USING CRITICAL INCIDENT TECHNIQUE TO IDENTIFY THE EFFECT OF SERVICESCAPE FAILURE AND THE EFFECTIVENESS OF RECOVERY STRATEGY ON DINING EXPERIENCE

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ABSTRACT

Despite the acknowledged importance of servicescapes, there is a dearth of empirical investigations of servicescape failures and recovery strategies and how these influence the subsequent behaviour of customers. Using the Critical Incident Technique (CIT), a total of 102 incidents had been gathered by personal interviews. The initial result revealed that cleanliness issues were the most common problem occurring in food service industries, followed by design issues, mechanical issues and social issues. Customers exhibited negative reactions to those failures and led to displays of various behaviours. The implemented recoveries were perceived both positively and negatively by the customers.

1.0 INTRODUCTION

The physical environment in which services are delivered, which is also known as the 'servicescape', has been receiving increasing attention in the services-marketing literature in recent decades. Researchers acknowledge that tangible factors (such as servicescapes) and intangible factors (such as responsiveness, assurance, reliability, and empathy) are complementary in their effects on customers' evaluations of service quality (Kotler, 1973; Parasuraman *et al*, 1988). Services are increasingly being integrated with the physical settings in which they are rendered (Shostack, 1977) as research has demonstrated the significant influence of servicescapes on consumers' behaviour (Bitner, 1992; Mehrabian, 1977).

Despite previous studies that emphasize the importance of servicescape in a service firm (Hoffman *et al*, 2003; Reimer & Kuehn, 2005; Santos, 2002; Wakefield & Blodgett, 1999), and several studies that deal with the aspects of servicescape on behavioural effects, such as colour (Bellizzi *et al*, 1983), background music (Herrington & Capella, 1996; Milliman, 1986), lighting (Areni & Kim, 1994), and other customers getting along (Grove & Fisk, 1997), a comprehensive study of failure to build and maintain the servicescape that leads to servicescape failure and its effects on customers' behavioural intention remains scarce particularly in the food service industry. The failures in designing and maintaining servicescape eventually influence customers' responses to the place and affect them to

behave in certain ways as customers are predisposed to remember service system failures such as bad smells and unsanitary conditions (Chung & Hoffman, 1998).

Servicescape failures can have a significant impact on customers' service experiences. Recovery strategies for handling such servicescape failures are therefore very important. In general, a recovery strategy is evaluated positively when it exceeds customers' expectations but is evaluated negatively when it fails to meet customers' expectations (McCollough *et al*, 2000). However, a common mistake made by service managers is misinterpreting customers' wishes in terms of compensation. For example, a customer might be seeking financial compensation for expenses (such as medical costs), whereas the service provider might be offering free service vouchers. Such a discrepancy between a customer's desires and what is being offered can be extremely detrimental to the future relationship between the customer and the service firm if it generates anger, switching behaviours (Keaveney, 1995) and negative word-of-mouth comments (Lewis & McCann, 2004).

The purpose of the present research is to extend the understanding of the impacts of servicescape failures and recovery strategies on dining experience. The paper concludes with several implications for the benefits of food service industries.

2.0 LITERATURE REVIEW
2.1 Definition and Dimensions of Servicescapes

According to Bitner (1992, p. 45), the term 'servicescape' refers to "… all of the objective physical factors that can be controlled by the firm to enhance (or constrain) employee and customer actions". Bitner's (1992) definition has been widely quoted and accepted in the services-marketing literature (Aubert-Gamet, 1997; Hoffman *et al*, 2003; Lin, 2004).

Ezeh and Harris (2007, p. 61) enlarged this definition by incorporating customers' responses and behaviours when they defined servicescape as "… the physical environment (with or without customer input) housing the service encounter, which elicits internal reactions from customers leading to the display of approach or avoidance behaviours".

Lin (2004) classified the dimensions of servicescapes into three major groups of 'cues':
* *visual cues:* colour, lighting, space and function, personal artifacts, layout and design;
* *auditory cues:* music and noise; and
* *olfactory cues:* scents.

