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**THE EFFECTS OF CONSUMERS' BEHAVIORAL INTENTIONS
ON SERVICE RECOVERY IN LUXURY HOTELS**

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Abstract

The purpose of this research is to examine the effect of service recovery approaches on consumers' behavioral intentions. The research instrument employed for this research was a questionnaire. A total of 376 questionnaires were collected from the target population of four and five-star hotels located in Kuala Lumpur, Malaysia. The published questionnaire was formulated with 29 questions regarding the impact and effect of different service recovery methods, such as communication, empowerment, feedback, atonement and tangibles on the service recovery satisfaction of guests in the luxury sector of the Malaysian hotel industry. The analysis of the collected data in this research affirms that among all the different dimensions of service recovery and approaches, one predictor of tangibles illustrates a negative significant correlation with the service recovery satisfaction of guests in four and five-star hotels. In addition, the findings show a positive correlation for four approaches with service recovery satisfaction, which are communication, feedback, empowerment and atonement. The results of this research can offer a direction for hotel managers in that they can choose communication, feedback, empowerment and atonement as effective service recovery approaches rather than spend capital and time on employing tangibles as a service recovery method at the time of service failure.

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Keywords: Customer satisfaction, hotel management, hospitality management, service failure, service recovery, service marketing.



1. Introduction

The hotel industry can be considered as one with high involvement and interaction between staff and customers, and, therefore, as the chance of service failures occurring in this industry are high it can be categorized as a risky sector. The performance of front-line staff in the hotel industry, who may have limited experience or commitment towards the hotel itself, could be a measure for evaluating the quality of service in a particular hotel. Tourism plays a significant role in a country like Malaysia, because this industry has a direct and positive effect on the economy by the growing and importing of foreign exchange to Malaysia (Zainol, Hussin & Othman, 2016). In addition, tourism is a way of endorsing foreign investment in the country, which leads to growth in the employment opportunities. In 1999, the Malaysian tourism panel introduced a campaign named "Malaysia Truly Asia". The campaign attracted 7.9 million tourists from around the world and earned more than RM12.3 billion, which is increasing yearly. This research chose Malaysia, as the tourism industry is vital to the country, being the second most important business and source of revenue in Malaysia. The contribution of travel and tourism to the Malaysian GDP in 2014 was MYR61.0bn (5.7% of GDP), and was estimated to increase by 5.6% to MYR64.4bn in 2015. This reflects the economic involvement of hotels, travel agencies, the airline industry and other types of tourist transportation services available (excluding commuter services). In addition, the involvement of the restaurant and entertainment industry has a direct effect on the generated income. By 2025, the travel and tourism industry is estimated to grow by up to 4.1% and contribute MYR95.9bn, which is 5.8% of the GDP (Ministry of Tourism and Culture Malaysia, 2016).

2. Problem Statement

Consumers in the consumption process explain service experience as the independent individual responses and mindsets. Studies by Luoh and Tsaur (2011), and Otto et al. (2000) found that service experience has a high impact on the customer assessment process regarding total satisfaction with an offered service. A superior understanding of an experimental phenomenon in the tourism and hospitality service is significant, as it will allow this sector to become more efficient (Manhas & Tukamushaba, 2015). If service organizations or hospitality-based businesses aim to improve customer memories about their place, they must consider that guest experiences have been recognized as being a significant factor regarding this matter (Wang, 2002). The results of the tourism and hospitality industry, either in terms of a product or service usage, are naturally psychosomatic and include a mixture of different experiences that may only affect a few other industries (JafariNaimi et al., 2015). To create competitive advantages for service organizations, the implementation of service recovery must be a fundamental principal. According to (Fitzsimmons & Fitzsimmons, 2008), service recovery has a high impact on customer satisfaction level. Gustafsson, Johnson & Roos (2005) claimed that image cannot be a measurement or scale except through customer opinion about the product or brand image recognized. Moreover, Yi (1990) verified that customer satisfaction is affected by experiences and expectations regarding service performance and service quality. Additionally, the improvement of customer satisfaction forces service organizations (hospitality service providers) to provide high-quality services and establish an unforgettable experience for their clients (Jafari Naimi et al., 2015). Nevertheless, there is still a question that must be answered, which is, "How does a hotel's service failure affect consumers' behavioral intentions?" Additionally, a knowledge gap and

