

BUSINESS REVIEW

JUSTICE BASED RECOVERY EXPECTATIONS OF AIRLINE PASSENGERS AFTER SERVICE FAILURE - A CONCEPTUAL STUDY - A CASE STUDY OF GOA - INDIA

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ABSTRACT

Purpose: This study researched the perceived severity and controllability of various service failure scenarios and the divergent expectations of justice from the viewpoints of the customers.

Theoretical Framework: Understanding customers' expectations from service recovery after service failure is essential to the service providers, as services are highly prone to failures. The mismatch between customers' expectations of service recovery and service recovery action of the service provider will cause dissatisfaction to customer. Hence, this study considered the varying perceptions of severity and controllability of service failure scenarios leading to dissimilar expectations of customers in terms of justice.

Design/Methodology/Approach: This study has adopted three stage methodologies. In stage I, exploratory interviews with the officials of eight airlines and eight passengers were conducted, along with perusal of airline websites, for obtaining failure situations. In stage II, these situations were used in questionnaire 1, and responses of 313 airline passengers were used to determine the seriousness and manageability of failure scenarios. In stage III, 459 responses to questionnaires 2 and 2 A helped to unearth their expectations of justice, using failure scenarios collected in stage II.

Findings: The study demonstrates that the three types of justice, namely, procedural, interactional, and distributive justice are preferred in different order, depending on whether perceived severity and controllability of failure circumstances are present or absent. The findings of this study may not be generalizable across different industries due to varied servicescapes and dissimilar failure situations across industries.

Research, Practical/ & Social Implications: Depending on the various failure scenarios, the firm's resources can be properly directed towards delivering the desired justice. This can stall client flight by preventing secondary discontent with service recovery, which is explained as double deviation, and open the door for relationship marketing.

Originality/Value: Even though studies on service failure and recovery have garnered a lot of attention, the combined effect perceived severity and controllability of failure circumstances on customers' expectations of justice was not apparent. This study enhances the body of knowledge on service recovery by presenting how these two variables, when taken together, would affect the order of preference of recovery expectations of justice.

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EXPECTATIVAS DE RECUPERAÇÃO DE PASSAGEIROS DE COMPANHIAS AÉREAS APÓS FALHA DE SERVIÇO BASEADAS NA JUSTIÇA - UM ESTUDO CONCEITUAL - UM ESTUDO DE CASO DE GOA - ÍNDIA

RESUMO

Objetivo: Este estudo pesquisou a gravidade percebida e a capacidade de controle de vários cenários de falha de serviço e as expectativas divergentes de justiça dos pontos de vista dos clientes.

Estrutura teórica: compreender as expectativas dos clientes em relação à recuperação de serviços após uma falha no serviço é essencial para os provedores de serviços, uma vez que os serviços são altamente propensos a falhas. A incompatibilidade entre as expectativas dos clientes de recuperação de serviços e a ação de recuperação de serviços do prestador de serviços causará insatisfação ao cliente. Assim, este estudo considerou as percepções variadas de gravidade e controlabilidade de cenários de falha de serviço levando a expectativas diferentes dos clientes em termos de justiça.

Design/Metodologia/Abordagem: Este estudo adotou metodologias de três fases. Na fase I, foram realizadas entrevistas exploratórias com os funcionários de oito companhias aéreas e oito passageiros, juntamente com a investigação de sites de companhias aéreas, para a obtenção de situações de fracasso. Na fase II, essas situações foram usadas no questionário 1, e as respostas de 313 passageiros de companhias aéreas foram usadas para determinar a gravidade e gerenciabilidade dos cenários de falha. Na fase III, 459 respostas aos questionários 2 e 2 A ajudaram a desenterrar suas expectativas de justiça, utilizando cenários de fracasso coletados na fase II.

Constatações: O estudo demonstra que os três tipos de justiça, ou seja, a justiça processual, interacional e distributiva são preferidos em ordem diferente, dependendo se a gravidade percebida e a controlabilidade das circunstâncias de falha estão presentes ou ausentes. As conclusões deste estudo podem não ser generalizáveis em diferentes setores devido a variadas fugas de serviços e situações de falha diferentes entre os setores.

Pesquisa, Implicações Práticas/Sociais: Dependendo dos vários cenários de falha, os recursos da empresa podem ser adequadamente direcionados para a obtenção da justiça desejada. Isso pode paralisar o voo do cliente, evitando o descontentamento secundário com recuperação de serviços, o que é explicado como desvio duplo, e abrir a porta para o marketing de relacionamento.

