

# The Role of Recovery Satisfaction on the Relationship between Service Recovery and Brand Evangelism: A Conceptual Framework

Muhammad Hafiz Abd Rashid and Fauziah Sh. Ahmad

**Abstract**—The aim of every organization is to deliver the utmost service to the customers. However, in certain circumstances, it is impossible to provide service with zero defect. Even the best organizations in the world are unable to escape from service failure. In recent years, practitioners and researchers are interested to explore the best measures to recover from service failure. Numerous studies have been established to investigate the effect of service recovery on customer satisfaction. Justice theory is one of the well-known theoretical foundation that has been referred in service recovery studies. By means of the same theory which is represented by distributive justice, procedural justice and interactional justice as well as their relationships with recovery satisfaction, this study proposes further investigation on how these exogenous factors promote or influence brand evangelism. Brand evangelism represents an extension to word of mouth communication. This exploration is believed to be the first incorporating brand evangelism in service recovery context. The anticipated managerial implications and recommendations for future research are also discussed in this conceptual paper.

**Index Terms**—Brand evangelism, recovery satisfaction, service failure, service recovery.

## I. INTRODUCTION

The aim of every business is to provide the best service to the customers. However, due to certain circumstances, error-free service is sometimes difficult to be accomplished. This situation is referred as service failure. Service failure is unavoidable and it even happened to multinational corporations such as Toyota, General Electric and Sony [1]. Service failure is the moment of truth that will test the relationship between the customer and service provider [2]. Of late, service providers are becoming serious in finding ways to overcome service failure and they are interested to know how customers behave after experiencing service failure, as these behaviors will determine customers' future

Manuscript received March 20, 2014; revised September 29, 2014. This work is supported by the Ministry of Higher Education (MOHE) via Exploratory Research Grant Scheme of Universiti Teknologi Malaysia (UTM). Research name: Integrating Intercultural Competence for Superior Service Satisfaction: A Structural Equation Modeling in Dynamic Economy of Malaysia and Turkey, grant no. PY//2012/01358-Q.K130000.2563.04H80.

Muhammad Hafiz Abd Rashid is with the Faculty of Business Management, Universiti Teknologi MARA (UiTM), 42300 Puncak Alam, Selangor, Malaysia, on study leave at the International Business School, Universiti Teknologi Malaysia (UTM), 54100 Kuala Lumpur, Malaysia (e-mail: mhafiz.rashid@gmail.com).

Fauziah Sh. Ahmad is with the International Business School, Universiti Teknologi Malaysia (UTM), 54100 Kuala Lumpur, Malaysia (e-mail: fsa@ibs.utm.my).

purchase intentions [3]. This is due to the notion that service failure may contribute to customer frustration, customer defection, and negative word of mouth [4].

Service failure is rectifiable by performing service recovery. A good service recovery will help to develop long term relationship, fortify loyalty and it may influence positive behavioral intentions [5]. Extant studies have applied the concept of justice theory in service recovery which includes the dimension of distributive justice, procedural justice and interactional justice. Justice theory has been tested in various service recovery studies employing field survey or experimental-based design [6]. Therefore, this study will incorporate the three dimensions of justice theory to investigate its effect towards recovery satisfaction.

Preceding studies in service recovery claimed that recovery satisfaction will influence customers' intention to spread positive word of mouth [7]-[9]. These findings demonstrate that service recovery is imperative to transform dissatisfied customers to the state of satisfaction. As a result, satisfied customers will share positive experience with others and they may act beyond service provider's expectation. Those customers are called as brand evangelist. Brand evangelists are not only spreading positive word of mouth, however they embrace the brand to the point of dissuading others from buying competitor's brand. Therefore, this study will investigate the influence of recovery satisfaction on brand evangelism.

The remainder of the paper is organized as follows. Literature review and propositions are discussed in Section II. The proposed conceptual framework is presented in Section III. This is followed by conclusion in Section IV. Implication for manager is described in Section V and finally, recommendations for future research in Section VI.

## II. LITERATURE REVIEW

### A. Service Recovery

Service failure is unpreventable and it can jeopardize company's reputation. Thus, an effective service recovery is vital to handle such situation. The way companies manage the service failure will determine their level of commitment towards the relationship that has been established with the customers. Extant studies indicate that service recovery is defined as the actions taken by an organization in response to a service failure which includes all the activities performed to correct, amend, and replace the losses incurred after the failure [10]. According to Lewis [11], service recovery is performed to solve problems at the service encounter before

customers complain or before they leave with dissatisfaction. Service recovery is considered as one of the customer retention strategies [12] which includes apology, urgent reinstatement, empathy, symbolic atonement and follow-up [13].

