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## **WHEN SERVICE RECOVERY GOES WRONG - THE HARMFUL EFFECT ON TRUST**

### **Abstract:**

Given the unique characteristics of the service act, service failure occurs frequently. Once a service failure occurs, it is important to rectify this mistake, because customer satisfaction is often negatively affected by these failures. Ultimately, a service failure might result in a customer defecting to an alternative competitive service provider. Therefore, service providers generally seize the opportunity to recover from service failures. However, not all service providers are capable of recovering appropriately, which results in a situation where the recovery is a failure as well. This twofold service failure is referred to as a 'double deviation' in the literature.

This paper investigates the influence of a double deviation on a customer's trust towards a service provider. The research question becomes particularly interesting when considering the fact that trust has proved to be one of the most important dimensions of a successful long-term customer relationship. The focus of the study was the airline industry, and respondents' trust was measured on two levels: firstly, after an initial service failure, and secondly, after a failed service recovery. The study made use of a 2x2 within subjects experiment using a non-interactive self-administered questionnaire.

The data were analysed by means of one-way Anova tests, which found significant differences in trust, based on the two levels of service failure. The two types of trust, namely affective and cognitive trust, both eroded from the first service failure to the failed service recovery. The levels of cognitive trust decreased more than those of affective trust, which indicates that service recoveries should first and foremost concentrate on restoring cognitive trust. These findings support the existing literature that customers tend to suppress their emotions to safe guard their relationship with a service provider. This finding also reiterates the importance of maintaining long-term relationships with customers. On a practical level, service providers are strongly advised to invest in the training of frontline employees, as these employees are in the best position to deal with service failures.

### **Keywords:**

Double deviation; cognitive trust; affective trust

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