uncertainty in the literature exist regarding the impact of service guarantees to achieve customer satisfaction. Despite the conceptual knowledge of a correlation among trust, service recovery satisfaction and consumers' behavioral intentions, not many investigations have been conducted experimentally regarding service guarantees. Although several scholars (e.g., Hart et al., 1992; Hogueve & Gremler, 2009; Björlin Lidén & Skålén, 2003; McDougall & Levesque, 1998; Wirtz, Kum, & Sheang Lee, 2000) have considered the importance of service guarantees, their effects on consumer evaluations regarding service recovery satisfaction are not entirely clear or empirically confirmed. Due to the inadequacy and insufficiency of these statements, it is difficult if not impossible to draw reliable and consistent conclusions about the effects of service failure on consumers' behavioral intentions. The next point is that the financial crisis around the globe has made business more complicated than before, and, as a result, it is difficult to retain customers of expensive services, such as four and five star hotels, because, when a service failure occurs, people can quickly switch to different service providers and not risk their money a second time. The International Monetary Fund has emphasized the dangers of a new financial crisis, and cautioned that global production could be cut by 4% over the next five years by a repeat of the market chaos witnessed during the 2008-09 recession (National Reports, 2016). Accordingly, hotel directors must study the research of scholars to realize how they can overcome their service failure.

2.1. RECOVSAT model

The RECOVSAT model was originally formulated by Boshoff (1999) as a multidimensional index to assess customer satisfaction through service recovery. The foundation of this model design is based on the multidimensional construct of service recovery, which is an assumption by the founder of this model. The RECOVSAT model introduced six different components for service recovery, which are as follows: communication, empowerment, feedback, atonement, explanation and tangibles. Moreover, the functioning of the tool presenting the service recovery implementation of a service organization was not empirically stated, which is, the implementation of the service agency in contradiction to the expectations of the customer (Boshoff, 2005). In a similar direction to the study by Davidow (2003), as cited in Boshoff (2005) the RECOVAST tool was never examined. This means that verification was not undertaken to understand the recovery satisfaction using service recovery among the customers who engaged in a service failure and lodged a complaint with the service organization (Boshoff, 1999).

2.2. Service Failure

The service failure index is the degree of the level of commitment the customer has to a particular organization. Based on the research conducted by Hess Jr., Ganesan & Klein (2003) service failure can occur when the delivery or the performance of the service does not meet the customer's expectations. Failure occurs when a client expects a particular result but experiences a different result, such as unavailability of a required service, or mistake in service delivery, which leads to service failure, and, later, generates customer dissatisfaction, negative purchase intention and negative word of mouth (Lewis & McCann, 2004). In a different situation, service failure can occur when the service organization is not aware of the market or customer demands, or supplies unwanted services to its customers. Research by Zeithaml et al. (2009) showed that after a service failure occurs, customers have a negative purchase intention and

emotion towards the service provider. They further explained that service failure is “service performance that falls below a customer's expectations in such a way that leads to customer dissatisfaction” (Zeithaml et al., 2009, p. 213). Rectifying or offsetting a service failure in the service industry is a hard and complicated task to accomplish because services are intangible and real-time productions, and, hence, cannot be solved in the same manner as product failures (Lewis & McCann, 2004).