Originalidade/valor: embora os estudos sobre falha de serviço e recuperação tenham chamado muita atenção, o efeito combinado percebido gravidade e controlabilidade das circunstâncias de falha nas expectativas de justiça dos clientes não era aparente. Este estudo reforça o corpo de conhecimentos sobre a recuperação de serviços, apresentando como essas duas variáveis, quando consideradas em conjunto, afetariam a ordem de preferência das expectativas de recuperação da justiça.

Palavras-chave: IFRS, Custo do Capital Próprio, Valor Firme, Falha de Serviço, Recuperação de Serviços, Gravidade, Controlabilidade, Reclamações, Expectativas de Justiça.

EXPECTATIVAS DE RECUPERACIÓN BASADAS EN LA JUSTICIA DE LOS PASAJEROS DE AEROLÍNEAS DESPUÉS DE UN FALLO DEL SERVICIO - UN ESTUDIO CONCEPTUAL - UN ESTUDIO DE CASO DE GOA - INDIA

RESUMEN

Objetivo: Este estudio investigó la severidad percibida y la controlabilidad de varios escenarios de falla del servicio y las expectativas divergentes de justicia desde los puntos de vista de los clientes.

Marco teórico: Comprender las expectativas de los clientes en cuanto a la recuperación del servicio después de un fallo del servicio es esencial para los proveedores de servicios, ya que los servicios son muy propensos a fallos. El desajuste entre las expectativas de los clientes en cuanto a la recuperación del servicio y la acción de recuperación del servicio del proveedor de servicios provocará insatisfacción en el cliente. Por lo tanto, este estudio consideró las diferentes percepciones de gravedad y controlabilidad de los escenarios de falla de servicio que conducen a expectativas disímiles de los clientes en términos de justicia.

Diseño/Metodología/Enfoque: Este estudio ha adoptado metodologías en tres etapas. En la primera etapa se realizaron entrevistas exploratorias con los funcionarios de ocho aerolíneas y ocho pasajeros, junto con el examen de los sitios web de las aerolíneas, para obtener situaciones de fracaso. En la fase II, estas situaciones se utilizaron en el cuestionario 1, y las respuestas de 313 pasajeros de líneas aéreas se utilizaron para determinar la gravedad y la capacidad de gestión de los escenarios de fracaso. En la etapa III, 459 respuestas a los cuestionarios 2 y 2 A ayudaron a desenterrar sus expectativas de justicia, utilizando escenarios de fracaso recogidos en la etapa II.

Hallazgos: El estudio demuestra que los tres tipos de justicia, a saber, la justicia procesal, la justicia interaccional y la justicia distributiva, se prefieren en diferente orden, dependiendo de si la gravedad percibida y la controlabilidad de las circunstancias de fracaso están presentes o ausentes. Los hallazgos de este estudio pueden

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no ser generalizables en diferentes industrias debido a los escapes de servicios variados y las situaciones de falla disímiles entre industrias.

Implicaciones Prácticas/Sociales: Dependiendo de los diversos escenarios de fracaso, los recursos de la empresa pueden dirigirse adecuadamente hacia la entrega de la justicia deseada. Esto puede detener la fuga del cliente evitando el descontento secundario con la recuperación del servicio, que se explica como doble desviación, y abrir la puerta para el marketing de relaciones.

Originalidad/Valor: A pesar de que los estudios sobre el fallo del servicio y la recuperación han atraído mucha atención, el efecto combinado de la gravedad percibida y la controlabilidad de las circunstancias de fallo sobre las expectativas de justicia de los clientes no era evidente. Este estudio potencia el cuerpo de conocimientos sobre la recuperación de servicios al presentar cómo estas dos variables, al ser tomadas en conjunto, afectarían el orden de preferencia de las expectativas de recuperación de la justicia.

Palabras clave: NIIF, Coste del Capital, Valor En Firme, Fallo del Servicio, Recuperación del Servicio, Gravedad, Controlabilidad, Reclamaciones, Expectativas de Justicia.

INTRODUCTION

Service recovery leads to secondary satisfaction and it can be more important than the service being correctly performed at first instance by the service provider (Lovelock et al., 2001). Thus, effective service recovery would mean an opportunity for service providers to retain and even *increase* client contentment.

