

Consumer responses to service recovery strategies: The moderating role of online versus offline environment

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Abstract

In this article, we examine consumer reactions to two service recovery strategies: fixing the service failure for a fee and fixing the service failure for no fee and adding compensation. We expect that the more desirable recovery strategy will result in higher levels of satisfaction and higher postpurchase intentions. However, the effect of these recovery strategies on consumers' reactions is likely to be moderated by the setting (online versus offline). The empirical results support our predictions that the effect of the service failure recovery on satisfaction and postpurchase intentions would be stronger in offline media than in online media. Managerial implications thus are presented.

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Usually service delivery occurs directly between a customer and an employee; many services can be performed only when the customer is present. Parasuraman et al. (1985) note that because of this inseparability, customer input can greatly affect the outcome of a service encounter. Customers, as an integral part of the service process, may feel more responsible for their own satisfaction or dissatisfaction than they would in transactions that only involve goods. This feeling of responsibility is likely to intensify when customers buy services for which they do most of the work, and the rapid expansion of service delivery over the Internet undoubtedly has led to many situations in which customers perform much of their own service. This study draws on the service failure and postpurchase behavior literature to develop and experimentally test a conceptual framework that links the service medium (online versus offline purchasing) with customer satisfaction, service failure recovery, and postpurchase intentions.

Because of the increasing role of the Internet in the economy, it is important to compare customer responses to service failures in brick-and-mortar outlets with those in online settings. The online shopping experience is still relatively new to many consumers, which makes it more likely that problems will occur on the Internet than in traditional settings. Although many studies in marketing literature have examined service quality in brick-and-mortar settings (i.e., Bitner and Hubbert, 1994; Boulding et al., 1993; Parasuraman et al., 1985), less work has investigated quality in the Internet context (i.e., Meuter et al., 2000; Rust and Lemon, 2001; Shankar et al., 2003).

1. Background and research questions

According to a recent survey by shop.org and BizRate.com, 11% of online buyers were dissatisfied with the Web sites they visited (Catalog Age, 2004). The combination of customer impatience and freedom to surf the Web does not bode well for an e-tailer that fails to satisfy its customers immediately, because these customers are likely to find what they are looking for on a competitor's site. Lost sales such as these can be expensive, and given the percentage of dissatisfied online shoppers and the low cost of searching for alternatives, it is important to examine the differences and similarities between

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on- and offline service failures. By understanding the interplay of recovery mechanisms and postpurchase behaviors, on- and offline retailers and service providers have a better chance of regaining their customers' confidence and dollars.

According to disconfirmation literature, when an actual outcome exceeds a customer's expected outcome, positive disconfirmation results. Conversely, when expectations are not met, customers experience negative disconfirmation (Bearden and Teel, 1983; Oliver, 1980). Researchers also have shown that satisfaction is positively related to disconfirmation (Bearden and Teel, 1983; Bolton and Lemon, 1999; LaBarbera and Mazursky, 1983; Oliver and DeSarbo, 1988; Oliver and Swan, 1989). In other words, when customers receive more benefits than they expected from a transaction, they experience greater levels of satisfaction. The service recovery literature shows that this disconfirmation model is appropriate in recovery situations as well (e.g., Boshoff, 1997), because as the positive disconfirmation with a service failure recovery increases, so does satisfaction with the remedy. For example, Boshoff (1999) finds that satisfaction is positively related to the size of the remedy and how quickly the problem is resolved. Therefore, we hypothesize:

H1a. The service remedy level will have a positive affect on satisfaction with the remedy.

Understanding satisfaction with remedies is important because, as Spreng et al. (1995) show, customer satisfaction with service failure recovery has a greater impact on overall satisfaction than does any other individual aspect of the outcome of the service delivery.