2.3. Service Recovery

Once again the importance of considering planning for service recovery is noted because it leads to customer satisfaction, and recovery will promote profitability. The event of the RECOVSAT tool was founded mainly on the disconfirmation prototype (Boshoff, 2005). Yuksel (2001) attempted to clarify the theory of disconfirmation prototype by explaining that it, “...Implies that consumers purchase goods and services with pre purchase expectations about anticipated performance. The expectation level then becomes a standard against which the product is judged. That is once the product or service has been used, outcomes are compared against expectations. If the outcome matches the expectation, confirmation occurs. Disconfirmation occurs when there is a difference between expectations and performance” (p.108). There are only two options available for a customer, they can attain satisfaction or dissatisfaction as an outcome of a positive or negative service delivery and expectation or opinion. Similarly, according to McCollough, Berry, & Yadav (2000) and Yuksel (2001), at the time of successful service delivery compared to the previous time or expected level, there can be a positive disconfirmation in terms of the expectation or the provision of service that leads to customer satisfaction. Likewise, service delivery before the customer confirmation can also lead to customer satisfaction. However, when service delivery does not occur as expected, there is a negative disconfirmation between the expectation and perception, which generates dissatisfaction (Yuksel, 2001).

2.4. Hypotheses Development

2.4.1. Atonement

An apology is compunction on the part of the service provider in response to the client facing or experiencing difficulty (Bell, 1992). The apology then dictates the manner in which the customer analyses fairness and satisfaction, and could resume a relationship. The action of atoning in response to service failure is an effective, low-cost service recovery method, particularly when it is applied together with other service recovery approaches (Cengiz et al., 2007). The implementation of atonement can be by means of three different methods: the action of a simple apology, an apology with a return for experienced costs (Boshoff, 1999), or a return and a significant result (Lee, Kim, Lee, & Li, 2012). Research by (Wasfi & Kostenko, 2014) indicated that atonement could be more efficient when it is delivered to the dissatisfied customer personally. This means that an unhappy customer can become a satisfied customer by means of a simple apology from service providers who show the expected level of understanding. Accordingly, the initial hypothesis is designed as below:

H1: Atonement has a positive effect on customers' service recovery satisfaction.

2.4.2. Communication

The situation of service failure may have different outcomes on customers' behavior. One type of behavior could be the expectation of a customer being considered politely, with care and fairness at the beginning of service failure. This particular dimension (communication) has the propensity to dominate the others if the customer recognizes that the service organization has a selfish and uncaring manner, and could do something to resolve the failure (Zeithaml et al., 2009). McDougall & Levesque (2000) conducted research on what is done in service recovery. The study presented that the way an employee communicates with a customer throughout a service recovery condition is likely to affect the future intention of the client (McDougall & Levesque 2000). Therefore, the second hypothesis of this research is:

H2: Communication has a positive effect on customers' service recovery satisfaction.

2.4.3. Empowerment

Empowered service organizations provide both the financial and informational resources necessary to fulfill consumer wants. This is to ensure high-quality service recovery and reach customer satisfaction. It is important to note that in the event of the occurrence of service failure, it is important to have empowered employees involved in the service recovery process (Lee, Kim, Lee, & Li, 2012). According to He, Murrmann & Perdue (2010), service recovery is a procedure that clients expect to be implemented on the spot. Not acting fast in response to service failure could have consequences, such as depreciation and dissatisfaction right after service failure, and, ultimately, unhappiness right after service recovery. Therefore, the front counter employees must be skilled and empowered to determine and resolve service failures as they happen (Zeithaml et al., 2009). Specifically, one study recommends that an employee empowerment style is able to solve problems with service delivery, such as low-quality customer service and unproductive procedures (Bowen and Lawler, 1995). A study in 2016 showed that the management of hotels have to ensure that front-counter staff are empowered to address service failure without any policy or regulation to limit them (Sparks et al., 2016). Therefore, the third hypothesis is stated as below:

H3: Empowerment has a positive effect on customers' service recovery satisfaction.