Service recovery refers to measures taken to address the issues of unhappy customers and ultimately win their loyalty. If a service provider's response to a service failure does not match the category of failure that occurred, the difference between that type of failure and the type of recovery offered can seriously harm loyalty, customer satisfaction, and retention (Mostert et al., 2009). Service recovery becomes an important tool for any service organization because it has strong influence on how customers perceive and receive the service recovery strategies provided by the service provider (Atuo & Kalu, 2017).

Literature shows that the type of service failure is researched earlier with characteristics of failure situations such as severity and controllability, separately and exclusively (McCollough, 2009). However, the customer is more likely to view the service recovery holistically, based on severity and controllability in conjunction. This research posits that a composite view of the failure situation based on severity and controllability would more clearly determine the customer's expectation of justice from service recovery.

The expectation of service recovery also seems to differ according to the type of industry. According to Fornell and Wernerfelt (1988) the worst industries for managing complaints are found to be life insurance, airlines, and health insurance, whereas supermarkets and car manufacturers are the ones which are significantly better. Thus, it is necessary to research a particular industry for its differentiated service recovery expectations, instead of generalized study across industries. Tourism is considered as the backbone of Goa's economy,

as it contributes about 30 percent to Goa's gross domestic product and provides livelihood to large number of people (Ranjan, 2020).

Thus this research studied airline industry because of its salience to the tourism dominated state of Goa, in India. Studies on sectors related to tourism such as airlines, are utmost essential, as the small airport of Goa is often overburdened with huge passenger traffic and consequent deficit in service. Since Goa receives international passengers, the expectation of services is higher. However, no study has been found on passenger expectations on service failures in Goa in extant literature.

Prior research (McCollough, 2009; Anderson, 1983) has studied severity and controllability traits separately, leaving a gap in literature, particularly with respect to the expectation of redress. Our study of the complaints *compositely* with characteristics of perceived severity and controllability would firstly enrich the theoretical knowledge of expectations of justice following the type of negative experience. It will also enable the airlines to effectively address the failure situations and retain the passengers in a competitive environment. Hence, it significantly contributes to the dual aspects of adding to the theory and having managerial implications.

REVIEW OF LITERATURE

Literature review is focused towards the classification of service failures and the justice expectations from service recovery.

Classification of Service Failures

The services marketing literature is replete with studies involving classification of service failures based on their characteristics, as explained below.

Severity as a characteristic of failure situation

Customer outcomes are directly impacted by the severity of the failure situation (Oliver, 1989) and influence service recovery expectations (Martikiti et al., 2019). De Matos et al., (2007) found in their research that customers' The severity or intensity of the failure is closely correlated with perceived loss, and the more intense the service failure, the more will be the customer's perceived harm. Lai (2007) opines that the service provider should devise diverse service recovery strategies according to the severity of the complaint. Thus the most important

thing is that, when the service failure occurs appropriate service recovery strategy should be adopted (Lin et al., 2021).

Locus of control (controllability) in failure situations

We also find some research investigations that have discriminated between external and internal failures. (Donoghue & De klerk, 2006; Chan & Wan, 2008). When customers believe that failure was evident, imaginable, and controllable by the service provider, they are less tolerant. (Folkes, 1984). They are more tolerant if they identify that the firm had less control over the service failure that occurred (Maxham & Netemeyer, 2002). Weiner (1985) in using Attribution theory, revealed that there are three classes of attribution that can be used to categorize service failures., namely, "locus (who is responsible?), control (did the responsible party have control over the cause?), and stability (is the cause likely to recur?)". Mostert et al., (2009) opines that airline firms encounter unique problems, which elucidates why service failures in the industry can result from both internal errors and outside instabilities.

There is evidence to indicate that the influence of service failure severity on recovery expectations has received more academic attention than controllability. (McCollough, 2009). Smith et al., (1999) found that perceived magnitude of failure has a moderating impact on perception of justice. They explained that in restaurant context, compensation has greater impact on customers, when the failure is more severe. Having found thus, they suggested that future research be directed towards manipulations of service deficiencies, particularly related to the locus and controllability as outlined in attribution theory of Folkes (1984).

