised as
well as results not being generalisable to the population under study. Although
Bielen and Demoulin (2007) use a convenience sample (a three week period
of weekdays) every patient is sampled thus an attempt has been made to
decrease sample bias however it is the convenience with the time period
selected that makes this sample one of convenience since not every patient in
the hospital’s population has an equal chance of being sampled. Hui and
Zhou’s (2006) method is different utilising a convenience sample of students
and an experimental methodology, thus although this study demonstrates
higher internal validity, its results are not generalisable and the study’s
external validity is compromised (Saunders et al, 2009). The results of these
two studies support each other thus despite the limitations each is subject to, the credibility of the results are strengthened.

Cranage and Sujan’s (2004) and Cranage and Mattila (2006) also looked at disclosure of information to consumers but in the context of giving consumers information in order to have them make a choice. Cranage and Sujan (2004) and Cranage and Mattila (2006) found that should customers experience a service failure and be informed prior to experiencing it about the possible implications of their choice they would attribute some of the blame to themselves thus less attribution of blame towards the service provider which was found to result in higher levels of customer loyalty. Cranage and Sujan (2004) and Cranage and Mattila’s (2006) studies are limited however in that they both use convenience samples composed of students and are of experimental methodologies and are very specific in their focus thus their samples are unlikely to be unrepresentative of the population, their results lack external validity and applicability and cannot be generalised to a wider population (Saunders et al, 2009).

Thus, the literature that exists on disclosure of information and service failure is limited and is not discussed as a service recovery activity. What the literature does however make evident is that disclosure of information has potential as a service recovery activity as the studies have shown that disclosing information to consumers can mitigate the negative effects of undesirable situations and higher satisfaction of the consumer concerning their decisions (Pizzi and Scarpi, 2013; Cranage and Sujan, 2004; Cranage and
Mattila, 2006; Hui and Zhou, 2006; Bielen and Demoulin, 2007). In Bies’ (2013, p141) article which concerns the delivery of bad news, such activity is termed ‘calibrating expectations’ which serves to reduce the severity of the outcome of the bad news being delivered in giving the person(s) affected by the bad news time to prepare for and accept the bad news before experiencing it, and also in reducing expectations (effectively managing them), that when the person comes to experience the adverse situation its impact on the person(s) is minimised to the extent it may not be perceived as bad by the person(s) experiencing it. Thus, not only does literature on queuing management support the idea of managing expectations through disclosure of information in order to minimise the impact of an adverse situation, but literature on organisational behaviour also supports this concept in order to prevent negative emotions in individuals which in the case of a service failure would cause dissatisfaction. Maister (1985) also stated that explanations were important to reducing customer dissatisfaction in delayed waiting times. The next section thus discusses the role of explanations in service failure and recovery.

2.9.8 Explanations

Bradley and Sparks (2012, p41; Bradley and Sparks, 2009; Sparks and Fredline, 2007) state that there are four types of explanations which are ‘excuses’, ‘justifications’, ‘referential (or reframing) accounts’ and ‘apologies’. Unlike disclosure of information to consumers, explanations have been identified in service recovery literature as a service recovery activity and
that this activity affects the perceived interactional justice in the service recovery (Tax et al., 1998; McColl-Kennedy and Sparks, 2003). However, Bradley and Sparks (2009) also found that explanations did not only influence perceived interactional justice but other types of justice depending on the type of explanation provided by the service provider. Bies and Shapiro (1987) however stated that a justification in itself is not enough to have a positive effect on interactional or procedural justice ratings, but that it is the adequacy of the account given which affects perceived justice. Bradley and Sparks (2009) found that perceptions of justice mediated the effects between explanations provided and customer evaluations. Bradley and Sparks (2009, p.139) state that ‘apologies were mediated by interpersonal justice’, ‘justifications were mediated by informational justice’, and ‘excuses were mediated by procedural justice’ but also that for justifications and excuses they were mediated by both informational and procedural justice. From this then it can be seen that explanations are mediated by two forms of justice, procedural and interactional (Bradley and Sparks, 2009; Bies and Shapiro, 1987). Explanations can be either firm related or firm unrelated; satisfaction is more likely to result when a firm related explanation is given with the firm accepting responsibility for the service failure than if it were to attribute blame to others (Boshoff and Leong, 1998). Furthermore, Mattila and Patterson (2004b) stated that customers who receive and explanation from frontline staff are more likely to perceive higher levels of employee effort exerted.

Literature has explored into different types of explanation and their effects on customer satisfaction and perceptions of justice however, results are mixed.
Bies and Shapiro (1987) found that the effectiveness of the explanation on interactional justice perceptions were influenced by the adequacy of the explanation provided. Bradley and Sparks (2012) found that explanation type only differed terms of their effectiveness on customer evaluations when the quality of explanations was high. Also, the effects of the different types of explanation will differ according to the culture the consumer is from (Wang and Mattila, 2011). Bradley and Sparks (2009) stated that apologies led to higher satisfaction than other forms of explanation (Bradley and Sparks, 2012; Bradley and Sparks, 2009), and generally literature agrees that apologies lead to higher consumer satisfaction in the event of a service failure (Smith et al, 1999; Goodwin and Ross, 1992) and can serve to lower the anger and anxiety experienced by a customer (Boshoff and Leong, 1998).

An excuse is defined as ‘an explanation in which the offending party admits the behaviour was bad, but denies responsibility for the behavior’ (Scott and Lyman, 1968 in Mattila, 2006, p423). McColl-Kennedy and Sparks (2003) and Tax et al (1998) found that excuses were perceived negatively by consumers, whilst Mattila and Patterson (2004) state that service providers providing an explanation should thus take care so as not to have explanations do not take the form of excuses.

Justifications on the other hand include an ‘admission of responsibility’ from the service provider giving customers reasons as to why the service failure occurred and justifying the company’s actions which led to the service failure (Sparks and Fredline, 2007, p243) whilst referential accounts involve
‘attempts to reframe the situation to lower the expectations of the aggrieved customer’ (Bies, 1987 in Sparks and Fredline, 2007, p243). This aims to minimise the customer’s perception of harm and loss by providing other accounts in which other people experiencing the same service failure will be worse off (Sparks and Fredline, 2007). Sparks and Fredline (2007, p254) found that referential accounts had more of an effect than justifications possibly due to customers making a comparison between the outcome they are experiencing and other worse outcomes others are experiencing thus function as ‘retrospective lowering of expectations’. When explanation quality was high, excuses resulted in greater levels of customer satisfaction than justifications (Bradley and Sparks, 2013; Shaw et al, 2003), apologies resulted in greater levels of customer satisfaction than justifications (Bradley and Sparks, 2012), and apologies resulted in greater customer satisfaction than referential accounts (Bradley and Sparks, 2012).

Overall from the literature, despite disagreements over the effectiveness of certain explanation types, it should be acknowledged that ‘different types of explanations become more appropriate in different kinds of contexts’ (Shaw et al, 2003, p453). Also, there is a general agreement across the literature on explanations and service recovery that apologies are the most effective explanation type when aiming for customer satisfaction (Bradley and Sparks, 2012). Whatever explanation a service provider chooses to pursue, Bradley and Sparks (2012) advocate that the service provider explain service failures to the consumer.
In terms of when explanations are delivered Mattila (2006) found that in providing an explanation after a customer experiences a service failure that the explanation was received more favourably and had more of an effect on perceived informational justice than if the explanation was delivered before the customer experienced the service failure. However, this result is to be treated with caution. The limitations of Mattila’s (2006) study are that the results are not generalisable due to a convenience student sample being utilised which weakens the external validity of the study (Saunders et al, 2009). Also, Mattila’s (2006) study in using an experimental methodology and in that its scenarios used are very situation specific also reduce the external validity of the findings of this study (Saunders et al, 2009). Furthermore, this result goes against the logic presented in the theory of counterfactual thinking which consumers may engage in when experiencing a service failure (McColl-Kennedy and Sparks, 2003). It is not the purpose of this study to go into counterfactual thinking however this next paragraph will provide a brief overview of the theory and how it may discredit Mattila’s (2006) findings.

Counterfactual thoughts are ‘might-have-been reconstructions of past outcomes’ (Roese, 1994, p805) thus present ‘alternative versions of past or present outcomes’ (Roese and Olson, 2014, p1), for example, if a person had not brushed their teeth and example of a counterfactual thought would be ‘if I had brushed my teeth my breath would have been fresh’. Counterfactual thinking as a theory has been applied to service failure literature and found that when experiencing a service failure customers will engage in counterfactual thinking when making an assessment of the service recovery in
terms of what they perceive the service provider could do in terms of recovering from the failure and what the service provider should do to overcome the service failure (McColl-Kennedy and Sparks, 2003). Within this assessment customers also consider ‘how they would have felt’ if the response of the service provider had been different, ‘how difficult it was for the service provider and how feasible the alternatives were’ in the service recovery (McColl-Kennedy and Sparks, 2003, p262). Thus, counterfactual thinking will also affect customers’ perception of justice (McColl-Kennedy and Sparks, 2003). This goes against Mattila (2006) in that should a consumer have thought that the service provider could or should have provided an explanation before they experienced the service failure as it were possible and would have been beneficial, then it logically follows that a consumer’s perception of justice will be higher and satisfaction with the service recovery higher than if an explanation was given after the consumer experienced a service failure (McColl-Kennedy and Sparks, 2003). For this reason, McColl-Kennedy and Sparks (2003) recommend that when possible, managers should provide prospective information and explanations to consumers. However, the study by McColl-Kennedy and Sparks (2003) is limited in that it uses a qualitative focus group methodology utilising a purposive and voluntary sample of university students and staff which mean that the sample is unlikely to be representative of the population and results are not generalisable to the population (Saunders et al, 2009). Also in using a qualitative approach the study opens itself to possible subjectivity. It can be seen however that despite these limitations, the exploratory nature of the study justifies the use of the method employed. The empirical study however by Blodgett et al (1993)
supports this line of logic in stating that should the service provider be able to take action, they should do so, as failure to do so will have a negative impact on a consumer's perception of justice which will impact customer satisfaction, word of mouth behaviour, and intention to re-patronise the service provider.

Although Blodgett et al’s (1993) study employs a convenience sample of complainants the results are not generalisable since the sample will not be representative of the population (Saunders et al, 2009), its quantitative survey methodology and SEM demonstrates a more rigorous research design which is less prone to the subjectivity qualitative methodologies are subject to. Blodgett et al’s (1993) study however does open itself to recall error in participant’s recording their answers based on a purchase occasion they experienced within the last twelve months. Despite this, Blodgett et al (1993) provides a valuable insight into attributions of stability, controllability and their effects on perceptions of justice, WOM behaviours and re-patronage intentions. Thus, Mattila’s (2006) finding goes against the logic that is put forward by counterfactual thinking theory. Also, Gelbrich (2010) classifies prospective explanations (explanations provided before the customer experiences the service failure) as informing the consumer thus serves more under ‘disclosure of information’ and that this helps reduce the customer’s feeling of helplessness in the situation, helps them to come to accept the situation, and minimises the negative emotions that become present in the event of a service failure.
There are a lack of studies that compare the effectiveness of prospective explanations to retrospective explanations on customer satisfaction with service recovery and much of the literature that does exist on explanations focuses on retrospective (after the failure) explanations. As stated in the previous sections, there is literature to suggest that providing information prior to the customer experiencing the service failure (which is the equivalent of a prospective explanation according to Gelbrich (2010)), that a customer’s perception of justice will heighten and their satisfaction with the service recovery increase. More empirical research into prospective explanations would thus develop more credible knowledge and benefit literature in this area.

**2.9.9 Whether the service failure is overcome**

Another element that will affect customer satisfaction and customer’s satisfaction with service recovery is whether the service failure is overcome and resolved in the mind of the consumer. Miller et al (2000, p392) found that successfully resolved service failures ‘are positively related to retention, satisfaction, and loyalty’ and a significantly lower proportion of those who were unsatisfied with the service recovery intended to re-patronise the service provider. Customers perceive procedures to be of higher fairness when it results in a favourable outcome (Colquitt et al, 2001). Goodwin and Ross (1992, p156) support this stating that ‘an apology will have a greater effect on fairness perceptions’ when the outcome of the service recovery is favourable to the consumer. From this it can be seen that a service recovery activity, affects fairness, which affects satisfaction thus, it is the service recovery
activities which affect both the satisfaction with the service recovery process and service recovery outcome (through the mediator of perception of justice) and whether they adequately and effectively resolve the service failure in the mind of the consumer.

However, Bies and Shapiro (1987, p200) and Blodgett et al (1997) acknowledge that customers will be less dissatisfied in the event of an unfavourable outcome if ‘when perceive the procedure to be fair’. This suggests that the outcome need not be favourable in order to be perceived as fair but that it is more likely to be perceived as fair when the outcome is favourable (Colquitt et al, 2001).

2.10 Research gap

Sivakumar et al (2013, p4) state that much of the literature on service failure integrates both service failure and service recovery with more of its focus being centred around service recovery. Research has examined type of service failure (Kelley et al, 1993; Smith et al, 1999), severity of service failure (Weun et al, 2004), multiple failure and recovery efforts (Maxham and Netemayer, 2002), and attribution of blame for the service failure. Research on severity of the service failure and its influence on recovery expectations shows that the more severe a service failure is, the more recovery effort is needed (Hess et al, 2003) and that type of service failure will influence what recovery activities are more appropriate (Smith et al, 1999).
Sivakumar (2013) rightly states there is a wealth of literature on service recovery. Indeed, research has covered many areas including types of service recovery (Kelley et al., 1993), strategies of service recovery (Wirtz and Mattilla, 2004; Craighead et al., 2004), and antecedents of service recovery, and the process of service recovery (Miller et al., 2000).

Service recovery and its outcomes have been covered well by literature to date; its positive effect on consumer satisfaction is well documented (Smith et al., 1999) and well as its relationship with customer loyalty (Miller et al., 2000), and customer retention (Miller et al., 2000). The influence of gender on service recovery expectations has also shown that women have higher service recovery expectations (Hess et al., 2003; Lin, 2010). Research into speed of recovery has also shown that the quicker recovery takes place the higher the intention to make a re-purchase (Wirtz and Mattilla, 2004). Satisfaction with service recovery according to Wirtz and Mattilla (2004) has a positive effect on intention to re-purchase.

Whilst much of the literature to date has covered service failure, recovery and its post recovery effects on consumers, there is a no literature to this author’s knowledge on recovery before the service failure occurs and its effect on consumers. Smith et al (1999) studied into proactive recovery but in terms of initiating recovery efforts after the service failure before consumers complained to initiate the start of the recovery effort. Indeed, literature has already addressed the subject and benefits of proactive service recovery (Chen, 2016). For this reason then, I will not use the term pro-active recovery,
but ‘pre-failure recovery’ to distinguish when in the process of events the recovery activities take place. This is not to be confused with Miller et al’s (2000) pre-recovery phase which occurs after the service failure. This new pre-failure recovery phase is an important stage of service recovery as numerous authors state that the ideal would be to recover from the service failure before it occurs. One argument may be that if it is recovered then it does not lead to a service failure, however, in some situations recovery efforts can be made for a failure that is known to occur in the future that cannot be avoided, a store refurbishment for example. Thus, for service failures that can be identified by the firm, action should arguably be taken before the customer is exposed to the service failure and customers be made aware of the failure. This author proposes thus to study the effect of pre-failure recovery activities on customer satisfaction and intention to re-patronise the service provider. Most studies focus on single service failure and recovery situations (Maxham and Netmayer, 2002), thus the idea of a dual-recovery situation is yet to be studied. Logically following the findings in Maxham and Netemayer (2002), it could be hypothesised that a pre-failure recovery and the ‘standard’ after failure recovery should increase customer recovery satisfaction ratings.

2.11 Summary

The next chapter will examine customer expectations as they are of key interest to this study. Within the next chapter the key underlying theories disconfirmation of expectations, justice theory, and prospect theory will also be discussed. The next chapter will then look at the dependent variable of interest in the study, namely, customer satisfaction.
3. Chapter three. Literature review part two: Theoretical underpinnings

3.1 Introduction

In this chapter customer expectations, which have important implications for how a service failure is received and how effective a service recovery, will be discussed. Then the underlying theories of this thesis including disconfirmation of expectations theory, justice/equity theory, and prospect theory will be examined respectively. First each theory will be explained, then how it fits in with this project will be explained. Lastly the dependent variable of customer satisfaction will be discussed.

3.2 Expectations

This section will first state what customer expectations are, what forms they come in, and how they affect customer satisfaction with service and service recovery. Then the antecedents of expectations will be examined. After an understanding about expectations has been gained, this section will then move on to discuss disconfirmation theory.

3.2.1 Expectations and their types

Zeithaml et al (1993, p1) states that ‘expectations serve as standards with which subsequent experiences are compared, resulting in evaluations of
satisfaction or quality’. Customers upon entering a store will have expectations regarding service quality (Zeithaml et al, 1993) and should a failure occur they will have expectations of regarding the service recovery (Miller et al, 2000). It is accepted thus that customer expectations will affect customer satisfaction.

Literature to date identifies different forms of customer expectations. Zeithaml et al (1993) states the following paradigms of expectations that are in existence:

- Predictive expectations are consumer views of ‘what is likely to happen’ in an exchange (Zeithaml et al, 1993, p2) and is defined by Miller (1977, in Zeithaml et al, 1993) as ‘an objective calculation of probability of performance’.

- Desired expectations according to Zeithaml et al (1993) are the equivalent to what other authors have termed ideal expectations (Barsky, 1992) and normative expectations. This level of expectations is the highest; it is the standard that consumers want the provider to perform at in order to leave them ‘completely satisfied’ (Zeithaml et al, 1993, p2).

- ‘Experience based norms’ (Zeithaml et al, 1993) what customers believe the service performance should be based upon past experiences with the service provider, word of mouth communications, and marketing communications from the service provider (Woodruff et al,
1983; Latour and Peat, 1979). This is known as ‘Comparison level theory’ (Yuksel and Yuksel, 2001, p107).

- ‘Minimum tolerable expectations’ (Miller et al, 1977 in Zeithaml et al, 1993, p2) which is the lowest level of expectations that a consumer will find acceptable.

- ‘Comparative expectations’ (Prakash, 1984 in Zeithaml et al, 1993, p2) which are expectations which arise from similar offerings.

Although literature has recognised different levels of expectations, the dominating paradigm is that of predictive expectations (Zeithaml et al, 1993). In terms of disconfirmation theory, it is not stated by Oliver (1980) what type of expectations is used as a benchmark from which to evaluate service experienced. Yuksel and Yuksel (2001) however state that the main paradigm of expectations used to evaluate the difference between service experienced and expectations (disconfirmation), is the paradigm of predictive expectations. Devlin et al (2002) supports this.

Predictive expectations recognise expectations at one level as a result of balancing the ‘probabilities of... positive(s) and negative(s)’ events occurring as a result of an exchange (Zeithaml et al, 1993, p2). Service failure and negative disconfirmation have been said to occur when service experienced falls below a consumer’s expectations; since disconfirmation theory uses predictive expectations, Yuksel and Yuksel (2001) rightly point out that a customer may be satisfied despite service experienced falling below that of predictive expectations so long as it is above the minimum level of tolerance.
This is where the limitation of disconfirmation theory lies. To date, literature that has used disconfirmation theory has treated predictive expectations as a minimum level of tolerance rather than the ‘mean’ average expectation level that it actually is. Examples of authors that have made this mistake include Bitner (1990), and Boshoff (1997). In Zeithaml et al’s (1993, p5) model it is suggested that predictive expectations are at the ‘adequate’ service level (Devlin et al, 2002) which is seen in this model as the minimum level of service (below this level would cause dissatisfaction), however, it is more accurate to view predictive expectations as the ‘mean average’ expectation which would fall within the zone of tolerance in Zeithaml et al’s (1993, p5) model thus predictive expectations can be exceeded or fall below but still remain above a minimum level of tolerance. In keeping with this concept, the predictive ‘mean’ expectations become the ‘adequate’ level of service in a spectrum of experience ranging from desired service to minimum tolerable level of service. In this way thus, Zeithaml et al’s (1993) model is limited and how predictive expectations has been used as a benchmark in disconfirmation theory is incorrect and needs reconceptualising as a mean expectation rather than the minimum tolerable level of expectation. Using predictive expectations in this way will have huge implications for disconfirmation theory which will be discussed later in this chapter (see section 3.3, p69).

An advantage of predictive expectations is that it can change in accordance with consumers’ past experiences (if any) with a service provider or with similar services and can take other variables into account (Devlin et al, 2002). In this way, predictive expectations thus encompass variables considered in
other paradigms including past experience with service provider and comparative expectations. Niedrich et al (2005, p50) support this stating that predictive expectations are generated from ‘past experiences, communication with others, and other beliefs’. Antecedents to expectations will be discussed in the next section. Yuksel and Yuksel (2001) in their critique of the disconfirmation paradigm, stated a limitation of it was that it used predictive expectations as a benchmark thus did not take into account the other types of consumer expectation. However, if predictive expectations as a concept is treated correctly as the ‘mean’ level of expectations, then other types including desired expectations and minimum tolerable level of expectations are also processed by consumers in order to result in the mean predictive expectations thus this type of expectation takes into account these other levels of expectation. In using predictive expectations thus, the disconfirmation paradigm does account for other types of expectation.

The other popular and competing paradigm in the field of expectations and customer satisfaction is that of comparison theory (Woodruff et al, 1983). This model uses experience based norms as the benchmark for which customers will compare service performance against (Woodruff et al, 1983). Whilst predictive expectations look at what the consumer believes will happen, norms concern what the consumer thinks should happen (Niedrich et al, 2005). Although Cadotte et al (1987, p306) state that the experience based norms approach allows realistic norms to be applied based on what consumer’s perceive as possible, this is only so far as what is perceived as possible based on past experience with service provider and as ‘indicated by the performance
of known brands’; norms to not account for expectations of what will occur in light of more temporal variables such as seasonal effects and service failures which will effect service performance. For this reason, the norms model is somewhat inflexible thus more unrealistic as a level to evaluate actual service performance against.

Should a consumer have no prior experience of the service, although this may hinder their predictive expectations, it also makes assessing a norm of service performance difficult thus both paradigms are limited in this respect (Yuksel and Yuksel, 2001).

It can be seen in the literature that different forms of customer expectations exist and may operate simultaneously (Neidrich et al, 2005). In this study, when consumers’ expectations are referred to it will refer to their predictive expectations which will be treated as their ‘mean average’ expectations. Predictive expectations will be used (as opposed to norms) to measure disconfirmation since it has the greatest level of predictability of customer satisfaction in contrast to the other paradigms. This measurement could be complemented by being used alongside other measures of disconfirmation but would not be worth the increase in survey length, time, and cost (Niedrich et al, 2005). Niedrich et al (2005) however state that should researchers choose to use multiple measures of customer expectations, that no more than two be selected for the reasons outlined before. In this study, only consumers’ predictive expectations will be measured (for further explanation see disconfirmation section, p69). Measuring the same type of customer
expectations might lead to different answers due to so many variables affecting customer expectations. Thus, when measuring expectations of service recovery and disconfirmation of expectations, measurements of these constructs previously used by other authors will be used, and their reliability analysed to ensure the construct measures demonstrate a good level of internal consistency. Also, the scenarios will be worded carefully to best control respondents’ initial expectations so that they do not differ too much to make sure that the results of what is measured in the survey is meaningful.

3.3 Disconfirmation

3.3.1 Disconfirmation and Satisfaction

Although different levels of expectations exist, it is disconfirmation of these expectations ‘rather than the expectations themselves’ that affect customer satisfaction (Zeithaml et al, 1993, p3). Oliver’s (1980) paradigm, disconfirmation of expectations, has been the dominant paradigm in research on customer satisfaction (Andreassen, 2000; Yuksel and Yuksel, 2001). According to this model, consumer satisfaction is a product of prior expectations, and those expectations in comparison to the actual outcomes; the difference between expectations and performance is termed ‘disconfirmation’ (Andreassen and Lindestad, 1998, p10; Andreassen, 2000; Yuksel and Yuksel, 2001). Following this theory, when a person’s expectations are exceeded they have positive disconfirmation of expectations (creating customer satisfaction), but if they are not met then negative disconfirmation of expectations result
(creating dissatisfaction) (Andreassen and Lindestad, 1998; Andreassen, 2000; Yuksel and Yuksel, 2001; Spreng et al, 1996). If however, expectations match that of service experienced ‘confirmation’ occurs (Yuksel and Yuksel, 2001, p108). Satisfaction or dissatisfaction is caused by the emotional response to the confirmation or disconfirmation (Woodruff et al, 1983). Oliver (1980) does not state the level of expectations that will be compared to actual performance experienced by the consumer; it is generally agreed that disconfirmation is the gap between predictive level of expectations and the actual service experienced (Devlin et al, 2002; Yuksel and Yuksel, 2001; Zeithaml et al, 1993) (which will range from desired level of service to minimum adequate level of service). Disconfirmation has the greatest impact on customer satisfaction and also affects attitude towards the service provider and intention to re-purchase in the future (Oliver, 1980). Predictive expectations are also a better predictor of customer satisfaction (Niedrich et al, 2005; Swan and Martin, 1981).

For the reasons discussed in the previous section however, the disconfirmation of expectations paradigm is limited due to the way it uses predictive expectations as the minimum level of service that will keep a customer satisfied (Yuksel and Yuksel, 2001; see expectations section 3.2, p63). In re-conceptualising predictive expectations as a mean average and treating it as so, this level of expectations would fall in the middle of a zone of tolerance between desired expectations and minimum tolerance expectations in Zeithaml et al’s model (1993). The zone of tolerance is ‘a range within which customers are willing to accept variations in service delivery’ (Nadiri, 2011,
p115). Woodruff et al (1983) put forward an alternative model of disconfirmation which utilised experience based norms (comparison level theory) instead of predictive expectations (see figure 3.1 below).

*Figure 3.1: Model of disconfirmation (Woodruff et al, 1983, p300)*

In this model, predictive expectations are replaced by ‘norm’ and around this is a ‘zone of indifference’ where confirmation is experienced and satisfaction is maintained. Should service performance go above the zone of indifference positive disconfirmation will result either maintaining or increasing satisfaction, however, should service performance go below the zone of indifference then negative disconfirmation and dissatisfaction will result. Should service performance thus fall below the expected norm of consumers, service failure will occur but within the tolerance of consumers, more serious failures however will fall below the minimum tolerance limit. The model by Woodruff et al (2005) thus addresses Yuksel and Yuksel’s (2001) criticism of the disconfirmation model that satisfaction can still be maintained should service experienced fall below consumer expectations. However, this model
uses the ‘experience based norms’ paradigm of what customers believe the service performance should be. For the reasons discussed in the previous section ‘Expectations and their types’, this author supports the use of Woodruff’s (1983) model, but using predictive expectations (in its proposer mean average usage) instead of the norms paradigm for the reasons outlined before in the previous section ‘Expectations and their types’ and in this section. However, since it is recognised that a zone of indifference exists and that dissatisfaction occurs below a minimum tolerance level, if precise confirmation or positive/negative disconfirmation were to be measured, it would also be necessary to measure minimum tolerable expectations of what the customer thinks service performance will be. In this way results of actual performance can be compared against these limits of the zone of tolerance and the level of predictive expectations to measure customer satisfaction and dissatisfaction. Niedrich et al (2005) states that although multiple measures of disconfirmation can be used to complement each other in measuring customer satisfaction that it is not worthwhile, and that if researchers should do so, that two measures be used. For the purposes of this study however, it is just the general effect of a pre-failure recovery measure on the general level of disconfirmation that is of interest to the study, thus for practical purposes one measure of disconfirmation will be used and it is not the focus of this study to test where consumers’ boundaries fall for confirmation and disconfirmation. It is evident from the model put forward by Woodruff et al (1983) is that in order to see the effect on satisfaction and dissatisfaction (as opposed to confirmation and satisfaction) of the independent variables, the service failure situations
used in this study will need to be at the more extreme end of the spectrum (Latour and Peat, 1979).

**3.4 The stability of customers’ expectations**

Some have argued that customer expectations are stable (Clow et al, 1998; Clow and Vorhies, 1993), whilst others have advocated that expectations are subject to change during the service experience (Boulding et al, 1993). This has led to another debate in the field; when should customer expectations be measured, before the service encounter, or after the service encounter. Clow et al (1998) and Clow and Vorhies (1993) advocate measuring customer expectations before the service experience. This paper supports measuring customer expectations before the service experience since if measured after the service experience the customer’s reported expectations will be affected by the service they experienced (Clow et al, 1998). Thus, although this study supports measuring expectations prior to the service experience, this author does so due to this author supporting Boulding et al’s (1993) view. Should a study wish to measure initial expectations it makes sense that these be measured before the service experience. If however a study is aiming to see what expectations are for the future when exposed to stimuli during the service experience, only then does it make sense to measure expectations after a certain service experience.

Clow et al’s (1998) study is limited however in that it used a convenience sample of university students and staff meaning results are not generalisable.
(Saunders et al 2009). There are numerous ways expectations can be managed in order to higher or lower them as Sivakumar et al (2013) states that expectations are temporal in nature and can change over time, thus supporting Boulding et al (1993). Indeed, this study aims to examine the effect of a pre-recovery step on managing customer expectations. How customer expectations and disconfirmation fit into this author’s project is discussed briefly in the next paragraph.

3.5 Summary

This ties into this study’s model as by managing and lowering the predictive expectations of consumers before they experience a service failure (which will alter where their zone of indifference lies), in essence calibrating consumer’s expectations (Bies, 2013), the gap between expectations of service and actual performance will be minimised enabling for the customer’s newer and lower expectations to be met and/or exceeded by the service provider thus leading to higher levels of confirmation, positive disconfirmation and thus higher ratings of customer satisfaction. Thus, disconfirmation of expectations is a key determinant of customer satisfaction (Andreassen, 2000). The antecedent of expectations will now be discussed.

3.6 Antecedents of service and service recovery expectations

Literature generally accepts that consumers before experiencing a service will have expectations and these expectations will have an important influence upon evaluations of service quality (Devlin et al, 2002). How expectations are
made-up will vary from person to person thus each person’s expectations will be different. Moreover, some individual’s may use different types of expectation (or use multiple standards (Niedrich et al, 2005)), for example, one person’s standard may be minimum tolerable expectation whilst another consumer may use their desired expectations as a standard of reference (Yuksel and Yuksel, 2001). Yuksel and Yuksel (2001) however, state that in some cases consumers will not know what to expect thus hold no prior expectations before experiencing a service especially when the service is highly experiential in its nature. However, this view is somewhat naive as consumers will not blindly partake in an exchange of which they know nothing about. For consumers with little information however, this does have implications for their expectations; their expectations may not be realistic (Yuksel and Yuksel, 2001). Predictive expectations are seen as an objective prediction of performance by the consumer however, should consumers hold little information thus objective level of expectation may still be unrealistic. Despite being unrealistic however they will still impact customer satisfaction through the mediator of disconfirmation.

This section thus looks at the antecedents of consumer expectations in reference to their expectations of service quality and service recovery. The antecedents of expectations of service quality will now be discussed.

3.6.1 Antecedents of expectations of service quality

Devlin et al (2002) states that literature on the antecedent of customer expectation is largely exploratory. Before consumers enter a restaurant, they
have expectations of the service quality. These expectations will be affected by numerous variables which may include their previous experience of the restaurant (Miller et al, 2000), information (Miller et al, 2000; Andreassen and Lindestad, 1998), their level of loyalty, corporate image (Andreassen and Lindestad, 1998), and service guarantees (Devlin et al, 2002). Kalamas et al (2002) state that literature on antecedents of expectations have found many elements which make up a consumer’s expectations of service, and that the implication this has for any research on the subject makes it impractical to include all antecedents of expectations in one research model. Kalamas et al (2002, p293) identify the recognised antecedent to customer expectations of service quality in the literature which include ‘firm image, word of mouth, implicit service promises, tangibles, price, explicit service promises, advertising, third parties, effort, past experience, satisfaction, service quality, ease and vividness of recall, personal needs, values, enduring service intensifiers, involvement, need for cognition, transitory service intensifiers, perceived service alternatives, self-perceived service role, (and) situational factors’. For this reason, this paper’s discussion of antecedent of expectations of service quality will not be exhaustive but will include the more popular antecedents with more support for them in the literature to date.

3.6.2 Previous experience with service provider and word of mouth

In Kalamas et al’s (2002) study word of mouth communication and past experience with the service provider are acknowledged to be the most recognised antecedents of customer expectations of service in the literature.
Word of mouth communication is defined by Kalamas et al (2002, p295) as ‘statements made by people, not the organisation’ which ‘give consumers an idea of what they can expect from the service’. Authors including Kalamas et al (2002), Webster (1991), and Gronroos (1984) recognise word of mouth and previous experience with a service provider as antecedents of service expectations. Webster (1991) additionally states that word of mouth communications and past experience with service provider have the greatest effect on expectations of service quality. Devlin et al (2002) however found that previous experience and word of mouth were not a significant antecedent of predictive expectations.

Although Devlin et al (2002) provides insight through a well-developed literature review, the results of their own study are limited in that they used a student sample. The situation in which customer expectations were measured in Devlin et al’s (2002) study were first year students (no demographic within the chosen student population was excluded) just before they commenced their studies and their expectations regarding their banking was studied. It may be thus assumed, that students chose the bank out of necessity and as something they had to do, as opposed to actively speaking about it and being involved with it. Also, it may be assumed that the majority of students in their sample had little previous experience, thus, how could previous experience as a variable and its effect have been measured in a situation where previous experience is likely to have been absent.
Kalamas et al. (2002) however found that previous experience with a service provider and word of mouth did affect customer expectations of service. Kalamas et al.’s (2002) results are stronger and more credible than Devlin et al.’s (2002) in that a quantitative survey is used comprising of 363 participants who were consumers, and the majority of participants were sampled using systematic random sampling which makes the results in this study more externally applicable and credible. However, due to some of the participants being sampled through convenience sampling, the results in Kalamas et al.’s (2002) study are not generalisable to the wider population (Saunders et al., 2009). Also, Kalamas et al.’s (2002) study is only on airline customers thus results may not be applicable to other service industries. Despite this, the methodology employed in Kalamas et al.’s (2002) study is strong, especially in comparison to Devlin et al.’s (2002) study.

Webster’s (1991) earlier study across different service industries supports Kalamas et al.’s (2002) results and like Kalamas utilises a quantitative consumer survey methodology thus the results of Kalamas et al.’s (2002) and Webster’s (1991) study indicate that across different types of service, word of mouth communication and past experience with a service provider are popularly seen as antecedents of customer expectations of service in the literature. Webster’s (1991) sampling method was a mixture of random and convenience sampling thus although this was done to ensure a representative sample, there is a possibility of bias thus results cannot be generalisable to the population under study in Webster’s (1991) study. Although these Kalamas et al. (2002) and Webster’s (1991) study have limitations, the fact that they
support each other makes the results more credible and demonstrates higher external validity.

3.6.3 Tangibles

Halstead et al (1994) states that expectations will differ according to the setting e.g. expectations of service quality will be different in a kebab shop to an haute cuisine restaurant. Due to the intangible nature of services, customers often look to reply on physical tangible cues in order to form an assessment of what they should expect when experiencing the service (Bitner, 1990). Tangibles include ‘interior decor, furniture, the appearance of the service technicians, and the machines or instruments used to perform the service’ (Clow and Vorhies, 1993, p24) as well as ‘signage’ to communicate the firm’s image to customers thus influencing their expectations of the service (Bitner, 1990, p72). Barsky (1992, p55) also acknowledges that pricing acts as a tangible with ‘consumers often percieveing) higher priced items as having higher quality’. Firm image has also been recognised in the literature as an antecedent to customer expectations of service quality (Kalamas et al, 2002; Gronroos, 1984). Despite tangibles being acknowledged as antecedents of consumer expectations with service there appears to be a lack of empirical evidence in the literature to date to support such assumptions. However, what is existent in the literature are studies which support the idea that tangibles affect consumer perceptions and behaviour (Wakefield and Blodgett, 1999). Thus, it is reasonable for services literature to presume that such tangibles will also influence customer expectations of service through affecting their
perception. It is not the purpose of this study however to discuss in detail the effect of different tangibles and their effect on consumers' cognitive processes. Literature in this area would benefit from empirical studies to support these assumptions.

### 3.6.4 Explicit service promises

Explicit service promises (which include service guarantee and advertising (Devlin et al, 2002)) are recognised to affect customer expectations of service (Dion et al, 1998) and service recovery (Devlin et al, 2002; Miller et al, 2000) and also the success of service recoveries (Miller et al, 2000). Zeithaml et al (1993, p9) defines explicit service promises as ‘personal and non-personal statements about the service made to customers by the organization’. Devlin et al (2002) states that explicit service promises are a marginally significant antecedent of customer’s predictive expectations of service quality but not of desired expectations. However, many studies including Dion et al (1998) state that explicit service promises have an influence on customer predictive expectations and desired expectations of service. Dion et al’s (1998) results and stronger than Devlin et al’s (2002) results in that its sample is not of students and according to the study, sampled randomly. It should be noted that the article lacks detail as to how participants were randomly selected, and there is an indication in the study that the sample may not be representative in that most sampled participants are from one state (when eight states are overall sampled from) and that the Dion et al (1998, p72) state that due to using face-to-face interviews the ‘geographic reach of the study’ was
inhibited. It must thus be assumed that this study’s results are not generalisable to the population that was studied by Dion et al (1998). However, the wider literature suggests that explicit service problems do affect customer expectations of service quality and service recovery. This section will now look at two forms of explicit service promise, service guarantees then advertising in more detail to discuss this argument.

3.6.5 Service guarantee

A service guarantee is ‘a promise made to the customer and is often advertised as such’ (Callan and Moore, 1998, p60) which may also outline what the customer should expect ‘the company will do if it fails to deliver’ (Hart et al, 1992, p20). Service guarantees can be implicit or explicit (Hart et al, 1992; Linden and Skalen, 2003). Hart et al (1992) identifies the types of service guarantee in existence which are ‘specific’, ‘unconditional’, ‘implicit’, and ‘internal’ however it is not the purpose of this study to look into each type in detail, the important point that is made is that service guarantees affect customer expectations of service quality and service recovery.

A service guarantee will communicate the level of the quality of service that customers will receive which thus affects customer expectations of service quality (Linden and Skalen, 2003) as a service guarantee sets standards which are to be met by the service provider (Callan and Moore, 1998; Ostrom and Iacobucci, 2016).
Following this, Miller et al (2000, p389) rightly states that for companies with a service guarantee in place, customers will expect the service provider to ‘live up to an expressed guarantee stating the procedures which will be followed if a specific failure occurs’ and may ‘raise recovery expectations’. Some service guarantees can be conceptualised as an explicit service promise in that they may form part of a company’s ‘advertising, contracts and other communications’ (Devlin et al, 2002, p122; Miller et al, 2000). Unlike explicit service guarantees, customers may not be aware of implicit service guarantees (Hart et al, 1992). However, Linden and Skalen (2003, p52) found that once a consumer made a complaint, and were made aware of an implicit guarantee, it heightened the customer’s ‘perceived probability of a successful complaint’, thus heightened their expectations of service recovery. As for customers who are aware of a service guarantee being in place, Miller et al (2000) found that for customers who were aware of service guarantees, 64% of those customers had their service failure recovered successfully. Service guarantees can facilitate service recovery in having procedures in place to assist with service recovery when a service failure arises (Callan and Moore, 1998). Wirtz et al (2000) also found that for service providers with service guarantees, service guarantees acted as a cue of higher service quality, and less risk was perceived by the consumer in patronising that service provider and thus expectations of service quality were higher. Thus, it can be seen from the literature that service guarantees affect both expectations in regard to service quality and service recovery and also facilitate the service recovery process.
3.6.6 Advertising

Advertising is another form of explicit service promise (Devlin et al, 2002; Zeithaml et al, 1993). Kalamas et al (2002) however found that advertising did not influence customer expectations of service; Kalamas et al (2002) on the other hand, appreciates that this result may need to be treated with some level of caution since airlines (their study was on airline consumers) use relatively little advertising in comparison to other types of service thus this result may be different for other types of service. Webster’s (1991) earlier study confirms this in finding that in some service settings advertising is an important influence on customer expectations however this influence is different across service sectors. There is a lack of literature that examines advertising as an antecedent of customer service quality expectations; however, it is a recognised medium through which explicit service promises can be communicated to a consumer which has been stated by Devlin et al (2002) and Dion et al (1998) to affect customer expectations of service.

3.6.7 Summary

The implications of so many variables affecting consumer expectations of service are that, consumers’ initial expectations of service will need to be a controlled variable in order for the effects of pre-failure recovery on consumer’s disconfirmation, perceptions of justice, loss and gain, and satisfaction with the service recovery to be measured in a meaningful way. Also, in order for the results to have meaning, and for expectations to be
treated as a controlled variable, the service provider will need to be non-specific in order to test the model; this may provide insight into pre-recovery and its affect within that sector but results will be compromised in terms of external validity due to such factors being controlled which in field settings would impact results. In controlling such variables however, the internal validity of the study should be increased.

3.7 Expectations of recovery

Hess et al (2003, p141) states that management in order to recover service failures need an understanding of what makes up ‘adequate (recovery) expectations’ for their customers’. Customers will have expectations regarding service recovery (Miller et al, 2000; Lin 2010). What constitutes adequate recovery however will differ by individual (Lin, 2000). In Miller et al’s (2000, p388) model of the service recovery process, expectations of service recovery are conceptualised as a ‘pre-recovery phase’. Miller et al (2000) state that such expectations of service recovery are composed of four elements, namely, the severity of the service failure, the customer’s level of loyalty, the service guarantee, and perceived service quality. Andreassen (2000) rightly links satisfaction with service recovery to Oliver’s (1980) disconfirmation of expectations theory. Expectations of service recovery and disconfirmation of them (either positive or negative) will effect satisfaction with the service recovery received and whether the service recovery is successful (Andreassen, 2000; Hess et al, 2003).
Literature has also covered how expectations of service recovery are affected by consumer demographics (Hess et al, 2003; Kanousi, 2005; Lin, 2010). Hess et al (2003) and Lin (2010) found that women hold higher expectations of service recovery whilst Kanousi (2005) found that women have higher expectations of staff empowerment to resolve service failures. Kanousi (2005) found that culture affected service recovery expectations and even expectations about what forms service recovery should take. Kanousi (2005) found that in individualist cultures there is less need for explanations into service failures but more expectation that employees will be empowered to resolve their problem. Masculinity as a cultural dimension also increases expectations of explanation (Kanousi, 2005). The two cultural dimensions that did not have an effect on service recovery expectations were power distance and uncertainty avoidance (Kanousi, 2005). Kanousi’s (2005) study although not generalisable due to a purposive student sample being used (Saunders et al, 2009), is however insightful in that participants from each continent were included in the sample thus a cross cultural analysis was made possible for the purposes of the study. An important limitation of Kanousi’s (2005) study however is that within the continents are countries with big cultural differences, thus although participants sampled may be from the same continent, these participants may vary vastly in their cultural orientation; for this reason, Kanousi’s (2005) results should be treated with caution.

Lin’s (2010) study found that extroverted personalities have lower service recovery expectations than introverted personalities, that older customers (as opposed to newer customers) hold lower service recovery expectations and
that the more involved a customer is with the service the greater their service recovery expectations will be. Although more methodologically rigorous than the other studies, Lin’s (2010) study is not applicable to consumers outside of Taiwan, thus the results cannot be generalised to other cultures. Overall, literature to date on how demographics affect consumer service recovery expectations is limited. The results of studies in this area are not generalisable due to their use of non-probability sampling methods (Saunders et al, 2009) and their samples are likely not be representative of general populations. Researchers in this area must accept that due to the heterogeneous nature of individuals across cultures, service recovery expectations will differ by individual (Lin, 2000). It is unlikely that future research will come up with a formula which calculates what consumer expectations of service recovery are based on their demographic profile and such research would thus not be economical.

What can be understood however, are the elements that make up the service recovery expectations of consumers and how these elements that form expectations, affect the success of service recovery. Following the four elements that Miller et al (2000) stated affected customer expectations of service recovery, the next section of this chapter will now examine each element that makes up consumers' expectations of service recovery.

3.7.1 Severity of failure
As stated earlier in the chapter two, literature on service failure severity has been linked to failure type (Bitner et al, 1990; Hoffman et al, 1995) yet more
rigorous research in the area is needed. However, literature on severity of failure and service recovery agrees that generally the more severe the service failure, the higher the expectations for service recovery (Hess et al, 2003, p141). The more severe a service failure is, the more recovery is needed to overcome the service failure as the greater the loss experienced by the consumer (Wang et al, 2011), the more memorable the failure and thus the harder the failure is to recover from (Hoffman et al, 1995). More severe service failures are ‘less likely to be resolved’ (Miller et al, 2000, p392). Severity of failure thus effects expectations of service recovery and thus its success.

3.7.2 Customer loyalty

Loyalty is defined by Oliver (1999, p34) as ‘a deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior’ thus commitment is an aspect of loyalty. Oliver’s (1999) definition highlights two aspects to loyalty; attitudinal and behavioural. Miller et al (2000) stated that customer loyalty effects service recovery expectations whilst Hedrick et al (2007) states that the different relationships service providers have with their customers affected the way customers responded to their service recovery.
Customers who have had more previous experiences with service providers have higher expectations that their relationship with that service provider will continue (Hess et al, 2003) but have lower expectations regarding service recovery and are more likely to perceived the cause of the service failure to be unstable (Hess et al, 2003; Lin, 2010). In not having such high expectations, their satisfaction post-recovery is higher (Hess et al, 2003). This may be why Miller et al (2000, p392) found that ‘loyal customers are more likely to have their problems resolved’ with ‘61%’ probability of customers having their issue recovered successfully ‘if respondents considered themselves loyal before the failure’. Miller et al (2000, p393) also states that of the participants that had their issues successfully resolved, ‘78%’ of the participants reported a level of loyalty post-recovery that was either ‘the same or greater’ than their pre-recovery levels. However, it should be noted that loyalty is not the same as ‘number of past experiences with service provider’ which is used by many authors as an independent variable, number of visits is only an indicator of loyalty, thus Miller et al’s (2000) study measures only the behavioural aspect of loyalty of what the consumer objectively does (Oliver, 1999). Miller et al (2000) uses ‘number of past experiences with service provider’ as a measure of customer loyalty however, although this study uses a very simplistic indicator of loyalty to measure loyalty, the argument for this is that in keeping the measure simplistic it measures actual objective behaviour, rather than attitudes and intentions which are subjective thus the simplistic measure may be the more reliable and valid measure. As stated previously, previous experience with service providers has been seen to affect expectations of
service (Webster, 1991). Thus, previous experience with the service provider as a measure of loyalty is justifiable.

Tax et al (1998) however state that loyal customers have higher expectations of service recovery than non-loyal customers. Kelley and Davis (1994) in an earlier study found that for customers holding higher levels of organisational commitment, they also held higher expectations of service recovery. It is noted however that organisational commitment is different to loyalty (Kelley and Davis, 1994). Commitment is an aspect of loyalty (Oliver 1999) and was used as a measure in Kelley and Davis’ (1994) study. Although this measure does address the attitudinal aspect of loyalty unlike Miller et al’s (2000) study, the disadvantage of using this as a measure is that it is measuring intentions and subjective feelings of the customer thus may not be so accurate as the objective measure ‘number of past experiences with service provider’ as it does not measure actual loyal behaviour of the consumer. Although both aspects are important to the measurement of loyalty, when relying on one measure, the objective measure of actual behaviour holds higher validity. For this reason, the results of Miller et al (2000) that loyal customers have lower expectations regarding service recovery should be assumed. Interestingly however, Robbins and Miller (2004) used both of these measures covering both behavioural and attitudinal aspects of loyalty in a mixed methods survey and found that the effects of service recovery were amplified for loyal customers. Thus, this supports Miller et al’s (2000) findings in that expectations may indeed be lower for loyal customers as any action that is taken will have more effect on them. This also means that loyalty will have an
effect on service recovery satisfaction (Robbins and Miller, 2004). How
loyalty is measured is debatable, however it is not the purpose of this study to
go into this.

3.7.4 Perceived service quality

Perceived service quality has been stated to effect customer predictive
expectations of service recovery (Miller et al., 2000; Kelley and Davis, 1994)
and is influenced by perceptions of ‘reliability, responsiveness, tangibles,
assurance, and empathy’ (Kelley and Davis, 1994, p53; Parasuraman et al,
1991, p41; Berry et al., 1994). Many of the elements that influence perception
of service quality as identified by Parasuraman et al (1991, p41) however will
only influence perceptions of service quality once the service is being
experienced by the service provider. If experiencing a service failure, this
could take many forms thus service quality received will not be as good as the
original service quality perceived and expected. Thus, this section will focus
on initial perceived service quality as opposed to the service quality perceived
under the conditions of the service failure and its influence on customer
expectations of service and service recovery. This is appropriate or else the
perceived service quality will be affected by the service failure itself or the
service recovery (and what form they take). Parasuraman et al (1991) and
Kelley and Davis (1994) however do acknowledge tangibles as an influence
on perceived service quality (this also relates to firm image). Perceived service
quality may also be further influenced by other antecedents to customer
expectations of service and service recovery including explicit service
promises (such as service guarantees (Wirtz et al, 2000)) and word of mouth (Miller et al, 2000). Berry et al (1988, 37) states that for an organisation to earn a reputation for service quality they ‘must meet or exceed customer expectations’. Thus, there are many elements that make up a consumer’s initial perception of service quality that affect the consumers’ expectations.

### 3.7.5 The effect of antecedents on expectations

What is evident from the literature on antecedents of customer expectations of service quality and service recovery is that there are numerous variables that influence consumer expectations (Barsky, 1992) and that each variable may influence another thus any measurement of the effects of these on expectations should be done holistically. Barsky (1992, p55) rightly notes that it is ‘likely that consumers use different sources and process information in a variety of ways’. In order to ensure internal validity in the study, consumer expectations will need to be treated as a controlled variable.

### 3.8 Justice/Equity theory

Referent cognitions theory (RCT) states that individuals are likely to experience a feeling of injustice in situations where ‘they are disadvantaged in relation to some point of comparison’ (Folger and Cropanzano, 2001, p2), thus consumers will most likely experience injustice in the situation of a service failure.
Justice theory (also known as equity theory) evolved from social exchange theory (Adams, 1965). Rawls (2014, p10) in his book entitled 'A theory of Justice' writes on the notion of 'justice as fairness'. In writing, Rawls (2014, p11) acknowledges that justice and fairness are not the same, but, that 'the principles of justice are agreed to in an initial situation that is fair'. It thus follows that for consumers to perceive that justice has been restored in a service failure situation, that fundamentally they must feel that they have been treated with fairness by the service provider. It should be noted that one's ability to judge what is 'just' or 'fair' differs between individuals and will depend on their code of morality (Rawls, 2014). It is however, beyond the scope of this thesis to discuss the make-up of a person's sense of justice and fairness. In this thesis, consumers' perceptions of justice are measured using items previously used by researchers in this field (please see section 5.5.9 which considers how justice is measured in this study, p158).