However, the classification of servicescape dimensions varies across different service industries (Ezeh & Harris, 2007). Nevertheless, despite the differences in classifications and groupings, it is generally agreed that the concept of what constitutes a servicescape includes such elements as ambience, artifacts, signs, cleanliness, other patrons' behaviours, design, layout, and functionality.

2.2 Service Encounters and Perceptions of Service Quality

Customers' perceptions of service quality are determined by a combination of tangible and intangible elements (Johnston, 1995; Parasuraman *et al*, 1985). However, few studies have ascertained the specific effect of servicescapes on quality perception. Reimer and Kuehn (2005), who measured service quality (using SERVQUAL) taking into account the role of servicescapes as search qualities, concluded that servicescapes have a dual role in assessments of service quality: (i) providing clues for expected service quality; and (ii) acting as a key factor in influencing customers' evaluations of other factors (intangibles) in determining perceived service quality. In a similar vein, Wall and Berry (2007), who studied the effects of servicescapes and employee behaviour on service quality, found that servicescapes have a significant influence on customers' expectations of service quality because customers seek for tangible clues to assist them in forming an expectation of service quality.

Service encounters encompass interactions among customers, service employees, servicescapes, and all aspects of service provision (Lockwood, 1994). For the purpose of this research, a service encounter is taken to be the period of time during which a customer interacts with the servicescape. A plethora of research has confirmed that perceptions of servicescapes lead to cognitive, emotional and physiological responses that influence customer behaviours (Bitner, 1992; Hightower *et al*, 2002; Ryu & Jang, 2007; Wakefield & Blodgett, 1994; Wakefield & Blodgett, 1996). In particular, Newman (2007) demonstrated that helpful signage and pleasant spatial arrangements influence customers' behaviour by inducing positive moods and positive images of the service organization. This is in accordance with the view of Bitner (1992) that servicescape performs multifaceted roles within service encounters as a facilitator, socializer and differentiator.

2.3 Servicescape Failure as a Form of Service Failure

Service failure can occur as a consequence of a problem with service delivery, service product, service facility, employee behaviour, other customers' behaviour, or a combination of these (Bitner *et al*, 1990). Primarily, service failures are caused by inefficient staff, slow service, unavailable service, unfriendly staff, product problems and incorrect billings. However, as shown in Table 1, servicescapes failures are prominent among the causes of service failure. These servicescape failures can include foreign objects in a meal, inoperative air-conditioning, machine breakdown, offensive odours, slippery floors, broken furniture, dirty utensils and crowds. It is apparent that the role of tangibles in service-encounter satisfaction should not be underestimated (Bitner *et al*, 1990).

Table 1: Servicescape Failures

Author	Causes of Servicescape Failures
Bitner *et al* (1990)	Other patrons' disruptive behaviours
Hoffman *et al* (1995)	Facility problems (cleanliness issues) accounted for 3.2% of total service failures
Grove & Fisk (1997)	Other customers had a significant impact upon satisfying and dissatisfying experiences
Chung & Hoffman	Facility problems, seating problems and product

(1998)	Defects
Mack *et al* (2000)	Food problems (foreign objects), customer preference (seating, music), disruptive others (rude customers, loud children)
Hoffman *et al* (2003)	9% of service failures related to servicescape
Chung *et al* (2004)	Facility/equipment problems
Dutta *et al* (2007)	Hygiene and physical ambience

2.4 Antecedents of Consumers' Complaint Behaviour

Servicescape failures lead to dissatisfaction and dissatisfied customers often want to take action in response to encountering a situation that has deviated from what was supposed to happen (Bougie *et al*, 2003). Complaining is the most common response to such dissatisfaction (Velázquez et al., 2006). However, as Bougie *et al* (2003) have demonstrated, dissatisfaction alone is insufficient to provoke complaint behaviour unless it is mediated by anger. Customers are more likely to be angry, and therefore more likely to be assertive in complaining, if a servicescape failure causes overt harm. Other factors that influence complaint behaviour include: (i) the customer's pre-existing attitude to complaining (ii) the importance of the situation; and (iii) the probability of success of the complaint (Velázquez *et al*, 2006).