The literature analysis on complaint typology demonstrates that the classification of complaints is not comprehensive, and that the typology has not been linked to perceived justice. It shows that although service failure and recovery have garnered a lot of attention, scarcely any studies have looked at the impact of failure situations' severity and controllability on customers' expectations of justice. Our study thus attempts to unearth the influence of both severity and controllability, together, on the expectations of fairness or justice of passengers.

Prior Research on Service Failures in Airline Sector

Steyn et al., (2011) assert that because service interruptions are inevitable in the airline business, airlines should aim to minimise the likely negative effects by putting the right service recovery measures in place. Haliman et al., (2020) found that LCC passengers are dissatisfied the way the complaints are handled and suggested the airlines should facilitate passengers'

comfort and enhance inflight experience to retain the customers. Siti et al., (2020) found that service failures are unavoidable and service recovery satisfaction or disappointment is greatly influenced by the recovery efforts and strategies used by the airline companies.

Thus prior researchers have established that airlines are not handling the complaints effectively. Therefore understanding the expectations of passengers from service recovery process is key issue, where in justice theory provide the necessary context for the three types of justice expected-distributive, procedural, and interactive.

Expectations from Service Recovery and Justice Theory

Customers' expectations from the complaint-resolution process based on the Justice Theory (Lovelock & Wirtz, 2004) includes the three components of procedural, interactional, and distributive justice that make up the perception of fairness in service recovery processes. Procedural justice relates to the policies and regulations that any customer will have to follow for seeking fairness. The firm's personnel who supply the service recovery and their conduct towards the client are both considered in interactional justice. The restitution a customer receives as a result of a service failure is known as distributive justice. Although all the three elements of justice are important, this research posits that the expectations may differ based on the characteristics of the failure situations.

McCollough et al., (2000) assert that the demand of any customer for an apology or compensation, depends on the severity or harm of the failure. The authors further illustrated that a three-hour flight delay that results in one person missing a crucial meeting causes significantly more harm than a three-hour delay that results in someone arriving the day before a crucial meeting. Verma and Kaur (2001) found that, speedy resolution (procedural justice) from the company was the maximum desired form of response sought in case of passenger cars service failure.

Additionally, due to a lack of resources, the conditions in industrialised nations could be different from those in Asian nations, particularly India. Given the passenger traffic of both international and domestic passengers, the expectation of services is higher. Paucity of funds necessitates that the funds are routed to meet the exact expectations of service, particularly in redressing the failure situations. Hence knowing the exact expectations is fundamental for provision of redress with scarce resources. Thus, this research models and studies passenger's expectation of service recovery in airline sector, consisting of distributive justice, procedural justice, and interactional justice, in four situations with combined characteristics of service

failures, namely, severity and controllability.

AIMS/OBJECTIVES OF THE STUDY

This study aims to investigate the following objectives:

- 1. To unearth the severity and controllability of the service failures as perceived by Full Service Network Carriers (FSNC) airline passengers in Goa, India
- 2. To ascertain the dissimilarities, if any, in expectation of justice across diverse failure situations as per their perceived severity and controllability.

Proposed Conceptual Model

A conceptual model is formed by four distinct combinations of the characteristics of severity and controllability, namely, severe controllable, severe not controllable, not severe not controllable, and not severe controllable. It is posited that the order of justice-based recovery expectations of airline passengers will differ across four distinct combinations representing the four quadrants of the model. According to the four quadrants of the model below, the justice-based recovery expectations would vary depending on the circumstance type.

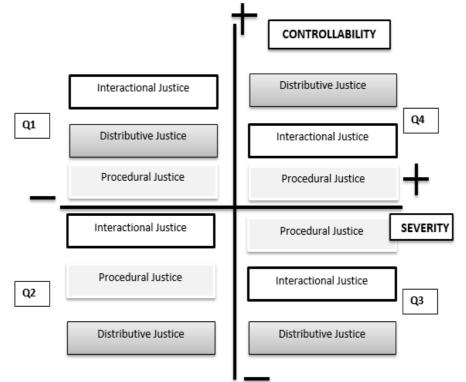


Figure 1 - Conceptual Model for Justice-Based Recovery Expectations of Airline Passengers

Source: Study Model

Model on Expectations of Justice based on combined characteristics of failure situation

The above model proposes that the presence or absence of each or both severity and controllability characteristics, in a service failure situation will trigger expectation of all three types of justice differently by inducing the preference of one type over another. Severity operationalized by the high magnitude of loss and controllability is referred to as firm having power to control the situation. We posit that situation Q4 with high severity and controllability is likely to trigger expectation of distributive justice first, followed by demand for interactional justice and procedural justice. Similarly the expectations of justice will differ across other three quadrants. Accordingly, the following hypothesis was formulated for testing the proposed conceptual model:

H1. The expectations of distributive justice, interactional justice and procedural justice in service recovery are significantly different across severe non controllable, not severe controllable, not severe not controllable and severe controllable situations.

