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SERVICE FAILURE AND RECOVERY: REPEAT PURCHASE INTENTIONS AND RECOMMENDATION INTENTIONS IN HOSPITALITY INDUSTRY

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ABSTRACT

The motivation of this study is to investigate to predict the repeat purchase intentions and recommendations intentions on the basis of various factors of failure in the context of hospitality industry. A self-made questionnaire was distributed to 207 respondents who have taken the experience of staying in various hotels. Random sampling have been used to collect the data. This study provides analyzed views of the customers to reduce and counter the various service hurdles in hospitality industry. Step wise discriminant was used to analysis the data. The study found that basic amenities, inefficient services, and frustration were found significant predictors for the variables.

INTRODUCTION

The hospitality sector has been rising rapidlyand most important contributors to the growth of the tourism industry. Over the six decades, tourism continues to develop and widest segments of the economy in the world. International tourism has expanded faster than global trade, accounting for 7% of the world export of goods and services in 2015, a rise of 1% relative to 2014. International visitor's arrivals in 2015 led to 1,186 million, a rise of 52m from 2014. This is at a consistent growth of at least 4 percent since 2010 (UNTWTO), 2017. Continent America and Asia and the Pacific both have propelled 6% growth in international tourist arrival, followed by 5% growth in Europe. With the rise in demand and supply of the tourism sector there is also a rise in GDP and employment rate. International tourism generated 10% (US dollar 7170.3 billion) to global GDP in 2015, an approximate 4 percent yearly increase to US \$ 10,986.5 billion by 2026. Employment funded by the tourism industry amounted to 9.5 quarter of overall Global workforce is estimated to expand by 2.5 % a year by 2026.

The impact of tourism on a global scale has led countries and business owners to put more focus on this lucrative business. One of the largest consumers of tourism (hospitality industry players) must remain creative and cautious in order to stand out amid the spiraling recovery. In order to remain competitive in the hotel industry, the need for hotel operators to be more diligent when managing their customers has become important, as consumer's demand are growing. It is imperative that hotels operators continue to integrate new service features into their service delivery. Hotels operators should assume that different customers will still have varying degrees of service standards. However, it is vital that hotels first address customer basic needs instead on relying too much offering extra facilities.Customers feel frustrated if the perceived quality of service isnot consistent with their expectations, which ultimately have a long-term effect on customer relations. Furthermore, without a clear and well-structured business recovery plan to cope with service disruptions, business is at risk of losing their customers due to inability to fulfill consumer requirements. Eventually hotels owners will be the biggest losers because disgruntled guests will not frequent the same hotel again in the worst case situation, have critical reviews on social media. One of the best approaches to improve customer's relationships are by listening to their concerns. Customers voices are also received in the form of feedback submitted to the hotel due to service shortcomings. (Dolin sky 1994) also stressed the relevance and validity of consumer feedback regarding the company. It is crucial that consumer complaints or input be included in the service recovery process, as noted by Schoefer and Ennew (2004) who claimed that customer's complaints or inputs are valuable sources of ideas that help to promote the developments of the company by improving existing customer service.Failure to maintain a facility is important and if mishandled, it can be harmful to a hotel. The primary goal of handling service loss is to reduce the detrimental effects of poor customer behaviour and, ideally, to promote customer satisfaction after the service failure has been rectified with caution.

Tax et al. (1998) indicated that the recovery of utilities would have an effect on consumer's experiences in terms of regaining customer loyalty, re-purchase intentions and optimistic word of mouth.Since COVID19 has turned the hospitality market on its back, business i s expanding around

the world again. Indian hotel industry would crash if not funded by the Govt an d RBI: HAI.