Thus, for service recovery to be successful and customer satisfaction to result, consumers must perceive that they have been treated fairly in the recovery and received a fair outcome. Literature to date on service recovery supports this and has identified justice as a mediator between service recovery and customer satisfaction (Smith et al, 1999). A positive relationship exists between customer perceptions of justice and customer satisfaction (Smith et al, 1999; McColl-Kennedy and Sparks, 2003). Equity thus has a positive effect on satisfaction with service recovery (Andreassen, 2000). Furthermore, Tax and Brown (1998) state that in order to retain customers, fairness is vital.
Fairness is constituted of three forms: outcome, interactional, and procedural (McColl-Kennedy and Sparks, 2003; Sparks and McColl-Kennedy, 2001). Distributive justice is concerned with ‘what the customer receives as an outcome of the recovery process’ (McColl-Kennedy and Sparks, 2003, p253; Patterson et al, 2006). Distributive justice is thus associated with forms of atonement in service recovery (Smith et al, 1999) or the ‘tangible outcome’ of the service recovery (Blodgett et al, 1993, p404). Procedural justice concerns ‘the process used to resolve the problem’ (McColl-Kennedy and Sparks, 2003, p253; Patterson et al, 2006; Blodgett et al, 1993) and concerns such aspects as speed of response (Blodgett et al, 1997; Smith et al, 1999; Patterson et al, 2006) and ‘keeping [the] customer informed’ (Patterson et al, 2006, p264). Lastly, interactional justice ‘concerns the manner in which the service problem is dealt with by the service providers and the specific interactions between the service provider and the customer’ (McColl-Kennedy and Sparks, 2003, p253; Patterson et al, 2006) and ‘the manner in which...outcomes are communicated’ (Smith and Bolton, 2002, p7; Patterson et al, 2006). This will include the effort perceived to be expended by the service provider in solving the issue, empathy given by the service provider, politeness, honesty, and attitude (Tax et al, 1998).

Since multiple aspects affect the success of a service recovery including type of compensation, speed of recovery, and front line empowerment (Miller et al, 2000) all three forms of justice will act as a mediator between the service recovery and customer satisfaction (Smith et al, 1999). Different types of justice will correspond to these different aspects. Following this distributive
justice will moderate the relationship between type of atonement and customer satisfaction (Smith et al, 1999; Tax et al, 1998); Smith et al (1999) found a positive relationship between compensation and distributive justice. Also, procedural justice will moderate the relationship between speed of recovery and customer satisfaction (Smith et al, 1999; Tax et al, 1998); Smith et al (1999) also found a positive relationship between speed of recovery and perceptions of procedural justice. Finally, interactional justice will moderate the relationship between employee and customer communications, who initiates the service recovery (Smith et al, 1999), and effort expended and customer satisfaction. In the case of who initiated the recovery, perceptions of interactional justice are higher when the service provider initiates the service recovery process (Smith et al, 1999).

3.8.1 Types of justice, their importance, and effect on customer satisfaction

Literature has also examined further into specific types of justice and theory effect on customer satisfaction. Within the types of justice, distributive justice was found to have the largest effect on customer satisfaction (Smith et al, 1999). In situations of service failure leading to negative emotion in the consumer, Smith and Bolton’s (2002, p19) study of hotel customers found that distributive justice weighs more heavily (accounting for ‘75.6%’ explained variance in satisfaction judgements) than interactional justice (accounting for ‘4.8%’ explained variance in satisfaction judgements) and consumers focus more on the outcome of the service recovery and distributive gains. Procedural justice accounts for even less explained variance in satisfaction judgements at
‘0.1%’ (Smith and Bolton, 2002, p15). This supports the argument that courtesy and empathy from the service provider is not enough and that tangible recovery efforts are needed to recovery successfully from a service failure thus recovery efforts should be more focused around the outcome for consumers (Smith and Bolton, 2002). Smith and Bolton’s (2002) statement on the importance of distributive justice is supported by other research (Kim et al, 2009; Kau and Loh, 2006; Matilla, 2001). Kim et al (2009) found that distributive justice has the biggest effect on satisfaction with service recovery followed by interactional justice and procedural justice respectively. Kim et al (2009) also found that using satisfaction with service recovery as a mediator, distributive justice had the largest effect on word of mouth and intention to re-patronise the service provider positively affecting them. However, Smith and Bolton’s (2002) findings that interactional justice has a significant but relatively little effect on customer satisfaction in the situation of recovering a service failure is debatable.

Other research has advocated the importance of the manner in which the service provider communicates to consumers and the manner in which they implement the service recovery. Tax et al (1998) found that interactional justice was important in effective service recovery to alleviate the negative emotions consumers experienced as a result of service failure and that if communication between the service provider and consumer was rude and uncaring that such negative emotions including anger were exacerbated. Blodgett et al (1997) also follows this line stating that even if distributive reparations are made, if the customer is treated badly by the service provider
no amount of redress will compensate for that and customers will be more likely not to re-patronise the service provider and engage in negative word of mouth communications. Bies and Shapiro’s (1987) study highlights that the quality of the communication between the two parties will affect perceptions of interactional justice. Furthermore, Blodgett et al (1997, p201) stated that ‘higher levels of interactional justice can compensate for lower levels of distributive justice’. Also, Matilla (2001) found that in the context of a barber shop, interactional justice had the largest effect on customer satisfaction. This points to the view that both compensation to restore distributive justice and good treatment of the consumer providing interactional justice are important in effective service recoveries and to ensure customer satisfaction. It also highlights that the influence of aspects of justice on customer satisfaction changes according to the service context (Matilla, 2001).

Ok et al (2005) and Río-Lanza et al (2009) states unlike Smith and Bolton (2002) that procedural justice has the highest influence on customer satisfaction levels with distributive justice and interactional justice elements following respectively but rather than study the weighting of each aspect of justice on overall customer satisfaction, these studies are of the influence each aspect of justice has on satisfaction with the service recovery itself. Río-Lanza et al’s (2009) and Ok et al’s (2005) studies are weaker than Smith and Bolton’s (2002) in that they both use convenience samples meaning that the results of the studies are not generalisable to the wider population, and the studies also use experimental methodologies which makes these studies further lack external validity and applicability (Saunders et al, 2009). Smith
and Bolton’s (2002) study is stronger in that for the sample it uses of hotel guests, it uses a probability sample of hotel customers thus results are more applicable and generalisable to the population of hotel customers and has higher external validity (Saunders et al, 2009). Likewise, Kim et al’s (2009) study is strong in using a sample of hotel guests and surveying them about their actual experience but is limited in that this uses a convenience sample which mean the results of the study are not generalisable (Saunders et al, 2009) and in asking consumers about events that could of occurred up to six months prior to the survey, the data collected is open to recall error (Groves et al, 2009). Also, Kim et al’s (2009) sample is of Korean consumers, thus results may not be applicable to western consumers, however, Smith and Bolton’s (2002) results support and thus strengthen the validity of Kim et al’s (2009) findings making the results of both studies more credible.

Literature thus appears mixed as to which element of justice impacts customer satisfaction the most. In looking at the literature to date however, there are more studies that support distributive justice having the most effect on customer satisfaction with service recovery (Smith and Bolton, 2002; Kim et al, 2009; Kau and Loh, 2006; Matilla, 2001). A limiting factor to all of these studies is that service recovery evaluations (thus satisfaction with them) are context specific thus although the results may provide insight into the service sector under study, even generalisable results for that sector may not necessarily be applicable to other service sectors (Matilla, 2001; Goodwin and Ross, 1992). This is perhaps unsurprising considering the huge variation in services. An important point that Ok et al (2005) does raise, is that the
effectiveness of the service recovery, and the aspect of justice that influences satisfaction with the service recovery most, may change according to the type of failure experienced as Ok et al (2005) rightly acknowledges that Smith et al (1999) found that compensation and quick response to an outcome failure improved perceptions of justice yet in the case of experiencing a process failure an apology and proactive response to the service failure increased consumer perceptions of justice.

Thus, type of failure may influence what aspect of justice is the most influential on customer satisfaction with the service recovery (Smith et al, 1999). Smith et al (1999, p369) found that ‘a service recovery has the most impact when it matches the type of justice’ thus when the service recovery activity undertaken by the service provider is appropriate to the type of loss incurred, the type of justice damaged is repaired resulting in improved customer satisfaction.

It is thus important that service recovery attempts try to address all the elements that impact its success in order to be perceived as fair by the consumer which will result in customer satisfaction (Río-Lanza et al, 2009; Kim et al, 2009; Blodgett et al, 1995). Should one element of justice not be satisfied it will compromise the effectiveness of other elements of justice addressed (Goodwin and Ross, 1992; Blodgett et al, 1995; Tax et al, 1998).

Lastly, Greenberg (1993) proposed a model that had four elements of justice including distributive justice, procedural justice and instead of interactional
justice put forward interpersonal justice and informational justice separately as facets of interactional justice. This model was later confirmed by Colquitt (2001). In terms of literature utilising this model, Bradley and Sparks (2009, p139) study into forms of justice as a mediator between explanations and their effect on customer evaluations found that interpersonal and informational justice as mediators were shown to be affective on the different types of explanation thus stating that this finding supported ‘the theoretical and empirical separation of these two forms of justice’. More studies including Mattila (2006) have also used this new model of justice and used these newer forms as variables.

Additionally, there has been a debate in the literature whether procedural and interactive justice should be merged or left separate; Colquitt (2001) found that these two constructs are best left separate or else important differences are not able to be made clear. Furthermore, Colquitt et al (2001) found that procedural justice, interpersonal justice and informational justice were distinctly different constructs. In this study, justice will be measured at the distributive, procedural, and interactional level rather than the four types as proposed by Greenberg (1993) due to more measures being developed for the three types of justice constructs (which demonstrate good coefficient alpha levels thus have good internal consistency), having four types of justice being measured in the survey would risk making the survey too long for respondents, and due to this study not aiming to focus on interpersonal aspects of justice (such interpersonal interactions will be controlled in the scenarios).
Thus, it would not be in the interests of this study to use Greenberg’s (1993) model.

### 3.8.2 Additional factors which influence consumer perceptions of justice

Rawls (2014) acknowledges that what is considered 'just' or 'fair' will differ between individuals. Perceptions of fairness will alter depending on the individual’s ‘prior experience with the firm ... and other firms, awareness of other customers' resolutions, and perceptions of his or her own loss’ (Tax et al, 1998, p62). Perceptions of fairness are thus affected by expectations of the service recovery and the disconfirmation of these expectations. Also, the culture the consumer comes from will affect their perceptions of fairness (Mattila and Patterson, 2004). ‘Attribution information’ will also greatly influence ‘fairness judgements’ (Bies and Shapiro, 1987, p214) as was discussed earlier in chapter two. The implications this has for this author’s study is that in the scenarios, factors such as attribution information, and prior experience with the service provider will need to be controlled to ensure these variables do not affect perceptions of justice.

### 3.9 Prospect theory

Prospect theory (Khaneman and Tversky, 1979) is originally an economic theory and consequently little is written about it in the context of service failure and recovery. This theory which concerns decision making under uncertain circumstances (Sivakumar et al, 2013) is relevant to this author’s
project in that it ties into the mind-set of loss and gain which customers will evaluate to some extent in the situation of service recovery and failure. It is the aim therefore to minimise perceived loss in the customers’ mind in light of service failure in order to recover from the service failure and increase customer satisfaction. Prospect theory also enables a deeper understanding on disconfirmation theory in that prospect theory states that losses weigh greater than gains thus negative disconfirmation has more of an impact on customer satisfaction than positive disconfirmation ‘at the micro-level’ (Andreasen and Lindestad, 1998, p10; Khaneman and Tversky, 1979; ANONYMOUS, 2013).

Studies by Blodgett et al (1993) and Blodgett et al (1995) found that dissatisfied customers that engaged in negative word of mouth behaviour as a consequence of their dissatisfactory experience told more people through negative word of mouth than customers who were satisfied as a result of the service recovery and spread news of their experience using positive word of mouth; prospect theory helps a deeper understanding of this phenomenon in that it supports the notion that dissatisfaction weighs heavier than satisfaction and that the consequential negative behaviours will be spread more than resulting positive behaviours. This has important implications for my study namely that service failures will weigh more heavily than recovery measures. This may explain why Miller et al (2000) found that the most important factors in service recovery were fairness of the resolution and recovery activities that were value adding. Prospect theory thus also supports Miller et al (2000, p392) in that due to failures weighing more heavily, more serious problems ‘are less likely to be resolved’. All the factors that affect service failure will affect the loss perceived by the consumer. Additionally, all the
factors that affect service recovery and its effectiveness will also impact customers’ perceptions of gain. Many studies have used prospect theory as an underlying theory in their studies in the field of service failure and recovery (Smith et al, 1999). This study will also use prospect theory as an underlying theory. A point that should be noted is that there are situational variables that may amplify perception of loss or gain in the mind of the consumer, as such variables will affect the perception of the failure/recovery and its impact on loss/gain. It is not the purpose of this study however, to examine these.

In terms of placing prospect theory in the model, perceived gain/loss by the consumer will affect customer satisfaction. Consumers’ perceptions of loss/gain will vary throughout the service experience as the consumer experiences the various gains and losses which will then cumulate to overall perception of loss/gain which will affect customer satisfaction. In past studies in the field, literature has not measured but used the principles of prospect theory to support assumptions made. Thus, in this study, rather than measure customer’s perceived gains and losses, it will likewise acknowledge prospect theory and that customer’s notion of gain and loss will affect perceptions of justice and satisfaction.

3.10 A summary

Prospect theory thus links customer satisfaction in the context of service failure and recovery to both disconfirmation of expectations theory and equity theory. Disconfirmation and fairness of resolutions both affect consumers’
perception of loss and gain and ultimately their satisfaction with service and service recovery; how this loss and gain is weighed and eventually evaluated by consumers is explained by prospect theory.

Pizzi and Scarpi (2013) state that providing customers with information before they experience a stock out helps in offsetting the negative effects on customer satisfaction. From this, this author proposes that in providing information concerning a service failure before it is experienced, it will help offset the negative effects on customer satisfaction by managing the customer’s expectations and lowering them in order that negative disconfirmation may be minimised and loss perception of the consumer minimised. In minimising loss, an effort of recovery then needs to be made in order to overcome the effects of the loss and provide some added value to the consumer for their trouble (tying in with prospect theory (Khaneman and Tversky, 1979)). In minimising loss and providing sufficient compensation that is considered ‘fair’, positive disconfirmation may be achieved (depending on what compensation is offered and what the service failure is (severity, timeliness of recovery etc.,)) and a perception of equity may be achieved. This will increase customer satisfaction, satisfaction with service recovery, and have a higher intention to re-patronise the service provider as a result. This will be better than recovery after failure as it will enable consumer expectations to be managed thus the negative effects of the failure should be minimised and service recovery made easier for the service provider and have more of a positive impact (since negative experiences weighs heavier than positive experiences, in minimising the negative, the same recovery activity that would have been given to the
failure regardless of when the consumer was made aware of the failure, will need to make up for less when effects of that failure are minimised). Therefore, in having to make up for less it is more likely to be perceived as fair and its positive effects will be extended into the added value sphere. In the next part of this chapter, this thesis’ dependent variable will be discussed by the author. The dependent variable is customer satisfaction.

3.11 Customer satisfaction

3.11.1 Definition

Customer satisfaction can be defined as ‘the consumer's response to the evaluation of the perceived discrepancy between prior expectations (or some other norm of performance) and the actual performance ... after its consumption’ (Tse and Wilton, 1988, p204). Thus, customer satisfaction is an outcome emotional state as a result of an evaluative process by the consumer (Andreassen, 2000). Oliver (1999, p34) defines the emotional state of satisfaction as ‘pleasurable fulfilment’ which ‘fulfils some need, desire, goal, or so forth and that this fulfilment is pleasurable’. What standard the customer uses to evaluate service performance against is debated but the paradigm of disconfirmation of expectations is the most prominent measure of customer satisfaction (Niedrich et al, 2005; Yi, 1990; Yuksel and Yuksel, 2001). Emotions that arise as a consequence of confirmation/disconfirmation ultimately are the emotions that affect customer satisfaction (Andreassen, 2000). Although disconfirmation is the strongest predictor of customer
satisfaction (Niedrich et al, 2005), Yuksel and Yuksel (2001) state that a better understanding of customer satisfaction may also be gained in examining equity theory alongside expectancy disconfirmation theory. Smith et al (1999, p366) found not only that positive perceptions of justice had a positive effect on customer satisfaction levels but that disconfirmation ‘has a positive and complimentary influence on satisfaction’ thus Smith et al (1999) support Yuksel and Yuksel (2001) stating that to gain an enhanced understanding of customer satisfaction, both perceptions of justice and disconfirmation theory need to be examined together.

### 3.11.2 Outcome of Customer Satisfaction

Customer satisfaction has been acknowledged to lead to resultant behaviours including engaging in positive word-of-mouth, repurchase intent (Choi and Chu, 2001) and also increasing customer loyalty which leads to higher firm profitability. In relation to satisfaction with service recovery, Kim et al (2009) found that satisfaction with service recovery had a direct positive effect on word-of-mouth and intention to re-patronise the service provider. Satisfaction with service recovery is also found to have a positive effect on overall customer satisfaction. For the purpose of this study the only resultant behaviour that will be examined into is repurchase intention in order to provide focus and depth to this study.

Oliver (1980) found that satisfaction led to attitude formation which then led to intention. Bitner (1990, p77) supports this in finding that satisfaction led to
a customer’s perception towards service quality experienced which then led to
behavioural intention. Taylor and Baker (1994) and Petrick (2004) also state
that customer satisfaction acts as a moderating variable between service
quality and intention to re-purchase. Thus, literature supports the link between
service quality and customer satisfaction (Grace and Cass, 2005; Petrick,
2004).

Petrick (2004) found that perceived quality and perceived value by customers,
acted as antecedents to customer satisfaction. This however may connote that
an attitude towards the service is present before customer satisfaction. Cronin
et al (2000) support this stating that perceived quality and perceived value are
cognitive responses of the consumer based on their service experience,
whereas satisfaction is the resultant emotional response. As stated above, an
evaluative and emotional element is present in customer satisfaction, thus it is
viable that perceived quality and value indeed act as antecedents and affect the
confirmation/disconfirmation that the consumer experiences which then
affects customer satisfaction. This supports customer satisfaction thus as being
the emotional response to a cognitive pre-satisfaction evaluation by the
consumer; there is much literature in the field to support this point (Cronin et
al, 2000). This is not incompatible with attitude towards the service experience
coming after customer satisfaction (or dissatisfaction) which will then lead to
repurchase intention.

The literature on justice theory stated that perception of justice moderated the
relationship between service recovery activities and customer satisfaction.
Bitner’s (1990) model however shows that stability and control attributions lead to satisfaction thus showing that recovery activities affect customer attributions of service failure. Bies and Shapiro (1987, p214) however reconcile this stating that ‘fairness judgements are based primarily on attribution information’ thus attribution will affect customer perceptions of justice. From this it can thus be seen that recovery activities and attributions of service failure will affect customer’s perceptions of justice, which will then lead to satisfaction or dissatisfaction.

3.12 Summary

To summarise, customer expectations of service will affect the level of disconfirmation the consumer has having experienced the service encounter and their level of perceived justice. It is this disconfirmation of expectations and sense of justice that will affect their overall perception of loss/gain they experience which will impact upon their satisfaction. In this chapter, the theoretical underpinnings of this thesis have been presented and discussed. In the next chapter the conceptual model is put forward and the hypotheses based on this model are presented.
4. Chapter Four: The Conceptual Model and the Hypotheses

4.1 Introduction

In the previous chapters this author has provided a literature review of the relevant constructs to be examined. In the literature review (chapters two and three), a research gap has become apparent; research to date has yet to examine a pre-failure recovery stage in the service recovery process and its effect on perception of failure severity, expectations of service recovery, disconfirmation, customer perceptions of equity, and customer satisfaction with the service provider. Based on the literature review, this chapter contains the proposed conceptual model of which this study will test in order to answer the research questions.

The main aim of this thesis (see chapter one, section 1.2, p. 2) is used for the formulation of hypotheses and the design of the conceptual model to provide an empirical examination into the effects of pre-service recovery on customer satisfaction with the service provider.

In addition, the mediators between pre-failure recovery and customer satisfaction and satisfaction with service recovery will also be examined. The conceptual model and hypotheses have been developed as a result of examining the literature which showed numerous previous studies into service failure and recovery. This study aims to build on the study by Miller et al (2000) in adding another stage to the service recovery process, this stage being
‘pre-service failure recovery’, a stage which has been overlooked by researchers to date. Despite Schwiekhart et al (1993) and Miller et al (2000) recognising that it is possible to recover a failure prior to it occurring, these studies approach such a stage as preventing the failure from happening thus addressing it as a preventative step, not as a service recovery step to minimise and buffer the negative effects of an inevitable service failure that the service provider is aware that the customer will experience. Few studies have examined into disclosure of information to consumers as a service recovery activity yet literature in other areas such as queue management and online purchasing suggest that such an activity could be used as a service recovery activity. Through adding a pre-failure recovery stage in the form of informing the consumer of the service failure prior to them experiencing it, this study will thus aim to examine how calibration of consumers’ expectations through pre-service failure recovery consequently affects consumer’s perception of the severity of the service failure, their service recovery expectations, disconfirmation of expectations, and their perceived justice, all of which mediate the relationship between service recovery activities and customer satisfaction. This study will thus provide an in-depth original empirical study into the effects of a pre-failure service recovery stage on these mediators and consequently its affect through these on customer satisfaction. Customer satisfaction with overall service and service recovery will also be tested.

In addition, this study aims to extend the literature on criticality. In this study the moderating variable of criticality and its interaction with a pre-failure recovery step will be examined. To provide focus to this study criticality will
only be examined in regard to time based criticality. Literature to date has recognized that criticality will impact upon the perceived severity of the service failure and upon customer satisfaction. However, since pre-failure recovery has yet to be examined, the effect of criticality in relation to such an activity is yet to be researched. This study aims to fill this gap in current research. The next section of this chapter will present the hypotheses and the conceptual model.

4.2 Hypotheses and conceptual model

4.2.1 Main effects: Pre-Information

4.2.1.1 Customer satisfaction

Customer satisfaction is an outcome emotional state as a result of an evaluative process by the consumer (Andreassen, 2000). Oliver (1999, p34) defines the emotional state of satisfaction as ‘pleasurable fulfilment’ which ‘fulfils some need, desire, goal, or so forth and that this fulfilment is pleasurable’. Disconfirmation of expectations is the strongest predictor of customer satisfaction (Niedrich et al, 2005) and the emotions that arise as a result of disconfirmation are the emotions that will affect customer satisfaction (Andreassen, 2000). Pizzi and Scarpi (2013) state that providing customers with information before they experience a stock-out helps in offsetting the negative effects on customer satisfaction. From this, it is logical that in providing information concerning a service failure before it is experienced, it
will help offset the negative effects on customer satisfaction by managing the customer’s expectations (of service in general and also of service recovery once they experience the service failure) and lowering them in order that negative disconfirmation of expectations may be minimised, and loss perception minimised, thus resulting in higher overall customer satisfaction and customer satisfaction with service recovery. This gives rise to the following hypotheses:

1. **H1 Pre-informing customers about a service failure leads to higher overall satisfaction than not pre-informing them**

2. **H2 Pre-informing customers about a service failure leads to higher satisfaction with service recovery than not pre-informing them**

### 4.2.1.2 Perceived service failure severity and customer expectations of service recovery

Failure severity is the *perceived intensity* of the service failure (Weun et al, 2004, p135) and the *extent of loss experienced by the customer* as a result of the service failure (Hess et al, 2003, p132). How severe the service failure is perceived will consequently affect a customer’s expectations of service recovery. Miller et al (2000) state that such expectations of service recovery are composed of four elements, namely, the severity of the service failure, the customer’s level of loyalty, the service guarantee, and perceived service quality. Expectations of service recovery however will be different according
to each individual (Lin 2000). In pre-informing customers about the service failure, it will serve to lower their expectations of service quality and give consumers time to adjust to the service failure they have been pre-informed about. Thus, when they do experience the service failure their perception of failure severity may also be lowered. Following this, by pre-informing consumers their expectations of service recovery should also thus be lowered. The other three variables Miller et al (2000) states affect expectations of service recovery will be controlled for in the study. Service failure severity is important in that it will affect expectations of service recovery. This gives rise to the following hypotheses:

\[ H3 \text{ Pre-informing customers about a service failure leads to lower perceived failure severity than not pre-informing them} \]

\[ H4 \text{ Pre-informing customers about a service failure leads to lower expectations of service recovery than not pre-informing them} \]

4.2.1.3 Disconfirmation

As opposed to the customer’s expectations themselves, it is the disconfirmation of customer expectations that affect customer satisfaction (Zeithaml et al, 1993). Disconfirmation is the difference between a customer’s prior expectations and the actual outcomes they receive (Andreassen and Lindestad, 1998; Andreassen, 2000; Yuksel and Yuksel, 2001). Positive disconfirmation occurs when a customer’s expectations are exceeded, negative
disconfirmation occurs when a customer’s expectations are not met, whereas confirmation occurs when a customer’s expectations are met (Andreassen and Lindestad, 1998; Andreassen, 2000; Yuksel and Yuksel, 2001; Spreng et al, 1996). In pre-informing consumers about the service failure and lowering their service expectations, their perception of failure severity will also be lower as will their expectations of service recovery. As explained previously, disconfirmation mediates the relationship between service recovery and customer satisfaction (Smith et al 1999). Thus, in lowering consumer’s predictive expectations, these expectations will be easier for the service provider to meet. This should then result in less negative disconfirmation and higher rates of confirmation and positive disconfirmation leading to higher customer satisfaction. Thus, the following hypothesis is put forward:

\[ H5 \text{ Pre-informing customers about a service failure leads to higher disconfirmation of expectations than not pre-informing them} \]

4.2.1.4 Perceived Justice

Experiencing a service failure will incur a sense of injustice to the customer who experiences it. Thus, an effort of recovery needs to be made to overcome the effects of the loss incurred by the service failure and provide some added value to the consumer for their trouble (tying in with prospect theory (Khaneman and Tversky, 1979)). Miller et al (2000) found that the most important factors in service recovery were fairness of the resolution and recovery activities that were value adding. Fairness of resolution and the
perceived justice of the resolution is indeed important since perceived justice acts as a mediator between recovery and customer satisfaction (Smith et al, 1999).

We recall from the literature review that justice is made up of three aspects; distributive justice, procedural justice, and interactional justice. Distributive justice is associated with the ‘tangible outcome’ the customer receives (Blodgett et al, 1993, p404), procedural justice refers to the process of rectifying the problem the customer experiences (McColl-Kennedy and Sparks, 2003; Patterson et al, 2006; Blodgett et al, 1993), and interactional justice concerns ‘the manner in which the service problem is dealt with’ (McColl-Kennedy and Sparks, 2003, p253; Patterson et al, 2006). In pre-informing customers and providing sufficient compensation that is considered fair in the service failure situation, positive disconfirmation may be achieved and a perception of equity may be achieved. All three elements of justice will be examined; pre-information will arguably, considering the literature in the field of equity theory and service recovery, affect both procedural and interactional justice whereas compensation will affect all dimensions of justice. Tangible compensation should affect all three parts of justice, as this tangible form of outcome, plus it may also be seen as part of the process of rectifying the service failure (procedural justice), and an empathetic gesture of goodwill (interactional justice). Pre-failure recovery in the form of pre-information should not affect distributive justice since this is arguably an intangible form of service recovery (Miller et al, 2000). The following is thus advanced:
\( H6 \) Pre-informing customers about a service failure does not lead to higher perceptions of distributive justice than not pre-informing them

\( H7 \) Pre-informing customers about a service failure leads to higher perceptions of procedural justice than not pre-informing them

\( H8 \) Pre-informing customers about a service failure leads to higher perceptions of interactional justice than not pre-informing them

4.2.2 Main effects: Compensation

4.2.2.1 Customer Satisfaction

Compensation falls into the tangible category of service recovery activities and aim to provide ‘fair restitution’ to the consumer as well as sometimes to provide ‘value-added atonement’ (Miller et al, 2000, p390). Previous literature has linked tangible forms of service recovery such as compensation to successful service recovery (Miller et al 2000). Compensation has been examined in terms of its effects of consumer satisfaction, however, this study aims to extend the current literature by examining the effect of compensation in the context of this study and on the variables of interest in this thesis. This is because Boshoff and Leong (1998, p40) rightly state that ‘service recovery is situation specific’. Since compensation has already been stated to have a
positive impact on customer satisfaction and successful service recovery, this gives rise to the following hypotheses:

**H9 Compensating customers for a service failure leads to higher overall satisfaction than not compensating them**

**H10 Compensating customers for a service failure leads to higher satisfaction with service recovery than not compensating them**

**4.2.2.2 Severity of failure**

Severity of service failure is measured at two different points in this study. The first time it is measured is before any compensation would (if any) be given in the scenarios, however, the second time it is measured is after compensation (if any) is given which serves to recover the service failure thus it follows that this may affect the perceived severity of the service failure. As compensation is a service recovery tool, it aims to provide restitution and minimise the damage incurred by the service failure (Miller et al, 2000). Thus, in recovering from the service failure through using the tool of compensation, it might affect how albeit in retrospect the consumer views the severity of the service failure they experienced. This thus gives rise to the following hypothesis:

**H11 Compensating customers for a service failure leads to lower perceived failure severity than not compensating them**
4.2.2.3 Expectations of Service Recovery

In this study, expectations of service recovery are measured before any service recovery in the form of tangible compensation is given. Therefore, since initial expectations of service are controlled for in the study, the only variable that should affect expectations of service recovery is the independent variable of pre-informing. Thus, compensation is predicted not to affect this variable in this study. This gives rise to the following hypothesis:

\[ H12 \text{ Compensating customers for a service failure does not lead to lower expectations of service recovery than not compensating them} \]

4.2.2.4 Disconfirmation of Expectations

To date, literature has directly linked compensation with customer satisfaction. Disconfirmation of expectations to date has been the dominant paradigm in research on customer satisfaction (Andreassen, 2000; Yuksel and Yuksel, 2001). Compensation is strongly associated with distributive justice which has been stated to have the largest effect on customer satisfaction (Smith et al, 1999; Smith and Bolton, 2002) and stated that such a form of service recovery has the largest effect. Moreover, compensation may also enhance procedural and interactional justice since it may be seen as part of the process and as a gesture of goodwill to the consumer from the service provider. Disconfirmation will affect consumers’ perceptions of justice (Tax et
al, 1998) and in turn perceptions of justice will affect consumers' disconfirmation. Since disconfirmation is the best predictor of consumer satisfaction (Niedrich et al, 2005) and compensation corresponds with distributive justice (and other forms of justice) this gives rise to the following hypothesis:

\[ H13 \] Compensating customers for a service failure leads to higher disconfirmation of expectations than not compensating them

4.2.2.5 Justice

Since compensation aims to provide 'fair restitution' to the consumer for the ‘costs and inconvenience caused’ it follows that it aims to increase their perceptions of justice (Miller et al 2000, p390). Literature has linked compensation to customer satisfaction and satisfaction with service recovery. Tangible compensation corresponds to distributive justice (Smith et al 1999) and may impact on interactional justice since the act of compensation may also convey goodwill and empathy with the consumer experiencing the service failure. However, it may also correspond with procedural justice as this form of justice as although this form of justice is associated with the process of the recovery, compensation may be seen as part of the recovery process depending on consumers’ expectations. This gives rise to the following hypotheses:
H14 Compensating customers for a service failure leads to higher perceptions of distributive justice than not compensating them

H15 Compensating customers for a service failure leads to higher perceptions of procedural justice than not compensating them

H16 Compensating customers for a service failure leads to higher perceptions of interactional justice than not compensating them

4.2.3. Main effects: Criticality

Criticality is not measured but is controlled as a moderating variable. In four of the scenarios, participants will be told that they are not under any time pressure whilst in the other four scenarios participants will be told in the scenarios that they are under time pressure.

4.2.3.1 Customer Satisfaction

‘Service criticality’ is the ‘perceived importance’ of the service to the consumer (Webster and Sundaram, 1998, p153) which can be influenced by the ‘purchase occasion’ (Ostrom and Iacobucci, 1995) for example buying for a special occasion or time pressures that may exist for the consumer. Webster and Sundaram’s (1998) study states that the higher the criticality assigned to the service failure, the more this will impact customer satisfaction as the customer will experience a greater perception of loss (Cranage, 2004, p213).
Thus, the higher the service criticality the more recovery activity is needed to overcome the failure and restore customer satisfaction (Hoffman et al 1995). This gives rise to the following hypotheses:

**H17 Customers in a non-critical situation will have higher overall satisfaction than customers in a critical situation**

**H18 Customers in a non-critical situation will have higher satisfaction with service recovery than customers in a critical situation**

### 4.2.3.2 Severity of Service Failure and Expectations of service recovery

Cranage (2004, p213) supports this stating that criticality affects the service failure in that the more critical the service is viewed as, the more severe the perception of the service failure. Therefore, the consumer under critical conditions will experience a greater perception of loss and hence a higher level of service recovery will be required to overcome the service failure experienced (Wang et al 2011; Cranage, 2004). Following this, expectations of service recovery should thus be higher as Miller et al (2000) states that expectations of service recovery are affected by the severity of the service failure. Indeed, Hess et al (2003) also state that expectations of service recovery will be higher with more severe service failures. Hence the following hypotheses are put forward:
**H19** Customers in a non-critical situation will have lower perceived failure severity than customers in a critical situation

**H20** Customers in a non-critical situation will have lower expectations of service recovery than customers in a critical situation

4.2.3.3 Disconfirmation of Expectations

It is the disconfirmation of the expectations of service recovery that will affect customer satisfaction (Andreassen, 2000; Hess et al, 2003). The higher the criticality assigned to the service failure, the more this will impact customer satisfaction as the customer will experience a greater perception of loss (Webster and Sundaram’s, 1998; Cranage, 2004, p213). Thus, the higher the service criticality the more recovery activity is needed to overcome the failure and restore customer satisfaction (Hoffman et al 1995). Therefore, the more critical the context the service failure occurs in the higher customer expectations should be as Hoffman et al (1995) stated that the more serious the service failure, the harder it is to recover from. This should thus impact disconfirmation of expectations negatively. Thus, the following hypothesis is advanced:

**H21** Customers in a non-critical situation will have higher disconfirmation of expectations than customers in a critical situation
4.2.3.4 Justice

Justice theory derived from Referent Cognitions Theory (RCT) states that individuals sense of justice will alter ‘in relation to some point of comparison’ (Folger and Cropanzano, 2001, p2). In line with this, should a service failure occur in a critical situation for a consumer rather than a non-critical situation, then the service failure will be considered by the consumer as more severe and a greater sense of loss will be felt by the consumer (Cranage, 2004). Following this, a greater sense injustice should also thus be felt by the consumer and thus more recovery effort will be needed to overcome the service failure. Thus, the following hypotheses are put forward:

H22 Customers in a non-critical situation will have higher perceptions of distributive justice than customers in a critical situation

H23 Customers in a non-critical situation will have higher perceptions of procedural justice than customers in a critical situation

H24 Customers in a non-critical situation will have higher perceptions of interactional justice than customers in a critical situation
4.3 Interaction effects

4.3.1 Customer satisfaction

Another aim of this thesis is to examine the joint effect of pre-failure recovery and criticality. Customer satisfaction is an outcome emotional state (Andreassen, 2000) and is defined by Oliver (1999, p34) as fulfilling ‘some need, desire, goal, or so forth and that this fulfilment is pleasurable’. Pizzi and Scarpi (2013) state that providing customers with information before they experience a stock-out helps in offsetting the negative effects on customer satisfaction. From this, it might follow that by providing information concerning a service failure before it is experienced, will help offset the negative effects on customer satisfaction by managing the customer’s expectations and lowering them in order that negative disconfirmation of expectations may be minimised, and loss perception minimised, thus resulting in higher overall customer satisfaction and customer satisfaction with service recovery. However, criticality is said to detrimentally impact satisfaction. Cranage (2004, p213) states that criticality affects the service failure in that the more critical the service is viewed as, the more severe the perception of the service failure. Therefore, the consumer under critical conditions will experience a greater perception of loss and hence a higher level of service recovery will be required to overcome the service failure experienced and restore customer satisfaction (Wang et al 2011; Cranage, 2004). Following this, although pre-informing consumers may heighten customer satisfaction,
criticality should negatively impact the effectiveness of this step. Thus, the following hypotheses are put forward:

\[ H_{25} \text{ Overall Satisfaction is higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario} \]

\[ H_{26} \text{ Satisfaction with service recovery is higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario} \]

4.3.2 Severity of Service Failure

Failure severity is the ‘perceived intensity’ of the service failure (Weun et al, 2004, p135) and the ‘extent of loss experienced by the customer’ as a result of the service failure (Hess et al, 2003, p132). In pre-informing customers about the service failure, it will serve to lower their expectations of service quality and give consumer’s time to adjust to the service failure they have been pre-informed about. Thus, when they do experience the service failure their perception of failure severity may also be lowered. However, the more critical the service is viewed as, the more severe the perception of the service failure Cranage (2004). Therefore, the consumer under critical conditions will experience a greater perception of loss and hence a higher level of service recovery will be required to overcome the service failure experienced (Wang et al 2011; Cranage, 2004). The more critical the service failure, the more serious it will be perceived by consumers experiencing it (Cranage, 2004).
Following this, in the event of a service failure should the step of pre-
informing consumers be taken, this should help calibrate (Bies, 2013)
consumer service expectations before they experience the service failure, thus
lowering their perceived severity of the service failure when they do
experience it. However, should the step of pre-informing be taken in a critical
scenario, it should be less effective than it would be in a non-critical scenario
as pre-informing should serve to lower service failure severity whilst
criticality will counteract this effort and make the severity of failure worse.
Thus, the following hypothesis is advanced:

H27 Perceptions of Severity of Service Failure are lower when customers are
pre-informed in a non-critical scenario than when they are pre-informed in a
critical scenario

4.3.3 Expectations of Service Recovery

Miller et al (2000) state that such expectations of service recovery are
composed of four elements, namely, the severity of the service failure, the
customer’s level of loyalty, the service guarantee, and perceived service
quality. Expectations of service recovery will be different according to each
individual (Lin 2000). In pre-informing customers about the service failure, it
will serve to lower their expectations of service quality and give consumers
time to adjust to the service failure they have been pre-informed about. Thus,
when they do experience the service failure their perception of failure severity
may also be lowered. However, criticality should make the perceived severity
of the service failure increase thus expectations of service recovery should increase also (Hess et al, 2003). Thus, the following hypothesis is advanced:

\[ H28 \text{ Expectations of Service Recovery are lower when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario } \]

4.3.4 Disconfirmation of Expectations

As explained previously, disconfirmation mediates the relationship between service recovery and customer satisfaction (Smith et al 1999). As opposed to the customer’s expectations themselves, it is the disconfirmation of customer expectations that affect customer satisfaction (Zeithaml et al, 1993). Disconfirmation is the difference between a customer’s prior expectations and the actual outcomes they receive (Andreassen and Lindestad, 1998; Andreassen, 2000; Yuksel and Yuksel, 2001). In pre-informing consumers about the service failure and lowering their service expectations, their perception of failure severity will also be lower as will their expectations of service recovery. Thus, in lowering consumer’s predictive expectations, these expectations will be easier for the service provider to meet. This should then result in less negative disconfirmation and higher rates of confirmation and positive disconfirmation leading to higher customer satisfaction. However, the more critical a service failure is the harder it will be to recover from as consumers should perceive it as more severe due to the increased criticality of the situation (Wang et al, 2011). Thus, expectations of consumers regarding
service failure should be higher in a critical situation than in a non-critical situation (Miller et al, 2000). Following this it should be harder for these expectations to be met thus having a negative impact on the level of disconfirmation the customers will hold. Thus, the following hypothesis is advanced.

**H29 Disconfirmation of expectations are higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario**

4.3.5 Justice

Experiencing a service failure will incur a sense of injustice to the customer who experiences it. Thus, an effort of recovery needs to be made to overcome the effects of the loss incurred by the service failure and provide some added value to the consumer for their trouble (tying in with prospect theory (Kahneman and Tversky, 1979)). Miller et al (2000) found that the most important factors in service recovery were fairness of the resolution and recovery activities that were value adding. Fairness of resolution and the perceived justice of the resolution is indeed important since perceived justice acts as a mediator between recovery and customer satisfaction (Smith et al, 1999). In pre-informing customers as a pre-failure recovery measure, a sense of fairness should be experienced by the consumer thus it is more likely that positive disconfirmation or confirmation may be achieved and thus a perception of equity may be achieved. All three elements of justice will be
examined; pre-information will arguably, considering the literature in the field of equity theory and service recovery, affect both procedural and interactional justice whereas compensation will affect all dimensions of justice. Pre-failure recovery in the form of pre-information should not affect distributive justice since this is arguably an intangible form of service recovery (Miller et al, 2000). However, the more critical a service failure is the harder it will be to recover from as consumers should perceive it as more severe due to the increased criticality of the situation (Cranage 2004; Wang et al, 2011). This will mean that the consumer should feel a greater sense of loss in a critical situation than in a non-critical situation thus they may perceive a higher sense of injustice in a critical situation than they would have had the context been non-critical despite being pre-informed. Thus, the following hypotheses are put forward:

**H30 Perceptions of distributive Justice are higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario**

**H31 Perceptions of procedural Justice are higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario**

**H32 Perceptions of interactional Justice are higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario**
Summary

This chapter has put forward the conceptual model for this study and the hypotheses to be tested. To see a visual representation of the research model please see figure 4.1 below. In the next chapter, the methodology for the main empirical study will be put forward and discussed.
Figure 4.1 The Research Model

Please note: Criticality is controlled for in the experimental scenarios as are initial expectations. The hypotheses relating to criticality are not on the model but replicate H1-H8 inclusive except the main effect of criticality is tested instead of pre-informing. Since criticality is not depicted on the model, the hypotheses for the interaction effects between pre-informing and criticality are also not on the model.

Key for model - red- variables that are being controlled; Grey-mediating variables; Green - dependent variable; Blue-independent variables; Yellow- Hypotheses.
5. Chapter Five: Methodology

5.1 Introduction

In this chapter the proposed methodology for testing the hypotheses in the main empirical study will be discussed. Firstly, the chapter looks at the philosophy underlying this research. Secondly, the chapter will look at the empirical research design for the main study. Thirdly, the data collection for the main study will be discussed as well as the operationalisation of the variables to be measured. Lastly the chapter will discuss the data analysis to be conducted on the data.

5.2 Epistemology

It has been acknowledged that the social sciences differ from that of the physical sciences in that they are of a ‘completely different nature’ and arguably more complex (Williams and May, 1996, p52). However, positivists do not subscribe to this view but subscribe to the position that the research approach adopted by the physical scientists is just as appropriate for social scientists (Williams and May, 1996, p82). This highlights what Kuhn (1970) rightly recognised; the existence of different paradigms. The social sciences are ‘pre-paradigmatic’ in that there are multiple competing paradigms in existence with no one (arguably) dominating (Bryman and Bell, 2011). Many consider positivism as being the dominant discourse in management but positivism as a paradigm is under increasing critique (Johnson and Duberley,
2000). Saunders et al (2009, p118) define a paradigm as ‘a way of examining social phenomena from which particular understandings of this phenomena can be gained and explanations attempted’. Thus, a paradigm is consists of the researcher’s perception of ontology which is their outlook on the world and ‘the nature of reality’, and also the researcher’s epistemology which is the researcher’s belief of ‘what constitutes acceptable knowledge’ (Saunders et al, 2009, p119). Thus, a paradigm is ‘a cluster of beliefs ... which for scientists in a particular discipline influence what should be studied, how research should be done, (and) how results should be interpreted’ (Bryman, 1988a: 4 in Bryman and Bell, 2011, p24). From this, it can be seen that a researcher’s philosophy affects the questions they ask, how they view the knowledge production process, and what they constitute as ‘legitimate’ knowledge which affects what research strategy and research methods they use (Saunders et al, 2009; Carson et al, 2001). Following this, paradigms tend to follow certain methodologies and research strategies thus can help aid research design to researchers who require more clarity (Easterby-Smith et al, 2008). It is important for researchers to critique their epistemology to understand how their outlook influences their research, to be able to defend their approach, and to understand implications this has for their research being accepted (Saunders et al, 2009). Research philosophy adopted may be affected by practical pressures in the researcher’s field (Saunders et al, 2009). Thus, research paradigms affect not only how research is approached, but also, how research is received. This thesis will also follow a philosophical paradigm. The next section will look at two contrasting philosophical research positions in the
field of marketing, namely positivism and interpretivism which will be contrasted and critiqued.

Two contrasting philosophical stances are positivism and interpretivism (Bryman and Bell, 2011). Positivists view is that the world is made up of an objective, single external reality to its actors (the people in it) and will approach research from an objective ontology using a deductive approach and quantitative methods (Saunders et al, 2009; Easterby Smith et al, 2008; Carson et al, 2001). The term Positivism was coined by Compte, building on empiricism and rationalism but since has been subject to many different representations (Delanty and Strydom, 2003; Benton and Craib, 2001). In this thesis, ‘positivism’ will be referred to in its most mainstream representation with its characteristics being ‘unified science, empiricism, objectivism, value freedom, instrumentalism, and technicism’ (Delanty and Strydom, 2003, pp13-14). On the other hand, interpretivists view of the world is subjective, consisting of actors which socially construct the reality around them thus multiple realities are possible (Saunders et al, 2009; Carson et al, 2001). Interpretivism developed out of phenomenology and symbolic interactionism (Saunders et al, 2009; Bryman and Bell, 2011). Interpretivists view the study of social science to be fundamentally different to that of natural science where the emphasis of the research is not on prediction and explanation of cause and effect relationships between variables, but on understanding and interpreting to develop deep rich insights to understand phenomena (Saunders et al, 2009; Carson et al, 2001; Williams and May, 1996). Also unlike the positivist stance, interpretivists see research as value bound, and interpretivist researchers can be active participants in field settings (Saunders et al, 2009; Carson et al,
2001). Consequently, interpretivists will adopt an inductive approach using subjective qualitative methods in their research. Thus, positivist and interpretivist paradigms have differing fundamental principles and assumptions at their root which affects how researchers following these paradigms approach and conduct their research. A summary of the two approached can be seen in appendix one.

There are two types of research approach, namely inductive or deductive, either of which can be adopted or both may be used within a study (Bryman and Bell, 2011; Saunders et al, 2009). Inductive research is generally associated with qualitative approach whereas deductive research is generally associated with quantitative approach (Bryman and Bell, 2011). Although positivists advocate their deductive quantitative approach and interpretivists their inductive qualitative approach, each has its merits and its limitations (Carson et al, 2001) (for a summary please see appendix two). Quantitative research employs a deductive approach, which concerns what is already known within a field of study and using this as a basis, taking ‘theoretical considerations in relation to that domain’, and developing hypotheses to test these considerations empirically and producing results which are generalisable (Bryman and Bell 2011, p11; Saunders et al, 2009). This approach follows these research stages respectively: from existing theory formulating testable hypotheses, within these hypotheses proposing how the variables relate to each other, testing the hypotheses, examine the results of testing the hypotheses which have either been confirmed or disconfirmed, discussing the findings in relation to existing theory in the field of study (Saunders et al,
2009). From this, the main focus of a positivist approach to research can be seen to be making testable predictions and providing explanations. Qualitative research on the other hand often takes an inductive approach which is concerned with what is not known and developing theory through observation and findings (Bryman and Bell, 2011; Carson et al, 2001).

Thus, theory is built through data collection, which gains rich insights that help the understanding of issues. Thus, unlike positivists who try to understand the ‘what’ in research, interpretivists ask ‘why’ and ‘how’ with an aim of understanding phenomena that occurs (Easterby Smith et al, 2008; Williams and May, 1996).

The field of management is under increasing pressure to make research more methodologically rigorous (Saunders et al, 2009). Thus, there is increasing emphasis on the need for quantitative research and a more positivist stance to mimic that of the ‘natural sciences’ in management research (Johnson and Duberley, 2000, p9). However, it has been acknowledged that good research does not just follow methods but understands why certain methods are appropriate, using the most suitable to research the topic (Saunders et al, 2009; Salmon, 2002). Some researchers thus advocate using mixed methods (as opposed to being a quantitative or qualitative purist) to best suit the research topic thus making knowledge produced arguably more legitimate and acceptable in the field of marketing (Burke Johnson and Onwuegbuzie, 2004, p15; Michell, 2003; Shah and Corley, 2006). In using mixed methods, the limits of either using quantitative methods or qualitative can arguably
overcome; qualitative induction and quantitative deduction may be used to address different parts of the same study and may complement each other in their use to answer the research question (Saunders et al, 2009). Using mixed methods however can raise contradictions in research and thus confuse it (Easterby Smith et al, 2008).

The author of this thesis writes from a positivist view. This thesis will take a deductive quantitative strategy which is suitable for this study. There is much theory written in the field of service failure and recovery which through a literature review exposed a research gap which it is the aim of this study to address. The dependent and independent variables in this study have been identified by previous researchers and measured in other studies which have used viable scales of measurement which this study will also make use of. From current literature, it is reasonable to assume casual relationships between variables and to examine these through the operational hypotheses have been developed. Thus, the purpose of this research fits the positivist paradigm in that it aims to test the predictions made about the relationships between the variables and provide an explanation by discussing findings in line with literature in the field, aims to provide an objective value-free study, through using a rigorous quantitative methodology.
5.3 Empirical Research Design

5.3.1 Sample Design

There are six stages in the sampling process, namely, ‘defining the target population’, ‘identifying the sampling frame’, selecting the sampling method, determining the size of the sample, selecting sample participants, and lastly collecting data from the sampled participants (Churchill and Iacobucci, 2005, pp322-324; Churchill and Brown, 2004). In practice however, the process is not as linear. Research objectives (Groves et al, 2009), resources available, and advance knowledge of the target population will affect the sampling process and decisions made upon it. The design of the sample will also have implications for questionnaire design and mode of questionnaire administration.

The population is all the cases under study, however, often every case in the whole population is unable to be studied due to practical, budgetary, and time constraints (Saunders et al, 2009; Khan, 2011); this study is also limited by these factors. Thus, a sample, which is a subset of the population, is studied (Khan, 2011). There are two broad types of sampling; probability and non-probability (Saunders et al, 2009; Bryman and Bell, 2011). With probability sampling, ‘the chance...of each case being selected from the population is known and is usually equal for all cases’ (Saunders et al, 2009, p213; Khan, 2011). However, with non-probability sampling the probability for cases being selected from the population is unknown and not equal (Saunders et al, 2009;
Khan, 2011; Hair et al, 2006a). Thus, it is only by using probability sampling techniques that statistical inferences and generalisations can be made about a population from research findings (Saunders et al, 2009). Probability sampling methods include ‘simple random sampling’, ‘systematic sampling’, ‘stratified random’, ‘cluster’, and ‘multistage’ whilst non-probability sampling methods include ‘quota’, ‘purposive’, ‘snowball’, ‘self-selection’, and ‘convenience’ (Saunders et al, 2009, p213; Bryman and Bell, 2011). For a summary of the different types of probability and non-probability sampling techniques and their advantages and disadvantages please see appendix three).