METHODOLOGY

The study was conducted in Goa, India, in different stages, with managers and passengers intercepted at airport with Full Service Network Carriers (FSNCs). The study used mixed methodology.

At Stage I, the inventory of failure situations was made by open ended interviews with airline managers and passengers. Additionally, airline websites and literature was referred. At Stage II, the failure situations were categorized as per the four quadrants of the model, namely Q1-Not Severe Controllable, Q2- Not Severe Not Controllable, Q3- Severe Not Controllable, Q4- Severe Controllable, by administering questionnaire 1 to the airline passengers. At stage III, survey was done for capturing expectations of justice for the four types of failures mentioned above, by administering two other questionnaires, namely, Questionnaire 2 and Questionnaire 2A.

The stages are elaborated in the following paragraphs.

Stage I- Inventory of failure Situations

In stage I of this research, eight exploratory exhaustive discussions with the managers of eight airlines (FSNCs) in the state of Goa, India were held, which revealed different service failures encountered by the passengers. More service failure situations were collected by asking eight of the passengers at the airport. Further, the customer care section on the website of the

airlines was also referred. These incidents were added to the list of complaints gathered from literature, which also included planned delays and cancellations, inaccurate information, additional fees, incorrect boarding passes, duplicate seat numbers, lost or missing baggage, delays in claim settlements, refunds of unused tickets, inflight services, crew member conduct, and crew members who were not available (Upadhyaya, 2011).

Stage II- Classification of Failure Situations According to the Quadrants of the Model

In the next stage, the above situations were further categorized into the four quadrants of the model, namely Q1-Not Severe Controllable, Q2- Not Severe Not Controllable, Q3-Severe Not Controllable, Q4- Severe Controllable, by administering Questionnaire 1 to the airline passengers. Severity was measured as severe and not severe. Controllability was measured as controllable and not controllable. The respondents were intercepted at Goa airport. 330 questionnaires were distributed. Out of 321 questionnaires received, only 313 were complete and were used for analyses. Excel Spreadsheet and SPSS 16 version were used for statistical analysis and the categorization of the total 47 failure situations into four classes:

- a) Severe not controllable
- b) Not severe controllable
- c) Not severe not controllable
- d) Severe controllable

Wirtz and Mattila (2004) propounded the scenario method when there is a high degree of agreement between respondents' real-life experiences and the experimental situations they are expected to conceive. We used the failure scenarios in the measurement instrument as explained in stage III below.

Stage III Measurement Instrument for Empirical Testing of Expectations of Justice

As described in stage II above, there were only two failure circumstances in each of the quadrants that represented severe not controllable and not severe not controllable failure situations, respectively. Hence, for other two quadrants, namely, not severe controllable and severe controllable, we chose two situations representing each quadrants, based on frequency. We made two questionnaires, Questionnaire 2 and 2A using one situation of each quadrant. Thus two questionnaires had two different situations representing each quadrant in order to avoid situation bias. We append questionnaire 2A as an example to demonstrate our measurement instruments. For further empirical testing of the conceptual model, the researchers

selected only 8 failure scenarios. Based on the categorization of complaints, the failure situations were selected from the passengers view point, as explained in stage II. The measurement scale was created using the three aspects of justice—distributive justice, interactional justice, and procedural justice, after review of existing scales.

Measurement of justice concepts

To select appropriate sub-items to measure justice-based recovery expectations, the subitems used in prior research representing the dimensions of justice were reviewed.

Distributive justice

Distributive justice has been operationalized by earlier scholars as monetary compensation. (Kim et al., 2009). Verma and Kaur (2001) used monetary reward and free replacement to gauge expectations for distributive fairness. Matilla (2001) measured distributive justice by offers of refunds and discounts as kind of restitution.

Interactional justice

The minimum that a service provider can provide to a consumer who has complained is interactional justice. Tax and Brown (1998) operationalized interactional justice using a multiitem scale that takes courtesy, empathy, effort, an explanation, honesty, and attitude into account. Smith et al., (1999) used apology and initiation to represent interactional justice.

