

Passengers' Perception of Service Recovery during Flight Delays

Kok Leong Wong
School of Hospitality Management
Widener University

Shiang-Lih Chen McCain
School of Hospitality Management
Widener University

Yi-Chun Liu
School of Hospitality Management
Widener University

Abstract

The airline industry is a complex business where the airport, airline companies, and ground staff need to work closely to provide effective services during airline delays. Passenger wait time has been identified as an important factor of passenger dissatisfaction in the airline industry. Airline delay is considered a service failure, even if it is unavoidable. Airlines needed better strategies to recover from service failures, thus turning angry, frustrated passengers into loyal customers. The purpose of this study is to investigate airline passengers' perception of service recovery during flight delay by adopting the dimensions of distributive justice, procedural justice, and interactional justice.

Keywords: *Airline delay, service failures, service recovery based on three dimensions: distributive justice, procedural justice, and interactional justice.*

INTRODUCTION

Flight delays, missed connections, and cancellations are the reasons for the difference between good flight experiences of passengers and bad experiences with regard to the airline industry. Flight delays, or any instance of waiting for service, can negatively affect customers in numerous ways. Flight delays can increase passengers' anger, uncertainty and disappointment with the service provided (Taylor, 1994). In December of 2007, airline delays in the United States reached their highest monthly level since the Bureau of Transportation Statistics (BTS) began tracking flight delays in 1995, with 32 percent of domestic flights arriving late. Furthermore, in 2007, the United States airline delays reached their highest annual level since 1999, with 24 percent of all domestic flights arriving behind schedule. Furthermore, in the same year, the BTS, showed a 1.1 percent annual increase in flight delays, from 27.6 percent to 28.7 percent. According to the Federal Aviation Administration (FAA), 20 percent of the flights

were delayed by more than 20 minutes in 2004, especially in the high demand airports such as John F. Kennedy International and Chicago O'Hare International.

Airline delays are becoming a serious issue since they create annoying inconveniences for airline passengers. For many passengers, waiting at the airport when the flight has been delayed, cancelled or misconnected is a negative experience. Passengers often do not know how long they will have to wait when the flight is delayed. Waiting can be time-consuming, annoying, and incredibly frustrating. From a passenger's perspective, one factor of the negative outcome of waiting is lost time. Passengers do not like to wait, as it causes them to experience a broad range of unpleasant reactions such as boredom, irritation, anxiety, tension, anger, frustration and even humiliation (Sawrey & Telford, 1971). Flight delays cause passengers to wait, and it has an important impact on passenger satisfaction and emotional response. The purpose of this study is to investigate airline passengers' perception of wait time during flight delay by adopting the dimensions of distributive justice, procedural justice, and interactional justice, which have a huge impact on passenger responses to waiting at the airport during flight delays.

LITERATURE REVIEW

Service failure means that the service or product could not reach the expected level because some mistakes occurred in the service delivery process (Mueller et al., 1991). According to the U.S. Department of Transportation (DOT), airline delay is the most common category of customer complaints, followed by mishandled baggage. Service failures can bring out a number of different reactions from customers such as customer's dissatisfaction and anger, customer's intent to complain, withdrawal of loyalty, spreading negative word-of-mouth, and finally denial of repeat purchase behavior. Service failure can take place for a variety of reasons. These have been classified in many ways, including the following: the failure to respond to customer needs and requests (Bitner et al., 1990; Schroefler and Ennew, 2002); outcome failures (Bitner et al., 1990; Stauss, 2002); process failures (Smith et al., 1999; Gronroos, 1988; Stauss, 2002); failures associated with a customer's complaint (Andreasen & Best, 1977); and waiting for service (Durrande-Moreau, 1999).

When flight delays (service failures) occur, airline companies need to put in the effort to recover customers, because lost customers typically result in significant financial and reputational loss (Hogan, Lemon & Libai, 2003). According to Tax and Brown (1998), customers evaluate service recovery based on three dimensions: distributive justice, procedural justice, and interactional justice. Distributive justice is customer's perception of fairness in how a company should respond when customers complain. For example, refunds, credits, charge corrections, replacements, and apologies are all elements associated with distributive justice which a customer aims for in company service recovery efforts. In the airline industry, the commonly used compensations are: free upgrades, voucher, and a free one night hotel stay. Goodwin and Ross (1992) suggested that customer satisfaction is impacted by perceiving fairness of service recovery. Procedural justice is the fairness of the procedures used by a company in allocating and distributing rewards and the voice given to employees in the distribution process (Colquitt, 2001; Folger & Cropanzano, 1998). For example, Wildes (2005) suggested that a standard approach to service policies and practices can create customer

