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# Service Failure Management in High-End Hospitality Resorts

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# SERVICE FAILURE MANAGEMENT IN HIGH-END HOSPITALITY RESORTS

By

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## Abstract

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Service Failure Management

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The purpose of this study was to better understand the interactions that occur at high-end resorts during service failures that guests sometimes experience during their stay. Both service-failure managers and guests who had experienced service failures during their stay at a high-end resort were interviewed to examine the service recovery techniques and timing strategies (such as the ex-antecrisis crisis timing strategy) that are perceived to be the best methods to correct service failures during a guest's stay. In comparing the responses from service recovery managers and guests, commonalities were found regarding the best practices for ways to treat guests during service failures, and the pre-existing understandings that service recovery mangers have about techniques that have effectively resolved service failures in the past.

## Introduction

Organizations in high-end hospitality resorts strive to meet the immense expectations of the customers they serve because failure to do so could result in the loss of customers, negative referrals to others, or even potential lawsuits. When short-comings occur, a quick and expedited response is necessary for a successful resolution. In service, crisis management involves managing situations of extreme emotions, in which individuals are dealing with situations they normally would not. As such, a need exists to formulate a method of best practices to ensure that an organization can effectively manage service failures once they occur.

How and how quickly the crisis is managed is known as crisis timing strategy management (Claeys & Cauberghe, 2012). Crisis timing strategy management is important to service failures because the timing with which a service failure is handled can have implications for a guest's future interactions with the organization. For example, a guest could choose a different resort for future visits, or negatively portray the resort to others.

In this study, two strategies, the ex-postcrisis strategy and the ex-antecrisis strategy, will be examined as ways to manage service failure management to better understand which method would successful in resolving service failures. An ex-antecrisis strategy is used when an organization is the first to offer information to their stakeholders, and an ex-postcrisis strategy is used when the organization responds to the event after it has already happened and awareness has already been raised (Claeys & Cauberghe, 2012). An ex-antecrisis timing strategy will provide the guest with a better service recovery procedure than an ex-postcrisis timing strategy because the high-end organization using the ex-antecrisis strategy will acknowledge the service failure to a guest, offer solutions that can be tailored to the specifications of a guest, and demonstrate empathy and remorsefulness during the interaction. Service failures must be handled as quickly as possible to ensure that emotions such as anger and sadness do not increase the stress placed on an already stressful situation (Kim & Cameron, 2011).

The service recovery process has at least two important aspects. First, an organization can appear genuine and sincere when engaging with customers who have experienced a service failure. Risen and Gilovich (2007) found that an attempt to be forgiven is considered genuine when it appears sincere and heartfelt. Honesty and sincerity are important in the hospitality industry because organizations rely on their guest's word of mouth and repeat business. Second, an organization should try to appease the customer they are serving. To ignore the customer's complaints would be counter to the organization's purpose, which should holistically focused on guests' satisfaction with the entire experience. Therefore, the purpose of this study is to examine the service recovery process, and determine if an ex-antecrisis timing strategy, coupled with emotional framing methods, is effective in repairing organizational image and improving customer satisfaction in high-end hospitality resorts.

## Literature Review

### Service Failures in High-End Resorts

A 'service failure' is "the inability to meet the expectations of customer regarding the standard service of delivery" (Palmer, 2001, p. 492). Such experiences can leave a guest feeling cheated out of their desired experience, and have financial implications for a high-end hospitality resort. Because consumers often switch to another provider after these experiences, service failures prove to be quite costly to organizations (Neir, Casielle, & Iglesia, 2010). These costs are not always visible costs in a high-end hospitality organization. For example, not only does an immediate threat exists to lose consumers who may frequently stay at a certain location, but a threat also exists to lose potential consumers that may either reads reviews online, or speak directly with the individuals who experienced service failures. Brown and Reingen (1987) argue that dissatisfied customers may, on average, complain to as many as nine to ten people, while satisfied customers, on average, only express contentment with four to five people. Thus, consumers who have experienced service failures are twice as likely to discuss a negative experience than a positive experience.

In the high-end hospitality industry, service failures can include anything the consumer believes the organization failed to accomplish (e.g., poor room quality, additional charges, flight delays, poor food quality) (Palmer, 2001, p. 492). Some of these may not be directly affected by the organization (e.g., flight delays), but can still affect the perception the consumer has on the organization. A guest might have high expectations for the service they receive, and any deviation from their expectations could prove troublesome to the organization. In the high-end hospitality industry, a business must subjectively cater to each guest on an individual level because each guest will have different requirements and expectations. Poor customer satisfaction could affect customer loyalty which will affect the organization as a whole.

Hospitality organizations can fail in customer service in several ways. One of those ways can be in the “physical surrounds” (Cranage, 2004, p. 211). Hoffman, Kelley and Chung (2003) identified three points of failure that can occur in the physical surrounds in an organization: cleanliness issues, mechanical problems, and facility design issues (p. 339-40). These issues are listed in the order of frequency they occur in hospitality services, and are important because they can directly affect the guest’s experience. For example, service failures regarding cleanliness issues can be anything that pertains to foreign objects, foul odors, or poor room quality. Mechanical issues could include certain facilities not being made available (e.g., broken faucet). Facility design issues could include factors such as the room being next to a noisy highway.

Hoffman et al. (2003) showed that facility maintenance impacts customer retention, and that proper facility maintenance can assist in mitigating negative expectancy violations with guests.

Certain steps should be employed when a service failure has occurred. In one study, Cranage (2004) attempted to better understand customer satisfaction and how to properly address a service failure that has occurred. Defined as part of the customer interaction process and not completely avoidable (p. 212), Cranage found that an organization can employ proper procedures to help in the resolution when service failures occur. Empowering employees, promoting communication from the guests to the organization, properly structuring the organization to manage the service recovery process, monitoring employees' responses, and conducting an exit interview with the guests are potentially important steps in the service recovery process (Cranage, 2004, p. 211).

Employees can be reluctant to address certain complaints, but organizations could empower them and make employees part of the recovery process. Doing so can help prevent small problems escalate into larger problems. Dangers may exist with this strategy however. Young, Corsun, and Shinnar (2004) discuss how empowering employees can be a good tool for solving a short-term problem, but can sometimes mask a problem that needs to be addressed by indirectly addressing the issue. For example, an employee may give a complimentary food voucher for incorrectly scheduling a reservation, but this does not address the problem as to why the problem occurred. Quickly, directly, and effectively addressing the root of the problem is of key importance when looking to eliminate future service failures.

**Timing Strategies in Service Recovery**

When an organization is faced with a service failure, the problem must be addressed as quickly as possible. In certain cases, this may mean making the customer aware of an issue before they are aware of the issue themselves (e.g., company's failure to make customer lodging reservations prior to arrival). In crisis management in organizations, timing strategies are employed to promote active and open communication. Two of these strategies include an ex-antecrisis timing strategy and an ex-postcrisis timing strategy. These two strategies are different in the way they promote communication. As previously discussed, an ex-antecrisis strategy is where an organization is the first to offer information to their stakeholders whereas an ex-postcrisis strategy is where the organization responds to the event after it has already happened, and awareness has already been raised (Claeys & Cauberghe, 2012).

According to William et al. (1993), ex-antecrisis timing strategies offer the organization the chance to frame the crisis. In this sense, framing the crisis becomes important to how the message is relayed by the organization and how the message is received by the consumers and stakeholders. For an organization to "steal thunder" in a crisis, an organization must break the news themselves and not rely on an outside, third-party source (Arpan & Pompper, 2003). William et al. (1993) conducted a study on "stealing the thunder" that observed three different scenarios in which a man is accused of assaulting another man: One in which the defendant was accused of the crime (no thunder); a second in which the prosecuting attorney told the jury the defendant had been convicted of the crime twice before (thunder); and finally, one in which the defendant's attorney acknowledged the fact that his client had been convicted twice before, downplaying the importance of it by saying it should not be considered evidence of culpability (this argument was later reiterated by the judge during jury instruction) (stolen thunder) (William et al., 1993, p. 601). The acknowledgement of prior convictions was shown to enhance the credibility of the defendant and the defense attorney by "stealing the thunder" away from the prosecution.

In these studies, when a defendant admitted wrongdoing or something that could compromise themselves in a trial, the mock jury was less likely to consider them guilty when an ex-antecrisis strategy was employed to relay information (Williams et al., 1993). The reason for this was the defendant showed remorse for the act he committed and his confession "stole the thunder" away from the prosecution. Williams et al. (1993) explain that the admittance of guilt helped the defendant by warning the prosecution about an upcoming damaging testimony the prosecution was about to present, thereby weakening their position. Thus, admitting guilt or wrongdoing ahead of time can have a positive impact on perception in lieu of the negative atmosphere surrounding the situation.

Because customers can become increasingly frustrated and dissatisfied as time passes after a service failure, one of the most prominent ways to resolve a customer complaint in the hospitality and tourist industry is through an expedient and efficient response (Karatepe & Ekiz, 2004). Patterson, Cowley, and Prasongsukarn (2006) showed the importance of speed in response and recovery after a service failure by demonstrating that a quick response was perceived as more favorable than a slow response. The study elaborates that the timeliness of a response greatly influences the consumer's perception of justice. The speed of the response plays an integral role in how the customer views the importance of the problem to the organization.