Some dissatisfied customers prefer to keep silent, rather than complain. Such customers can resort to other negative behaviours, such as switching providers and/or indulging in negative word-of-mouth comments, which can diminish the image and market profitability of the service firm. In this regard, Bougie *et al* (2003) demonstrated that anger partially mediates the relationship between dissatisfaction and switching behaviour and Ritchins (1983) found that the tendency to engage in negative word-of-mouth increased as the severity of the problem associated with dissatisfaction increased.

An empirical study by Hoffman *et al* (1995) found out that facility problems and employee behaviour were two types of failure that are particularly difficult to recover. However, with regard to failures involving servicescapes, there are certain constraints to complaining. For example, if a customer considered complaining about the colour of a wall or some other fixed aspect of layout or design, what could the service staff be expected to do to satisfy the customer? Rather than complaining about such servicescape 'failures', customers are more likely to decide to go elsewhere in future.

2.5 Service Recovery

The term 'service recovery' refers to the actions taken to: (i) rectify the service failure; and (ii) convert the negative attitudes of dissatisfied customers to positive attitudes with a view to customer retention (Miller *et al*, 2000). The development of an effective recovery strategy is essential to retaining customers, preventing negative word-of-mouth communication and generating trust and loyalty. However, the blind execution of a recovery strategy without adequate assessment of the effectiveness of that strategy is mere trial and error.

Hoffman and Chung (1999) found that action-oriented responses are perceived by customers to be more effective than mere apologies. However, the process of recovery is more difficult when customers perceive the failures to be serious (Mattila, 1999) or if they feel offended (Mattila, 2001). Indeed, dissatisfaction can remain after a more severe failure, regardless of whether the recovery has been successful (Weun *et al*, 2004).

Mishandling customers' complaints about service failures can dramatically impair the relationship between the customer and the service organization. The effectiveness of a recovery is usually assessed in terms of the customer's behavioural response—such as customers' repatronage intention and loyalty. Miller *et al* (2000) proposed a service-recovery framework of three phases: (i) a pre-recovery phase (customers' expectations of recovery when failure occurs); (ii) immediate recovery phase (service staff aware of the failure and execute recovery); and (iii) follow-up recovery phase (fairness of compensation perceived by customers). According to the so-called 'disconfirmation model', customers have greater satisfaction when performance exceeds or meets expectation and greater dissatisfaction when expectation exceeds performance. Such a model has been used by McCollough *et al* (2000) to explain customers' satisfaction after recovery by comparing initial disconfirmation (the difference between failure expectation and service performance) and recovery disconfirmation (the difference between recovery expectation and recovery performance). According to McCollough *et al* (2000), customers' satisfaction is lower after service failures and recovery (even given high recovery performance) than is the case in error-free service. However, Hess *et al* (2003) found that customers with higher expectations of a continuing relationship with a service provider have lower service-recovery expectations after a service failure, are more likely to ascribe that failure to accidental causes and have greater satisfaction with service performance after recovery. Maintaining a positive relationship with the customer is thus more important than meeting recovery expectation (Hedrick *et al*, 2007).

The so-called 'theory of fairness' suggests that the outcome of an exchange is judged by assessing the resources expended against the rewards received. Several authors have suggested that customers are likely to use the theory of fairness to evaluate service-recovery efforts and post-recovery satisfaction (Kau & Loh, 2006; Mattila, 2001; Palmer *et al*, 2000; Smith *et al*, 1999). Three concepts of justice are utilized in the theory of fairness: (i) distributive justice (perceived fairness of the specific outcome of the recovery effort); (ii) procedural justice (perceived fairness of the procedure used in arriving at the outcome); and (iii) interactional justice (perceived fairness of the inter-personal behaviour in delivering the outcome). Applying this theory to service recovery, customers' evaluations of recovery effectiveness are based on comparisons of the costs of service failures to the benefits offered by the recovery strategies (Hoffman & Chung, 1999). Moreover, customers' evaluations of the degree of failure will be moderated by their perceptions of the notions of distributive justice and interactional justice associated with the recovery effort (Mattila, 2001). The outcomes of the recovery, the procedures of the decision-making and the inter-personal behaviour of service employees must be in accordance with perceived justice if customers are to be satisfied with the service recovery (Kau & Loh, 2006).