2.4.4. Feedback

To take action and implement service recovery activities, a service provider can use information to clarify that the problem occurred or identify the key reason for the complaint being lodged (Gilly, Stevenson & Yale, 1991). Once a customer's complaint leads to helpful actions, and the customer is told about it, it makes the customer sense that they are part of an extended quality control group; however, if it has to do with something the corporation is not able to address, the customer must be told why. To implement efficient service recovery using the feedback method, requires an instant or speedy reaction. Immediate action on the part of the service provider indicates the fairness of the service firm in acknowledging the customer's complaint in an appropriate time (Ekiz & Arasli, 2007). The time frame within which a dissatisfied customer receives feedback is highly significant in recouping customer satisfaction and repurchase behavioral intention (Kincade, Redwine, & Hancock, 1992). In fact, strong feedback allows the service organization and employees to recover and enhance their performance as they attempt to keep their promises. Therefore, the fourth hypothesis of this dissertation is:

H4: Feedback has a positive effect on customers' service recovery satisfaction.

2.4.5. Tangible

Tangibles in the context of service recovery, are considered to be the way that employees in service firms are dressed, the variety of equipment used by the service provider, and the physical environment in which they manage the complaints (Boshoff, 1999). There are a few other evident features of the service facility (equipment, decor, the appearance of the employees, etc.) or the man-made physical aspect called the servicescape (Khare, 2011). According to Boshoff (1999), customers expect employees to react to their complaints with a neat and professional approach, and these tangibles play an important role in post encounter evaluations. Based on the findings above, the last hypothesis of this research is set as below:

H5: Tangibles have a positive effect on customers' service recovery satisfaction.

2.5. The Conceptual Model

The conceptual model of this research is illustrated in figure 1; the independent variables are communication, empowerment, feedback, atonement and tangibles. The dependent variable or the focus point of this study is service recovery satisfaction.

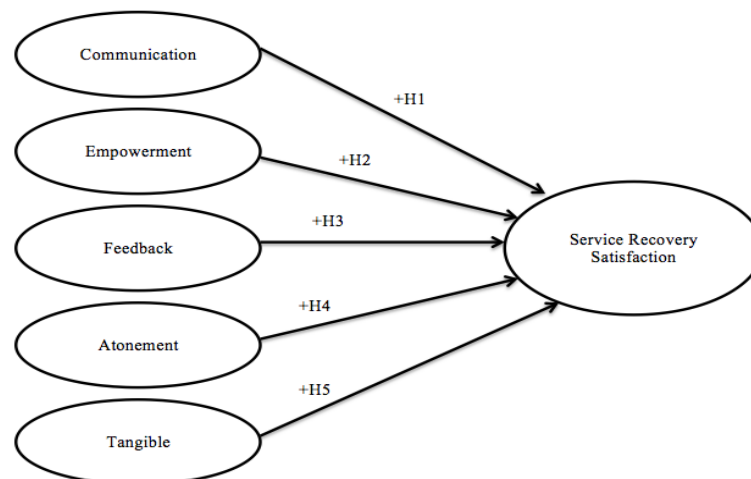


Figure 01. Conceptual Model

3. Research Questions

In this research it was investigated, how service failure can influence hotel brand's image? How implementation of service recovery elements can recap, recover and resolve the hotel service failure to eliminate losses in customer behavioural intentions? The current research will investigate to identify these effects and demonstrates meaningful results.

4. Purpose of the Study

The purpose of this study is to discover how customers' standard expectations interconnected with the importance of service quality experience factors. The result from this study will assist hotel managers to understand and identify the impact of customers' standard expectation and factors necessary to provide and deliver quality service experience during the guest stay. Additionally, hotel managers can improve

hotel strategies and policies regarding eliminating the number of service failure and enhancing their service recovery quality to achieve customer satisfaction and loyalty. Consequently, the brand quality can improve in high stars hotels in Kuala Lumpur.

5. Research Methods

5.1. Sample and Data Collection

The sampling elements for the current research were new and old customers who had experience in the chosen sampling unit. A total of ten different four and five star hotels in Kuala Lumpur, Malaysia, was determined as the sampling unit of this study. The time taken for conducting the data collection was July 2016 to September 2016. To initiate the sample size calculation the following assumptions were made. The margin of error was determined as 5%, with a confidence level of 95%, a population of 20,000 and a response rate of 50%. Accordingly, the data were collected from 376 new and old customers from four and five-star hotels in Kuala Lumpur, Malaysia, through the non-probability sampling method. The demographic data of the respondents are illustrated in table 01.