Tax, Brown and Chandrashekaran (1998) suggest that a service organization's ability to recover after a service failure greatly contributes to a consumer's positive evaluation of the service of the organization, thereby increasing the potential for customer loyalty, retention rates, and bottom-line performance. The potential for growth demonstrates the need for a quick response because keeping customers and organizational image intact is of paramount importance. Bhandari and Polonsky (2011) demonstrate service failures and crisis in organizations and explain that a customer’s main reason for switching to another organization is due to the way the service failure is handled.

The effectiveness of the ex-antecrisis timing strategy can be explained through several different theories (Arpan & Pompper, 2003). The first of these is commodity theory, which explains that scarcity of commodities enhances their value to customers (Brock, 1968). From this approach, messages regarding service failures hold value because they are scarce, especially in a service setting. Accordingly, an organization should be the first to discuss the service failure in an ex-antecrisis timing strategy, because customers will have no need to keep complaining if an organization can “steal the thunder’ of the crisis, and any subsequent attacks will have less impact on any reputational outcome for the organization (Arpan & Pompper, 2003). If a high-end hospitality organization can address the service failure before a guest has been made aware, a guest may be less likely to react in an angry manner. Conveying the importance of addressing the service failure quickly will eliminate the scarcity of messages in a time of crisis for a guest.

A second explanation for the effectiveness of the ex-antecrisis timing strategy exists in disconfirmation of expectancy theory. This theory states that credibility can be built by doing what is unexpected (Arpan & Pompper, 2003). For example, an individual may violate audience expectations by revealing something negative about oneself. In turn, this disclosure may raise credibility levels and lead to enhanced persuasiveness (Eagly, Wood, & Chaiken, 1978). If a high-end hospitality organization has created a service failure and the guest has not yet become aware of the failure, an ex-antecrisis approach will benefit the organization in solving the problem. The service failure will benefit from employing an ex-antecrisis timing strategy because the acknowledgement of the service failure was unexpected yet greatly appreciated by the guest.

A high-end hospitality organization can benefit by operating with the utmost integrity and accountability to the guests they serve. If a service failure is to occur in a high-end hospitality organization without the guest’s knowledge, the guest should be made aware of the rectification of the service failure. This transparency and accountability can have positive effects on the relationship between the organization and the guest. However, certain individuals may remain skeptical to an organizations transparency. Reporting biases assume that a commentator’s willingness to tell the whole truth is compromised (Eagly, Wood, & Chaiken, 1981). If an audience asserts an individual or organization is perpetuating this bias, the audience will perceive them as less persuasive. On the other hand, communicators who deliver information that violates expected bias are perceived as more credible and more persuasive (Eagly, Wood, & Chaiken, 1981).

An ex-antecrisis timing strategy addresses this bias by being transparent, honest, and willing to quickly rectify the service failure, thereby enhancing organizational credibility. This claim is supported by Arpan and Pompper (2003), who showed that organizations were more credible when employing ex-antecrisis timing strategies than when using ex-postcrisis timing strategies. In their experiment, reporters and journalist were asked to read one of two randomly assigned fictitious scenarios that involved a crisis. In one scenario, the organization “stole the thunder” and broke the news of the crisis. In the second scenario, the journalist learned about the crisis from a party other than the organization. The findings of this experiment showed that the organization was seen as more credible when it “stole the thunder” of the news (Arpan & Pompper, 2003).

A final explanation for the effectiveness of the ex-antecrisis timing strategy is the change-of-meaning hypothesis. The change-of-meaning hypothesis outlines the ways a reporter or outside third party may try to change the narrative of the story by discounting the importance of messages or trying to downplay the crisis (Arpan & Pompper, 2003). For example, the ex-antecrisis timing strategy "steals the thunder" by disrupting the routine of those reporting outside the organization. The information that is disseminated to the public may then appear less important due to its source. Disseminating the information also helps people minimize the importance of the news, making it less valuable to outside sources.

**Emotional Appeals and Sincerity During a Service Failure**

One reason why a service failure must quickly be remedied is because of the strong emotions felt by the consumers during a service failure. Choi and Lin (2009) discuss how these emotions are important to companies because consumers use these emotions to evaluate a company in crisis. Emotions felt during a crisis can have a dramatic effect on the way in which people act. Emotions can also be useful when looking to understand how individuals understand the crisis that has occurred. The ex-antecrisis timing strategy addresses the service failure that has occurred, but there are also emotions that are strongly felt by the guest during this time.

Emotions felt during a time of crisis are deeply felt, and thus evoke a strong reaction to those involved. Kim and Cameron (2011) examined the impact of crisis news frames that induce anger versus sadness with the consumer. The study found that emotions such as anger and sadness induced by the media's news frames affected the customer's evaluation of a company. Anger-inducing news frames led to a more negative attitude towards the company than sadness-inducing news frames (Kim & Cameron, 2011). The two most critical emotions that effect an individual in a time of crisis are anger and sadness (Kim & Cameron, 2011). These emotions are important because the consumers feel these emotions thereby evoking a reaction, and because crisis is often framed in terms of either anger or sadness (Claeys, Cauberghe, & Leysen, 2013).

For example, Claeys et al. (2013), conducted a study in which a fictitious news conference regarding a fire in a night club was assessed in terms of either rational (anger) or emotional (sadness) message framing. The message framing was coupled with either an ex-postcrisis or ex-antecrisis timing strategy regarding how the news about the accident was relayed. Multiple casualties were reported in the fire due to an emergency exit being locked. In an ex-antecrisis response strategy, the owner was the first to acknowledge the door had been locked as opposed to the ex-postcrisis response strategy, where the same information was released by the fire department and later confirmed by the club owner.

The study found that employing an ex-antecrisis timing strategy to disclose the information and expressing genuine remorse lead to a more favorable reputational outcome for the organization than had an ex-post crisis timing strategy (Claeys et al., 2013). The ex-antecrisis strategy also lead to a better use of organizational message framing because the organization could have more control over the message that is relayed to the public (Claeys et al., 2013). Finally, admitting sadness as a discrete negative emotion allowed for a more positive post-crisis organizational reputation (Claeys et al., 2013). Their findings show that emotions, such as anger or sadness, can have a dramatic effect on the way the consumers perceive organizational reputation.

Sadness and guilt also play a role in perceived sincerity of expressed emotion. Legg (2009) conducted a study on the televangelist Jimmy Swaggart in a study of religious crisis communication. In a sermon on May 22, 1988, Swaggart admitted to having immoral relations with a prostitute. Throughout the study, Swaggart’s image repair efforts are examined, and mortification was an identified as an effective tool in aiding in the effort (Legg, 2009). Mortification is based on the accused party admitting guilt of a wrongdoing and pleading for forgiveness (Burke, 1970). To the public, remorse is an expression of genuine sincerity for the problem that has occurred. Remorsefulness is important because it can define the way an organization is viewed by the public. Public perception can have effects on multiple levels. The longer the consumer blames an organization for a crisis, the longer the organizations reputation suffers damage (Coombs, 1998). An organization can minimize both current and future damage by offering a genuine expression of sadness over the events that occurred.

Sincerity must also be perceived as genuine to be considered credible when interacting with consumers. Risen and Gilovich (2007) found that an attempt to be forgiven must appear genuine and sincere to be considered heartfelt. Kim (2011) also found that perceived genuine sincerity of a message leads to a more positive evaluation by stakeholders in an organization. This helps to show that a message must be considered sincere to have maximum effect.

Message framing is further important to how individuals respond to a crisis. Message framing can be done rationally or emotionally. In situations that involve hospitality, a need exists to cater to those emotions strongly felt during service failures. Stafford, Stafford, and Day (2002) write that emotionally framed language contains subjective, evaluative properties and emotionally loaded adjectives (e.g., “Sir that is a disastrous situation to be in”). In the case of rational language, the information is presented in a clear direct manner with no emotional attachment (“Sir, you were forewarned about the risk before coming”). These two different approaches can have different effects on the way a message is interpreted. Emotionally framed language caters to an individual’s feelings by including drama including subjective language and evaluative properties (Stafford & Day, 1995). Rationally framed messages, on the other hand, “appeal to the receiver’s rationality by presenting information in an objective and straightforward manner” (Claeys & Cauberghe, 2014, p. 184). In a high-end hospitality organization, rationally framed messages do not appeal to the guest emotions, and can be considered uncompassionate and unsympathetic. As such, emotionally framed messages spoken with genuine remorse and sincerity can be better at rectifying service failures than rationally framed messages once they have occurred.

When employing an ex-antecrisis timing strategy to remedy a service failure, responders need to appeal to a guest's emotions and demonstrate genuine sincerity and remorsefulness in the failure that has occurred. Service recovery efforts done with an ex-antecrisis timing strategy can appeal to a guest's emotion in a positive manner. Organizationally, the message could be framed in a manner that shows support for the guest's emotions. Appealing to a guest's emotions, framing the failure to minimalize risk, and demonstrating sincerity and remorsefulness can allow for a successful service recovery effort once a service failure has been identified.