Procedural justice

Procedural justices scales also differ across various researchers. Tax et al., (1998) used multi item scale to measure the procedural justice as assuming responsibility and timing/speed of response. Verma and Kaur (2001) employed prompt responses and convenience; follow-up procedures, control, adaptability, and process understanding.

Malhotra et al., (2012) said that single-item assessments are normally adequate for gauging the character of singularly concrete marketing constructs. After contacting six experts, the researcher developed the final questionnaires using the sub-items that met the criteria of validity and reliability as stated below:

- 1) Monetary compensation as a measure of distributive justice expectations
- 2) Polite response to capture interactional justice expectations
- 3) Quick resolution to gauge procedural justice expectations

(Verma and Kaur, 2001)

Thus two final instruments, Questionnaire 2 and 2A were developed. Four service failure cases, one from each of the conceptual model's quadrants, were included in each of these questionnaires. In order to prevent situation bias, the failure scenarios for each of the conceptual model's four quadrants were different in each of the two questionnaires. In the two sets of the final questionnaires, the order of the circumstances was deliberately altered to eliminate order bias. The expectations of justice, representing each of the dimensions, were given below each failure situation. The respondents were asked to rank their expectations, ranging from 1 to 3, according to their priority (1 = The most important, 3 = The least important).

Sample and administration

500 questionnaires (2 and 2A) to the passengers were administered out of which 459 were usable. The actual survey period extended from 2016 to 2017. The researcher personally administered the questionnaires to 400 passengers at Goa, India, and 50 each were sent by post and e mail.

The scenario method seemed to be most appropriate as the respondents were intercepted at actual service setting. Each respondent was administered any one of the two questionnaires (either Q-2, or Q-2A). 48 responses were received from the 50 questionnaires dispatched by post (96%), and the e-mail response received was 37 (74%). The questionnaires given and collected personally registered 98% response rate. The usable questionnaires were 459 (232 of questionnaire 2 and 227 of questionnaire 2A), out of which 391 were those administered in person, 41 were received by post, and 27 were the ones received by e-mail. SPSS 16.00 version was used for further analyses.

STATISTICAL TESTS AND RESULTS

ANOVA was used for statistical analyses in this research. The option of multiple comparisons makes the ANOVA technique more useful than structural equation modeling and regression analysis in experimental investigations (Morrison, 2005).

Results

The statistical results and interpretation, on testing of hypothesis H1, is presented below:

Table 1 - Results of ANOVA showing significant difference between three types of Justice

		6 . 6				
		Sum of Squares	Df	Mean Square	F	Sig.
SITUATION-1	Between Groups	71.965	2	35.983	57.741	.000
	Within Groups	856.244	1374	.623		
	Total	928.209	1376			
SITUATION-2	Between Groups	278.658	2	139.329	294.605	.000
	Within Groups	649.813	1374	.473		
	Total	928.471	1376			
SITUATION-3	Between Groups	183.935	2	91.967	169.426	.000
	Within Groups	745.830	1374	.543		
	Total	929.765	1376			
SITUATION-4	Between Groups	130.680	2	65.340	110.841	.000
	Within Groups	809.961	1374	.589		
	Total	940.641	1376			

Source: ANOVA Test and Analysis of Variance

From the one- way ANOVA results, we conclude that in four different situations, namely, Situations that are not severe, not severe, not severe, not severe, and not severe controllable, the expectations of all three types of justice are significantly different from each other. This is seen in significance of 0.000 at 95% confidence level and also corresponding F ratios.

Hence, we accept hypothesis, H1 and further test for analysis of the nature of differences between expectations of justice. This is seen in the following table 2:

Table 2 - ANOVA showing Descriptive statistics between different types of justice