Recently, justice theory has received a considerable amount of attention in service recovery studies [14]. Justice theory has been used as the main foundation in the development of service recovery framework [15]. Justice theory was established from the equity and social exchange theory [6]. According to justice theory, customers expect that the inputs should be equal to the outcomes in every exchange or transaction [16]. However, inequity will happen if the outcomes do not meet the expectations of the customers. In this situation, the inequity is referred as service failure.

Justice theory is represented by three dimensions namely distributive justice, procedural justice and interactional justice. Distributive justice is described as the tangible compensation received by the customer during the service recovery process [17]. According to Wen and Chi [9], distributive justice may include discount, refund, amendment, etc. The compensated amount should be equal to customer's loss to satisfy frustrated customers. Additionally, distributive justice may also be represented in the form of nonmonetary which includes emotions, cost incurred in lodging complaint and ego benefits [18]. Employees should be trained to handle frustrated customer's emotions in the event of service failure. Dissatisfied customers tend to be emotional and they should be treated appropriately when service failure occurred.

Procedural justice is defined as the procedures or policies involved in the service recovery process which includes on time problem resolution, flexibility in fulfilling customers' expectations and consistent follow-up to keep customer update [4]. According to McColl-Kennedy and Sparks [15], procedural justice is important in indicating whether the procedures or principles used in making decision are perceived as fair by the customers. One important component in procedural justice is the speed or time taken to resolve the problem [19]. Therefore, it is crucial to ensure that immediate action is taken to solve customer's problem. This can be achieved by having less bureaucracy or red tapes, and employees should be trained on how to react in service failure situations.

Interactional justice refers to the communication process [20] during service recovery which includes the manner service provider and its employees treat the customers [9]. During service recovery process, the customers expect the employees to respect them, concern about their problem and emotions, express sincerity in explaining the causes of the failure and demonstrate the willingness to help them [9]. Interactional justice can also be referred as human interaction [17], interpersonal treatment [21], and interpersonal behavior [22]. Based on the various definitions of interactional justice, its main focus is still directed to the interaction or communication process involved in service recovery. Thus, it proves that two ways communication is critical following service failure. Therefore, it is crucial to apologize and be courteous during service recovery [22].

### *B. Recovery Satisfaction*

Customer satisfaction has been a main focus in marketing

and consumer behavior studies [23]. No companies in the world can ignore the importance of delivering the best service to achieve customer satisfaction. Generally, customer satisfaction is defined as a response to the pleasurable fulfillment of a consumer's needs, wants, or desires [24]. Satisfaction is a subjective evaluation of emotions, and therefore it may lead to positive or negative feeling of fulfillment [25]. Customer satisfaction is imperative in any businesses because it can lead to loyalty and positive word of mouth [26].

In service recovery aspect, customer satisfaction or recovery satisfaction is defined as a positive status of emotion as a result of the problem resolution performed by the service provider [4]. According to Kuo and Wu [27], recovery satisfaction is different from customers' satisfaction with the first service encounter. They argued that recovery satisfaction is described as the customers' satisfaction with the secondary service (corrective action) performed by a service provider following a service failure. Dissatisfied customers must be returned to the state of satisfaction due to the fact that recovery satisfaction will lead to enhanced overall satisfaction, customer loyalty and positive referrals towards the company's brand [7].

Choi and La [7] claimed that service recovery is imperative given its substantial influence on recovery satisfaction. Most customers expect that satisfaction will be achieved if the outcomes of service recovery is fair to their losses [14]. Extant studies have reported that service recovery influences recovery satisfaction [4], [6], [8], [19], [22], [28]. Additionally, a fair service recovery also will fortify trust and will lead to positive referrals and re-patronage intentions [9]. Therefore, the following proposition is derived based on the aforementioned discussion.

P1: Service recovery will affect recovery satisfaction.