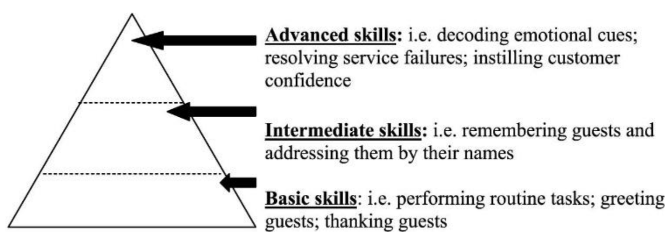
**Proper Service Recovery Techniques**

Once a service failure has occurred, the organization's main job becomes rectifying the problem, because the organization may face detrimental backlash if service failures are mishandled. Boshoff and Staude (2003) argue that organizations must put strategies in place to "return customers to a state of satisfaction" (p. 9). Because a guest can become increasingly frustrated and dissatisfied with the organization due to the organizations ineffective handling of the situation, which only reinforces negative consumer reactions and can harm a marketer's reputation, a high-end hospitality organization should develop a system of quickly addressing the issue at hand that directly caters to the guest (Neir et al., 2010; Hoffman & Chung, 1999).

Indeed, high-end hospitality resorts want to do everything possible to rectify a service failure. Magnini and Ford (2004) discuss the importance of hotels implementing a training program for their employees to better handle service failures: They write that, "Service recovery training has been shown to be effective and is a strategic necessity for guest retention and hotel profitability” (p. 281). In service recovery training, employees play an integral role in helping guests who have experienced a service failure. Magnini and Ford (2004) outline five different areas that should be directly addressed in a service recovery training program: information processing, emotional reaction, inspiring guest’s self-assurance, employee empowerment, and how the organization can positively affect employee satisfaction (p. 281).

Of course, information processing must consider the cognitive style of the guests and any cultural differences that may be present in the interaction. An employee must be able to understand and relay information to the guest. Emotional understanding is important because a guest’s emotional responses to service failures are often highly correlated with overall satisfaction judgments of the encounter (Smith and Bolton, 2002). In Figure 1, a pyramid developed by Magnini and Ford (2004) shows how skills can be built upon in the hospitality industry. The pyramid shows three different levels of skills that employees should learn to master to best connect with customers.

Figure 1.




*Adapted From:* Magnini, V. P., & Ford, J. B. (2004). Service failure recovery in China. *International Journal of Contemporary Hospitality Management*, *16*(5), p. 282.

Inspiring a guest’s confidence in an organization is important because this reassures guests that the mistake will not occur in the future. A guest is more likely to be satisfied with the service recovery effort if he/she believes the mistake was temporary rather than stable (Hess, Ganesan, & Klein, 2003). Empowering employees is a crucial part of the service recovery process. The most certain method for an organization to recover from a service failure is to have the front-line employees identify and solve the problem (Hart, Heskett, & Sasser, 1990).

Employees play an integral role in helping to rectify service failures. As Magnini and Ford (2004) write, “there is a strong tie between employee satisfaction and the effectiveness of recovery efforts; therefore, internal marketing efforts should be fused with failure recovery training initiatives.” (p. 283). Employees of a high-end hospitality organization should be trained in these different areas to handle a service failure properly and efficiently. When enacting proper service recovery techniques, a high-end hospitality organization will benefit from teaching their employees proper training steps to reach the advanced skills. If a high-end hospitality organization has staff who has knowledge and understanding of advanced communication skills, there is more likelihood that a successful service recovery effort will occur.

To study service failure recovery, Boshoff (1999) developed the 17-item RECOVSAT instrument to measure satisfaction with transaction-specific service recovery in conjunction with dimensions Boshoff identified by analyzing customer expectations. Boshoff and Staude (2003) later conducted a study to assess the validity and reliability of the RECOVSAT instrument purported to measure satisfaction in the service industry. In this study, six different aspects of service recovery were discovered: atonement, communication, feedback, empowerment, tangibles, and explanation (Boshoff & Staude, 2003, p. 10). *Atonement* refers to the level of equity a guest feels they have received. The guest must receive equal or greater amount of value given back to assure satisfaction. *Communication* refers to the manner in which the employees can communicate with the guest. The communication is both about the service recovery process and finding a viable solution. *Empowerment* refers to the organization’s ability to empower the employee to act when they receive a complaint. *Feedback* refers to the level of information an employee has provided to a guest. Feedback can help improve communication between the employee and guest and aid in the service recovery process. *Empowering* employees is an important part of the service recovery process. *Tangibles* directly address the standard appearance of the employees. High-end hospitality organizations should always have their staff and employees dress in a formal manner. The formal dress displays professionalism in the workplace and empowers the employee. Finally, offering an *explanation* as to why the problem occurred allows the guest to understand why the problem happened. However, the explanation excludes the acknowledgement of responsibility or an apology (Boshoff & Staude, 2003, p. 11). The authors argue that acknowledgement of responsibility or an apology should be excluded from explanations, because those acts can leave a high-end hospitality organization liable to potential legal action.

For a service organization to be successful, organizations must aim to do more than simply satisfy customers and focus on customer retention (Kurt & Clow, 1998, p. 403). Rather, a high-end hospitality resort should focus on building a relationship with their customers. When a service failure has occurred, an organization should focus on rectifying the problem in an expedient manner. Organizational integrity and reputation are of paramount importance when working in the service industry and proper techniques should be developed by an organization to ensure these are preserved. A high-end hospitality resort must also deliver the highest quality of service available. According to Bradley and Sparks (2009), service businesses providing higher levels of service quality tend to generate higher levels of customer satisfaction and loyalty, which in turn generate higher profits.

**Post-Crisis Service Recovery Methods: Apology, Compensation, and Sympathy**

When a high-end hospitality organization has addressed a service failure through the service recovery process, the organization can become liable in many ways. The organization has an interest in rectifying the problem in a quick, sincere, and forth right manner. Certain departments within the organization go about handling service failures and they should be done carefully. High-end hospitality organizations want to handle these instances very carefully because of the ramifications they can carry (e.g., guest retention, poor reviews, legal action).

One direct method is to apologize for the service failure that has occurred. However, this method accepts the responsibility for the error and has implications in and of itself. Accepting responsibility is at the heart of an apology, and this makes it the most expensive financial resolution to and organizational crisis (Fuchs-Burnett, 2002). In this sense, the organization then allows itself to be open to financial losses.

Compensation and sympathy are two less expensive, but equally effective strategies to shaping people's perceptions of an organization taking responsibility (Coombs & Holladay, 2008). When an organization expresses sympathy, they express concern for the victims while compensation offers the consumers something of value for the problem that has affected them. Dean (2004) found an apology to be preferable to no comment, denial, excuse, or justification. An apology was the preferred strategy, and was most strongly correlated with a positive perception of an organization's reputation. However, comparatively little research has been conducted in regards to compensation and sympathy as an accommodating strategy. One study conducted by Wirtz and Mattila (2003) studied service failure in a restaurant, and found that an apology was more effective at increasing customer satisfaction than compensation.

In sum, this study examines the service recovery process and will attempt to determine if an ex-antecrisis timing strategy, coupled with emotional framing methods, is effective in repairing organizational image and improving customer satisfaction in high-end hospitality resorts, post service failure. The ex-antecrisis timing strategy offers many benefits to the service recovery process that can aid in the rectification of service failures and the promotion of organizational image. This study aims to examine these benefits and potentially help explain why employing the ex-antecrisis timing strategy is beneficial for both an organization and the guests they serve.

Based on this, the following questions will be examined in this study:

**RQ1:** What perceptions do service recovery managers have about the most effective ways of managing service failures?

**RQ2:** What perceptions do guests/clients have about the most effective ways of managing service failures?

**RQ3:** In what ways do service recovery managers and clients/guests share perceptions of effective service recovery techniques?

**RQ4:** In what ways do service recovery managers and clients/guests differ in their perceptions of effective service recovery techniques?

## Methods

### Participants and Procedures

For this study, a high-end hospitality resort was defined by the Forbes rating system. Any resort that scored a 4 or 5-star rating on their rating scale classified. Four-star properties were defined as "offering high levels of service and quality to match," and 5-star properties were defined as "outstanding, often iconic properties with virtually flawless service and amazing facilities" (Forbestravelguide.com). Ten people participated in this study (5 men, 5 women). Two men (“Ryan” and “Mark”) and three women (“Lauren,” “Bill,” and “Sam”) were service recovery managers. Two women (“Mitzie” and “Mary”) and three men (“Ward,” “Tom,” and “Andy”) were former guests of high-end resorts. The individuals who participated were all Caucasian Americans who currently live in the United States of America.

Members of the different groups were contacted through personal and work connections made over the summer working at a local resort in the area. As a network sample, the findings are limited to those individuals I was able to connect with through work connections as well as connections made at the IMEX America conference that took place in Las Vegas, NV in October of 2018. After receiving IRB approval, interviews were conducted over roughly 35 days.

The longest interview conducted lasted for 38 minutes and the shortest lasted 11 minutes. Seven in-person interviews were conducted, and three interviews were conducted electronically. The in-person interviews were conducted by using a mobile phone to record the audio after approval to record had been given by the participant. For the electronic interviews, the phone was used to record the audio after approval had been given then return later to transcribe the information. Once recordings had been successfully transcribed, the recordings were deleted indefinitely.