HAI said revenue loss to the hotel industry is estimated to reach Rs 90,000 cror e in 2020 and

existing debt levels in the consolidated sector (that is less than 10 per cent of its total)

Elaboration of service failure and service recovery

Service failure accounts for error occurred, mistakes done, lacking in services that occurs during provision of services that causes dissatisfaction among customers (Koc, 2017a). it develops negative emotion and behaviour (Lewis and McCann, 2004; Wen and Chi, 2013). Bitner, Booms and Tetreault (1990) categorized service failure into three groups based on its nature (example: Delay or unavailability of services); Request or need (example: Special needs, Preference by customers, error encountered by customers); Actions by employee (Attention given to customers, Unusual actions, Different norms of culture, Adverse reactions). Due to the basic characteristic of services like inseparability, heterogeneity and perishability service failures frequently occur.

Service recovery is resolution of problem by taking all the necessary action and then implement it. This is done to not lose customers, to change the customer's attitude and to promote positive word of mouth communication (Miller, Craighead, and Karwan, 2000). If service recovery is not handled efficiently it may lead to further failure of services, generating dissatisfaction among customers, decrement in trust and a "double deviation" effect is produced (Binter et. al., 1990).

Research on service failure and recovery is still an evolving study. Many methodologies, conceptualizations and theoretical considerations are conducted in different industries. Looking into the greater scope this research is conducted to find the niche factors for service failure and recovery in hospitality industry(hotels).

Literature review

Lewis et al. (2004) The hospitality industry interact with employees and consumers. The quality of degree is determined by the actions of frontline-staff whose experience is very limited. This paper is focused on the service failure and recovery experienced by the hotel guest. 149 questionnaires have been distributed to collect the data. Out of 149 questionnaires 26 have returned from the respondents. Data were collected from the four star hotels from business and leisure guests. Convenience sampling was used to collect the data. In all statements, the major problem was regarding the room cleanliness, followed by staff not helpful, locks quality, food quality incorrect bills. Independent sample t-test have been used to analysis the data. The study found that 57 percent said that they will stay at the hotel again and half of the guests those were dissatisfied with problem resolution had no intention to come again in the hotel. Jin et al. (2019) found that service failure is a major problem in hotel industry because the employee does not react after the customer complaints. The gap between customer expectation and customer experiences is called service failure. The study found that interaction effect of joint service recovery

in 30 min had the greatest positive effect on hotel guest satisfaction. Xie et al. (2011) expresses that loyalty is one of the major theory to making a relationship with customer. Now a day every brand has a different characteristic. The overview of the study is to check the strength and depth of the connection between consumers and brands. The objective of the study is to examine the applicability of brand relationship quality in the hotel industry. Wirtz et al. (2003) explored that service recovery is the actions and activities taken by the organisations with respect to the service failure. Justice theory is the main which applied to the service recovery. The study also found that compensation may not enhance satisfaction when recovery process is at their best level. At long last, our findings propose that customer attributions for dependability" and controllability for the disappointment fluctuate crosswise over recovery endeavors. Anova techniques have been used to analysis the data. Kozub et al. (2013) found that service recovery, emotions may be the best indicator of fbi than traditional measures of satisfactions. The objective of the study is to examine the service recovery experience in the luxury hotel industry. The subject of service failure and firms' endeavors to recuperate from such disappointment has been widely contemplated. Notwithstanding, most past research here has focused on subjective responses to firms' endeavors at administration recuperation and connected these to future social goal (FBI). This study explores further support for the use of emotions in understanding consumer behaviour following a service failure. Rojas et al. (2014) There has been a huge increment in the quantity of complaints as of late. For instance, somewhere in the range of 2010 and 2012, the expansion was up 11 percent in the USA and 17 percent in Canada (Better Business Bureau, 2013). Correspondingly, in Europe, there was an expansion of 23 percent somewhere in the range of 2007 and 2012 (European Consumer Center Network, 2013). The reason for this investigation is to decide how a failure in the treatment gotten by customers impacts their aim to return to an inn. The authors investigate apparent relational equity, the pretended by past experiences and the impact of customer sexual orientation in a lodging recuperation process. Kelley et al. (1995)Service supervisors and faculty are confronting more serious client administration weights than any other time in recent memory. It is realized that service organizations working Total Quality Management framework will, in general, give more elevated amounts of service quality and subsequently create larger amounts of consumer loyalty and dedication and thusly produce higher benefits. Spreng et al (2004) Service recovery forms are those exercises in which an organization connects with to address a client objection in regards to an apparent service failure. Empirical evidence saw over an assortment of service industries, demonstrates that customers who have encountered issues with administration providers are regularly disappointed with the manners by which issues are settled. James et al. (2001) Service failure may allude to some purchaser saw the breakdown in an association's framework (e.g., flight delays, under-arranged nourishment, inaccurate account, and so on.). Thestudyshows that moderate to high service recovery efforts significantly increase post-failure levels of satisfaction, purchase

