Service recovery satisfaction in offline and online experiences

Raphael Odoom
Department of Marketing Management,
University of Johannesburg, Johannesburg, South Africa
George Cudjoe Agbemabiese
Department of Marketing, University of Professional Studies, Accra, Ghana, and
Robert E. Hinson
Department of Marketing and Entrepreneurship,
University of Ghana and University of the Free State, Bloemfontein, South Africa

Abstract

Purpose – Given that the peculiar nature of the internet has introduced new dimensions of service delivery as well as new dimensions of service failures and recovery, the purpose of this paper is to investigate and compare the relationships between recovery strategies and recovery satisfaction within offline and online settings.

Design/methodology/approach – Data for the empirical tests of our hypotheses were collected via offline and online (specifically Facebook and Twitter) samples of customers who have experienced some form of service failure and recovery measures from service providers within the past year.

Findings – The results indicate that recovery strategies largely influence recovery satisfaction among aggrieved customers. However, these are conditional and not invariant across the two settings. In the authors' offline setting, in particular, apology did not show a statistically significant impact on recovery satisfaction, even though, along with compensation and explanation, this relationship was significant among the online sample.

Originality/value – The study offers practical implications for service managers within emerging economies on the various conditions where they can maximise their service recovery efforts (both offline and online) to generate optimum recovery satisfaction.

Keywords Service recovery, Emerging market, Sub-Saharan Africa, Facebook/Twitter, Online vs offline, Recovery satisfaction

Paper type Research paper

Introduction

In an ideal scenario, organisations aim to pursue flawless service delivery. This, however, may be impossible given that service failure is typically difficult to avoid. In view of this, studies on service failure and service recovery continue to be relevant to service management, and an enduring issue for businesses seeking to create value for customers (Trianasari *et al.*, 2018; Harrison-Walker, 2019). Indeed, even the most customer-oriented firm with the sturdiest quality programme is unlikely to eliminate all service failures (Del Río-Lanza *et al.*, 2013). A basic reason underlying this argument is that the variability of services make it impossible to assume that services will be delivered the same way, as well as trigger same satisfaction levels, among consumers in different contexts. For this reason, Hoffman *et al.* (2016) point out that recovery strategies – implemented after events of service failures – are also not universally applicable, and fluctuate from one customer situation to another.

Amid the vast body of research on service recovery, the literature exhibits some pertinent omissions. First, in the wake of mounting levels of online business activities, there are limited studies that have explicitly distinguished service recovery strategies and outcomes (such as recovery satisfaction) across online vs offline service situations. Extant studies in the area, as yet, have mainly focussed on these settings separately, and thus missed out on parallel investigations from these two standpoints in a single study (see e.g. Crisafulli and Singh, 2017; Izogo and Jayawardhena, 2018). Furthermore, although previous research has dealt with the role of speed/timeliness of response in service recovery

situations (e.g. Wirtz and Mattila, 2004; Mostafa *et al.*, 2015), recent literature is silent on the peculiarities of recovery satisfaction from customers who (perceptually) obtain quick vs slow (or even no) responses after experiencing service failures.

In addition to these, the service recovery literature is also beleaguered with limited empirical perspectives from emerging or less-developed economies, particularly those from sub-Saharan Africa. Moreover, much of what we even know in the literature about service recovery studies on developing countries are either outdated or even contextualised outside sub-Saharan Africa (Malhotra *et al.*, 2005; Dutta *et al.*, 2007; Albrecht *et al.*, 2019). Evidence from the theoretical exposition of service research in general, to date, points to a limited amount of literature from such African contexts (Ostrom *et al.*, 2015). Arguably, a knowledge gap exists in that regard, considering the recognised contributions made by the services sectors in most developing/emerging economies (Malhotra *et al.*, 2005; Anning-Dorson, 2018a).

Furthermore, what warrants this study also stems from the point that firm–consumer behaviours in developing countries – such as the setting under investigation – differ from the nuanced perspectives known already among developed economies (Sheth, 2011). It follows from the above that the generalisability of published research on the subject across all contexts and settings remains equivocal, rendering our current knowledge inadequate. Moreover, since much of what we know in the literature emanates predominantly from developed contexts, a mere assimilation of available research may blur our academic understanding with biases.

