TOWARD AN UNDERSTANDING OF PERCEIVED JUSTICE NEEDS AND RECOVERY EVALUATION: A CONTINGENCY APPROACH

K. Douglas Hoffman, Colorado State University Scott W. Kelley, University of Kentucky

ABSTRACT

Past research regarding contingency approaches to management problems has noted management's seduction for "universal truths;" however, historical evidence has held that the "one best method to manage" every situation seldom holds true (Bowen and Lawler 1992). The same can be said for determining the "one best method" for recovering from service failures. Previous research regarding service recovery strategy has indicated that not all approaches to service recovery are the same and not all are equally effective in resolving customer complaints in different situations (Blodgett, et al. 1997; Hoffman and Kelley 1996; Tax, et al. 1998).

The objective of this manuscript is to provide a conceptual framework that presents contingencies for effective service recovery. More specifically, this work focuses on contingencies that influence the customer's need for perceived justice (i.e., distributive, procedural, and interactional) and the subsequent influence of justice needs on the evaluation of service recovery efforts. A total of six contingencies and related research propositions are presented and discussed. The propositions are listed below.

- P1: The depth of the relationship (affect content) will significantly influence customers' service recovery evaluations along with the subsequent outcomes associated with effective recovery strategies.
- Pla: When the depth of the relationship is deep (high affect content), interactional justice will be more important to customers service recovery evaluations than procedural or distributive justice.
- P2: The proximity of the relationship will significantly influence customers' service recovery evaluations along with the subsequent outcomes associated with effective service recovery strategies.
- P2a: When the proximity of the relationship is close, interactional justice will be more important to customers' service recovery evaluations than procedural or distributive justice.
- P3: The duration of the service encounter will significantly influence customers' service recovery evalu-

ations along with the subsequent outcomes associated with effective service recovery strategies.

- P3a: When the duration of the service encounter is long, interactional justice will be more important to customers' service recovery evaluations than procedural or distributive justice.
- P4: The degree of customization will significantly influence the customers' service recovery evaluations along with the subsequent outcomes associated with effective service recovery strategies.
- P4a: When the degree of customization is high, interactional justice will be more important to customers' service recovery evaluations than procedural or distributive justice.
- P5: Switching costs will significantly influence customers' service recovery evaluations along with the subsequent outcomes associated with effective recovery strategies.
- P5a: When switching costs are high, interactional justice will be less important to customer's service recovery evaluations than procedural or distributive justice.
- P6: The criticality of consumption will significantly influence the customers' service recovery evaluations along with the subsequent outcomes associated with effective service recovery strategies.
- P6a: When the criticality of consumption is high, corrective aspects of distributive justice will be more important to customers' service recovery evaluations than compensatory aspects of distributive justice, interactional justice or procedural justice.

Discussion

The contingencies presented shed light on customers' motives as they experience service failure and the subsequent service recovery process. Based on the contingencies proposed, it seems safe to say that in some service failure/recovery situations it's not what you giveup in the service recovery process, but instead, how you give it up. That is, in some service recovery situations, equity theory and the contingencies presented here suggest that interactional justice and procedural justice take precedence over distributive justice. On the other hand, there are also service recovery situations where customers don't care how empathetic you are, they just want what they came to buy. In these cases, distributive justice takes precedence and is the primary factor considered in the service recovery evaluation.

For further information contact: Doug Hoffman Department of Marketing Colorado State University Fort Collins, CO 80523 Phone: (970) 491-2791 FAX: (970) 491-5956 E-Mail: dhoffman@lamar.colostate.edu