intent, and positive wom. The study also not support recovery paradox. The study also suggested that firms always may not avail benefits. Lewis et al (2004) This paper is centered around service failure and recovery in the lodging business in the UK. The targets of the examination were to survey the sorts and greatness of administration disappointments experienced by inn visitors; assess the administration recuperation procedures utilized by inns and their adequacy; and find whether there were contrasts in frames of mind and conduct among business and relaxation visitors. Information were gathered from an example of visitors in a four-star lodging. Exchange of the discoveries prompts a few recommendations for enhancements for inn the executives.Xie et al (2011) This article inspects the appropriateness of Fournier's (1998) Brand Relationship Quality (BRQ) structure in the hotel business, and furthermore examines the impacts of BRQ on hotel shoppers' social goals, after administration disappointments in high-class inns. The observational outcomes demonstrate that BRQ is appropriate to the inn business and moderately affects customers' post-disappointment feelings, especially as far as influencing future conduct aims. Be that as it may, this finding isn't material when the administration disappointments are extreme. Lodging execution and intensity are significantly reliant on their capacity to fulfill clients efficiently and successfully. One of the recommended approaches to hold loyalty from clients is through relationship marketing. Jin et al. (2019) The objective of the study is to decide if hotels utilize the correct service recovery technique at the opportune time, how service recovery time affects fruition of the administration recuperation life cycle, and consumer loyalty. Data collected from using online survey method from 495 participants. Liat et al. (2004) As the numbers of vacationers keep on developing comprehensively, the hotel business players unavoidably face more difficulties. The high challenge among the contenders and the rise of new technologies, for example, web-based booking stages make the challenge increasingly serious among players in the clinic ity part. The nature of administrations gave is without a doubt critical to the accomplishment of the inn. Consequently, any administration disappointment must be tended to suitably so as to keep up an abnormal state of customer satisfaction and to keep the picture of the lodging unblemished. It is consequently fundamental that service recovery programs are deliberately intended to meet different sorts of service failure which may unavoidably happen. Also, it was discovered that consumer loyalty instigated client steadfastness towards the inn administrator. The outcome additionally demonstrated that corporate picture intervened incompletely between the relationship of consumer loyalty and customer faithfulness. Tsao et al. (2017) With the pervasiveness of electronic word of mouth (eWOM) as of late, specialists have given specific consideration to issues including consumer loyalty, including service quality, service failure and service recovery. The indistinguishability of the service business guarantees a moderately high level of contact between specialist organizations (staff or office) and clients, in this manner improving the probability of service failure. The study found that distributive justice, procedural justice and interactional justice have a positive impact on post recovery satisfaction. Sem techniques

were used to analysis the data.Michel et al. (2001) Service recovery defined as an activities and actions taken by the organization with respond to the service failure. Service recovery contrasts from grievance the board in its emphasis on service failure and the organization's quick response to it. Service recovery focused on customer loyalty. In the service sector failures are inevitable. The objective of the study is how failure and recovery incidents are collected". Service recovery not related with complaints management but totally focus on failures. McCullough et al. (2000) Understanding recovery is essential for administrators. service recovery is one "pushing determinate" that drives client exchanging conduct and fruitful recuperation can mean the contrast between client retention and defection. The study found that customers are dissatisfied after service failure and recovery. Customers always want error free service from market.