Theoretical framework and hypotheses development

Generally, from the justice theory, three strands of fairness – procedural, distributive and interactional – underscore the Justice theory framework, describing customers' evaluations of the way their complaints were handled (McColl-Kennedy and Sparks, 2003). Customers typically complain when there is service failure, triggering a breakdown of the firm–customer relationship, decline in customer confidence, negative word-of-mouth and other unfavourable future behaviours from customers and, ultimately, the direct cost of re-performing the service (Boshoff, 1997). Therefore, putting in place service recovery measures by firms become vital strides in winning back aggrieved customers as well as maintaining positive relationships with them, particularly when customers forgive service providers (Harrison-Walker, 2019).

Drawing from the justice theory, the three dimensions of fairness are driven by different facets of the service recovery process. For instance, scholars argue that the presence (or absence) of an apology is mainly associated with customers' perceptions of interactional justice (Abney *et al.*, 2017). This is further explained by whether the firm makes reasonable efforts in respectfully communicating the service recovery explanation (Abney *et al.*, 2017). Regarding procedural justice, customers usually determine this from the speed with which complaints are handled, or service failures are corrected (Tax *et al.*, 1998). Finally, Blodgett *et al.* (1997) maintain that compensations are effective in restoring customers' perceptions of distributive justice. It is worth pointing out that, concerning customer complaint behaviour, the justice theory has relevance in both online as well as brick-and-mortar settings (Abney *et al.*, 2017). In this study, compensation, explanation and apology are considered to represent the baseline dimensions of service recovery strategies fashioned by firms in the events of service failure.

Speed/timeliness of recovery

Service failures themselves may not necessarily trigger customer dissatisfaction because some consumers accept that situations can sometimes go wrong (Del Río-Lanza *et al.*, 2013). The most likely cause of customer dissatisfaction, however, is the way the organisation responds (or not) to the failure situation. Within the servicescape, speed is generally connected to the efficiency of the service provider, and often becomes a differential factor in determining recovery satisfaction among aggrieved customers (Wirtz and Mattila, 2004). So, while a perceptually quick recovery may mean a sign of efficiency, a slow response may be interpreted otherwise. According to

Folkes (1984), the latter situation may prompt consumers to assume that the same problem is likely to occur in the future. Likewise, consumers may be inclined to attribute the cause of failed service to an unstable and uncontrollable phenomenon when there is an immediate service recovery than a slow one (Wirtz and Mattila, 2004).

This research departs slightly from past works (see Boshoff, 1997; Wirtz and Mattila, 2004) to delineate speed of response as a recovery strategy and, instead, employ it as a moderating condition which could vary the magnitude of customers' recovery satisfaction (Crisafulli and Singh, 2017). This study argues that perceptions of recovery speed is relative and vary from one customer to another. Indeed, even if a firm considers itself to have responded quickly to a failed service, the recovery speed is deduced in varied forms by different customers. Instances such as length of patronage and previous experiences with the firm, if any, could underlie such perceptually varied deductions of recovery speed. Even among group service failures, which affect multiple customers simultaneously, the eventual recovery outcomes on customers are often varied (Albrecht *et al.*, 2019). As a consequence, recovery speed can ultimately be arbitrated from the standpoint of the customer.

Moreover, different service scenarios cause ambiguities in the perception of speed of recovery. For instance, a firm may consider the re-performance of failed service within three days (in a case of, perhaps, an online transaction) as quick, while the same time frame may be considered "delayed" in another setting (such as restaurant or airline services). Therefore, consumers' post-recovery satisfaction judgments and behaviours become a highly complicated, subjective phenomenon (Wirtz and Mattila, 2004). Regardless of the attributions to the failure, however, Davidow (2003) argues that customers derive greater satisfaction from what they perceive to be an effective and usually quick recovery method over slow ones. From the foregoing discourses, the study's initial two hypotheses are that:

H1. The effects of recovery strategies (compensation, explanation and apology) on satisfaction will be moderated by customers' perceptions of recovery speed (quick vs slow).

H2. The moderating effect of recovery speed will be greater in magnitude for customers who perceive recovery speed to be quick than customers who perceive recovery speed to be slow.

Recovery satisfaction: offline vs online

Among the reasons backing the interest in understanding consumers' recovery satisfaction from failure is that it triggers positive word-of-mouth and repurchase intents (Maxham and Netemeyer, 2002; Kuo and Wu, 2012), as well as influences an overall satisfaction with the service firm (Siu *et al.*, 2013). Furthermore, over and above satisfaction, a good recovery may reduce customers' negative emotions while increasing positive ones. Likewise, a weak recovery also has the potential of worsening negative emotions while waning positive ones (Gustafsson, 2009). Thus, service recovery management undoubtedly becomes a vital endeavour for ensuring loyalty, retention and firm profitability (Holloway *et al.*, 2005). What is clearly not demarcated in the literature, however, are the nuances of recovery satisfaction among customer experiences from offline and online situations.