As discussed earlier, justice theory will be used in this service recovery studies. Preceding studies have claimed that the three dimensions of justice theory influences recovery satisfaction. Distributive justice was claimed to influence recovery satisfaction in the studies conducted by Prasongsukarn and Patterson [21], Maxham and Netemeyer [8], Kim, Kim [4], and Smith, Bolton [22]. Thus, it demonstrates that tangible compensation such as refund, discount, and replacement will help to restore customer satisfaction. The following proposition is proposed based on the previous discussion:

P1a: Distributive justice will affect recovery satisfaction.

Procedural justice concerns with the policies and procedures used during service recovery. A study in airline industry by Chang and Chang [29] reported that interactional justice influence recovery satisfaction. Other service recovery studies by Maxham and Netemeyer [8] and Ok [28] also suggested that procedural justice influences recovery satisfaction. The findings demonstrate that fair policies or procedures can influence the manner customers view service recovery efforts. Thus, the preceding discussion has led to the following proposition:

P1b: Procedural justice will affect recovery satisfaction.

Interactional justice is vital in contributing to customer satisfaction with service recovery. Inadequate interactions between employees and customers during service recovery

and poorly implemented service recovery procedures will lead to low customer satisfaction [9]. A study by Maxham and Netemeyer [8] found that recovery satisfaction increases with a rising of interactional justice. The same findings were also reported in the study conducted by Chang and Chang [29]. Thus, it shows that effective communication is crucial during service recovery. As a result, the intended meaning of the message will be delivered accurately and less time will be taken to resolve the problems. Based on the previous discussion, the following proposition is derived:

P1c: Interactional justice will affect recovery satisfaction.

### C. Brand Evangelism

Brand evangelism is the extension of word of mouth communication [30]. According to Becerra and Badrinarayanan [31], brand evangelism is represented by three important behaviors which includes purchase intentions, positive referrals, and oppositional brand referrals. However, Doss [30] argued that brand evangelism is established based on three concepts namely consumer brand identification, brand salience, and opinion leadership. Generally, brand evangelists are those customers who passionately loyal to one particular brand, enthusiastically spread positive brand experience to others, persuade others to purchase the same brand, and deter others from buying competitor's brand [32]. Brand evangelism involved passion and emotion, therefore it is difficult for the competitor to attract their attention [32].

The term 'brand evangelism' just evolved in recent years and the word 'evangelism' is used to portray the missionary component of the passionate behavior of the customers [33]. According to Doss [30], brand evangelism is not merely about being loyal to a particular brand, however it involves positive emotional connection that makes the customer having the tendency to share their experiences with others. Brand evangelists can reach to the extent of issuing disparaging comments about rival's brand [31]. Therefore, brand evangelists may act as the 'unofficial' ambassador to the brand with the power of moving beyond word of mouth communication. Extant research claimed that satisfied customers will tell more than 20 others about their experiences [31], therefore it demonstrates that the role of brand evangelists are critical especially with the existence of social media such as Facebook, Twitter, Instagram, etc.

Service failure may jeopardize the relationship between brand evangelists and the company. It was claimed that passionate customers will have the propensity to be the most passionate opponents when they are dissatisfied with the brand, which may be expressed by extreme disappointment and brand retaliation [34]. Therefore, it is critical to pay attention towards brand evangelists as they may become anti-brand evangelists [30] in the event of service failure. Service provider has to recover the service immediately and it should be equal to the customers' loss. Customers should be returned to the state of satisfaction before they become anti-brand evangelists. In recent years, most studies focuses on the brand themselves, however less attention has been devoted to research concerning brand evangelism [30], particularly in the area of service recovery. Extant studies claimed that satisfaction with service recovery influences word of mouth communication [2], [9], [35], [36]. The

findings can be a guideline in investigating the relationship between recovery satisfaction and brand evangelism, due to the notion that brand evangelism is the extension of word of mouth communication [30]. Thus, based on the preceding discussion, the following proposition is derived:

P2: Recovery satisfaction will affect brand evangelism.

### D. The Mediating Role of Recovery Satisfaction

Recovery satisfaction is expected to mediate the relationship between service recovery and brand evangelism. A number of studies claimed that service recovery can influence recovery satisfaction and subsequently lead to positive word of mouth [4], [9], [37]. This indicates that service recovery will not only bring back satisfaction to frustrated customers, however it also may promote customers to become brand evangelist. In light of the aforementioned evidence, the following propositions are developed:

P3: Recovery satisfaction mediates the relationship between service recovery and brand evangelism.

P3a: Recovery satisfaction mediates the relationship between distributive and brand evangelism.

