UNIVERSITI PUTRA MALAYSIA

COMPARING RESTAURANT SERVICE FAILURE AND RECOVERY BETWEEN ONLINE AND OFFLINE COMPLAINT CHANNELS

CHAN WEI LEONG

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By

CHAN WEI LEONG

Thesis Submitted to the School of Graduate Studies, Universiti Putra Malaysia, in Fulfilment of the Requirements for the Degree of Master of Science

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Abstract of thesis presented to the Senate of Universiti Putra Malaysia in fulfilment of the requirement for the degree of Master of Science

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May 2013

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Faculty: Food Science and Technology

Customer complaint behavior has been an important issue to both consumer researchers and marketers. Foodservice organizations have developed a number of channels to facilitate customer complaint solicitation. These channels range from the conventional means such as phone, fax, and face-to-face to the innovative ways like e-mail, Facebook, and website. With the advancement in the computer technology, the ease and real time information management, as well as the increasing number of technological savvy consumers, sourcing service problems from the online channels is the future direction. However, it remains a research question to what extent that the customer complaints sourced from the online channels are representative. This research was undertaken to validate the online complaint with the information collected from the offline situation. The validation was executed by qualitatively (to assess the coverage) and quantitatively (to assess the pattern) analyzing the data on service failures and recovery expectations. In addition, the research proposed a new scheme of service failure categorization based on the services marketing mix.
The online complaint data were obtained from two locally-established restaurants and categorized through content analysis. On the other hand, interviews were carried out with approximately 400 respondents from the two restaurants. Respondents described their dissatisfactory dining experience, may lodge face-to-face complaint yet no complaint was filed online (is termed offline complaint). The analyses achieved inter-judge reliability values of 0.91 (failure incidents) and 0.93 (recovery expectations) for the online condition and 0.89 (failure incidents) and 0.86 (recovery expectations) for the offline situation.

The findings of the study revealed seven and six main categories of service failures and recovery expectation, respectively. The new service failure categorization schemes appeared to be appropriate. Process-, people-, and product-related were the three main categories of service failures but in different sequence for online and offline channels. This study also highlighted the distinctions between upon-failure and after-failure recovery expectations. Corrective and empathetic actions upon service failure were equally important for online complainers. However, empathetic was more critical to offline complainers. Compensatory actions were not as important, especially among the online complainers, as the attention paid by researchers. As for the context of after-failure, management actions were highly expected.

Overall, the results of quantitative analysis yielded somewhat different patterns between the online and offline complaints in terms of service failures and recovery expectations. However, the qualitative analysis revealed that online complaints are more extensive and comprehensive than the offline complaints in both the types of
service failure and recovery expectations. Hence, online channel could be useful and as the future means for companies to understand service failures and recovery expectations of customers.
Tingkah laku aduan pelanggan merupakan satu isu yang penting untuk kedua-dua penyelidik pengguna dan pemasar sejak dekad yang lalu. Organisasi perkhidmatan makanan telah membangunkan pelbagai saluran, dari cara-cara konvensional seperti telefon, faks, dan muka-ke-muka ke cara-cara inovatif seperti e-mel, Facebook, dan laman web, untuk memudahkan aduan pelanggan. Dengan kemajuan teknologi komputer, kemudahan pengurusan maklumat semasa, serta peningkatan dalam bilangan pengguna teknologi canggih, mengenali masalah perkhidmatan dari sumber Internet, terutamanya laman web rasmi syarikat dan e-mel, merupakan hala tuju masa depan. Walau bagaimanapun, setakat manakah aduan pelanggan atas talian dapat mewakili keseluruhan aduan kekal merupakan persoalan penyelidikan. Kajian ini telah dijalankan untuk menangani persoalan penyelidikan tersebut melalui perbandingan dengan sumber aduan bawah talian. Validasi dilaksanakan melalui penganalisaan data kegagalan perkhidmatan dan jangkaan pemulihan secara kualitatif (demi menentukan liputan/perwakilan) dan kuantitatif (demi menentukan corak). Di samping itu, penyelidikan ini membentangkan satu skima pengelasan
kegagalan perkhidmatan yang baru berdasarkan elemen-elemen pemasaran perkhidmatan.