Lately, most firms are pursuing a multi-channel service delivery by adding online avenues to their brick-and-mortar touchpoints, and particularly transitioning offline recovery strategies into the blossoming technological tapestries (Azemi *et al.*, 2019). This approach increases contact points by presenting varied channels for customers' convenience, as well as providing augmentations to services. According to Kwon and Lennon (2009), a synergy between offline and online operations is generated by the seamless integration between the two channels which enriches customers' experiences. Similarly, unsatisfactory service experience in one setting

may impact the other. Notably, the internet has changed the way services are delivered and has created new forms of customer–firm interactions (Crisafulli and Singh, 2017). The inherent features accompanying the internet have introduced not only new forms of service delivery but also inspired new forms of service failure and further kindled online versions of service recovery efforts. Accordingly, the fundamental interpersonal interactions, generally associated with offline service failure and recovery situations, are also replicated via various facets of technology (Holloway *et al.*, 2005; Trianasari *et al.*, 2018), among which social media appear to be a leading platform.

In an offline setting, consumers typically complain about undesirable service experiences through verbal remarks, which are often witnessed by persons that are present during the service delivery. The situation differs significantly in the online setting, where customers can resort to different complaint routes that are typically engaged by numerous consumers, even beyond geographical boundaries. Furthermore, consumers are increasingly more likely to share their unpleasant service experiences by transferring events from offline settings onto online platforms using internet technologies. As a result, service recovery management strategies are to be handled judiciously to ensure that they optimise customer satisfaction in either setting since they are a critical component in the overall evaluation of service experiences (Bhandari *et al.*, 2007). Particularly, in online settings, where customers have numerous, unrestricted avenues to share bad experiences, this cannot be overemphasised.

When offline, a service provider may typically offer a verbal apology during service failure or at a time when a customer complains about the failed service. They may also send letters to this effect. In an online situation, however, such apologies may come through digital platforms such as e-mails, SMS or even private chat sections of social media. Regarding compensation, replacement or re-performance of the service for free may be done offline whereas discounts on next patronage, gift cards or upgrades may be used during the recovery process online. For explanations offline, verbal ones may be given to victims of the failure instantly or via press releases if it involves a mass of customers. Yet, explanations online may be done via phone calls, newsletter, e-mails, blogs and social media posts. Consequently, disparities also exist in the extents of consumers' satisfaction with such recovery efforts in each milieu. Arguably, however, although recovery strategies in each setting may appear similar and may produce satisfaction in both instances, it is anticipated that the variance in recovery satisfaction would be higher among online experiences than offline ones. Hence, the study further hypothesises that:

H3. The effects of recovery strategies (compensation, explanation and apology) on satisfaction will vary significantly between offline samples and online samples.

H4. The magnitude of the recovery satisfaction outcome will be greater for customers who experienced recovery efforts online than customers who experienced recovery efforts offline.

Methodology
Research design and data collection
A quantitative survey approach was employed in our study. Before the questionnaire administration, an adequate assessment of the psychometric properties of the scale was carried out using academic faculty and experts consulted from service firms (Bagozzi and Yi, 1988). This helped ensure face and content validity for our measures. By adopting most of the measures from previous research (Mostafa *et al.*, 2015), preliminary reliability and validity were ensured. Data collection was carried out using a structured questionnaire administered in two phases. The first phase involved the offline sample whereas the second phase involved the online sample. In the offline sample, undergraduate and postgraduate students from various universities in Ghana were conveniently targeted via e-mails obtained from student unions with an initial request for consent to partake in the survey.

The condition for inclusion was that respondents must have recently experienced some failed services and received some form of recovery effort from the service providers. After obtaining consent from the respondents, the questionnaire was mailed to over 650 of them, along with self-addressed envelopes for feedback. After two months, 230 questionnaires were returned, out of which 222 were usable.