However, probability sampling does not guarantee a representative sample (Groves et al, 2009). Sampling error occurs when ‘only a subset of the population is included in a sample’ and will occur since ‘sampled units inevitably differ from the...population’ (Weisberg, 2005, p225). Generalisations can only be made if the ‘sample is representative’ of the population, thus sampling error must be minimised (Weisberg, 2005, p225). A sample will be more representative (and sampling error reduced) when it is larger and its standard error is smaller (Sturgis, 2006; Weisberg, 2005).

This thesis will examine the proposed model in the restaurant context and will examine the population of men and women aged 18+ in the United Kingdom (UK). However, the sample will only be comprised of those living in the South East of England due to this region of the country having the highest amount of restaurant goers in England compared to other regions (Mintel, 2014b). Also, only participants from one region of England will be used to
make the study more manageable due to limited time and financial resources. Data by region on the population of restaurant goers was not available. Thus, data on the population of UK restaurant goers will be used to quota the sample by to make the sample as representative of the population as possible. The sampling method will now be discussed in more detail.

5.3.2 Sampling method

This study will use a ‘multi stage’ (Creswell, 2009, p148) (not multistage as in the probability sampling method) sampling approach. This is appropriate since it is not possible to obtain a sampling frame of the elements in the populations under study (Creswell, 2009). Also, to make the samples as representative as possible, care must be taken to ensure that the groups within the populations are represented proportionately, thus before elements are identified, the groups within the populations and their relative size need to be identified in order to draw up an initial quota which will then be given to an online panel provider who will then create a sampling frame from this that is as representative as possible. Another quota will then be taken from this so that each scenario has a sample of participants as representative of the population as possible making the sampling method a multi-stage one.

More specifically then, a multistage quota sampling method will be employed to ensure that the sample selected is as representative of the populations under study as possible as quota sampling can achieve a ‘reasonable to high’ ‘likelihood of a sample being representative’ (Saunders et al, 2009, p236).
Quota sampling ‘*has similar requirements for sample size as probabilistic sampling techniques*’ (Saunders et al, 2009, p235) and aims to gain a sample that is as representative as possible by ‘*including the same proportion of elements possessing certain characteristics as is found in the target population*’ (Churchill and Brown, 2004, p406). However, the disadvantage is that due to quota sampling being a non-probability sampling method, it is not possible to measure the ‘*level of certainty or margins of error*’ and results will not be generalisable to the populations under study (Saunders et al, 2009, p237).

Quota sampling ‘*has a number of advantages over probabilistic techniques*’ (Saunders et al, 2009, p235), in that it is less expensive and time consuming. Thus, these are also reasons why the use of a quota sample are appropriate for this thesis’s study since resources available are limited. Quota sampling is often used in studies where populations are large (Saunders et al, 2009). Notable with quota sampling is that a sampling frame is not needed (unlike with probabilistic sampling techniques) (Saunders et al, 2009) thus making it suitable also for this study as suitable sampling frames are not available for the population under study. Despite many disadvantages with convenience sampling, it is adopted by many studies in the field of service failure and recovery, and within marketing research due to it being less draining on resources (McDaniel and Gates, 2008).

Quota sampling is more likely to be representative than a sample of pure convenience thus this study’s sampling method is more rigorous in its design.
(Saunders et al, 2009). The sample will be multi-stage quota in that to gain enough participants to be representative of the population being studied, a quota for participants needed on the population will be drawn up. Based upon the data of consumers visiting restaurants (Mintel, 2014b) the quotas will be by gender and age (these factors are popularly used to quota participants (Saunders et al, 2009; Churchill and Brown, 2004)). Age and gender have been chosen to quota by since the population varies in these respects thus each group within these groups needs to be represented accordingly (Mintel, 2014b; Mintel 2015; Mintel 2013). To gain the appropriate participants based on this quota, a panel will be employed using the online panel provider CINT UK. Once the quotas have been fulfilled, since there are eight scenarios and to ensure that the samples used in each scenario of each sector is as representative as possible, the quota originally demanded will then be divided by eight to produce another quota for each scenario to fulfil. Participants will then be assigned to a scenario group to fulfil this. A risk with matching participants to scenarios to fulfil a quota is that ‘incomparable groups’ will result should participants choose to leave the experiment and no longer participate in it which will negatively affect the internal validity of the study (Creswell, 2009, p156). If this study were to not use an online panel provider and choose another online method of distributing the online survey, a larger sample than needed would need to be employed to account for non-response and drop outs to overcome this issue (Creswell, 2009, p163). However, non-response should not be an issue due to the panel of respondents being purchased. To see the advantages and disadvantages of probability and non-probability sampling please see appendix three.
### 5.3.3 Sample size

The population size does not determine the sample size (Shiu et al, 2009). When deciding upon sample size, researchers must account for the resources available to them and also the precision of estimates (Shiu et al, 2009). Saunders et al (2009) state that quota samples typically employ samples of 2000 to 5000 participants, however, for this study such a large sample is not necessary, nor possible due to limited resources. There will be eight scenarios each with a sample of 62 participants. The total overall sample size for the entire study will be 496. Saunders et al (2009) provides a guideline in order to estimate the acceptable sample size that should be adopted for probabilistic sampling; if probability sampling were being used, to achieve minimal acceptable 95% confidence interval with 5% margin of error for a population of ten million, 384 participants would be needed, to ensure that the margin of error does not rise about 5% in this study (Saunders et al, 2009, p219) as in 2010, the south east of England had a population of ‘8.5 million’ (ONS 2012). This study meets this level. However, non-probability sampling is being used and there are no rules governing what the sample size should be for non-probability samples. For non-probability samples, choice of sample size is at the discretion of the researcher and the researcher’s decision will usually be informed by ‘past studies, industry standards’ and ‘resources available’ (Hair et al, 2006a, pp320-321; Shiu et al, 2009). It is noted that for non-probability samples ‘there is no way of ensuring that the sample is representative of the population’ but care can be taken to ensure that the sample is as close to representative as possible (Churchill and Brown, 2004, p403). Taking into
consideration the resources available and the samples used in past studies, a total sample size of 496 is more than acceptable for the purposes of this study.

Since principal components analysis (PCA) is hoped to be conducted in this study, the requirements for this test in terms of sample size must also be considered. Although PCA is distinct from factor analysis (FA), literature still considers PCA to be a type of FA with the sample size requirements for the tests being the same (Singh, 2007). In terms of factor analysis, a sample size of 300 is recommended by Comrey and Lee (1992 in Hutcheson and Sofroniou, 1999, p222) but a minimum of 150 participants is recommended by Pallant (2011). 496 thus as a total sample size should be sufficient to be able to conduct the required analyses for this study. Samples sizes are representative based on data and for each scenario are shown in figure 5.1 below.

**Figure 5.1 Sample sizes for each scenario**

<table>
<thead>
<tr>
<th></th>
<th>Restaurant</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Male</strong></td>
<td></td>
</tr>
<tr>
<td>18-24</td>
<td>5</td>
</tr>
<tr>
<td>25-34</td>
<td>6</td>
</tr>
<tr>
<td>35-44</td>
<td>6</td>
</tr>
<tr>
<td>45-54</td>
<td>6</td>
</tr>
<tr>
<td>55-64</td>
<td>4</td>
</tr>
<tr>
<td>65-80</td>
<td>4</td>
</tr>
<tr>
<td><strong>Female</strong></td>
<td></td>
</tr>
<tr>
<td>18-24</td>
<td>5</td>
</tr>
<tr>
<td>25-34</td>
<td>6</td>
</tr>
<tr>
<td>35-44</td>
<td>6</td>
</tr>
<tr>
<td>45-54</td>
<td>6</td>
</tr>
<tr>
<td>55-64</td>
<td>4</td>
</tr>
<tr>
<td>65-80</td>
<td>4</td>
</tr>
</tbody>
</table>
5.4 Dealing with non-response

Non-response can lead to ‘false inferences’ and response bias (Weisberg, 2005, pp190-191). To obtain a representative sample, non-response needs to be minimised (Saunders et al, 2009). Some causes of unit non-response include ‘failure to deliver’, ‘refusal’ and incapacity to participate (Groves et al, 2009, p192). Saunders et al (2009, p220) supports this stating non-response can be caused by ‘refusal’, ‘ineligibility to respond’, and difficulties locating or contacting respondents. Non-response is an issue for internet administered questionnaires as its method of data collection since online surveys generally suffer from lower response rates than other methods of administering surveys such as by phone or post (Bryman and Bell, 2011). This however did not pose as an issue in this study since a panel of respondents was purchased from CINT (an online panel provider). Using CINT ensured the amount of respondents required was gained.

5.5 Data collection Method

The study is a 2x2x2 experimental design made up of eight independent scenario groups. These scenarios will be based on service failure and recovery in restaurants in the hospitality sector. The independent variables were inform/don’t inform and compensate/don’t compensate with the moderating variable of criticality (critical or non-critical). Thus, there were eight experimental scenario groups. Figure 5.2 below illustrates this.
Figure 5.2, The experimental scenario groups

<table>
<thead>
<tr>
<th>Non-Critical</th>
<th>Critical</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inform and compensate</td>
<td>Inform and compensate</td>
</tr>
<tr>
<td>Inform but do not compensate</td>
<td>Inform but do not compensate</td>
</tr>
<tr>
<td>Don't Inform but do compensate</td>
<td>Don't Inform but do compensate</td>
</tr>
<tr>
<td>Don't Inform and don't compensate</td>
<td>Don't Inform and don't compensate</td>
</tr>
</tbody>
</table>
Figure 5.3 below shows each scenario and its manipulations.

*Figure 5.3, Scenario group key*

<table>
<thead>
<tr>
<th>Scenarios</th>
<th>Manipulated Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC1</td>
<td>Inform and Compensate in non-critical conditions</td>
</tr>
<tr>
<td>NC2</td>
<td>Inform and Don't compensate in non-critical conditions</td>
</tr>
<tr>
<td>NC3</td>
<td>Don't Inform but do compensate in non-critical conditions</td>
</tr>
<tr>
<td>NC4</td>
<td>Don't inform and don't compensate in non-critical conditions</td>
</tr>
<tr>
<td>C1</td>
<td>Inform and Compensate in critical conditions</td>
</tr>
<tr>
<td>C2</td>
<td>Inform and Don't compensate in critical conditions</td>
</tr>
<tr>
<td>C3</td>
<td>Don't Inform but do compensate in critical conditions</td>
</tr>
<tr>
<td>C4</td>
<td>Don't inform and don't compensate in critical conditions</td>
</tr>
</tbody>
</table>
Participants will first be asked to read a scenario which will describe a situation of service failure the customer finds themselves in. In all scenarios, the customer is assisted by frontline staff and treated with respect and courtesy. As in Blodgett et al (1997), after reading the scenarios, subjects could watch a video walking them through the scenario for the purposes of making these scenarios more vivid in the mind of the participant or this study could use photo elicitation for similar reasons, however, such methods will not be used in this study as this brings in atmospheric variables which may affect the expectations of the consumers and the effects of the scenarios on them which will have an impact on the internal validity of the study. After reading through the scenario, all participants were asked to fill in a self-completion questionnaire measuring their disconfirmation of expectations, their perceived level of justice, their overall satisfaction, and their satisfaction with service recovery.

An experimental methodology is appropriate for this study as will enable the independent variables under examination and their affects to be studied in a pure sense and for extraneous variables to be controlled. Hair et al (2006a, p64) support this stating that experimental methodologies ‘have the greatest potential for establishing cause-effect relationships because they enable researchers to examine changes in one variable while manipulating one or more other variables under controlled conditions’. This methodology will thus make the internal validity of this thesis strong (Bryman and Bell, 2011; Saunders et al, 2009; Hair et al, 2006a). The disadvantages however of an experimental methodology mean that the external and ecological validity of
this study will be compromised (Bryman and Bell, 2011; Saunders et al, 2009; Hair et al, 2006a). Also, due to the use of scenarios, participants may not be as engaged with the situations presented to them as they would be if they experienced them first hand in a field setting.

A structured quantitative questionnaire will make use of multiple indicators to measure constructs. The advantages of using multiple indicators over single item indicators are that it will reduce the effects of participant misunderstanding of questionnaire items thus make the measurement of the items more reliable (Bryman and Bell, 2011), and that multiple indicators will enable all dimensions of that variable to be covered in the item’s measurement as a single indicator would be too general and not provide sufficient coverage of the item’s elements (Bryman and Bell, 2011).

This study will adopt an experimental methodology utilising scenarios and a quantitative survey.

Roschk and Gelbrich (2014, p199) in their meta-analytic review of compensation, customer satisfaction, customer complaint and service recovery literature found that of the 55 empirical studies they found, experimental methodologies were dominant comprising ‘96.7%’ of the data used experimental data whilst ‘3.3%’ were based on survey data. The popular methodology adopted by service failure and recovery literature to date is experimental in nature. Although there is a need for more field studies in the literature, the dynamic nature of service delivery means that to study the pure
effect of independent variables is difficult due to the confounding influence of uncontrollable external variables in the field environment. Many studies have employed a CIT methodology to enable consumer’s actual experiences to be drawn upon thus get a more realistic result despite the research not being carried out in a real-time field setting, however, this opens itself up to the same issue that these results will be affected by numerous external uncontrollable variables which may affect consumer perceptions and responses as well as opening the studies up to recall error and the likelihood that the experiences recalled on will be at the extreme ends of the spectrum thus affecting the results.

5.5.1 Manipulated variables and manipulation checks

The manipulated variables will be pre-informing the consumer (and not pre-informing the consumer) of the service failure they are about to experience, compensation (in the form of a customer receiving a complimentary drink) and not being compensated and either being in a time critical situation or a non-time critical situation. These independent variables fit into 8 scenarios (see figure 5.2, p154). Thus, eight nominal groups will be used to test the model and hypotheses.

Manipulation checks test if participants in a study perceive ‘significant differences’ between the different conditions in an experiment (the manipulated variables) (Blodgett et al 1997, p196). Manipulation checks are important to ensure the ‘convergent and discriminant validity’ of a study.
(Blodgett et al 1997, p195). Manipulations checks will be in the survey to examine whether participants perceive a difference between the scenarios to ensure that the experimental manipulations are successful. To ensure these manipulations are successful and effective in the scenarios the proposed manipulation checks to be used in this research are adapted from Gelbrich (2010). To see the full survey which includes these manipulation checks please see appendix eight.

**5.5.2 Mediating Variables**

A mediation variable is one that explains the process between two variables; ‘*one variable causes a mediating variable which then causes a dependent variable*’ (MacKinnon, 2011, p675). The literature review on service failure and recovery identified two main mediators in the relationship between service recovery and customer satisfaction, namely ‘disconfirmation of expectations’, and ‘perceived justice’ which are included in the model. Additionally, it is possible that including a pre-failure recovery step as proposed could also affect perception of service failure severity thus also effecting service recovery expectations which will in turn affect customer satisfaction and satisfaction with service recovery, thus the study will also examine these mediating variables. These are measurable on a continuous scale.
5.5.3 Moderating variables

A moderation variable is a variable for which the experimental intervention ‘has a different effect at different values of the moderating variable’ for example gender may affect the results of an intervention and thus results may differ on the examined relationship between the two genders (MacKinnon, 2011, p675). Indeed, common moderators ‘routinely’ used in research include ‘gender’ (MacKinnon 2011, p679). MacKinnon (2011) warns however that too many moderators will increase the length of the questionnaire possibly resulting in respondent fatigue.

The literature review on service failure and recovery identified criticality as an important moderating variable in the relationship between service failure, service recovery, and customer satisfaction (Webster and Sundaram, 1998). The more critical a service is perceived by a consumer, the higher the perceived loss will be, and the more severe the service failure will be perceived by the consumer when they experience a failure in the service. Thus, it follows that a higher level of criticality in a service failure situation, the harder that service failure will be to recover from. The moderation variable considered in this study will be criticality. Since criticality is to be a controlled variable in the study as well as a moderating variable, the criticality variable will be treated as nominal. Thus, four of the scenarios will be under time critical conditions and four scenarios will be in non-critical conditions.
5.5.4 Variables that are controlled for

To test the model effectively customers’ initial expectations of service quality should be controlled. Due to so many variables affecting customers initial service quality expectations (see chapter three), to measure how disconfirmation is affected by recovery activities and produce meaningful results, all initial customer expectations must be at the same level to start off with and otherwise the results would lose meaning; customer initial expectations of service quality would act as a confounding variable. However, it is not possible to measure customers’ initial expectations of service quality since no studies to date have produced a measurement for them and to create one would be beyond the scope of this study. Thus, the scenarios will not be too descriptive and will be basic in their content so as not to bias in any direction customers’ initial expectations. In the field setting certain cues would affect these, however, the researcher has done their best in this study to not provide cues that could affect this variable. This comes with limitations that are associated with the experimental methodology that this study adopts.

Prior to the model being tested, participant’s level of loyalty will need to be controlled for since this may impact on their service and service recovery expectations (see chapter three). This will be done in both studies as all scenarios will state that the participant has never patronised that service provider before.
Another variable that will need to be controlled is the criticality of the service provided since this will affect the perceived severity of the failure to the consumer (however perceptions of failure of severity will be measured to see how they are affected by a pre-failure recovery stage) and will also have a knock-on effect thus affecting customer's perception of loss and gain (Webster and Sundaram, 1998; Cranage, 2004). This will be controlled for so that in study one the scenarios provided will state the participant is not under time pressure thus in a non-critical situation whilst in study two the scenarios provided will state the participant is under time pressure thus in a critical situation.

Since service recovery is also affected by speed, the speed of after failure recovery will be immediate. Since it is the aim of this study to examine firm initiated recovery, the service recovery variables in the model will be firm initiated.

Employee empowerment and effort were also highlighted as affecting the success of the service recovery; in the scenarios, frontline employees will deliver the service recovery and in the same manner. It is not the purpose of this study to examine employee empowerment.

There will be one type of service failure for each sector across the experimental scenarios in the form of meals taking longer to arrive at the customers’ tables due to a member of kitchen staff having to be sent home due to illness. Thus, the service failure is one of slow service in the restaurant.
Although the restaurant could not foresee staff illness once this occurs the impact of this (the service failure) is foreseeable to the restaurant but inevitable and unpreventable thus pre-recovery may help minimise the negative impact of the service failure and aid service recovery.

All these variables will be controlled through participants being told these elements in the scenarios given to them.

5.5.5 Control variables

Literature on service failure also highlighted that perceived stability and controllability of the service affected attributions of blame. The service failure that will be tested will be short-term thus of low stability, and since this study focuses on a service failure that is foreseeable but unavoidable by the firm, the level of controllability will be high. This is evident in the scenarios that have been designed. However, the stability and controllability are not made explicit in the scenarios thus perceptions of controllability and stability of the service failure however may differ to respondents despite the scenarios being designed this way. For this reason, these variables may act as confounding variables in the study. A confounding effect is when a relationship between two variables is affected by a third ‘confounding’ variable that influences the results of the relationship (Shadish et al, 2002, p7). A confounding variable is different from a mediating variable in that it is not part of a casual sequence between the two variables being examined is related to the two variables being examined thus having a confounding effect on the relationship between them (MacKinnon,
2011). Confound checks are needed to test whether other possible confounding variables are having confounding effects on the data. It is important to have confound checks as failure to do so will ‘confound or lead to incorrect conclusions about the relation of’ the two variables under examination (MacKinnon, 2011, p676).

Thus, such variables could still be possible confounding variables in my study. Attribution of blame could affect expectations of service recovery and perceived severity of the service failure. Please refer to chapter two (section 2.6.4, p. 40) to read more about how attribution of blame affects service failure and service recovery. Thus, in the main survey questions on stability and controllability are included to test these variables. These questions were adapted from Gelbrich (2010) and are measured on a seven-point scale with each point labelled from ‘strongly agree’ to ‘strongly disagree’.

Other control variables that will be measured in the study are age, gender, net household income, home county, how many people the respondent lives with in their household, employment status, and how many hours the respondent works in a week. Although age and gender are quota-ed these will still be measured to ensure the quota has been met. The purpose of measuring these is to profile the respondents to see how the sample is composed as is done in many studies since research has recognised that consumers ‘may not be homogeneous in their response’ to service failures and recoveries thus such demographic variables may affect the consumer responses (Smith et al, 1999,
p370). In profiling the respondents this way, more depth will be added to the study in seeing how different respondents react to the main variables.

5.5.6 Measurements

To create operative measures of the constructs, appropriate measurement scale items need to be selected and the type of scale decided upon. The statement items in this study will be measured in the questionnaire at the interval level, however, and the mean score for each construct is then calculated based on the participants’ response. To see the items and the constructs they measure please refer to the appendix five. To see the full survey however please see appendix eight. The items used to measure constructs in this study were taken from previous studies and adapted to the context of this study. Due to literature covering the measurement of these constructs using different items and scales, the items and scales that were chosen to be adapted were chosen due to them being published in ABS (Association of Business Schools) ranked journals as 3* or 4* (for example, Journal of Marketing is 4* and Journal of Retailing is 4*). These items and scales were also chosen due to them being highly applicable to this study. Some items that were found were too context specific to their study thus were left out. To view item measurements, scales, and where they were sourced from, please see appendix five (Constructs and their measurements). The constructs and their measurement will now be discussed in more detail.
5.5.7 Overall satisfaction

For the items included in the questionnaire to measure overall satisfaction, the items used are adapted from previous studies. Previous studies found to measure the construct of customer satisfaction included Maxham (2001), and Maxham and Netemayer (2002). The final items chosen to measure this construct were adapted from Maxham and Netemayer (2002). These items will be measured on a seven-point unipolar likert scale labelled at every point with the endpoints labelled with either ‘strongly agree/strongly disagree’ or ‘very dissatisfied’ and ‘very satisfied’. Customer satisfaction as a measure is captured by three items (questions 15, 16, and 17) on the survey.

5.5.8 Satisfaction with service recovery

For the items included in the questionnaire to measure customer satisfaction with service recovery in the context of this thesis’ study, the items used are adapted from the previous study by Maxham and Netemayer (2002). Other studies which also measured customer satisfaction with service recovery included Tax et al (1998) and Kim et al (2009). These items will be measured on a five point unipolar likert scale labelled at every point with the endpoints labelled with either ‘strongly agree/strongly disagree’. Satisfaction with service recovery as a measure is captured by three items (questions 21, 22, and 23) on the survey.
5.5.9 Dimensions of justice

To measure customer perceptions of distributive justice, procedural, and interactional justice, the items used in the questionnaire were adapted from previous research into customer perceptions of equity. Researchers who have developed scales for measuring perceptions of justice included Blodgett et al (1997), Tax et al (1998), Smith et al (1999) and Kim et al (2009). The final items used to measure perceived distributive justice and perceived procedural justice were adapted from Smith et al (1999). The items used to measure perceived interactional were adapted from Tax et al (1998) and Smith et al (1999). These items will be measured on a five point unipolar Likert scale labelled at every point with the middle point and endpoints labelled with ‘strongly agree/neither/strongly disagree’. The issue with some of the items are that they measure aspects which are controlled for in this study; the pilot however showed that one irrelevant item (question 18) should be deleted in the main study as a respondent bought it up as irrelevant in their feedback and in deleting the item the construct of procedural justice gained a higher Cronbach’s alpha score thus making the construct more reliable. Distributive justice as a measure is captured by four items (questions 25a, 25b, 26a and 26b), procedural justice as a measure is captured by two items (questions 27a and 27b), interactional justice as a measure is captured by six items (questions 28a, 28b, 29a, 29b, 29c, and 29d) on the survey whilst overall justice is captured by adding the scores of all these items together.
5.5.10 Disconfirmation

To measure disconfirmation, the item used in the questionnaire was taken and adapted from Smith et al (1999) which an adapted and refined version of the scale Oliver and Swan (1989a), and Oliver and Swan (1989b) used in their research on customer disconfirmation of expectations. This item is measured on a seven point Likert scale labelled at every point with the middle and endpoints labelled with ‘Much Worse than expected, as expected, much better than expected’. Disconfirmation of expectations as a measure is captured by a single item (question 24) on the survey.

5.5.11 Expectations of service recovery

To measure expectations of service recovery, the items used in the questionnaire were taken and adapted from Maxham and Netemayer (2002) and Hess et al (2003). Some of the items used in previous studies however were omitted due to them referring to service failure situations that were ‘fixable’ of which is irrelevant and not applicable to this study. These items are measured on five point Likert scales labelled at every point with the endpoints labelled with ‘strongly agree’ and ‘strongly disagree’. Customer expectations of service recovery as a measure is captured by five items (questions 2a, 2b, 2c, 2d, and 3) on the survey.
5.5.12 Perception of service failure severity

Severity of service failure is measured at two different points in this study. The first time it is measured is before any compensation would (if any) be given in the scenarios, however, the second time it is measured is after compensation (if any) is given which serves to recover the service failure thus it follows that this may affect the perceived severity of the service failure. To measure perception of service failure severity, items used in the questionnaire were taken directly from Maxham and Netemayer (2002). Other studies that measured the same construct using different items included Hess et al (2003), Weun et al (2004), and Wang et al (2011). The items in this study are measured on five point Likert scales labelled at every point with various responses. Perceived severity of service failure as a measure is captured by three items, the first time severity of failure is measured it appears as questions 4, 5, and 6 on the survey. The second time this variable is measured, it appears as questions 18, 19, and 20 on the survey however they are the same question as used earlier in the survey to measure the same variable.

5.5.13 Control

The control variables of age, gender, net household income, home county, how many people the respondent lives with in their household, employment status, and how many hours the respondent works in a week are measured at the end of the survey. Gender is measured on binary choice with two answer categories of male and female. Age is measured on an ordinal scale. Net
household income is measured on eight answer choice ordinal scale. Employment status is measured nominally with nine answer options. Home county is measured nominally with nine answer options. How many people live in the household is measured on an ordinal scale with an open answer option whilst how many hours the participant works during a week has an open answer option and is measured on a continuous scale.

To ensure the control variables of attribution of blame were measured, five items (questions 11a-11e inclusive) in the survey measured attribution of blame, perceived controllability and stability of the service failure. These measures were adapted from Gelbrich (2010) and were measured on seven point Likert scales labelled at every point with the endpoints labelled with ‘strongly agree’ and ‘strongly disagree’.

5.5.14 Manipulation

To ensure that the manipulations were effective, thirteen items (questions 1a, 1b, 1c, 1d, 7a, 7b, 7c, 7d, 7e, 7f, 8, 9 and 10) in the survey ensured that they key manipulations were measured. These measures were adapted from Gelbrich (2010) and were measured on seven point Likert scales labelled at every point with the endpoints labelled with ‘strongly agree’ and ‘strongly disagree’.
5.6 The questionnaire

A survey is defined by Groves et al (2009, p2) as ‘a systematic method for gathering information from (a sample of) entities for the purposes of constructing quantitative descriptors of the attributes of the larger population of which the entities are members’. This study makes use of quantitative structured questionnaires which is a survey strategy to data collection (Saunders et al, 2009). Using questionnaires as a method of data collection for this study is appropriate for the descriptive and explanatory nature of the research this thesis aims to undertake (Saunders et al, 2009).

5.6.1 Questionnaire design

The design of the questionnaire will aim to minimise non-response and maximise response accuracy.

Closed questions will be used, asked one-at-a-time, utilising Likert scales and matrices to facilitate easier response, thus minimising risk of non-response (Groves et al, 2009). The literature from which the construct measures have been taken show that seven point Likert scales have been a popular choice for researchers in the field to use. Most questionnaire items however will use five point Likert scales to make the questionnaire simpler for respondents to answer and to reduce respondent fatigue. These rating scales appear on the questionnaire in a straight line as it enables the participant to process the data in the easiest and best way (Saunders et al, 2009; Dillman, 2007). Scale anchors remain in the same direction throughout the questionnaire to make the
questionnaire more user friendly (Saunders et al, 2009; Dillman, 2007). Also in sections where there are many questions, for example the items which will measure interactional justice, matrices will be used to ask questions to make it easier for respondents to answer questions and reduce the effort needed (thus fatigue) to answer questions.

It is important to have each point on the scale labelled or else respondents may interpret the meaning of each point of the scale thus clarity should be given to each scale point and its meaning to increase response ‘reliability and validity’ (Krosnick and Presser, 2010, pp270, 275). Thus, response categories for each point on the rating scale is taken from Saunders et al (2009, p380) and Qualtrics software categories.

Respondents not understanding questions can lead to item non-response or misinterpreting questions which causes misreporting (Groves et al, 2009). Therefore, the questionnaire will avoid wording which could lead to ‘false inferences’, ‘grammatical ambiguity, excessive complexity, faulty presuppositions, vague concepts and quantifiers’ and ‘unfamiliar terms’ (Groves et al, 2009, p227).

**5.6.2 Order of the questionnaire**

Demographic questions will need to be asked to understand how the sample is composed. However, questionnaires should not begin with ‘demographic’ or ‘prior medical history’ questions, as if questions are seen to lack relevance to
the topic of the questionnaire, are non-applicable, are difficult, or disinteresting, it may put respondents off completing the questionnaire (Dillman, 2007, p87). Thus, these questions will be put at the end of the questionnaire. The first question is considered salient, easy, interesting, and relevant to the topic, thus will engage the respondents’ interest whilst encouraging them to continue to the next question (Dillman, 2007, p92). Secondly, questions that relate to the same sub-topic are placed together in the questionnaire to provide a sense of logical order and continuity in the questionnaire to make response and recall easier for respondents (Krosnick and Presser, 2010). The logic and continuity provided by grouping will lower the effort respondents need to exert to answer questions on a topic making them more likely to respond effectively (Dillman, 2007). Sensitive questions risk respondents ‘quitting’, therefore these questions will be grouped together towards the end of the questionnaire so respondents’ interest can be gained first and thus are less likely to be put off completing the questionnaire when these questions arise (Dillman, 2007, pp87-88; Krosnick and Presser, 2010). Also, in grouping these questions they may seem less objectionable as these items will ‘stand out less’ (Groves et al, 2009, p246).

5.6.3 Questionnaire format

The questionnaire contains instructions, navigational and visual cues which are essential to guide and instruct respondents so that they can navigate through the questionnaire and respond effectively (Groves et al, 2009). Without these features, navigational error is likely, leading to missing data
(Groves et al, 2009). Furthermore, lack of instruction can lead to misinterpretation of how questions should be answered. Bryman and Bell (2011) however acknowledge that online survey programmes may automatically navigate participants through the survey thus making it easier for the respondent. For the main survey, the online survey programme Qualtrics will help participants to navigate through the survey however to increase readability and ease of response instructions, navigational and visual cues are still used.

To help respondents navigate and comprehend information as recommended by Dillman (2007) and Groves et al (2009), questions are differentiated by appearing in bold text, questions are asked one at a time and visually distinguished by sequential numbering and spacing, instructions on how to answer questions are given in italics to distinguish them from other text, whilst font size also differentiates text (questions are in a larger font than the response categories). To direct respondents to the next appropriate question section, a button using the keyword ‘NEXT’ in block capitals is used to stand out as suggested by Dillman (2007). This formatting and presentation is consistent throughout the questionnaire to make ‘the response task easier’ (Dillman, 2007, p109). To help respondents to comprehend the main points in each scenario key words and phrases will be in ‘BOLD’ (Dillman 2007). Also, a ‘back’ button will be available to respondents should to enable them to re-read the scenario throughout the survey. Although this could mean that they alter their answers later on in the survey, it is needed as participants in the pilot stated a need for this to ensure they could re-read the scenario. Also, the
length of the survey which is long makes this even more necessary. In addition, at the top of every page, the key points of the scenario are presented in a storyboard in text with complimentary cartoon images to illustrate the scenario and assist the respondent in answering questions. This should increase response accuracy. Care was taken by the Graphic designer in designing these images to avoid any confounding variables being present in the images which could risk influencing the respondents answer. Thus, the images strictly adhered to the scenarios.

5.6.4 Mode of questionnaire administration

Questionnaires can be either self-administered by post or internet, otherwise they can be interviewer administered by face to face interview or over the telephone (Saunders et al, 2009). The advantage of using interviewer administered questionnaires is that the researcher has greater control over who responds to the questionnaire thus improving reliability of data, however, with self-administered questionnaires there is the risk that someone other than the targeted respondent could instead answer the questionnaire (Saunders et al, 2009). With internet administered questionnaires however, there is a greater likelihood that the respondent will answer than sending a questionnaire by post since ‘most users read and respond to their own mail at their personal computer’ (Saunders et al, 2009, p363). To see the advantages and disadvantages of each mode of administration please see appendix four. Self-administered internet-mediated questionnaires will be used in this thesis. To facilitate this, the programme Qualitrics will be used. Qualtrics is an online
'survey platform’ which also provides an online panel of participants thus surveys can be distributed via this platform and target the demographic under examination in this study (Qualtrics, 2014a). However other similar online panels exist and may provide a cheaper alternative thus although Qualtrics will be used as a platform for the survey, the survey will be distributed to another cheaper panel provider.

This mode of administration is appropriate since it is less costly and time consuming, means a larger more geographically dispersed sample can be obtained, is suitable for structured questionnaires, and has a lower likelihood of response contamination than other modes of distribution (Saunders et al, 2009; Bryman and Bell, 2011). The disadvantage is that consumers that are not computer literate or do not have access to a computer and/or the internet will not be able to participate (Saunders et al, 2006; Bryman and Bell, 2011).

Since internet administrated questionnaires are being used in this study, this mode of administration has implications in terms of sampling error; participants on the internet ‘are a biased sample of the population, in that they tend to be better educated, wealthier, younger, and not representative in ethnic terms’ (Couper 2000 in Bryman and Bell, 2011, p664). A non–probability sample is also suitable since the use of conducting research online makes the use of probabilistic sampling techniques difficult to employ unless a sampling frame of suitable emails is available (Bryman and Bell, 2011). Also, a probability sample will not be possible since an appropriate sampling frame is not available to target the populations under study, thus a quota sample is
being employed which will then be given to the survey panel provider who will then provide a sampling frame from which another quota sample will be drawn for each scenario. This ensures that despite a non-probability sampling technique being used, that the sample is as representative of the populations under study as possible.

5.7 Data Analysis

To conduct analyses on data collected SPSS will be used. To make an informed decision as to which tests are the most appropriate for the type of data to be collected, assumptions about the data will need to be tested which will now be discussed.

5.7.1 Testing assumptions using descriptive statistics

Parametric tests require certain assumptions to be met for the tests to be carried out effectively and produce meaningful results (Field, 2009). In this section, screening for normal distribution of data and homogeneity of variance will now be discussed.

5.7.2 Checking for normal distribution of data

Normally distributed data is an assumption that can mean either normal distribution of the sampling distribution or it can mean normal distribution of the errors (Field, 2009). To test whether the sampling distribution is normally
distributed, using descriptive statistics in SPSS histograms and p plots will be
generated. If the histogram has a bell-shaped curve and the p plot has points
all along the line, then the sampling distribution is normally distributed. To
further examine the characteristics of the data, using descriptive statistics,
‘measures of central tendency (mean, mode, median), measures of variability
(range, standard deviation, variance, quartile splits), and ‘measures of shape
(kurtosis and skewness)’ will be calculated (Field, 2009, p138). For data to be
of normal distribution skew and kurtosis figures should be 0 or close to 0
(Field, 2009). Additionally, to test the normality of data distribution the
Kolmogorov-Smirnov test will be conducted to make a more objective
analysis since deciding whether data is of a normal distribution by looking at
histograms opens up the possibility for subjective analysis (Field, 2000). If the
Kolmogorov-Smirnov significance value is less than .05 then the result is
significant meaning that the data is not of a normal distribution (Pallant,
2011).

5.7.3 Testing for homogeneity of variance

If the pre-tests show parametric data can be used, homogeneity of variance
will need to be tested for. Homogeneity of variance means that variance will
be equal at different points within the variable (Field, 2009). To test for this,
under the explore function of descriptive statistics, Levene’s test will be
conducted (it is conducted automatically by SPSS when a T-test or analysis of
variance is conducted (Pallant, 2011) which ‘tests the null hypothesis that the
variances in different groups are equal’ (Field, 2009, p150)). If the result is
significant at p being lower than 0.05 then heterogeneity of variance is present, however if the result is above 0.05 then homogeneity of variance is present (Field, 2009). However large samples can sometimes result in a significant figure thus to double check one should look at the variance ratio which will have different significance levels depending on sample size (this is summarised below in figure 5.4) (Field, 2009).

**Figure 5.4: Significance levels for variance ratio (Adapted from Field 2009, p150)**

<table>
<thead>
<tr>
<th>Sample size per group</th>
<th>Significance level</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>10 or less</td>
</tr>
<tr>
<td>15-20</td>
<td>Less than 5</td>
</tr>
<tr>
<td>30-60</td>
<td>Less than 3</td>
</tr>
</tbody>
</table>

5.7.4 **Testing for outliers**

Outliers are extreme cases that differ ‘*substantially from the main trend of the data*’ (Field, 2009, p215). Thus, for outliers to be detected the residuals can be examined; since normally distributed samples have ‘95% of z scores’ between +1.96 and -1.96 any above these limits will be considered outliers. To test for outliers the explore function under descriptive statistics will be used to make box plots from which outlier cases will be able to be identified. If outliers are present in the data then they can be either removed, transformed or replaced (Field, 2009).
5.7.5 Missing data

To screen the data for missing data, using ‘descriptives’ for each variable in SPSS will identify how much data is missing and the data will then need to be analysed to see if data is missing completely at random (MCAR) or whether there is a pattern in the missing data (Pallant, 2011). Data can then be either left missing (and excluded listwise or pairwise) or possibly imputed (this should not be done if there is a lot of data missing (Pallant, 2011)). Excluding cases listwise will only analyse cases should they have all the data on ‘all of the variables listed in your variables box for that case’ (this can limit the sample size of the study) whereas excluding cases pairwise only excludes cases from analysis if they are missing the data needed for the ‘specific analysis’ (Pallant, 2011, p211).

5.7.6 Assessment of reliability

Reliability is ‘the extent to which your data collection techniques or analysis procedures will yield consistent findings’ that are replicable (Saunders et al, 2009, p156; Shiu et al, 2009; Bryman and Bell, 2011; Field, 2009). To assess reliability the ‘proportion of true variance relative to total variance (true plus error variance)’ is calculated (Tabachnick and Fidell, 2007, p728). There are three types of reliability that can be assessed to examine the reliability of a scale, namely internal consistency reliability, composite reliability, and the average variance extracted (AVE) (Bagozzi and Yi, 1988; Hair et al, 2006b).
Internal consistency reliability concerns how well the dimensions ‘of a multidimensional construct correlate with the scale’ (Shiu et al, 2009, p403) and should high inter-item correlations be found then internal consistency will be demonstrated within the measure of the construct. The most popular measure of internal consistency reliability is the Cronbach’s alpha test which this study will use to assess internal consistency reliability (Field, 2009; Peterson, 1994). There are varying views as to what alpha level is considered acceptable under certain research circumstances. For a summary of the different acceptable levels please refer to figure 5.5 below. In keeping with the most current literature this study will consider the acceptable level of Cronbach’s alpha to be of 0.8 or above (Field, 2009).

*Figure 5.5: Cronbach’s alpha levels*

<table>
<thead>
<tr>
<th>Authors</th>
<th>Research Circumstance</th>
<th>Recommended level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hair et al (2006b)</td>
<td>General acceptable level</td>
<td>0.7</td>
</tr>
<tr>
<td></td>
<td>Exploratory research</td>
<td>0.6</td>
</tr>
<tr>
<td>Field (2009)</td>
<td>General acceptable level</td>
<td>0.8</td>
</tr>
<tr>
<td>Bryman and Bell (2011)</td>
<td>General acceptable level</td>
<td>0.8</td>
</tr>
<tr>
<td>Kaplan and Saccuzo (1982, p106) in Peterson (1994, p382)</td>
<td>Basic Research</td>
<td>0.7-0.8</td>
</tr>
<tr>
<td></td>
<td>Applied Research</td>
<td>0.95</td>
</tr>
<tr>
<td>Murphy and Davidshofer (1988, p89) in Peterson (1994, p382)</td>
<td>Unacceptable level</td>
<td>Below 0.6</td>
</tr>
<tr>
<td></td>
<td>low level</td>
<td>0.7</td>
</tr>
<tr>
<td></td>
<td>Moderate to high level</td>
<td>0.8-0.9</td>
</tr>
<tr>
<td></td>
<td>High Level</td>
<td>Above 0.9</td>
</tr>
<tr>
<td>Nunnally (1967, p226) in Peterson (1994, p382)</td>
<td>Preliminary Research</td>
<td>0.5-0.6</td>
</tr>
<tr>
<td></td>
<td>Basic Research</td>
<td>0.8</td>
</tr>
<tr>
<td></td>
<td>Applied Research</td>
<td>0.9-0.95</td>
</tr>
<tr>
<td></td>
<td>Basic Research</td>
<td>0.8</td>
</tr>
<tr>
<td></td>
<td>Applied Research</td>
<td>0.9-0.95</td>
</tr>
</tbody>
</table>
5.7.7 Assessment of Validity

Reliability is ‘only a necessary-not a sufficient’ prerequisite to validity (Thompson, 2004, p4). Validity is whether the measure used measures what it is supposed to measure and that findings are ‘about what they appear to be about’ (Saunders et al, 2009, p157; Bryman and Bell, 2011). Thus, it is possible for a measure to be reliable, but not valid (Burns and Bush, 2006).

There are two types of validity, content/face validity and construct validity (the three types of construct validity being convergent, discriminant and nomological) (Hair et al, 2006b). Content validity refers to ‘how well a construct’s measurable components represent that construct’ and is subjectively assessed by the researcher (Shiu et al, 2009, p382). Due to its subjective nature, the three types of construct validity also need to be assessed. Convergent validity is to do with the extent to which to measures of the construct ‘positively correlates’ with different measures which also measure the same construct (Shiu et al, 2009, p382). Discriminant validity refers to the extent to which the construct in question ‘differs significantly’ from different constructs ‘that are thought to be different’ (Shiu et al, 2009, p382). Nomological validity is ‘how well one construct theoretically fits within a network of other established constructs that are related yet different’ (Shiu et al, 2009, p382). To assess the construct validity in this thesis, PCA will be undertaken. This is appropriate as the measurement constructs used in this study are based on existing theory.
5.7.8 T Tests

T tests can be used to test ‘whether a correlation coefficient is different from zero’, ‘whether a regression coefficient, b, is different from zero’, and to examine the difference between the means of two groups (Field, 2009, p324). The focus here will be on t tests that compare 2 group means. There are two main types of T-test: independent means/samples/measures and dependent means/matched pairs/paired samples (Field, 2009). The first is when two experimental conditions are tested with different participants used under each condition whereas the latter uses the same participants in each experimental condition (Field, 2009). To tell if the result is a significant one in a t- test, one must look at the p value where a value of less than 0.05 indicates a significant result (Field, 2009). T-tests are parametric thus the following assumptions must be met to conduct them: a normal sampling distribution, data must be measureable at the interval level at least (Field, 2009). Additionally, the independent samples T test also assumes equal variances in populations, and independent scores (Field, 2009). If data is not normally distributed this can lead to biased results, thus in the case of an abnormal sampling distribution non-parametric tests which hold less assumptions should be employed (Field, 2009).

The equivalent non-parametric test for the dependent samples T-test is the ‘Wilcoxon signed rank test’ whilst the equivalent non-parametric test for the independent samples T-test is the ‘Mann Whitney U test’ (Field, 2009, p345). Unlike the parametric tests, these non-parametric equivalents compare
medians (Pallant, 2011). To do this they convert ‘the scores on the continuous variable to ranks’ and then analyse the two group’s ranks and examines if there is a significant difference (Pallant, 2011, p227). With the Mann Whitney U test and Wilcoxon signed rank test, if the significance value is not equal to or less than 0.05 the result is not statistically significant and there is no statistically significant difference between the two groups being analysed (Pallant, 2011).

5.7.9 ANOVA

The one-way analysis of variance (ANOVA) test is the parametric test for comparing the means of three or more groups (Pallant, 2011). The ANOVA test will produce a significant result if the significance level is ‘equal to or less than 0.05’ (Pallant, 2011, p254). The non-parametric equivalents to the ANOVA test is the Kruskal Wallis test (for independent groups) and the Freidman test (repeated measures) (Pallant, 2011). The Kruskal Wallis test converts the scores on the variable into ranks and then ‘the mean rank for each group are compared’ (Pallant, 2011, p232). If the significance value of a Kruskal Wallis test is ‘less than 0.05’ then there is a statistically significant difference between the three (or more) groups on the variable (Pallant, 2011, p234). Pallant (2011, p235) however states that should the Kruskal Wallis test gain a statistically significant result ‘you still don’t know which of the groups are statistically significantly different from one another’ and that to ‘find this out, you will need to do some follow-up Mann-Whitney U tests between pairs of groups’.
5.7.10 2-Way Between-Groups ANOVA

Unlike a one-way ANOVA where there is just one independent variable, the 2-way between-groups ANOVA ‘means that there are two independent variables’ and ‘between-groups’ means that there are two separate groups of participants (Pallant, 2011, p265). This test enables the researcher to examine the ‘individual and joint effect of two independent variables on one dependent variable’ (Pallant, 2011, p265). This test will be used in this study to examine the variables of pre-informing and criticality since Pallant (2011, p265) states this test is suitable for testing the ‘main effect’ of two variables separately on the dependent variable and the ‘interaction effect’ between two independent variables on the dependent variable. The 2-way between-groups ANOVA test will produce a significant result if the significance level is ‘equal to or less than 0.05’ (Pallant, 2011, p270).

5.8 Summary

To summarise, the main empirical study will utilise a 2x2x2 experimental scenario based study. Data will be collected using an online survey (using the platform of Qualtrics survey software). A quota sample will be used to ensure the sample of the population is as representative as possible and this will be a panel of participants provided by CINT. To analyse the data and test the hypotheses, T tests and 2-way between-groups analysis of variance will be employed. In the next chapter the pilot studies that were ran will be discussed and their results reported.
PhD Thesis 2017: Part Two

What effect does ‘pre-failure recovery’ have on customer satisfaction?

Author: Ursula Patricia Josephine Furnier, URN: 6245157, Integrated PhD in Management
6. Chapter Six: Pilot Study

6.1 Introduction

A pilot is essential to enable issues with the survey to be identified and amended before the main survey takes place (Richardson et al, 1995). Pilot studies also serve to enable an assessment to be made of the reliability and the validity of the data collected (Saunders et al, 2009). Feedback from pilot studies can be useful in terms of improving questions, the format of the questionnaire and the scales it utilises (Creswell, 2009). Thus, the pilot study has two main objectives: to identify issues with the questionnaire and modify it in line with feedback and secondly to assess the reliability of the constructs in the survey. Firstly, a pre-pilot study was conducted which will now be discussed. In the second part of this chapter, the main pilot study will be discussed.

6.2 Pre-pilot test

Prior to conducting the pilot study a pre-pilot test was conducted in the form of eight face to face semi-structured interviews for each service sector. Thus, a total of twenty-four face to face semi structured interviews were conducted. Participants were convenience sampled. The food and agriculture organization of the United States (2014) state that for pre-tests this sampling procedure is typical and these tests are conducted on a small scale. This was essential to
ensure that all possible variables that may affect participant’s responses are identified and considered prior to the main pilot study. It is also essential in order to identify any issues with the measurement instrument (Hunt et al, 1982).

Despite the literature providing rich information and insight into service failure and recovery, to fully explore service failure and recovery and people’s expectations regarding service recovery in the specific context of this study, interviews were conducted to gain a richer, deeper insight and understanding of the topics under examination. Also since literature has not covered the pre-recovery step (pre-informing customers of the service failure before they experience it), these qualitative interviews aimed to explore attitudes and opinions towards this potentially useful activity. Lastly these interviews were used to gain feedback on the scenarios designed to be used in the main study which have helped to facilitate revisions to the scenarios prior to the main study. Thus, the interviews serve both an exploratory and explanatory approach. It is not the aim of these interviews to provide generalisable results. Following the analysis of these interviews, amendments were made to the main pilot study scenarios. Thus, the interviews enabled the scenarios to be piloted whilst the main pilot tested the survey instrument to be used in the main study.
6.2.1 Interviews as a data collection method

To gain a rich deep insight, face to face semi-structured interviews were chosen as an appropriate method of data collection. Interviews were deemed appropriate as they can gain a depth of information on people’s ‘attitudes, motivations, and opinions’ (Hair et al, 2006a, p178). The disadvantage with interviewing as a data collection method is that answers may be subject to respondent bias, for example to appear as socially desirable (Hair et al, 2006a). Although focus groups could have provided a way to gather a breadth and depth of information due to it enabling more respondents contributing to data collection (Saunders et al, 2009), this method was deemed inappropriate due to the subject matter; the choice of restaurants or type of restaurant’s people patronised may have led to misreporting due to participants wishing to appear more socially desirable (different types of restaurant appeal to different market segments based on image and demographics such as age and income (Kivela, 1997)) whilst weaker members of the group may alter their responses to be in line with the stronger personalities in the group for the same reason of social desirability (Saunders et al, 2009). Thus, choice of restaurant can be quite a personal reflection. Interviews as a data collection technique were deemed more appropriate as although there is still the risk of social desirability bias, this risk is reduced due to the anonymity the respondent can retain (of which the interviewer can assure the person of their anonymity of participation) and thus respondents may be more relaxed and thus more open and honest with their responses than they would have been in a group.
interview situation. Sweeney et al’s (1992) study into restaurant choice used self-completion questionnaires for the same reason; in using a method of data collection that provides respondent anonymity the risk of social desirability bias is reduced.

Semi-structured interviews were chosen as they enabled questions to be pre-constructed to examine into the themes/topics of interest, whilst enabling the interviewer to probe and explore into new issues that may have been uncovered and identified during the interviews (Saunders et al, 2009).

Despite the appropriateness of interviews, the disadvantage of using semi-structured interviews as a data collection technique is quality issues concerning reliability, bias, and validity as well as being time consuming (Saunders et al, 2009). Semi-structured interviews are appropriate for exploratory and explanatory research and can be used to seek new insights as well as to gain a better understanding of the relationships between the variables under study thus are appropriate for this study (Saunders et al, 2009).

**6.2.2 Sample size and method**

Convenience sampling was used to recruit participants. It was not the aim of the interviews to produce generalizable results but to gain a deeper insight into the topics of interest; this aim is typical of qualitative research (Christy and Wood, 1999). The other advantage of using this method is that it was less time consuming. The disadvantage of using convenience sampling is that it may
lead to bias as who is selected may affect the type of respondent who is interviewed and the sample of respondents are unlikely to be representative of the population under study (Saunders et al, 2009).