When a service failure occurs, consumers decide whether the failure was caused by themselves or the service provider. An antecedent of this causal attribution is observers' motivation to protect their self-esteem. Because of this self-protective need, persons are more likely to blame others or even the situation itself when things go wrong, whereas pleasant outcomes are generally attributed to one's self (Folkes, 1988). In services, however, this self-protective tendency may be moderated. Zeithaml and Bitner (2003, p. 359) explain that "because service customers must participate in service delivery, they frequently blame themselves (at least partially) when things go wrong." Consumers of technology-based (or self-) services perform even more of the service for themselves and therefore have more control over the delivery of the service (Rust and Lemon, 2001). Similarly, Meuter et al. (2000) find in their critical incident technique research that when customers are their own service providers, they are more likely to blame themselves for a failure. To our knowledge, no empirical studies exist that examine satisfaction with a service failure recovery in both on- and offline settings, though one study has compared customer satisfaction with the same service purchased on- and offline. Shankar et al. (2003) find that satisfaction with service encounters does not significantly differ between on- and offline customers, but they do not include service failures among these encounters. In the event of a service failure, we believe that because online customers participate more in the delivery of the

service than do offline customers, online customers will be more satisfied with a lower remedy level than will offline customers; however, there should be little difference between the two groups' satisfaction levels in the better remedy situations. In other words,

H1b. There will be an interaction effect of on-/offline media and service failure remedy level on satisfaction with the service failure recovery. Specifically, the effect of the service failure remedy level on satisfaction will be greater in the offline medium than in the online medium.

Satisfaction literature strongly supports the idea that increased satisfaction with a service encounter leads to an increased propensity to return to the same service provider. Several researchers (e.g., Bitner, 1990; Boulding et al., 1993) show that service encounter satisfaction leads to greater perceived service quality, which in turn leads to service loyalty, among other things. Building on the customer satisfaction literature, other studies have shown that service failure recovery efforts lead to increased satisfaction with the service encounter (e.g., Kelley et al., 1993; McCollough et al., 2000; Smith et al., 1999) and that better recoveries increase customers' propensity to return to the same service provider (e.g., Bitner, 1990; Boulding et al., 1993; Smith and Bolton, 1998). Smith and Bolton (1998) complete this sequence by showing that satisfaction after a service recovery affects repatronage intentions and word-of-mouth behaviors. Therefore, the recovery level should have a main effect on postpurchase intentions. As such, we hypothesize:

H2a. The recovery level will have a positive effect on postpurchase intentions.

The next question considers how postpurchase intentions are affected by the on- or offline medium in which services occur. Several studies have examined postpurchase intentions in an online context. Srinivasan et al. (2002) show that e-loyalty leads to positive word-of-mouth behaviors, and other researchers find that perceived service quality leads to favorable postpurchase intentions (e.g., Zhang and Prybutok, 2004). Conversely, a study examining online service failure shows that poor online service recovery leads to customer defections (Ahmad, 2002). These studies demonstrate that the postpurchase intentions of online customers are formed similarly to those of traditional offline customers, but are there differences when the two settings are compared head to head? One study of both on- and offline buying finds that travelers using online services to book hotel and airline services are more attitudinally loyal than are those using offline booking (Shankar et al., 2003). Online booking may have benefits, such as customer control, that make the process faster and easier. We argue that because online customers retain more control of the transaction and feel more responsible for its outcome (e.g., a service failure), a poor service failure recovery will have less impact on online customers. In other words, online customers will have more positive postpurchase intentions in the event of a poor recovery than will offline customers.

H2b. There will be an interaction effect of on-/offline media and recovery level on intentions. Specifically, the effect of the service failure remedy level on postpurchase intentions will be greater in the offline medium than in the online medium.

In summary, we hypothesize that the on- versus offline shopping medium influences satisfaction with the service failure recovery and postpurchase intentions. Because online customers make purchases in a more “self-service” context than do brick-and-mortar customers, their satisfaction and future intentions differ from those of their offline counterparts. In the following section, we detail the research setting, construct conceptualization, and methodology used to test these hypotheses.