RESEARCH DESIGN

Statement of the problem

As hospitality service has higher level of contact between the producer and the consumer, the variability and perishability of the services in different situations makes it dynamic, thus making it prone to various service failure. As service failure in hospitality industry may be due to various reasons, we look to find the various reasons for failure, its recovery strategies and the outcome.

Objectives

- 1) To predict the repeat purchase intentions on the basis of various factors of failure.
- 2) To predict the recommendation intentions on the basis of various factors of failure.

Sample design

In this study we have taken the 207 samples from the various fields. The population of the study is finite. The data was collected from the primary sources. Convenient sampling has been used to analysis the data. The sampling unit of this study was the responses of the students of National Institute of Technology, Kurukshetra, Haryana. For the data collection we have prepared the questionnaire in which there are five parts related to service failures items, recovery strategies, outcome strategies, and future actions.

Area of study

The study tries to get an in-depth view of the dynamics in hospitality industry that is the occurrence of service failure effecting its performance, the recovery strategies applied, outcome after recovery, and future actions taken by the customers. The highly competitive hospitality market and ever demanding performance required, getting the combination of all the above mentioned factors is imperative. These study provides analyzed views of the customers to reduce and counter the various service hurdles in hospitality industry.

Respondent's profile

A sum of 207 samples were taken out of which majority of respondents were from age 18-22 (52.2 percent) followed by age groups 22 - 26(41.1 percent) and the rest were of age groups 30 -35. There were 29 percent graduate respondents, 45.9 post graduate and 25 percent belonged from PhD and under graduates. 20.3 percent of the total respondents accounted from monthly family income group of 20,000 - 40,001, 30 percent from 40,001 - 60,000, 19.8 percent from 60,001 - 80,000 and the rest were from 80,001 - 100000. It was also see that majority of the respondents were from urban area (83.1 percent) and the rest belonged from rural locations.

Tables

AGE

| Age group | Frequency | Percent | Valid Percent |
|-----------|-----------|---------|---------------|
| 18-22 | 108 | 52.2 | 52.2 |
| 22-26 | 85 | 41.1 | 41.1 |
| 30-35 | 14 | 6.8 | 6.8 |
| Total | 207 | 100.0 | 100.0 |

Table-1 Respondents age profile

LEVELS OF EDUCATION

| Education | Frequency | Percent | Valid Percent |
|---------------|-----------|---------|---------------|
| Graduate | 60 | 29.0 | 29.0 |
| post graduate | 95 | 45.9 | 45.9 |
| Others | 52 | 25.1 | 25.1 |
| Total | 207 | 100.0 | 100.0 |

Table-2 Respondents educational level

FAMILY INCOME PER MONTH

| Income | Frequency | Percent | Valid Percent |
|-----------------|-----------|---------|---------------|
| 20,000 - 40,000 | 42 | 20.3 | 20.3 |
| 40,001 - 60,000 | 63 | 30.4 | 30.4 |
| 60,001 - 80,000 | 41 | 19.8 | 19.8 |
| 80,001 - 100000 | 61 | 29.5 | 29.5 |

Table -3 Respondents family income profile

BACKGROUND

| Location | Frequency | Percent | Valid Percent |
|----------|-----------|---------|---------------|
| Rural | 35 | 16.9 | 16.9 |

| Urban | 172 | 83.1 | 83.1 |
|-------|-----|-------|-------|
| Total | 207 | 100.0 | 100.0 |

Table-4 Respondents background profile

OBJ-1: To predict the repeat purchase intentions on the basis of various factors of failure

Discriminant Analysis

A random sample of 96 (76.2% of the cases) were selected as the analysis sample and the rest of the 30 (23.8%) cases were used as the validation sample.