P3b: Recovery satisfaction mediates the relationship between procedural justice and brand evangelism.

P3c: Recovery satisfaction mediates the relationship between interactional justice and brand evangelism.

## III. CONCEPTUAL FRAMEWORK

Based on the extensive discussion of the literatures, the proposed conceptual framework of the study is presented in Fig. 1. Accordingly, there are three dimensions of justice theory that will be used in these service recovery studies which includes distributive justice, procedural justice, and interactional justice. These three dimensions will be tested in investigating its effect towards recovery satisfaction. Subsequently, recovery satisfaction will be further examined to explore its effect towards brand evangelism. Finally, recovery satisfaction will be examined to investigate its mediating effect on the relationship between service recovery and brand evangelism.

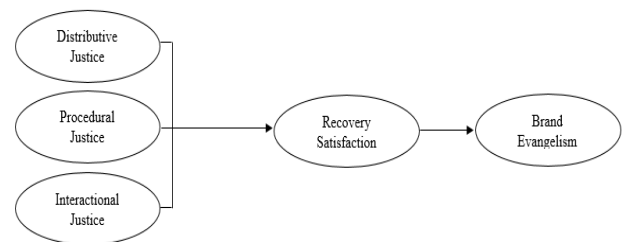


Fig. 1. Proposed conceptual framework to examine the relationship between service recovery, recovery satisfaction, and brand evangelism.

## IV. CONCLUSION

Service failure is a nightmare for every organization. No matter how large or small the organizations, service failure is inevitable and it may tarnish the reputation if nothing is done to rectify the problems. Therefore, service recovery should be a culture to every organization. Focus should be given to the three dimensions of justice theory that have been discussed earlier. Extant studies have proven that distributive justice,

procedural justice, and interactional justice influences recovery satisfaction. Even though customers are sometimes difficult to be satisfied especially after service failure, organization should do something to compensate the tangible and intangible losses of the customers. Service recovery paradox claimed that recovered customers can be more satisfied if the organization is able to solve their problems compared to those customers who never experienced failures.

The incorporation of brand evangelism will contribute new perspective to service recovery body of knowledge. To the researchers' knowledge, no service recovery study has incorporated brand evangelism to date. Therefore, it is vital to investigate the influence of recovery satisfaction towards brand evangelism. While most service recovery studies investigate the effect of recovery efforts or satisfaction towards word of mouth intentions, this study will explore the extension of word of mouth communication, or so called brand evangelism.

#### V. IMPLICATIONS FOR MANAGER

Generally, this study is beneficial to employees in any organizations across the globe. Specifically, this study is significant to employees in service sectors such as hotel, restaurant, call center, etc. It is the responsibility of everyone in the organization to provide the best service to the customers. In the event of service failure, employees have to react immediately and managers should always support employees' service recovery efforts. Service failure without resolution will lead to customer defection.

This study is expected to provide significant insights to managers on the appropriate ways to recover the service. Managers can consider distributive justice (fair refund, replacement, coupon, voucher), procedural justice (fair and flexible policies/procedures), and interactional justice (effective communication) when recovering from the service failures. Employees should be emphasized the importance of service recovery in promoting customer satisfaction and brand evangelism.

#### VI. RECOMMENDATIONS FOR FUTURE RESEARCH

Service recovery has been one of the well-known areas of research in service marketing. This area is undeniably important to practitioners and academicians. A number of new variables were introduced in preceding studies as a contribution to the body of knowledge. Perhaps, future studies may want to explore theories other than justice theory to be applied in service recovery studies. Additionally, new variable such as customer personality is suggested to be incorporated in future research.

#### ACKNOWLEDGMENT

Author thanks the Ministry of Higher Education (MOHE) for the Exploratory Research Grant Scheme of Universiti Teknologi Malaysia (UTM). Research name: Integrating Intercultural Competence for Superior Service Satisfaction: A Structural Equation Modeling in Dynamic Economy of Malaysia and Turkey, grant no.