In qualitative interviews data is usually collected until data saturation occurs which means when no new insights are gained from collected data (Mason, 2010). Samples sizes of qualitative studies are typically smaller than in quantitative studied (Mason, 2010). In this study data was collected from eight participants for each sector under examination. Although theoretically the concept of collecting data until data saturation is achieved is ideal, it is somewhat impractical; resources such as time and money may make this benchmark impossible to satisfy (Mason, 2010). In this study data collection was not continued until data saturation was achieved due to time restrictions. Also since the interviews are not the main method used to test the hypotheses in this study, it would be counterproductive to focus a lot of resources on this one part of this thesis’ study. As Mason (2010) rightly acknowledges, sample size will also be influenced by the aims of the study.

6.2.3 Mode of interview

Face to face interviewing was used. An advantage of face to face interviewing over other forms (telephone interviewing and electronic interviewing) is that it has the highest response rate (Weisberg, 2005; Saunders et al, 2009). For more information regarding the advantages and disadvantages of this mode of administration please see appendix four. Face to face interviewing was
deemed appropriate for this study as it will ensure a good response rate (Weisberg, 2005; Saunders et al, 2009) and will enable the interviewer to show the scenarios (which originally contained photos) to the participants to gain their feedback which would only be otherwise be possible in a web-administered survey (Weisberg, 2005). Face to face interviews are more advantageous than web-administered interviews as the quality of communication (in terms of sound, no time lags between communications, and body language) will be superior to that of a web interview. Respondents generally prefer face to face interviews due to the personal interaction involved (Weisberg, 2005, p287).

6.2.4 Epistemology and Data analysis

The type of data collected in this part of the study was qualitative in nature. Qualitative data can be analysed inductively or deductively or can be combined (Saunders et al, 2009). The data was analysed using content analysis with the key themes and variables being identified and informed by the literature review thus was deductive in this respect. However, the interviews were also inductive in that they aimed to provide new insights to the research (Carson et al, 2001). Thus, the interviews were both inductive and deductive in nature.

To facilitate the analysis of the data collected in the interviews, all transcripts were transcribed verbatim. Content analysis involves grouping words from transcripts into predetermined categories (Carson et al, 2001). The two phases
of coding when conducting a content analysis are ‘axial coding’ which involves putting relevant transcript into the pre-determined groups, and ‘selective coding’ which then ‘makes comparisons and contrasts’ and looks for relationships between the groups of data (Carson et al, 2001, p83). From this, a general understanding of the topics under examination and the relationships between them should be gained (Carson et al, 2001). Content analysis is appropriate for analysing the data from the interviews as literature already has a wealth of information behind the key topics and variables of interest in this thesis’ study, thus it is the aim of these interviews to group information based on these variables to facilitate a better understanding of the variables, to identify support for the hypothesised relationships between them, and to explore any hidden information and gain new insights on the variables that participants may make bring to this researcher’s attention.

An interpretivist approach is followed in the design of the interviews. Carson et al (2001, p5) states that an interpretivist approach is focused on ‘understanding what is happening in a given context... taking account of the contexts of the phenomena under study, and the contextual understanding and interpretation of data’ in order to develop insights and understanding. The interviews served an exploratory purpose (to increase the understanding of the topics of interest and explore the effect of a pre-recovery step) thus the data collection and analysis for the interviews followed an interpretivist approach. However, the interviews also took a slightly positivistic deductive approach in that the other aim of the interviews was to identify the hypothesised relationships between the variables of interest and indicatively confirm them
before proceeding with the main pilot study. Carson et al (2001, p5) states positivism is ‘governed by explicitly stated theories and hypotheses. A research topic is identified through the discovery of an external object of research rather than by creating the actual object of study’; thus although the interviews followed an interpretivist approach, they were used in the larger context of the thesis’ study thus data was collected and analysed in the context of a pre-determined set of variables of which the interviews served to gain more of an insight and understanding into them and to see if the data indicatively supported the thesis’ hypotheses.

6.2.5 Ethics

To ensure the interviews were conducted in an ethical manner individuals were required to provide informed consent to participate (Groves et al, 2009; Carson et al, 2001). Information forms made individuals aware of their voluntary role, what it entailed, potential risks, use of information, anonymity, confidentiality, and right to withdraw (Groves et al, 2009; Weisberg, 2005). These actions and assurances should increase response (Groves et al, 2009) but all those approached to be interviewed provided consent and were fully responsive in the interview process. Identifiers were removed from the data (Groves et al, 2009) and the author of this thesis who acted as the interviewer signed a confidentiality agreement (Weisberg, 2005). In addition, the study was presented to the University of Surrey's ethics committee for approval which was received (please see appendix seven).
6.2.6 Analysis

The interview entailed participants being led through one of the scenarios to be used in the pilot, namely the scenario where customers were not informed or compensated. This was the same for each sector under study. This was viewed as important to explore customer expectations, attitudes and opinions towards the controlled conditions. The inform variable was then explored in more depth in examining participants’ opinions and attitudes if they had been informed at the end of their meal and informed upon entry to the restaurant. Thus, data was grouped under three conditions: no inform, inform after meal, and inform upon entry to the restaurant.

To further test the scenarios which were proposed to be used in the pilot study, the second part of the interview involved participants being presented with two of the scenarios proposed to be used in the pilot study, firstly the one where customers were not informed or compensated and finally where customers were pre-informed and compensated. Their feedback on the scenarios were then asked for which not only tested for how realistic and engaging the scenarios were, but also gained feedback as to how the restaurant dealt with the service failure in the scenario. This information helped to make amendments to the scenarios to be used in the pilot study. Any further feedback from the main pilot study would be used to make any final amendments to the scenarios before they are used in the main study.
A content analysis was conducted and the following categories were chosen to group the qualitative data under the three conditions for the restaurant: service failure, perceived causes of the service failure, general expectations, service recovery expectations, expectations regarding the time taken to deliver the meal to the customer, customer satisfaction, intention to re-patronise, prevention of the service failure, Illness/contamination/hygiene, and criticality. Additionally, scenario one and scenario two were coded in terms of believability and advice for improving them.

**6.2.7 Results: Restaurant**

To view the interview transcripts please see appendix six.

**6.2.8 Expected time for meal delivery**

The mode expected time for meal delivery was half an hour (Participant 2 (P2), P5, P7, and P8). The mean time cannot be calculated since participants often had an expected time window in which they expected their food to arrive. When taking all of participants answers into account this time window ranged from ten minutes to forty minutes depending on the type of restaurant, how busy the restaurant was, and what the customer ordered. Only participant four (P4) expected a ten minute wait, P3 expected a ten to twenty minute wait whilst, P1 expected twenty minutes to half an hour, P5 expected half an hour to forty minutes and P6 expected fifteen to twenty five minutes. If the maximum waiting times are taken from participants the mean is 26.88 minutes.
to two decimal places whilst if the minimum time is taken the mean is 21.88 minutes to two decimal places. What is evident is that expectations vary from person to person with external variables such as what is ordered affecting them. For the purpose of the study the scenarios will have half an hour as the controlled expected waiting time for the meal. It is important this is controlled so that the results have more meaning to them. Also P6 (p3) stated that just having ‘double’ the usual expected wait was ‘a bit unclear’ thus for the scenarios it was felt that having a prescribed waiting time and being told more specifically what the new longer waiting time was, was necessary. One point highlighted by participants was whether they were waiting for their starter or main course. For the reason of keeping focus to this study thus meal delivery will refer from now onwards to main course and this will be made explicit in the scenarios.

6.2.9 Service failure

Regarding reactions to the service failure under condition one (no inform and no compensation) participants stated they would feel ‘impatient’ (P1 (p1) P2 (p1) P4 (p1)), ‘angry’ (P2 (p1) P5 (p1)), ‘irritable’ (P5 (p1)), ‘annoyed’ (P6 (p1)), ‘disappointed’ (P7(p1)), and ‘not very happy’ (P8 (p1)) which led to the participants seeking to ask waiters for information about where their meal was (P1 (p1) P3(p1) P4 (p1) P6 (p1)), P8 considered complaining and in two cases participants ‘considered leaving’ (P1 (p1) P8 (p1)). Thus, in condition one participants had negative emotional responses and sought information from the service provider with two considering exiting the transaction. Under
condition two (inform after the meal and no compensation), the negative
emotions are not as negative in P1 (p2) stating ‘I would feel better about the
situation’ and others stating they felt less irritable (P3 (p2)) and less annoyed
(P2 (p2)) but participants still felt negativity towards the provider due to them
testing they could have informed them prior to the meal about the situation
(P4 (p2) P6 (p3) P7(p3)). Under condition three (inform upon entry to the
restaurant) however negative responses were in most cases neutralised with
participants stating that they would be ‘a lot more understanding about the
situation if they’d already informed me. I would feel more positive about the
situation’ (P(p3)), ‘I wouldn’t mind’ (P2 (p2)), ‘it would still be slightly
annoying but as long as the staff are up to speed on their service it would still
be alright’ (P3 (p3)), ‘I will be more understanding, more patient. I just feel
sympathy for the ill staff’ (P4 (p3)), ‘One is nice to know what’s going on nice
to know there’s going to be a delay I think it’s quite nice if you go to a bar or
restaurant and you order food and someone immediately says we’re really
busy just to let you know there’s going to be a twenty/thirty minute delay,
That’s fine ’ (P5 (p3)), ‘we’d understand and accept it’ (P6(p4)), and pre
informing was perceived as ‘a professional thing to do. It shows care and due
concern for the customer’ (P7 (p4)). This reaction was seen to be linked to
expectations of service recovery and prospect theory. Within these
expectations, the prominent expectations were compensation, apologies and
being informed by the service provider. At the least participants expressed
how they would expect an apology (P3 (p2), P4 (p2), P6 (p2), and P7) and
such an action was viewed by the participants as being caring towards
customers (thus tying into interactional justice). However, when the case of
the service failure became known to the consumers as a service failure that the restaurant was aware of, participants stated how they would have expected to be informed about the situation at the earliest opportunity (P1 (p2), P3 (p3), P5 (p2), P6 (p3), P7(p3), and P8 (p2)). Informing customers at the earliest opportunity was seen by participants as being ‘more acceptable’ (P1 (p2)), and caring (P7). With regard to when participants were informed, participants expected to be informed when they had been sat at the table by the waiter/waitress (P1 (p2)) or when they had entered the restaurant (P3 (p3), and P7 (p3)). In being informed at such times would be perceived as fair as it gives the customers the opportunity to walk away or stay. In terms of prospect theory, in being pre-informed by the service provider and compensated serves to reduce the perceived loss experienced by the consumer thus making the service failure less severe in the mind of the consumer thus making the negative effects of the service failure easier to overcome.

6.2.10 Believability of scenarios

Overall all participants found scenario one believable and all participants found scenario two believable except P5 and P7 only due to them not expecting to be informed by a sign outside the restaurant. A sign outside was viewed as advertising the service failure (P7 (p4)) and participants P6 and P5 agreed that the closer they were to the table the more likely they would be to stay at the restaurant despite being informed of the service failure with P5 (p4) ‘stating I wouldn’t expect to see that sign outside of a restaurant because if you warn people before they walk through the door you are giving them a
greater opportunity to go somewhere else. I think the (p5) closer you get to sitting down and eating something the less likely you are to walk away from it’. P7 (p4) also stated a sign was impersonal, ‘tacky and unprofessional’.

Although pre-informing customers is important, when and how you inform them is also seen as important to be perceived as fair by the customers (thus tying in with the perception of interactional justice variable) and from a business perspective not to encourage customers to go elsewhere. Despite being pre-informed by the sign outside, participants stated they would still eat at the restaurant provided time was not an issue (thus this is affected by the criticality variable) with the exception of P7 and P8. All participants with the exception of P8 stated they would still eat at the restaurant provided time was not an issue (thus this is affected by the criticality variable) if they were pre-informed when they sat down at their table. For this reason, in the scenarios where customers are pre-informed this will be changed so that customers are informed once they gave been shown to and sat down at their table.

6.2.11 Service recovery expectations

Compensation was also expected by participants. The following compensation suggestions were made by participants: ‘a voucher for a certain amount off of your next meal’ (P3 (p2)), a discount for the meal they’ve just had (P3 (p2), and P8 (p1)), ‘provide a free drink’ (P3 (p2, 3), P4 (p2), P5 (p2), P6 (p3), and P8 (p2)), ‘a free desert’ (P4 (p2)), ‘take something off the bill’ (P8 (p1)), and a ‘free appetiser’ (P5 (p2)). A free drink was viewed as the most popular expected compensation, thus in the scenario where participants are
compensated this will be in the form of a free drink. Although participants liked the idea of getting a drink taken off their bill at the end, more preferred to be offered a free drink whilst they were waiting for the meal to arrive as P5 (p3) states because ‘I think doing it at the end for me umm by that time I’m already probably thinking about complaining, thinking about asking for something to be taken off the bill whereas if that is pre-empted by the staff in the restaurant then i think that makes me individually more likely to be forgiving. And I’d realise they’re trying to do something to rectify the situation as early as possible ...So it’s being proactive rather than reactive’. It is notable however that if the service failure was not seen to be the fault if the restaurant, P2 did not necessarily expect to be compensated. Thus, consumer reactions to the service failure and their expectations regarding service recovery are influenced by the attribution of blame in terms of the service failure’s controllability which will now be discussed.

6.2.12 Perceived causes of the service failure/ prevention of the service failure

Under scenario one consumer reactions to the service failure were particularly negative. In not being informed and not being given an explanation about the service failure, all participants attributed blame to the restaurant and said there could have been the following reasons as to why the service failure occurred including ‘problems with the kitchen’ (P2 (p1), P7, and P8), ‘waiting staff having problems’ (P2 (p1)), ‘lack of resources’ (P3 (p1), and P6), ‘overpressured in the kitchen’ (P3 (p1)), ‘understaffed’ (P5 (p1), P4, P7, and
P8), ‘not ... very good at giving good customer service’ (P5 (p1)), and ‘forgotten’ the order/issues with putting the order through correctly (P6(p2), P7, and P8). These possible causes that participants mentioned point to issues within the restaurant that are controllable thus preventable with unknown stability of the failure, thus customers may think that the service failure is a one off, but could also think the issue is a long term one. The only other potential cause mentioned was that the restaurant may have been particularly busy which the restaurant cannot always control and make provisions for as P5 (pp1-2) stated ‘It may just have been an off night. About eighteen months ago on a Tuesday evening I went with my wife to Cote in Horsham and they had three members of staff on and eighty people in the restaurant. It was a Tuesday night in the middle of a recession and for some reason it got busy and it’s never that busy on a Tuesday night’. As the literature stated earlier, which reinforces what participants said, customers are more forgiving of service failures that are less controllable. When participants were informed at the end of their meal and provided with an explanation (condition two) customers still felt negatively towards the service provider despite the unpreventable cause of the service failure. This ties in with the counterfactual thinking literature in that the restaurant could have, and should have, informed and given an explanation of the service failure which the restaurant could not prevent but was aware of to customers at the earliest opportunity before they were served their meal. Thus, although the restaurant could not prevent the failure, they were aware future customers would experience its affect in that meals were taking twice as long to be delivered, thus could have taken the step of pre-informing customers to minimise the negative effects ad as a matter of
courtesy (ties in with interactional justice theory). Participants stated they would have expected to be informed at the earliest opportunity and in terms of prevention stated that if staff are sent home during the day then apart from calling in cover staff (which they acknowledged was not always possible) and informing customers at the earliest opportunity there was nothing else the restaurant could or should have done. In condition three when participants were pre-informed and compensated such negative reactions from participants were either neutralised or reactions were positive as the service provider made provisions in light of the unpreventable service failure. P4 and P5 recognise that pre-information adjusted their expectations with P5 (p3) stating ‘I think if somebody says it’s been delayed for, you know where you stand you know what to expect and you adjust your expectations accordingly’. Thus, this indicated pre-informing customers manages customer expectations.

6.2.13 Customer satisfaction

In terms of customer satisfaction under condition one, none of the participants were satisfied due to the length of time their meal took (which was the service failure) but also because they were not apologised to or given an explanation or informed which P4 (p1) stated was ‘unprofessional and very bad service’ which was a view shared by other participants. Under condition two, although P2 (p3) stated they were ‘more satisfied’, dissatisfaction was still expressed due to the long waiting time for the meal. P3 (p2) stated they would be satisfied with the explanation however P7 (p3) stated if the restaurant had told them sooner by pre-informing them, then they would have been satisfied.
These findings support the consumer reaction to the service failure in condition two in that dissatisfaction and negative feelings toward the service provider are still evident but not as bad as under condition one. They also support consumer expectations of service recovery in that participants expected to be informed sooner and not at the end of the meal. Under condition three P3 (p4) stated they would have been ‘more satisfied’, P4 (p3) ‘I would’ve been fine... I wouldn’t say more satisfied, but I wouldn’t have been dissatisfied’, and P7 (p4) ‘I would’ve been more predisposed to it’. This supports that pre-informing may neutralise the dissatisfaction caused by the service failure and even lead to satisfaction amongst consumers. The participants explained this finding in stating that pre-informing them served to manage their expectations; in informing them their expectations were adjusted accordingly with the situation and they then were expecting to wait for the new longer time (P3, P4, and P5).

6.2.14 Intention to re-patronise

Regarding re-patronage intention P1, P8, and P4 stated they would not return to the restaurant however P2 (p1) stated they would ‘just because it took so long this time, doesn’t mean it would happen again, it could just be random occurrence’ and P5 also thought this. P3 (p1) stated ‘if the meal was up to standard I probably would but it wouldn’t be a first-choice restaurant’, whilst P6 (p2) ‘if I’d never been there before err then probably not, no, no. If it wasn’t somewhere that I was loyal to and knew this didn’t normally happen, then probably not’, thus results were mixed. Despite many participants feeling
dissatisfied due to the unknown stability of the service failure some participants stated they would give it a second chance but should it happen again they would not return. This does not support a strong relationship between customer satisfaction and re-patronage intention. P6 however provides some insight in suggesting loyalty may be a variable, however, from what they stated it is really to do with knowledge of what the restaurant’s service is usually like in that they had never been there they would not return due to the poor impression they got from waiting so long, but if they had been there before and knew that the problem was a one-off, then they would return, thus re-patronage may be more to do with service failures perceived stability than loyalty as P6 labelled it. Loyalty however has been shown to impact re-patronage intention thus this variable will need to be controlled in the scenarios. What is notable from these findings are that first impressions count and should a service failure occur, not all customers will be willing to give the service provider a second chance. Under condition two results were also mixed but P7 (p3) stated that they would not return unless the restaurant had pre-informed them. Unfortunately, no data concerning re-patronage was gained for condition three thus the main study will aim to examine this. From the interviews, no strong link is found between customer satisfaction and re-patronage intention.
6.2.15 Illness/contamination/hygiene

When informed about the situation, some participants expressed concern for hygiene and the spreading of contamination when they were told a member of staff had to be sent home due to illness with P2 stating they probably would not still eat at the restaurant knowing this information and P5 (p4) stating ‘I’d think twice’ about eating at the restaurant. However, this was not an issue for all participants. P5 (p3) suggested it may be ‘a little too much information’ and (p4) ‘I would prefer not to know that it was illness’. Thus, to minimise the specific nature of the service failure and its specific effects on consumer thoughts participants that are informed will instead be told that due to unforeseen circumstances a member of the kitchen staff has had to be sent home early.

6.2.16 Advice for improving scenarios

Apart from a sign being used to inform customers all participants found the mock scenarios believable and were asked to give feedback to help improve them in terms of being realistic. In order to further improve the scenarios in terms of how realistic they were participants stated that drinks should be ordered separately before ordering food (P5 (p4)). Photos were used in these scenarios, however they will not be used in the scenarios in the future as they were found to be unhelpful in assisting response from participants with P7 (p5) stating ‘the pictures mean absolutely nothing to me... I find the pictures slightly distracting’. It was also seen to possibly influence responses due to
external cues in the photo as P3 (p2) stated ‘the picture you’ve provided for picture one (the paella), I would assume something like that would be a lunchtime restaurant so smaller meals come with a glass of wine to go with it so I wouldn’t expect it to be a full blown restaurant looking at that picture. So that sort of thing I would expect them to maybe provide a discount off of that meal or maybe provide a free drink or something like that’. Thus, photos will no longer be used in the scenarios. For the same reason, in not wanting additional external variables influencing participants’ responses, although P7 (p4) stated ‘the scenarios need more descriptive element to the storyline. As in you enter, your order, you pay, you go home. That’s just the logistical elements of the meal it’s nothing to do with the service, atmosphere or any of the intangible things’, this will not be added as it is these external variables that the proposed experiment wishes to control as they will influence participant responses.

6.2.17 Summary of results

To conclude, the interviews conducted confirm much of what had been identified in the literature review thus supporting the hypotheses to be tested. Much helpful feedback regarding the scenarios to be used in the survey was also gained and the following adjustments have consequentially been made to the main pilot survey scenarios: no photos, the compensatory drink is delivered half way through the wait for the meal, the expected wait time for the meal is now 30 minutes (food thus takes one hour to be served at the table), the action of informing is now done by the waiter once customers have
been sat down and given menus and are just told that it was due to unforeseeable circumstances that the member of kitchen staff had to be sent home early, and the participants are now told it is their first time at the restaurant, and finally drinks are now ordered separately before the food is ordered.

6.3 Main pilot study

In this part of the chapter the main pilot study will be discussed.

6.3.1 Data collection for pilot

Like in the main study, the main pilot study used online self-administered questionnaires using Qualtrics software as a platform to test the survey instrument thoroughly and to gain as much feedback as possible. Some basic analyses were also conducted to gain indicative results for the study. Due to the first pilot study being very long and participants being selected on a convenience basis, in addition a second pilot was conducted to test the scenarios and presented manipulation checks and questions concerning the confounding variable of attribution of blame to gain further insight and test whether participants could perceive a difference between the scenarios.

6.3.2 Sample

The pilot study used a convenience sample of post graduate MSc business students at the University of Surrey and of general consumers. A total of 62 participants were used due to time restrictions however this number was
sufficient to meet the aims and objectives of the pilot study (20 participants for scenario one; 22 participants for scenario two; 20 participants for scenario three). Using a convenience sample meant the data was not representative of the populations under study thus the results are not generalisable (Saunders et al, 2009), however, it was not the objective of the pilot to produce generalisable results but to identify any issues with the survey, to test the reliability and validity of the study, and to get a better understanding of the type of data that will be gained. Students and consumers will appropriate to test the study on as although they will not be representative of the population, they are consumers and will have visited a restaurant at some point. Screening questions ensured that the consumers had previously had experienced frequenting a restaurant. For the second pilot study, the 3 scenarios were tested along with manipulation checks thus 3 surveys were used; 26 participants were used for the first survey, 28 for the second, and 22 for the third survey.

6.3.3 Ethics

To ensure the interviews were conducted in an ethical manner individuals were required to provide informed consent to participate which they were assumed to have given by continuing with and completing the survey (Groves et al, 2009; Carson et al, 2001). A page at the start of the survey acted as an information form which made individuals aware of their voluntary role, what it entailed, potential risks, use of information, anonymity, confidentiality, and right to withdraw (Groves et al, 2009; Weisberg, 2005). These actions and assurances should also have increased response (Groves et al, 2009).
Identifiers were removed from the data (Groves et al, 2009) and all data was treated as confidential. The University of Surrey’s ethics committee was approached and ethical approval for the pilot study was granted (please see appendix seven).

6.3.4 Epistemology

The pilot study was both inductive and deductive collecting both qualitative and quantitative data (Saunders et al, 2009); the study was inductive so far as it aimed to gain consumer feedback and gain new insights into any issues with the scenarios and main survey instrument whereas it was deductive in that it aimed to gain indicative support for the hypothesised relationships in the study. Qualitative induction and quantitative deduction were thus used to address different parts of the same study and were used to complement each other in order meet the aims and objectives of the pilot study. (Saunders et al, 2009). A pragmatic approach was thus followed in the main pilot study which follows ‘that mixed methods, both qualitative and quantitative, are possible, and possibly highly appropriate’ in one study since the pragmatist focus is on choosing the best methods of data collection and analysis to best answer the research question, or in this case meeting the aims and objectives of the pilot study (Saunders et al, 2009, p109). To test the hypothesised relationships in the study and to test the reliability of the construct measures, quantitative data analysis using SPSS was used producing statistical results thus this part of the pilot was positivist and deductive. To test the validity of the study and analyse participant feedback, some structured questions were used which were
analysed quantitatively using SPSS (positivist and deductive) whilst the open questions in the survey produced qualitative data which was analysed from an interpretivist inductive approach using content analysis which used the following categories to group data: scenario issues, formatting issues, question issues and ambiguity, repetitive questions (this category however developed out of the data), navigation issues, and wording/spelling. Overall the mix of research approaches adopted in the pilot served to best meet the aims and objectives of the pilot study, thus the overall approach of the pilot was pragmatist (Saunders et al, 2009).

6.3.5 Pilot analysis Restaurant

Three scenarios were tested: scenario one (S1) was inform and compensate, scenario two (S2) was inform but do not compensate, and scenario three (S3) was do not inform or compensate. A total of 62 responses were gained by convenience sampling MSc business students from the university of Surrey and ordinary consumers. Due to the sampling method used the sample gained for the pilot is not representative of the population to be studied in the main part of this thesis and the results of this pilot are not generalisable but are indicative.

6.3.6 Normality testing and reliability analysis

The results of normality testing and reliability analyses are shown in figure 6.1 below.
<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean (μ)</th>
<th>Standard Deviation (σ)</th>
<th>Kolmogorov-Smirnov significance value</th>
<th>Normally Distributed</th>
<th>Cronbach's alpha (α)</th>
<th>Kruskal Wallis significance value</th>
<th>Kruskal Wallis significant</th>
<th>S1</th>
<th>S2</th>
<th>S3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intention to re-patronise</td>
<td>11.05</td>
<td>2.69</td>
<td>0.000</td>
<td>No</td>
<td>0.895</td>
<td>0.005</td>
<td>Yes</td>
<td>12</td>
<td>12</td>
<td>9.5</td>
</tr>
<tr>
<td>Overall satisfaction</td>
<td>14.24</td>
<td>4.02</td>
<td>0.36</td>
<td>No</td>
<td>0.804</td>
<td>0.036</td>
<td>Yes</td>
<td>16</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>Satisfaction with service recovery</td>
<td>10.19</td>
<td>3.03</td>
<td>0.004</td>
<td>No</td>
<td>0.891</td>
<td>0.000</td>
<td>Yes</td>
<td>12</td>
<td>10</td>
<td>9</td>
</tr>
<tr>
<td>Justice</td>
<td>44.8</td>
<td>10.05</td>
<td>0.014</td>
<td>No</td>
<td>0.807</td>
<td>0.000</td>
<td>Yes</td>
<td>50</td>
<td>47</td>
<td>38</td>
</tr>
<tr>
<td>Distributive Justice</td>
<td>14.15</td>
<td>3.39</td>
<td>0.200</td>
<td>Yes</td>
<td>0.878</td>
<td>0.001</td>
<td>Yes</td>
<td>16</td>
<td>14</td>
<td>12</td>
</tr>
<tr>
<td>Procedural Justice</td>
<td>10.02</td>
<td>2.52</td>
<td>0.024</td>
<td>No</td>
<td>0.693</td>
<td>0.000</td>
<td>Yes</td>
<td>11</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Interactional Justice</td>
<td>20.64</td>
<td>5.44</td>
<td>0.184</td>
<td>No</td>
<td>0.896</td>
<td>0.000</td>
<td>Yes</td>
<td>23.5</td>
<td>22</td>
<td>16</td>
</tr>
<tr>
<td>Disconfirmation of expectations</td>
<td>4.27</td>
<td>1.34</td>
<td>0.000</td>
<td>No</td>
<td>N/A</td>
<td>0.001</td>
<td>Yes</td>
<td>5</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Expectations of Service Recovery</td>
<td>17.83</td>
<td>3.61</td>
<td>0.000</td>
<td>No</td>
<td>0.823</td>
<td>0.77</td>
<td>No</td>
<td>17</td>
<td>18</td>
<td>17</td>
</tr>
<tr>
<td>Severity of service failure</td>
<td>6.64</td>
<td>2.35</td>
<td>0.000</td>
<td>No</td>
<td>0.867</td>
<td>0.581</td>
<td>No</td>
<td>6</td>
<td>6</td>
<td>6.5</td>
</tr>
</tbody>
</table>
The pilot showed that that the data is not of a normal distribution. When descriptive statistics were run on the data set as a whole, all of the variables except for the distributive justice variable showed that the data was not of a normal distribution. When descriptive statistics were run on the data for each scenario, there were mixed results of data being of a normal distribution and not of a normal distribution within the variables. The exception for this was the distributive justice variable, the interactional justice variable, and justice (as a whole) variable which showed that within each scenario data was of a normal distribution for these variables. Also, disconfirmation of expectations was not of a normal distribution in all three scenarios. The implications of these pilot study results are that for the main study it is possible that non-parametric tests may have to be used even with a large sample, however, normality tests will be carried out on the data from the main study. The data is likely not to be normally distributed due to the sample size being so small (Saunders et al, 2016). The small number of cases is only due to this being a pilot for the main study.

6.3.7 Reliability analysis

In terms of scale reliability, all scales reported high coefficient alphas above 0.8 (except for procedural justice which reported an alpha score of 0.648 but in the main study one item will be removed thus the scale reported 0.693 with an item deleted). The item to be deleted in the main study is item 18 which forms part of the procedural justice construct which asks ‘To what extent to you agree or disagree with the following statement: The restaurant showed
adequate flexibility in dealing with my problem’. This demonstrates that good internal consistency is shown and that the scales of measurement are reliable. In terms of validity the pilot demonstrated good validity with room for improvement (please see validity section 6.3.8 (p. 205) to read about the necessary changes to be made for the main study). Most participants found the survey instructions clear and the survey layout clear. Most did not find questions ambiguous in scenarios one and two but in scenario three only 55% stated they did not find questions ambiguous. This highlighted issues with both the scenarios and the survey instrument and the changes that need to be made before the main survey is distributed.

**6.3.8 Validity**

For the pilot, participants were asked to provide feedback. In terms of clearness of survey instructions and clearness of survey layout participants were asked if they found them to be clear and to respond on a five point likert scale from 1 strongly disagree to 5 strongly agree. Participants were also asked to answer yes or no as to whether they found any questions to be ambiguous. Lastly in this section, respondents’ qualitative feedback will be discussed. As in the pre-pilot study an interpretivist approach was taken to analyse participants’ qualitative feedback. The qualitative feedback was analysed inductively to suit the aim of this pilot which was to highlight any issues with the survey instrument. However, some feedback was also gained on the scenarios.
Figure 6.2: Mean scores for pilot validity statistics

<table>
<thead>
<tr>
<th>Scenarios</th>
<th>Clearness of survey layout</th>
<th>Clearness of survey instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>S1</td>
<td>3.90</td>
<td>3.90</td>
</tr>
<tr>
<td>S2</td>
<td>4.23</td>
<td>4.36</td>
</tr>
<tr>
<td>S3</td>
<td>4.00</td>
<td>4.11</td>
</tr>
</tbody>
</table>

The mean scores above show that overall respondents found the survey layout and instructions to be clear. Although layout and instructions were the same across all three groups the mean scores indicate that group two found the instrument the clearest in terms of survey layout and instructions.

In scenario one 70% of respondents said they found no questions ambiguous. In scenario two 77.3% of respondents said they found no questions ambiguous. In scenario three 55% of respondents said they found no questions ambiguous. Participants’ qualitative feedback further helps to understand these results. Participants’ qualitative feedback will now be discussed.

The main issues that respondents reported were that questions seemed repetitive, that navigation-wise a back button to the scenario was needed as without one recall issues result making questions difficult to answer, that a progress bar would be good, that to aid readability of the scenario it should be broken up into paragraphs and not be one block of text, that spelling mistakes
be corrected, that the tables/matrices formatting be amended to overcome odd formatting (having looked back in the questionnaire there is an excessive amount of duplicate text in the tables and matrices that need deleting; this was accidental when designing the survey and not intentional), that the scenario needs more information as to how busy the restaurant was, and that in the third scenario needs to make it clearer that the restaurant did nothing to resolve the situation and that this is classed as the restaurant’s response (most of the non-response in the pilot was in scenario three and this was due to this lack of clarity). Question 21 item b/two was flagged by many participants as being irrelevant. This item was included as it held periphery importance to the topic being studied in this thesis, and its purpose was to provide a check on whether the respondents were fully concentrating on answering the questions. This item was ‘Manufacturers do not deliberately design products which will wear out as quickly as possible’ from Barksdale and Darden (1972). Due to this item not being of central importance to this study and many respondents either ignoring this question, or commented that it was out of place, this item will no longer be used in the main study because it caused confusion. Question 11 was found in scenario three to be somewhat unclear as the respondent would consider being compensated after their meal, however only one respondent mentioned this thus it may not have been the same for other respondents thus this question will remain unchanged. Q13 and Q14 confused participants possibly due to the ‘issue experienced’ being referred to as a problem in Q13 and being referred to as an event in Q14; to overcome this the wording of the questions will be altered in the main study so that the problem will be referred to as the ‘issue experienced’ in this section. Q18 will be deleted as it was
deemed irrelevant by respondent 17 who rightfully pointed out that asking how 'flexible' the restaurant was irrelevant ‘since the scenario is rigid’ (deleting this question also would result in a higher Cronbach’s alpha for the construct of procedural justice to which this item belongs). Lastly to aid readability one dyslexic respondent found the black font against a white background difficult to read thus to aid readability for respondents a coloured background will be chosen.

To conclude, to overcome the issues found in the pilot some items will be deleted should the construct’s Cronbach’s alpha increase as a result of repetitive items being deleted, a progress bar and back button will be added, formatting issues will be addressed in accord with respondent feedback, scenario three will include clearer more explicit information that the restaurants response was to do nothing, the wording of Q13 and Q14 will be altered, Q18 will be deleted, spelling mistakes will be corrected and a coloured background will be used in the main study. This will aid recall, reduce non-response, reduce question ambiguity, and make the questionnaire more reliable and valid in its results.

6.3.9 Missing data and Outliers

Before descriptive statistics were run on the data, missing data was identified by looking at the data set. In S1 question eighteen and the question 21 b/2 were missing for respondent four (r4) due to the respondent finding the questions irrelevant (this is discussed in the validity section on the pilot). For
question eighteen data was thus imputed but for question 21 b/2 it was not possible to impute data and was thus left. In S2 questions one and twenty one (5) were missing completely at random (MCAR) for r19. Also in S2 one respondent did not answer the question on income, possibly due to the sensitive nature of this question. Question one could not be imputed as it was significant at 0.023. Question twenty one (5) was imputed with ‘3’. In S3 for r8 a large amount of non-response to questions occurred due to the respondent not understanding the scenario thus missing data was left due to large amount of data missing. For data that was imputed, Little’s (1988) MCAR test was used.

Some outliers were present in the data however they were kept in the data unaltered to preserve the authenticity of the data.

6.3.10 Kruskal Wallis tests

The results of the Kruskal Wallis tests can be seen in the table above. Due to the small sample size and data being non-parametric, to test the differences between the three scenarios the non-parametric test Kruskal Wallis was used. For all variables except for severity of service failure and expectations of service recovery, Kruskal Wallis tests showed significant differences between the three scenario groups. For the variables that had significant results, scenario one reported the highest median scores, followed by scenario two and then scenario three respectively. This indicates that higher intention to re-patronise, overall satisfaction, satisfaction with service recovery, distributive
justice, procedural justice, interactional justice, justice as a whole variable, and disconfirmation of expectations was found in scenario one than scenario two and also higher in scenario two than scenario three as hypothesised. However, to further examine the data to examine the differences between the groups, the scenarios were paired (making three pairs of scenarios) and Mann Whitney U tests with a Bonferroni correction were used as such tests suited the data better, could provide more insight, and with the Bonferroni correction would serve to minimise type one error.

**6.3.11 Hypotheses testing**

To test the hypotheses, Mann Whitney U and Spearman correlation analyses were conducted due to the small sample sizes employed and due to the data being non-parametric. Mann Whitney U tests enable differences in groups to be examined and were conducted by pairing the scenarios. Mann Whitney U tests were more appropriate than Kruskal Wallis tests as although the data is on a continuous scale the three scenarios could be classed as nominal groups whereas Kruskal Wallis tests are more suited to interval or ratio data. Due to Mann Whitney U tests being conducted in addition to Kruskal Wallis tests, Mann Whitney U tests were conducted with Bonferroni adjustments on the variables found to have been deemed significant by the Kruskal Wallis tests (three groups were examined thus the significance level was divided by three thus became .017 as suggested by Pallant (2011). Summary tables of the key statistics are shown below in figure 6.3. The results will now be discussed in order of the hypothesised relationships.
### Figure 6.3: Mann Whitney values

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mann Whitney Significance values</th>
<th>Significant</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S1/S2</td>
<td>S1/S3</td>
</tr>
<tr>
<td>Intention to re-patronise</td>
<td>0.177</td>
<td>0.002</td>
</tr>
<tr>
<td>Overall satisfaction</td>
<td>0.219</td>
<td>0.011</td>
</tr>
<tr>
<td>Satisfaction with service recovery</td>
<td>0.005</td>
<td>0.000</td>
</tr>
<tr>
<td>Justice</td>
<td>0.025</td>
<td>0.000</td>
</tr>
<tr>
<td>Distributive Justice</td>
<td>0.005</td>
<td>0.001</td>
</tr>
<tr>
<td>Procedural Justice</td>
<td>0.368</td>
<td>0.000</td>
</tr>
<tr>
<td>Interactional Justice</td>
<td>0.085</td>
<td>0.000</td>
</tr>
<tr>
<td>Disconfirmation of expectations</td>
<td>0.003</td>
<td>0.001</td>
</tr>
</tbody>
</table>

### 6.3.12 Summary of indicative findings: main effects of pre-information

Results suggested that pre-informing customers about a service failure results in higher customer satisfaction (overall and with service recovery) than not pre-informing them. Pre-informing participants was not seen to have a significant effect on participants’ perceived severity of service failure and their
expectations of service recovery. These results may have been affected by scenario three lacking clarity for respondents (see validity section 6.3.8 (p. 205)) thus the validity of the response may have been affected. Another possibility is that other variables not considered by this study may affect perceived severity of failure and expectations of service recovery. With the amendments to the scenarios it is hoped that with a larger sample size and the main study, that support may be shown for these hypothesised relationships. Results suggested that pre-informing customers about a service failure results in higher disconfirmation of expectations than not pre-informing them. Results showed that pre-informing customers about a service failure results in higher levels of procedural and interactional justice than not pre-informing them. Pre-informing was not seen to have a significant effect on distributive justice; since compensation is not included in these scenarios it is understandable that no significant difference regarding distributive justice was found.

6.3.13 Outlook

Overall, the pilot largely shows support for the hypotheses and the model to be tested in the main study and it is hoped that with amendments to improve the scenarios and the survey instrument together with a larger sample size, that the model will be shown strong support by the main findings. The pilot raised issues with both the scenarios and with the survey instrument which will be amended for the main study.
An issue faced in the pilot study was getting people to respond and complete the survey hence the small sample size gained limited the analyses that could be conducted on the data. To get people to respond to the survey the author of this project sent out emails inviting MSc students to complete the survey, and very few students completed the survey. Most of the sample was thus gained using Facebook to gain a convenience sample of consumers of whom the author had contact with. The implications this has for the main survey are that non-response will be very high unless an online panel of respondents are purchased. This researcher has thus decided to purchase an online panel from the online panel provider CINT. Also notable is that the pilot sample comprised mainly of people under 30; in the main study a quota sample will be used to gain a sample that is more representative of the population under study.

Another issue faced was that the data in this study was not normally distributed, thus this together with the small sample size limited the analyses to non-parametric tests. It is hoped that with a larger sample size that in the main study that parametric tests will be used even if data does not meet all the assumptions required for parametric tests as Pallant (2011) states that with a large enough sample size parametric tests can still be used. This will enable more tests to be ran on the data to further examine the relationships between the variables in this study, such as 2-way between-groups analysis of variance (ANOVA). It is proposed that by running 2-way between-groups ANOVAs that the interaction effect of pre-informing and criticality will be able to be examined (Pallant, 2011).
6.4 Results for second pilot study

6.4.1 Second Pilot analysis

A second pilot analysis was conducted to check the manipulation, confounding, and control variables in the study. A convenience sample of consumers was used which totalled 186 participants. Due to the sampling method used the sample gained for the pilot is not representative of the population to be studied in the main part of this thesis and the results of this pilot are not generalisable but are indicative. Three surveys were tested each containing three scenarios and questions concerning them. Each participant was thus asked questions on one restaurant scenario. We now go on to discuss the findings. Survey one (S1) had the following scenarios: Restaurant (inform, and compensate). Survey two (S2) had the following scenarios: Restaurant (no inform, no compensate). Survey three (S3) had the following scenarios: Restaurant (inform, no compensate).

6.4.2 Normality testing, reliability analysis, missing data, and outliers

The pilot showed that that the data is not of a normal distribution. The implications of these results are that for the main study a larger sample size will be required if parametric tests are to be used. In terms of scale reliability, most of the items did not measure latent constructs therefore single items could not be subject to reliability analysis. There was no missing data in the
study. Some outliers were present however they were kept in the data unaltered to preserve data authenticity.

6.4.3 Kruskal Wallis tests

Due to the small sample size and data being non-parametric, to test the differences between the three scenarios the non-parametric test Kruskal Wallis was used. This showed significant differences between the three scenario groups on all the variables except for the variables that measured whether participants felt the situation was realistically described, the form of compensation they received, whether the consumer felt they were to blame for the service failure they had experienced.

6.4.4 Validity

The aim of this second pilot was to conduct manipulation checks for the survey since it utilised experimental scenarios.

Participants were asked whether they found the scenario to be likely to occur and whether the scenarios were a realistic description. The mean and median scores indicate that with all the scenarios participants found them to be likely to occur and a realistic description.
The manipulations in the study concern whether the participants were informed of the service failure prior to experiencing it, whether they were apologised to, and whether they were compensated.

Kruskal Wallis tests showed there to be a difference in perception of the three scenarios with participants acknowledging the manipulation of compensation in the three scenarios which is reflected in the mean and median scores. Thus, the compensation manipulation in the experimental scenarios is successful. Also, tests showed there to be a difference in perception of the three scenarios with participants acknowledging the manipulation of being informed of the service failure prior to experiencing it in the three scenarios. Thus, the pre-failure informing manipulation in the experimental scenarios is successful. To further support these findings, tests showed there to be a significant difference on the ‘nothing was done’ by the service provider showing that participants acknowledged when service recovery steps were taken in the scenarios by the service provider. Thus, the manipulations for the restaurant scenarios are successful.

To conclude, no changes will need to be made to the survey or the scenarios. Results show that the manipulation checks work.

**6.4.5 Control variables**

Tests showed significant differences were perceived across the scenarios for attributing responsibility to the restaurant for the reason behind the service
failure. For ‘inform and compensate’ participants neither agreed nor disagreed that the restaurant was responsible for what caused the service failure, for ‘no inform and no compensate’ participants somewhat agreed to agreed that the restaurant was responsible for the reason for the service failure, and for ‘inform but no compensate’ participants neither agreed nor disagreed to somewhat agreed that the restaurant was responsible for the reason for the service failure. Kruskal Wallis tests showed that significant differences were found between the scenario groups for the variable that measured whether participants felt there were actions the service provider could have taken.

Under all scenarios, participants somewhat agreed that there were actions the restaurant could have taken. Participants agreed to strongly agreed that they were not to blame for experiencing the service failure. Under ‘no inform and no compensate’ participants neither agreed nor disagreed that the service failure was short term in nature, however under ‘inform but no compensate’ participants agreed that the service failure was a short-term situation, and under ‘inform and compensate’ participants somewhat agreed that the service failure situation was short term in nature. Tests showed significant differences between the scenarios of whether participants felt the service failure was due to circumstances beyond anyone’s control. Under ‘no inform and no compensate’ participants disagreed that the service failure was due to circumstances beyond anyone’s control, under ‘inform and no compensate’ participants neither agreed nor disagreed that the service failure was due to circumstances beyond anyone’s control, and under ‘inform and compensate’ participants neither agreed nor disagreed that the service failure was due to circumstances beyond anyone’s control.
6.5 Summary

This chapter has presented the designs and results of the pilot studies ran. The results from both pilot studies indicate that the experimental scenarios work and show support for the hypothesised variables. The pilot study has shown that some alternations need to be made to the main instrument but that once these changes have been made the main study will be ready to be released. The next chapter presents the results of the main empirical study.
7. Chapter 7 Results

7.1 Introduction

In this chapter, the results from analysing the data is reported. Firstly, the profiling of the respondents is discussed followed by a discussion of the descriptive statistics of the data. Thirdly, how the data was analysed is discussed followed by the results of the study (ordered by hypotheses). The chapter will then conclude upon whether the hypotheses are confirmed or not.

To analyse the data, the study comprised a 2x2x2 matrix. The independent variables were inform/don’t inform and compensate/don’t compensate with the moderating variable of criticality (critical or non-critical). Thus, there were eight experimental scenario groups. Figure 7.1 below illustrates this.
**Non-Critical** | **Critical**
---|---
Inform and compensate | Inform and compensate
Inform but do not compensate | Inform but do not compensate
Don't Inform but do compensate | Don't Inform but do compensate
Don't Inform and don't compensate | Don't Inform and don't compensate
For simplicity with reading this chapter, figure 7.2 below acts as a key for which scenario is being referred to (and what the manipulated conditions are in each scenario)

*Figure 7.2, Scenario group key*

<table>
<thead>
<tr>
<th>Scenarios</th>
<th>Manipulated Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC1</td>
<td>Inform and Compensate in non-critical conditions</td>
</tr>
<tr>
<td>NC2</td>
<td>Inform and Don't compensate in non-critical conditions</td>
</tr>
<tr>
<td>NC3</td>
<td>Don't Inform but do compensate in non-critical conditions</td>
</tr>
<tr>
<td>NC4</td>
<td>Don't inform and don't compensate in non-critical conditions</td>
</tr>
<tr>
<td>C1</td>
<td>Inform and Compensate in critical conditions</td>
</tr>
<tr>
<td>C2</td>
<td>Inform and Don't compensate in critical conditions</td>
</tr>
<tr>
<td>C3</td>
<td>Don't Inform but do compensate in critical conditions</td>
</tr>
<tr>
<td>C4</td>
<td>Don't inform and don't compensate in critical conditions</td>
</tr>
</tbody>
</table>
7.2 Profiling of the respondents in the studies

This research reports the results of a survey by email (sent by the service provider CINT) to fulfil a quota of respondents. A total of 494 responses were gained (62 respondents per scenario) by quota sampling ordinary consumers using the panel provider CINT. Due to the sampling method used the sample gained is not representative of the population under study thus the results are not generalisable but are indicative. However, the quota sample served to make the sample as representative of the population of restaurant consumers as possible. The quota sample meant that the sample was composed of 50% male and 50% female for each scenario. Each scenario had 10 participants aged 18-24, 12 participants aged 25-34, 12 participants aged 35-44, 12 participants aged 45-54, 8 participants aged 55-64, and 8 participants aged 65+.

Most participants had an overall household income between £20,000-£50,000 however, there was a fair spread of different income groups across the sample. Most participants were employed for wages, followed by the retired category, followed by people who were self-employed. Most participants who answered the surveys considered themselves to be somewhat experienced to very experienced on eating in restaurants. It should be noted however that this measure despite being measured qualitatively is a subjective measure and relies on the participant’s perspective. However, this does provide an interesting insight.
Results show that all participants were consumers who were part of the restaurant-going population thus proving that the screening questions and targeting were effective in screening out people who were not part of this population and thus ineligible to answer the surveys. Most participants typically visited restaurants at least once a month to 2-3 times a month with the majority of participants spending around £20-49 on their overall restaurant bill.

For a detailed breakdown of respondent profiling in terms of participants and their household income, employment status, experience of eating in restaurants, frequency of visiting restaurants and overall bill amounts for the respondents please see appendix nine, (p. xcv).

In this section the profiling of the respondents of the surveys was examined. In the next section, the descriptive statistics of the study will be discussed.

**7.3 Descriptive statistics**

In this section the descriptive statistics results of testing the data sets are reported. Tests of normality were run on the data which showed that the data collected in both data sets were not of a normal distribution. However, despite the data not being of a normal distribution, due to the large sample size
parametric tests have been used to analyse the data. Pallant (2011) states that with large sample sizes parametric tests may be used with data that is not of a normal distribution. In addition, there was no missing data in each data set and although there were outliers present in the data, these were left as they were to preserve the authenticity of the data. We now go on to discuss the results of the reliability testing conducted on the data sets.

7.4 Reliability analysis

This section reports the reliability scores for each variable in each data set. Summated items were put together for the scale measurements. To see the scales and the items they consisted of, please see appendix five. Before calculating the reliability coefficients (Cronbach’s alphas) scales were reverse coded where appropriate. In terms of scale reliability, both studies showed that all the scales reported high coefficient alphas above 0.8 with most of them being above 0.9 thus exceeding the recommended levels put forward by Field (2009), Hair et al (2006b), and other authors (see chapter five). This demonstrates that good internal consistency is shown and that the scales of measurement are reliable. Figure 7.3 below showed the coefficient alphas for the study.
### Figure 7.3. Cronbach’s Alphas

<table>
<thead>
<tr>
<th>Variables</th>
<th>Non-Critical (α)</th>
<th>Non-Critical (α) (if item deleted)</th>
<th>Critical (α)</th>
<th>Critical (α) (if item deleted)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intention to Repatronise</td>
<td>0.927</td>
<td>.909</td>
<td>0.951</td>
<td>.942</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.903</td>
<td></td>
<td>.928</td>
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<tr>
<td></td>
<td></td>
<td>.872</td>
<td></td>
<td>.912</td>
</tr>
<tr>
<td>Overall Satisfaction</td>
<td>0.956</td>
<td>.917</td>
<td>0.945</td>
<td>.897</td>
</tr>
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<td></td>
<td></td>
<td>.931</td>
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<td>.908</td>
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<tr>
<td></td>
<td></td>
<td>.956</td>
<td></td>
<td>.951</td>
</tr>
<tr>
<td>Satisfaction with Service Recovery</td>
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<td>.944</td>
<td>0.952</td>
<td>.925</td>
</tr>
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<td></td>
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<td>.906</td>
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<td></td>
<td>.954</td>
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<tr>
<td>Justice</td>
<td>0.863</td>
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<td>0.857</td>
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</tr>
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<td>Distributive Justice</td>
<td>0.966</td>
<td>.958</td>
<td>0.938</td>
<td>.910</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.959</td>
<td></td>
<td>.920</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.953</td>
<td></td>
<td>.925</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.948</td>
<td></td>
<td>.922</td>
</tr>
<tr>
<td>Procedural Justice</td>
<td>0.935</td>
<td>N/A</td>
<td>0.901</td>
<td>N/A</td>
</tr>
<tr>
<td>Interactional Justice</td>
<td>0.938</td>
<td>.949</td>
<td>0.929</td>
<td>.938</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.920</td>
<td></td>
<td>.907</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.921</td>
<td></td>
<td>.912</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.922</td>
<td></td>
<td>.912</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.930</td>
<td></td>
<td>.921</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.920</td>
<td></td>
<td>.910</td>
</tr>
<tr>
<td>Disconfirmation of Expectations</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Expectations of Service Recovery</td>
<td>0.838</td>
<td>.240</td>
<td>0.862</td>
<td>.842</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.420</td>
<td></td>
<td>.804</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.352</td>
<td></td>
<td>.791</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.393</td>
<td></td>
<td>.824</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1.000</td>
<td></td>
<td>.890</td>
</tr>
<tr>
<td>Severity of Failure 1</td>
<td>0.872</td>
<td>.806</td>
<td>0.875</td>
<td>.810</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.808</td>
<td></td>
<td>.831</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.845</td>
<td></td>
<td>.830</td>
</tr>
<tr>
<td>Severity of Failure 2</td>
<td>0.940</td>
<td>.913</td>
<td>0.934</td>
<td>.904</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.897</td>
<td></td>
<td>.887</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.929</td>
<td></td>
<td>.923</td>
</tr>
</tbody>
</table>
7.5 Realism and Manipulation checks

Participants in both studies were asked to imagine themselves as a customer of a restaurant in the scenarios provided. Measures were included in the survey instrument to assess how realistic the participants considered the scenarios. The two tables below show the descriptive for these realism checks. All the scenarios are included in the two tables below (for a key of each scenario please see figure 7.2 (p.221)). These checks which were conducted in all eight surveys confirmed that the participants found the scenarios to be realistic, that such scenarios could happen in a field setting, and that the events described in the scenarios to the respondents were realistic. If we round the mean scores below to the nearest scale point all participants either ‘agreed’ or ‘strongly agreed’ with the statements this confirming the realism of the scenarios.