Upon completing each interview, I used an online application to transcribe the audio and then go back after the interview had been transcribed and make corrections as necessary while listening again to the interview. This helped to ensure accuracy when compiling the information in the interviews. The ten interviews yielded 78 pages of transcription.

**Data Analysis**

In the initial stages of forming categories and learning from service recovery managers and guests who have stayed in high-end resorts and experienced a service failure, I used a modified version of the open coding process to better understand the meaning to the data that was collected. During the initial stage of coding, there were times where the data had to be coded and recoded once meaning was found in connection with other participants in their respective group (e.g., service recovery managers or guests of high-end resorts who also experienced a service failure). This initial stage of coding that was conducted is known as "primary cycle coding," because the data were first coded, and then recoded to better understand the meaning of the data and their assigned words (Tracy, 2012).

After the initial stages of coding were conducted and categories had been formed to denote areas that needed attention, a version of the constant comparative method was then used to modify the coding to fit new data and information that was found later. For example, the service recovery managers pointed out areas that needed direct attention such as having a calm demeanor, accepting blame, giving "voice" to the guest, presenting multiple options for resolution, and following through on promises. These areas of interest were then used to better understand if the same ideals held true for guests who stay at high-end resorts. For example, based on the information gleamed from service recovery managers, I examined whether guests reported similar ideals that service recovery managers also held about the service recovery process beneficial. Using a modified version of the open coding process allowed me to identify the areas of importance by using the information from one group of study, and then using this information to find similarities and differences in the responses of both groups. This procedure also allowed for the interview questions to evolve over time based on the information gained.

Tracy (2012) explains that the constant comparative method is circular, iterative, and reflexive (p. 190). During the coding process, guests and service recovery mangers coding categories had to change throughout the process because new themes began to emerge. For example, when talking to service recovery managers, one topic that was said to a point of interest was allowing guests to be heard and understood. Initial coding labeled these statements from service recovery mangers as “listening and being attentive” but was later changed to “giving ‘voice’ to the guest” because of the information received after multiple interviews. There was deeper meaning to be understood than just listening to the guest. The coding that had previously been done was not enough to encapsulate the concept that was being conveyed by the different service recovery mangers. Using the modified version of the constant comparative method allowed flexibility in comparing different responses during the coding process and allowed for the coding process to evolve and change to better grasp the concepts that were being convey by the respondents.

## Results

The first research question asked about the perceptions that service recovery managers have about the most effective ways of managing service failures. Three general categories of perceptions emerged from the data: Perceptions about manager conduct, perceptions about communication, and perceptions about teamwork. The findings are summarized in Table 1.

### What are the effective ways of managing service failures?

**Manager conduct.** Manager conduct involves perceptions about what managers should do to conduct themselves during the process, including the presentation of the problem and the physical demeanor of the service recovery manager. This includes a calm demeanor, giving a “voice” to the guest, accepting blame, presenting multiple options for service failure resolution, and following through on promises.

Some service failure managers provided stories of incomplete travel information resulting in missed flights, incomplete room service orders prior to arrival, weather causing a wedding to be moved indoors, power outages, and incomplete food allergy sheets presented to the chef. For example, “Ryan” shared a story regarding a service failure he had to manage. He explained,

> *So there were many situations where people would arrive at a home and one of our transportation personnel would be asked a question like, “Where is the food delivery I was supposed to have? It was supposed to be here in the fridge when I got here. Where is the crib that was requested? I have a two-year-old daughter.”*

Ryan later elaborated that some of these guests come in at very late at night and, especially in that case, it's very hard to find an easy resolution when it comes to rectifying that type service failure.

Five common subthemes of manager conduct emerged when directly addressing a service failure with a guest. These five themes are presenting a calm demeanor, taking responsibility of the problem as an organization, giving a voice to the guest, presenting multiple options for resolution, and finally following through on commitments.

The first is to come into the situation with *a calm demeanor*. For example, “Ryan” shared,

> *Your attitude can’t be lackadaisical or present some frantic solution. In addition to that, in front of the guest it should be always seem to them that things are under control even when things seem like they're not. There should never be a sense of panic. There should be a sense of urgency and respect but definitely not panic or stress.*

In regards to a guest’s level of anxiousness with the situation, “Sam” said,

> *Their adrenaline's way up here (anxious) and you have to be the person that stays right here and you know once you bring them down (calm) they're usually pretty OK so I would say to remain calm.*

“Bill” also spoke about how guests can sometimes mimic the behavior they are presented with by staff. He stated,

> *I think that when people see a problem, it turns into this panic mode. Ultimately, what I learned is talking with people and also the experience that I've gained myself is the way that you present yourself to the guest is nine times out of ten the way they're also gonna react and deal with the situation.*

He later elaborated and said, “If you get all excited and if you get up tight then they are gonna mimic that same response that you had. Therefore, you want to remain calm.”

The second aspect of the service recovery process that managers specified as being important to the service recovery process is *accepting blame*. A general theme from the service recovery mangers a need to take ownership of the problem. For example, “Bill” said,

> *What I try not to do is blame them because I think if you explain what's happened and be truthful about it, they see that it's partially their fault. Also, in the heat of the moment, if you start blaming them then you get into this yelling match back and forth and nothing gets resolved.*

Another aspect of owning the blame came in the form of admitting an error to coworkers. Multiple service failure mangers pointed out that, to be successful, you must work as one body. If a failure occurred because of your team, it is the team’s responsibility to properly maneuver and manger the failure. For instance, “Mark” said, *I think in order to be successful you obviously have to admit that you made the mistake to the team and to their guests and then once it is it has been rectified and you should let the guests know and then reassure them that this problem will not occur again in the future ever. Sometimes you make mistakes but you must own the blame to the responsible parties and take ownership.*

The third aspect of the service recovery process is allowing the guest to feel that they have a voice and they are *being listened too*. Guests who spend large amounts of money to travel have high expectations in the service they receive. When a failure occurs in this setting, the guest must be immediately assured that the problem is being handled and given an outlet to discuss the failure as a whole. “Sam” discussed a time where this occurred and said,

*I remember we had a guest stay with us who was furious she didn’t have her special bottle of wine in the room when she arrived. She mentioned this had never happened during her stays before and was furious. We did have her bottle but housekeeping was a little bit behind that day. I contacted housekeeping to check that her bottle would be delivered. Once the call came back that the bottle was on her way, she actually thanked me for my time and the conversation. She left with a completely different attitude than when she came in. I think what really helped was just listening to her and giving her the time of day.*

When a guest has experienced a service failure, a “one size fits all,” “cookie cutter” solution rarely exists. *Presenting multiple options* was described as being very important, and is thus the fourth important part of the service recover process as specified by service recovery mangers. Compensating nights, dinners, activities, spa appointments, and gift cards were discussed as a typical solution to many problems, but one theme that emerged was that the best service failure rectifications came from creating a personalized and special solution.

For example, "Lauren" discussed how service failures can be completely out of one's control and in these circumstances humor and a direct approach can help rectify the failure. She described a time when the power had gone out at the ski resort she worked at. She said,

> *We decided to make the misadventure into a new adventure. We all had a candlelight cocktail party and decided let's all gather in the lobby, the lounge or the wherever there's a fireplace and we'll stand around it and wait for the power to come back on. I might have suggested something like that also let's have a midnight snack! Think a little lighter. Be a little more humorous maybe. Not going far, 'Isn't this a goofy thing that happened' but lighten up a little. Because the power goes out sometimes.*

Mistakes can happen but providing multiple options for a resolution can aid in the service recovery process.

Not all failures are "one and done," and just because a momentary resolution has been presented, some managers indicated a desire to go above and beyond to deliver the best possible service. For example, "Ryan" stated,

> *Respond to the guest and look for their reaction to your different options. It's not always "one and done" Sometimes it's making sure you give a guest their favorite beverage say cherry soda. If a guest ordered that soda to be at the restaurant and it wasn't, a good manager would ensure that they ordered enough for the guest to have a fresh six pack in their fridge every day, with no charge. Now instead of one soda, she has a fresh six pack every day along with the soda in the restaurant. This will go a long way with the guest. You are over-delivering on a promise instead of under-delivering when it comes to that*

*solution. This also demonstrates how you can rectify a problem with a guest with a personal touch.*

Following through on newly-made promises becomes very important at this juncture and is the fifth and final component to successful service recovery. Because promises and trust have been broken between the organization and the guest, guests will hesitate to trust that a resolution will be delivered. During this time, any promises made to the guest after the service failure should be treated very carefully and with great respect. For example, “Mark” said,

*I mean definitely just let them know what steps you've taken to just solve the problem, do everything A.S.A.P. If you're busy but there's a problem, find someone else who can solve it. Put your biggest fires out first. Prioritize and delegate when necessary. Communicate to the guest you're trying to solve problem. You could possible let the guest know how important the issue is to you. Always follow through on your promises after you have failed.*

In following through during the service recovery, the process employees follow affects the guest’s perception about the level of attention and care they place into their guests. “Bill” shared a story regarding a service failure the organization encountered and how they followed through with the rectification. He said,