Data aduan atas talian diperolehi dari dua restoran tempatan dan dikategorikan melalui analisis kandungan. Manakala, temu bual telah dijalankan dengan kira-kira 400 responden dari kedua-dua restoran tersebut di atas. Responden menghuraikan pengalaman mereka yang tidak memuaskan, mungkin telah mengadu secara bersemuka, namun tiada aduan difailkan atas talian (dinamakan aduan bawah talian). Analisis kajian mencapai nilai kebolehpercayaan antara-penilai 0.91 (kegagalan perkhidmatan) dan 0.93 (jangkaan pemulihan) bagi aduan atas talian serta 0.89 (kegagalan perkhidmatan) dan 0.86 (jangkaan pemulihan) bagi aduan bawah talian.

Secara keseluruhan, keputusan daripada analisis kuantitatif menunjukkan corak yang agak berbeza dari segi kegagalan perkhidmatan dan jangkaan pemulihan antara pengadu atas talian dan bawah talian. Namum, analisis kualitatif mendedahkan bahawa aduan atas talian adalah lebih menyeluruh daripada aduan bawah talian bagi kedua-dua aspek kegagalan perkhidmatan dan jangkaan pemulihan. Maka, saluran atas talian akan mendingkatkan manfaat dan berfungsi sebagai sumber saluran masa depan kepada syarikat-syarikat untuk memahami kegagalan perkhidmatan dan jangkaan pemulihan pelanggan.
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I certify that a Thesis Examination Committee has met on 17 May 2013 to conduct the final examination of Chan Wei Leong on his thesis entitled "Comparing Restaurant Service Failure and Recovery between Online and Offline Complaint Channels" in accordance with the Universities and University Colleges Act 1971 and the Constitution of the Universiti Putra Malaysia [P.U.(A) 106] 15 March 1998. The Committee recommends that the student be awarded the Master of Science.

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DECLARATION

I declare that the thesis is my original work except for quotations and citations which have been duly acknowledged. I also declare that it has not been previously, and is not concurrently, submitted for any other degree at Universiti Putra Malaysia or at any other institution.

_____________________
CHAN WEI LEONG
Date: 17 May 2013
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>ABSTRACT</th>
<th>ii</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABSTRAK</td>
<td>v</td>
</tr>
<tr>
<td>ACKNOWLEDGEMENTS</td>
<td>viii</td>
</tr>
<tr>
<td>APPROVAL</td>
<td>x</td>
</tr>
<tr>
<td>DECLARATION</td>
<td>xii</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>xvi</td>
</tr>
<tr>
<td>LIST OF FIGURES</td>
<td>xviii</td>
</tr>
<tr>
<td>LIST OF ABBREVIATIONS</td>
<td>xviii</td>
</tr>
</tbody>
</table>

## CHAPTER

1 **INTRODUCTION**

1.1 Background of Study 1
1.2 Problem Statement 5
1.3 Purpose of Study 7
1.4 Significance of the Study 8
1.5 Delimitations of the Study 10
1.6 Operational Definition of Terms 11
1.7 Summary 14

2 **LITERATURE REVIEW**

2.1 Customer Complaint 15

  2.1.1 Customer Complaint Behavior 17
  2.1.2 Types of Complainers and Actions 19
  2.1.3 Factors Affecting Consumer Complaining Behavior 20

  2.1.3.1 Outcome of Complaint Perspective 20
  2.1.3.2 Personal Factors 22
  2.1.3.3 Socio-Demographic Factors 23
  2.1.3.4 Openness of Organizations to Complaint 25

2.2 Complaint Channel 26

  2.2.1 Types of Complaint Channels 27
  2.2.2 Characteristics of Complaint Channels 27
  2.2.3 Factors Affecting Complaint Channel Selection 28