Regarding the online sample, the researchers identified seven service outfits (three telecommunication firms, four banks) on Facebook and Twitter. Although these were not the only social media available, the two platforms for the chosen service firms were selected based on their prolific active customer support accounts which are dedicated solely to address and handle numerous customer complaints related to various service experiences. These were employed to identify their followers (customers) who have lodged complaints on their timelines within the past year. The same inclusion criteria was employed to remove biases of memory lapses common among self-reports of service failures (Del Río-Lanza *et al.*, 2013) and to ensure that the failure-resolution incidence could be easily recalled. Following ethical assessments on online social research (see, Buchanan and Hvizdak, 2009), the respondents were contacted via private messaging – a feature available on Facebook and Twitter – for their consent to partake in the study. From these scenarios, 420 agreed to participate in the study and were thus forwarded a link to the online version of the questionnaire, generated using Google Forms. However, only 382 responses were obtained after two months. In all, the study obtained 604 usable responses (from both offline and online respondents) for the analyses.

Questionnaire and measurements
Questionnaire for the study had three sections: the first focussed on a demographic profiling of the respondents; the second part looked at the service recovery measures (apology, compensation and explanation); and the final section was dedicated to the clustering moderator variable (speed/timeliness of response) and the dependent construct (recovery satisfaction). Aside from the demographic section of the questionnaire, all other constructs were operationalised using reflective measures on a five-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree, with 3 = neutral (see Table I for the full-scale items). The demographic characteristics (specifically, age, gender and income level) were later used as preliminary controls in the data analyses. This was to cater for the potential impact of customers' individual differences in confounding the relationships tested in our hypotheses.

The measure of apology is originally from Liao (2007). The four-item scale captures the extent to which the company apologised for the failure, expressed regret, apologised for the inconvenience and apologised for what the customers had suffered. The measure of compensation was also taken from the literature (Valenzuela and Llanos, 2008) and consisted of five items indicating what was given for the loss incurred, the inconveniences suffered and time spent during the failure experiences. Moreover, four items made up the explanation scale, which were also drawn from the work of Mostafa *et al.* (2015). The scale details the extent to which the service firms explained what factors might have caused the problem, why the failure may have occurred, what might have gone wrong, as well as reasons for the problem.

The measure of recovery satisfaction was derived from Maxham and Netemeyer (2002). The three-item scale assesses the degree to which satisfactory resolution to the problems was provided and the degrees of happiness and satisfaction among the respondents during the recovery process. Finally, a four-item scale adapted from Liao (2007) was initially used to measure the speed of response. The items measured the extent to which the respondents felt the companies reacted promptly to their enquiries, attended to the problem quickly, responded to the complaints promptly as well as shortness regarding solving the problem. Later, *K*-means clustering was employed to classify the speed of response construct into two groups – quick and slow blocks. The *K*-means clustering analytical technique was deemed appropriate due to its numerous advantages (see Odoom, 2016).

Construct and measures	CFA loadings
Compensation (α = 0.94; CR = 0.94)	
The compensation the company gave me for the loss incurred is good	0.78
The compensation the company gave me for all the time I spent dealing with the complaint is good	0.96
The compensation the company provided me to cover my financial losses is good	0.92
The compensation the company gave me for all the hard times I had due to the complaint is good	0.90
The compensation the company provided me for the inconvenience I went through due to the complaint is good	0.84
Apology (α = 0.96; CR = 0.95)	
The company apologised to me for what had happened	0.92
The company expressed regret for the mistake that occurred	0.98
The company apologised for the inconvenience the problem had brought to me	0.90
The company apologised for what I have suffered because of the problem	0.85
Explanation (α = 0.89; CR = 0.90)	
The company explained why the service problem might have happened	0.77
The company explained what factors might have caused the problem	0.94
The company explained what might have gone wrong	0.87
The company provided a convincing explanation for the reason of the problem	0.73
Speed of response (α = 0.92; CR = 0.92)	
The company reacted promptly to my inquiries	0.84
The company attended to the problem quickly	0.96
The company responded to my complaint promptly	0.90
Solving the problem did not take so long	0.71
Recovery satisfaction (α = 0.92; CR = 0.92)	
The company provided a satisfactory resolution to my problem on this particular occasion	0.85
Regarding this particular event, I am satisfied with the company	0.94
I am happy with the way the company handled my complaint	0.88
Notes: CFA overall model fit indices: χ^2/df = 1.98; GFI = 0.95; CFI = 0.98; TLI = 0.97; NFI = 0.97; RMSEA = 0.06	

Table I.
Construct measures and fit of scale items

Results and analyses

Demographic characteristics

The respondents' characteristics indicate that they were of different demographic profiles. Approximately, 43.9 per cent were females while 56.1 per cent were males. The ages of the participants ranged between 18 and over 50 years, with the majority concentrated between 26 and 40 years. Moreover, the respondents were from diverse occupations. Their service experiences also cut across both public and private institutions including banks, restaurants, telecommunications firms, hospitals, utility companies, educational institutions, courier services, airlines, IT firms, among others. The nature of the service failure also comprised wrongful deductions, billing errors, long queues resulting in time wastage, rude personnel behaviour, inaccessible facilities, system breakdowns, wrong diagnosis, food poisoning, flight delays, among others.