Manipulation checks were included in the study to examine whether participants recognised the difference in the manipulated variables in the scenario. To see the descriptives for these manipulation checks please see the tables below. Manipulation checks confirmed that the manipulations used in the scenarios were successful and that participants could see the differences. All the scenarios are included in the two tables below (for a key of each scenario please see figure 7.2 (p. 221)).
### Figure 7.4 Realism Checks (Non-critical scenarios)

<table>
<thead>
<tr>
<th>Realism Question</th>
<th>Mean NC1</th>
<th>SD NC1</th>
<th>Mean NC2</th>
<th>SD NC2</th>
<th>Mean NC3</th>
<th>SD NC3</th>
<th>Mean NC4</th>
<th>SD NC4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall, a delay to a meal in a restaurant is likely to occur.</td>
<td>5.66</td>
<td>1.46</td>
<td>5.44</td>
<td>1.5</td>
<td>3.85</td>
<td>1.19</td>
<td>4.02</td>
<td>1.47</td>
</tr>
<tr>
<td>The delay in serving my meal at the restaurant was realistically described.</td>
<td>6.42</td>
<td>0.74</td>
<td>6.31</td>
<td>0.86</td>
<td>4.4</td>
<td>1.95</td>
<td>3.55</td>
<td>2.12</td>
</tr>
<tr>
<td>Overall, the events described in the story are realistic.</td>
<td>6.13</td>
<td>0.91</td>
<td>5.58</td>
<td>1.12</td>
<td>5.55</td>
<td>1.21</td>
<td>5.11</td>
<td>1.37</td>
</tr>
<tr>
<td>Overall, the events described in the story are likely to occur in real life.</td>
<td>5.73</td>
<td>1.15</td>
<td>5.48</td>
<td>1.14</td>
<td>5.37</td>
<td>1.33</td>
<td>5.15</td>
<td>1.29</td>
</tr>
</tbody>
</table>

*Note: all items were measured on a 7-point scale anchored at each point from ‘strongly disagree’ to ‘strongly agree’*
**Figure 7.5. Realism Checks (Critical Scenarios)**

<table>
<thead>
<tr>
<th>Realism Question</th>
<th>Mean C1</th>
<th>SD C1</th>
<th>Mean C2</th>
<th>SD C2</th>
<th>Mean C3</th>
<th>SD C3</th>
<th>Mean C4</th>
<th>SD C4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall, a delay to a meal in a restaurant is likely to occur.</td>
<td>5.76</td>
<td>1.5</td>
<td>5.56</td>
<td>1.59</td>
<td>3.61</td>
<td>1.58</td>
<td>3.65</td>
<td>1.45</td>
</tr>
<tr>
<td>The delay in serving my meal at the restaurant was realistically described.</td>
<td>6.35</td>
<td>0.91</td>
<td>6.18</td>
<td>0.88</td>
<td>4.39</td>
<td>2.19</td>
<td>3.77</td>
<td>2.27</td>
</tr>
<tr>
<td>Overall, the events described in the story are realistic.</td>
<td>6.18</td>
<td>0.71</td>
<td>5.66</td>
<td>1.16</td>
<td>5.82</td>
<td>1.05</td>
<td>5.45</td>
<td>1.18</td>
</tr>
<tr>
<td>Overall, the events described in the story are likely to occur in real life.</td>
<td>5.79</td>
<td>1.07</td>
<td>5.52</td>
<td>1.11</td>
<td>5.53</td>
<td>1.18</td>
<td>5.31</td>
<td>1.35</td>
</tr>
</tbody>
</table>

*Note: all items were measured on a 7-point scale anchored at each point from ‘strongly disagree’ to ‘strongly agree.*
**Figure 7.6 Manipulation checks (Non-critical scenarios)**

<table>
<thead>
<tr>
<th>Manipulation question</th>
<th>Mean NC1</th>
<th>SD NC1</th>
<th>Mean NC2</th>
<th>SD NC2</th>
<th>Mean NC3</th>
<th>SD NC3</th>
<th>Mean NC4</th>
<th>SD NC4</th>
</tr>
</thead>
<tbody>
<tr>
<td>You were informed of the possible delay to your meal upon being seated at the table</td>
<td>6.73</td>
<td>0.45</td>
<td>6.69</td>
<td>0.47</td>
<td>1.32</td>
<td>0.47</td>
<td>1.44</td>
<td>0.5</td>
</tr>
<tr>
<td>You are under time pressure as you have an appointment to make after your meal</td>
<td>1.15</td>
<td>0.36</td>
<td>1.11</td>
<td>0.32</td>
<td>1.21</td>
<td>0.41</td>
<td>1.23</td>
<td>0.42</td>
</tr>
<tr>
<td>Going to eat at the restaurant is nothing out of the ordinary and the meal is NOT a special occasion</td>
<td>6.81</td>
<td>0.4</td>
<td>6.85</td>
<td>0.36</td>
<td>6.82</td>
<td>0.39</td>
<td>6.76</td>
<td>0.43</td>
</tr>
<tr>
<td>NOTHING was done to address what happened in the restaurant</td>
<td>1.44</td>
<td>0.59</td>
<td>3.26</td>
<td>1.48</td>
<td>1.44</td>
<td>0.5</td>
<td>6.76</td>
<td>0.43</td>
</tr>
<tr>
<td>You were offered a complimentary drink as a result of your meal being delayed</td>
<td>6.82</td>
<td>0.39</td>
<td>1.23</td>
<td>0.42</td>
<td>6.81</td>
<td>0.4</td>
<td>1.18</td>
<td>0.39</td>
</tr>
<tr>
<td>YOU WERE COMPENSATED with a complimentary drink for the possible inconveniences caused by the delay in serving your meal</td>
<td>6.69</td>
<td>0.47</td>
<td>1.21</td>
<td>0.41</td>
<td>6.66</td>
<td>48</td>
<td>1.15</td>
<td>0.36</td>
</tr>
</tbody>
</table>

*Note: all items were measured on a 7-point scale anchored at each point from ‘strongly disagree’ to ‘strongly agree’*
<table>
<thead>
<tr>
<th>Manipulation question</th>
<th>Mean C1</th>
<th>SD C1</th>
<th>Mean C2</th>
<th>SD C2</th>
<th>Mean C3</th>
<th>SD C3</th>
<th>Mean C4</th>
<th>SD C4</th>
</tr>
</thead>
<tbody>
<tr>
<td>You were informed of the possible delay to your meal upon being seated at the table</td>
<td>6.61</td>
<td>0.49</td>
<td>6.77</td>
<td>0.42</td>
<td>1.27</td>
<td>0.45</td>
<td>1.27</td>
<td>0.45</td>
</tr>
<tr>
<td>You are under time pressure as you have an appointment to make after your meal</td>
<td>6.69</td>
<td>0.47</td>
<td>6.84</td>
<td>0.37</td>
<td>6.92</td>
<td>0.28</td>
<td>6.81</td>
<td>0.4</td>
</tr>
<tr>
<td>Going to eat at the restaurant is nothing out of the ordinary and the meal is NOT a special occasion</td>
<td>6.69</td>
<td>0.47</td>
<td>6.84</td>
<td>0.37</td>
<td>6.9</td>
<td>0.3</td>
<td>6.82</td>
<td>0.36</td>
</tr>
<tr>
<td>NOTHING was done to address what happened in the restaurant</td>
<td>1.66</td>
<td>0.63</td>
<td>3.35</td>
<td>1.49</td>
<td>1.37</td>
<td>0.49</td>
<td>6.73</td>
<td>0.45</td>
</tr>
<tr>
<td>You were offered a complimentary drink as a result of your meal being delayed</td>
<td>6.66</td>
<td>0.48</td>
<td>1.42</td>
<td>0.5</td>
<td>6.85</td>
<td>0.36</td>
<td>1.18</td>
<td>0.39</td>
</tr>
<tr>
<td>YOU WERE COMPENSATED with a complimentary drink for the possible inconveniences caused by the delay in serving your meal</td>
<td>6.63</td>
<td>0.49</td>
<td>1.4</td>
<td>0.5</td>
<td>6.68</td>
<td>0.47</td>
<td>1.16</td>
<td>0.37</td>
</tr>
</tbody>
</table>

Note: all items were measured on a 7-point scale anchored at each point from ‘strongly disagree’ to ‘strongly agree’
7.6 Principal Components Analysis (PCA)

Factor analysis groups items which share similar ‘correlation patterns’ (Cudeck, 2000, p268). To carry out a factor analysis on the data certain assumptions had to be met. To conduct a factor analysis a large sample size of 300 participants is recommended, however, Pallant (2011) states that a size of 150 is sufficient. Dawis (2000, p75) state that 100 participants is ‘minimal’ for conducting a factor analysis whereas 400 to 500 is the optimal sample size for such analysis. The overall sample size for this study was 496 thus fulfilling this assumption.

The second assumption that Pallant (2011) states needs to be met is that the ‘strength of inter item correlations among the items’ should be at least ‘.3’ or else conducting a factor analysis may be inappropriate. To assess whether factor analysis was appropriate, Bartlett’s (1954) test of sphericity and Kaiser-Meyer-Olkin (KMO) (Kaiser 1970; 1974) were conducted using SPSS. Results showed that the data was suitable for factor analysis with all of Bartlett’s (1954) statistics being significant at the ‘p< .05’ level and KMO statistics all being above the recommended level of ‘.6’ (except for the procedural justice construct which may be due to it containing only two items). The procedural justice construct albeit not meeting the requirement of ‘.6’ acquired a score of ‘.5’ possibly due to the construct only containing two items, thus this slightly lower score may be acceptable. Dawis (2000, p75) state that a scale should contain at least three items to be able to identify a
factor, however, they also state that usually four or five items in a scale are often needed to reach ‘an internal consistency reliability of .70’. Considering thus that this scale only has two items, a score of .50 is adequate in terms of demonstrating good internal consistency reliability. All other KMO statistics showed scores of at least ‘.70’ which according to Field (2009, p650) are good.

The scale measurements for each construct to be measured in the study, were sourced from reputable journal articles from four star papers. Reliability testing using Cronbach’s alpha demonstrated that each item had exceptional internal consistency. To extract the factors (constructs), principal components analysis (PCA) was conducted. PCA is somewhat different from factor analysis in that PCA is an analysis technique used to summarise ‘the information contained in several variables into a small number of weighted composites’ (Cudeck, 2000, p274; Everitt, 2009). Put another way it aims to ‘reduce the multidimensionality of the data set while retaining as much as possible of the variation present in it’ (Everitt, 2009, p183; Rencher and Christensen 2012). This type of factor analysis was thus appropriate to see whether the items for each construct could be aggregated together to form a construct as well as examining the reliability and validity of the scale measurements.

Cudeck (2000, p272) states that where more than two factors are tested, analysis requires that rotation be used. However, in this study no rotation was
used to interpret the factors because factor analysis was conducted separately for each latent variable entering items only for that variable. Thus, when running the PCA on the data no rotation was used.

The results show that multicollinearity is not an issue in the data with correlation matrices showing loadings. Loadings higher than 9 are only on one correlation between two items on the overall satisfaction latent variable which are ‘you would be satisfied with your overall experience in the restaurant’ and ‘As a whole, you would NOT be satisfied with the restaurant’. However, this variable only contains three items thus will not be deleted as it should not pose an issue. None of the loadings are below ‘0.1’ thus no items needed to be added to strengthen the latent variables (Institute for digital research and education, 2016).

To examine the latent variables more, the variables of intention to re-patronise, overall satisfaction and satisfaction with service recovery were entered together into a principal components analysis using oblique rotation to aid interpretation since this method of rotation ‘allows for the factors to be correlated’ since it these variables are related to each other (Pallant, 2011, p185). This method was used since it was the most appropriate to the data however the disadvantage of using this method is that the factors may be ‘more difficult to interpret, describe, and report’ (Tabachnick and Fidell, 2007, p638 in Pallant, 2011, p185). The same was done for the three elements of justice (distributive, procedural, and interactional). Pallant (2011, p183)
states that the number of factors chosen to extract when running a principal components analysis (PCA) is down to the researcher. Since the constructs and their items came from well-established four star journals, when running the PCA on the variables together (justice and the dependent variables) it was decided by the author to extract 3 factors from each in the analysis which was deemed the most appropriate as it matched the amount of constructs pulled from the journal articles/original source. Results again demonstrated that multicollinearity was not an issue between these items. The only problematic result was two high cross loadings between the items of the procedural and interactional justice constructs. These however were left unchanged since literature recognises that although these two constructs are different, that these differences are subtle and that there is some overlap between the two elements of justice. Deletion of these items would limit measurement between the three types of justice and what should be remembered is that they all amount to measuring one overarching construct that is ‘justice’ as a whole.
**Figure 7.8 Factor loadings**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Items</th>
<th>Factor Loading</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Satisfaction</td>
<td>You would be satisfied with your overall experience with the restaurant</td>
<td>0.968</td>
</tr>
<tr>
<td></td>
<td>As a whole, you would NOT be satisfied with the restaurant</td>
<td>0.961</td>
</tr>
<tr>
<td></td>
<td>Overall, how satisfied would you be with the quality of the service you had received?</td>
<td>0.937</td>
</tr>
<tr>
<td>Satisfaction with service recovery</td>
<td>The restaurant provided a satisfactory resolution to the issue experienced on this particular occasion</td>
<td>0.969</td>
</tr>
<tr>
<td></td>
<td>I am NOT satisfied with the restaurant's handling of the issue experienced.</td>
<td>0.955</td>
</tr>
<tr>
<td></td>
<td>Regarding the issue experienced, I am satisfied with the restaurant</td>
<td>0.95</td>
</tr>
<tr>
<td>Disconfirmation of Expectations</td>
<td>The restaurant's OVERALL response to my problem was...</td>
<td></td>
</tr>
<tr>
<td>Expectations of Service Recovery</td>
<td>I expect the restaurant to do whatever it takes to guarantee my satisfaction.</td>
<td>0.897</td>
</tr>
<tr>
<td></td>
<td>I expect the restaurant to do everything in its power to make up for the problem.</td>
<td>0.896</td>
</tr>
<tr>
<td>Category</td>
<td>Statement</td>
<td></td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>I expect the restaurant to exert much effort to make up for the inconvenience caused.</td>
<td>0.819</td>
<td></td>
</tr>
<tr>
<td>I expect the restaurant to try to make up for the inconvenience caused.</td>
<td>0.747</td>
<td></td>
</tr>
<tr>
<td>What compensation would you expect for having to wait longer than usually expected for your meal?</td>
<td>0.566</td>
<td></td>
</tr>
<tr>
<td>Severity of Service Failure 1</td>
<td>What I experienced in the restaurant was... (problem scale)</td>
<td>0.915</td>
</tr>
<tr>
<td></td>
<td>What I experienced in the restaurant was... (inconvenience scale)</td>
<td>0.910</td>
</tr>
<tr>
<td></td>
<td>What I experienced in the restaurant was... (aggravation scale)</td>
<td>0.901</td>
</tr>
<tr>
<td>Severity of Service Failure 2</td>
<td>What I experienced in the restaurant was... (problem scale)</td>
<td>0.957</td>
</tr>
<tr>
<td></td>
<td>What I experienced in the restaurant was... (inconvenience scale)</td>
<td>0.948</td>
</tr>
<tr>
<td></td>
<td>What I experienced in the restaurant was... (aggravation scale)</td>
<td>0.939</td>
</tr>
<tr>
<td>Distributive justice</td>
<td>The service outcome I received was fair.</td>
<td>0.942</td>
</tr>
<tr>
<td></td>
<td>In acknowledging the issue I experienced the restaurant gave me what I needed.</td>
<td>0.939</td>
</tr>
<tr>
<td></td>
<td>I did NOT get what I deserved.</td>
<td>0.931</td>
</tr>
<tr>
<td>Category</td>
<td>Description</td>
<td>Score</td>
</tr>
<tr>
<td>------------------------</td>
<td>------------------------------------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>Procedural Justice</td>
<td>The outcome I received was NOT RIGHT.</td>
<td>0.931</td>
</tr>
<tr>
<td></td>
<td>The length of time taken for the restaurant to acknowledge that there was a problem was longer than necessary.</td>
<td>0.962</td>
</tr>
<tr>
<td></td>
<td>The timing of the restaurant's communications to me about the problem I experienced could have been better.</td>
<td>0.962</td>
</tr>
<tr>
<td>Interactional Justice</td>
<td>The restaurant staff did NOT tell me the cause of the issue.</td>
<td>0.921</td>
</tr>
<tr>
<td></td>
<td>The restaurant did NOT seem very understanding about the problem I had experienced.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The restaurant seemed very concerned about my problem.</td>
<td>0.916</td>
</tr>
<tr>
<td></td>
<td>The restaurant was sympathetic and caring.</td>
<td>0.915</td>
</tr>
<tr>
<td></td>
<td>The restaurant tried hard to resolve the problem.</td>
<td>0.895</td>
</tr>
<tr>
<td></td>
<td>The restaurant’s communications with me were sufficient.</td>
<td>0.865</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.778</td>
</tr>
</tbody>
</table>
In the next part of this chapter, the main results of the study will be reported.

7.7 Hypothesis Testing

In this part of the chapter the main results of the study are reported. To examine the relationships between the variables of interest in the study, T Tests and 2-way between-groups analysis of variance (ANOVA) were conducted.

Firstly, the results of the tests on the main effects will be presented. To test the main effects of the manipulation variables in the study, the manipulation variables of pre-inform/don’t pre-inform, compensate/don’t compensate, and critical/non-critical were coded into dummy variables and T tests were ran on the variables to examine whether these manipulations had a statistically significant effect on them. T tests were the most appropriate way to test the main effects of the manipulations since they enabled the mean scores between the manipulation groups to be compared (Pallant, 2011, p239).

Secondly, the results of the 2 way ANOVAS will be reported. In addition to T tests, to examine the ‘individual and joint effect’ between the manipulation variables of pre-informing and criticality on the variables, 2 way between groups ANOVAS were conducted (Pallant 2011, p265). In running this test, it was possible to examine whether there was an interaction between these two
variables (Pallant 2011). To conduct two way between-group ANOVAs certain assumptions have to be met; Levene test statistics were significant below the 0.05 level of acceptance for overall satisfaction, satisfaction with service recovery, severity of failure 2, disconfirmation of expectations, distributive justice, procedural justice, and interactional justice. However, Field (2013) states that in large sample sizes (such as the one employed in this study) the results of this test are largely meaningless. Thus, no issues were faced and the results of these tests can be considered as valid.

The results of these tests are now presented in order of hypotheses.

### 7.7.1 Main effects: Pre-information

**H1 Pre-informing customers about a service failure leads to higher overall satisfaction than not pre-informing them**

To test this hypothesis, a T test was used to examine the mean difference between overall satisfaction scores from those participants who were pre-informed and those participants who were not pre-informed. The manipulated independent variable was pre-inform/don’t pre-inform manipulation whilst the dependent variable was overall satisfaction. Figure 7.9 below illustrates the findings.
Figure 7.9, Mean Scores for Overall Satisfaction

The mean overall satisfaction score for the pre-informed group (M = 4.55, SD = 1.24) was significantly higher than the non-pre-informed group (M = 2.74, SD = 1.32; t (494) = -15.727, p = 0.00, two-tailed). If we round these figures to the nearest scale point, the results show that the non-pre-informed group scored somewhat dissatisfied whereas the pre-informed group scored somewhat satisfied.

Thus, pre-informing participants had a statistically significant positive effect on overall satisfaction levels. This thus confirms H1.
**H2 Pre-informing customers about a service failure leads to higher satisfaction with service recovery than not pre-informing them**

To test this hypothesis a T test was used to examine the mean difference between satisfaction with service recovery scores from those participants who were pre-informed and those participants who were not pre-informed. The manipulated independent variable was pre-inform/don’t pre-inform manipulation whilst the dependent variable was satisfaction with service recovery. Figure 7.9.1 below illustrates the findings.

*Figure 7.9.1, Mean Scores for Satisfaction with Service Recovery*

![Mean Scores for Satisfaction with Service Recovery](image)

The mean satisfaction with service recovery score for the pre-informed group (M = 3.49, SD = .87) was significantly higher than the non-pre-informed group (M = 2.29, SD = 1.11; t (466.237) = -13.391, p = 0.00, two-tailed). If we round these figures to the nearest scale point, the results show that the non-
pre-informed group scored dissatisfied whereas the pre-informed group scored somewhat dissatisfied.

Thus, pre-informing participants had a statistically significant positive effect on satisfaction with service recovery levels. This thus confirms H2.

**H3 Pre-informing customers about a service failure leads to lower perceived failure severity than not pre-informing them**

To test this hypothesis a T test was used to examine the mean difference between severity of service failure scores from those participants who were pre-informed and those participants who were not pre-informed. The manipulated independent variable was pre-inform/don’t pre-inform manipulation whilst the dependent variable was severity of service failure. Severity of service failure was measured at two points in this study. Severity of service failure 1 was measured 45 minutes into the service failure before (if any) compensation would have been given to the participant in the scenarios, whilst severity of service failure 2 was measured after the hour the customer has waited for their meal and has received their meal in the scenarios. Figures 7.9.2 and 7.9.3 below illustrate the findings.
For severity of service failure 1 the mean score for the pre-informed group (M = 2.42, SD = .73) was significantly lower than the non-pre-informed group (M = 2.93, SD = .81; t (494) = 7.278, p = 0.00, two-tailed). For severity of service failure 2 the mean score for the pre-informed group (M = 2.33, SD = .68) was
significantly lower than the non-pre-informed group (M = 3.03, SD = .87; t (467.083) = 10.006, p = 0.00, two-tailed).

If we round these figures to the nearest scale point, the results show that the non-pre-informed group scored the severity as moderate whereas the pre-informed group scored small. Thus, pre-informing participants had a statistically significant positive effect on lowering the perceived severity of the service failure. This thus confirms H3.

**H4 Pre-informing customers about a service failure leads to lower expectations of service recovery than not pre-informing them**

To test this hypothesis a T test was used to examine the mean difference between expectations of service recovery scores from those participants who were pre-informed and those participants who were not pre-informed. The manipulated independent variable was pre-inform/don’t pre-inform manipulation whilst the dependent variable was expectations of service recovery. Figure 7.9.4 below illustrates the findings.
The mean satisfaction with service recovery score for the pre-informed group (M = 4.73, SD = .86) was significantly lower than the non-pre-informed group (M = 5.22, SD = .78; t (494) = 6.772, p = 0.00, two-tailed). Thus, pre-informing participants had a statistically significant positive effect on expectations of service recovery. This thus confirms H4.

**H5 Pre-informing customers about a service failure leads to higher disconfirmation of expectations than not pre-informing them**

To test this hypothesis a T test was used to examine the mean difference between disconfirmation of expectations scores from those participants who were pre-informed and those participants who were not pre-informed. The manipulated independent variable was pre-inform/don’t pre-inform
manipulation whilst the dependent variable was disconfirmation of expectations. Figure 7.9.5 below illustrates the findings.

*Figure 7.9.5, Mean Scores for Disconfirmation of Expectations*

![Bar chart showing mean scores for disconfirmation of expectations between pre-informed and non-pre-informed groups. Pre-informed group mean score is 4.05, non-pre-informed group mean score is 2.92.](image)

The mean satisfaction with service recovery score for the pre-informed group (M = 4.05, SD = .84) was significantly higher than the non-pre-informed group (M = 2.92, SD = 1.30; t (423.564) = -11.558, p = 0.00, two-tailed). If we round these figures to the nearest scale point, the results show that the non-pre-informed group scored that they felt the restaurant’s response was ‘somewhat worse than expected’ whereas the pre-informed group scored the restaurant’s response was ‘as expected’.

Thus, pre-informing participants had a statistically significant positive effect on satisfaction with service recovery levels which in effect turned negative disconfirmation into ‘confirmation’ of expectations. This thus confirms H5.
**H6** Pre-informing customers about a service failure does not lead to higher perceptions of distributive justice than not pre-informing them

To test this hypothesis a T test was used to examine the mean difference between distributive justice scores from those participants who were pre-informed and those participants who were not pre-informed. The manipulated independent variable was pre-inform/don’t pre-inform manipulation whilst the dependent variable was distributive justice. Figure 7.9.6 below illustrates the findings.

*Figure 7.9.6, Mean Scores for Distributive Justice*

![Mean Scores for Distributive Justice](image)

The mean satisfaction with service recovery score for the pre-informed group (M = 3.69, SD = .81) was significantly higher than the non-pre-informed group (M = 2.41, SD = 1.04; t (464.636) = -15.253, p = 0.00, two-tailed). If
we round these figures to the nearest scale point, the results show that the non-pre-informed group scored that they ‘disagreed’ that they had received justice in a distributive sense whereas the pre-informed group scored that they ‘agreed’ that they had received justice in a distributive sense.

Thus, pre-informing participants had a statistically significant positive effect on distributive justice levels. This thus rejects H6.

**H7 Pre-informing customers about a service failure leads to higher perceptions of procedural justice than not pre-informing them**

To test this hypothesis a T test was used to examine the mean difference between procedural justice scores from those participants who were pre-informed and those participants who were not pre-informed. The manipulated independent variable was pre-inform/don’t pre-inform manipulation whilst the dependent variable was procedural justice. Figure 7.9.7 below illustrates the findings.
Figure 7.9.7, Mean Scores for Procedural Justice

The mean satisfaction with service recovery score for the pre-informed group (M = 4.09, SD = .80) was significantly higher than the non-pre-informed group (M = 1.73, SD = .76; t (494) = -33.892, p = 0.00, two-tailed. If we round these figures to the nearest scale point, the results show that the non-pre-informed group scored that they ‘disagreed’ that they had received justice in a procedural sense whereas the pre-informed group scored that they ‘agreed’ that they had received justice in a procedural sense.

Thus, pre-informing participants had a statistically significant positive effect on procedural justice levels. This thus confirms H7.
**H8 Pre-informing customers about a service failure leads to higher perceptions of interactional justice than not pre-informing them**

To test this hypothesis a T test was used to examine the mean difference between interactional justice scores from those participants who were pre-informed and those participants who were not pre-informed. The manipulated independent variable was pre-inform/don’t pre-inform manipulation whilst the dependent variable was interactional justice. Figure 7.9.8 below illustrates the findings.

*Figure 7.9.8, Mean Scores for Interactional Justice*

The mean satisfaction with service recovery score for the pre-informed group (M = 3.64, SD = .62) was significantly higher than the non-pre-informed group (M = 1.92, SD = .83; t (457.730) = -26.280, p = 0.00, two-tailed). If we round these figures to the nearest scale point, the results show that the non-pre-informed group scored that they ‘disagreed’ that they had received justice
in a interactional sense whereas the pre-informed group scored that they ‘agreed’ that they had received justice in a interactional sense.

Thus, pre-informing participants had a statistically significant positive effect on interactional justice levels. This thus confirms H8.

7.7.2 Main effects: Compensation

H9 Compensating customers for a service failure leads to higher overall satisfaction than not Compensating them

To test this hypothesis a T test was used to examine the mean difference between overall satisfaction scores from those participants who were compensated and those participants who were not compensated. The manipulated independent variable was compensated/not compensated manipulation whilst the dependent variable was overall satisfaction. Figure 7.10 below illustrates the findings.
The mean overall satisfaction score for the compensated group (M = 4.17, SD = 1.49) was significantly higher than the non-compensated group (M = 3.12, SD = 1.47; t(494) = -7.887, p = 0.00, two-tailed). If we round these figures to the nearest scale point, the results show that the non-compensated group scored somewhat dissatisfied whereas the pre-informed group scored somewhat satisfied.

Thus, compensating participants had a statistically significant positive effect on overall satisfaction levels. This thus confirms H9.
H10 Compensating customers for a service failure leads to higher satisfaction with service recovery than not Compensating them

To test this hypothesis a T test was used to examine the mean difference between satisfaction with service recovery scores from those participants who were compensated and those participants who were not compensated. The manipulated independent variable was compensated / not compensated manipulation whilst the dependent variable was satisfaction with service recovery. Figure 7.10.1 below illustrates the findings.

*Figure 7.10.1, Mean Scores for Satisfaction with Service Recovery*
The mean satisfaction with service recovery score for the compensated group (M = 3.52, SD = .96) was significantly higher than the non-compensated group (M = 2.26, SD = .99; t (494) = -14.358, p = 0.00, two-tailed). If we round these figures to the nearest scale point, the results show that the non-compensated group scored dissatisfied whereas the pre-informed group scored somewhat dissatisfied.

Thus, compensating participants had a statistically significant positive effect on satisfaction with service recovery levels. This thus confirms H10.

**H11 Compensating customers for a service failure leads to lower perceived failure severity than not Compensating them**

To test this hypothesis a T test was used to examine the mean difference between severity of service failure scores from those participants who were compensated and those participants who were not compensated. The manipulated independent variable was compensate/don’t compensate manipulation whilst the dependent variable was severity of service failure. Severity of service failure was measured at two points in this study. Severity of service failure 1 was measured 45 minutes into the service failure before (if any) compensation would have been given to the participant in the scenarios, whilst severity of service failure 2 was measured after the hour the customer has waited for their meal and has received their meal in the scenarios. Figures 7.10.2 and 7.10.3 below illustrate the findings.
Figure 7.10.2, Mean Scores for Severity of Service Failure 1

Mean Scores for Severity of Failure 1 of expectations when participants are compensated or not compensated

![Bar chart showing mean scores for compensated and not compensated groups.](chart1)

Figure 7.10.3, Mean Scores for Severity of Service Failure 2

Mean Scores for Severity of Failure 2 of expectations when participants are compensated or not compensated

![Bar chart showing mean scores for compensated and not compensated groups.](chart2)
For severity of service failure 1 the mean score for the compensated group (M = 2.69, SD = .84) was not significantly lower than the non-compensated group (M = 2.67, SD = .78; t (494) = -.278, p = 0.781, two-tailed). For severity of service failure 2 the mean score for the compensated group (M = 2.56, SD = .82) was significantly lower than the non-compensated group (M = 2.80, SD = .88; t (494) = 3.058, p = 0.002, two-tailed). This result makes sense as the compensation variable only comes into play in ‘severity of failure 2’ thus no manipulation is present to make a significant difference in ‘severity of failure 1’. Thus, the relevant statistic to test the main effect of the compensation manipulation is ‘severity of failure 2’.

However, although a significant difference is found for severity of failure 2 between the compensated and non-compensated groups, if we round the severity of failure 2 figures to the nearest scale point, the results show that the non-compensated group scored the severity as moderate whilst the compensated group also scored as moderate. Thus, compensating participants had a statistically significant positive effect on lowering the perceived severity of the service failure however this difference is not large enough to shift perceptions of failure severity to another scale point between the compensated and non-compensated groups. Nonetheless, H11 is confirmed.
H12 Compensating customers for a service failure leads to lower expectations of service recovery than not Compensating them

To test this hypothesis a T test was used to examine the mean difference between expectations of service recovery scores from those participants who were compensated and those participants who were not compensated. The manipulated independent variable was compensate/don’t compensate manipulation whilst the dependent variable was expectations of service recovery. Figure 7.10.4 below illustrates the findings.

Figure 7.10.4, Mean Scores for expectations of service recovery

The mean expectations of service recovery score for the compensated group (M = 5.00, SD = .84) was not significantly lower than the non-compensated
group (M = 4.95, SD = .87; t (494) = -.660, p = .51, two-tailed). This result however is logical as expectations of service recovery is measured in this study before any compensation would (if any) be given thus no difference should have been expected.

Thus, compensating participants does not have a statistically significant positive effect on expectations of service recovery. This thus rejects H12.

**H13 Compensating customers for a service failure leads to higher disconfirmation of expectations than not Compensating them**

To test this hypothesis a T test was used to examine the mean difference between disconfirmation of expectations scores from those participants who were compensated and those participants who were not compensated. The manipulated independent variable was compensate/don’t compensate manipulation whilst the dependent variable was disconfirmation of expectations. Figure 7.10.5 below illustrates the findings.
The mean satisfaction with service recovery score for the compensated group (M = 4.14, SD = .98) was significantly higher than the non-compensated group (M = 2.83, SD = 1.12; t (486.469) = -13.903, p = 0.00, two-tailed). If we round these figures to the nearest scale point, the results show that the non-compensated group scored that they felt the restaurant’s response was ‘somewhat worse than expected’ whereas the compensated group scored the restaurant’s response was ‘as expected’.

Thus, compensating participants had a statistically significant positive effect on satisfaction with service recovery levels which in effect turned negative disconfirmation into ‘confirmation’ of expectations. This thus confirms H13.
H14 Compensating customers for a service failure leads to higher perceptions of distributive justice than not Compensating them

To test this hypothesis a T test was used to examine the mean difference between distributive justice scores from those participants who were compensated and those participants who were not compensated. The manipulated independent variable was compensate/don’t compensate manipulation whilst the dependent variable was distributive justice. Figure 7.10.6 below illustrates the findings.

Figure 7.10.6, Mean Scores for Distributive Justice
The mean satisfaction with service recovery score for the compensated group 
(M = 3.58, SD = .94) was significantly higher than the non-compensated 
group (M = 2.52, SD = 1.06; t (487.531) = -11.791, p = 0.00, two-tailed). If we round these figures to the nearest scale point, the results show that the non-compensated group scored that they ‘neither agreed nor disagreed’ that they had received justice in a distributive sense whereas the compensated group scored that they ‘agreed’ that they had received justice in a distributive sense.

Thus, compensating participants had a statistically significant positive effect on distributive justice levels. This thus confirms H14.

**H15 Compensating customers for a service failure leads to higher perceptions of procedural justice than not Compensating them**

To test this hypothesis a T test was used to examine the mean difference between procedural justice scores from those participants who were compensated and those participants who were not compensated. The manipulated independent variable was compensate/don’t compensate manipulation whilst the dependent variable was procedural justice. Figure 7.10.7 below illustrates the findings.
The mean satisfaction with service recovery score for the compensated group (M = 3.00, SD = 1.34) was not significantly higher than the non-compensated group (M = 2.82, SD = 1.48; t (488.711) = -1.415, p = 0.158, two-tailed. If we round these figures to the nearest scale point, the results show that the non-compensated group scored that they ‘neither agreed nor disagreed’ that they had received justice in a procedural sense whereas the compensated group scored that they also ‘neither agreed nor disagreed’ that they had received justice in a procedural sense.

Thus, compensating participants did not have a statistically significant positive effect on procedural justice levels. This thus rejects H15.
H16 Compensating customers for a service failure leads to higher perceptions of interactional justice than not Compensating them

To test this hypothesis a T test was used to examine the mean difference between interactional justice scores from those participants who were compensated and those participants who were not compensated. The manipulated independent variable was compensate/don’t compensate manipulation whilst the dependent variable was interactional justice. Figure 7.10.8 below illustrates the findings.

Figure 7.10.8, Mean Scores for Interactional Justice

The mean satisfaction with service recovery score for the compensated group (M = 3.18, SD = .97) was significantly higher than the non-compensated
Thus, compensating participants had a statistically significant positive effect on interactional justice levels. This thus confirms H16.

7.7.3 Main effects: Criticality

H17 Customers in a non-critical situation will have higher overall satisfaction than customers in a critical situation

To test this hypothesis a T test was used to examine the mean difference between overall satisfaction scores from those participants who were in a non-critical situation and those participants who were in a critical situation. The manipulated independent variable was non-critical/critical manipulation whilst the dependent variable was overall satisfaction. Figure 7.11.1 below illustrates the findings.
Mean Scores for Overall Satisfaction when participants are in a Non-Critical or Critical Situation

The mean overall satisfaction score for the non-critical group (M = 3.87, SD = 1.58) was significantly higher than the critical group (M = 3.42, SD = 1.53; t (494) = 3.261, p = 0.001, three-tailed). If we round these figures to the nearest scale point, the results show that the non-critical group scored neither satisfied nor dissatisfied whereas the critical group scored somewhat dissatisfied.

Thus, criticality had a statistically significant effect on overall satisfaction levels with participants in non-critical situations having higher overall satisfaction levels than participants in critical situations. This thus confirms H17.
**H18 Customers in a non-critical situation will have higher satisfaction with service recovery than customers in a critical situation**

To test this hypothesis a T test was used to examine the mean difference between satisfaction with service recovery scores from those participants who were in a non-critical situation and those participants who were in a critical situation. The manipulated independent variable was non-critical/critical manipulation whilst the dependent variable was satisfaction with service recovery. Figure 7.11.2 below illustrates the findings.

*Figure 7.11.2, Mean Scores for Satisfaction with Service Recovery*

The mean satisfaction with service recovery score for the non-critical group (M = 3.00, SD = 1.19) was significantly higher than the critical group (M = 2.78, SD = 1.13; t (494) = 2.062, p = 0.040, two-tailed). If we round these
figures to the nearest scale point, the results show that the non-critical group scored neither satisfied nor dissatisfied as well as the critical group.

Thus, criticality had a statistically significant effect on satisfaction with service recovery levels with participants in non-critical situations having higher overall satisfaction levels than participants in critical situations. However, this difference was not large enough to make a difference between scale points. H18 is confirmed.

**H19 Customers in a non-critical situation will have lower perceived failure severity than customers in a critical situation**

To test this hypothesis a T test was used to examine the mean difference between perceptions of service failure severity scores from those participants who were in a non-critical situation and those participants who were in a critical situation. The manipulated independent variable was non-critical/critical manipulation whilst the dependent variable was severity of service failure. Severity of service failure was measured at two points in this study. Severity of service failure 1 was measured 45 minutes into the service failure before (if any) compensation would have been given to the participant in the scenarios, whilst severity of service failure 2 was measured after the hour the customer has waited for their meal and has received their meal in the scenarios. Figures 7.11.3 and 7.11.4 below illustrate the findings.
Figure 7.11.3, Mean Scores for Severity of Service Failure 1

Mean Scores for Severity of failure 1 when participants are in a Non-Critical or Critical Situation

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</thead>
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<td>Critical</td>
</tr>
<tr>
<td>2.33</td>
<td>Non-Critical</td>
</tr>
</tbody>
</table>

Figure 7.11.4, Mean Scores for Severity of Service Failure 2

Mean Scores for Severity of failure 2 when participants are in a Non-Critical or Critical Situation

<table>
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<th>Group</th>
</tr>
</thead>
<tbody>
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<td>2.94</td>
<td>Critical</td>
</tr>
<tr>
<td>2.42</td>
<td>Non-Critical</td>
</tr>
</tbody>
</table>
For severity of service failure 1 the mean score for the non-critical group (M = 2.33, SD = .68) was significantly lower than the critical group (M = 3.02, SD = .78; t (494) = -10.375, p = 0.00, two-tailed). For severity of service failure 2 the mean score for the non-critical group (M = 2.42, SD = .80) was significantly lower than the critical group (M = 2.94, SD = .84; t (494) = -7.091, p = 0.00, two-tailed). If we round these figures to the nearest scale point, the results show that for severity of failure 1 the non-critical group scored the service failure as ‘a small problem’ whereas the critical group scored the service failure as ‘a moderate problem’. If we round these figures to the nearest scale point, the results show that for severity of failure 2 the non-critical group scored the service failure as ‘a small problem’ whereas the critical group scored the service failure as ‘a moderate problem’.

Thus, criticality had a statistically significant negative effect on increasing the perceived severity of the service failure with critical situations making participants perceive the service failure situation as more serious than those participants not in a critical situation. H19 is confirmed.

**H20 Customers in a non-critical situation will have lower expectations of service recovery than customers in a critical situation**

To test this hypothesis a T test was used to examine the mean difference between expectations of service recovery scores from those participants who were in a non-critical situation and those participants who were in a critical situation. The manipulated independent variable was non-critical/critical
manipulation whilst the dependent variable was expectations of service recovery. Figure 7.11.5 below illustrates the findings.

**Figure 7.11.5, Mean Scores for expectations of service recovery**

The mean expectations of service recovery score for the non-critical group (M = 4.90, SD = .85) was not significantly higher than the critical group (M = 5.05, SD = .86; t (494) = -1.880, p = 0.061, two-tailed).

Thus, criticality did not have a statistically significant effect on expectations of service recovery levels with participants in non-critical situations having lower expectations of service recovery levels than participants in critical situations. This thus rejects H20.
**H21 Customers in a non-critical situation will have higher disconfirmation of expectations than customers in a critical situation**

To test this hypothesis a T test was used to examine the mean difference between disconfirmation of expectations scores from those participants who were in a non-critical situation and those participants who were in a critical situation. The manipulated independent variable was non-critical/critical manipulation whilst the dependent variable was disconfirmation of expectations. Figure 7.11.6 below illustrates the findings.

*Figure 7.11.6, Mean Scores for Disconfirmation of Expectations*

The mean disconfirmation of expectations score for the non-critical group (M = 3.54, SD = 1.26) was not significantly higher than the critical group (M =
3.43, SD = 1.20; t (494) = .986, p = 0.32, two-tailed. If we round these figures to the nearest scale point, the results show that the non-critical group scored neither satisfied nor dissatisfied whereas the critical group scored somewhat dissatisfied.

Thus, criticality did not have a statistically significant effect on disconfirmation of expectations levels. This thus rejects H21.

**H22 Customers in a non-critical situation will have higher perceptions of distributive justice than customers in a critical situation**

To test this hypothesis a T test was used to examine the mean difference between distributive justice scores from those participants who were in a non-critical situation and those participants who were in a critical situation. The manipulated independent variable was non-critical/critical manipulation whilst the dependent variable was distributive justice. Figure 7.11.7 below illustrates the findings.
Figure 7.11.7. Mean Scores for Distributive Justice

Mean Scores for Distributive Justice when participants are in a Non-Critical or Critical Situation

The mean distributive justice score for the non-critical group (M = 3.15, SD = 1.15) was significantly higher than the critical group (M = 2.95, SD = 1.11; t(494) = 2.000, p = 0.05, two-tailed). If we round these figures to the nearest scale point however, the results show that the non-critical group scored that they ‘neither agreed nor disagreed’ that they had received justice in a distributional sense whereas the critical group also scored that they ‘neither agreed nor disagreed’ that they had received justice in a distributional sense. Thus, although criticality does have a statistically significant effect on distributive justice levels, this difference is not large enough for the participants to score differently on the scale.

Thus, criticality had a statistically significant effect on distributive justice levels with participants in non-critical situations having higher distributive justice levels than participants in critical situations. This thus confirms H22.
H23 Customers in a non-critical situation will have higher perceptions of procedural justice than customers in a critical situation

To test this hypothesis a T test was used to examine the mean difference between procedural justice scores from those participants who were in a non-critical situation and those participants who were in a critical situation. The manipulated independent variable was non-critical/critical manipulation whilst the dependent variable was procedural justice. Figure 7.11.8 below illustrates the findings.

*Figure 7.11.8, Mean Scores for Procedural Justice*

![Image of bar chart illustrating mean scores for procedural justice in non-critical and critical situations]

The mean procedural justice score for the non-critical group (M = 3.01, SD = 1.42) was not significantly higher than the critical group (M = 2.80, SD = 1.40; t (494) = 1.607, p = 0.109, two-tailed). If we round these figures to the
nearest scale point, the results show that the non-critical group scored that they ‘neither agreed nor disagreed’ that they had received justice in a procedural sense whereas the critical group also scored that they ‘neither agreed nor disagreed’ that they had received justice in a procedural sense. Thus, criticality does not have a statistically significant effect on procedural justice levels.

Thus, criticality does not have a statistically significant effect on procedural justice levels. This thus rejects H23.

**H24 Customers in a non-critical situation will have higher perceptions of interactional justice than customers in a critical situation**

To test this hypothesis a T test was used to examine the mean difference between interactional justice scores from those participants who were in a non-critical situation and those participants who were in a critical situation. The manipulated independent variable was non-critical/critical manipulation whilst the dependent variable was interactional justice. Figure 7.11.9 below illustrates the findings.
The mean interactional justice score for the non-critical group (M = 2.89, SD = 1.17) was significantly higher than the critical group (M = 2.67, SD = 1.09; t(494) = 2.155, p = 0.03, two-tailed). If we round these figures to the nearest scale point, the results show that the non-critical group scored somewhat dissatisfied whereas the critical group scored somewhat satisfied.

Thus, criticality had a statistically significant effect on interactional justice levels with participants in non-critical situations having higher interactional justice levels than participants in critical situations. This thus confirms H24.
7.8 Interaction effects: Results of 2 Way ANOVAS

H25 Overall Satisfaction is higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario

To analyse whether there was a significant difference on overall satisfaction scores between participants who were pre-informed/not pre-informed in critical/non-critical scenarios, a 2-way between groups analysis of variance (ANOVA) was conducted. The two manipulated variables were pre-inform/not pre-inform and critical/non-critical. The dependant variable was overall satisfaction. Figure 7.12.1 below illustrates the findings.

*Figure 7.12.1, Mean Scores for Overall Satisfaction and the interaction effect between Pre-Informing and Criticality*
The results revealed that there was a significant difference among the participants who were pre-informed/not pre-informed $F(1, 495) = 254.441, p = .000$ and between participants in the non-critical and critical conditions $F(1, 495) = 16.068, p = .000$. However, there is no statically significant relationship between these variables interacting $F(3, 495) = 1.498, p = .714$.

Therefore, H25 is rejected. Customers who are pre-informed in a non-critical scenario will not necessarily have higher overall satisfaction than those pre-informed in a critical situation.

**H26 Satisfaction with service recovery is higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario**

To analyse whether there was a significant difference on satisfaction with service recovery scores between participants who were pre-informed/not pre-informed in critical/non-critical scenarios, a 2-way between groups analysis of variance (ANOVA) was conducted. The two manipulated variables were pre-inform/not pre-inform and critical/non-critical. The dependant variable was satisfaction with service recovery. Figure 7.12.2 below illustrates the findings.
Figure 7.12.2. Mean Scores for Satisfaction with service recovery and the interaction effect between Pre-Informing and Criticality

The results revealed that there was a significant difference among the participants who were pre-informed/not pre-informed $F(1, 495) = 180.700$, $p = .000$ and between participants in the non-critical and critical conditions $F(1, 495) = 5.788$, $p = .017$. However, there is no statically significant relationship between these variables interacting $F(3, 495) = .008$, $p = .928$.

Therefore, H26 is rejected. Customers who are pre-informed in a non-critical scenario will not necessarily have higher satisfaction with service recovery than those pre-informed in a critical situation.
H27 Perceptions of Severity of Service Failure are lower when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario

To analyse whether there was a significant difference with perceptions of service failure severity of participants who were pre-informed/not pre-informed in critical/non-critical scenarios, a 2-way between groups analysis of variance (ANOVA) was conducted. The two manipulated variables were pre-inform/not pre-inform and critical/non-critical. The dependant variable was severity of service failure. Severity of service failure 1 was measured 45 minutes into the service failure before (if any) compensation would have been given to the participant in the scenarios, whilst severity of service failure 2 was measured after the hour the customer has waited for their meal and has received their meal in the scenarios. Figures 7.12.3 and 7.12.4 below illustrate the findings.
Figure 7.12.3. Mean Scores for Severity of Service Failure 1 and the interaction effect between Pre-Informing and Criticality
The results revealed that for severity of failure 1 there was a significant difference among the participants who were pre-informed/not pre-informed $F(1, 495) = 66.265, p = .000$ and between participants in the non-critical and critical conditions $F(1, 495) = 122.428, p = .000$. However, there is no statically significant relationship between these variables interacting $F(3, 495) = 3.605, p = .058$. 

Figure 7.12.4, Mean Scores for Severity of Service Failure 2 and the interaction effect between Pre-Informing and Criticality
The results revealed that for severity of failure 2 there was a significant difference among the participants who were pre-informed/not pre-informed $F(1, 495) = 112.320, p = .000$ and between participants in the non-critical and critical conditions $F(1, 495) = 61.583, p = .000$. However, there is no statically significant relationship between these variables interacting $F(3, 495) = .655, p = .419$.

Therefore, H27 is rejected. Customers who are pre-informed in a non-critical scenario will not necessarily have lower perceptions of service failure severity than those pre-informed in a critical situation.

**H28 Expectations of Service Recovery are lower when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario**

To analyse whether there was a significant difference on overall satisfaction scores between participants who were pre-informed/not pre-informed in critical/non-critical scenarios, a 2-way between groups analysis of variance (ANOVA) was conducted. The two manipulated variables were pre-inform/not pre-inform and critical/non-critical. The dependant variable was expectations of service recovery. Figure 7.12.5 below illustrates the findings.
Figure 7.12.5, Mean Scores for expectations of service recovery and the interaction effect between Pre-Informing and Criticality

The results revealed that there was a significant difference among the participants who were pre-informed/not pre-informed $F(1, 495) = 46.261$, $p = .000$ and between participants in the non-critical and critical conditions $F(1, 495) = 3.868$, $p = .05$. However, there is no statically significant relationship between these variables interacting $F(3, 495) = 2.400$, $p = .122$. 
Therefore, H28 is rejected. Customers who are pre-informed in a non-critical scenario will not necessarily have lower expectations of service recovery than those pre-informed in a critical situation.