2. Methodology

2.1. Research setting

To increase generalizability, we conducted research in two service industries: airlines and banking. Airlines and banks are ideal for the current study because both are commonly used by and familiar to a wide range of consumers, which should provide a diverse group of respondents who can meaningfully complete the survey. In addition, both service industries maintain a strong presence in offline and online contexts. Testing the model in these two services therefore should have implications for existing theory and for managers of hybrid on- and offline firms.

2.2. Research design

Data were gathered using a scenario-based experiment. Weiner (2000, p. 387) supports the use of scenarios to examine service encounters because they “permit examination of the variable of most concern and often allow the best theory testing by enabling the investigator to gather all the needed responses.” We constructed the scenarios to manipulate the service medium (online versus offline) and the remedy for the service failure (high versus low level) across the two service industries with a completely randomized full factorial design. No brand names were provided in the scenarios to eliminate any biases against particular airlines or banks.

Respondents first read a short description of a service failure. In the case of the airlines, respondents were told to imagine that they had purchased an airplane ticket to attend a relative’s wedding. However, the day before they were to fly, the respondents find out that the ticket was issued for the 7:00 PM flight instead of the 7:00 AM flight they had wanted. Unless the ticket is changed, the subjects will miss the wedding. In the bank scenario, respondents were asked to imagine that they had transferred money from their savings account to their checking account. A week later, they receive a letter stating that several checks had bounced and that they owe \$60 in service charges. The respondents subsequently learn that the transfer of funds never occurred. Next, both groups of respondents read scenarios describing one of two recovery manipulations. The

subjects then answered several questions that measured their satisfaction with the recovery and anticipated their postpurchase behaviors.

2.3. Shopping medium

We define the medium as the means by which the transaction is conducted, either online or offline. Online encounters occur on the Internet, whereas offline encounters occur in a traditional brick-and-mortar setting. In the online scenarios, the customer purchases an airline ticket on the Internet or uses online banking services to transfer his or her money. In the offline scenarios, the customer buys the ticket at the airline counter or makes the funds transfer at the bank.

2.4. Service failure remedy

The way the company attempts to recover after the service failure is the remedy, which we define formally as the method the firm uses to rectify the consumer’s unsatisfactory experience. Previous service failure experiments have manipulated remedies using apologies and a range of discounts (Boshoff, 1997; Webster and Sundaram, 1998), reimbursements (Bitner, 1990; Smith and Bolton, 1998), and offers to reperform the service (Bitner, 1990; Levesque and McDougall, 2000). We modified two of Johnston and Fern’s (1999) recovery mechanisms for our study. In the low remedy level, the situation was rectified for a \$60 fee (to change the ticket in the airline example and as a service charge in the bank example). In the high remedy level, the situation was resolved with no charge, and the customers were offered a voucher for 10% off their next ticket purchase (\$25 credit in the bank scenario). Because we assumed that the average plane ticket costs \$250, the two compensations have approximately the same value.

2.5. Satisfaction with remedy

We define satisfaction with the remedy as the subjects’ evaluation of the service failure recovery, though we acknowledge that debate about whether holistic or multidimensional measures of satisfaction should be used continues to exist. Szymanski and Henard (2001) offer support of a one-item, holistic measure and argue that a single measure asking about overall satisfaction allows consumers to weigh their own criteria to determine their satisfaction. However, these researchers also find in their meta-analysis that “it is particularly desirable to use a multi-item scale when capturing the relationship . . . between satisfaction and repeat purchasing” (Szymanski and Henard, 2001, p. 29). In contrast, Bitner (1990) uses a three-item, seven-point semantic differential scale anchored by “extremely satisfied” and “extremely dissatisfied.” Originally offered by Oliver (1980) and Westbrook (1980) as a single-item measure, Bitner adapted this scale to three items to examine subjects’ satisfaction with the frontline employee, the firm, and the overall experience.