Table 01. Profile of survey respondents (N = 376)

Variables	Categorization	Number	
Percentage (%)			
Age	18 - 25	32	8
	26 - 35	142	38
	36 - 50	128	34
	51 – 65	57	15
	66 and above	17	5
Gender	Male	190	51
	Female	186	49
Family Income	1000 USD and below (4,000 RM and below)	4	1
	1001-2000 USD (4,000RM - 8,000 RM)	33	9
	2001-4000 USD (8,000RM- 16,000 RM)	185	49
	4001-6000 USD (16,000RM - 24,000RM)	144	38
	6001 USD and above (24,000RM and above)	10	3
Nationality	Singaporean	50	13
	Chinese	69	18
	Indian	32	9
	Others	225	60
Occupation	Student	25	7
	Staff	137	36
	Manager	113	30
	Owner of business	51	14
	Retired	50	13
Period of Staying	1 - 3 days	122	32
	4 - 7 days	183	49
	More than a Week	66	18
	More than 2 weeks	5	1

5.1.1. Research Design

The current investigation was implemented based on the quantitative approach. Therefore, to perform data gathering and data collection the researcher used a technical, quantitative approach by offering and distributing the questionnaire to the target sample that was chosen. It is important and related to gathering the statistical information through the application of a structured questionnaire to collect primary data from the target population. Sekaran and Bougie (2010) mentioned that the utilization of a descriptive study provides a better understanding of the quantitative approach, which was conducted in this instance by distributing the questionnaire to the research sample. It is important to define the means of selection and also the calculation of the size of the sample before conducting the stage of data collection. The main challenge is to consider the sampling plan as the strategy of the current study, which is answered in the following section. Additionally, Heimer (2005) argued that in the process of investigation, the main and first phase should focus on the sampling plan. Regarding the importance of this topic in the procedure of inquiry implementation and as additional help to simplify the deeper knowledge of the supplementary argument, the diagram below displays all the stages of the sampling plan of the current research from start to finish.

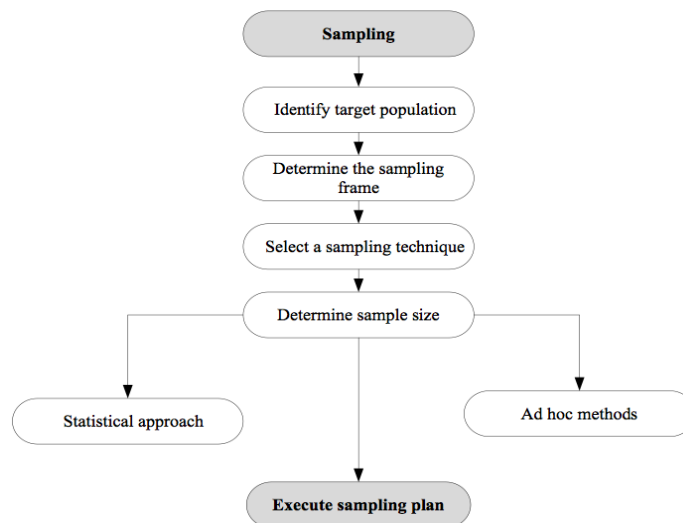


Figure 02. Stages of Sampling

5.2. Instrument and Measures

In the current study, data were collected using a self-administered type of survey. In accordance with the theoretical model discussed in the literature review, the questionnaire implemented in this research was designed with 36 questions and adopted from the study of Boshoff (2005). The questions, with a Likert scale ranging from 1 to 7, were utilized according to the study of Boshoff (2005) in terms of the perspective of service recovery dimensions in relation to the service recovery satisfaction of the customers. The questions from 8 to 12 highlight the communication aspect, while questions 13 to 17 deal with the issue of empowerment. The next perspective – feedback is introduced by questions 18 to 22. The questions from 23 to 27 relate to atonement, and the questions from 28 to 31 pertain to tangibles. The last batch of questions, from 32 to 36, measure the recovery satisfaction and were implemented based on previous studies (Maxham & Netemeyer, 2002; Brown, Cowles, & Tuten, 1996).