H29 Disconfirmation of expectations are higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario

To analyse whether there was a significant difference on overall satisfaction scores between participants who were pre-informed/not pre-informed in critical/non-critical scenarios, a 2-way between groups analysis of variance (ANOVA) was conducted. The two manipulated variables were pre-inform/not pre-inform and critical/non-critical. The dependant variable was disconfirmation of expectations. Figure 7.12.6 below illustrates the findings.
The results revealed that there was a significant difference among the participants who were pre-informed/not pre-informed $F(1, 495) = 133.433$, $p = .000$. However, results showed that there was no significant difference between participants in the non-critical and critical conditions $F(1, 495) = 1.232$, $p = .268$. Also, there is no statically significant relationship between these variables interacting $F(3, 495) = .204$, $p = .651$. 
Therefore, H29 is rejected. Customers who are pre-informed in a non-critical scenario will not necessarily have higher disconfirmation of expectations than those pre-informed in a critical situation.

**H30 Perceptions of distributive justice are higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario**

To analyse whether there was a significant difference on overall satisfaction scores between participants who were pre-informed/not pre-informed in critical/non-critical scenarios, a 2-way between groups analysis of variance (ANOVA) was conducted. The two manipulated variables were pre-inform/not pre-inform and critical/non-critical. The dependant variable was perceptions of distributive justice. Figure 7.12.6 below illustrates the findings.
The results revealed that there was a significant difference among the participants who were pre-informed/not pre-informed $F (1, 495) = 234.697, p = .000$ and between participants in the non-critical and critical conditions $F (1, 495) = 5.888, p = .016$. However, there is no statically significant relationship between these variables interacting $F (3, 495) = .474, p = .492$. Therefore, H30 is confirmed. Customers who are pre-informed in a non-critical scenario will not necessarily have higher perceptions of distributive justice than those pre-informed in a critical situation.

**H31 Perceptions of procedural justice are higher when customers are pre-**
informed in a non-critical scenario than when they are pre-informed in a critical scenario

To analyse whether there was a significant difference on overall satisfaction scores between participants who were pre-informed/not pre-informed in critical/non-critical scenarios, a 2-way between groups analysis of variance (ANOVA) was conducted. The two manipulated variables were pre-inform/not pre-inform and critical/non-critical. The dependant variable was perceptions of procedural justice. Figure 7.12.7 below illustrates the findings.

*Figure 7.12.7, Mean Scores for Procedural Justice and the interaction effect between Pre-Informing and Criticality*

The results revealed that there was a significant difference among the participants who were pre-informed/not pre-informed $F(1, 495) = 1164.725, p = .000$ and between participants in the non-critical and critical conditions $F(1,$
495) = 8.665, p = .003. However, there is no statically significant relationship between these variables interacting F (3, 495) = .245, p = .621.

Therefore, H31 is rejected. Customers who are pre-informed in a non-critical scenario will not necessarily have higher perceptions of procedural justice than those pre-informed in a critical situation.

**H32 Perceptions of interactional justice are higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario**

To analyse whether there was a significant difference on overall satisfaction scores between participants who were pre-informed/not pre-informed in critical/non-critical scenarios, a 2-way between groups analysis of variance (ANOVA) was conducted. The two manipulated variables were pre-inform/not pre-inform and critical/non-critical. The dependant variable was perceptions of interactional justice. Figure 7.12.8 below illustrates the findings.
The results revealed that there was a significant difference among the participants who were pre-informed/not pre-informed $F(1, 495) = 704.264, p = .000$ and between participants in the non-critical and critical conditions $F(1, 495) = 11.254, p = .001$. However, there is no statically significant relationship between these variables interacting $F(3, 495) = .507, p = .477$. 
Therefore, H32 is rejected. Customers who are pre-informed in a non-critical scenario will not necessarily have higher perceptions of interactional justice than those pre-informed in a critical situation.

7.9 Summary

To conclude, in this chapter the results of the study have been reported. Findings show that Pre-informing and compensating participants has a positive effect on overall customer satisfaction, satisfaction with service recovery, disconfirmation of expectations, and justice. Pre-informing also serves to lower perceived failure severity and expectations of service recovery. Criticality is also seen to affect consumer response; in non-critical situations consumers will be more satisfied, have higher perceptions of distributive and interactional justice, perceive the service failure as less severe and have lower expectations of service recovery. In addition, the results show that there is no interaction between the manipulation variables of criticality and pre-informing. A summary table below (see figure 7.13, p293) lists all the hypotheses in this study and whether they were confirmed or rejected. In the next chapter, these results are discussed and their implications examined.
**Figure 7.13 Summary of hypotheses and results**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Statement</th>
<th>Confirmed/Rejected</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Pre-informing customers about a service failure leads to higher overall satisfaction than not pre-informing them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>2</td>
<td>Pre-informing customers about a service failure leads to higher satisfaction with service recovery than not pre-informing them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>3</td>
<td>Pre-informing customers about a service failure leads to lower perceived failure severity than not pre-informing them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>4</td>
<td>Pre-informing customers about a service failure leads to lower expectations of service recovery than not pre-informing them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>5</td>
<td>Pre-informing customers about a service failure leads to higher disconfirmation of expectations than not pre-informing them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>6</td>
<td>Pre-informing customers about a service failure does not lead to higher perceptions of distributive justice than not pre-informing them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>7</td>
<td>Pre-informing customers about a service failure leads to higher perceptions of procedural justice than not pre-informing them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>8</td>
<td>Pre-informing customers about a service failure leads to higher perceptions of interactional justice than not pre-informing them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>9</td>
<td>Compensating customers for a service failure leads to higher overall satisfaction than not Compensating them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>10</td>
<td>Compensating customers for a service failure leads to higher satisfaction with service recovery than not Compensating them</td>
<td>Confirmed</td>
</tr>
<tr>
<td></td>
<td>Statement</td>
<td>Confirmation</td>
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<tr>
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<td>---------------------------------------------------------------------------</td>
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<tr>
<td>11</td>
<td>Compensating customers for a service failure leads to lower perceived failure severity than not Compensating them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>12</td>
<td>Compensating customers for a service failure leads to lower expectations of service recovery than not Compensating them</td>
<td>Rejected</td>
</tr>
<tr>
<td>13</td>
<td>Compensating customers for a service failure leads to higher disconfirmation of expectations than not Compensating them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>14</td>
<td>Compensating customers for a service failure leads to higher perceptions of distributive justice than not Compensating them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>15</td>
<td>Compensating customers for a service failure leads to higher perceptions of procedural justice than not Compensating them</td>
<td>Rejected</td>
</tr>
<tr>
<td>16</td>
<td>Compensating customers for a service failure leads to higher perceptions of interactional justice than not Compensating them</td>
<td>Confirmed</td>
</tr>
<tr>
<td>17</td>
<td>Customers in a non-critical situation will have higher overall satisfaction than customers in a critical situation</td>
<td>Confirmed</td>
</tr>
<tr>
<td>18</td>
<td>Customers in a non-critical situation will have higher satisfaction with service recovery than customers in a critical situation</td>
<td>Confirmed</td>
</tr>
<tr>
<td>19</td>
<td>Customers in a non-critical situation will have lower perceived failure severity than customers in a critical situation</td>
<td>Confirmed</td>
</tr>
<tr>
<td>20</td>
<td>Customers in a non-critical situation will have lower expectations of service recovery than customers in a critical situation</td>
<td>Rejected</td>
</tr>
<tr>
<td>21</td>
<td>Customers in a non-critical situation will have higher disconfirmation of expectations than customers in a critical situation</td>
<td>Rejected</td>
</tr>
<tr>
<td>22</td>
<td>Customers in a non-critical situation will have higher perceptions of distributive justice than customers in a critical situation</td>
<td>Confirmed</td>
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<tr>
<td></td>
<td>Customers in a non-critical situation will have higher perceptions of procedural justice than customers in a critical situation</td>
<td>Rejected</td>
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<tr>
<td>24</td>
<td>Customers in a non-critical situation will have higher perceptions of interactional justice than customers in a critical situation</td>
<td>Confirmed</td>
</tr>
<tr>
<td>25</td>
<td>Overall Satisfaction is higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario</td>
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</tr>
<tr>
<td>26</td>
<td>Satisfaction with service recovery is higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario</td>
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</tr>
<tr>
<td>27</td>
<td>Perceptions of Severity of Service Failure are lower when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario</td>
<td>Rejected</td>
</tr>
<tr>
<td>28</td>
<td>Expectations of Service Recovery are lower when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario</td>
<td>Rejected</td>
</tr>
<tr>
<td>29</td>
<td>Disconfirmation of expectations are higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario</td>
<td>Rejected</td>
</tr>
<tr>
<td>30</td>
<td>Perceptions of distributive justice are not higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario</td>
<td>Confirmed</td>
</tr>
<tr>
<td>31</td>
<td>Perceptions of procedural justice are higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario</td>
<td>Rejected</td>
</tr>
<tr>
<td>32</td>
<td>Perceptions of interactional justice are higher when customers are pre-informed in a non-critical scenario than when they are pre-informed in a critical scenario</td>
<td>Rejected</td>
</tr>
</tbody>
</table>
8. Chapter 8 - Discussion

8.1 Discussion

8.1.1 Pre-failure Service Recovery: an overview

Recovering service failure before it happens is the ‘gold standard’ (Miller et al, 2000) however literature to date has only addressed service recovery after the service failure. Indeed, traditionally service recovery occurs after the consumer has experienced the service failure. This study however, has found that pre-failure service recovery (in the form of pre-information) serves to minimise the negative effects of an unavoidable service failure which the customer will experience thus resulting in higher satisfaction with service recovery and higher overall satisfaction than if such a step was not taken.

Although, to the best knowledge of the author, there is no literature on service recovery before the service failure is experienced by consumers, existing literature has recognised the factors that contribute to successful and effective service recovery but only in so far as to post-failure recovery measures. This includes pro-active service recovery measures (Smith et al, 1999). A similar idea to pre-failure recovery was explored in an online context by Pizzi and Scarpi (2013) in so far as informing the consumer about out-of-stock products before customers attempt to order an item, however, this idea has not been explored in an offline context. Current literature does however point to how pre-failure recovery would be useful in the service recovery process. Thus, the
findings of this study are consistent with research to date in the field of service failure and recovery.

8.1.2 Pre-failure recovery lowers perceived severity of the service failure

Results show that pre-informing customers serves to lower customers’ perceived severity of the service failure. This finding is supported by literature to date in that by ‘calibrating’ (Bies, 2013, p141) consumers’ expectations of the level of service they will receive through the act of pre-informing, it logically follows that when customers do experience the service failure, that they will perceive it as less severe than those consumers who were not pre-informed and thus were not expecting the service failure. Perceived failure severity is also affected by the foreseeability of the service failure (Cranage and Sujan, 2004), by the service firm. It follows that if the service failure is foreseeable, that pre-informing consumers at the earliest point possible has a positive effect on their overall satisfaction levels and their satisfaction with the service recovery. The results of this study confirm this logic. The implications of this finding is that a pre-failure recovery step will enable consumers to adjust to the situation thus when they do find themselves experiencing the service failure, it will not seem as bad as it would have done had they not be informed. Thus, if service providers confess, they will be (partly) forgiven.
8.1.3 Pre-failure recovery lowers consumers’ expectations of service recovery

If the severity of the service failure is lowered in consumers’ minds then it should then follow that their expectations of service recovery will be lower when they experience the service failure (Hess et al, 2003). Indeed, the results of this study are consistent with previous literature.

Customers have expectations regarding service recovery (Miller et al, 2000; Lin 2010); results show that pre-informing customers serves to lower customers’ expectations of service recovery. Miller et al, (2000) and Kelley and Davis, (1994) stated previously that expectations of service recovery are affected by perceived service quality. In pre-informing consumers that they would experience a service failure it enabled their standard expectations of the service quality they would expect, to be managed and re-benchmarked in light of this new information. Gelbrich (2010) supports this line of logic stating that in providing a prospective explanation to customers prior to the service failure that it helps customers to accept the situation. Pre-failure recovery in the form of pre-informing thus is not a preventative measure but an expectations management measure as well as a service recovery tool; it lowers standard expectations before the service failure is experienced and serves to recover from the service failure proactively before it occurs. Therefore, make the consumer see the problem coming.
8.1.4 Pre-failure recovery leads to higher positive disconfirmation

In having lower expectations of service recovery, it follows that the service recovery should be easier for the service providers to recover from. It is the disconfirmation of these expectations ‘rather than the expectations themselves’ that affect customer satisfaction (Zeithaml et al, 1993, p3). The results in this study show that by pre-informing consumers of the service failure they will experience, that higher disconfirmation of expectations will result. In lowering expectations of service recovery pre-failure recovery will make service recovery easier for service providers and any additional service recovery tools used will thus be more effective in service recovery and less effort will need to be expended after the consumer experiences the service failure as there is a lower threshold to achieve confirmation of consumers’ expectations and positive disconfirmation. Satisfaction or dissatisfaction is caused by the emotional response to the confirmation or disconfirmation (Woodruff et al, 1983). Thus, pre-failure recovery is a powerful tool in achieving consumer satisfaction overall and with service recovery.

8.1.5 Pre-failure recovery enhances consumer perceptions of justice

Distributive, procedural, and interactional justice perceptions in consumers’ minds are increased as a result of pre-failure recovery.

Pre-informing consumers about the service failure they will experience results in higher perceptions of distributive justice. This is surprising considering that
pre-informing consumers is not a tangible form of service recovery (in the same vein as physical compensation) which is usually associated with distributive justice (Blodgett et al, 1993). A suggestion could be that pre-failure recovery may be enough to recover a service failure without the need for service providers to provide tangible forms of compensation. However, what should be acknowledged is, as with previous research in the field, that the findings of such a result are context specific and will change according to the service failure experienced (Smith et al, 1999).

Results show that pre-informing customers leads to higher perceptions of procedural justice from customers experiencing the service failure. This is consistent with literature to date in that pre-informing is a type of disclosure of information which, according to Patterson et al (2006), is concerned with procedural justice. This study proposed that pre-informing customers about the service failure they were about to experience could be a form of pre-failure recovery and indeed the results show that such a step is effective in minimising the damage caused by the service failure and having a positive impact on perceived justice levels. This compliments Pizzi and Scarpi’s (2013) findings of providing information to customers about OOS items online before they made their selection which led to higher satisfaction amongst online shoppers.

Pre-informing consumers about the service failure they will experience results in higher perceptions of interactional justice. This is unsurprising considering that such a step should show effort on behalf of the service provider and
empathy given by the service provider as well as honesty and attitude which Tax et al (1998) stated made up interactional justice.

8.1.6 Pre-failure recovery increases customer satisfaction with service recovery and overall satisfaction

This study found that pre-failure recovery increased customers’ satisfaction with service recovery and overall satisfaction levels. This finding is consistent with literature to date. Yuksel and Yuksel (2001) state that a better understanding of customer satisfaction may also be gained in examining equity theory alongside expectancy disconfirmation theory. In doing this, this study has found that a pre-failure recovery step has served to increase consumers’ positive disconfirmation and perceptions of justice. Disconfirmation has been recognised in literature to date to be the dominant paradigm and predictor of customer satisfaction (Andreassen, 2000; Yuksel and Yuksel, 2001; Niedrich et al, 2005), whilst justice has been found in previous research to moderate the relationship between service recovery and customer satisfaction (Smith et al, 1999). Consequently, as well as in increasing the levels of both these variables through a pre-failure recovery, overall customer satisfaction and satisfaction with service recovery resulted.

Previous studies on service recovery were conflicted in their findings about intangible forms of service recovery. Miller et al (2000) previously stated that no link can be found between psychological forms of service recovery and successful service recovery using an apology as a form of intangible service
recovery. However, this study using pre-information, which arguably is an intangible form of service recovery (Miller et al, 2000), found that this alone can have a positive effect on both consumers’ customer satisfaction with service recovery and overall customer satisfaction. This points to what previous literature has not recognised to date; pre-failure recovery is a step in the service recovery process and is a tool itself of service recovery. It should be noted however that although this study focuses on pre-failure recovery in the form of pre-information, that pre-failure recovery can take many different forms, some of which may be tangible. To keep this study focused, only pre-information as a form of pre-failure recovery was examined.

8.2 Criticality

The results showed supporting evidence that customers experiencing a service failure in a non-critical situation will have higher overall customer satisfaction and satisfaction with service recovery levels than customers in a critical situation.

The results show that criticality has a negative effect on perceived severity of failure. Customers in a critical situation perceived the service failure as more severe than those not in a critical situation. These findings are consistent with the literature to date (Cranage, 2004).

Criticality did not have a significant effect on expectations of service recovery. This is a surprising result. Although criticality was seen to have a significant
effect on severity of service failure, the mean differences were small; this may explain why there may not be a statistically significant difference in expectations of service recovery between critical and non-critical conditions. Thus, the small perceived difference in severity was not enough to have a significant difference in severity of service failure was not enough to alter their expectations of service recovery. Alternatively, another possibility for expectations of service recovery being the same in critical and non-critical situations is that despite it affecting the severity of the failure, the consumer may take into consideration that the criticality of the situation is not the fault of the service provider. It should be noted that severity of failure is however only one factor that influences customer expectations of service recovery (Miller et al, 2000). Devlin et al (2002) states that literature on the antecedents of customer expectation is largely exploratory. Thus, more research on expectations of service recovery is needed.

Criticality did not have a significant effect on disconfirmation of expectations. Since no significant difference was found between non-critical and critical situations for expectations of service recovery, this result is unsurprising.

Criticality was seen to have a significant effect on distributive justice. This result is consistent with literature in that the more severe a failure is (as a result of criticality), the harder it is to recover from (Hoffman et al, 1995). It might be that the customer will not see the criticality as the fault of the service provider thus their expectations of service recovery and disconfirmation will remain unaffected, however this will still alter their perception of justice. In a
critical situation, the outcome may not be viewed of ‘as just’ or as fair as it would be in a non-critical situation. In the same vein, criticality had a significant effect on interactional justice. This may be due to the consumers’ not feeling that they have been treated with as much empathy in their critical situation as they would have felt in a less wrought non-critical scenario. Criticality however, did not have a significant effect on procedural justice. This result is logical in that despite the context being critical or non-critical, the procedure in the scenarios stays the same as does the time expected for the meal to arrive. Thus, no difference was expected.

8.3 Compensation increases customer satisfaction

The results showed supporting evidence that compensating customers after experiencing a service failure has a positive influence on overall customer satisfaction and satisfaction with service recovery levels. In previous literature, compensation had been found to have a positive effect on customer’s satisfaction levels. Literature to date also states that compensation used alongside intangible forms of service recovery can complement each other in the act of recovering from a service failure (Miller et al, 2000; Boshoff, 1997). Thus, using compensation alongside pre-information could complement each other in the service recovery effort, as pre-information is an intangible form of service recovery (Miller et al, 2000). Used together, pre-informing may reduce the amount of tangible compensation needed to overcome the service recovery. This will save the service provider in terms of
cost and thus improve levels of profitability. Every little helps; pre-informing and compensation can be used alongside each other.

**8.4 Interaction between pre-informing and criticality**

The results shed new light into pre-failure recovery and its interaction with criticality thus extending the literature in these areas.

Despite the main results showing that both pre-informing customers has a positive effect on overall satisfaction and satisfaction with service recovery, and that criticality has an important moderating effect, the results show no interaction between pre-recovery and criticality.

The implications of this finding are that although pre-informing has a positive effect, that this effect is not related to nor affected by whether the participant is in a time critical situation or not. This is a surprising result since one may have thought that they would appreciate being pre-informed even more in a time critical situation to when they were not in a time critical situation.

This instead may suggest that whether the consumer is in a time critical situation or not, that pre-informing holds the same amount of importance in this context and that it does not matter if the situation is critical or not, but that pre-informing is still appreciated by the consumer who will experience the service failure. Literature to date supports this new finding in that it acknowledges that a key success factor behind service recovery is that the
recovery (in whatever form it may take) is perceived as ‘fair’ by the consumer (Miller et al, 2000; Smith et al, 1999; Andreassen, 2000). Pre-informing thus may be perceived as just as important in a non-critical situation as to a critical situation as this form of service recovery conveys the service provider being up-front, honest and demonstrating empathy with the consumers’ situation (this links in strongly with interactional justice) which is appreciated in all service failure situations no matter the criticality of the situation (Smith et al, 1999; Patterson et al, 2006). Thus, Smith et al (1999) propose that ideally firms should be proactive and initiate the recovery themselves and that this will have a positive effect on consumer satisfaction with the service provider. Therefore, this study extends the literature on both pre-failure recovery and criticality in finding that pre-failure recovery is as important to the consumer in a non-critical situation as it is in a critical situation. Respect goes a long way; pre-informing is as important in a non-critical situation as it is in a critical situation

Future studies could examine this area more in focusing purely on the interaction effect between pre-informing and service failure situations in various critical and non-critical scenarios be it time-critical or other forms of criticality. This study however extends literature on criticality in service situations as it examines into the relationship between criticality and pre-failure service recovery, a new step in the service recovery process.
8.5 Contributions to theory and Implications

8.5.1 A new step in the service recovery process

This research extends the service recovery process model developed by Miller et al (2000) thus providing a valuable and important contribution to the literature to date. This study has identified and examined a new additional step in the service recovery process and found it to be effective in aiding successful service recovery, increasing consumer satisfaction, and increasing their repatronage intention. This new additional step in the service recovery process is termed ‘pre-failure recovery’. Although Miller et al (2000) and Schweikhart et al (1993) acknowledged that service recovery can take place before a service failure occurs, they do so only from the perspective of preventing the service failure from occurring. The proposed new ‘pre-failure recovery’ stage is thus distinctive. This new stage as identified and examined in this study is distinctive in that it does not aim to prevent service failure but acknowledges that service failure is inevitable, and in times where it is unavoidable this new pre-failure recovery step aims to minimise and mitigate the negative impact the service failure will have.

8.5.2 Pre-failure recovery is a tool of service recovery and can take multiple forms

As well as extending the service recovery process, pre-failure recovery is not just a new step but also a service recovery tool in itself that can take many
forms. Albeit, to provide focus to this study, pre-failure recovery was only examined in the form of pre-service failure information. Pre-failure recovery could also take the form of apologies, tangible compensation (vouchers and incentives), extra staff to assist customers, or indeed anything that would serve to recover the service failure before the customer experiences to minimise its negative impact. Thus, there are two important dimensions to pre-failure recovery; it is a new step in the service recovery process which extends the service recovery process model by Miller et al (2000), and it is a new service recovery tool. As a tool, any steps taken would be classed as pre-compensation, pre-assistance etc.

8.5.3 Pre-failure recovery is as important in non-critical situations as it is in critical situations

Interestingly, although this study found that pre-failure recovery and criticality by themselves affected customer satisfaction with service recovery and overall satisfaction, there was no interaction effect between the two. This study has served to extend the literature on criticality and service recovery in finding that this new step in the service recovery process, in this context, does not change according to the criticality of the situation the customer finds themselves in. Pre-recovery in this context is as important in a critical situation as it is in a non-critical situation. This may be because no matter what the level of criticality is, consumers appreciate service providers to be upfront, empathetic and honest with them as Smith et al (1999, p359) states ‘the customer is likely to view a proactive effort as an act of courtesy, a
8.6 Implications for Practice

This author’s findings yield recommendations for restauranteurs and other service companies.

8.6.1 Pre-failure recovery is widely applicable and transferable

Due to the nature of services, service failure is inevitable in the delivery of them, thus service failure needs to be managed in order to overcome failures (Miller et al, 2000, p388; Hess et al, 2003; Cranage and Sujan, 2004; Wang et al, 2011; Andreassen, 2000) and prevent them occurring in the future. Service providers in the face of an unavoidable service failure that they are aware will happen are best to start service recovery before the service failure is experienced by the consumer. This new ‘pre-failure recovery’ step is greatly relevant and applicable to numerous situations thus could be of great benefit to practitioners. In any service sector where there is an unavoidable service failure that the customer will experience, such a step could be implemented; letting consumers know in advance that they will experience a service failure will aid the service recovery process and therefore increase consumer satisfaction. For example, a business may let consumers know that the shop they patronise will be closed early on a certain date due to refurbishment is but one situation this proposed new stage could apply to.
8.6.2 Pre-failure recovery can take different forms

Pre-failure recovery may not just only include pre-notifying customers about the service failure before they experience it (Pizzi and Scarpi, 2013) as is the focus of this study; pre-failure recovery can also take other forms. In addition to pre-notifying consumers that they will experience a service failure, pre-failure recovery may manifest itself in companies providing additional services within the period that the service failure will occur to minimise the negative effects (if new self-service checkouts have been installed have additional staff in place to assist people using them), provide incentives such as coupons to encourage customers to patronise within the period of the service failure, and provide apologies which increases ‘customer perceptions of satisfaction and fairness’ and can defuse some of the anger and negative feelings caused by the service failure (Boshoff and Leong, 1998, p27). This would help the company to overcome the service failure in putting into practice a better recovery strategy to minimise (and even eradicate) the negative effects of the service failure, thus increasing customer satisfaction with service performance and retaining customers. In retaining customers, the company will benefit in terms of profitability (Holloway and Beatty, 2003) and competitiveness.
8.6.3 Before compensation, think pre-information

The results in this study have shown that pre-informing consumers enhances perceptions of distributive justice which in previous literature has been associated with tangible recovery activities such as monetary compensation. Pre-information also was seen to lower perceived severity of the service failure in consumers’ minds and consequently their expectations of service recovery. Thus, before service providers think about compensating customers who have experienced a service failure, they should be proactive and anticipate service failures. Should they foresee a service failure that cannot be prevented they should use pre-failure service recovery as this may be enough to recover the service failure that the consumer will inevitably experience (and if it is not enough then it will make the recovery effort easier and the service provider could offer a lower level of compensation to the consumer than they would have had they not used pre-failure recovery) thus saving the service provider money which will impact profitability. Additionally, such a step is appreciated by consumers (which is reflected in interactional justice scores) in that being seen as honest, up-front about the service failure and empathetic will help increase consumer satisfaction which will impact consumer loyalty, word of mouth and re-patronage intention.

8.7 Limitations

Given the limited time and financial resources, as with any empirical study, this one is also subject to limitations. These limitations fit into three categories
which will now be discussed, namely limitations to do with methodology, research context, and the variables included in this study.

8.7.1 Methodological Limitations

As with any research, this study has several methodological limitations, namely the fact it uses an experimental methodology, that a non-probability sampling technique is used, and that more advanced analyses methods could have been employed. These will now be discussed in turn.

Firstly, this research uses an experimental scenario based methodology. This methodology was used as it enabled the independent variables under examination and their affects to be studied in a pure sense and for extraneous variables to be controlled (Hair et al, 2006a). This methodology together with the results show that the internal validity of this study is strong (Bryman and Bell, 2011; Saunders et al, 2009; Hair et al, 2006a). However, using an experimental methodology is a limitation because the external and ecological validity of this study is thus compromised (Bryman and Bell, 2011; Saunders et al, 2009; Hair et al, 2006a). Future research extending this study into other service contexts however could provide more external validity to this current study. Also, due to the use of scenarios, participants may not be as engaged as they would with the situation presented to them in scenario as they would be should they be in a field setting. Another limitation of using scenarios is that variables that would affect the situation in a field setting are not present and that in controlling them it should be recognised that this may affect the results.
For example, in the scenarios is that the participant is told in the scenario that they go to the restaurant to eat alone. In a field setting although some people do eat alone in restaurants, they may also go with other people which will affect their mood and experience of the service situation. However, to ensure that results were valid and that participants were as clear as possible about the situation, the participants in this study were told that they went to the restaurant and ate alone. What this study has aimed to achieve has been an internally robust study which might transferable and replicable to other service sectors and contexts thus future research could extend the present study.

Secondly, a non-probability quota sample is used thus although care has been taken in the design of this study to make the sample as representative of the population under examination as possible, results are not generalisable to the population (Saunders et al 2009). However, this was the most appropriate and best suited sampling technique to use since there was no appropriate sampling frame of the population under study thus probability sampling techniques could not be used. While many studies in the field of service failure and recovery use pure convenience samples, the quota sampling technique used in this study ensured that the sample was as representative of the population under study as possible. Saunders et al (2009, p236) supports this stating that using quota sampling can ensure a ‘reasonable to high’ ‘likelihood of a sample being representative’ (Saunders et al, 2009, p236). Thus, the sampling used in this study is arguably superior to the sampling techniques used in the majority of studies in the field.
Thirdly, more advanced research analysis methods could have been used such as structural equation modelling (SEM). Shiu et al (2009, p650) define SEM as ‘a hybrid multivariate technique that integrates both dependence and interdependence techniques, notably factor analysis and multiple regression’. SEM unlike multiple regression has the ability to examine ‘a series of dependent relationships simultaneously’ (Shiu et al 2009, p650). SEM is a flexible technique (Mazzocchi, 2008), and provides ‘explicit estimates of... error variance’ (Byrne 2001, p3). There are two types of SEM, namely, covariance based SEM (CB SEM) which is the most popularly recognised, and partial least squares SEM (PLS SEM) (Hair et al, 2011). For SEM to be employed ‘large sample sizes and continuous variables with multivariate normality’ are required (Bowen and Guo, 2012, p8; Kaplan 2009; Timm 2002; Hair et al 2011). Other requirements include that missing data should be random and no specification errors should be present (Kaplan 2009). Such requirements are difficult to meet. Should assumptions not be met then results may be ‘highly imprecise’ (Hair et al 2011, pp139-140). Should the requirement of multivariate normality not be satisfied misleading results could result including the ‘overestimation of likelihood ratio chi squared statistic’ (Kaplan 2009, p88). Also, large sample sizes are required; Foster et al (2006, p105) states that at least 200 cases are needed to use SEM but acknowledges that other authors have recommended ‘15 cases per predictor’ to get a minimum sample size. Should SEM have been employed however it would have enabled more relationships between the variables of interest in this study to have been examined. However, due to this method being more demanding in terms of requirements and simpler methods being the most appropriate to
test the hypotheses in this study, SEM was not employed. Instead T tests and 2-way between groups ANOVAs were sufficient to test the hypotheses.

8.7.2 Research context limitations

This empirical study focuses on the hospitality sector particularly in the restaurant context. This service context was chosen to provide the study with focus and due to the eating out market worth being ‘£18.27 billion (excluding alcoholic beverages)’ in 2009 (Keynote, 2011a) but despite this market growing, a number of restaurants, especially independents (The Caterer, 2014) are struggling to remain competitive due to rising costs and more demanding consumers due to these costs driving the prices of meals up (Mintel, 2014a). Thus, effective and successful service recovery in this context is ever more important in this context which is particularly prone to service failures. The restaurant service context was also chosen since it is a service context many people are exposed to; it was easy to find participants who were knowledgeable and experienced in eating at restaurants. Although the sector examined in this study stands to gain from the findings of this study, many other sectors could also benefit from a pre-failure recovery step; this is an area for future research.

It can however be assumed that in other service contexts the results might be different. For example, in a retail setting such as a grocery shop, a shopping context that occurs for most people with more frequency, a service failure in this situation may yield different results. Grocery shopping has been found to
be the most stressful shopping endeavour for consumers thus this different service context together with a service failure will affect how consumers perceive the severity of the service failure which will have a knock-on effect on the results.

8.7.3 Limitations with the variables used in this study

In this study the main dependant variable examined into is overall customer satisfaction. This variable was chosen since satisfaction has been acknowledged in previous literature to lead to resultant behaviours including engaging in positive word-of-mouth, repurchase intent (Choi and Chu, 2001) and customer loyalty which leads to higher firm profitability. In addition, satisfaction with service recovery is examined since Kim et al (2009) found that satisfaction with service recovery had a direct positive effect on word-of-mouth and intention to re-patronise the service provider. Satisfaction with service recovery is also found to have a positive effect on overall customer satisfaction. Thus, it was of key importance to this study that overall satisfaction and satisfaction with service recovery were examined into regarding the effect of pre-failure recovery on them. However, this study does not examine into any behavioural variables such as intention to re-patronise. Due to limitations of the time to complete this study, and to provide depth and focus to the study, the effect of pre-failure recovery on intention to re-patronise was not examined, however, the data was collected in the surveys thus could be used in the future to examine the effect of pre-failure recovery on intention to re-patronise. What is achieved in this study however, is a depth
of knowledge and understanding into the effect of pre-failure recovery, a new step in the service recovery process and its effect on consumer satisfaction.

In addition to examining into the main effects of pre-failure recovery on customer satisfaction, two moderating variables, namely criticality and compensation were also examined.

Criticality is used as a moderating variable in this study but only in so far as ‘time pressure’ related criticality. Future studies could extend the present study by examining into other situations of criticality and how they affect the variables including ‘purchase occasion’ (Ostrom and Iacobucci, 1995). The reason this form of criticality was used was due to it being a common issue for many consumers frequently whether it be in a restaurant or another consumption context.

Compensation is used in this study as an independent variable however only one type of compensation is used in the form of offering the customer a compensatory drink. Future studies could consider other forms and levels of compensation to see the effect these have on the variables. To keep this study focused, this one form of compensation was chosen as it was the most appropriate to the service failure presented in the scenarios based on the situation following results from qualitative interviews of restaurant going consumers.
Other moderating variables including demographics (age, sex), psychographics, and consumption behaviour (such as frequency the consumer usually eats in restaurants) could have been used in this study. Past literature has recognised that such variables can have an effect variables such as customer satisfaction. However, to get enough participants in each different condition once the sample has been broken up by such moderating variables there wouldn’t be enough to run the appropriate tests. Although the sample size of this study is large, the sample would need to be at least 1000 to have enough for each scenario group. Also, time was limited. Thus, running such tests were not feasible.

8.8 Outlook for Future Research

8.8.1 Extend the study into other service sectors

Service failure is inevitable and every service sector is prone to it (Miller et al, 2000; Hess et al, 2003). This study is highly replicable and transferable to other service sectors. Therefore, future research should extend this research in other service sectors.

Other sectors could include the automotive industry which is especially prone to service failure and is an industry with a high level of competitiveness amongst firms; in Miller et al’s (2000) study the automotive sector was the second most frequent (to restaurants who were the highest number of reported service failures in the study) sector to be mentioned in terms of service failure.
The study could also be extended into the transportation industry with a focus on airlines. Airlines face rising operational costs which mean they may have to increase air fares which might make it increasingly difficult to remain competitive amongst consumers (Keynote, 2016). In addition, airlines were also frequently mentioned by the study’s participants in terms of service failure in Miller et al’s (2000) study into service failure. The US department for transportation (2016 in Hazée et al, 2017, p101) found that of ‘423,889 US flights in the U.S. in February 2016, <70,000 flights were delayed, and almost 7000 flights were cancelled’. In this highly competitive sector, service failures are a major reason for customers defecting (Knox & Van Oest, 2014). Thus, this sector could potentially benefit from pre-failure recovery to keep customers satisfied with their service and to remain competitive.

Additionally, the study could be extended to the retail sector, as Aylott and Mitchell (1999) state that grocery shopping was ‘the most stressful of all shopping’ whilst ‘food retail’ accounted for ‘36% of all retail turnover in Great Britain’ (Central Statistical Office, 1990 in Aylott and Mitchell, 1999, p684). Thus, the use of pre-failure recovery in such an environment could greatly benefit retailers since there has been an increase in the importance of convenience for consumers when shopping (Berry et al, 2002), and failure to deliver the service of convenience could affect their market share and profits in the long term. Miller et al (2000) in their study found that the retail sector was the fourth most reported sector by participants in their study into service failure. Pre-failure recovery could thus minimise the damage of service failures and minimise the stress consumers are put under when they
experience the service failure. Across service industries, rising prices mean consumers are becoming ever demanding and keeping them satisfied is key to remaining competitive as a firm.

8.8.2 Examine into more moderators

Future research could also examine into the moderating effects of demographics (age, sex), psychographics, and consumption behaviour and how these moderate the relationship between pre-failure recovery and customer satisfaction. Additionally, researchers may want to replicate the study in other countries as cultural values may affect consumer’s reactions to the service failure and recovery situation. This is a logical step since previous research has found such variables to affect expectations of service recovery (Lin, 2000; Hess et al, 2003; Kanousi, 2005; Lin, 2010) and this will impact the success of the service recovery. More studies are needed into the effect of such variables and their effect on service recovery as literature is lacking in this area. Additionally, future studies could also examine further into the moderating variables in this study to look at the effects of other forms of criticality (as this study focuses on criticality in terms of time related criticality) and compensation and how these moderate the relationship between pre-failure recovery and customer satisfaction.
8.8.3 Examine different forms of pre-failure recovery

Future studies could examine into different forms of pre-failure recovery, as this study has identified that it is a service failure tool that can take multiple forms (not just pre-information as was focused upon in this study). In this study, pre-failure recovery was examined as pre-information (which is an intangible form of service recovery (Miller et al, 2000)), however future studies could examine pre-failure recovery as a tangible form of service recovery which could take the form of providing tangible compensation such as money off vouchers before the consumer experiences the service failure and its effect on consumers’ overall satisfaction and satisfaction with service recovery. Other forms of pre-failure recovery may also be tangible and could be studied into, such as if a supermarket has a refurbishment on their toilets, a form of pre-recovery could be to have temporary portable toilets hired just outside the store for customers to use (before they experience the in-store toilets not being available) to compensate for the ones in-store not being available for customers’ use.

8.8.4 Examine into pre-information and post-information

Researchers may also examine this model against using post service failure information to make a comparative study. Literature has already established the effect of the standard post failure recovery information, apologies and explanations. However, since the new pre-failure recovery stage in the form of pre-information has been recognised and examined into in this study, it would
be interesting to study into the effect of both pre-failure and post-failure (in the form of pre-information and post-information) both together and separately compared against each other in a future study. A similar idea was studied into by Pizzi and Scarpi (2013) who studied into disclosure time of information and its effects on satisfaction and re-patronage intention in out of stock situations online. Pizzi and Scarpi (2013) examined into providing ex ante information about out of stock items to providing information after the consumer chose the items and compared the effect this had on customers’ satisfaction and intention to re-patronise the service provider. Therefore, this would be a potentially useful and interesting extension into research on the pre-failure recovery step.
9. References


Keynote (2011a) Executive summary. Available at: https://www-keynote-co-uk.oala-proxy.surrey.ac.uk/market-


## 1. Appendices

**Appendix One: Positivism and Interpretivism**

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Positivism</th>
<th>Interpretivism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontology: 'the researcher’s view of the nature of reality or being' (Saunders et al, 2009, p119)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>View of the world (Saunders et al 2009; Easterby Smith et al 2008; Carson et al 2001)</td>
<td>The world is objective</td>
<td>The world is subjective and socially constructed</td>
</tr>
<tr>
<td>Reality (Saunders et al 2009; Easterby Smith et al 2008)</td>
<td>Single external</td>
<td>Multiple external</td>
</tr>
<tr>
<td><strong>Axiology: 'the researcher’s view of the role of values in research' (Saunders et al, 2009, p119)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Values in research (Saunders et al 2009; Easterby Smith et al 2008)</td>
<td>Value free, objective</td>
<td>Value bound and subjective</td>
</tr>
<tr>
<td>Researcher involvement (Saunders et al 2009; Easterby Smith et al 2008)</td>
<td>Independent</td>
<td>Part of the field setting. Can be an active participant in the research</td>
</tr>
<tr>
<td><strong>Epistemology: 'the researcher’s view regarding what constitutes acceptable knowledge' (Saunders et al, 2009, p119)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knowledge development (Saunders et al 2009)</td>
<td>General generalisable laws</td>
<td>Multiple truths are possible</td>
</tr>
<tr>
<td>Focus (Carson et al 2001, p6)</td>
<td><em>generalisation and abstraction</em></td>
<td>Focus on the specific details of the situation</td>
</tr>
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</table>
| **Explanations'**  
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<tr>
<th></th>
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<tbody>
<tr>
<td>(Easterby Smith et al 2008)</td>
<td>Demonstrate 'casuality'</td>
<td>Aims to increase general understanding</td>
</tr>
</tbody>
</table>
| **Units of Analysis**  
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<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>(Easterby Smith et al 2008)</td>
<td>Reduced to simplest elements</td>
<td>Deals with complex even whole situations</td>
</tr>
</tbody>
</table>

**Methodology**

| **Popular data collection and analysis form used**  
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>(Saunders et al 2009)</td>
<td>Quantitative Qualitative</td>
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</tbody>
</table>

| **Research approach**  
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>(Easterby Smith et al 2008)</td>
<td>Deductive Inductive</td>
</tr>
</tbody>
</table>

| **Objective of research**  
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>(Carson et al 2001, p6)</td>
<td>Explanation, description and prediction <strong>Understanding and interpretation</strong></td>
</tr>
</tbody>
</table>

| **Structure**  
<table>
<thead>
<tr>
<th></th>
<th></th>
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<tbody>
<tr>
<td>(Saunders et al 2009)</td>
<td>Highly structured Unstructured</td>
</tr>
</tbody>
</table>

| **Research methods**  
<table>
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<th></th>
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</thead>
<tbody>
<tr>
<td>(Saunders et al 2009; Carson et al 2001)</td>
<td>Survey Interviews, Focus groups, Observations</td>
</tr>
</tbody>
</table>

*Sources: Developed from Saunders et al (2009), Carson et al (2001), and Easterby Smith et al (2008)*
Appendix Two: The Advantages and Disadvantages of Quantitative and Qualitative research

<table>
<thead>
<tr>
<th>Approach</th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantitative</td>
<td>Objective</td>
<td>Inflexible</td>
</tr>
<tr>
<td></td>
<td>Cover wide range of situations (Easterby Smith et al 2008)</td>
<td>Cannot always gain the in-depth understanding of phenomena that qualitative research can gain.</td>
</tr>
<tr>
<td></td>
<td>fast and economical' (Easterby Smith et al 2008, p42)</td>
<td>Design of questionnaire can lead to bias</td>
</tr>
<tr>
<td></td>
<td>Results may be generalisable depending on sampling technique adopted</td>
<td>Can be costly</td>
</tr>
<tr>
<td></td>
<td>Can gain data from a large sample</td>
<td></td>
</tr>
<tr>
<td>Qualitative</td>
<td>Gains rich in-depth insights</td>
<td>Prone to subjective bias</td>
</tr>
<tr>
<td></td>
<td>Flexible</td>
<td>Time intensive</td>
</tr>
<tr>
<td></td>
<td>Results are not generalisable to the population under study</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tend to be smaller samples</td>
<td></td>
</tr>
</tbody>
</table>

*Sources: Developed from Research Methodology (2015) and Easterby Smith et al (2008)*
### Appendix Three: The Advantages and Disadvantages of Sampling methods

<table>
<thead>
<tr>
<th>Probability sampling</th>
<th>Description</th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Simple random</td>
<td>Selecting cases from sampling frame completely at random</td>
<td>Can be potentially costly; ‘Better with over a few hundred’ for sample size; Can be difficult to explain to researchers (Saunders et al 2009, p224)</td>
<td></td>
</tr>
<tr>
<td>Systematic</td>
<td>Involves selecting participants at ‘regular intervals from the sampling frame’ (Saunders et al 2009, p226)</td>
<td>Can be low cost; good for all sample sizes; Easy to explain to researchers</td>
<td></td>
</tr>
<tr>
<td>Stratified random</td>
<td>The population is divided into strata and cases are selected at random from each of the strata</td>
<td>Can be low cost; 'Better comparison and hence representation across strata' (Saunders et al 2009, p224)</td>
<td>Can be difficult to explain to researchers</td>
</tr>
<tr>
<td>Cluster</td>
<td>The population is divided into naturally occurring clusters and using random sampling a few clusters are selected from which to sample from</td>
<td>Can be low cost and quick</td>
<td>Can be difficult to explain to researchers</td>
</tr>
<tr>
<td>Multi stage</td>
<td>A series if cluster samples are taken</td>
<td>Can be low cost, can be used for large complex populations.</td>
<td>Can be difficult to explain to researchers; can be hard to make adjustments to response rates and large errors can occur.</td>
</tr>
<tr>
<td>Non probability sampling</td>
<td>Cases are selected non randomly to fulfil a quota</td>
<td>Reasonable to high chance of sample being representative (Saunders et al 2009, p236)</td>
<td>Moderately high to reasonable cost (Saunders et al 2009, p236)</td>
</tr>
<tr>
<td>--------------------------</td>
<td>------------------------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------</td>
</tr>
<tr>
<td>Quota</td>
<td>Cases are selected non randomly to best help answer the research question</td>
<td>low chance of sample being representative (Saunders et al 2009, p236)</td>
<td>low chance of sample being representative (Saunders et al 2009, p236)</td>
</tr>
<tr>
<td>Purposive</td>
<td>Cases are selected non randomly and they are then asked to identify more cases who will then identify more cases and so on.</td>
<td>low chance of sample being representative (Saunders et al 2009, p236)</td>
<td>low chance of sample being representative (Saunders et al 2009, p236)</td>
</tr>
<tr>
<td>Snowball</td>
<td>Respondents are advertised to so that cases may identify themselves and come forward to participate.</td>
<td>Low cost (Saunders et al 2009, p236)</td>
<td>Low cost (Saunders et al 2009, p236)</td>
</tr>
<tr>
<td>Self-Selection</td>
<td>Selecting cases non randomly</td>
<td>Low cost (Saunders et al 2009, p236)</td>
<td>very low chance of sample being representative (Saunders et al 2009, p236)</td>
</tr>
</tbody>
</table>

Sources: Developed from Saunders et al (2009)
### Appendix Four: The Advantages and Disadvantages of modes of survey administration

<table>
<thead>
<tr>
<th>Method</th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Face to face</strong></td>
<td>High confidence that correct person is responding; high response rate;</td>
<td>Sample is likely to have to be geographically concentrated; time consuming;</td>
</tr>
<tr>
<td></td>
<td>ideal for long surveys; ideal for complex questions</td>
<td>can be prone to social desirability bias</td>
</tr>
<tr>
<td><strong>Phone</strong></td>
<td>High confidence that correct person is responding; sample can be geographically dispersed; high response rate (but lower than face to face); ideal for long surveys; ideal for complex questions</td>
<td>Time consuming; can be prone to social desirability bias</td>
</tr>
<tr>
<td><strong>Self Administered</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Post</strong></td>
<td>Sample can be geographically dispersed; ideal for sensitive subjects; low</td>
<td>Low confidence that correct person is responding; low response rate</td>
</tr>
<tr>
<td></td>
<td>cost</td>
<td></td>
</tr>
<tr>
<td><strong>Online</strong></td>
<td>High confidence that correct person is responding when distribution is by</td>
<td>Low response rate</td>
</tr>
<tr>
<td></td>
<td>email; sample can be geographically dispersed; can be low cost</td>
<td></td>
</tr>
</tbody>
</table>
Delivery and collection: Sample can be geographically dispersed. Low confidence that correct person is responding, but this ‘can be checked at collection’; low response rate. (Saunders et al, 2009, p364)

Sources: Developed from Saunders et al, (2009), and Weisberg, (2005)
### Appendix Five: Constructs and their measurements

<table>
<thead>
<tr>
<th>Construct</th>
<th>Scale</th>
<th>Statement items</th>
<th>Source</th>
<th>Justification</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Intention to re-patronise</em></td>
<td>five point scale, anchored at each point from very unlikely to very likely</td>
<td>what is the likelihood that you would eat at this restaurant in the future?</td>
<td>From Blodgett et al (1997)</td>
<td>From reputable journal and scale items could be easily adapted to the scenarios in this thesis' study</td>
</tr>
<tr>
<td></td>
<td>five point scale, anchored at each point from strongly disagree to strongly agree</td>
<td>If this situation happened to me I would never eat at this restaurant again</td>
<td>From Blodgett et al (1997)</td>
<td>From reputable journal and scale items could be easily adapted to the scenarios in this thesis' study</td>
</tr>
<tr>
<td></td>
<td>five point scale, anchored at each point from strongly disagree to strongly agree</td>
<td>If this had happened to me I would still eat at this restaurant in the future</td>
<td>From Blodgett et al (1997)</td>
<td>From reputable journal and scale items could be easily adapted to the scenarios in this thesis' study</td>
</tr>
<tr>
<td><em>Overall Satisfaction</em></td>
<td>Seven point scale, anchored at each point from strongly disagree to strongly agree</td>
<td>I am satisfied with my overall experience with the restaurant</td>
<td>Maxham and Netemayer (2002)</td>
<td>From reputable journal and scale items could be easily adapted to the scenarios in this thesis' study</td>
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<tr>
<td>Measure</td>
<td>Scale Description</td>
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<td>Adaptability</td>
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<tr>
<td>Seven point scale, anchored at each</td>
<td>As a whole, I am not satisfied with the restaurant</td>
<td>Maxham and Netemayer (2002)</td>
<td>From reputable journal and scale items could be easily adapted to the scenarios in this thesis' study</td>
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<tr>
<td>seven point scale anchored at each</td>
<td>How satisfied are you overall with the quality of the service you received?</td>
<td>Maxham and Netemayer (2002)</td>
<td>From reputable journal and scale items could be easily adapted to the scenarios in this thesis' study</td>
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<td>point from 'very dissatisfied' to 'very satisfied'</td>
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<td>Disconfirmation</td>
<td>Seven-point scale, anchored at each point from 'much worse than expected' to 'much better than expected'</td>
<td>The restaurant's overall response to my problem was...</td>
<td>Adapted from Smith et al (1999) and Oliver and Swan (1989a and 1989b)</td>
<td>From reputable journals and adaptable to the scenarios.</td>
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<td>Perceived severity of service failure</td>
<td>five point scale, anchored at each point from 'not a problem' to 'a major problem'</td>
<td>What I experienced in the restaurant was ...</td>
<td>Measures adapted from Maxham and Netemayer (2002)</td>
<td>Scales are adapted from a reputable journal article and are appropriate and adaptable to this study's scenarios</td>
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<td><strong>Expectation of service recovery</strong></td>
<td>five point scale, anchored at each point from 'strongly disagree' to 'strongly agree'</td>
<td>I expect the restaurant to do whatever it takes to guarantee my satisfaction.</td>
<td>Measures adapted from Maxham and Netemayer (2002) and Hess et al (2003)</td>
<td>Scales are adapted from a reputable journal article and are appropriate and adaptable to this study's scenarios</td>
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<td>five point scale, anchored at each point from 'not an aggravation' to 'a major aggravation'</td>
<td>What I experienced in the restaurant was ...</td>
<td>Measures adapted from Maxham and Netemayer (2002)</td>
<td>Scales are adapted from a reputable journal article and are appropriate and adaptable to this study's scenarios</td>
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<td>five point scale, anchored at each point from 'no inconvenience' to 'a major inconvenience'</td>
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<td>Measures adapted from Maxham and Netemayer (2002)</td>
<td>Scales are adapted from a reputable journal article and are appropriate and adaptable to this study's scenarios</td>
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<td>I expect the restaurant to exert much effort to make up for the inconvenience caused.</td>
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<td>I expect the restaurant to try to make up for the inconvenience caused.</td>
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<td>what would your personal expectations have been that you would have received compensation?</td>
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<td>The outcome I received was fair.</td>
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<td>From a reputable journal and was broad enough to be applicable to this study</td>
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*Distributive justice*

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<tr>
<td><strong>Procedural Justice</strong></td>
<td>five point scale, anchored at each point from strongly disagree to strongly agree</td>
<td>I did not get what I deserved</td>
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<td>In acknowledging the issue the restaurant gave me what I needed.</td>
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<td>The outcome I received was not right</td>
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<tr>
<td><strong>Procedural Justice</strong></td>
<td>five point scale, anchored at each point from strongly disagree to strongly agree</td>
<td>The length of time taken to resolve my problem was longer than necessary</td>
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<td>The timing of the restaurant's communications to me about the problem I experienced could have been better.</td>
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<tr>
<td><strong>Interactional Justice</strong></td>
<td><strong>five point scale, anchored at each point from strongly disagree to strongly agree</strong></td>
<td><strong>They did not tell me the cause of the issue</strong></td>
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<td></td>
<td><strong>five point scale, anchored at each point from strongly disagree to strongly agree</strong></td>
<td><strong>The restaurant did not seem very understanding about the problem I had experienced</strong></td>
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<tr>
<td></td>
<td><strong>five point scale, anchored at each point from strongly disagree to strongly agree</strong></td>
<td><strong>They seemed very concerned about my problem.</strong></td>
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<tr>
<td></td>
<td><strong>five point scale, anchored at each point from strongly disagree to strongly agree</strong></td>
<td><strong>The restaurant was sympathetic and caring</strong></td>
</tr>
<tr>
<td>Customer satisfaction with service recovery</td>
<td>five point scale, anchored at each point from strongly disagree to strongly agree</td>
<td>The restaurant provided a satisfactory resolution to the issue experienced on this particular occasion.</td>
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<tr>
<td>five point scale, anchored at each point from strongly disagree to strongly agree</td>
<td>I am not satisfied with the restaurant’s handling of this particular problem</td>
<td>Adapted from Maxham and Netemayer (2002)</td>
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<tr>
<td>five point scale, anchored at each point from strongly disagree to strongly agree</td>
<td>Regarding this particular event, I am satisfied with the restaurant.</td>
<td>Adapted from Maxham and Netemayer (2002)</td>
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Appendix Six: Interview transcripts

Key for transcripts

Service failure
- Perceived causes of service failure
- Expectations
  - Expectation of meal delivery
- Prevention
  - Illness/contamination/hygiene
- Expectation of service recovery
- Customer satisfaction
- Intention to re-patronise
- Criticality
- Believability of scenarios
- Scenario Advice

P1 interview transcription

I - Good afternoon and thank you for participating in this interview, my name is Ursula Furnier and I will be interviewing you today. This interview will be recorded so that I can transcribe my research and use it in more depth to analyse my research and findings. Your identity will remain anonymous and your information shall not be used by any third parties and only for the purpose of my research. Feel free to be spontaneous and to answer freely there are no right or wrong answers.