Another response scale to measure satisfaction, the delight–terrible scale, comes from sociology literature (Andrews

and Withey, 1976). This scale has been shown to be reliable and reduce the skewness of satisfaction responses that can occur with scales anchored by “extremely satisfied” and “extremely dissatisfied” (Westbrook, 1980). Several authors have used this scale, including Bitner and Hubbert (1994), Oliver and Swan (1989), and Smith et al. (1999). Therefore, we employ a three-item measure that asks subjects to rate how they felt about the way the firm resolved the problem, how they were treated, and the outcome of the situation. Answers were registered on the seven-point “terrible” to “delighted” scale.

2.6. Postpurchase intentions

We measured postpurchase intentions using an aggregate of several items, including (1) *intention to return to the same service provider* (Bitner, 1990; Levesque and McDougall, 2000; Smith and Bolton, 1998), (2) *likelihood of switching to another service provider* (Levesque and McDougall, 2000; Smith et al., 1999; Webster and Sundaram, 1998), and (3) *likelihood of recommending the service to others* (Bitner, 1990; Levesque and McDougall, 2000; Webster and Sundaram, 1998). Answers were recorded on seven-point semantic differential scales anchored by “not at all likely” and “extremely likely” (Levesque and McDougall, 2000). The likelihood of switching to another provider was reverse coded, and the three postpurchase intention measures were averaged to form an index.

3. Data collection and analysis

In this section, we present a brief discussion of the reliability, validity, and manipulation checks, followed by a description of the main study.

3.1. Reliability, validity, and manipulation checks

A pretest, which surveyed 65 undergraduate business students, ensured that the measures contained in the survey were reliable. Pretest subjects were presented with a single service failure scenario, followed by a single manipulated recovery. We performed a manipulation check on the pretest data to determine whether the actual remedy created in the scenario was perceived as we had planned and found that the remedy (as manipulated) had a significant effect on the perceived remedy (as measured), indicating that the manipulation was successful ($F_{(1, 63)}=50, p<.001$). We also examined the reliability of the two dependent variable scales. The pretest produced coefficient alphas of .98 for the satisfaction scale and .92 for the future intentions scale, indicating a sufficient level of reliability for the two multi-item scales. We also measured the degree of believability and realism. Pretest respondents found the scenarios to be both believable (mean=4.70 on a seven-point scale) and realistic (mean=5.60). Furthermore, we established a satisfaction baseline using airline scenarios in which there was no service failure. On a seven-point scale, the average satisfaction scores were 5.8 for online and 6.2 for offline airline service encounters, which are significantly

higher than the satisfaction scores of those subjects who encountered a service failure manipulation ($F_{(1, 215)}=22.6, p<.001$). We also found no significant difference between the on- and offline satisfaction levels for the no failure scenarios.

Finally, because the subjects’ recovery expectations may be affected by what or whom they blame for the service failure, we measured whether pretest respondents blamed themselves, the firm, or some combination of the two. In response to a seven-point, two-item scale, subjects in online scenarios blamed themselves to a greater degree than did those in offline scenarios ($F_{(1, 126)}=4.6, p<.03$). However, on the whole, subjects mostly blamed the firm, regardless of whether they were functioning in an online (4.9) or offline (5.5) context.

3.2. Main study

Data for the main study were collected from adults associated with various organizations in the southeastern United States. In total, 234 surveys were distributed, and 162 usable surveys were returned for a response rate of 69%. The sample has a high proportion of women (71%), and the ages range from 25 to 81 years, with a median of 42 years. Just fewer than half of the sample (49%) are employed full time, and another 22% hold part-time jobs. The remaining 29% of respondents are either unemployed or retired. The educational background of the sample is varied, with 22% holding a high school diploma, 33% with some college, 20% with a four-year degree, and 23% having done at least some graduate work. Income tends toward higher levels; 58% make \$60,000 or more annually.