satisfaction through employee knowledge and empowerment for decision making to solve customer complaints. For instance, when a passenger lost his/her luggage, some airlines refund customers \$200 with only a claim form. Others might request a lengthy process to get the compensation for the lost luggage. Interactional justice focuses on how employees or managers of an organization handle customers when service recovery is delivered (Tax et al., 1998). Numerous studies indicate that interactional justice refers to communication between sender and receiver and how the message is delivered (Clemmer & Benjamin, 1993; Goodwin & Ross, 1992). For example, during the flight delays, if crew members were courteous, polite, empathetic, and willing to provide an explanation to the passengers, passengers will perceive higher level of interactional justice. Each passenger determines an overall judgment of the service based on perceptions regarding the people (interactional justice), the product (distributive justice), and the process (procedural justice), which interactions determine a service measurement or a customer satisfaction judgment based on overall justice (Blodgett et al., 1997).

METHODOLOGY

This study will use the survey questionnaire to collect data to measure the relationship between the three dimensions of justice and customer satisfaction. In part one; a screening question is placed at the beginning of the questionnaire to make sure that every respondent has experienced flight delay. In part two, the respondents are asked to indicate the service failure that they have experienced. The third part is for the respondents to write down the most serious service failure according to part two. In part four, the respondents are asked to check the most satisfying experience they have ever had with the airline industry's service recovery. In part five, the respondents are asked to refer to the most satisfying experience they wrote down in part four to indicate their level of agreement for the questions which will be used to measure the constructs.

References

- Andreasen, E.W.& Best, A. (1977), "Consumers complain- Does Business Responds?" Harvard Business Review, Vol.77, pp.93-101
- Bitner, M.J., Booms, B.H., & Tetreault, M. (1990). The service encounter: Diagnosing favorable and unfavorable incidents. *Journal of Marketing*, 54(1), 71-84.
- Blodgett, J. G., Hill, D. J., & Tax, S. S. (1997). The effects of distributive procedural and interactional justice on postcomplaint behavior. *Journal of Retailing*. 73(2), 185-210.
- Clemmer, Elizabeth C. and Benjamin Schneider (1988), "Managing Customer Dissatisfaction with Waiting: Applying Social-Psychological Theory in a Service Setting," in *Advances in Services Marketing and Management*, Vol. 2 Teresa A. Swartz, David E. Bowen, and Stephen W. Brown, eds. Greenwich, CT: JAI Press, 213–29.
- Colquitt, J.A. (2001). On the dimensionality of organizational justice: A construct validation of a measure. *Journal of Applied Psychology*, 86(3), 386-400.
- Durrande-Moreau, Agnes (1999), "Waiting for Service: Ten Years of Empirical Research," *International Journal of Service Industry Management*, 10 (2), 171-189.
- Folger, R., & Cropanzano, R. (1998). Organizational justice and human resource management. Thousand Oaks, CA: Sage.
- Goodwin, C., & Ross, I. (1992). Consumer responses to service failures: Influence of procedural and interactional fairness perceptions. *Journal of Business Research*, 25(2), 149-163.
- Gronroos, C (1998), "A services quality model and its marketing implications", *European Journal of Marketing*, Vol.18, No.4. Pp.36-44
- Hogan, J.E , Lemon, N. Katherine, & Libai B (2003) " What is the True Value of a Lost Customer? Marketing Science Institute Working Paper No. 02-108
- Muller, Thomas E., David K. Tse, and Ramesh Venkatasubramaniam (1991), "Postconsumption emotions: Exploring Their Emergence and Determinants," *Journal of Consumer Satisfaction, Dissatisfaction, and Complaining Behavior*, 4, 13-20.
- Sawrey, James M and Charles W. Telford(1971), *Psychology of Adjustment*, 3rd ed. Boston: Allyn and Bacon Inc
- Smith, A., Bolton, R., Wagner, J., 1999. A model of customer satisfaction with service encounters involving failure and recovery. *Journal of Marketing Research*, 34(August), 356-372.

Stauss, B. (2002), "The dimensions of complaint satisfaction: process and outcome complaint satisfaction versus cold fact and warm act complaint satisfaction", *Managing Service Quality*, Vol. 12 No. 3, pp. 173-83.

Tax, S.S.,and S.W.Brown. (1998) Customers evaluations of services complaint experiences: Implications for relationship marketing. *Journal of Marketing*

Tax, S., Brown, S. & Chandrashekar, M. (1998). Customer Evaluations of Service Complaint Experiences: Implications for Relationship Marketing. *Journal of Marketing*, 62, 60-76.

Taylor, S., 1994. Waiting for service: The relationship between delays and evaluations of service. *Journal of Marketing*, 58(April), 56-69.

Wildes, V. J. (2005). Attracting and retaining food servers: How internal service quality moderated occupational stigma. *International Journal of Hospitality Management*, Retrieved January 13, 2006.