		N	Mean	Std.	Std.	95% Confidenc Mean			Max.
		Deviation		Deviation	Error	Lower Bound	Upper Bound		
Situation- 1	Distributive	459	1.77	.841	.039	1.69	1.84	1	3
	Interactional	459	2.29	.744	.035	2.23	2.36	1	3
	Procedural	459	1.87	.780	.036	1.80	1.94	1	3
	Total	1377	1.98	.821	.022	1.93	2.02	1	3
Situation-2	Distributive	459	2.62	.716	.033	2.55	2.68	1	3
	Interactional	459	1.67	.712	.033	1.60	1.73	1	3
	Procedural	459	1.66	.633	.030	1.60	1.72	1	3
	Total	1377	1.98	.821	.022	1.94	2.02	1	3
Situation-3	Distributive	459	2.50	.772	.036	2.43	2.57	1	3
	Interactional	459	1.68	.806	.038	1.61	1.76	1	3
	Procedural	459	1.78	.620	.029	1.72	1.83	1	3
	Total	1377	1.99	.822	.022	1.94	2.03	1	3
Situation-4	Distributive	459	1.84	.906	.042	1.76	1.92	1	3

Interactional	459	2.38	.709	.033	2.32	2.45	1	3
Procedural	459	1.66	.667	.031	1.59	1.72	1	3
Total	1377	1.96	.827	.022	1.91	2.00	1	3

Source: ANOVA Test and Analysis of Variance

DISCUSSIONS AND THEORETICAL CONTRIBUTIONS

The outcome of this research suggests that the passengers in airline industry have different expectations of justice in service failure situations, depending on the perceived severity and controllability of the failure situations.

In severe situations 1 and 4, whether controllable or not, the customers preferred interactional justice primarily (means 2.29 and 2.38), over others. This shows that the customers expect the service provider to be sensitive to the severity of the failure and thus they expect apology forthright. When the situation is deemed severe but not controllable, they demand procedural redress next, and due to non-controllability, the expectation of distributive justice like compensation is last of the three. However, in case the situation is deemed severe and controllable, the next preference is given to distributive justice like compensation, as the situation could be controlled.

In case of controllable situations which are non-severe, customers show distinct expectations of distributive justice (mean 2.62). This is further emphasized by the second finding that they expect both other types of justice in same degree, as shown by similar means of interactional and procedural justice. Thus, the focus of customers in case of controllable but not severe failures seems to be rather task oriented, to primarily reverse the wrong done in service or claim compensation, quickly and courteously.

In non-controllable and non-severe service failure situation, it is interesting to note that expectations are in the order of distributive, procedural and interactional justice. The customers may not expect interactional justice, considering the non-controllability and also non severe nature of failure. They may expect procedural justice in lesser degree due to the triviality of the situation. This may have resulted into the top rank of distributive justice (mean 2.50) as expectation for redress.

Expectations of Justice when Severity and Controllability Characteristics are Considered Together

Previous studies have tested the characteristics of severity and controllability in isolation, for their impact on service recovery (Hart et al., 1990; McCollough, 2009; Weaun et

al., 2004). McCollough et al., (2000) concluded that, "The type of recovery required to lessen the customer's dissatisfaction depends on the severity of the failure". This research builds on this foundation and further clarifies how the four different combinations of these two characteristics of severity and controllability evoke different expectations of justice. *Our findings show that, in each of the four quadrants of the conceptual model consisting of different combinations of presence and absence of severity and controllability, there are diverse justice-based recovery expectations.* For instance, in severe not controllable situations, passengers favor interactional justice more than distributive and procedural justice, while in not severe controllable circumstances, they favor distributive justice more than either of the other two. Thus, it is evident that the preference for different types of justice is distinctly based on the different combinations of severity and controllability as stated above.

Huang et al., (2020) using scenario based research, found that employees' low warmth and high competences are effective in outcome failures, whereas high warmth and low competence are more suitable in case of process failure situations. Our research classified the scenarios based on perceived severity and controllability and found that the employees' politeness representing interactional justice was most critical in severe situations whether controllable or not. In case of non-severe controllable situations monetary compensation representing distributive justice was preferred.

Attributional Approach to Service Failure and Recovery

Folkes (1984) attributed the reactions to failure situations to the casual dimensions of locus of control, stability and controllability. Locus of control is said to be the external attribution for failure to the service provider, stability is referred to as the cause being relatively permanent and controllability is ascertained by the cause being under volitional control. Folkes demonstrated that post service failures, customers' anger towards the firm and desire to hurt firms' business as also the reactions of asking for apology and refund are consequences of the causes of external attributions with perceived controllability. Our research furthers this seminal work, by examining the justice dimensions of service recovery expectations, as reactions to service failures. We find that, in case of controllable non severe situations, customers show distinct expectations of distributive or outcome justice, like preference for refund as in case of Folkes's research. They expect next, both other types of justice in same level, as shown by similar means of interactional and procedural justice. This preference seems to be due to the perceived controllability of service failure.