A 2 (mediums) \times 2 (service types) \times 2 (remedy levels) between-subjects experiment was conducted. In an effort to account for subjects’ self-efficacy issues regarding technology, we controlled for respondents’ previous online experience, as suggested by Shankar et al. (2003). Although we expected no significant differences between the service types, we included them to determine the generalizability of our model. The dependent variables included satisfaction with the recovery and postpurchase loyalty behavior. Because we were testing the effects of manipulated variables on multiple dependent variables, MANOVA was an appropriate method (Hair et al., 1998); because of the unequal cell sizes, we performed a general linear model MANOVA (Hair et al., 1998, p. 351).

3.3. Results

Remedy level has a positive main effect on satisfaction with the remedy ($F_{(1, 143)}=278, p<.001$), in support of H1a. H1b suggests that there is an interaction effect between recovery level and the on-/offline medium on satisfaction, and the data show a significant interaction effect ($F_{(1,143)}=12.17, p<.001$) in which the effect of the service failure remedy level on satisfaction is greater in the offline medium than in the online medium (offline $F_{(1,77)}=199, p<.001$; online $F_{(1,77)}=102, p<.001$). For a graphical representation of these contrasts, see Fig. 1A.

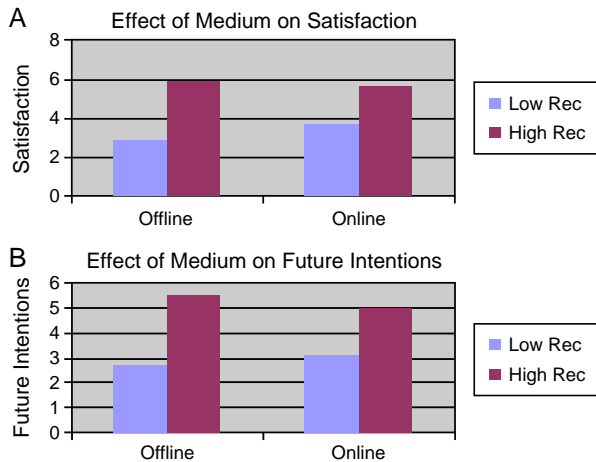


Fig. 1. Effects of medium by recovery.

With regard to future intentions, H2a states that the **recovery level has a positive effect on intentions**. The data support this hypothesis ($F_{(1,143)}=102, p<.001$), as well as a significant interaction effect between recovery level and on-/offline medium on future intentions ($F_{(1,143)}=5.13, p<.025$). Specifically, a contrast analysis shows that the **effect of the service failure remedy level on postpurchase intentions is greater in the offline medium than in the online medium** (offline $F_{(1, 154)}=72, p<.001$; online $F_{(1, 154)}=29, p<.001$). We present the graphical representations of these means in Fig. 1B.

The data also show that service type has some unexpected effects. The type of service affects satisfaction ($F_{(1,143)}=4.75, p<.031$), in that airline customers are more satisfied with the recovery than are bank customers. Service type also interacts with the recovery level to affect both satisfaction ($F_{(1,143)}=21.84, p<.001$) and future intentions ($F_{(1,43)}=9.89, p<.002$). In low recovery situations, airline customers are more satisfied and more likely to engage in loyal behaviors than are bank customers.

To better understand the differences between the two services, we distributed surveys to 279 nonfaculty staff members of a northeastern U.S. college to determine their perceptions of the severity of the two service failures. Of these, 191 people filled out the survey, for a response rate of 68%. The scenarios in this study were identical to those in the main study, though we also asked respondents to report what level of remedy they expected from the firm. Respondents expected a greater remedy in the bank scenario (mean=2.88 on a four-point scale) than they did in the airline scenario (mean=2.45; $t=-5.5, p<.001$), which leads us to speculate that the bank scenario is more severe for respondents than is the airline scenario. Furthermore, when comparing the severity of the two service failures head to head, the respondents believed the bank scenario was significantly more severe than the airline scenario. Using a 10-point continuum anchored by airline and bank, we asked respondents to choose the point that corresponded to the relative severity of one service to the other. A one-tailed t -test reveals that the mean of 6.64 is significantly greater than the indifference point of 5.5 ($t=4.1, p<.001$).