Boshoff (1997) contended that a higher level of compensation positively enhances a customer's level of satisfaction with service recovery, regardless of who performs the service recovery. However, Wirtz and Mattilla (2004) found that greater compensation is effective in enhancing satisfaction only in circumstances of delayed recovery with an apology or immediate recovery without an apology. Besides, customers perceive greater justice and have higher overall post-failure satisfaction when given an opportunity to voice their recovery expectations (Karande *et al*, 2007). In addition, a well-handled service-recovery process has a superior impact on customers' satisfaction and behavioural intentions than does customers' satisfaction with original service outcomes (Spreng *et al*, 1995). In other words, the quality of customer-service employee encounters can have a greater impact on how customers feel about service firms than the quality of customer-environment encounters (Kivelä & Chu, 2001). In a similar vein, McColl-Kennedy and Sparks (2003) demonstrated that customers' emotions are likely to be moderated by recovery efforts through service employees' intervention. For example, customers tend to experience negative emotions (such as anger and dissatisfaction) when service employees do not appear to put effort into recovery attempts (McColl-Kennedy & Sparks, 2003).

3.0 METHODOLOGY

The CIT (Flanagan, 1954) has been used in this research to examine customers' dining experience associated with servicescape failures and effectiveness of recovery strategies in food service establishments. The CIT is a fruitful approach to filling the void of the previous research in this regard because it has the ability to describe real servicescape failure phenomena and recovery effectiveness. It is a pragmatic method that reflects the way in which service customers think, without diminishing the reliability of the information (Viney, 1983). Research conducted by Andersson and Nilsson (1964) on the reliability and validity aspects of the CIT directed them to conclude that the information collected by this technique is both reliable and valid. The CIT methodology differs from other qualitative methods by being focused on the specific incidents that are remembered by customers and by providing practical solutions (in the customers' own words) to the problems that confront them. Theoretically, critical incidents involve the disconfirmation of expectations (Hoffman & Chung, 1999). For this research, the critical incident is defined as "an interaction between customer and food service establishment whereby the customer encounters dissatisfying interaction with the physical environment and evaluates the effectiveness of the recovery strategy taken by the food service provider to rectify the failure". Hence, only those incidents that customers found memorable were included.

Data collection in CIT is conducted by personal interview, self-administered survey and/or focus group discussion (Flanagan, 1954). Of these, a personal interview is suitable for collecting data about servicescape failures because there is a need to explore the issue comprehensively and explore the intensity of customer reaction and subsequent behaviour. Besides, the method is considered to be important because it provides a glimpse into the seriousness of servicescape failures and how effective the recovery strategies are. The initial analysis was done on 102 incidents. After the initial categories were developed, an additional 100 incidents will be collected and analyzed to establish the validity of the initial coding classification system. When no new theme emerged, data collection ended.

This is consistent with Flanagan's (1954) suggestion that the number of incidents gathered is satisfactory when the analysis of approximately 100 new incidents disclose no more than two or three new themes. The initial 102 incidents were transcribed verbatim and content analyzed to uncover the categories of the phenomenon of research. Two researchers read, sorted, reread and recombined the incidents until consensus was achieved on category labels and the assignment of each incident to relevant category. Since there have been literally various attempts to conceptualize servicescape dimensions and types of recovery strategy, with divergent results and confusing terminology, Hoffman *at el*'s (2003) findings was referred for categorizing the incidents in this research. The data were constantly compared to the relevant literature to develop codes and interpretations.

4.0 RESULT AND DISCUSSION
4.1 Characteristics of the Sample

Eighty two informants were interviewed during the period of data collection. The initial analysis and classification indicated that 28 informants were male (34.1%) and 54 respondents were female (65.9%). A vast majority of the informants were Chinese (61.0%) and followed by Malay (30.5%) and Indian (8.5%). The age ranged of the informants from 16 to 54. The profession profile of the informants revealed that 28.0% of the informants were students, 24.4% were in academic occupations, 13.4% were in clerical and administrative occupations, 13.4% were in sales and marketing occupations, 9.8% were in higher management and executive occupations, 6.1% were in engineering and technology occupations, 2.4% were in consultancy occupations, 1.2% were in research occupation and 1.2% were in logistics occupation.