Effect of the factors on the respondent's willingness to repeated stay's at this hotel again:

| | Wilks' Lambda | F | df1 | df2 | Sig. |
|----------------------|---------------|--------|-----|-----|------|
| Basic Amenities | .960 | 5.124 | 1 | 124 | .025 |
| Inefficient Services | .993 | .829 | 1 | 124 | .364 |
| Frustration | .902 | 13.431 | 1 | 124 | .000 |
| Procedural Flaws | .966 | 4.327 | 1 | 124 | .040 |
| No Local knowledge | .973 | 3.500 | 1 | 124 | .064 |

Tests of Equality of Group Means

Table -5 Test of equality of group means

F-statistics and Sig value indicates that only Basic Amenities, Inefficient Services and Frustration were found to be significant predictors for the variable 'How likely would you repeat your stay at this hotel again?' Hence, only 3 factors were considered for developing the Discriminant Equation.

Test Results

| Box's M F | 8.389 |
|--------------|-----------|
| Approx. | 1.331 |
| df1 | 6 |
| df2 | 14010.351 |
| Sig. | .239 |

Table-6 box M test

Box's M tests the null hypothesis of equal population covariance matrices. Significance value of 0.239 indicates that the Null hypothesis is accepted and we can proceed for the Discriminant Analysis.

Functions at Group Centroids

| How likely would you be to stay at this | Function |
|---|----------|
| hotel again | 1 |

| definitely would | 294 |
|--------------------|------|
| probably would not | .438 |

Table-7 group centroids function

Unstandardized canonical discriminant functions evaluated at group means

Discriminant Equation

Whenever the predicted value of Y is less than -0.264 there are chances that the respondents would definitely stay at that particular hotel and when the predicted value of Y is more than 0.711 there are chances that the respondents would not stay at that hotel.

Standardized Canonical Discriminant Function Coefficients

Recommend (Y) = -0.014 + 0.287 (Basic Amenities) + 0.899 (Inefficient Services) + 0.481 (Frustration)

Out of three factors inefficient services were found to be more important than others.

Standardized Canonical Discriminant Function Coefficients

| | Function |
|----------------------|----------|
| | 1 |
| Basic Amenities | .287 |
| Inefficient Services | .853 |

Classification Results^{a,b}

| | _ | - | How likely would you repeat your stay at this hotel again | | Predicte Memb | | |
|-----------------------|----------|-------|--|-----------------------|---------------------|-----------------------|-------|
| | | | | | definitely would | probably would not | Total |
| Cases Selected | Original | Count | | definitely would | 64 | 6 | 70 |
| | | | dimension3 | probably would not | 17 | 9 | 26 |
| | | % | 1° · 2 | definitely would | 91.4 | 8.6 | 100.0 |
| | | | dimension3 | probably would not | 65.4 | 34.6 | 100.0 |
| Cases Not Selected | Original | Count | | definitely would | 21 | 2 | 23 |
| | | | dimension3 | probably would not | 5 | 2 | 7 |
| Frustration | | | | | | .44 | 47 |

| % definitely | 91.3 | 8.7 | 100.0 |
|----------------------------------|----------|------|-------|
| would dimension3 probably wou | ıld 71.4 | 28.6 | 100.0 |
| not | | | |

Table-9 Classification Results

Table-8Standardized Canonical Discriminant Function Coefficients

a. 76.0% of selected original grouped cases correctly classified.

b. 76.7% of unselected original grouped cases correctly classified.

The accuracy of the model prediction is 76% for the analysis sample and 76.7% for the validation sample.

OBJ-2: To predict the recommendation intentions on the basis of various factors of failure

Effect of the factors on the respondent's willingness recommend others to stay at this hotel:

A random sample of 96 (76.2% of the cases) were selected as the analysis sample and the rest of the 30 (23.8%) cases were used as the validation sample.

| | Wilks' Lambda | F | df1 | df2 | Sig. |
|----------------------|---------------|--------|-----|-----|------|
| Basic Amenities | .971 | 4.043 | 1 | 137 | .046 |
| Inefficient Services | .927 | 10.795 | 1 | 137 | .001 |
| Frustration | .986 | 1.956 | 1 | 137 | .164 |
| Procedural Flaws | .999 | .091 | 1 | 137 | .764 |
| No Local knowledge | .960 | 5.727 | 1 | 137 | .018 |