Construct validity and reliability

To examine factor unidimensionality, the five multi-item constructs were subjected to confirmatory factor analysis (Gerbing and Anderson, 1988). The standardised loadings from the confirmatory factor analysis and Cronbach's αs in Table I demonstrate that the measures in the model reflected their intended underlying constructs. The overall model

fit indices (χ^2/df = 1.98; GFI = 0.95; CFI = 0.98; TLI = 0.97; NFI = 0.97; RMSEA = 0.06) were also satisfactory, exceeding their recommended levels. Additionally, all the estimated manifest coefficients of the corresponding latent factors were significant (i.e. $t > 2.0$, $\rho < 0.01$), with scores for composite reliability and average variance extracted (AVE) exceeding the required benchmarks of 0.70 and 0.50, respectively. These provided support for convergent validity (Bagozzi and Yi, 1988). Moreover, discriminant validity was established by comparing the shared AVE values between pairs of constructs with their squared φ correlations. In all cases, the AVE values were greater than the squared φ correlations associated with each pair of constructs, confirming the discriminant validity of the constructs.

Common method bias and invariance tests
To control for common method bias, this research relied on the procedural approach and statistical tests recommended by Podsakoff *et al.* (2012). First, during the questionnaire design, the items were mixed to prevent respondents' ability to predict the relationships among the measures. To further assess and account for potential bias after data collection, the study statistically performed the correlational marker variable test for common method bias (Mostafa *et al.*, 2015). Also, given that the model contained multiple interactive relationships implied a minimal likeliness of respondents' ability to foresee the complex relationships tested in this research. These instances suggest that common method bias is an unlikely issue in the current study (Podsakoff *et al.*, 2012). Table II displays the descriptive statistics and inter-construct correlations for the online and offline samples. Additionally, considering the sample heterogeneity of our data sources, the stepwise procedure of Steenkamp and Baumgartner (1998) was followed to ensure that the collection approach (online vs offline) differences do not bias our results. Consequently, full scalar invariance (χ^2-difference of 0.13) and full metric invariance (χ^2-difference of 0.07) affirmed that the sample setting differences do not present any form of bias in our results.

Tests of hypotheses
The four hypotheses were tested with a multi-stage hierarchical regression modelling (see Table III). This approach is suitable for correcting endogeneity, especially in cases where the predictor and outcome variables are continuously measured (Hamilton and Nickerson, 2003). The averages across the multi-item constructs were taken to create composite scores as a way of reducing model complexity (Ping, 1995) before proceeding to the hierarchical regression.

Constructs	Descriptives		Correlations							
	Mean	SD	1	2	3	4	5	6	7	8
1. Age	–	–	1	0.11*	0.32**	−0.03	0.09	0.02	0.00	−0.05
2. Gender	–	–	−0.17	1	0.06	0.02	0.19**	−0.02	0.10	0.09
3. Income	–	–	0.43**	−0.18**	1	−0.04	−0.12*	−0.07	0.04	0.03
4. Apology	2.81	1.27	0.03	−0.08	0.13	1	0.44**	0.58**	0.55**	0.50**
5. Compensation	2.13	0.99	0.12	−0.08	0.02	0.40**	1	0.35**	0.45**	0.56**
6. Explanation	2.76	1.05	0.11	−0.07	0.24**	0.55**	0.38**	1	0.37**	0.48**
7. Speed of response	2.53	1.10	0.07	−0.19**	0.04	0.47**	0.34**	0.43**	1	0.60**
8. Satisfaction	2.56	1.11	0.02	−0.19**	0.07	0.37**	0.42**	0.46**	0.67**	1

Notes: Means and SDs are for combined samples. Correlations below the diagonals are for offline sample ($n = 222$); above diagonals are for online sample ($n = 382$). *,**Significant at $p < 0.05$ and $p < 0.01$, respectively