5.3. Procedure

The data were gathered from the respondents through the questionnaire that was previously distributed, and entered into the SPSS software. The current research used SPSS version 20 to analyze and interpret the collected data. A variety of techniques were conducted including descriptive analysis, normality test via kurtosis, reliability analysis using Cronbach's alpha, correlation analysis, and multiple regression through SPSS software.

6. Findings

6.1. Reliability and validity Analysis

Cronbach's Alpha is used to analyze the internal consistency of the collected data, for which the calculated value must be equal or higher than 0.70 for further analysis (Gliem & Gliem, 2003). As the findings show in SPSS, the overall score for Cronbach's Alpha regarding communication is 0.988, empowerment is 0.986, feedback is 0.986, atonement is 0.984 and tangibles is 0.977. At this stage, the Cronbach's Alpha values for all the individual variables in this research meet the criteria. Therefore the reliability of the collected data has been confirmed.

Table 02. Reliability-test

No	Scales	N	No of Items	Cronbach's Alpha
1	Communication (IV)	376	5	0.988
2	Empowerment (IV)	376	5	0.986
3	Feedback (IV)	376	5	0.986
4	Atonement (IV)	376	5	0.984
5	Tangible (IV)	376	4	0.977
6	Service Recovery Satisfaction (DV)	376	5	0.985

In terms of the validity of the collected data, the normality test is employed to examine whether the collected data are normally distributed or skewed to the left or right. There are two well-known indexes to measure the normality of the data. Skewness and kurtosis are the two-recommended indexes for testing normality. Kline (2015) recommended that if the value of these two indexes is between $-2 < a < +2$ the collected data are considered to be distributed normally. As illustrated in the table below the value of the skewness and kurtosis for each variable fall within the accepted range.

Table 03. Normality-test

No	Scales	N	No of Items	Skewness	Kurtosis
1	Communication (IV)	376	5	-0.131	-1.569
2	Empowerment (IV)	376	5	-0.103	-1.577
3	Feedback (IV)	376	5	-0.122	-1.531
4	Atonement (IV)	376	5	-0.021	-1.435
5	Tangible (IV)	376	4	-0.059	-1.394
6	Service Recovery Satisfaction (DV)	376	5	-0.160	-1.678

6.2. Correlation Analysis

According to the test for correlation, a two-tailed level of 0.01 describes significant correlation among the variables. All the variables meet the correlation necessity. The data display that each variable is correlated with each other in the current study. The sig (P-value) for all the independent variables is 0.000, which is less than 0.05 or 5%, and means that there is significant correlation between them and the dependent variable. In addition, the Pearson correlation or R-value for communication, empowerment and feedback are positive, which means that they have a strong positive relationship with the DV. Atonement and tangibles have a negative R-value, which means that they have a negative relationship with service recovery satisfaction.

Table 04. Correlation Matrix

		Com	Emp	Feed	Atone	Tan	SRS
Communication (IV)	Pearson Correlation	1	.919**	.937**	-.570**	-.562**	.920**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	367	367	367	367	367	367
Empowerment (IV)	Pearson Correlation	.919**	1	.929**	-.570**	-.560**	.918**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	376	376	376	376	376	376
Feedback (IV)	Pearson Correlation	.937**	.929**	1	-.555**	-.550**	.927**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	376	376	376	376	376	376
Atonement (IV)	Pearson Correlation	-.570**	-.570**	-	1	.897**	.549**
	Sig. (2-tailed)	.000	.000	.555**		.000	.000
	N	376	376	376	376	376	376
Tangible (IV)	Pearson Correlation	-.562**	-.560**	-	.897**	1	-.567**
	Sig. (2-tailed)	.000	.000	.550**	.000		.080
	N	376	376	376	376	376	376
Service Recovery Satisfaction (DV)	Pearson Correlation	.920**	.918**	.927**	-.549**	-.567**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	376	376	376	376	376	376

Correlation is significant at the level 0.01 (2-tailed).