Tests of Equality of Group Means

Table -10 Tests of Equality of Group Means

F-statistics and Sig value indicates that only Basic Amenities, Inefficient Services and No Local Knowledge were found to be significant predictors for the variable 'How likely would you recommend others be to stay at this hotel?' Hence, only 3 factors were considered for developing the Discriminant Equation

Test Results

| | 17.431 | |
|---------|------------|--|
| | | |
| Approx. | 1.115 | |
| df1 | 15 | |
| df2 | 60306.363 | |
| Sig. | .336 | |
| | df1 df2 | Approx. 1.115 df1 15 df2 60306.363 |

Table-11 Box'M

Tests null hypothesis of equal population covariance matrices.

Box's M tests the null hypothesis of equal population covariance matrices. Significance value of 0.336 indicates that the Null hypothesis is accepted and we can proceed for the Discriminant Analysis.

Canonical Discriminant Function Coefficients

| | Function |
|----------------------|----------|
| | 1 |
| Basic Amenities | .409 |
| Inefficient Services | .801 |
| No Local knowledge | .535 |
| (Constant) | 068 |

Table -12 Canonical DiscriminantFunction Coefficients Unstandardized coefficients

Functions at Group Centroids

| Would you recommend this hotel to your | Function |
|--|----------|
| family and friends | 1 |
| definitely would | 294 |
| probably would not | .438 |

Table -13 Functions at Group Centroids

Unstandardized canonical discriminant functions evaluated at group meansUnstandardized canonical discriminant functions evaluated at group means insert here)

Discriminant Equation

Recommend (Y) = -0.068 + 0.409 (Basic Amenities) + 0.801 (Inefficient Services) + 0.535 (No Local Knowledge)

Whenever the predicted value of Y is less than -0.294 there are chances that the respondents would definitely stay at that particular hotel and when the predicted value of Y is more than 0.438 there are chances that the respondents would not stay at that hotel.

Standardized Canonical Discriminant Function Coefficients

| Function |
|----------|
|----------|

| | 1 |
|----------------------|------|
| Basic Amenities | .419 |
| Inefficient Services | .821 |
| No Local knowledge | .539 |

Table -14 Standardized Canonical Discriminant Function CoefficientsOut of the three factors, Inefficient Services were found to be more important followed by No Local Knowledge and Basic Amenities.

| Classification Results | | | | | | | |
|------------------------|-------|--------------------------|--|---|--|--|--|
| | | Would you r to others | recommend this hotel | | - | | |
| | | | | definitely would | probably would not | Total | |
| Driginal | Count | dimension? | definitely would | 56 | 8 | 64 | |
| | | dimensions | probably would not | 25 | 18 | 43 | |
| | % | dimension? | definitely would | 87.5 | 12.5 | 100.0 | |
| | | unitensions | probably would not | 58.1 | 41.9 | 100.0 | |
| Driginal | Count | dimension? | definitely would | 15 | 2 | 17 | |
| | | dimensions | probably would not | 9 | 6 | 15 | |
| - | % | dimension? | definitely would | 88.2 | 11.8 | 100.0 | |
| | | dimension3 | probably would not | 60.0 | 40.0 | 100.0 | |
| | - | riginal Count | riginal Count dimension3 % dimension3 riginal Count dimension3 | riginal Count % dimension3 definitely would probably would not % dimension3 definitely would probably would not definitely would probably would not % dimension3 definitely would probably would not % dimension3 definitely would definitely would probably would not % dimension3 definitely would definitely would probably would not % dimension3 definitely would probably would not % definitely would definitely would definitely would definitely would definitely would definitely would definitely would probably would not % dimension3 definitely would definitely would probably would not | to others <u>Membrane</u> riginal Count dimension3 definitely would 56 % dimension3 definitely would not 25 % dimension3 definitely would 87.5 probably would not 58.1 riginal Count dimension3 definitely would 15 probably would not 9 % dimension3 definitely would 88.2 | to others to others Membership riginal Count definitely would probably would not riginal Count definitely would 56 8 % dimension3 definitely would not 25 18 % dimension3 definitely would not 87.5 12.5 riginal Count definitely would not 58.1 41.9 riginal Count definitely would not 58.1 41.9 riginal Count definitely would not 9 6 % dimension3 definitely would not 9 6 % dimension3 definitely would not 9 6 | |

Classification Results^{a,b}

 Table -15 Classification Results

a. 69.2% of selected original grouped cases correctly classified.

b. 65.6% of unselected original grouped cases correctly classified.