4.2 Information of Patronization

In a number of cases there were multiple incidents per interview, resulting in a total of 102 incidents classifiable incidents across the 82 personal interviews. Those incidents happened between the year 1988 and year 2008. The majority of informants had better recall of servicescape incidents that had occurred within the past one to twelve months, with a total of 64.7% at the time of the interviews. The next incident time interval was more than twelve months, with totals of 31.4%. It is quite interesting to note that informants could recall the critical incidents in detail even when it happened more than ten years ago, which supports Kivela and Chu's (2001) findings where customers were more likely to remember and recall negative dining experiences. Only 4 informants could not remember the year where the incident had occurred. Of the reported critical incidents, 57 were from usual Malay/Chinese/Western/Japanese restaurants, 13 from food courts, 9 from fast food restaurants, 7 from college/hostel/school cafeterias, 5 from hotel restaurants, 6 from food stalls, 3 from fine dining restaurants and 2 from hotel cafeterias. 76 (74.5%) of the reported incidents happened when informants had made repatronization to that particular outlet while 26 (25.5%) incidents happened when the informants were new customers.

4.3 Incident Classification System – Servicescape Failures

The initial sorting of the incidents resulted in four major groups of servicescape failure as shown in Table 2. A total of 14 specific types of servicescape failures were identified within these four major types of servicescape failures. The category classification revealed that in most circumstances, cleanliness issues were the greatest problems to food service industries, with a total of 80.4%. The second issue of servicescape failure that was a concern to food service industries was design issues, with a total of 9.8%. The third grouping of servicescape failure was related mechanical issues, with a total of 4.9%. Lastly, the final grouping of servicescape failure was related to social issues, with a total of 4.9%.

Table 2: Category Classification by Type of Servicescape Failure

Category	Frequency	Percentage (%)
Group 1: Cleanliness Issues		
Foreign object in food/beverage (insect-related; human-related; non human related)	45	44.1
Dirty cutlery (greasy)	13	12.7
Dirty surroundings (animals; insects; dirt)	13	12.7
Dirty seating condition (cutlery left by previous customer)	8	7.8
Bad odour (toilet, drain)	3	2.9
Sub-total Group 1	82	80.4
Group 2: Design Issues		
Poor seating design (crowded; broken table and chair)	7	6.8
Dim lighting	1	1.0
Inaccurate menu list	1	1.0
Improper arrangement of signboard	1	1.0
Sub-total Group 2	10	9.8
Group 3: Mechanical Issues		
Inoperative machinery (water dispenser, roaster, steamer)	3	2.9
Inoperative air-conditioning (poor ventilation)	2	2.0
Sub-total Group 3	5	4.9
Group 4: Social Issues		
Offensive staff's appearance (sweating; without apron)	2	2.0
Offensive staff's behaviour (sweeping; smoking)	2	2.0
Offensive other patron's behaviour (making noise)	1	1.0
Sub-total Group 4	5	4.9
Total Number of Incidents	102	100.0

Note: Some informants described more than one incident per patronization; hence the total of incidents does not equal the sample size.

The interview results revealed that informants displayed dissatisfying interactions with the servicescapes. Dissatisfactory servicescape incidents represent negative and unacceptable servicescape which detract from the mood for eating. Refer to the following four major issues which reflect dissatisfactory servicescape experiences:

4.3.1 Group 1: Cleanliness Issues

Incidents in this category reflect foreign objects in food and beverage, dirty cutleries, dirty eating surroundings, dirty seating conditions and bad odour. Customers display negative reactions to those failures such as disappointment, loss of appetite and worry for health. By referring to the reported number of servicescape failures, cleanliness problems are viewed as a critical issue which affects a customer's evaluation of the dining experience. It could lead to an exhibition of dissatisfaction as related by the following 3 informants:

> I realized that my children were eating with spoons and forks covered with a layer of a black oily substance on the surfaces. I was very disappointed. In fact, I was more worried if my children got food poisoning after consuming food with dirty spoons and forks. (Chinese Female, 50 years old)