*Everyone had sat down to eat their breakfast but there was a mix-up on the dietary restrictions for one of the guests. Due to this, there was a severe allergic reaction to the food. Because of this, the guest was very upset. We spent a lot of time talking with the guest about how to compensate them for this terrible mistake. After a lot of talking we came to a resolution. So we ended on a really good note, but what ended up happening is after that occurred, we had a meeting with the client and my general manager just to*

> *review everything. We went over all of it and we apologized profusely. We ended up giving them a very large credit on their bill that they requested. They basically said this is the amount, because we came back with an amount originally and they said no, you should give me more. So because of what we did and how we followed through, they are one of our really good clients and they refer people to us now."*

"Ryan" also stated that a follow up approach was beneficial to rectifying service failures:

> *Following up after the service failure occurred was good, in addition to our manager going out and speaking one-on-one with the people at the home and made sure that everything was fulfilled. That's how I remember: solve the problem and then followed up with the guests after.*

**Communication.** Throughout the interviews with service recovery managers, much was said about how managers feel they should communicate with the guests they serve. In this case, communication involves the perceptions service recovery managers have about the role that open and honest communication plays during service recovery. One of the sub-themes of communication dealt directly with the approach a manager can take to help address the situation in a productive manner. Specifically, *honest, open, concise, and genuine communication* was beneficial to aiding in the service recovery process. For example, "Bill" stated,

> *Open and concise communication should be used when dealing with service failures. This is not to say that guests should have access to 'back of house" type information but just relaying to them what is happening and how the problem is being solved.*

This was reiterated by another interviewee, "Lauren", who shared that,

> *Communication, that's the biggest thing and if there is a guest who needs a little bit more attention, I think communicating back to all the employees and letting them know,*

*'This is what happened'. The guest wants to be acknowledged. Just make sure doesn't happen again or you just let them know in general I think is a big thing. If someone in the pre-arrival department promised the guest something, they need to communicate this to the proper departments. You need to keep everyone on the same page. Always let the guest know what you are doing to solve the problem and be open with them and mistake you made.*

Being genuine also emerged when discussing how service failure managers should address the service failure with a guest. "Bill" stated,

*You want to acknowledge the guest's feelings and appear that you have genuine concern for the problem. Guest's will see right through the whole rehearsed speech and don't want to see that in a response. The more you can connect and be genuine, the better chance you will having in coming to a solution both parties are happy with.*

"Sam" also stated something similar and said, "You can seem fake. If you come across as a robot or someone who has a rehearsed speech, you may only make them more upset. You must show real care for the person and their problem".

Honesty and follow-through with a promise becomes very important in this regard as well. "Lauren" stated,

*Never promise something if you can't follow through. Empathy, apology, and genuine sincerity must all be done together to ensure that the best possible outcome can be achieved during a service failure". She later stated that this must be done through open communication. "Open communication offers the ability to correct the mistakes that you made by showing your willingness to do whatever is necessary to gain back their trust as a client.*

Another subtheme to communication was *empathy* as a key factor behind a service failure rectification: that is, the ability to empathize with the guest and see it from their point of view. For example, “Bill” shared that,

> *All the time, the poor people at the front desk, I think they get the brunt of everything. I think what they need to do, is the first thing that they need to do is they need to apologize to the person that that has happened and they need to show empathy and then what they also need to do is they need to ask some specific questions to make sure that they fully understand what happened. They really need to empathize with the situation he guest is though. That is very important.*

“Bill” also said that apologies and empathy go together:

> *Convey a genuine apology. Yes. And that would be like showing the empathy with that. I always say that my golden rule is to apologize. A sincere, genuine apology is never wasted with a guest. I think if you can bundle those things together I think then it's very sincere to the guest.*

Another interviewee, “Sam,” said that she was able to connect better with guests by getting upset along with them and empathizing about the problem. She stated,

> *They were supposed to go on a hike at 11 o'clock and the coffee breaks were supposed to be at 10 now they were going to be late. It helps sometimes to get a little upset along with them, ‘Well we're going to see what we can do about that, that is very upsetting’ and you do the exact same thing that you would have done if you said ‘I'm sorry’ and you solve the problem, make course corrections, and they're happy. Sometimes that's all they want I just want to be acknowledged and heard.*

**Teamwork.** A final theme of managing service failures was the use of teamwork, which involved perceptions about the importance of managers understanding the capabilities, bounds, cross trainability, and cohesion of organizational personnel.

Knowing one's team and its scope of capabilities was important to the different managers that I interviewed. For example, "Sam" said,

> *I think knowing your staff upfront helps that. It's communication, thinking on your feet, it's all about that. And then also I think I would have done some things outside of groups with my manager. And had a better understanding of what my parameters were. You know authority and responsibility kind of go together. If you have all the responsibility and no authority that can hurt an organization. I would learn what my manager expects, what they think we should do with customers. You know if they say give them whatever they want, give them whatever they want. If they say you're watching the bottom line for us but we want them to be happy come back, and find out how they would go about fixing this. Learn their expectations. I think I would talk to my manager also in advance so that I knew my authority was over my responsibility. It's about developing the team and knowing exactly what your team's capable of exactly.*

This was also true for directly addressing a specific service failure that can occur. Knowing one's team can have many different benefits, such as having an arsenal of ways to rectify a service failure after it has occurred. If an individual has a good relationship with food and beverage and know that a fresh baked plate of cookies would help alleviate a service failure in a guest's home late at night, then having that relationship developed can help accomplish a task that might have not been accomplished otherwise. If a service failure occurs in a different department and the guests complains to the front desk, an understanding can reached about who is responsible and how this can be avoided the next time around.

"Lauren" discussed this problem and stated,

*You first want to talk to your team and/or the department if there are different departments involved. You want to talk with them and make them aware of the situation with, 'I'm not blaming you but this happened and this shouldn't happen again.'*

Having a sense of teamwork can allow for service failures to be handled by different departments and can convey a unity throughout the organization. When later asked to elaborate on the power of a cohesive team and the power of following through on promises made, Lauren said,

*I think is a big help when fixing a service failure and do not blame other departments. Just do your job. Don't blame others even if it's not your fault. Even if you do feel like something was someone else's fault, I've noticed just owning it can show empathy towards the problem.*

These go to show the power that a cohesive team can have when working properly together.

Table 1.

The most effective ways of managing service failures from a recovery management perspective.

| Management aspect | Definition | Example |
|---|---|---|
| **1. Manager Conduct** | Perceptions about what managers should do to conduct themselves during the process. | |
| a. Calm Demeanor | Presenting oneself as patient, present, and collected. | Non-reactive to anger and impatience. Acting professional and patient during the service recovery process. |

| | | |
|---|---|---|
| b. Accepting Blame | Taking responsibility for the service failure that has occurred. | "I am so sorry this happened, this was our fault" |
| c. Giving "voice" to the guest | Allowing guests to share their opinions and views regarding service recovery | "Please tell me how we can do better in serving you" |
| d. Multiple Options for Resolution | Giving guests different paths to choose the resolution that suits them best. | Three options can be presented instead of one. Let the guest choose and have "voice". |
| e. Follow through on promises | When making a commitment, follow through, no matter the case. | An unwavering commitment to the promises made and a commitment to follow through. |
| **2. Communication** | | |
| a. Concise/ Open Communication | Allowing for back-and-forth communication with an openness to discuss the best method of resolution <u>with</u> the guest. | Talking with guests and forming the resolution together, not separately. |
| b. Empathy | Demonstrating genuine care and remorsefulness for the failure that occurred. | Put aside your viewpoint and validate their perspective. |
| **3. Teamwork** | Utilizing every member of your team to deliver the best service recovery resolution possible. | Know your team intimately to deliver the best resolution. |

**What perceptions do guests/clients have about the most effective ways of managing service failures?**

When asked about how they (the guest/client) would define a service failure, many of the responses came back with some form of, "expectations were not met." For example, "Mary" said, "A service failure would be a failure of implied promises and commitments made to the consumer in exchange for my money and trust." The general consensus was that a service failure is the lack of meeting the expectations set forth prior to arriving to the organization. Similar to service managers, guests said that interactions with guests and overall communication were important aspects of managing service failures.

**Guest Interaction.** Guest interaction includes perceptions former guests have about how they should be treated during the service recovery process, including such actions as presentation of problem and role the guest plays in the rectification of the service failure, ownership of blame, presenting multiple options for service failure resolution, and finally, follow through on promises. These themes are summarized in Table 2.

The first sub-theme that emerged was the need for the organization *to be proactive rather than reactive* in response to the problem. For example, "Mary" stated,

> *If I were to need to take a quick shower right when I got to the hotel, I would rather know the hot wat is not running before I jump in the shower. Tell me at the desk so I can plan around it. I don't need to find out right before I get in.*

"Ward" also stated, "Just tell me if something may cause a problem during my stay. I know things happen but not addressing them right away and being proactive, that what really upsets me". Thus, guests want service recovery managers to be proactive about a problem rather than wait for it to compound into something larger.