PY//2012/01358-Q.K130000.2563.04H80

#### REFERENCES

- [1] R. F. Lusch and S. L. Vargo, "Service-dominant logic: Reactions, reflections and refinements," *Marketing Theory*, vol. 6, no. 3, pp. 281-288, 2006.
- [2] C. A. de Matos, J. L. Henrique, and F. de Rosa, "Customer reactions to service failure and recovery in the banking industry: The influence of switching costs," *Journal of Services Marketing*, vol. 27, no. 7, pp. 526-538, 2013.
- [3] Y. Tsarenko and D. Tojib, "The role of personality characteristics and service failure severity in consumer forgiveness and service outcomes," *Journal of Marketing Management*, vol. 28, no. 9-10, pp. 1217-1239, 2012.
- [4] T. T. Kim, W. G. Kim, and H.-B. Kim, "The effects of perceived justice on recovery satisfaction, trust, word-of-mouth, and revisit intention in upscale hotels," *Tourism Management*, vol. 30, no. 1, pp. 51-62, 2009.
- [5] K. A. Riscinto-Kozub, "The effects of service recovery satisfaction on customer loyalty and future behavioral intentions: An exploratory study in the luxury hotel industry," *ProQuest*, 2008.
- [6] P. G. Patterson, E. Cowley, and K. Prasongsukarn, "Service failure recovery: The moderating impact of individual-level cultural value orientation on perceptions of justice," *International Journal of Research in Marketing*, vol. 23, no. 3, pp. 263-277, 2006.
- [7] B. Choi and S. La, "The impact of corporate social responsibility (CSR) and customer trust on the restoration of loyalty after service failure and recovery," *Journal of Services Marketing*, vol. 27, no. 3, pp. 223-233, 2013.
- [8] J. G. Maxham and R. G. Netemeyer, "Modeling customer perceptions of complaint handling over time: The effects of perceived justice on satisfaction and intent," *Journal of Retailing*, vol. 78, no. 4, pp. 239-252, 2002.
- [9] B. Wen and C. G.-Q. Chi, "Examine the cognitive and affective antecedents to service recovery satisfaction: A field study of delayed airline passengers," *International Journal of Contemporary Hospitality Management*, vol. 25, no. 3, pp. 306-327, 2013.
- [10] C. Grönroos, "Service quality: The six criteria of good perceived service quality," *Review of Business*, vol. 9, no. 3, pp. 10-13, 1988.
- [11] B. R. Lewis, *Service Promises Problems and Retrieval*, 1996.
- [12] S. Michel, "Analyzing service failures and recoveries: A process approach," *International Journal of Service Industry Management*, vol. 12, no. 1, pp. 20-33, 2001.
- [13] C. R. Bell and R. E. Zemke, "Service breakdown: The road to recovery?" *Management Review*, vol. 76, no. 10, pp. 32-35, 1987.
- [14] D. Nikbin *et al.*, "Perceived justice in service recovery and recovery satisfaction: The moderating role of corporate image," *International Journal of Marketing Studies*, vol. 2, no. 2, pp. 47, 2010.
- [15] J. R. McColl-Kennedy and B. A. Sparks, "Application of fairness theory to service failures and service recovery," *Journal of Service Research*, vol. 5, no. 3, pp. 251-266, 2003.
- [16] J. S. Adams, "Towards an understanding of inequity," *Journal of Abnormal and Social Psychology*, vol. 67, no. 5, pp. 422-436, 1963.
- [17] B. A. Sparks and J. R. McColl-Kennedy, "Justice strategy options for increased customer satisfaction in a services recovery setting," *Journal of Business Research*, vol. 54, no. 3, pp. 209-218, 2001.
- [18] M. A. McCollough, L. L. Berry, and M. S. Yadav, "An empirical investigation of customer satisfaction after service failure and recovery," *Journal of Service Research*, vol. 3, no. 2, pp. 121-137, 2000.
- [19] S. S. Tax, S. W. Brown, and M. Chandrashekar, "Customer evaluations of service complaint experiences: Implications for relationship marketing," *Journal of Marketing*, vol. 62, no. 2, pp. 60-76, 1998.
- [20] C.-C. Tsai, Y.-K. Yang, and Y.-C. Cheng, "Does relationship matter? – Customers' response to service failure," *Managing Service Quality*, vol. 24, no. 2, pp. 139-159, 2014.
- [21] K. Prasongsukarn and P. G. Patterson, "An extended service recovery model: The moderating impact of temporal sequence of events," *Journal of Services Marketing*, vol. 26, no. 7, pp. 510-520, 2012.
- [22] A. K. Smith, R. N. Bolton, and J. Wagner, "A model of customer satisfaction with service encounters involving failure and recovery," *Journal of Marketing Research*, vol. 36, no. 3, pp. 356-372, 1999.
- [23] K. Ghalandari, L. Babaeinia, and M. G. G. Jogh, "Investigation of the effect of perceived justice on post-recovery overall satisfaction, post-recovery revisit intention and post-recovery word-of-mouth intention from airline industry in Iran: The role of corporate image," *World Applied Sciences Journal*, vol. 18, no. 7, pp. 957-970, 2012.