> It really made me disappointed because all this while I was consuming at that particular outlet. When I saw the dirty condition of the kitchen, I was very disappointed and angry because I would expect the environment to be as good as the food taste. Since that time, I never went back to that outlet anymore and I also told my friends don't go to that restaurant! (Malay Male, 27 years old)

> The bad odour emitted from the drain really made me lose my appetite. How was I supposed to eat with that odour as if I was sitting in a toilet? I felt uncomfortable to have my meal with that bad odour. (Malay Female, 48 years old)

4.3.2 Group 2: Design Issues

This category involves design issues relating to poor seating arrangement, dim lighting, inaccurate menu list and improper display of signboard. Appropriate designs are supposed to promote pleasure in the dining experience. Customers evaluate design factors negatively when these hindered the service activity. For example, informants reported the following when reflecting on their experience:

> The space of the restaurant was narrow and crowded. My chair was frequently hit by somebody while sitting. Suddenly I was hit by a customer and that made me unable to continue my meal. (Chinese Female, 28 years old)

> The signboard used for displaying menu suddenly fell down. Although I experience no physical hurt, it shocked and scared me. I could imagine what would happen if the falling signboard hit somebody in the restaurant. (Chinese Female, 32 years old)

4.3.3 Group 3: Mechanical Issues

This category includes problems with machinery and air-conditioning. Customers exhibit dissatisfactory responses due to the inconveniences and discomfort that they experienced. Informants responded to the dissatisfaction as follows:

> Although the restaurant encountered a water dispenser breakdown, they should have a back up to overcome the incident. What the staff did was to replace my drink with another beverage which made me unsatisfied. (Chinese Male, 19 years old)

> I felt hot and uncomfortable with that poor ventilation. The air conditioning was not suitable for eating. It was unhygienic. (Chinese Female, 24 years old)

4.3.4 Group 4: Social Issues

This category includes incidents in which staff's behaviour and appearance as well as other patron's behaviour were viewed negatively. These negative social issues inhibited the dining experience, thereby leading to a display of dissatisfactory responses. For example, two informants noted that:

> The staff was sweeping the floor while customers were having their meals in the restaurant. The dirt polluted the air. It was not a hygienic practice. (Chinese Male, 36 years old)

> That high class restaurant was meant for a quite and nice dining environment. But when I sat there, it was too noisy with a group of customers making noise; the situation was nothing different from a night market. (Indian Female, 21 years old)

4.4 Incident Classification System – Recovery Strategies

The ability of food service providers to respond and handle the servicescape failures could result in the recovery strategies being remembered as satisfactory or dissatisfactory recoveries. These recovery strategies represent truly expected, unexpected, requested, or unrequested that either enhance or detract from the dining experience. Table 3 provides an overview of the frequency for satisfied and dissatisfied recovery strategies identified within each category of servicescape failure. The recovery strategies identified through the sorting process fall into 4 major categories:

- compensatory responses (free of charge; discount; free coupon/ancillary product; cash compensation)
- corrective responses (total replacement of food/cutlery; correction)
- empathetic responses (apology; explanation; concern; promise)
- no recovery (no action taken)

As indicated in the Table 3, the empathetic responses and corrective responses were the most frequently implemented strategies by food service providers. Within the cleanliness

category, empathetic responses were the most frequently implemented strategy (32.7%). Of these, 33.8% reported satisfactory and 31.5% reported dissatisfactory. Similarly, empathetic responses were the most regularly executed recovery in rectifying design failures (4.8%). Informants reported satisfactory and dissatisfactory of the recovery, with 5.4% and 4.1% respectively. Again, empathetic responses were the most frequently used to alleviate dissatisfaction within mechanical category (4.1%), with 6.8% perceived satisfactory and 1.4% perceived dissatisfactory. Finally, within the social category, empathetic responses were also the most frequently implemented to ease anger (2.0%). Of these, 2.7% reported satisfactory and 1.4% reported dissatisfactory. Overall, a substantial proportion of satisfying and dissatisfying recoveries were reported, with 50.3% and 49.7% respectively.