Table II.
Descriptive statistics and correlation matrix for model variables

| | Baseline | | Speed of response (*H1* and *H2*) | | Setting of experience (*H3* and *H4*) | |
| | Overall Sample | | Slow | Quick | Offline | Online |
	(Model 1)	(Model 2)	(Model 3)	(Model 4)	(Model 5)	(Model 6)
Observations	604	604	330	274	222	382
Variables						
Controls						
Age	−0.05 (0.06)	−0.14*** (0.05)	−0.21*** (0.06)	−0.02 (0.06)	−0.10 (0.09)	−0.17*** (0.06)
Gender	−0.02 (0.09)	−0.07 (0.07)	−0.17* (0.09)	0.20** (0.10)	−0.36*** (0.13)	−0.07 (0.09)
Income	0.02 (0.04)	0.06 (0.04)	0.09** (0.04)	−0.01 (0.05)	−0.02 (0.07)	0.08** (0.04)
Main effects						
Apology		0.13*** (0.05)	0.05 (0.06)	0.08 (0.07)	0.07 (0.08)	0.17*** (0.05)
Compensation		0.41*** (0.04)	0.33*** (0.06)	0.32*** (0.06)	0.30*** (0.08)	0.45*** (0.05)
Explanation		0.27*** (0.06)	0.18** (0.07)	0.31*** (0.08)	0.34*** (0.11)	0.25*** (0.06)
Constant	2.77*** (0.25)	0.98*** (0.21)	1.75*** (0.26)	0.66** (0.32)	1.67*** (0.42)	0.71*** (0.25)
R^2	0.00	0.38	0.21	0.33	0.32	0.44

Table III.
Hierarchical
regression

Notes: Dependent variable = recovery satisfaction; robust standard errors in parentheses. *$p < 0.1$; **$p < 0.05$; ***$p < 0.01$

In stage 1, the respondents' profiles (age, gender and income level) were regressed on satisfaction to obtain their accountable residuals on the dependent variable. Results from M1 indicate that aside the non-statistical significance, the demographic variables collectively account for only 0.2 per cent of the variance in recovery satisfaction (see R^2 value in Model 1). In stage 2, the recovery strategies were regressed in addition to the control variables for the combined samples. M2 represents our baseline (combined sample) model that examines the main effects of the independent variables – apology, compensation and explanation – on recovery satisfaction. Here, all the recovery strategies generally had significant and positive coefficients, with an improved 38 per cent contribution (R^2) of the variance in recovery satisfaction.

In stage 3, the groupings/blocks of samples created with the *K*-means cluster were used to evaluate the baseline model across the two speeds of recovery cluster blocks – slow vs quick. The first hypothesis posits that the baseline model will vary significantly among customers who perceived their experienced recovery speed to be quick and customers who perceived their experienced recovery speed to be slow or delayed. Although apology did not significantly influence satisfaction in either cluster blocks, some statistical variations were realised from the other recovery strategies (see β values in M3 and M4), confirming *H1*. Again, the second hypothesis sustains that the effect of the recovery satisfaction outcome will be higher in magnitude among customers who perceived recovery speed to be quick, than customers who perceived recovery speed to be slow or delayed. Findings from Model 3 ($R^2 = 0.21$) and Model 4 ($R^2 = 0.33$), representing the delayed block and quick block respectively, reveal that *H2* was also adequately affirmed.

The third hypothesis states that, based on the setting of recovery experiences, the baseline model will vary significantly between online samples and offline samples. From the beta values in M4 and M5, it is realised that the variations in the recovery strategies in the two settings. Notably, whereas apology did not statistically influence satisfaction in the offline setting, it did have a relationship with satisfaction, along with compensation and explanation, in the online sample. Finally, the study tested the fourth hypothesis (that the effect of recovery satisfaction outcome will be higher in magnitude among customers who experienced their recovery online than customers who experienced their recovery offline) in the final stage. The R^2 results from Model 5 ($R^2 = 0.32$) and Model 6 ($R^2 = 0.44$), representing the offline setting and online setting, respectively, reveal that *H4* is also sufficiently confirmed.

Findings and discussions

The present study investigated the relationships between recovery strategies and recovery satisfaction within offline and online settings. The results indicate that the three recovery strategies – apology, compensation and explanation – largely influence recovery satisfaction among aggrieved customers. However, these are conditional and not invariant across the two settings. Even though all three strategies significantly influenced recovery satisfaction in the online sample, apology was statistically not significant among the offline sample. It follows from this that among the offline sample in our data, offering an apology by expressing regret for inconveniences or failure experiences suffered by customers was not enough to warrant recovery satisfaction. Such a finding departs from the widely-held stance that apologies are highly suitable strategies in recovery processes (Tax *et al.*, 1998; DeWitt and Brady, 2003; Chuang *et al.*, 2012). Arguably, an apology may only help calm down complainants in situations where the seriousness of the failure is low (Siu *et al.*, 2013) or affect perceptions of interactional fairness (Wirtz and Mattila, 2004), but not necessarily trigger recovery satisfaction.