6.3. Multiple Linear Regression

The F statistic for the total goodness of fit of model is 640.721, which is significant $\alpha = 0.01$. After the process of eliminating the non-significant items, the ultimate regression model generated using the enter method for service recovery satisfaction is: Service recovery satisfaction = 0.305 communication + 0.309 empowerment + 0.365 Feedback + 0.126 atonement -0.158 Tangibles. This regression model explains almost 90% of the variance in service recovery satisfaction. This demonstrates that 90% of service recovery satisfaction is described by the linear combination of the five-predictor variables. The table below illustrates the multiple regression for service recovery satisfaction.

Table 05. Summary of Multiple Regression Analysis for Service Recovery Satisfaction

Variables	Unstandardized Coefficient		Standardized Coefficient	t	Sig.
	B	Std. Error	Beta		
Com_average	0.305	0.054	0.295	5.675	0.000
Emp_Average	0.309	0.050	0.305	6.183	0.000
Feed_Average	0.365	0.056	0.355	6.464	0.000
Atone_Average	0.126	0.042	0.115	2.984	0.003
Tan_Average	-0.158	0.043	-0.139	3.632	0.000

R square = 0.896, df = 5, F = 640.721; p= 0.000

6.4. Hypothesis Testing using P-value and Beta Value

Multiple linear regression was chosen to clarify the relationship between the independent variables and the dependent variable and shows that communication, empowerment, feedback and atonement have a positive relationship with service recovery satisfaction, while tangibles have a negative relationship with service recovery satisfaction. The summary of this study is presented in table 06.

Table 06. Result Summary

Item	Hypothesis Statement	Beta	P-value	Status
H1	Communication has positive effects on customers' service recovery satisfaction.	0.295	0.000	Accepted
H2	Empowerment has positive effects on customers' service recovery satisfaction.	0.305	0.000	Accepted
H3	Feedback has positive effects on customers' service recovery satisfaction.	0.355	0.000	Accepted
H4	Atonement has positive effects on customers' service recovery satisfaction.	0.115	0.003	Accepted
H5	Tangible has positive effects on customers' service recovery satisfaction.	-0.139	0.080	Rejected

7. Conclusion

7.1. Communication and Service Recovery Satisfaction

According to the research conducted by Levesque and McDougall (2000), the communication factor affects service recovery. Their study presented that the way in which an employee communicates with a customer throughout the service recovery situation is likely to affect the future intention of the client (McDougall & Levesque 2000). The result of this investigation shows a high level of service recovery satisfaction when good communication is implemented. The greatest impression was in terms of the “the employee who I dealt with was very understanding”. The respondents accept the effectiveness of communication in terms of service recovery satisfaction and confirm that effective communication can overcome service failure.

7.2. Empowerment and Service Recovery Satisfaction

According to the empowerment factor, Tschohl (2010) believed that the empowerment predictor is a safe rule in every service recovery approach. Another study recommended that the empowerment style of staff in respect of the service delivery process is able to solve issues, such as low-quality customer service and unproductive procedures (Bowen & Lawler, 1995). The result of the current research demonstrates that the element of empowerment in a service organization has a significant effect on service recovery satisfaction in that effective empowerment can satisfy a dissatisfied customer and prevent customer defection. Most of the respondents were impressed by “The employee did not pass the problem on to someone else”, which confirms the role of empowerment in service recovery satisfaction. Finally, the respondent’s data confirm that empowerment has a positive effect on service recovery satisfaction.