The accuracy of the model prediction is 69.2% for the analysis sample and 65.6% for the validation sample.

Conclusion

The first objective was to predict the **repeat purchase intentions on the basis of various factors of failure**. Since the dependent variable is categorical in nature, hence Stepwise Discriminant analysis was applied. F-statistics and Sig value indicates that only Basic Amenities, Inefficient Services and Frustration were found to be significant predictors for the variable 'How likely would you repeat your stay at this hotel again?' Hence, only 3 factors were considered for developing the Discriminant Equation.

Discriminant equation –

Recommend (Y) = -0.014 + 0.287 (Basic Amenities) + 0.899 (Inefficient Services) + 0.481 (Frustration).

If the predicted value of Y is less than -0.264 there are chances that the respondents would definitely stay at that particular hotel and when the predicted value of Y is more than 0.711 there are chances that the respondents would not stay at that hotel.

The second objective was to predict the **recommendation intentions on the basis of various factors of failure.** Since the dependent variable is categorical in nature, hence Stepwise Discriminant analysis was applied. F-statistics and Sig value indicates that only Basic Amenities, Inefficient Services and No Local Knowledge were found to be significant predictors for the variable 'How likely would you recommend others to stay at this hotel?' Hence, only 3 factors were considered for developing the Discriminant Equation.

Discriminant equation –

Recommend (Y) = -0.068 + 0.409 (Basic Amenities) + 0.801 (Inefficient Services) + 0.535 (No Local Knowledge).

If the predicted value of Y is less than -0.294 there are chances that the respondents would definitely stay at that particular hotel and when the predicted value of Y is more than 0.438 there are chances that the respondents would not recommend any one to stay at that hotel.

Basically in every organization there is no perfect system and many times service failure happened every time. In this article we have tried to find service recovery in many industries like hotels. Providing best service to the customer can increase the loyalty of the customer and very useful in the organizations.

Businesses should provide best service recovery to their customer so that they can visit again and again. If we provide best services to the customer it can turn in to loyal customer and also a satisfied customer will help us also to increase the sales of the business and tell to many people about of the products.

Now a day every industry is growing day by day so there is too much competition all over the world. The demand of airlines industry, hotel industry, tourism industry has been increase in the recent time and customer expect best services from the industry.

However, service industry doesn't have physical item which they can show to the client. In conclusion giving a positive service recovery to the customer can expand the client dependability. At that point the customer goes and makes positive suggestions to their companions of family, which prompts more business later on.

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QUESTIONNAIRE

Questionnaire on service failure and recovery in hotel industry

Service failure experienced by business guests and leisure guests.

| Sr. No. | Statements | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|------------|---|----------------------|----------|---------|-------|-------------------|
| 1. | Slow restaurant service | | | | | |
| 2. | Slow check in/out | | | | | |
| 3. | Staff inefficient | | | | | |
| 4. | Receptionist unfriendly and unhelpful | | | | | |
| 5. | Food and beverages not of high quality | | | | | |
| 6. | Room not ready | | | | | |
| 7. | Kept waiting for a table at breakfast | | | | | |
| 8. | Item in room not working(T.V.,phone) | | | | | |
| 9. | Variety of food limited | | | | | |
| 10. | Staff would not put themselves out of help | | | | | |
| 11. | Items in room missing (toiletries, towel) | | | | | |
| 12. | Staff unhelpful and unfriendly | | | | | |
| 13. | Restaurant staff unhelpful and unfriendly | | | | | |
| 14. | Bill incorrect | | | | | |
| 15. | Room not clean | | | | | |
| 16. | No secure safe for belongings | | | | | |
| 17. | Staff untidy in appearance | | | | | |
| 18. | Room service slow and unreliable | | | | | |