2.3 Service Failure 30

  2.3.1 Importance of Managing Service Failures 31
  2.3.2 Categorization of Service Failures 32

  2.3.2.1 Interpersonal Aspect of Service Failures 33
  2.3.2.2 Non-Interpersonal Aspect of Service Failures 37

  2.3.2.3 Integration of Interpersonal and Non-Interpersonal Service Failures – Marketing Mix 40

2.4 Service Recovery 43

  2.4.1 Effects of Service Recovery 43
  2.4.2 Categorization of Service Recovery Expectations 44
2.5 Theories and Conceptual Framework
   2.5.1 Role and Script Theories 48
   2.5.2 Cognitive-Affective Appraisal Theory 49
   2.5.3 Justice Theory 51
   2.5.4 Conceptual Framework Overview 52

2.6 Summary 55

3 METHODOLOGY
   3.1 Design of Study 56
   3.2 Sampling 58
      3.2.1 Sampling Frame 58
      3.2.2 Sampling Size 59
      3.2.3 Sampling Strategy for Offline Complaint Channel 60
   3.3 Data Collection Procedure 61
      3.3.1 Online Complaint Data 61
      3.3.2 Offline Complaint Data 61
         3.3.2.1 Critical Incident Technique (CIT) 61
         3.3.2.2 Instrumentation 62
         3.3.2.3 Question Development 64
   3.4 Quality of Data 65
   3.5 Analysis of Data 65
      3.5.1 Transcription of Data 67
      3.5.2 Content Analysis 67
         3.5.2.1 Unit of Analysis 68
         3.5.2.2 Category Development 69
         3.5.2.3 Category Confirmation 70
      3.5.3 Reliability of Categorization Schemes 70
      3.5.4 Content Validity 71
      3.5.5 Statistical Analysis 71
   3.6 Summary 72

4 RESULTS AND DISCUSSION
   4.1 Background of Samples 73
   4.2 Qualitative Analysis 76
      4.2.1 Service Failure Categorization 76
         4.2.1.1 Product 77
         4.2.1.2 Price 81
         4.2.1.3 Place 82
         4.2.1.4 Promotion 83
         4.2.1.5 Physical Evidence 85
         4.2.1.6 Process 90
         4.2.1.7 People 101
      4.2.2 Recovery Expectations Categorization 112
         4.2.2.1 Compensatory Responses 113
         4.2.2.2 Corrective Responses 116
         4.2.2.3 Empathetic Responses 118
         4.2.2.4 Management Actions 121
         4.2.2.5 Ambiguous 127
4.2.2.6 No Action 128

4.3 Quantitative Analysis 129
   4.3.1 Overall Comparison of Service Failures 129
   4.3.2 Service Failure Analysis by Category 131
   4.3.3 Overall Comparison of Service Recovery Expectations 136
       4.3.3.1 Comparison of Upon-Failure Recovery 137
       4.3.3.2 Comparison of After-Failure Recovery 139
   4.3.4 Analysis of Service Recovery Expectation by Categories
       4.3.4.1 Upon-Failure Recovery Expectations 141
       4.3.4.2 After-Failure Recovery Expectations 144

4.4 General Discussion 148

4.5 Summary 156

5 SUMMARY, CONCLUSION AND RECOMMENDATIONS 157
   5.1 Summary
       5.1.1 Background 157
       5.1.2 Summary of Findings on Types of Service Failure 158
       5.1.3 Summary of Findings on Types of Recovery Expectation 160
   5.2 Theoretical Implications and Managerial Applications 162
       5.2.1 Theoretical Implications 162
       5.2.2 Managerial Applications 163
   5.3 Limitations and Recommendations 167
       5.3.1 Limitations 167
       5.3.2 Recommendations for Future Research 168

REFERENCES 171
APPENDICES 194
BIODATA OF STUDENT 207
LIST OF PUBLICATIONS 208