Combining the results from these two studies, we find support for the notions that the banking scenario is perceived as more severe than the airline scenario and that recovery levels are more effective in offline than online situations. Using these results as a basis, we next conducted a third study to examine the effects of the perceived severity of a service failure on satisfaction with the recovery and postpurchase intentions, but for this research, we used a single service type and only an offline setting.

We presented 208 undergraduate business students with a scenario regarding an airline ticket purchase, similar to the one described in the first study except that here we manipulated the severity (high versus low) and recovery (high versus low) levels. The dependent variables, satisfaction (three-item scale), and postpurchase intentions (five-item scale) all showed good reliabilities with alphas of at least .94. The chi-square manipulation checks for both the severity of the situation and the recovery level were significant at the .001 level.

The results from the general linear model show that both severity ($F_{(1,00)}=32, p<.001$) and recovery ($F_{(1,00)}=34, p<.001$) levels have significant main effects on respondents' satisfaction with the recovery. A significant interaction between severity and recovery ($F_{(1,100)}=4.7, p<.03$) also suggests that recovery is more effective in low severity situations than in high severity ones (Fig. 2).

From another general linear model, we find that postpurchase intentions are positively affected by lower severity levels ($F_{(1,100)}=22, p<.001$) and greater recovery levels ($F_{(1,100)}=24, p<.001$). There is no significant interaction between the two variables in this case ($F_{(1,100)}=.21$), though the means move in the same direction as the satisfaction measures we reported previously. In the low severity situation, respondents report postpurchase intentions of 2.7 (seven-point scale) when they experience a lower recovery level and 4.2 with a higher recovery level. In high severity situations, however, low and high recovery levels lead to postpurchase intentions of only 1.9 and 2.8, respectively.

4. Discussion and conclusions

4.1. Implications and contribution

In this study, we examine the affects of an on-/offline medium on customer satisfaction with service failure recovery and postpurchase intentions in two different service contexts. We show that recovery levels have positive effects on satisfaction and intentions in both online and offline settings and, even more interesting, that the on-/offline medium

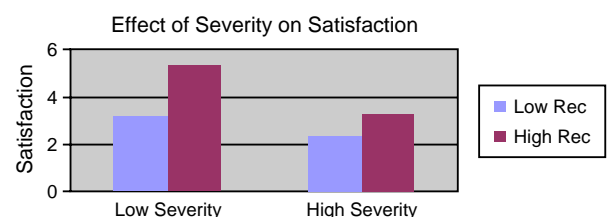


Fig. 2. Effect of severity by recovery.

moderates the relationship between the recovery level and both satisfaction and postpurchase intentions. **In low recovery situations, online customers are more satisfied and have more positive intentions than do their offline counterparts.**

Our study also reveals some unexpected findings regarding service type. Airline customers were more satisfied and had more positive postpurchase intentions than did bank customers, which is not consistent with the finding of [Shankar et al. \(2003\)](#) that there is no significant difference between satisfaction with hotels and airlines. However, there may be more differences between airlines and banking than between airlines and hotels because customers may regard airline and hotel services as similar, in that they are both “travel” oriented. Therefore, it would make sense that expectations for recovery differ between the two service types, as our results show. Furthermore, the results from the second part of our research support our finding that the banking scenario is more severe in the minds of the respondents. Customers may perceive that banking has more serious financial and credit-oriented implications. Finally, the results of the third study support our contention that greater perceived severity leads to lower satisfaction levels and more negative postpurchase intentions.

Our results also illuminate an unexpected interaction between service type and recovery level. In low recovery situations, airline customers were more satisfied and more inclined toward repurchase and positive word-of-mouth behaviors than were bank customers. [Mattila \(2001\)](#) similarly finds differences in satisfaction and loyalty behavior between haircuts and restaurant meals. In her study, haircut customers experienced a wider range of satisfaction and loyalty levels than did restaurant customers, just as we find with regard to bank and airline customers. We consider two possible explanations for these differences. The longer-term consequences of a bad haircut or bounced checks, compared with those of a poor restaurant experience or an airline ticket mix-up, may lead to greater remedy expectations in the former service categories. Furthermore, because there are more switching costs associated with finding a new hairstylist and a bank than with changing restaurants or airlines, respondents may be less likely to change banks or hairstylists.