- [24] R. L. Oliver, "Satisfaction: A behavioral perspective on the consumer." *Satisfaction: A Behavioral Perspective on the Consumer*, 1997.
- [25] T. W. Andreassen, "Antecedents to satisfaction with service recovery." *European Journal of Marketing*, vol. 34, no. 1-2, pp. 156-175, 2000.
- [26] D. Nikbin *et al.*, "The relationship of service failure attributions, service recovery justice and recovery satisfaction in the context of airlines," *Scandinavian Journal of Hospitality and Tourism*, vol. 12, no. 3, pp. 232-254, 2012.
- [27] Y.-F. Kuo and C.-M. Wu, "Satisfaction and post-purchase intentions with service recovery of online shopping websites: Perspectives on perceived justice and emotions," *International Journal of Information Management*, vol. 32, no. 2, pp. 127-138, 2012.
- [28] C. Ok, "The effectiveness of service recovery and its role in building long-term relationships with customers in a restaurant setting," 2004.
- [29] Y.-W. Chang and Y.-H. Chang, "Does service recovery affect satisfaction and customer loyalty? An empirical study of airline services," *Journal of Air Transport Management*, vol. 16, no. 6, pp. 340-342, 2010.
- [30] S. K. Doss, "Spreading the good word: Toward an understanding of brand evangelism," University of Texas--Pan American, 2010.
- [31] E. P. Becerra and V. Badrinayanan, "The influence of brand trust and brand identification on brand evangelism," *Journal of Product & Brand Management*, vol. 22, no. 5-6, pp. 5-5, 2013.
- [32] B. McConnell and J. Huba, *Creating Customer Evangelists: How Loyal Customers Become A Volunteer Sales Force*, Dearborn Trade Publishing, 2002.
- [33] K. Matzler, E. A. Pichler, and A. Hemetsberger, "Who is spreading the word? The positive influence of extraversion on consumer passion and brand evangelism," *Marketing Theory and Applications*, pp. 25, 2007.
- [34] H. Rozanski, A. Baum, and B. Wolfsen, "Brand zealots: Realizing the full value of emotional loyalty," *Strategy & Business*, vol. 17, pp. 51-62, 1999.
- [35] N. Sabharwal, H. Soch, and H. Kaur, "Are we satisfied with incompetent services? A scale development approach for service recovery," *Journal of Services Research*, vol. 10, no. 1, 2010.
- [36] C. P. dos Santos and K. Basso, "Do ongoing relationships buffer the effects of service recovery on customers' trust and loyalty?"

*International Journal of Bank Marketing*, vol. 30, no. 3, pp. 168-192, 2012.

- [37] M. Groth, "Customers as good soldiers: Examining citizenship behaviors in internet service deliveries," *Journal of Management*, vol. 31, no. 1, pp. 7-27, 2005.



**Muhammad Hafiz Abd Rashid** is a PhD student at the International Business School of Universiti Teknologi Malaysia (UTM), Kuala Lumpur, Malaysia. He holds a position as a lecturer at the Faculty of Business Management, Universiti Teknologi MARA (UiTM), Malaysia and currently being sponsored by UiTM and the Ministry of Education to pursue PhD. He holds a master specializing in service management from the Rochester Institute of Technology, New York, USA. He has a few years of working experience with Bursa Malaysia Berhad prior to joining the academics. His research interests include service recovery, customer satisfaction, service quality and service marketing.



**Fauziah Sh. Ahmad** is currently an associate professor of marketing and entrepreneurship subjects as well as the head of Executive Development Program at the International Business School of Universiti Teknologi Malaysia (UTM). She started her career as an assistant marketing lecturer at California State University, Fresno in 1989 and later serviced as a corporate planner for few public listed companies in Malaysia. Her research and consultancy interest is in business branding, entrepreneurship and product commercialization.

Dr. Fauziah is a member of Chatered Institute of Marketing UK (CIM), Malaysia Institute of Management (MIM) and Harvard Business School Alumni Club of Malaysia (HBSAC).