While previous works have examined the speed of response as a recovery strategy (Boshoff, 1997; Davidow, 2003; Crisafulli and Singh, 2017), it is delineated in this study as the condition which varies the degree of customers' satisfaction during service recovery. This was investigated from our data considering how the surveyed customers perceived their recovery experiences to be either quick or slow. By this, the current research argued hypothetically for variations on recovery satisfaction based on the perception of recovery speed. Results from our study affirmed this standpoint, as the relationship effects of the recovery strategies (apology, compensation and explanation) on recovery satisfaction were not invariant at the disaggregated (quick vs slow) clusters. Although compensation and explanation influenced satisfaction in both the quick and slow speed of recovery clusters, apology did not show significant influence on satisfaction in both circumstances. Even more profound, the results further demonstrated that the satisfaction effect was superior in magnitude among the cluster who perceived recovery speed to be quick than among the cluster who perceived recovery speed to be slow.

Logically, it goes without saying to expect that the quicker the speed of recovery, the more satisfied an aggrieved customer would become. However, recent research by Crisafulli and Singh (2017) submits that particularly in online contexts, "a necessary delay in the process of recovery can lead to positive customer outcomes" (p. 4). Corroborating this assertion with the current study, it appears that speed is still of essence to customers when recovery measures are deployed in both online and offline settings. Particularly, explanations to and compensations for failed service deliveries are to be executed in a fast manner. Finally, as an additional finding, recovery satisfaction was more significant in magnitude among customers who experienced recovery efforts online than customers who experienced recovery efforts offline.

Implications for theory and practice

Theoretical implications

It is observed that existing literature offers limited empirical perspectives on service recovery strategies and recovery satisfaction from both offline and online settings in a single study. Additionally, despite the recognised contributions made by the services sectors in most developing/emerging economies, available literature is also beleaguered with limited research from emerging or less-developed economies, particularly those from sub-Saharan Africa (Anning-Dorson, 2018a). The failure of the services literature to address these critical lacunae is fairly imprudent, and renders the debate on the subject slightly porous. Since the marketing literature argues that such contexts exhibit distinctive outlooks regarding firm–customer relationships (Sheth, 2011), our study makes two initial

contributions to the literature; the geographical context of study as well as the two data settings (online and offline) used in testing our hypothesised relationships. By the comparative perspectives examined in this study, as well as situated in an unusual context in the literature, we expand the theoretical boundaries of the service recovery literature within the services marketing discipline.

In addition to these, the extant literature on the subject under investigation has typically considered speed of response as a recovery strategy (see Mostafa *et al.*, 2015; Abney *et al.*, 2017). This study argues slightly from a different perspective, contending that in the service recovery process, this speed associated with the three strategies (apology, compensation and explanation) brings out the variations among the levels of customers' satisfaction with recovery efforts. In a related issue regarding our theoretical constructs, past research suggests that regarding timeliness, delay is often necessary when "psychological compensation in the form of an apology is provided" (Crisafulli and Singh, 2017, p. 421). This has been argued particularly during online service failure situations, where the firm may need time to investigate service breakdowns after customers lodge their complaints. The results of this study seem to trigger a contrary view, given that the relationship between apology and satisfaction was not significant in each of the two speeds of response clusters. This implies that, perhaps, some contextual peculiarities could play roles in the distortions that arise when such hypothetical relationships are tested in different settings.

Managerial implications

First of all, findings from our study permit us to reason that recovery strategies generally affect recovery satisfaction, but do vary under some circumstances. For the practitioner community, particularly service managers, the study suggests that in sustaining customers' post-recovery satisfaction, an apology may not be worthwhile in offline settings during service recovery. Also, even among consumers who perceived their recovery experiences to be quick (with the obvious being expected from those with delayed experiences), offering apologies did not seem to trigger recovery satisfaction. However, it appears the situation is different in online settings, with apology, along with explanation and compensation, influencing recovery satisfaction among aggrieved consumers. This is interesting, given that the current research in particular was set in a context where apologies are typically used in settling even the colossus of grievances (often social) between conflicting parties. Consequently, one would have expected apologies from service providers in such a context to significantly influence consumers' recovery satisfaction. Perhaps the growing wave of customers' "unwillingness to forgive firms for providing poor service" asserted by Crisafulli and Singh (2017, p. 413) has caught up in the study context as well.