Another explanation may have to do with the severity of the service failure in the minds of customers, as we described previously. The magnitude of the service failure and the type of recovery mechanism have been shown to affect both satisfaction and postpurchase intentions when all else is equal ([Levesque and McDougall, 2000](#); [Smith et al., 1999](#); [Webster and Sundaram, 1998](#)). For example, [Smith et al. \(1999\)](#) find that compensation has a greater positive effect on distributive justice perceptions in low magnitude failures than in high magnitude failures. In the case of this study, subjects may have perceived the bank service failure as more severe than the airline service failure.

To our knowledge, ours is the first study to examine the differences in service failure recovery satisfaction and postpurchase intentions between online and offline media. **Our results provide evidence that online shoppers are more tolerant of lower levels of recovery than are offline customers.** This

finding seems counterintuitive because online retailers often are warned that it is easy to lose customers to competition that is “just a click away.” However, our study implies that the online service failure and recovery situation is much more complicated and involves more than just the threat of lowered search costs. Attribution theory may have a much more important impact on service failure recovery expectations than was previously thought.

In an economy that has become increasingly polarized between no-frills self-service and high-quality full service, it is important for managers to understand how consumers perceive service failures and recovery mechanisms in both on- and offline media. Managers who assume that consumers still believe “the customer is always right”—even in self-service situations—may needlessly expend money and other resources to over-recover from service failures. We find that online customers are more tolerant of lower recovery levels and may be more willing to resolve the problem themselves instead of relying on the firm to recover the situation. The benefits of self-recovery could include feelings of being in control, which may lead to greater satisfaction with the service encounter. Firms should consider facilitating self-recovery by engineering easy-to-use recovery mechanisms into their online services. This suggestion may even have implications for the positioning of services; those firms that promote “customer control” and “empowerment” aspects could appeal to ever more sophisticated Web shoppers.

4.2. Limitations and further research

One limitation of this study is that the sample was self-selected because not every organization contacted was willing to participate, nor did every member of the participating organizations choose to fill out a survey. As a result, the sample does not mirror the population as a whole. Those participating in the study were somewhat wealthier and better educated than the general population.

Another limitation is that our experiment was scenario based and did not occur in a field setting. Although the pretest showed that respondents found the scenarios believable, a pencil-and-paper experiment may not fully represent the buying situations in the field. It is impossible to capture all of the nuances of an actual service encounter in a scenario, and it therefore may be difficult for respondents to predict their feelings of dis/satisfaction accurately in this hypothetical situation. Furthermore, because respondents were asked to report their predicted, rather than their actual, behavior, the findings may not accurately reflect the behaviors that follow real-life service failures. We recommend that this research be extended to actual buying experiences, especially in the context of online shopping.

Because the experiment had budgetary and time limitations, it includes only two service industries and two levels of service failure remedies. This study should be replicated across other service industries and with more recovery options to ensure that the results are robust. Additional research on the similarities and differences between on- and offline

buying also could investigate issues such as search costs, use of information sources, decision making, and postpurchase disconfirmation.

This research also can be extended through more testing of postpurchase behaviors. Further studies could pinpoint specific attitudes and postpurchase behaviors through in-depth focus groups represented by a cross-section of the population. Examining specific postpurchase behaviors is another important topic. For example, how does word of mouth occur? Will offline customers, or online customers for that matter, actually visit chat rooms and cyber bulletin boards to complain about a firm? How many potential customers will receive this word of mouth? How will their purchases be affected? In other words, how does “virtual” word of mouth differ from “real-world” word of mouth?

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