Please imagine you arrive at a restaurant and you are shown to your seat by the waiter.

You order your drinks and your meal. Your drinks soon arrive. (Show stimulus photo one) When you go to a sit-down restaurant how long on average do you expect to wait for your meal?

P- ummm....usually twenty minutes to half an hour depending on the restaurant *sniffs*

I – Ok ummm, can you go into more detail on that please?

P- um, well around twenty minutes would be any kind of normal high street sit down restaurants and most of the big chain ones....really most of the restaurants, thirty minutes might be a little pub in the middle of nowhere.  

I – so just to clarify mostly you would expect to wait around twenty minutes?

P- Yes as an average around 20 minutes for most restaurants

I - How would you feel if it took double that time for your meal to arrive?
P- umm, well personally I’d start to be getting impatient and considering leaving. I would definitely be getting impatient.

I - Would you do anything before you left?

P- ummm yeaaa, I would try to get the attention of one of the waiters

I – Before you left

P – before I left

I – ok, What reasons may you think of as to why the meal took that time to arrive?

P- umm well, unless it was inordinately busy then it shouldn’t normally take that amount of time, so other than the restaurant being very busy, i guess a lack of whatever they need to prepare the meal i suppose umm....or if they don’t have the staff there or anything like that

I – ok...

P- lack of resources i suppose....

I – ok, ok, now please imagine that you have waited double the amount of time you would expect for your meal to arrive. Your meal arrives. There are no faults with you meal. You enjoy it.

(shows stimulus photo two). You then request the bill. You pay the bill and then exit the restaurant.

Would you go back to this restaurant?

P – umm, generally not. no

I - Why would you not return?

P – well because it is....they haven’t met my expectations, the expectations I’d normally sort of have for a restaurant. I mean there would be exceptional circumstances, i mean if the restaurant was exceedingly busy but there service was still really good then I would consider going back but not normally I wouldn’t due to the slow service. Especially because for most of those places I would have booked for, as in i would have reserved a table, if i’m going for a sit down meal, I’d kind of expect the service to be a bit more prompt than that.

I – Ok, umm, would you be satisfied with the service you experienced in this restaurant scenario?

P – well...if the other aspects of the service, like, how we’re treated and things like that then yes but....sorry I’m just thinking of how I should phrase this...if
other aspects of the customer service that they have at the restaurant were really good I think it would reflect favourably but on the...predominately if i’m just sat there waiting for around 40 minutes then for food to come out then, then probably i’m not gonna have a very good opinion of them.

I – ok, ok, so... Why would you be satisfied?

P – umm...just...the quality of service umm, the politeness of the service staff, the quality of the food, if it were as I expected.

I – ok, please focus on the scenario I have presented you with...why would you be dissatisfied?

P- ok well its just really the amount of time, i had to wait for the meal to arrive so the slowness and quality of the service. Really I would mainly be dissatisfied due to the amount of time I had to wait for the meal to arrive. I mean if they were especially polite about it and had umm apologised for the wait that would probably change my opinion.

I - Considering you waited for double the expected amount of time, would you expect the restaurant to do anything about this? If so, what?

P – umm well I would expect them to do something about it in the future like if it was shortage of staff then i would expect them to rectify it.

I – yes but would you expect the restaurant to do anything about this experience of yours on this occasion?

P – other than being apologetic I probably wouldn’t expect more than that.

I - If when you paid the bill you were told that you waited longer for your meal due to a member of the kitchen staff becoming ill and sent home, what thoughts would come to you? Please be spontaneous when answering this...

P – ok well I would feel better about the situation and then if it is something out of their control then yea, yea I would acknowledge that wasn’t their fault and I probably would come back to the restaurant if that was the case.

I - Do you think this situation could have been prevented by the restaurant?

P- ...umm....erm...they probably could have, yes, but that would require them having cover staff and things like that but that’s not always realistic. So they probably could of yes.

I - Ok, thankyou... Is there anything you would have expected the restaurant to do in this situation?
P – umm ...well...I, I would have expected them to inform their customers that it would have taken longer at the very least.

I – ok, when would you expect to be informed of this?

P – probably as you have been sat down, before you order your drinks....fairly immediately.

I - Is there anything the restaurant could have done to make the situation more acceptable to you?

P – umm yea well as i said if they were polite and apologetic and would explain it that would have been enough.

I – ok

P – being informed of the situation would have made it more acceptable.

I - Ok, now imagine that before you entered the restaurant, a sign informed you that meals were taking twice as long as you would expect to be served due to a member of kitchen staff being sent home ill. *(Show stimulus photo three)* What thoughts come into your mind when you see this sign?

P – what before we’ve been seated in the restaurant?

I – yes

P - ...well...it would i guess be a consideration to find another restaurant but that depends on the situation

I – ok ok, could you please elaborate on that?

P – umm...so well if time was not an issue that evening, so if I didn’t have anywhere else to go then if its a restaurant where I’ve already reserved a seat for then I would probably still go in but if time was a factor then I probably would consider going to another restaurant.

I – ok, so would you still eat at the restaurant?

P – umm as I said it would only be if I’ve already reserved a place in the restaurant and time was not a factor

I - If you were informed of the situation before you were shown to your table how then do you think you would have felt experiencing the situation?

P – umm well probably a lot more understanding about the situation if they’d already informed me. If I wasn’t informed at all and if it were never explained to me then I would be...

I – would you feel more positive or negative about the situation?

P – I, I would feel more positive about the situation
I - ok I’d like you to read through this scenario *(shows scenario one)*...please let me know when you’re done.

P- ok. Yup.

I - Do you find the scenario believable?

P- yes...definitely. I’ve experienced this lots of times.

I - How would you go about making the scenario more realistic?

P- I don’t know really...maybe have the waiter come to check on you at least once instead of just leaving you to it.

I – ok, ok I’d like you to read through this scenario *(shows scenario two)*...please let me know when you’re done.

P- yup yup.

I - Do you find the scenario believable?

P- yes

I – why do you find it believable?

P- well they’ve told you there is a delay and they’ve apologised telling you why meals are taking longer to prepare and have even given you a free drink to make up for the inconvenience.

I - How would you go about making the scenario more realistic?

P- dunno...umm...

I - Are there any additional idea you have that would make the scenario more engaging?

P- not really. Both seem pretty accurate.

I – ok thankyou. We have come to the end of this interview today. Thank you for participating. Your participation will help greatly with my research. I will now go and transcribe this in my research so that I can analyse my findings.

**P2 interview transcription**

I - Good afternoon and thank you for participating in this interview, my name is Ursula Furnier and I will be interviewing you today. This interview will be recorded so that I can transcribe my research and use it in more depth to analyse my research and findings. Your identity will remain anonymous and your information shall not be used by any third parties and only for the purpose of my research. Feel free to be spontaneous and to answer freely there are no right or wrong answers.
Please imagine you arrive at a restaurant and you are shown to your seat by the waiter.

You order your drinks and your meal. Your drinks soon arrive. *(Show stimulus photo one)* When you go to a sit-down restaurant how long on average do you expect to wait for your meal?

P2 – half an hour

I – half an hour...ok, and how would you feel if it took double that time for your meal to arrive?

P2 – quite annoyed

I – can you elaborate on that please?

P2 – umm *getting impatient, probably start to feel even hungrier ... it would just make me more angry.*

I – ok, what reasons may you think of as to why the meal took that time to arrive?

P2 - umm *problems with the kitchen, umm other people in the restaurant, wrong order, waiting staff having problems*

I – Ok, now please imagine that you have waited double the amount of time you would expect for your meal to arrive. Your meal arrives. There are no faults with your meal. You enjoy it.

*(show stimulus photo two)* You then request the bill. You pay the bill and then exit the restaurant.

Would you go back to this restaurant?

P2 – yes

I – ok, why would you return?

P2 – well umm, *just because it took so long this time, doesn’t mean it would happen again, it could just be random occurrence, and it shouldn’t affect my judgement on the restaurant as a whole*

I – ok if it happened on more than one occasion would you still return?

P2 – no, but it might not stop me going it just may be a last choice.

I – ok, let's go back to the scenario of it happening the one time you are there experiencing it. Would you be satisfied with the service you experienced in this restaurant scenario?

P2 – if they apologised for the wait then yes.

I – ok, why would you be satisfied?
P2 – umm...I’d be satisfied if they apologised cause I’d assume they’d explained umm the waiting period and it’s not their fault.
I – ok, why would you be dissatisfied?
P2- If they didn’t and they didn’t acknowledge you then I would feel that they didn’t care so much
I – and would that make you feel more dissatisfied?
P2 – yes

I – Ok, considering you waited for double the expected amount of time, would you expect the restaurant to do anything about this?
P2 – no
I – why not?
P2 - Again it, depending on what the problem was like if there’s so many people waiting then its not really their fault. If it was something that was their fault that messed up just my meal then i might expect something, money off. otherwise...no
I – could you clarify that?
P2 – if it was their fault then i might expect them to umm give compensation for it but otherwise if its not their fault and its just generally busy then i wouldn’t expect anything from them.
I – ok and in what form would expect compensation to come in?
P2 – umm maybe money off the meal or money off the drinks
I – would you say being busy then is a legitimate reason?
P2 – no. It’s not their fault if its busy and if there’s a lot of people waiting for their meal they can’t give compensation out to everyone.

I – ok, if when you paid the bill, you were told that you waited longer for your meal due to a member of the kitchen staff becoming ill and sent home, what thoughts would come to you?
P2 – I wouldn’t mind
I – you wouldn’t mind?
P2- I wouldn’t expect anything for that. Not their fault.
I - Do you think this situation could have been prevented by the restaurant?
P2- umm...if they came into work sick then yes I think it could be prevented otherwise if they became ill during work then, no.
I – ok, Is there anything you would have expected the restaurant to do in this situation?
P2 - ...
I – so lets say a member of kitchen staff is sent home in the middle of the day due to becoming ill.
P2 – I would expect them to check the food to make sure it was not contaminated. Other than that, apart from that, they could get an extra staff member in, otherwise no.
I – ok you mentioned the other staff member, can you elaborate on why you may have thought that the food may have become contaminated?
P2- because they got sick while they were at work
I – what reasons may you think of to why they became ill at work then?
P2- umm dealing with other customers, may have given food that wasn’t alright, umm thats all i can think of
I – ok ok so check the food is not contaminated and get an extra member of staff in
P2- ahhhaa (in agreement)
I - Is there anything the restaurant could have done to make the situation more acceptable to you?
P2- umm, no... as long as they said, they apologised that’s all, that’s all I would need really.
I - Now imagine that before you entered the restaurant, a sign informed you that meals were taking twice as long as you would expect to be served due to a member of kitchen staff being sent home ill.
(Show stimulus photo three) What thoughts come into your mind when you see this sign?
P2 – How long is it gonna take and why were they sick ...did it affect anyone else ...or the food
I – ok can you elaborate on why you may think that?
P2- umm if someone’s ill and they’re dealing with food I can imagine it spreading quite easily
I – ok, would this concern you?
P2- a little
I – ok, would you still eat at the restaurant knowing this?
P2 – probably not
I – ok, why wouldn’t you eat at the restaurant?
P2- mainly because it would take too long
I - mainly because it would take too long, so it’s really the time issue?
P2- yea, I would’ve thought if they were really sick they would’ve closed the restaurant, just in case
I – ok, so the fact that all they felt was needed was a sign, that was enough to reassure you?
P2- yes
I – ok. If you were informed of the situation before you were shown to your table how then do you think you would have felt experiencing the situation?
P2- umm...probably less angry about it
I – can you elaborate?
P2- being told look there was a problem, what the problem was ...I would’ve been annoyed if I’d just been left and had to wait without any explanation at all
I – ok ok. would you have been more satisfied or dissatisfied as a result of being informed before you were shown to your table
P2- more satisfied.
I – ok please read scenario 1d (no compensation, no inform) and let me know when your done.
P2- ok, read it.
I – looking at the scenario, do you find the scenario believable?
P2 – yes
I – ok why do you find it believable?
P2- Umm...seems normal
I - How would you go about making the scenario more realistic? ....what would make it come to life more?
P2- not a lot really...I’ve had this before. Maybe the waiter coming up a bit more to say sorry or ask you if you want anymore drinks.
I – ok, now please read scenario 1a (compensation and inform) and let me know when you’re done.
P2 – ok
I – ok, do you find the scenario believable?
I – ok, why do you find it believable?

P2 – yes

I – ok, so just to clarify the compensation they’re giving is reasonable for what you’ve experienced?

P2 – yes

I - How would you go about making the scenario more realistic?

P2 – having a member of staff come over and repeat what the sign says just to clarify with you that you saw it

I – what would you say if you were the waiter?

P2 – umm...as you may be aware or not aware we’ve had a problem with one of the kitchen staff becoming ill and its taking longer for meals to be served...about double the time

I – umm and when would they say this to you?

P2 – before they seat you at your table

I – in addition to the sign?

P2 – yes

I – and that would make it more realistic than just having the sign?

P2 – yes

I - Are there any additional ideas you have that would make the scenarios more engaging?

P2 – err...no not really...it seems quite realistic, yea.

I - We have come to the end of this interview today. Thank you for participating. Your participation will help greatly with my research. I will now go and transcribe this in my research so that I can analyse my findings. Thankyou once again.

P3 interview transcription

I - Good afternoon and thank you for participating in this interview, my name is Ursula Furnier and I will be interviewing you today. This interview will be recorded so that I can transcribe my research and use it in more depth to analyse my research and findings. Your identity will remain anonymous and your information shall not be used by any third parties and only for the
purpose of my research. Feel free to be spontaneous and to answer freely there are no right or wrong answers.

Please imagine you arrive at a restaurant and you are shown to your seat by the waiter.

You order your drinks and your meal. Your drinks soon arrive. *(Show stimulus photo one)* When you go to a sit-down restaurant how long on average do expect to wait for your meal?
P3- once the meal has been ordered i tend to expect about a ten to fifteen minute wait err depending on what I’ve ordered.
I – ok, can you elaborate on that answer please?
P3 – so for example, if I’ve ordered a steak for example I would expect that to take up to about fifteen minutes for them to cook it and prepare it erm whereas if i ordered a salad i would expect that to arrive in about five to ten minutes as it would be quite quick to put together
I – ok, and how would you feel if it took double that time for your meal to arrive?
P3 – I wouldn’t be too impressed but it would depend on the customer service of the waiters. I mean i have been in restaurants before when it has taken that long and the waiters have made up for it with the fact that they are quite approachable , they’re very friendly about it and have a laugh and joke with you while you’re waiting and to make your evening still enjoyable even though you have to wait .
I – ok just based on this scenario that I’m taking you through. Just the fact you’ve been left to it and its taken double the amount of time for your meal to arrive ... how else would you feel?
P3 – I would feel that the managers didn’t really care about the customers the fact that the food’s not arriving promptly and there’s been no apparent explanation as to why
I – ok, and what reasons may you think of as to why the meal took that time to arrive?
P3- err eventually, err may lack of resources so if their umm if they’re overpressed in the kitchen then they may not be able to get everything out on time, and that sort of thing.
I – ok, ok. Now please imagine that you have waited double the amount of time you would expect for your meal to arrive. Your meal arrives. There are no faults with your meal. You enjoy it. 

*(show stimulus photo two)* You then request the bill. You pay the bill and then exit the restaurant.

Would you go back to this restaurant?

P3 – If the meal was up to standard I probably would but it wouldn’t be a first choice restaurant.

I – ok, and why would this be?

P3- erm, because it’s not... when you go to a restaurant it’s not just the food you’re looking at its the atmosphere and the service you get from the staff as well as just the food.

I – ok, the experience I’ve just presented to you, the scenario... on this basis why would you return and why wouldn’t you return?

P3- I would return because the food there is up to standard and it is worthwhile. I wouldn’t return for the simple fact that if you’re going for a meal you expect to have that meal in a certain amount of time and you don’t expect to be left on your own with no explanation.

I - would you be satisfied with the service you experienced in this restaurant scenario?

P3 – no because i would, i I said I would’ve expected to have some explanation given by the management as to why its taken so long.

I – ok so why would you be dissatisfied?

P3 – the lack of response from the staff to keep you updated as to what’s going on ummm with your meal err if its taken much longer than that I would’ve been calling the waiter over and asked myself what happened to it.

I – ok when would you start calling the waiter over then to ask what had happened to it?

P3- probably, personally around the twenty, twenty-five minute mark cause that’s what I’d normally expect or getting towards that is what I’d normally expect the meal to be cooked.

I – ok so just to clarify when it gets to double the amount of time you’d expect then you’d intervene and ask the waiter what happened to your meal?

P3- yes i would yes.
I – Ok so, considering you waited for double the expected amount of time, would you expect the restaurant to do anything about this?

P3- I would expect at the very least an apology from the waiter who brings it over, just a sorry, that would be the very least I would expect. If it’s something the manager is aware of a short staffing or whatever, I would expect that apology to be coming from the manager as a personal thing because that is then their responsibility to try and fix.

I – ok so you’re seeing it as their responsibility, is there anything else you would have expected for the restaurant to have done? You said an apology at the very least...

P3- yea erm, depending on the restaurant so umm going by the picture that you are showing me

I – well just the average restaurant you would go to really

P3- the average restaurant for myself it could be either American diners or Italian restaurants so from them I would expect to ...if its been that long...I would expect for them to offer something as a recompense, for example erm a voucher for a certain amount off of your next meal when you come back or things like that

I – ok, how about a discount for the meal you’ve currently had?

P3- that would also be acceptable yes.

I – you mentioned the pictures in the scenario, could you go into that?

P3- I was just saying, the picture you’ve provided for picture one (the paella), I would assume something like that would be a lunchtime restaurant so smaller meals erm with a glass of wine to go with it so I wouldn’t expect it to be a full blown restaurant looking at that picture. So that sort of thing i would expect them to maybe provide a discount off of that meal or maybe provide a free drink or something like that with the meal.

I – Ok, if when you paid the bill you were told that you waited longer for your meal due to a member of the kitchen staff becoming ill and being sent home, what thoughts would come to you?

P3- that would...ease my irritation ...in that they have at least given an explanation as to why it took so long erm...but i would still be, they would at that point effectively have given me an apology so i would be satisfied with the answer so its explained why its taken so long but i probably again would...
not have chosen it as a first choice restaurant as, due to the fact that if they
don’t have enough staff to cover somebody going off ill and i went in there
when it was busy then i wouldn’t expect to get a meal in a timely manner.

I – ok, do you think this situation could have been prevented by the restaurant?
P3 – erm, in that scenario having to sent someone home, erm...i believe the
only prevention would have been to have to have a member of staff already
there err so you don’t lose that productivity if that happens however if its a
simple thing of the staff has come in and has become sick at work there isn’t
much else that can be done in that scenario.

I – ok, well Is there anything you would have expected the restaurant to do in
this situation?
P3 – I would’ve expected the explanation to come a bit sooner so as soon as
they send the person home when they know they’ve got people waiting they
come out and just say, look, we’re short a member of staff its gonna take a
little bit longer than usual ...

I – and how about for people coming into the restaurant?
P3 – new people coming in ...i would say let them know, erm they are running
a bit short so its gonna take a little while for orders to be processed then if they
know the average time it takes to process then let them know for example, if
you walk in and you’re expecting a meal within, what, twenty minutes and
they’re short a member of staff, if they know its gonna add another five
minutes onto their meal time then let them know as they come in through the
door.

I – ok ok, umm, so basically would you say then apologising, give them an
explanation, inform them as soon as they come in what the situation is and
how its going to affect them if they eat there?
P3 – yes, i would, yes.

I – ok then. Is there anything the restaurant could have done to make the
situation more acceptable to you?
P3 – again, as i said...explain things sooner rather than later and potentially if
they know you’ve been waiting a while, then potentially maybe offer you a
free drink or something like that just so that you’ve got something in front of
you while you’re waiting.

I – ok then, so when would you expect to be offered the free drink?
P3 – errm, if the meal takes more than, i would say more than twenty minutes to do so ten minutes longer than normal then i would expect them to come across and say your meal’s gonna take a while longer than expected erm cause they may not know exactly how long, so your meal’s gonna take a little longer than expected would you like a drink on the house while you wait?

I – ok, so at the beginning of the meal then?

P3 – yes

I – ok, now please imagine that before you entered the restaurant, a sign informed you that meals were taking twice as long as you would expect to be served due to a member of kitchen staff being sent home ill. (Show stimulus photo three) What thoughts came into your mind when you see this sign?

P3 – if i saw that as i walked in i would be thinking that we’d probably have to do a couple of drinks orders before the food arrives umm just while we’re waiting. Erm, potentially depending on how busy the restaurant is i would even consider finding a new location as if its very busy then you wouldn’t expect to get, you’d expect to be waiting a long while for your food.

I – ok, so... would you still eat at the restaurant knowing this?

P3 – yes.

I – ok, why would you still eat at the restaurant?

P3 – because I would expect the quality of the food to make up for that wait...especially if I’ve been there before and it’s been good food then I would expect that wait to be worthwhile for the food that comes out.

I – ok, and what if you hadn’t eaten there before?

P3 – if i hadn’t eaten there before probably i would still say if it was either quiet or an average night because waiting a little while longer for the food when you know the reason is ok, it would still be slightly annoying but as long as the staff are up to speed on their service it would still be alright. But then I would expect the food to be of a standard that would make up for it.

I – ok, if you were informed of the situation before you were shown to your table how then do you think you would have felt experiencing the situation?

P3 – my expectations would be that they would give...provide the food in the time they’ve told me, so if they said it was gonna take twice as long then i would be expecting that and i would also be expecting that the
waiters are always on hand to make sure that you didn’t want to get anything else, like if you want another round of drinks, or that you want to try and add or take something from your order or whatever. So they’re always on hand if you need them.

I – but experiencing the longer wait...you said waiting double the time you felt frustrated...how would you feel knowing this then?

P3 – if i was already expecting it then it wouldn’t rate that high on my awareness as it were, err because i would already be subconsciously ready for that wait.

I – so would you be more satisfied or dissatisfied?

P3 – i would probably be more satisfied because they’ve already explained the situation, they’ve already pre-empted that it’s gonna take a little bit longer and they’ve already warned me so the fact that I’m still eating there- I’m expecting that and I would expect it to take that long.

I – ok, i’m now giving you scenario one to read, please let me know when you’re done.

P3 – ok done.

I- Do you find the scenario believable?

P3 – yes.

I – ok why do you find it believable?

P3 – a few restaurants that i have been into recently they have, especially round Christmas, staff shortages, so whereas a meal may normally take in this scenario around 15 minutes, it does take longer because instead you have four chefs you may have only three to do their job.

I – ok is there anyway you would go about making the scenario more realistic?

P3 – erm, i would probably expect to see more waiters around just because if they’ve got an issue with catering staff then there would be more waiters around in comparison to counteract that for the customer.

I – so in the text or in the photos?

P3 – erm in the photo i would expect to see a waiter somewhere just making sure the customer were alright as it were.

I – ok, would you expect usually to wait fifteen minutes for your meal or longer?
P3 – I would normally expect about twenty minutes to be fair...especially when they’ve got half a restaurant or more full of customers.

I – so you think twenty minutes would be a better time?

P3 – yes probably a more realistic one.

I – ok now please look at the second scenario...please let me know when you’ve finished reading it.

P3 – ok.

I - Do you find this scenario believable?

P3 – yes.

I – why do you find it believable?

P3 – erm they’ve already warned you as you walk in that it’s gonna take twice the amount of time for your meal to arrive and the compensense the recompense at the bottom where they give you your first drink on the house is a believable token of goodwill from many restaurants that I’ve gone to in the past as well.

I – ok, how would you go about making the scenario more realistic?

P3 – to be fair i wouldn’t expect much more to happen apart from as i say again, in the picture looking down the restaurant i would expect to see a waiter somewhere in there making sure the customers were alright but apart from that.

I – ok, you mentioned earlier about them coming over to you to offer a drink on the house, here it is at the end...which would you find more acceptable?

P3 – I would prefer that they did it towards the beginning cause it then lets me know while I’m there that they’re already thinking about my wellbeing as it were however doing that at the end would also be quite a nice surprise as you wouldn’t be expecting it...that sort of thing.

I – ok, so what do you think would make you feel better?

P3 – like I say, probably receiving that information at the beginning so that I know that as they sit you down and take your drinks order they say right this first one’s on the house cause of the waiting time its gonna take for your food then that would settle me right down cause then I’d be like, ok it’s not going as they planned but they’re doing what they can to try and keep the customers happy.
I – ok Are there any additional ideas you have that would make the scenario more engaging? So when you read it, it bought it to life more?

P3- to be honest that’s how I would see the scenario. The only other thing is whether you go with one other person or in a group. I – ok, We have come to the end of this interview today. Thank you for participating. Your participation will help greatly with my research. I will now go and transcribe this in my research so that I can analyse my findings.

P4 interview transcription

I - Good afternoon and thank you for participating in this interview, my name is Ursula Furnier and I will be interviewing you today. This interview will be recorded so that I can transcribe my research and use it in more depth to analyse my research and findings. Your identity will remain anonymous and your information shall not be used by any third parties and only for the purpose of my research. Feel free to be spontaneous and to answer freely there are no right or wrong answers.

Please imagine you arrive at a restaurant and you are shown to your seat by the waiter.

You order your drinks and your meal. Your drinks soon arrive. (Show stimulus photo one) When you go to a sit-down restaurant how long on average do you expect to wait for your meal?

P4- umm, around ten minutes.

I – around ten minutes. How would you feel if it took double that time for your meal to arrive?

P4 – impatient.

I – ok impatient....what else?

P4- well i would enquire to see if there was any issue as to why there is any delay.

I – after how long would you enquire to see if there was any issue?

P4– after ten minutes.

I – ok, and what reasons may you think of as to why the meal took that time to arrive?

P4- umm i would say probably of it was too busy or if they were understaffed.
I - Ok, now please imagine that you have waited double the amount of time you would expect for your meal to arrive. Your meal arrives. There are no faults with you meal. You enjoy it.

*(show stimulus photo two)* You then request the bill. You pay the bill and then exit the restaurant. Would you go back to this restaurant?

P4 – umm... I’d probably give it a second chance.

I – ok, so you would return?

P4- Yaa

I – why would you return?

P4- well i mean, as i said, it could’ve been different reasons or the first time so I would give them a second chance.

I – ok... why would you give them a second chance?

P4 – because the first time as i said they give a reason.

I – but considering they haven’t given you anything. Would you go back?

P4- if they haven’t given me anything I probably wouldn’t go back.

I – ok, so based strictly on this scenario i’ve presented you with... Would you be satisfied with the service you experienced in this restaurant scenario?

P4- well i mean I am a pretty patient guy so i would be ok but if it took longer than ten minutes

I – if it took double

P4- if it took double, so thats twenty minutes, I’d still be ok with twenty minutes, but if it took for example half an hour or an hour then i definitely wouldn’t be happy.

I – ok, so why would you be satisfied or dissatisfied?

P4- well if its just twenty minutes as i’d said, i’m quite patient with waiting twenty minutes because i did work at a restaurant before so i do understand if they’re busy or understaffed but if it took longer than that and nobody came to me to apologise or to give me an explanation then i would just see that as unprofessional and very bad service whereas if somebody did come to me and say we’re really sorry but the reason it’s been delayed is because of this pr because of that, then at least they tried to explain.

I - Considering you waited for double the expected amount of time, would you expect the restaurant to do anything about this?
P4 – I would expect them to apologise, to give me an explanation, and possibly give me umm some sort of compensation. I mean...when I used to work at the restaurant then we used to give customers something on the house for example like a free desert or a free drink and apologise for the inconvenience that way the customer feels that we care about them, we appreciate them, and we actually want them to come back whereas if nothing was given to me not even an explanation or an apology it means that they don’t really care about the customers and its very unprofessional.

I – ok, If when you paid the bill you were told that you waited longer for your meal due to a member of the kitchen staff becoming ill and sent home, what thoughts would come to you?

P4- i would say that...if they would’ve told me earlier i would have understood and have been more patient but because they waited until I paid the bill to give me this information that was unprofessional.

I - Do you think this situation could have been prevented by the restaurant?

P4- i mean if the staff was so ill suddenly then no, its an unforeseen circumstance but if they fell ill and then they had to send the staff home while I was still and waiting and they still didn’t come to me to give me some sort of information or apology then thats still unprofessional because I am a customer and I am still waiting for my food so its...

I - ... and how about new customers coming into the restaurant?

P4- if its new customers then maybe they can let them know that sorry your order might take this long just to let you know in advance rather than let them wait.

I – ok then, so is there anything you would have expected the restaurant to do in this situation?

P4- umm as i said i would expect them to go to the customer, apologise and let them know that the food might take longer than expected either they might say why the reason might be or they could just keep it a secret but at least they say sorry we’ve had a bit of a situation, your food will be with you shortly or will take just five more minutes or ten more minutes we’re really sorry for this you know, something like that. And as i said maybe compensation like a free drink, ...a free desert.

I – ok, and when would you expect to be compensated?
P4 – umm towards the end of my meal or halfway through my meal
I – ok, so is there anything the restaurant could have done to make the situation more acceptable to you?
P4 - umm I suppose. Someone coming up to me and telling me that my food is on the way is delayed slightly rather than me having to wait and being impatient
I – mnn, ok and what if they knew before, so you were a new customer coming in?
P4 - then when they sit me down or let me know before i sit down that the waiting time for the food is going to be, i don’t know ten minutes twenty minutes the at least i know what to expect so that ok i need to wait this long before my food arrives otherwise my normal expectation is that the meal will just take ten minutes not more.
I - so would you find it more acceptable then if they told you beforehand?
P4- yes.
I – ok, now imagine that before you entered the restaurant, a sign informed you that meals were taking twice as long as you would expect to be served due to a member of kitchen staff being sent home ill.
(Show stimulus photo three) What thoughts come into your mind when you see this sign?
P4 - i expect that it will take a bit longer than usual and i will be more understanding, more patient
I – ok but what thoughts come into your mind when you see this sign?
P4- i dunno i just feel sympathy for the ill staff
I – ok, would you still eat at the restaurant?
P4- umm yea, i mean i did go to the restuarnt anyway so...just because one of the staff members fell ill i would still there because i still went there initially with a plan in my head i wanna eat some sort of food at that place.
I - If you were informed of the situation before you were shown to your table how then do you think you would have felt experiencing the situation?
P4- i would’ve been fine
I - can you elaborate?
P4 - i would’ve been fine to wait a bit longer...
I - ok so would you have been more satisfied or dissatisfied?
I wouldn’t say more satisfied, but I wouldn’t have been dissatisfied.

I – ok. I’d like you to read through this scenario (shows scenario one)...please let me know when you’re done.

I - Do you find the scenario believable?

P4 - mnn yea i think its possible.

I – ok, why do you find it possible?

P4 - because from past experience, as ive said ive worked before at a restaurant and things sometimes move more slowly than expected.

I – what reasons...?

P4 - because its busy...and that’s the sort of waiting time I’ve had to deal with.

I – and how would you go about making the scenario more realistic?

P4 - If it were really busy then i would say it would fall in time with the waiting time but if its not busy...

I – yes but how would you make the scenario more realistic? More believable?

P4 - have it as twenty minutes as expected waiting time.

I – ok i now want you to read this scenario? (shows scenario two) let me know when you’re done.

P4 - ok, done.

I - Do you find the scenario believable?

P4 - yes because there was a sign at the beginning that did inform me. So i know things will be slower than expected...therefore the food will take longer than expected aswell.

I – but do you find this scenario believable?

P4 - yes.

I – ok and why do you find that believable?

P4 - because it says that they have a sick staff and then the food will take twice as long to be served and it did so...

I – ok, and how would you go about making the scenario more realistic?

P4 - I would make the expected time ten minutes and then double that or even half an hour is still realistic to me.

I – lastly are there any additional ideas you have that would make the scenario more engaging to someone reading it?
P4- i dunno not really
I - We have come to the end of this interview today. Thank you for participating. Your participation will help greatly with my research. I will now go and transcribe this in my research so that I can analyse my findings.

**P5 interview transcription**

I - Good afternoon and thank you for participating in this interview, my name is Ursula Furnier and I will be interviewing you today. This interview will be recorded so that I can transcribe my research and use it in more depth to analyse my research and findings. Your identity will remain anonymous and your information shall not be used by any third parties and only for the purpose of my research. Feel free to be spontaneous and to answer freely there are no right or wrong answers.

Please imagine you arrive at a restaurant and you are shown to your seat by the waiter.

You order your drinks and your meal. Your drinks soon arrive. *(Show stimulus photo one)* When you go to a sit-down restaurant how long on average do expect to wait for your meal?

P5- wait for the meal?
I – yea, once you’ve ordered it

P5 – once i’ve ordered it, at a sit down restaurant umm are we talking about starters, or main courses or...?
I – main course

P5 – main course...probably half an hour....half an hour to forty minutes for a main course

I – ok, how about your starters?

P5 – umm I’d expect to be able to order within the first five or ten minutes and then take no longer than about ten minutes for the starter to come so twenty minutes after sitting down I’d expect to have a starter in front of me.

I – ok...lets go with the main course. How would you feel if it took double that time for your meal to arrive?

P5 – I’d be irritable

I – can you elaborate on that?

P5- yea...I’d be very dissatisfied, i’d think it was poor service, unless there was something on the menu that was so specialist it said it was going to take
that long to do and that you know that beforehand but if it was...if it just seemed to be taking a long time then i would be...bordering on angry.

I – ok, and what reasons may you think of as to why the meal took that time to arrive?

P5- umm probably, i mean the first thing that comes to mind is that they’re probably understaffed, or that umm they are not just very good at giving good customer service. That would be my immediate reaction.

I – ok. I’d now like you to imagine that you have waited double the amount of time you would expect for your meal to arrive. Your meal arrives. There are no faults with you meal. You enjoy it.

(show stimulus photo two) You then request the bill. You pay the bill and you leave the restaurant. Would you go back to this restaurant?

P5- ...yes

I - Why would you return to the restaurant?

P5- because i think if the, if the food was good, and the service had been good but taken a long time then it may just be an aberration. And...i think most people go out, i certainly go out to enjoy good food and if thats what i’d got then i’d be prepared to give them a second chance when it comes to the service side of it. It may just have been an off night. I’ll give you, can i give you an example?

I – by all means

P5- right ok so...about eighteen months ago on a Tuesday evening i went with my wife to Cote in Horsham and they had three members of staff on and eighty people in the restaurant. It was a Tuesday night in the middle of a recession and for some reason it got busy and its never that busy on a Tuesday night. It was slow. The standard of food was as good as ever. Give ’em a break. If i was to go back a second time and it was the same thing then, you know, goodnight Vienna! I wouldn’t go back.

I - Would you be satisfied with the service you experienced in this restaurant scenario?

P5 - ...

I – this scenario, you’ve gone in you’ve waited double the amount of time. The food was good, you pay the bill then exit.

P5 – yep. Right so would i be satisfied with the service?
I – yep.
P5 – umm...

I – strictly on what you have been told in this scenario

P5 – if somebody asked me what is was like the first thing I’d probably say is that the service is really slow. And if i was to say that the service was really slow then that would be me being critical umm...expressing my dissatisfaction. If someone were to say what it was like, the food was great but the service was a bit slow then that would indicate me being slightly forgiving. If i were to say the service was very slow but the food was ok, the food was good the fact i mentioned the negative before the positive seems for me what would be dissatisfying me most and that was the standard of service. Although i think you have to distinguish between whether the service, although it was slow, whether it was good service in terms of in the way you were treated umm i mean i think you have a range and i think you can put this on kinda a matrix and you could have speed of service and quality of service as two different things. Add to that whether the food was good, bad or indifferent then you’ve got something like doing the football pools on a Saturday. You’ve got several permutations. So i think you’d have to distinguish between speed of service, quality of service and then quality of food and then maybe the quality of the whole kind of experience.

I – but based on just this scenario.

P5- based on this scenario the food was good, the service was slow, I’d be dissatisfied but willing to give them another chance.

I – ok so your source of satisfaction would be the food?

P5 – yep.

I – ok considering you waited for double the expected amount of time, would you expect the restaurant to do anything about this?

P5- I’d certainly expect them to offer an explanation. I wouldn’t necessarily expect anything material although to say sorry for the delay can we give you a complimentary something then that i think would ease the pain somewhat.

I – ok, and when would you expect the explanation to be delivered?

P5- at the earliest opportunity so when they became aware that it was taking a long time to deliver my food that’s when I expect someone to intervene say you know, we know you’ve been waiting a long time we’ve got a delay for
whatever reason, and it may be a legitimate reason, in the meantime can I offer you x, y, and z. That could be a free drink, it could be a little appetiser type thing just something to show that they are aware of a lower than normal service and they want to do something about it.

I – how would you feel if that drink was taken off your bill at the end, they made you aware at the end? Would that affect you differently as to them delivering it ...

P5- yes i think it would because I think doing it at the end for me umm by that time I’m already probably thinking about complaining, thinking about asking for something to be taken off the bill whereas if that is pre-empted by the staff in the restaurant then i think that makes me individually more likely to be forgiving. And I’d realise they’re trying to do something to rectify the situation as early as possible not as a kinda last minute let’s try and strike a complaint. So it’s being proactive rather than reactive.

I - If when you paid the bill you were told that you waited longer for your meal due to a member of the kitchen staff becoming ill and sent home, what thoughts would come to you?

P5- umm it would be a combination of being sympathetic but hey these things happen so why don’t you plan for it?

I – ok, do you think this situation could have been prevented by the restaurant?

P5 – i don’t know whether it could have been prevented. I think you always have to plan for some kind of contingency and if you can’t prevent it then try to mitigate the effect of that on customers and you can do that in a range of ways. One is simply by giving people information cause most people when you’re waiting longer your immediate reaction is, they’ve forgotten about us, they’ve forgotten our order and if someone comes up to you and says where you’re waiting longer than normal this is the reason can i offer you whatever while you’re waiting just as a recognition of the inconvenience that you’re suffering and i think that is, that indictates a good standard of service overall and consideration for the customer.

I - Is there anything the restaurant could have done to make the situation more acceptable to you?

P5- other than offering an explanation umm no. It comes down to the mistake that most organisations make at some point and that is a lack of information
for customers its a bit like an airline is delayed and you sit there and you watch the boarding time disappear and you watch the departure time disappear and you can’t go to the gate get as there is no gate number on the board but nowhere does it say delayed by whatever amount of time. I think if somebody says its been delayed for, you know where you stand you know what to expect and you adjust your expectations accordingly. The other thing that i think would make a difference is, do i have any other time constraints myself because i think that if i’m going out for an evening and i have no particular time that i have to get somewhere else then thats different to if im working to a very tight schedule and im starting to worry about whether im going to get my dinner or not yet.

I – yea

P5 – you do tend to look at things differently because it’s one thing to be inconvenienced by slow service but its another thing to be inconvenienced by slow service which is gonna have a knock on effect on something else.

I – ok, now imagine that before you entered the restaurant, a sign informed you that meals were taking twice as long as you would expect to be served due to a member of kitchen staff being sent home ill. *(Show stimulus photo three)*

What thoughts may come into your mind when you saw this sign?

P5 – i think there are two things which spring to mind immediately. One is nice to know what’s going on nice to know there’s going to be a delay i think its quite nice if you go to a bar or restaurant and you order food and someone immediately says we’re really busy just to let you know there’s going to be a twenty/ thirty minute delay. That’s fine. However, when you see something like a kitchen staff member becoming ill you start thinking about whether this is something that i might catch, whether this is a kind of health issue, i wonder what the illness is. So i think that this may be a little too much information.

I – ok, Would you still eat at the restaurant knowing this?

P5- i don’t know.

I – whats the first thing that comes into your head?

P5- the first thing that comes into my head is illness is something that can be passed on and i would wonder if this was some kind of a bug that is going around and whether this is something that i might catch by eating there by which time its probably too late anyway but i would....I’d think twice.
I – you would think twice

P5- I would think twice, because if there’s a member of kitchen staff that’s become ill the first thing I would think about is whether this is something I could catch now it could easily have been a heart attack, which I can’t catch.

But, we tend to make a leap between

I – so you say too much information there...would you prefer to know what the illness is or would you prefer not to know?

P5- I would prefer not to know that it was illness, because the assumption is made that they’ve become ill there because the way it’s worded. They may not have been able to come into work but you assume because they have become ill, if you say they were unable to come to work due to illness that’s a different thing altogether for me. I’m quite complex aren’t I?

I – interesting...

P5- yea

I - *laughs with P5* ok, If you were informed of the situation before you were shown to your table how then do you think you would have felt experiencing the situation?

P5- it’s interesting because I think that if I was made aware of that before I was shown to my table, I’d probably be more likely not to eat than if I’d have been shown to the table and advised of that afterwards because well we’re here now. Might as well stay. And I think that once you’re actually sitting down you’re at the table, you’re kinda committed. Before you get there...

I – but you’re less likely to eat so would you or would you not eat?

P5- Oh if I was shown to my table and planning to eat then I would, I would be more likely to eat, if I were shown to my table and was then told there was going to be a delay because of illness then I would probably still eat. If I saw that before I got anywhere near to the table then the chances are I’d change my mind and go somewhere else.

I – ok ok. Ok, I want you to quickly read through this scenario please. Let me know when you’re done.

P5- mnnhmm.

I - Do you find the scenario believable?

P5- Yea, i think that is, yea I’ve experienced that on a number of occasions.

I – ok ok. How would you go about making that scenario more realistic?
I think you’d probably find that food and drinks would be ordered separately. I mean that’s what I would normally expect. So the first thing I would order drinks then once you’ve got the drinks then you order the food. In many cases that’s exactly what happens.

I - Ok, I’d now like you to quickly read through this scenario please. Let me know when you’re done.

P5 - ok.

I - Do you find that scenario believable?

P5 - no.

I - why not?

P5 - I wouldn’t expect to see that sign outside of a restaurant because if you warn people before they walk through the door you are giving them a greater opportunity to go somewhere else. I think the closer you get to sitting down and eating something the less likely you are to walk away from it. I think if that sign were to be let’s say... in the reception area, if you’ve got a bar area the sign was on the bar that would be more believable. I can’t think of any circumstances where I’ve seen that outside a restaurant.

I - why would you find it more believable inside the restaurant...when you first enter?

P5 - having got you through the door in the first place then I think what the restaurant is trying to do here is to manage your expectations down so that... only it could be that this is all a lie anyway and they’re just crap at giving quick service but I think that once you get people through the door they are less inclined to walk away even if there’s going to be a delay, because the closer you get, the chances are that once you’ve got through the door, you’ve got rid of your coat anyway, the more you get rid of the closer you get to the point of service of what you actually want, in this case the meal, and the less likely you are to walk away from it, and I think restaurants are savvy enough to know that, that they will tell you what they need to tell you once you get to what I call the point of no return.

I - where would the point of no return be for you?

P5 - for me...as long as you’re at the point of ordering if you’re told that there’s gonna be a delay of x amount of time.

I - when would you find this most acceptable?
P5- I would find it most acceptable when I was about to give the order. I would think it most usual to be told at the time you give the order.

I – how about when you’re given the menus or shown to your seat?

P5- Yea if you were told there was going to be a slight delay for whatever reason I wouldn’t expect it to be due to illness umm we’re busy or whatever or short staffed call it what you will, it’s gonna take thirty minutes, i wouldn’t have a problem with that.

I – is it believable in that you would think it a lie or the truth?

P5- i think it depends how much you know about the restaurant, if it’s your first time there I’d give them the benefit of the doubt. Of I’ve seen this too many times or it’s a regular feature then you think, oh here we go again...I think everybody’s entitled to the benefit of the doubt once.

I – ok, we’ve have come to the end of this interview today. Thank you for participating. Your participation will help greatly with my research. I will now go and transcribe this in my research so that I can analyse my findings.

P6 interview transcription

I - Good afternoon and thank you for participating in this interview, my name is Ursula Furnier and I will be interviewing you today. This interview will be recorded so that I can transcribe my research and use it in more depth to analyse my research and findings. Your identity will remain anonymous and your information shall not be used by any third parties and only for the purpose of my research. Feel free to be spontaneous and to answer freely there are no right or wrong answers.

Please imagine you arrive at a restaurant and you are shown to your seat by the waiter.

You order your drinks and your meal. Your drinks soon arrive. (Show stimulus photo one) When you go to a sit-down restaurant how long on average do expect to wait for your meal?

P6- I suppose between fifteen and twenty five minutes. I would say

I – ok can you please elaborate more?

P6- Yes well umm if the drinks kinda arrive quickly which you said they did it kind of encourages you that they’re onto the order. After we’ve got the drinks actually we order, the fifteen twenty five minutes window I’m thinking about is from when you actually order it with the waiter and of course time goes...
quite quickly cause you’re chatting, so I haven’t measured it but I would think
somewhere roundabouts twenty five minutes I might start looking to see if
ours is coming. I might even judge it based on how busy they are, if it’s really
really busy and there’s loads of people in there, I might expect that to be a
little longer. But if it’s pretty empty then I’m expecting it to be a little shorter.
I – ok so anywhere between fifteen and twenty five minutes…but as an
average what would you be edging towards?
P6- I think probably they take around twenty minutes
I – and how would you feel if it took double that time for your meal to arrive?
P6- ooooh I’ve had that experience! If it took double that time, if it was forty
minutes I would be asking them where it was and I have done that.
I – after which length of time did you ask where your meal was?
P6- I would think when it just pushed past half an hour, even though I wasn’t
going anywhere I think when it pushed to half an hour we asked the waiter,
please tell us what was happening cause that did happen once.
I – what did say?
P6 – they just said oh it’s in hand the chef is cooking it from fresh or
something of that sort. And it did actually take forty minutes which we
remember and we thought that was excessive.
I – ok, how did you feel emotionally about that?
P6- we were annoyed about them wasting our time. And we thought
considering where we were that we wouldn’t go back there.
I – ok, and what reasons may you think of as to why the meal took that time to
arrive?
P6- I don’t really know, except that the staff were chatting, the staff were
doing a lot of talking and didn’t seem to be buzzing back and forth you know
cause it wasn’t busy. So I don’t know unless they ran down the road to get
some ingredients or the chef was missing or he had a lunch hour or a break or
I don’t know, we didn’t really know, cause it wasn’t a complex meal it was
already on the menu we just couldn’t understand why it took so long and they
didn’t give us any reason, they just said oh yes it’ll be here soon.
I - Ok, now please imagine that you have waited double the amount of time
you would expect for your meal to arrive. Your meal arrives. There are no
faults with you meal. You enjoy it.
(show stimulus photo two) You then request the bill. You pay the bill and then exit the restaurant. Would you go back to this restaurant?

P6: err if I’d never been there before err then probably not, no, no. If it wasn’t somewhere that I was loyal too and knew this didn’t normally happen, then probably not. If it was a new restaurant that we’d been to, we were going to try it out we’d certainly never go again.

I – what if you had been there before? Why would you go back?

P6: the reason we might go back is because for example they’d always served the meal up much quicker before and therefore we’d assumed it was just a one off thing and so we’d go back because we would kind of assume that the normal length of time would return and we’d wait just twenty minutes like we had before.

I – ok, why would you not return?

P6: because if we hadn’t been before at all or we were only trying it out then we would see it as somewhere where they weren’t properly organised and there was some sort of disorganisation going on back there and if we were going there before we were going to the theatre or something like that then we wouldn’t trust them because we’d have to walk out without having a meal.

I – Would you be satisfied with the service you experienced in this restaurant scenario?

P6: certainly not

I – and why would you not be satisfied?

P6: because they don’t seem to have any reason at all for why they’re taking so long and they’re fobbing us off and I find that annoying. Cause in that forty minutes I would have been asking them where it was I wouldn’t have just sat there. I mean I might have done if I’d been in a big group a big party of people who went there and there’s like fifteen of us or something like that...

I – would you still be annoyed?

P6: I wouldn’t be annoyed then cause when they take an order for fifteen fresh, then you kind of know they’re getting fifteen people’s meals ready or sixteen people’s meals ready and you kind of expect that it’ll take a lot longer because they’re trying to bring them all at once. But if its two people as you said it was then unnn I wouldn’t go there again because I couldn’t trust them...
and I would risk being there far too long unless they provided an explanation about it being a one-off.

I – you mentioned that earlier you know, you’d been in this situation before and the waiter said your meal’s on the way did you still feel that was fobbing you off?

P6- yes it was really because it was a very straightforward meal that was on their menu, it wasn’t as if it was complicated, it was just something very straightforward, can’t remember what it was now, but it wasn’t as if we were asking for something unusual or something you know that was at the bottom of their deep freeze so it took them longer to get ready, it was just a normal straightforward thing on their menu that they’re expected to provide to anyone who comes in. And I would’ve been asking them where it was after about thirty minutes, I would say excuse me, have you forgotten us? Cause I have had that happen you see that they’d just forgotten us, for some reason a bit of paper had just wafted off the counter and they didn’t pick it up and they forgot about us.