Per the definition of Burgess and Steenkamp (2006), Ghana is considered a developing country and an emerging market (Sinha and Sheth, 2018). In terms of culture, social institutions, and other market and economic indicators espoused by Sheth (2011), it is particularly not different from most African countries and other developing ones across Asia and the Americas. The idiosyncrasies of firm–consumer relationships within its services sector have been empirically likened to other developing countries (see e.g. Anning-Dorson, 2018b). Following from this, managers of service firms operating in countries with similar socio-economic and consumption patterns (such as Kenya, India, Mexico, Tanzania, Chile, etc.) may need to take a cue. They should consider that despite consumers' awareness that failures are inevitable, offering apologies may not help salvage the grievous service experiences.

Consequently, firms may go ahead with all three tested service recovery pursuits in online contexts whiles focussing on the provision of adequate explanations and

compensations, invariably, to appease dissatisfied customers in offline recovery situations. Also, regarding the magnitude of effects, compensation proved to be relatively more effective when the speed of response is considered slow as opposed to it being quick. Yet, it becomes complicated as to how much a firm should offer for a flawed service (Gelbrich *et al.*, 2015). On another hand, explanations appear to be superior in engendering satisfaction when the speed of response is perceivably quicker than delayed. To these effects, service managers may, in addition to offering immediate explanations, compensate aggrieved customers in situations where the recovery processes are considerably slower than would have been in an ideal situation. In all these, fair compensation policies may be prioritised over explanations in all cases when executing service recovery efforts (Albrecht *et al.*, 2019). It must be noted, however, that the ambiguity associated with what constitutes a fair compensation enables a self-serving interpretation which may result in opportunistic claiming (Wirtz and McColl-Kennedy, 2010).

Limitations
The limitations of our study offer some useful avenues for further research. First, limitations associated with cross-sectional samples obtained from a single country may arise from our study. Also, apology not being a significant recovery effort in the offline setting, as well as across both speed of response clusters, could be because our sample was characteristically dominated by a youthful category (aged between 26 and 40). Such a demographic group may most likely not subscribe to an apology as a solution to service failures encountered, unlike an older group would have. Socio-culturally, this is a high probability in the study context. Hence, examinations of the hypotheses in other socio-economic contexts could unearth (dis)similar results. It is also possible that our sample profiles (such as gender, age, and income ranges) could affect the results in a *post hoc* evaluation, although this was outside the remit of our argument. Finally, different recovery outcomes, such as word-of-mouth advocacy, repurchase intents, and loyalty, may be examined vs the propositions in our study (Figure 1).
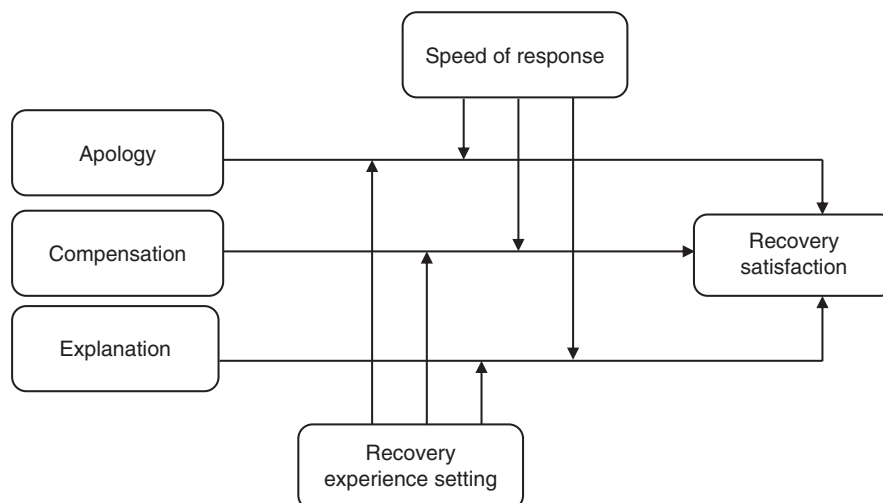

Figure 1.
Conceptual framework

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Corresponding author
Raphael Odoom can be contacted at: rafaelodoom@gmail.com