

ABSTRACT

Service recovery refers to the actions a service provider takes in response to service failure to regain customer satisfaction when the failure happened. Understanding all factors that influence on satisfaction after service recovery is crucial to all firms. From literature, service recovery satisfaction had been found to have similarity to the concept of consumer response which should have both cognitive and affective factors. However, affection got less attention from prior researchers.

This dissertation aims to explore the negligence regarding to consumers' affection in the service recovery literature. The proposed model is the first model integrating all aspects from both consumer' cognition and affection, including personality traits, moods, and emotions, to best fit and explain the customer satisfaction after service recovery. 1511 university students had been participated in the scenario-based experiments. Structural equation modeling (SEM) with full model and multi-group techniques had been employed to test all ten hypotheses.

The model could explain the satisfaction after service recovery in several situations. First, the full model was aimed to explain the phenomenon of satisfaction after service recovery in general situation. Then, the four sub-condition models were used to demonstrate the phenomena in each of four customers' affective conditions: (1) positive mood extraversion, (2) positive mood neuroticism (significant factors for the full model and these first two situations were perceived service recovery performance and emotions after service recovery), (3) negative mood extraversion (significant factors were service recovery expectation and emotions after service recovery), and (4) negative mood neuroticism (emotions after service recovery was the only significant factor in this situation).

The finding challenges prior researches that not all cognitive factors can affect satisfaction after service recovery in every situation. Firms can use the empirical result as a guideline to maximize a chance for delivering successful service recovery.