I – so when they said it was on the way, you didn’t feel that was explanation enough?

P6- well it was an explanation for why on earth when the restaurant was quiet it was taking such a long time for something that was straightforward on the menu, it’s not the way things seem to work now...

I – ok, so considering you waited for double the expected amount of time, would you expect the restaurant to do anything about this?

P6- apologise, that’s all. I wouldn’t expect anymore than that.

I – ok, if when you paid the bill you were told that you waited longer for your meal due to a member of the kitchen staff becoming ill and being sent home, what thoughts would come to you?

P6- why didn’t you tell me that in the first place. I would say...why didn’t you tell me as soon as you knew that was the case. Why do you wait until had me sitting here forty minutes and you’ve pretended everything’s alright so why do you tell me now that there was a problem. Why didn’t you tell me when I first came in.

I – when would you expect to be informed?

P6- as soon as they knew.
I - Do you think this situation could have been prevented by the restaurant?
P6- err probably not but they could have told me when I arrived that we’re very sorry but the meals will be taking longer than normal is that alright cause...

I – when you arrived outside the restaurant or inside the restaurant?
P6- when I ask for a table. Or maybe when I’d sat down and when they ask about the drinks they told me then ...in that sort of time.

I – ok. Is there anything you would have expected the restaurant to do in this situation?
P6- apart from tell me, no.

I – ok. Is there anything the restaurant could have done to make the situation more acceptable to you?
P6- yea I suppose they could have bought us a complimentary drink cause if it had happened after we arrived or something they could have bought us something very simple like a complimentary drink and said we’re very sorry but we have a problem with the staffing, you don’t have to give the detail, as your meal might take longer than usual.

I – when would you expect them to bring that complimentary drink?
P6- oh well I suppose during the period when we’d be waiting like when you got to the twenty minutes they should have served it or something like that.

I – and would you expect to be able to chose the drink or just been given a standard one?
P6- oh I suppose it would either be a repeat of what we’d already ordered or they’d have to give us a choice yes. Otherwise they couldn’t give me an everybody gets a white wine when I wasn’t drinking so...

I – ok, I’d like you to now imagine that before you entered the restaurant, a sign informed you that meals were taking twice as long as you would expect to be served due to a member of kitchen staff being sent home ill.(Show stimulus photo three) What thoughts come into your mind when you see this sign?
P6- make a decision about whether I’m in a hurry. If I’m going to somewhere pre-theatre or pre-film or something like that or we’re meeting people then, usually restaurants are in an area where there’s one next door or one across the road umm and so you’ve got a little bit of choice. So at this
point we’d make a decision whether it mattered to us. I don’t know whether we’d calculate, we’d probably think well it usually takes around fifteen/twenty minutes so it’s obviously going to take half an hour or something like that.

I – would you want to be told prescribed times around it takes fifteen minutes/half an hour more or would double the amount of ...?

P6- I find the double a bit, a bit unclear to be honest

I – would you want to be told how long they usually take and then it’s taking around double this time?

P6- yea or they’d say it might take thirty minutes for the meal to get to you whereas its normally fifteen or something, after all we’re guessing normally anyway. We’re guessing that it’s normally twenty minutes.

I – why would you still eat at the restaurant knowing this?

P6- because we’re out for the whole evening and its only 7 o’clock or something like that so its fine, we’re going home afterwards so, if we’re there just to chat and you know have a drink then we’re ok with it. But if we were meeting someone and we had an event afterwards then we wouldn’t risk it.

I – do you think you would be more prone to still eat at the restaurant if you were told this inside the restaurant or by a sign outside the restaurant?

P6- I’d be more prone to stay if I were already sitting down certainly. If I was told outside the restaurant I might go somewhere else because it’s a risk, you don’t know how long it normally takes, it might take half an hour so we might end up waiting an hour. So outside I think we’d be more likely to walk away unless it was a favourite restaurant and you know they served something particular that we liked, we know there’s not that many others in the street but unless it’s the only one then we’d probably walk away if it was outside but if we were sitting down we’d probably just say oh well that’s fine you know we’re not going anywhere.

I – ok so if you were informed of this situation before you were shown to your table then how do you think you would have felt experiencing this situation?

P6- we’d understand and accept it. We’d understand. We’d then start to get anxious if it started to be something like getting on for an hour because the double twenty minutes has gone past. So I might not complain but I may say can you tell us how much longer it’s going to be.
I - I – ok I’d like you to read through this scenario (shows scenario one)...please let me know when you’re done.
P6 – ok.
I - Do you find the scenario believable?
P6- yea.
I – why do you find it believable?
P6- well I think partly because the time you wait in a restaurant is so elastic. But I think without, I think subconsciously we make a judgement that it will be a shorter time if the restaurant isn’t full whereas if the restaurant is very very busy we know it’s going to be longer and we see other meals coming out ahead of ours so I think there is that flexibility in how long a meal takes and so the judgement about how long it takes varies. And its only when it gets to something like an hour that its more or less unacceptable and so if they said it was going to take longer, they serve the meal, the meal was absolutely fine, and we paid and left that’s fine.
I - How would you go about making the scenario more realistic?
P6-what do you mean?
I – more lifelike. More believable.
P6- I think I would expect, it would be very nice if when they’d said it was kind of double it was going to be extra time or something like that if during that period they didn’t just leave us alone, but they came up and said we’re sorry for your wait it’ll probably take around another five minutes now, or another ten minutes, or something like that. Cause it’s a long time to have no information. You’re just told a vague double time or something like that...thirty minutes is fine. It’s longer than you’d kind of expect and it would’ve been nice if someone had said about twenty minutes that we’re sorry your meal is taking time but we expect it to be with you within the next five to ten minutes or something like that.
I –ok I’d like you to read through this scenario (shows scenario one)...please let me know when you’re done.
P6- that’s fine that’s very clear I like that better (on the scenario).
I - Do you find the scenario believable?
P6- oh yes, I do yes. And I think they’ve handled it well. The reason they’ve handled it well is because they don’t just say it’s gonna take double which is
vague they actually tell you how long it’s going to take and you can make a proper judgement. Also because they tell you in advance you do have a choice of walking away its true. I might do that, if you’ve got somewhere to be in the next forty minutes umm but they tell you a specific time period so you can make a proper judgement and secondly they actually err kind of give you a bonus at the end which will be your free drinks and you think that’s really really nice and I think it would make you feel they were a really understanding restaurant and this was probably a one-off and you’d probably go back. I – would you prefer the drink to come whilst you were waiting or did you like the fact it was on the bill at the end? P6- no I actually think that the bill on the end is better because in our case we probably wouldn’t have doubled the number of drinks by giving a free one although it is an alternative to come and ask if you’d like a complimentary drink while you’re waiting. The complimentary drink while you’re waiting although it’s a nice gesture and its better than nothing suggests its gonna be a long time, you’d be rather down hearted by giving you a drink during this time period you’d be thinking oh dear, it’s going to be another long time! Though it is a nice gesture they’re not, I don’t like being ignored in that whole time. I – you don’t think it would maybe alleviate the pain or minimise the pain of the wait? P6- it would, it would. But somehow it signals that it’s going to be even longer. I would think well...they’ve given me a complimentary drink now or they’re asking me whether I’d like a complimentary drink, we’ve been here twenty minutes that means we’re probably going be here at least another twenty minutes, it’s a lovely gesture and I think they should do it because it stops me getting annoyed actually but umm you don’t necessarily want two drinks at that point. I mean...it’s probably my second choice; I’d like rather to order my own drinks and then find when I got to the bill that they’d said you know...that one of the rounds of drinks was free. I – so why do you find this scenario believable? P6- I think it’s believable because it’s something that they might easily do. They could easily do it because they realise that things are unsatisfactory for the customers and they want to try and still make sure they have had a satisfactory experience.
I – and how would you go about making this scenario more believable?

P6: I don’t know.

I - Are there any additional ideas you have that would make the scenario more engaging?

P6: well...no...a lot of things they tend to do in those situations are things that as a customer I wouldn’t necessarily want you know....they’d bring along a tray of little snacks and hors d’oeuvre type things to keep you going you know and then they might be things I didn’t eat or something like that and unfortunately that is quite believable what they do, they give you something free you know a snack or something, but then you know I kind of think oh this is actually highlighting how much longer it is going to be, that’s the danger.

I - We have come to the end of this interview today. Thank you for participating. Your participation will help greatly with my research. I will now go and transcribe this in my research so that I can analyse my findings.

P7 interview transcription

I - Good afternoon and thank you for participating in this interview, my name is Ursula Furnier and I will be interviewing you today. This interview will be recorded so that I can transcribe my research and use it in more depth to analyse my research and findings. Your identity will remain anonymous and your information shall not be used by any third parties and only for the purpose of my research. Feel free to be spontaneous and to answer freely there are no right or wrong answers.

Please imagine you arrive at a restaurant and you are shown to your seat by the waiter.

You order your drinks and your meal. Your drinks soon arrive. (Show stimulus photo one) When you go to a sit-down restaurant how long on average do expect to wait for your meal?

P7: umm if I’m having a start probably about quarter of an hour if I’m not having a starter and went straight to a main then I’d probably expect up to half an hour.

I – ok lets take the main course then...how would you feel if it took double that time for your meal to arrive?
P7- umm I would say it was late and umm it would start detracting from the experience of the meal.
I – how would you feel?
P7- I’d feel a bit disappointed and I come from a restaurant background but I would say that it would be unprofessional...certainly if they hadn’t come out and said sorry sir your meal has been delayed and would you like some more drinks to feel as though I hadn’t been forgotten which is one of the main issues I think.
I – ok. And what reasons may you think of as to why the meal took that time to arrive?
P7- ahh could be many reasons. Again, from the sight from someone who worked in restaurants for many years it could be problems in the kitchen and there can be many different issues going on in the kitchen. It could be the waiting staff messed up, they didn’t put the ticket through, or maybe they were distracted or maybe that they are too short staffed. It could be that they’re having to care for so many different tables...there are lots of different reasons.
I - Ok, I’d like you to now please imagine that you have waited double the amount of time you would expect for your meal to arrive. Your meal arrives. There are no faults with you meal. You enjoy it.
(show stimulus photo two) You then request the bill. You pay the bill and then exit the restaurant. Would you go back to this restaurant?
P7- umm possibly, if the food was good. The first time you any anywhere ideally you have a fantastic experience which means that you want to go back again but in reality I would say that it possibly doesn’t happen more than half the time in my experience so, but you just have to...the experience of the restaurant is more than just the food and the atmosphere, it’s the people you are with and all sorts of other things so you have to weigh a lot of other factors other than just the restaurant itself in the equation of whether or not you decide to go back.
I – so for what reasons would you return?
P7- umm if I had a good time with my friends or family or whoever I was with...yea that would leave a positive impression, not necessarily of the restaurant but the time I could have in the restaurant. But of course if the food was good...
as well that would be good and certainly if the people I was with enjoyed their
time there that would make me more predisposed to go back.

I – and why wouldn’t you return?

P7- if well...if it had been unprofessional because it depends, have I chosen the
restaurant and am I taking people there or is it the other way around are people
taking me to the restaurant. Um if I was taking people to the restaurant it
would be, I’d kind of see myself as emotionally responsible for the enjoyment
of the meal for those I was with, for if it wasn’t that good I’d feel as if it
reflected badly on me and so through no fault of my own I then probably
wouldn’t come back. I’d be disappointed. Or if I had been taken there or
mutually we just saw a restaurant and walked in and sat down then...I don’t
know I think there’s a lot of things that we need to take into account really. It
depends on your mood, who you’re with, when your going...

I – would you be more or less predisposed to return to the restaurant if your
meal didn’t take that long?

P7- well I’ve got expectations on what a restaurant should be, in an ideal and
realistically. And umm if it went well then great it would be stored in my mind
that yea that’s somewhere I can go for reliable service and reliable food and
maybe the atmosphere was nice but it’s who you’re with that brings it all
together.

I - Would you be satisfied with the service you experienced in this restaurant
scenario?

P7- if I’d been kept informed as to why something was late then I’d think, ok
fair enough, cause id view that as quite a professional approach they’re
admitting responsibility, and you know, things happen, but if I hadn’t, if I’d
just been sat there waiting for an hour then it would probably make me think
twice; I may still go and give it another chance if the food was good but other
than that no.

I – you wouldn’t be satisfied?

P7- overall...no but I would give it another go. Quite likely just to test it out
again. On the second time if it was no good then I wouldn’t go back.

I – ok. So why would you be satisfied with the service and why wouldn’t you
be satisfied with the service?
P7- I'd be satisfied with the waiter/waitress was informed, knew about the menu, could answer questions about the food and the wine through experience of having tasted it and that gives me an insight into the management and how well they perceive their staff and how well they train their staff.

I – why would you be dissatisfied with what’s been presented in this scenario?

P7- anyone can cook food but you’d want something extra and that would be the service element to it and if that was lacking for me that would be the... you know if the food was really poor then I wouldn’t go back.

I – but the food was good here. You waited double the amount of time. What would make you satisfied or dissatisfied?

P7- but if the service was poor ...I wouldn’t be satisfied with slow service not at all. But it doesn’t necessarily mean I wouldn’t go back and give it another go.

I – but if they did it a second time then you wouldn’t?

P7- no I wouldn’t.

I - Considering you waited for double the expected amount of time, would you expect the restaurant to do anything about this?

P7- not necessarily, I think if I’d been kept informed throughout it then I would, if I felt it was professional I would be content to wait it out. If at the end of it it’s been such a bad experience and they’ve then said look we’ll take the desert off the menu, for me it doesn’t make business sense as the damage is already done and I think a lot of restaurateurs try and compensate way over what they should really need to. Like what does the customer really want? I – yes but what would you expect to be reasonable?

P7- I would say if the manager came over and said look I’m really sorry that you’ve had a meal and I really apologise for that is there anything I can do, and if I was then to say well you could reduce the bill that would be one thing. I may just say perhaps next time improve for it. I think to just say let’s just *clicks fingers* remove aspects from the bill, lets just give you free drinks, it’s kind of almost a bribe to ignore the problem and the problem is I would say probably deeper seated and I can see that cause I’ve come from a restaurant background.
I – ok ok. If when you paid the bill you were told that you waited longer for your meal due to a member of the kitchen staff becoming ill and sent home, what thoughts would come to you?

P7- first of all why didn’t you let me know that. If you had id say ok, I understand, everyone gets sick, and I think it’s the responsible thing to send the kitchen staff home ...if they let me know this was the reason then I’d say good for the management to say you’re sick you shouldn’t be here you must go home because to send a chef home is going to have a massive impact on the rest of the service everywhere else. So it’s quite a big decision for a restaurateur to take. If they let me know then great. If they didn’t let me know then I wouldn’t be so happy...cause i’ll just wait and wait and wait.

I - Do you think this situation could have been prevented by the restaurant?

P7- if the chef was sick?

I – yes. Sent home.

P7- well if you have to send staff home then you just have to do it. You can’t ward against that from a management perspective. So if the chef goes home he goes home there’s not much you can do.

I – ok but is there anything you would have expected the restaurant to do in this situation?

P7- with regard to finding another chef do you mean?

I – well that’s just an idea you’ve come up with...

P7- yea but the chances of that happening, that’s never going to happen.

I – you said earlier if they’d have informed you...is that what you would have expected them to do?

P7- if the chef goes home there’s very little you can do, the food will be delayed, the quality may go down to compensate. The service will slow down. There will be issues.

I – but what do you expect the restaurant to do?

P7- yes I expect there to be informed that there are a few issues like delays and if I knew it was going to be a substantial delay if I were the waiting staff I would need to let the customer know cause it gives them the opportunity to say actually we’re in a bit of a hurry and we still need to eat and on this occasion id prefer it if we could go somewhere else and if it were done properly that professional approach would say to me that they care about their
staff, they care about the food and the service and they've let me know, they've given me an option and so I would one hundred percent look at coming back again. But if they didn’t tell me and let me fester and get annoyed and all that sort of thing then I’d fund that unprofessional and I wouldn’t go back.

I - Is there anything the restaurant could have done to make the situation more acceptable to you?

P7- yea, let me know.

I – and when would you expect to be informed?

P7- as soon as they knew what was going on.

I – when they took you to your seat? Gave you a menu? When you walked through the door and asked for a table? A sign outside?

P7- I would want them to tell me...ideally before I was sat down. Inside the restaurant wherever I’m met before I’m sat down. To advertise the fact outside is bad advertising for the restaurant especially if the issue may be resolved later. I would prefer to keep it hushed, let people come in, have them ask for a table and then say I’m going to tell you now we’re running a bit late as we’ve had to send a chef home. It shouldn’t affect the quality of the meal but it may affect your wait and it may be up to an extra half an hour is that ok for you. And if its done well and I’ve got time I would think thankyou for telling me in which case we can either come back in half an hour, we can maybe make and order now and go off to do something else or we can sit down and have a drink and relax and everything’s good, just keep me informed.

I – ok ok. Now imagine that before you entered the restaurant, a sign informed you that meals were taking twice as long as you would expect to be served due to a member of kitchen staff being sent home ill. (Show stimulus photo three) What thoughts may come into your mind when you saw this sign?

P7- umm...I would say, what a stupid thing to do *laughs*. I’ve never seen that in all my years...I’ve never seen that.

I – ok and why do you think that?

P7- because it’s totally objectifying the whole thing and service is about a personal thing so to have a note up in a window, it just strikes me as tacky and unprofessional and I would never do it. Never ever do it.

I – ok, so how would you deliver that news?
P7 - in person, when people came in and say have you got a table? And I’ve got an opportunity to put that personal link together, that service element, and say it’s great that you’re here, really really great that you’ve come in however we want to give you the best service possible and so we must tell you we’re running half an hour late here as a result.

I - Would you still eat at the restaurant knowing this?

P7 - if I saw a sign outside? No I wouldn’t...I wouldn’t even bother going in.

I – ok and how about if they delivered it your way?

P7 - then there is a chance that I would still stay there.

I – why would you still eat at the restaurant?

P7 - well I’ve chosen a restaurant for a reason. It looked good or I heard about it. So I just wanna try something new. Whatever my motivation. Might as well go in and give it a go.

I - why wouldn’t you still eat at the restaurant?

P7 - cause they put signs like that out on the window *laughs*.

I - If you were informed of the situation before you were shown to your table how then do you think you would have felt experiencing the situation?

P7 - I would’ve been more predisposed to it. You need to be kept informed of what’s going on.

I – you said earlier though that you would have got frustrated, annoyed, you would have thought it unprofessional? What would your view be if you were informed of the situation beforehand? Would it change?

P7 - yea. I think it’s a professional thing to do. It shows care and due concern for the customer.

I – ok, – ok I’d like you to read through this scenario (shows scenario one)...please let me know when you’re done.

P7- ok.

I - Do you find the scenario believable?

P7 - umm yea

I – why do you find it believable?

P7 - because I’ve experienced it many a time

P7- you’d need more descriptive element to the storyline.

I – can you elaborate on that?
I - Do you find the scenario believable?
P7 - umm I still wouldn’t expect to see a sign outside but apart from that yea yea. Some restaurateurs say look fine you’ve waited a long time so we can put the first drink on the house ok. Yep, it’s happened often.

I - How would you go about making the scenario more realistic? More believable?
P7 - as it is, it’s perfectly believable, to make it more believable just say...

I – ok....what would make it more engaging for you as a reader?
P7 - well you have pictures there but the pictures mean absolutely nothing to me because they’re from somewhere else from that I’ve never been to or maybe I have gone there. But in order to answer these questions I’m having to use my memories of experiences I’ve had rather than use the pictures... I find the pictures slightly distracting because having to try and fit your memories into a scenario that you’ve provided taking out the but you’ve got pictures but you’d never have pictures in a storybook for that expect reason.

I – don’t you find the photos help evoke memories?
P7 - I understand about photo elicitation and stuff but I find there are two ways of doing it. Its pictures you have taken and pictures I have taken. What you see in the picture is not what you’re actually thinking about ...but these pictures (the ones provided) don’t mean anything to me and I have no memories attached to these photos. So to answer the questions I’m having to forget the pictures and move back into my own memories.

I - We have come to the end of this interview today. Thank you for participating. Your participation will help greatly with my research. I will now go and transcribe this in my research so that I can analyse my findings.

**P8 interview transcription**

I - Good afternoon and thank you for participating in this interview, my name is Ursula Furnier and I will be interviewing you today. This interview will be
recorded so that I can transcribe my research and use it in more depth to analyse my research and findings. Your identity will remain anonymous and your information shall not be used by any third parties and only for the purpose of my research. Feel free to be spontaneous and to answer freely there are no right or wrong answers.

Please imagine you arrive at a restaurant and you are shown to your seat by the waiter.

You order your drinks and your meal. Your drinks soon arrive. *(Show stimulus photo one)* When you go to a sit-down restaurant how long on average do you expect to wait for your meal?

P8 - about thirty minutes
I - How would you feel if it took double that time for your meal to arrive?

P8 - not very happy
I – can you elaborate on that?

P8 - I would complain and I would most probably leave the restaurant
I – ok. After what amount of time would you complain?

P8 - possibly about forty five minutes.
I – ok and what reasons may you think of as to why the meal took that time to arrive?

P8 - umm... short of staff, forgot to put it on, lots of reasons I suppose but I expect the meal to arrive in at least half an hour if not before

I - Ok, now please imagine that you have waited double the amount of time you would expect for your meal to arrive. Your meal arrives. There are no faults with you meal. You enjoy it.

*(show stimulus photo two)* You then request the bill. You pay the bill and then exit the restaurant. Would you go back to this restaurant?

P8 - possibly no
I – ok, why wouldn’t you return?

P8 - because waiting over half an hour for a meal, especially if it’s double the time, is not on. There are obviously problems in the kitchen and also the food could be hanging around.

I - Would you be satisfied with the service you experienced in this restaurant scenario?

P8 - not if I’ve been waiting more than half an hour no.
I – why wouldn’t you be satisfied?
P8- because when you order a meal you expect to wait half an hour and if you don’t for whatever reason get it in that time the staff are no doing their job properly. I suppose they could be short of staff but that’s not my problem, that’s their problem. If a restaurant is run properly then food should be out in half an hour or before.
I - Considering you waited for double the expected amount of time, would you expect the restaurant to do anything about this?
P8- yes, I would.
I – ok what would you expect them to do?
P8- possibly take something off the bill or take money off the meal they’ve bought out and that’s about it really. I wouldn’t go back there.
I – so you wouldn’t go back there?
P8- 
I - If when you paid the bill you were told that you waited longer for your meal due to a member of the kitchen staff becoming ill and sent home, what thoughts would come to you?
P8- well if staff are ill they shouldn’t be there in the first place cause its hygiene. Especially if they’ve got nasty colds.
I – yes but what if they’ve become ill and then been sent home?
P8- well again...they should have cover, shouldn’t they? So I wouldn’t necessarily...
I – being in this situation what would you expect the restaurant to do?
P8- I would expect them to call in cover or...whatever happens in the kitchen shouldn’t affect the customers. I would still expect my meal in half an hour.
I – ok but it has so what would you expect them to do?
P8- well if it’s that bad and they can’t get the food out then they should liaise with the customers
I – ok and what should happen in this liaison?
P8- tell the customers that the food is going to be longer because of staff going off ill and then it’d be up to the customer whether they stay there or leave. In my case I would probably leave.
I – ok why would you leave?
P8- well because you know if you go in at 8pm and you want to eat, then they can’t serve you within half an hour then you’re going to be hanging around and then eating late and in some cases it’s no good for the stomach.

I – Do you think this situation could have been prevented by the restaurant?
P8- yes because I think the restaurant should always look for cover just in case. They could call the bar staff in to help or what have you.

I - Is there anything you would have expected the restaurant to do in this situation?
P8- a refund off of something but if you’re happy to sit and wait then fair enough. But anything waiting over half an hour is not on.

I - Is there anything the restaurant could have done to make the situation more acceptable to you?
P8- some money off of the meal or perhaps give the customer a drink, an extra drink maybe.

I – so a free drink?
P8- yes

I – you mentioned about being informed earlier...would that have helped?
P8- yes yes that would’ve because then the customer’s got a choice as to whether they should stay or leave and go somewhere else.

I – you mentioned a free drink...when would you expect to receive that whilst you were waiting for your meal or it being taken off of the bill at the end?
P8- no, while we’re waiting for the meal.

I – ok why?
P8- well because I suppose you’re sitting there talking and waiting and it’s just nice to have a drink to feel relaxed while you’re waiting.

I – how about if they took a drink off your bill at the end?
P8- yes yes that would be ok.

I – what would you prefer a drink taken off your bill at the end or a free drink given to you whilst you’re waiting?
P8- well that depends very much, usually when I go out for a meal I have a bottle of wine to share with whoever I’m with. So in that scenario I’d expect the wine to be taken off the bill. If I’m having a glass of wine then I’d prefer to have a second glass of wine given to me while I’m waiting.
I – as opposed to being taken off the bill at the end?
P8- yes.
I – ok, I’d now imagine that before you entered the restaurant, a sign informed you that meals were taking twice as long as you would expect to be served due to a member of kitchen staff being sent home ill. *(Show stimulus photo three)*
What thoughts may come into your mind when you see this sign?
P8- my first thought would be going somewhere else. I would not go in there.
I - Why not eat at the restaurant?
P8- well because like I said before I don’t like hanging around and waiting, so I wouldn’t go in the restaurant I would go somewhere else.
I - If you were informed of the situation before you were shown to your table how then do you think you would have felt experiencing the situation? Would you have felt differently?
P8- no definitely not. If I did still go in there and somebody informed me that there’s an hour to wait before my meal, and this has happened before to me many times, and I’ve walked out and gone somewhere else.
I - ok I’d like you to read through this scenario *(shows scenario one)*...please let me know when you’re done.
P8- ok.
I - Do you find the scenario believable?
P8- yes...this has happened to me quite a few times.
I - How would you go about making the scenario more realistic?
P8- I don’t know really...I wouldn’t have just sat there though. I would’ve complained.
I – ok, ok I’d like you to read through this scenario *(shows scenario two)*...please let me know when you’re done.
P8- ok I’ve read it.
I - Do you find the scenario believable?
P8- yes but I wouldn’t have stayed at the restaurant
I – why do you find it believable?
P8- well they’ve told you there is a delay and some people may still eat there depending on whether they chose to or not. The free drink seems reasonable too.
I - How would you go about making the scenario more realistic?
P8- *I don’t know really.*

I - Are there any additional idea you have that would make the scenario more engaging?

P8- *not really these scenarios seem fine. Definitely possible.*

I – ok thankyou. We have come to the end of this interview today. Thank you for participating. Your participation will help greatly with my research. I will now go and transcribe this in my research so that I can analyse my findings.


**APPENDIX G Ethical Issues in Research**

Please complete the form in discussion with your Supervisor and sign where indicated. Your Supervisor must countersign the form. The form should then be given to the Research Support Desk by the date specified on page 2 of this handbook. It will be returned to you. If ethical approval is required, it will be processed with further instructions.

**YOU MAY NOT COLLECT DATA BEFORE IT HAS BEEN CONFIRMED THAT ETHICAL APPROVAL IS NOT REQUIRED, OR UNTIL A FAVOURABLE ETHICAL OPINION IS OBTAINED.**

If data are collected without required ethical approval, you could be asked to destroy the data or, if already submitted, your work will not be marked. If you choose your method of example, a new form must be completed.

**Name of student:** Ursula Patricia Josephine Furnier, 6245157

**Course:** INTEGRATED MSc in MANAGEMENT

**Supervisor:**

**Discipline/Topic:** SERVICES MARKETING

**Please answer Yes or No to the following questions. If you answer Yes to any question, ethical approval will be required either from the Faculty of Business, Economics and Law (FBL) or from the University’s Human Research Ethics Committee (UHR) as appropriate:**

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<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
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<tr>
<td>Does the study involve undergraduate students either in FBL or across the University?</td>
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<td>Does the study request access to emails or other personal or sensitive confidential information?</td>
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<tr>
<td>Does the study involve the University of Surrey in the study, the Faculty of Business, Economics and Law, or the staff of the University, investigating their working or professional practices?</td>
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<td>Does the study involve the University of Surrey, investigating their working or professional practices?</td>
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<td>Does the study involve vulnerable groups (e.g., children under 18 years, older people, etc.)?</td>
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<td>Will the respondents receive payment (including in kind) or reimbursement?</td>
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<td>Could questioning, if appropriate, or other methods used, cause stress, be distressing, or be deeply confidential for the respondent?</td>
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<td>Does the study involve research involving the participant's health? (e.g., invasive physiological or psychological procedures?)</td>
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<td>Does the research involve an intervention (e.g., intervention to test a hypothesis) and the research intervention?</td>
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<td>Does the research require participants to participate in the study without their knowledge and consent to the intervention (e.g., covert observations)?</td>
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<td>Does the research require participants to participate in the study under the supervision of the researcher?</td>
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<td>Does your research study involve self or patients from the NHS or Health Service overseas?</td>
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**Supervisor comments:**

**Student's signature:**

**Date:** 17/03/15

**Supervisor's signature:**

**Date:** 7/03/15

**UNIVERSITY OF SURREY**

*School of Business, Economics and Law*
Appendix Eight: The full survey

Restaurant survey

Cover and Introduction

Dear Sir/Madam

My name is Ursula Furnier. I am a student at the University of Surrey and I need your support for a research project I am conducting. This is a request for you to fill out a questionnaire. The survey concerns customer satisfaction with restaurant service. Your participation in this survey is valued and will be completely confidential.

The questionnaire should only take about 10 minutes. Please answer all the questions.

Thank you for your time and consideration.

Yours faithfully

Ursula Furnier

PhD student at the University of Surrey

Screening questions

SC1. Do you eat at restaurants? (this does NOT include take away)
Yes/No

SC2. Have you eaten at a restaurant in the last three months?
Yes/No

Part one of Scenarios

Non-Critical

Scenario 1
Please imagine that you are going to a mid-range Italian restaurant with waiter/waitress service on your own. You go and eat out at a restaurant every now and again so going to one this time is NOT out of the ordinary and it is NOT a special occasion. However, you have never been to this restaurant before. You have NO time pressures and do not need to rush anywhere after your meal. The restaurant is about half full during your stay.

You arrive at the restaurant. You are taken to your table. You are seated and given a menu. You are then informed that due to unforeseen circumstances a member of the kitchen staff had to be sent home early. You are informed that whereas dishes usually take half an hour to be served, that dishes are taking around half an hour longer to be served. The member of staff who is in charge of your table then leaves you for five minutes and returns to take your drinks order.
You look at the menu. Your drinks arrive five minutes later and your food order is taken. Whereas you expect normally to wait around half an hour to be served your food, you have waited 45 minutes and your meal has still not arrived.

Scenario 2

Please imagine that you are going to a mid-range Italian restaurant with waiter/waitress service on your own. You go and eat out at a restaurant every now and again so going to one this time is NOT out of the ordinary and it is NOT a special occasion. However, you have never been to this restaurant before. You have NO time pressures and do not need to rush anywhere after your meal. The restaurant is about half full during your stay.

You arrive at the restaurant. You are taken to your table. You are seated and given a menu. You are then informed that due to unforeseen circumstances a member of the kitchen staff had to be sent home early. You are informed that whereas dishes usually take half an hour to be served, that dishes are taking around half an hour longer to be served. The member of staff who is in charge of your table then leaves you for five minutes and returns to take your drinks order.

You look at the menu. Your drinks arrive five minutes later and your food order is taken. Whereas you expect normally to wait around half an hour to
be served your food, you have waited 45 minutes and your meal has still not arrived.

Scenario 3
Please imagine that you are going to a mid-range Italian restaurant with waiter/waitress service on your own. You go and eat out at a restaurant every now and again so going to one this time is NOT out of the ordinary and it is NOT a special occasion. However, you have never been to this restaurant before. You have NO time pressures and do not need to rush anywhere after your meal. The restaurant is about half full during your stay.

- You arrive at the restaurant. You are taken to your table. You are seated and given a menu. The member of staff who is in charge of your table then leaves you for five minutes and returns to take your drinks order.

- You look at the menu. Your drinks arrive five minutes later and your food order is taken. Whereas you expect normally to wait around half an hour to be served your food, you have waited 45 minutes and your meal has still not arrived.

Scenario 4
Please imagine that you are going to a mid-range Italian restaurant with waiter/waitress service on your own. You go and eat out at a restaurant every now and again so going to one this time is NOT out of the ordinary and it is NOT a special occasion. However, you have never been to this
restaurant before. You have NO time pressures and do not need to rush anywhere after your meal. The restaurant is about half full during your stay.

- You arrive at the restaurant. You are taken to your table. You are seated and given a menu. The member of staff who is in charge of your table then leaves you for five minutes and returns to take your drinks order.

- You look at the menu. Your drinks arrive five minutes later and your food order is taken. Whereas you expect normally to wait around half an hour to be served your food, you have waited 45 minutes and your meal has still not arrived.

Critical Scenario 1

Please imagine that you are going to a mid-range Italian restaurant with waiter/waitress service on your own. You go and eat out at a restaurant every now and again so going to one this time is NOT out of the ordinary and it is NOT a special occasion. However, you have never been to this restaurant before. You are under time pressure as you have an appointment you have to make after your meal. The restaurant is about half full during your stay.

- You arrive at the restaurant. You are taken to your table. You are seated and given a menu. You are then informed that due to unforeseen circumstances a member of the kitchen staff had to be sent home early. You are informed that whereas dishes usually take half an hour to be served, that dishes are
taking around half an hour longer to be served. This would mean that you would only just about have enough time to finish your meal and make it to your later appointment. The member of staff who is in charge of your table then leaves you for five minutes and returns to take your drinks order.

- You look at the menu. Your drinks arrive five minutes later and your food order is taken. Whereas you expect normally to wait around half an hour to be served your food, you have waited 45 minutes and your meal has still not arrived.

Scenario 2

Please imagine that you are going to a mid-range Italian restaurant with waiter/waitress service on your own. You go and eat out at a restaurant every now and again so going to one this time is NOT out of the ordinary and it is NOT a special occasion. However, you have never been to this restaurant before. You are under time pressure as you have an appointment you have to make after your meal. The restaurant is about half full during your stay.

You arrive at the restaurant. You are taken to your table. You are seated and given a menu. You are then informed that due to unforeseen circumstances a member of the kitchen staff had to be sent home early. You are informed that whereas dishes usually take half an hour to be served, that dishes are taking around half an hour longer to be served. This would mean that you would only just about have enough time to finish your meal and make it to
your later appointment. The member of staff who is in charge of your table then leaves you for five minutes and returns to take your drinks order.

You look at the menu. Your drinks arrive five minutes later and your food order is taken. Whereas you expect normally to wait around half an hour to be served your food, you have waited 45 minutes and your meal has still not arrived.

Scenario 3

Please imagine that you are going to a mid-range Italian restaurant with waiter/waitress service on your own. You go and eat out at a restaurant every now and again so going to one this time is NOT out of the ordinary and it is NOT a special occasion. However, you have never been to this restaurant before. You are under time pressure as you have an appointment you have to make after your meal. The restaurant is about half full during your stay.

You arrive at the restaurant. You are taken to your table. You are seated and given a menu. The member of staff who is in charge of your table then leaves you for five minutes and returns to take your drinks order.
You look at the menu. Your drinks arrive five minutes later and your food order is taken. Whereas you expect normally to wait around half an hour to be served your food, you have waited 45 minutes and your meal has still not arrived.

Scenario 4

Please imagine that you are going to a mid-range Italian restaurant with waiter/waitress service on your own. You go and eat out at a restaurant every now and again so going to one this time is NOT out of the ordinary and it is NOT a special occasion. However, you have never been to this restaurant before. You are under time pressure as you have an appointment you have to make after your meal. The restaurant is about half full during your stay.

You arrive at the restaurant. You are taken to your table. You are seated and given a menu. The member of staff who is in charge of your table then leaves you for five minutes and returns to take your drinks order.

You look at the menu. Your drinks arrive five minutes later and your food order is taken. Whereas you expect normally to wait around half an hour to
be served your food, you have waited 45 minutes and your meal has still not arrived.

Questions

Manipulation and realism questions 1

1a. You were informed of the possible delay to your meal upon being seated at the table.

*Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree*

1b. You are under time pressure as you have an appointment to make after your meal.

*Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree*

1c. Going to eat at the restaurant is nothing out of the ordinary and the meal is NOT a special occasion.

*Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree*

1d. Overall, a delay to a meal in a restaurant is likely to occur.
Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree

Expectations of service recovery

2a. I expect the restaurant to do whatever it takes to guarantee my satisfaction.

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

2b. I expect the restaurant to do everything in its power to make up for the problem.

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

2c. I expect the restaurant to exert much effort to make up for the inconvenience caused.

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

2d. I expect the restaurant to try to make up for the inconvenience caused.
Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

3. After ordering your food and upon starting the wait for your meal, what would your personal expectations have been that you would have received compensation?

Answer 5 point scale: I don’t expect any compensation, low, moderate, high, very high

Severity of service failure 1

4. What I experienced in the restaurant was ...

Answer 5 point scale: Not a problem, a small problem, a moderate problem, a big problem, a major problem

5. What I experienced in the restaurant was …

Answer 5 point scale: No inconvenience, a small inconvenience, a moderate inconvenience, a big inconvenience, a major inconvenience

6. What I experienced in the restaurant was …
Answer 5 point scale: Not an aggravation, a small aggravation, a moderate aggravation, a big aggravation, a major aggravation

Part two of scenarios

Non-Critical

Scenario 1

You have waited 45 minutes and your meal has still not arrived. The member of staff who is in charge of your table offers you a free drink on the house as compensation. You wait another 15 minutes after this.

- After an hour of waiting for your meal, your meal arrives and you enjoy it.

You pay the bill and exit the restaurant.

- To summarise, upon being seated at your table you are informed that due to unforeseen circumstances whereas dishes usually take half an hour to be served that dishes are taking around half an hour longer to be served. Halfway through your additional wait (so after 45 minutes) for your meal to be served, you are offered a free drink on the house as compensation. Overall you wait an hour before your meal arrives.

Scenario 2

Whereas you expect normally to wait around half an hour to be served

your food you wait an hour before your meal arrives.
After waiting an hour for your meal, your meal arrives and you enjoy it. You pay the bill and exit the restaurant.

To summarise, upon being seated at your table you are informed that due to unforeseen circumstances whereas dishes usually take half an hour to be served that dishes are taking around half an hour longer to be served.

Overall you wait an hour before your meal arrives.

Scenario 3
You have waited 45 minutes and your meal has still not arrived. The member of staff who is in charge of your table offers you a free drink on the house as compensation. You wait another 15 minutes after this.

After an hour of waiting for your meal, your meal arrives and you enjoy it.
You pay the bill and exit the restaurant.

To summarise, whereas you expect normally to wait around half an hour to be served your food you wait an hour before your meal arrives. Halfway through your additional wait (so after 45 minutes) for your meal to be served, you are offered a free drink on the house as compensation. Overall you wait an hour before your meal arrives.

Scenario 4
Whereas you expect normally to wait around half an hour to be served your food you wait an hour before your meal arrives.

- After waiting an hour for your meal, your meal arrives and you enjoy it. You pay the bill and exit the restaurant.

- To summarise, whereas you expect normally to wait around half an hour to be served your food you wait an hour before your meal arrives. During the hour you wait for your meal to be served, the restaurant does not approach or communicate with you.

**Critical**

**Scenario 1**

You have waited 45 minutes and your meal has still not arrived. The member of staff who is in charge of your table offers you a free drink on the house as compensation. You wait another 15 minutes after this.

After an hour of waiting for your meal, your meal arrives and you enjoy it. You only have just about enough time to finish your meal. You pay the bill and exit the restaurant. You make your later appointment only just in time.
To summarise, upon being seated at your table you are informed that due to unforeseen circumstances whereas dishes usually take half an hour to be served that dishes are taking around half an hour longer to be served. Halfway through your additional wait (so after 45 minutes) for your meal to be served, you are offered a free drink on the house as compensation. Overall you wait an hour before your meal arrives. You make your later appointment only just in time.

Scenario 2

Whereas you expect normally to wait around half an hour to be served your food you wait an hour before your meal arrives.

After waiting an hour for your meal, your meal arrives and you enjoy it. You only have just about enough time to finish your meal. You pay the bill and exit the restaurant. You make your later appointment only just in time.

To summarise, upon being seated at your table you are informed that due to unforeseen circumstances whereas dishes usually take half an hour to be served that dishes are taking around half an hour longer to be served. Overall you wait an hour before your meal arrives. You make your later appointment only just in time.
Scenario 3

You have waited 45 minutes and your meal has still not arrived. The member of staff who is in charge of your table offers you a free drink on the house as compensation. You wait another 15 minutes after this.

After an hour of waiting for your meal, your meal arrives and you enjoy it. You only have just about enough time to finish your meal. You pay the bill and exit the restaurant. You make your later appointment only just in time.

To summarise, whereas you expect normally to wait around half an hour to be served your food you wait an hour before your meal arrives. Halfway through your additional wait (so after 45 minutes) for your meal to be served, you are offered a free drink on the house as compensation. Overall you wait an hour before your meal arrives. You make your later appointment only just in time.

Scenario 4

Whereas you expect normally to wait around half an hour to be served your food you wait an hour before your meal arrives.
After waiting an hour for your meal, your meal arrives and you enjoy it. You **only have just about enough time** to finish your meal. You pay the bill and exit the restaurant. **You make your later appointment only just in time.**

To summarise, whereas you **expect normally to wait around half an hour to be served your food** you **wait an hour** before your meal arrives. **During the hour you wait** for your meal to be served, the restaurant does not **approach or communicate with you. You make your later appointment only just in time.**

**Manipulation and realism questions 2**

7a. NOTHING was done to address what happened in the restaurant.

*Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree*

7b. You were offered a complimentary drink as a result of your meal being delayed.

*Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree*
7c. YOU WERE COMPENSATED with a complimentary drink for the possible inconveniences caused by the delay in serving your meal.

Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree

7d. The delay in serving my meal at the restaurant was realistically described.

Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree

7e. Overall, the events described in the story are realistic.

Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree

7f. Overall, the events described in the story are likely to occur in real life.

Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree

8. When eating out at a restaurant in REAL LIFE, experiencing a delay to my meal being served is a common occurrence
Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree

9. IN THE STORY you just read, the delay to your meal that you would experience as a customer in the restaurant would be...

Answer 7 point scale: Very Unpleasurable, Unpleasurable, Somewhat Unpleasurable, neither Unpleasurable nor Pleasurable, somewhat Pleasurable, Pleasurable, Very Pleasurable

10. IN THE STORY you just read, the delay to your meal that you would experience as a customer in the restaurant would be...

Answer 7 point scale: Not an inconvenience, Somewhat of an inconvenience, a minor inconvenience, a small inconvenience, a moderate inconvenience, a big inconvenience, a major inconvenience.

Confound Questions

11a. The restaurant was responsible for what caused the situation.

Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree

11b. To prevent the situation, there are actions the restaurant could have taken.
Ursula Patricia Josephine Furnier, 6245157

Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree

11c. As a customer you would consider yourself to blame for the situation.

Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree

11d. The situation you experienced is short term in nature.

Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree

11e. The situation was caused by circumstances beyond anyone’s control.

Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree

Intention to repatronise

12. What is the likelihood that you would eat at this restaurant in the future?

Answer 5 point scale: Very unlikely, unlikely, undecided, likely, highly unlikely
13. If this situation happened to me I would never eat at this restaurant again.

*Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree*

14. If this had happened to me I would still eat at this restaurant in the future.

*Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree*

**Overall satisfaction**

15. I am satisfied with my overall experience with the restaurant.

*Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree*

16. As a whole, I am not satisfied with the restaurant.

*Answer 7 point scale: Strongly disagree, disagree, somewhat disagree, neither agree nor disagree, somewhat agree, agree, strongly agree*

17. How satisfied are you overall with the quality of the service you received?
Answer 7 point scale: Very dissatisfied, dissatisfied, somewhat dissatisfied, neutral, somewhat satisfied, satisfied, very satisfied

Severity of service failure 2

18. What I experienced in the restaurant was ...

Answer 5 point scale: Not a problem, a small problem, a moderate problem, a big problem, a major problem

19. What I experienced in the restaurant was …

Answer 5 point scale: No inconvenience, a small inconvenience, a moderate inconvenience, a big inconvenience, a major inconvenience

20. What I experienced in the restaurant was …

Answer 5 point scale: Not an aggravation, a small aggravation, a moderate aggravation, a big aggravation, a major aggravation

Satisfaction with service recovery

21. The restaurant provided a satisfactory resolution to the issue experienced on this particular occasion.
Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

22. I am not satisfied with the restaurant's handling of the issue experienced.

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

23. Regarding the issue experienced, I am satisfied with the restaurant.

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

Disconfirmation of expectations

24. The restaurant's overall response to my problem was…

Answer 7 point scale: Much worse then expected, worse than expected, somewhat worse than expected, as expected, somewhat better than expected, better than expected, much better than expected

Distributive justice

25a. The outcome I received was fair
Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

25b. In acknowledging the issue I experienced the restaurant gave me what I needed

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

26a. I did not get what I deserved

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

26b. The outcome I received was not right

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

Procedural Justice

27a. The length of time taken to address the problem was longer than necessary.
Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

27b. The timing of the restaurant's communications to me about the problem I experienced could have been better.

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

Interactional Justice

28a. They did not tell me the cause of the issue

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

28b. The restaurant did not seem very understanding about the problem I had experienced

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

29a. They seemed very concerned about my problem
Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

29b. The restaurant was sympathetic and caring

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

29c. The restaurant tried hard to resolve the problem

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

29d. The restaurant’s communications with me were sufficient

Answer 5 point scale: Strongly disagree, disagree, neither agree nor disagree, agree, strongly agree

**Actual Behaviour**

30. How experienced would you say you are with dining at restaurants?

Answer Choices: Very inexperienced, inexperienced, somewhat inexperienced, neither experienced nor inexperienced, somewhat experienced, experienced, very experienced
31. How often do you visit restaurants to eat? (this does NOT include takeaway)

Answer Options: Several times a week, About once a week, 2-3 times a month, About once a month, About once every two months, 2-3 times a year, less than 2-3 times a year, Never

32. When you go out to a restaurant how much on average is your OVERALL bill?

Answer Options: Less than £10, £11-19, £20-34, £35-49, £50-75, More than £75

33. What type of restaurant do you MOST FREQUENTLY eat at? (This does NOT include takeaway restaurants) (Please select ALL APPLICABLE)

Answer Options: High end/Fine dining (Characteristics may include: High prices, full service, higher quality materials in the restaurant, formal attire for staff or even a dress code for customers, highly trained staff with an emphasis on service, high quality ingredients used); Mid-Range/Casual dining (Characteristics may include: Table service, casual atmosphere, moderate prices, moderate food quality); Low end restaurants (Characteristics may include: May have table service or not, budget prices, limited service, no
particular focus on atmosphere); Pub, Cafeteria, Cafe, Buffet, A la carte, Chain Restaurant, Hotel Restaurant, Independent restaurant

34. What is the name of the restaurant you MOST FREQUENTLY eat at?

Answer option: (Please WRITE your response in the space below)

35. How often in real life do you eat out at a mid-rage Italian restaurant as described in the story you just read?

Answer from 8 options: Several times a week, About once a week, 2-3 times a month, About once a month, About once every two months, 2-3 times a year, less than 2-3 times a year, Never

Demographics

36. Are you….

Two answer choices: Male, Female

37. How old are you?

Six answer choices: 18-24, 25-34, 35-44, 45-54, 55-64, 65+

38. How many people including yourself live in your household?
39. Employment status: are you currently...

Answer Options: Employed for wages, Self-employed, Out of work and looking for work, Out of work but not currently looking for work, A homemaker, A student, Military, Retired, Unable to work

40. How many hours on average do you work PER WEEK?

Answer Option: (Please WRITE your response in the space below)

41. Which county do you currently live in?

Answer choices: Berkshire, Buckinghamshire, East Sussex, West Sussex, Hampshire, Kent, Surrey, Oxfordshire, Isle of Wight

42. In which category does your NET HOUSEHOLD income per year fall?

Answer choices: Below £10,000, £10,001-£20,000, £20,001-£30,000, £30,001-£40,000, £40,001-£50,000, £50,001-£60,000, £60,001-£70,000, Above £70,001
Appendix Nine: Profiling of Respondents

The tables below show the household income, employment status, experience of eating in restaurants, frequency of visiting restaurants and overall bill amounts for the respondents.
<table>
<thead>
<tr>
<th>Household Income</th>
<th>Below £10,000</th>
<th>£10,001-£20,000</th>
<th>£20,001-£30,000</th>
<th>£30,001-£40,000</th>
<th>£40,001-£50,000</th>
<th>£50,001-£60,000</th>
<th>£60,001-£70,000</th>
<th>Above £70,000</th>
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The results heed that most participants have an overall household income between £20,000-50,000. However, the samples show that there was a fair spread of different income groups across the survey samples.

<table>
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<tr>
<th>Employment Status</th>
<th>Employed for wages</th>
<th>Self employed</th>
<th>Out of work and looking for work</th>
<th>Out of work but not looking for work</th>
<th>Homemaker</th>
<th>Student</th>
<th>Military</th>
<th>Retired</th>
<th>Unable to work</th>
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The descriptive statistics show that most participants were employed for wages, followed by the retired category, followed by people who were self employed.

<table>
<thead>
<tr>
<th>Experience of eating in restaurants</th>
<th>Very inexperienced</th>
<th>Inexperienced</th>
<th>Somewhat Inexperienced</th>
<th>Neither experienced nor inexperienced</th>
<th>Somewhat experienced</th>
<th>Experienced</th>
<th>Very experienced</th>
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xcviii
The chart illustrates that the majority of participants who answered the surveys considered themselves to be somewhat experienced to very experienced in eating in restaurants. It should be noted however that this measure despite being measured quantitively is a subjective measure and relies on the participant’s perspective. However, this does provide an interesting insight.

<table>
<thead>
<tr>
<th>Frequency of eating in restaurants</th>
<th>Never</th>
<th>Less than 2-3 times a year</th>
<th>2-3 times a year</th>
<th>About once every two months</th>
<th>About once a month</th>
<th>2-3 times a month</th>
<th>About once a week</th>
<th>Several times a week</th>
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These results show that all participants were consumers who were part of the restaurant going population thus proving that the screening questions and targeting were effective in screening out people who were not part of this population and thus ineligible to answer the surveys. It also shows that the majority of participants typically visited restaurants at least once a month to 2-3 times a month.

<table>
<thead>
<tr>
<th>Overall Bill Amount</th>
<th>Below £10</th>
<th>£11-19</th>
<th>£20-34</th>
<th>£35-49</th>
<th>£50-75</th>
<th>More than £75</th>
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This shows that the majority of participants spent around £20-49 on their overall restaurant bill and that it was rare for bills to come to under £1.
END OF THESIS