Table 3: Category Classification by Type of Recovery Strategy

Category	Satisfied		Dissatisfied		Row Total	
	No.	%	No.	%	No.	%
Group 1: Cleanliness Issues						
Compensatory responses	8	10.8	10	13.7	18	12.2
Corrective responses	20	27.0	26	35.6	46	31.3
Empathetic responses	25	33.8	23	31.5	48	32.7
No recovery	0	0.0	5	6.8	5	3.4
Group 2: Design Issues						
Compensatory responses	1	1.4	1	1.4	2	1.4
Corrective responses	4	5.4	0	0.0	4	2.7
Empathetic responses	4	5.4	3	4.1	7	4.8
No recovery	0	0.0	1	1.4	1	0.7
Group 3: Mechanical Issues						
Compensatory responses	2	2.7	1	1.4	3	2.0
Corrective responses	2	2.7	0	0.0	2	1.4
Empathetic responses	5	6.8	1	1.4	6	4.1
No recovery	0	0.0	0	0.0	0	0.0
Group 4: Social Issues						
Compensatory responses	0	0.0	0	0.0	0	0.0
Corrective responses	1	1.4	0	0.0	1	0.7
Empathetic responses	2	2.7	1	1.4	3	2.0
No recovery	0	0.0	1	1.4	1	0.7
Column Total	74	50.3	73	49.7	147	100.0

Note: Most informants described more than one recovery per incident; hence the total of recoveries does not equal the number of incidents.

4.4.1 Compensatory Responses

Compensatory responses involved recovery strategies in which the customers are compensated in some form. Satisfactory recoveries result when food service providers are attentive and anticipate needs without delay. For example, one informant noted:

> I had good impression because the manager came to me in a short time to settle the problem. He tried to give me back my confidence by giving me free coupons and I definitely will make a revisit to that outlet. (Chinese Female, 23 years old)

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A dissatisfied recovery occurs when a food service provider does not correctly identify the customer's desire, as reflected by one informant:

> The manager offered me free voucher but I didn't accept the voucher because I believe that it was not the type of recovery that I wanted. What I wanted was medical fee compensation and an apology letter from the manager. (Chinese Male, 29 years old)

4.4.2 Corrective Responses

Corrective responses included replacement and correction strategies. Satisfactory recoveries are associated with food service providers that are attentive to rectify failures and attempt to adapt to the customers' preference. For example, two informants said:

> Overall I would say I was very satisfied because of the prompt response of the staff by checking on my food and replacing another food. If they took a longer time to respond, I would definitely be dissatisfied. (Malay Male, 26 years old)

> Although at that time the restaurant was crowded, the staff managed to get a better place for us, instead of sitting us near the toilet. (Chinese Female, 24 years old)

Dissatisfied recoveries occur when food service providers demonstrate impersonally correction and not caring about customers' anticipating, as one informant responded:

> Although the waitress had replaced the food for me, I was still not satisfied because she never apologised and said anything! They have to show concern on my case and say sorry to me, I insist on that! They need to know what they need to do, not to do something only when told to do so. (Chinese Female, 24 years old)

4.4.3 Empathetic Responses

Empathetic responses refer to situations in which the food service providers use the 'mouth approach' to acknowledge customers' complaints besides offering other types of tangible recovery. Satisfactory recoveries are reported by a combination of action-oriented responses (either compensatory response or corrective response) with sincere apologies, explanations, or promises. For example, a sincere apology placated a dissatisfied customer:

> I would say that the manager was very experienced in handling failures. Besides compensating me with medical fees, he apologised sincerely and I was impressed with the last words he told me – please come back to us. (Chinese Male, 50 years old)

Reports of dissatisfactory recoveries refer to impolite and unacceptable explanations by food service providers that infuriate customers who are expecting something to be done on, as these dissatisfactory responses reveal:

I was very dissatisfied and angry with the staff! The staff did not believe what I told him about the cockroach in the food. He apologised but impolitely. I felt that he did not sincerely apologise. I left the canteen instantly. (Chinese Female, 30 years old)

I had a bad impression of this cafeteria although it was located in a grand hotel, because the waitress was very rude and gave me a nonsensical explanation. She was just wasting my time. (Chinese Female, 29 years old)