Another theme that emerged was the need for the hotels to *take ownership*. When an organization has made a mistake, it might hesitate to take responsibility due to liability. Yet, "Andy" said,

> *I don't care if it's big or small. When you own the mistake as your own, you also own that you messed up and will work back from it. When I hear an organization say things like, 'well it was in your contract', or 'that was told to you prior to arrival' I want to yell*

*at them. This implies a lack of accountability and I want ownership of the inconvenience they have caused me.*

The next sub-theme that emerged was the need for *a sincere apology*. The interviewees all expressed a need for a genuine show of remorsefulness and an apology. For example, “Andy” stated,

*I spend tremendous amounts of money for my company and family to go on trips. Mistakes do occur as I have learned over my 25 plus years traveling but the rebuttal is important when a mistake has happened. If an organization is hesitant to apologize for admit wrongdoing, I get very upset. It goes a long way knowing an organization can take ownership of their mistakes. Ironically enough, over the years, the organizations I choose to stay with are not the perfect ones but are the ones that apologize and do everything in their power to exceed my expectations. They keep my business.*

I asked “Mary” how the employees in her experience could have responded and she said,

*The first thing was regardless of what they thought or felt what I experience they should have issued a heartfelt and genuine apology. An empathetic recognition that this problem caused to me stress which is what you want as a client. You want to feel that management cares and they made a recommendation of how to rectify it but the significant thing to me that would have put them out of the ballpark in a positive way was if they had asked if their recommendation was acceptable and then were wide open to me suggesting what I would consider to be a satisfactory reconciliation of the problem.*

“Mary” and “Andy” both expressed the power a genuine heartfelt apology can bring.

Another theme that emerged was the need for *multiple options and flexibility* from the organization when looking to rectify a service failure. Guests and clients expressed the desire to be involved in the process and have explicit control over the rectification of their failure. For example, "Mitzie" stated, "When a service failure does occur, I want to be right there and part of the process. I already have anxiety so anything that can take some of that away is needed in my book" "Andy" stated,

> *Transparency has become my best friend in hospitality organizations. You know, the hard part as a customer on the other side of that computer is I can't see the room blocks. I can't see what you're navigating, you know? I can't see what you're up against. The less you tell me, the more I speculate. Conversely, it's the same way. Right? The less I tell the resort, the more they're going to be like, 'Well hey, you booked a night so I'm sorry you can't fill them. We have your credit card on file. Good luck.' I want to be a part of this process so a solution I agree with will be reached.*

Thus, having the ability to be open, transparent, and flexible in the options presented to the clients and guests, will help to rectify a service failure.

The final theme that emerged was the need for a direct method *of follow through*, both in the recovery itself and also in conveying the message if its completion to the clients or guests. "Jeff" stated,

> *Once the service failure is over, I would like to be told that what I was promised had been followed through on. I have waited after activities before and not gone home to shower because I wasn't sure if maintenance had come to fix the shower. When I called the front desk I was told 'that was done this morning' as if I am foolish for not knowing about this. Talk about making me angrier even after they gave me what I asked. Sometimes it's all about how to deliver something and not just what you deliver.*

"Ward" also stated,

> *Follow-through in the hospitality industry is important because there are so many messages that are flying around in a big resort. I hate having to feel guilty for calling to ask if something has been done multiple times because I just don't trust the organization to complete what it has promised.*

Thus, there is a clear need for a follow through approach when managing and finally completing a service failure.

**Communication.** Guests also noted the importance of communication after a service failure. Here, communication includes perceptions held by guests regarding the role the role that open and honest communication plays during service recovery. When a client or guest has experienced a service failure, communication, being open and flexible on both ends, can allow for a more cohesive resolution to the failure.

One sub-theme that emerged during my discussions with clients and guests was the need for there to be face-to-face contact. When a service failure occurs, there was a desire to have a human being discuss the failure with them. "Jeff" stated,

> *I do not want to be told over the phone of a serious problem. More often than not, that escalates into me running down to the front desk in a panic anyways. So by calling me, they are not only making the problem worse they are adding to my mental burden as well.*

"Mary" also stated, "I despise when people try to hide behind the phone. I want you to look me in my eyes and tell me what you have done to inconvenience my life and those around me."

Face-to-face interaction was a particularly important part of the communication process. Clients and guests wanted to have a conversation *with* the service recovery mangers and not be talked *to* by the service recovery mangers. They wanted an open discussion that would allow for the free flowing of ideas and the transmission of ideas across space. A one-sided conversation was something the interviewees disliked. “Ward” stated,

> *I want to feel as if I am talking to the organization responsible and if not the manager, the individual closest to having the power to solve the problem. I despise when I come to the front desk with the problem and I hear a solution I don’t like or feel like I am being talked down to.*

“Mary” also stated,

> *Respect is demonstrated through an open discussion that allows for multiple outcomes. If an organization tells me what they think is fair, I immediately will be turned off to the idea because you have not allow me to express myself in an open manner. I don’t want to be told how I can recover from the mistake, I want to discuss it with them.*

When open communication can be achieved, *empathy* and expressed care can help guest and organizations connect better with each other. “Mary” stated,

> *Empathy is at the heart of the service recovery process. I understand mistakes get made but when there is lack of care for someone who has experience, and payed, for a problem, there should be more of a desire to empathize with them.*

“Jeff” stated,

> *I think that empathy plays a massive role when looking to solve a problem. You always want someone to understand what you’re going through and when that happen at a hotel, an empathetic response is one that I can best interact with. I can tell when people get frustrated but please see where I am coming from.*

When asked what his number one recommendation would be to service recovery managers “Ward” stated,

*Take intensive courses on learning to express sympathy to customers, because people can tell if you're just trying to solve the problem, or if you truly are empathetic. Saying, ‘I understand how you feel,’ is not empathy, it's just acknowledgement.*

Table 2.

The most effective ways of managing service failures from a guest’s perspective.

| Guest aspect | Definition | Example |
|---|---|---|
| **1. Guest Interaction** | | |
| a. Proactive not reactive | Looking for ways to resolve the service failure and not putting the blame on another individual or making excuses. | Find a resolution as quickly as possible and be creative if necessary. |
| b. Org. takes ownership of problem | Taking responsibility for the service failure that has occurred. | “We made the mistake and we will do anything in our power to fix the mistake” |
| c. Need for sincere apology | A sincere and genuine apology for the mistake the organization made. | “I am so sorry this happened, it is our fault and I will do everything in my power to fix this. |
| d. Multiple Options for Resolution | Giving guests different paths to choose the resolution that suits them best. | Three options can be presented instead of one. Let the guest choose and have “voice”. |

| | | | |
|---|---|---|---|
| e. | Follow through on promises | When making a commitment, follow through, no matter the case. | An unwavering commitment to the promises made and a commitment to follow through. |
| **2.** | **Communication** | | |
| a. | Concise/ Open Communication | Allowing for back-and-forth communication with an openness to discuss the best method of resolution with the guest. | Allowing the guest to have direct control on the method of resolution. |
| b. | Empathy | Demonstrating genuine care and remorsefulness for the failure that occurred. | Demonstrations of care and kindness. |

**How do service recovery managers and clients/guests share perceptions of effective service recovery techniques?**

Managers and guests both share commonalities between the way that guests want to be interacted with by service recovery managers, and service recovery managers to guests. There is a commonality that a rational, calm approach be taken to the situation that is occurring and the blame should be taken by the organization responsible. Overall, *presentation and demeanor* were two perceptions both service recovery managers and guests share about the physical presentation of the service recovery.

When talking with service recovery managers, remaining calm and composed during an interaction was an important part of the presentation of the service failure. When asked about presentation of the problem to the guests, “Ryan” said,

> *Your attitude can’t be lackadaisical or present some frantic solution. In addition to that, in front of the guest it should be always seem to them that things are under control even*

> *when things seem like they're not. There should never be a sense of panic. There should be a sense of urgency and respect but definitely not panic or stress.*

"Sam" said,

> *"Their adrenaline's way up here (anxious) and you have to be the person that stays right here and you know once you bring them down (calm) they're usually pretty OK". When asked about best practices for managing a stressful service recovery,*

*"Mark" also said,*

> *First of all, you want to connect with the guest and make them feel heard. You want to calm the guest down and let them know that you are there to help in any way you can. You have to project calm onto the guests because, sometimes, this is the only way you can connect with them.*

Guests expressed the same need for a presentation with a calm demeanor, but with the addition of accountability shown in action. "Mary" stated,

> *I don't want the front desk to push the blame on someone else and act all frantically. I expect there to be some kind of order to the process of solving the problem they just caused. I understand mistakes happen but there is no need to start pointing the finger of blame and getting hysterical. Talk to me normally.*

This same point was reiterated by "Andy:"

> *I expect the people solving the problem to do so with open communication in a calm civil manner. There is no need to throw accusations and start blaming. This is the time to get creative and try to find a solution that works best for both of us.*

As the above shows, a calm demeanor when working to resolve a service failure is clearly important.

Another impression shared by both service recovery managers and guests is that *service recovery happens*, and can positive implications on future interactions between high-end organizations and guests. Circumstances outside of the control of the organization can happen as demonstrated through the power outage example relayed by “Lauren.” “Lauren,” a service recovery manager, made a point regarding the power that service recovery can have when you go above and beyond to try and be creative when managing a service failure with the guest. She said,

> *When the power went out, we were all in the same boat. We all wanted it to come back on and in lieu of it not, we decided to make the best out of the situation. We were able to not only make a bad situation enjoyable but we were able to connect on a personal level with the guests.*

She later elaborated that the guests were very happy with the outcome and were able to return to California with a fun story to share. This demonstrates that not every service failure will be held against the organization if correct actions are taken but this can also show the power of creativity.