Other studies have also researched the impact of controllability on expectations of service recovery (Hess et al., 2003). Zeithaml et al., (1993) indicated that when the failure is viewed as controlled, expectations for service recovery are higher. Our research specifically underlines the importance of interactional justice over others in case of severe controllable situation and emphasizes that the recovery will be effective only when the firm first apologizes about the failure.

The composite effect of perceived severity and controllability on the justice-based recovery expectations is the prime issue that this research unearths, for managing failure situations in airline sector.

MANAGERIAL IMPLICATIONS

This study helps to strategize appropriately by indicating which of the service failure situations are viewed by passengers as severe controllable, severe not controllable, not severe not controllable and controllable not severe and accordingly provide redress. This could help to stall the flight of passengers to other competitors.

Excellent service recovery might lead to a condition known as "recovery paradox," as per previous studies. (Kim et al., 2009). It is a situation where in the customer satisfaction is greater following service recovery than it is for those customers who did not have any issues. (Smith & Bolton, 1998). Therefore, the airlines may outperform recovery expectations, which might raise passenger satisfaction levels and thus turn them to loyal customers. This research can help to deliver the redress that exceeds recovery expectations by minimizing costs, due to the knowledge about precise redress requirements.

SUGGESTIONS FOR FUTURE RESEARCH

Lovelock et al., (2001) show that because services are dissimilar, service recovery would not be the identical in different service settings. Hence, we caution that generalization across industries may not hold good. The study may need replication in different service settings across various industries.

In future research, it would be worthwhile to investigate whether the expectation of justice would vary among different types of passengers as moderators, between different situational types and expectations of justice. In our interviews with airline managers, there were indications of passengers being treated unequally with regard to their frequency of flying and such business

considerations. It would be expedient to research whether types of passengers would influence the justice expectations besides the dimensions of service failure situations.

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APPENDIX 1

Questionnaire 1

Out of 47 complaint situations collected, only major classes of situations are selected.

Table 3 - Complain Details Of The Issues Faced By Airlines' Passengers

	-		erity	Controllability		
Sr. No.	Type of Complaint	Severe	Not Severe	Controllable	Not Controllable	
1	Delayed Flights					
2	Cancelled Flights					
3	Baggage related problems					
4	Communication with flight crew/staff					
	behaviour					
5	Meals on Board					
6	Entertainment on Board					
7	Flight fare					
8	Airport Lounges					
9	Check in Process					
10	Denied Boarding					
11	In-flight Seats					

Source: www.airlinequality.com

APPENDIX II

Questionnaire: 2A

This questionnaire has the objective to capture the expectations of justice by the passengers after they experience a service failure.

Data will be used for academic purpose only and strict confidentiality about identity will be maintained.

Instructions to participants

- 1. Please read the **Hypothetical Failure Situations** given below carefully.
- 2 Considering the Failure Situation, you are required to rank the expectations given below

each Failure Situation, ranging from 1 to 3 according to your priority, or rank those most
important to you. (1 = The most important to you, 3 = The least important to you).
<u>Failure situation-1</u> : Cancelled flight due to weather conditions that caused you to miss an important meeting/event. Considering the above failure situation, rank the expectations given below ranging from 1 to 3 according to your priority, or rank those most important to you. (1 = The most important to you, $3 =$ The least important to you).
a) Monetary Compensation
b) Polite Response
c) Quick Resolution
Failure Situation- 2: No in-flight entertainment system. Considering the above failure situation, rank the expectations given below ranging from 1 to 3 according to your priority, or rank those most important to you. (1 = The most important to you, 3 = The least important to you). a) Quick Resolution
b) Polite Response
c) Monetary Compensation
Failure Situation-3: Delayed flight due to weather conditions that did not cause you to miss an imprtant meeting/event. Considering the above failure situation, rank the expectations given below ranging from 1 to 3
according to your priority, or rank those most important to you. (1 = The most important to
you, 3 = The least important to you). a) Polite Response b) Monetary Compensation c) Quick Resolution
Failure Situation- 4: You find the airport lounges filthy and dirty.
Considering the above failure situation, rank the expectations given below ranging from 1 to 3
according to your priority, or rank those most important to you. (1 = The most important to
you, 3 = The least important to you).
a) Monetary Compensation
b) Quick Resolution
c) Polite Response