| Sr. | Statements | Strongly | Disagree | Neutral | Agree | Strongly |
|-----|-----------------------------|----------|----------|---------|-------|----------|
| No. | | Disagree | | | | Agree |
| 19. | Reservation missing | | | | | |
| | Staff not knowledgeable | | | | | |
| 20. | about local area | | | | | |
| | Gym or swimming | | | | | |
| 21. | facilities very poor | | | | | |
| | No information about local | | | | | |
| 22. | tourist attractions | | | | | |
| | Rooms locks appeared | | | | | |
| 23. | flimsy | | | | | |
| | Not sure of fire escape | | | | | |
| 24. | route and procedure | | | | | |
| | Times of leisure facilities | | | | | |
| 25. | inconvenient | | | | | |
| | Access to business | | | | | |
| 26. | facilities poor | | | | | |

Recovery strategies used

| Sr. No. | Statements | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|------------|--|----------------------|----------|---------|-------|-------------------|
| 1. | Apologized | | | | | |
| 2. | Corrected problem | | | | | |
| 3. | Explanation provided | | | | | |
| 4. | Immediate action | | | | | |
| 5. | Did nothing | | | | | |
| 6. | Hotel took responsibility for the problem | | | | | |
| 7. | Followed up to see if I was satisfied with response to problem | | | | | |
| 8. | Redirected the complaint | | | | | |
| 9. | Compensation provided | | | | | |
| 10. | Exceptional treatment | | | | | |

Outcome statements

| Sr. | Statements | Strongly | Disagree | Neutral | Agree | Strongly |
|-----|------------|----------|----------|---------|-------|----------|
| No. | | Disagree | _ | | _ | Agree |

| Sr. | Statements | Strongly | Disagree | Neutral | Agree | Strongly |
|-----|--------------------------|----------|----------|---------|-------|----------|
| No. | | Disagree | | | | Agree |
| 1. | The outcome I received | | | | | |
| | was fair | | | | | |
| 2. | The time taken for the | | | | | |
| | hotel to resolve my | | | | | |
| | problem was longer than | | | | | |
| | necessary | | | | | |
| 3. | The hotel showed | | | | | |
| | adequate flexibility in | | | | | |
| | dealing with my problems | | | | | |
| 4. | The employees were | | | | | |
| | appropriately concerned | | | | | |
| 5. | The employees | | | | | |
| | communications with me | | | | | |
| | were appropriate | | | | | |

Future Actions

| Sr. | Statements | Definitely | Probably | Unsure | Probably | Definitely |
|-----|--------------------|------------|----------|--------|-----------|------------|
| No. | | would | would | | would not | would not |
| 1. | How likely | | | | | |
| | would you be to | | | | | |
| | stay at this hotel | | | | | |
| | again | | | | | |
| 2. | Would you | | | | | |
| | recommend this | | | | | |
| | hotel to your | | | | | |
| | family and | | | | | |
| | friends | | | | | |

Age group

| | a) | 18-22 | b) 22-26 | c) 26-30 | d) 30-35 | e) More than 35 | | | | |
|-------------------------|----|-------------|----------------|----------|--------------|-----------------|--|--|--|--|
| Levels of education | | | | | | | | | | |
| | a) | Graduate () | b) Post gradua | ite () | c) Others () | | | | | |
| Marital status | | | | | | | | | | |
| | a) | Single | b) Married | | thers | | | | | |
| Family Income per month | | | | | | | | | | |
| | a) | 20000-40000 | b) 40001- 600 | 00 c) 6 | 0001-80000 | d) 80000-100000 | | | | |
| - | - | - | | | | | | | | |

Background

a) Rural b) urban