Another example of a situation that resulted in successful service recovery came from “Bill,” who discussed the incident where the food had been incorrectly prepared by the chef and allergic reactions had occurred during breakfast. After “Bill” had corrected the service failure and exceeded the guest’s expectations, he stated,

> *I feel that with service recovery you really have an opportunity to make it a client for life. The way that you handle the service recovery you can really gain loyalty from people because they know ... I think everybody knows that you're gonna come to a hotel and not everything is gonna be 100% perfect. It would be wonderful if it is but it's not*

*going to be. So I really feel that you have to look at service recovery as an opportunity, not just as a real negative downer. I think you look at it as an opportunity on what can I do to make this better and make them happy.*

This demonstrates that service recovery can actually strengthen the relationship between a guests and an organization of proper service recovery technics are enacted.

A final example that demonstrated the power of service recovery was through “Andy,” who travels for work and has experienced all different kinds of failures over the years. When asked about the power of service recovery in regards to future perceptions about the organization, he said,

*Ironically enough, over the years, the organizations I choose to stay with are not the perfect ones but are the ones that apologize and do everything in their power to exceed my expectations. They keep my business.*

Thus, as demonstrated through examples of service providers and service recovery mangers, effective service recovery offers an opportunity “to make a client for life”

**How do service recovery managers and clients/guests differ in their perceptions of effective service recovery techniques?**

One way that managers and guests differed in their impressions of effective techniques regarded the use of *compensation strategies*. The discrepancy had to do with the ways an organization should compensate guests who have experienced a service failure and exactly how the guest should be compensated. The general sense was that a need exists to compensate the guest, but to what they are entitled to and how they receive it was different from the expectations of the guests I interviewed.

One example of this came from talking with "Sam." The guests she was attending to believed they deserved something greater than what was currently available. The bar was closed and because of this, she couldn't get her favorite drink. "Sam" mentioned that she was able to compliment her a bottle of wine to alleviate her worries but also mentioned that it was done regretfully. She said,

> *We all kind of laughed at the fact that the lady didn't want to wait a half hour for the bar to open. We thought it was a silly way to make her happy but it was because we didn't want her to be upset over something so small.*

The bottle of wine was not just a physical gift to the guest but also a symbolic gesture because it shows the organization cares about the concerns of the guest. The bottle of wine, in this scenario, represented showing empathy and concern for her stress.

The bottle of wine demonstrates another point that was discussed by service recovery managers. Service recover managers, at times, have a need to *err on the side of caution*. When an organization such as the one that "Ryan" works for has a large amount of money designated for service recovery, "Ryan" has the ability to perhaps give more than what was due. "Ryan" explained,

> *Sometimes I would have guests that would complain about the air in the room or there not being hot enough water and they would expect a free night. Mind you, these nights are a couple thousand a piece so they are not asking for a free night at the Holiday Inn. More often than not, I would confide in my manger and he would tell me to give them the night or grant them what they want. He said it's better to error on the side of caution than to let them leave the resort upset.*

"Ryan" later elaborated that he did not agree with all the forms of compensation given out but realizes the point his manager was trying to prove. He wanted to let the guest know they are heard, acknowledge their feelings, and provide a form of building trust and moving forward. The question for an organization is do you err on the side of caution or stick to a rigid set of guiding principles unchanged based upon subjective realities?

Another difference that existed in regards to compensations strategies was the use of an apology. Both guests and service recovery managers agreed that there should be an apology, but when that apology was delivered varied between the groups. Guests and clients had the expectation to receive an apology before anything else happened. "Ward" stated, "I want to know that my stress and inconvenience is acknowledged by the organization and there is genuine remorse for my pain."

Service recovery managers also gave examples of stories where they had to deal directly with a guest and the service failure, but their response did not seem to appease the guest. For example, "Mark" discussed how an apology seemed like it didn't hold any weight with a guest who seemed to only want to yell about the problem. "Mark" stated,

> *I apologized over and over and over again to the guests but they didn't care at all. They even told me they were only concerned with their money back and apology meant nothing from me. I controlled myself during this situation but it was clear that the apology held no weight with them.*

Service recovery managers and guests also differed in perceptions about *timing strategies* for how they believe the guests should be informed a service failure may occur or has occurred. One way that service recovery managers and guests disagreed was on the basis of when a service recovery failure should be reported to a guest. For example, "Bill" said,

> *If the error is going to come into direct conflict with the guests then yes, the service failure should be brought to the guest's attention. If there is time to correct the error without the guest's knowledge and things remain as they should be, then no, there is no need to tell the guests something could have happened.*

"Lauren" also stated that, "It should only be shared with the guest if you know, beyond a shadow of a doubt, there will be a failure."

This contradicted what was said by "Mary" and "Andy." For example, "Mary" stated,

> *If there is even the slightest chance that something is going to go wrong, I want to be forewarned. I have been to hotels and been told after the service failure occurred that they could have potentially given a heads up before the fact. An example I can think of is when we booked an expensive room for our family. The kids wanted to stay at a place with a water park inside so we splurged and spent the extra money. Well the resort didn't tell us that one of the big slides had been having problems and closed down after the reservations had been booked. My kids were so devastated and I had to be the cheering voice to them when in reality, I was more upset because I paid for the fun they didn't get to have!*

"Mary" later elaborated that she would not have gone there if there was even a possibility of the slide not working so a forewarning was exactly what she wanted.

## Discussion

The goal of this study was to understand if an ex-antecrisis timing strategy coupled with emotional framing methods is effective at repairing organizational image and improving customer satisfaction in a high-end hospitality organization. Many themes emerged with some underlying principles that seemed to stick out and be at the core of understanding proper service failure management and rectification. In simpler terms, the question was, can an organization benefit from telling a guest that a service failure has occurred (before the guest's direct knowledge), and use emotional framing methods (e.g. "We are so sorry this happened")? Further, would this strategy be more effective than telling the guest after they have been made aware with rational framing methods (e.g. "You were forewarned about this")?

Emotional framing appeared to be important overall. Service recovery managers indicated that, by going above and beyond, managers can rectify the service failure and also demonstrate care and empathy for the guest's situation. This was reiterated by the guests to me in saying when things were "above and beyond," the actions taken by service recovery managers made all the difference to them. Going above and beyond is a way to clearly do what is unexpected and demonstrate care and empathy. Thus, emotional framing appears to be an important part of the service recovery process.

Disconfirmation of expectancy theory helps explain the effectiveness of emotional framing in hospitality management. This theory states that credibility can be built by doing what is unexpected (Arpan & Pompper, 2003). For example, multiple service recovery managers said that they try to "go above and beyond" or "deliver the wow." This meant doing something the guest would not expect. This can prove difficult in high-end organizations because of the already high expectation coming into the resort. However, actions speak louder than words, and sometimes this can affect the emotions of the guests.

In addition, an ex-antecrisis strategy can be effective because, as commodity theory suggests, scarcity enhances perceived value to customers (Brock, 1968). Messages regarding service failures become scarce and therefore hold value, especially in a service setting. Conveying the importance of addressing the service failure quickly will eliminate the scarcity of messages in a time of crisis for a guest. This will allow the guests to feel more informed. For example, had she been told about the situation with the slides, Mary could have avoided her and her family going to the hotel and the problems that followed. If the organization could have discussed this with her, she may have chosen to go somewhere else but their organizational reputation and integrity would have remained intact.

Although another explanation for the effectiveness of the ex-antecrisis timing strategy could be the change-of-meaning hypothesis, (where an outside third party may try to change the narrative of the story by discounting the importance of messages or trying to downplay the crisis; Arpan & Pompper, 2003), this explanation does not appear to fit very well with the current findings. In service failure setting, one must try to uphold and strengthen organizational reputation. To discount or downplay the message of the service failure would imply lack of care or empathy to what a guest has experienced. Therefore, I do not believe the third explanation for the effectiveness of the ex-antecrisis timing strategy would fit. In this regard, only two of the three ex-antecrisis timing strategies from Arpan and Pompper's (2003) research would be relevant to this study.

The results of this study go further than simply supporting the ex-antecrisis timing strategy, however, by uncovering some specific communication strategies that managers and guests prefer. Overall, three general categories of perceptions of effective strategies emerged from the data: Perceptions about *manager conduct*, perceptions about *communication*, and perceptions about *teamwork*.

**Manager conduct.** Both service recovery managers and guests reported preferring certain ways for service recovery managers to conduct themselves during the service recovery process. As previously discussed, managers discussed five ways to connect with a guest for a better service recovery effort. These five themes were *presenting a calm demeanor, owning the problem, giving a voice to the guest*, *presenting multiple options for resolution*, and *following through on commitments*. Guests likewise presented five themes that they wanted to see when being involved in the service recovery process: These five themes were, a *proactive rather than reactive response, taking ownership of the problem, a sincere apology, being presented with multiple options for resolution*, and a direct method of *follow through*. The ex-antecrisis timing strategy helps to address the themes brought up by service recovery managers.