7.3. Feedback and Service Recovery Satisfaction

To explore the critical element of service recovery satisfaction, the feedback approach plays an important role. One study in 2007 showed that to have efficient service recovery using the feedback method, it must be instant and fast. The immediate action from the service provider demonstrates the fairness of the service firm in acknowledging the customer’s complaint in an appropriate time (Ekiz & Arasli, 2007). The time frame within which the dissatisfied customer receives feedback is highly significant to recoup customer satisfaction and repurchase behavioral intention (Kincade et al., 1992). The outcome of this research confirms that feedback has the most significant and positive relationship with service recovery satisfaction. Most of the respondents were greatly impressed by “The hotel informed me about the progress made to solve my problem” and the “Problem was solved within a reasonable feedback time”. This means that the respondents agreed with the importance of feedback to overcome service failure. Therefore, the third hypothesis is confirmed.

7.4. Atonement and service Recovery Satisfaction

The other hypothesis was designed based on the atonement factor as a method to overcome service failure and lead to service recovery satisfaction. Research by Wasfi and Kostenko, (2014) indicated that atonement can be more efficient when it is personally delivered to the dissatisfied customer. This means that an unhappy customer can turn into a satisfied customer by means of a simple apology from the service provider who shows a normal level of understanding. The action of atoning in response to service failure is an effective, low-cost service recovery method, particularly when it is applied together with other service recovery approaches (Cengiz et al., 2007). Similar to previous studies that showed the effectiveness of empowerment in service recovery satisfaction, the current study shows that empowerment has a positive relationship with service recovery satisfaction, which means that the hypothesis of “Atonement has a positive effect on service recovery satisfaction” is accepted. Therefore, the study finds that atonement is an effective method to overcome service failure.

7.5. Tangible and Service Recovery Satisfaction

The last hypothesis set by the research was implemented based on the factor tangibles. According to Boshoff (1999), the customer’s expectation is that employees should react to their complaints with a neat

and professional approach, and that these tangibles play an important role in post encounter evaluations. The results of this research revealed that tangibles have a negative relationship with service recovery satisfaction, and, hence, the last hypothesis of this study is rejected and replaced with “tangibles have a negative correlation with service recovery satisfaction”, as most respondents had a negative impression of tangibles. The opposite result in this section could be because of the average price of four and five star hotels in Kuala Lumpur, which are approximately \$150 per night, and, hence, can create a high level of expectation in terms of professional physical surroundings. Therefore, the guests of these hotels do not expect that the tangibles of hotels constitute a suitable reward after service failure.

7.6. Practical implication

According to the findings of this research, the managers of hotels in Kuala Lumpur can invest more funds, time and policies in respect of four factors – communication, empowerment, feedback and atonement – in that order to develop these aspects. At the same time, hotel managers are encouraged to stop investing capital in service recovery methods, such as tangibles, and focus on other approaches. According to the findings of the present study, the management of hotels should implement training sessions for those employees who are involved and have greater interaction with the customers, such as front counter staff. The training must be held with the aim of developing soft skills. At the time of service delivery, staff must be well trained and understand the situation when explaining the cause of service failure to the valued customers. Providing feedback within a reasonable time frame is important, as was mentioned in the literature review, as guests must comprehend how the process of problem solving is implemented and when the problem will be solved. Additionally, guests will be pleased to have a smooth communication process to understand why the problem occurred. Moreover, they do not want to be in any doubt that the problem happened because of them or that it was their fault. In respect of the perspective of language, the staff of the hotel must attempt to explain the situation in the simplest manner to help guests understand the process. The results show a high mean value for communication predictors, which demonstrates the importance of this predictor. Therefore, hotel directors must employ a system to handle guest complaints on a regular basis to prevent the reoccurrence of the same service failure.

7.7. Research limitation

The primary obstacle of this research is that the process of investigation was implemented on guests of four and five-star hotels in Kuala Lumpur, Malaysia, and, hence, the results are not expandable and cannot be generalized to other types of accommodation in Malaysia.

7.8. Future Study

Recommendations for future studies can be offered in two different dimensions. This research can be effective in the tourism and hospitality industry of any developing country, such as southeast Asia or ASEAN countries, which are currently facing a large volume of tourists visiting their country, to understand the problems, and increase the profitability of the companies in these countries. From the second perspective, which is in terms of the theoretical model, future researchers can introduce trust and commitment predictors as mediating elements into their model based on new locations.

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