4.4.4 No Recovery

No recovery means either that the food service provider fails to resolve the issue or fails to acknowledge the customers' perceived seriousness of the situation. Customers frequently reported that food service providers to be seemingly lacking the initiative to recover from servicescape failures or else pay no special attention to the complaints, in other words, nothing has been done to alleviate dissatisfaction. For example:

I told the manager about the noise made by other customers. He verbally said ok and would settle it but in fact he didn't take any action. If the manager took any initiative to talk to those customers, I would think that he was doing something but in fact he didn't do anything. That's why I was disappointed! (Indian Female, 21 years old)

I was totally dissatisfied because there was no recovery to make me feel better! I was complaining but the manager never said or did anything that possibly would pull me back to that outlet! Totally dissatisfied! (Chinese Male, 28 years old)

5.0 IMPLICATIONS

Several implications in this particular area flow from this research. Firstly, it is hoped that this research can fill out the gap in servicescape and associated recovery area. The research has implications for food service managers and practitioners who are seeking to improve the tangible aspects in their organizations. The data from this research concludes that cleanliness problems occurred most often, thus special attention should be given to these issues. Prompt actions and special attention to the failures only lighten dissatisfaction temporarily. Hence, an appropriate programme should be implemented to prevent servicescape failures as much as possible, failing which to execute an effective recovery strategy which is the key in retaining customers. The finding of this research suggests that the ability of a food service provider to make a proper response is largely dependent on the food service provider's knowledge and control. In some cases, the responses are not tailored to the incidents, thus resulting in failure to meet a recovery expectation. In fact, a scrutiny of the failure and a strong desire to ensure customer satisfaction serves as a starting point for an improvement to an organization, for the reason that while experiencing service, a customer can create new meanings and unusual functions which could raise opportunities to improve servicescape (Aubert-Gamet, 1997; McCollough *et al*, 2000).

Perhaps, a consistency of improving and maintaining the quality of servicescape seems significant in preventing serious failure.

6.0 CONCLUSION

The importance of servicescape in food service organizations should not be neglected as it provides an image of the organization to customers even before an interaction between customers and service providers occur (Bitner, 1992; Lin, 2004). Servicescape failures can significantly diminish perceptions of service performance and evoke feelings of dissatisfaction, thus leading to complaints. An understanding of how to handle complaints and recover from failures is a great challenge for service managers. As Bejou and Palmer (1998, p. 21) observed: "… just because they forgive you does not mean they will not remember the failure". The purpose of this research was to unearth the effects of servicescape failures and the effectiveness of recovery strategies on dining experience. The focus was on food service establishments for the reason that customers tend to have a high frequency of contact with food service industries (Hoffman & Chung, 1999). By using CIT to recall the servicescape incidents, the most infuriating servicescape failures could be unearthed and understood.

The cleanliness problem is the prime issue in food service industries. Within this category, foreign objects in food is reported as the most frequently complained issue, besides dirty cutleries and surroundings as well as bad odours. The second category of servicescape failure type is identified as design problems (such as poor seating design, dim lighting, and improper arrangement of signboards). The third common type of servicescape failure is classified into the category of mechanical problems (such as machinery breakdown and air-conditioning malfunction). Another type of servicescape failure is determined as social problems (such as behaviour and appearance of staff and other patrons). Customers exhibit negative responses to those failures such as disappointment, anger, disruption, discomfort and worry. In addition, the mood of eating is being distracted by such conditions. Perhaps the most intriguing finding from this research is a few customers were able to remember their negative dining experiences and were able to recall them although they occurred more than ten years ago.

The process of classifying the recovery strategies associated with each critical incident within each servicescape failure category resulted in identifying four categories of recovery strategies: empathetic responses, corrective responses, compensated responses and no recovery. Of these four, empathetic responses and corrective responses are the most frequently implemented strategies by food service providers. The proportion of satisfying and dissatisfying recoveries was slightly different with 0.6% for all the categories. Importantly, the actions that food service providers take in response to servicescape failures should be viewed as a means to reestablish and confirm relationships with customers. Understanding the intensity of customers' reactions to recoveries will ultimately lead to a deeper understanding of their behaviour as they seek satisfaction from the expected recoveries.

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