The first theme that emerged among the service recovery managers was the perceived need for a proactive response rather than reactive response for the guest, and presenting a calm demeanor while addressing the situation. One of the reasons calm demeanor is important is because emotions can be "contagious," and transfer from a service recovery manager to a guest, and vice-versa. Emotional contagion occurs when emotions are produced by innate stimulus features (i.e. a mother's nurturing voice), and these emotions then have a direct effect on the way another individual feels (Hatfield, Cacioppo, & Rapson, 1993). The interviews appear to indicate that remaining calm, listening, and being respectful, sincere, and genuine was perceived as being more emotionally appropriate and resulting in less animosity among guests than a rational framing response. If a rational response was used (i.e. "This charge was told to you before your arrival, I cannot fix that charge") guests reported more anger and animosity.

Overall, appearing genuine and sincere for what was happening seemed to be valued among both managers and guest. By appearing genuine and sincere and using emotional framing methods about the problem, guests and service recovery managers reported a more favorable outcome to the service failure they are all experiencing. In fact, Risen and Gilovich (2007) found that an attempt to be forgiven is considered genuine when it appears sincere and heartfelt, and as such, guests might be more likely to be able to move on when they feel as if their concerns have been attended to in an honest way.

Of course, appearing calm and sincere during a service failure is probably difficult and likely involves some emotional labor. Hochschild (1973) defined emotional labor as the act of expressing socially desired emotions during service transactions. When a service recovery manager must manage a guest/client who is clearly upset or angry, an expectation exists that they will act with the upmost respect and represent the organization in the best way possible, even if they do not feel like it. All the service recovery managers I interviewed reiterated this point to me. At some point or another, the service recovery managers felt they had to act as though they were somebody they were not. The guests/and clients also had to do this. I was told by one interviewee that, when experiencing a service failure, they usually had to “put on a happy face and not seem too upset so they don’t get frustrated with me.” Even the guests I interviewed reported some emotional labor as well. Some felt intimidated in reporting the problem because they didn’t want to upset the organization or front desk and receive increasingly bad service. Thus, emotional labor appears to be a key part of successfully managing a service failure. Guests have to manage feelings they have about raising the issue, and managers have to control emotions they feel in response.

The second theme that emerged was taking ownership of the problem by the organization for guests and owning the blame for service recovery mangers. Johnson and Horton (2001) found that patients who are harmed by medical errors want three things: an explanation of what happened, an apology from someone responsible, and assurances that changes have been made in the future (Johnson & Horton, 2001). They elaborated that disclosing mistakes to patients helps to create professional accountability in the workplace and helps to improve customer care. This could be the same for service recovery mangers. By taking ownership for the problem, service recovery managers might help guests sense that the situation is more controllable.

According to Allred (1999), people are more likely to ascribe blame to an individual when they perceive an actor to be responsible for harm. Hamilton (1987) also asserts that responsibility judgments are made based on two different aspects: perceptions of who or what caused the outcome and whether that outcome met expectations. Guests in the hospitality industry are concerned with not just who caused the problem, they are also concerned with what they should have done. Thus, taking ownership over the problem helps guests feel as if they are correct. Furthermore, if they thought the organization might initially shun blame, then taking ownership over the problem could contribute to a sense that their expectations were disconfirmed in a positive way.

The third theme that emerged from both guests and service recovery managers was a need for a sincere, heartfelt apology and giving a "voice" to the guests in communicating about the problem. Bies and Shapiro (1988) found that process control or "voice" influences perceptions of justice. Giving voice involves customers having an opportunity to express their views or provide input into the decision, rather than silencing the guest and inducing a "mute" procedure. In the service recovery process, guests appear to benefit from being able to actively voice their frustrations, being listened to, and having a say in the outcome of the solution. Goodwin and Ross (1990) report that high customer voice results in greater customer satisfaction, especially when it is accompanied by some tangible compensation. Thus, giving voice to the guests appears to be an important part of the service recovery process.

Research in apology rhetoric has also shown that a sincere heartfelt apology can dissipate anger (Weiner, Graham, Peter, & Zumuidinas, 1991), and that an apology offered after being confronted with one's wrongdoing is less effective than one offered before yet the apology will nevertheless tend to dissipate the harmed party's anger (Weiner, Graham, Peter, & Zumuidinas, 1991). Somewhat contradictory to the previous points made about the ex-antecrisis strategy, however, an apology can still have value to a customer even after a service failure has occurred. Although the research indicates that an apology offered after being confronted with one's wrongdoing is less effective than one offered before, an apology will nevertheless tend to dissipate the harmed party's anger (Weiner, Graham, Peter, & Zumuidinas, 1991). Overall, guests tended to indicate that they wanted acknowledgement for what they were experiencing, and that someone felt remorseful for what happened. Apologies help satisfy these desires. As Claeys et al. (2013) argue, organizations can promote positive reputations by disclosing sadness post-crisis. Although apologies probably help both before and after guests realize a problem exists, they are likely to be especially important when addressing the problem in an ex-antecrisis way is not possible.

The fourth theme that emerged both by the guests and service recovery mangers was the need for multiple options and flexibility when resolving service failures. Multiple resolution options allow for more freedom both from the organization and the individual, which in turn allows for "open communication" that enhances the service failures chances of being rectified. This flexibility and willingness to talk typically allows for better resolution because there is no "one-and-done" option that may leave the guest dissatisfied or angry.

Guests want multiple options because this willingness to work and cater to the guests is a showing of empathetic care and concern for the service failure they have experience. Presenting multiple options will allow the guest to be given a "voice," provides them with options for ways in which previous expectations could be met, and demonstrates a willingness to the guest that the organization wants to meet or exceed their previous expectations.

The fifth and final theme that emerged was a direct method of following through on the newly made promises both by the guest and service recovery mangers. Following through, relieving guest's stress, and building trust is important to the service recovery process because trust functions to reduce customer anxiety in decision-making dilemmas (Kramer, 1999). Trust in an organization is enhanced and will increase a guest's commitment to the relationship when a company by following through on future promises (Tax et. el., 1998).

Communication was another major theme in the findings of this study, as seen by the comments made by guests that they wanted a direct form of open communication during the service recovery process. However, the meaning of "open communication" is not entirely clear from the data. Still, some research provides a potential guide. For example, Katriel and Philipsen (1981) analyzed "really communicating" to better understand the process through which information was disclosed and how interactions occur "openly" between two individuals. Close, supportive, and flexible conversations were included as synonymous for terms like "open communication," "real communication," "really talking," "supportive communication," and "communication" (Katriel & Philipsen, 1981).

The process of open communication has a sequence of events. This sequence goes as such: initiation ("Hello Mr. Joe, how may I assist you today"), acknowledgement (focusing all attention towards one another), negotiation (self-disclosure met with nonjudgmental listening and comments), and reaffirmation (solution, compromise, or affirmation of the value of talking). This process allows for individuals to openly discuss what may bother or concern them. Based on the current findings, open communication In the hospitality industry could potentially allow for constructive, flowing conversation that will yield fruitful results both for the organization and the guest.

Empathy goes along with open communication, and the findings suggest that the expression of empathy was also an important part of the service recovery process. Leith and Baumeister (1998) proposed four dimensions of empathy: “Fantasy, the first, was defined as being able to transpose oneself (imaginatively) into the feelings and actions of a fictional character. The second dimension was perspective taking, which Davis defined as the ability to place oneself in another’s shoes and comprehend his or her point of view. Empathic concern, the third dimension, referred to caring about the welfare of others and becoming upset over their misfortunes. The fourth dimension, personal distress, was defined as one’s own anxiety (or other negative affect) that is connected with the suffering or distress of another” (p. 4-5). These dimensions offer a guide for how service recovery managers might express empathy during service failures.

Despite needing to communicate empathy, there are times at which service recovery managers might not actually feel empathetic. Thus, emotional labor can be important to consider when trying to express sympathy, empathy, or remorse to guest that experienced a service failure. Hochschild (1973) defined emotional labor as the act of expressing socially desired emotions during service transactions. She argues that individuals in a service setting are expected, by those they serve, to experience and express certain emotions during service interactions. These expectations evoke a concept known as “feeling rules” or organizational norms that that specify the range, intensity, duration, and object of emotions that should be expressed (Hochschild, 1973). An example of emotional labor can be seen when a flight attendant is required to be “chipper” and cheerful, or when a cruise attendant attends to guests with a smile on her face even if she doesn't feel it (Tracy, 2000). Other examples can also be seen in the high-end hospitality industry. When a service failure occurs, guests expect service recovery managers to display a certain demeanor that might not be what they actually feel. A genuine expression of empathy or remorse, through the application of emotional labor, is a task that can potentially help to express the desired emotions the guests expects to see.

The final theme that emerged in the study was the importance of teamwork. In general, the service recovery managers expressed the importance of creating a team culture that works to think as a collective body. By emphasizing the notion of the "team member" or the "team player," organizations attempt to modify the attitudes and behaviors of employees to create and regulate a shared identity (Van den Broek et al., 2004). This approach allows a hospitality organization to create a sense of "we" as opposed to a sense of "I," and allows for service failure rectification to be made by any member of the proverbial "we." Gaillie et al. (2012) highlight other positive components to introducing the element of team into the workplace: task discretion and job satisfaction. As demonstrated through the interviews conducted, cohesion and understanding between all members that belong to a hospitality organizations team are desirable components of the service recovery process.

As some of the interviews suggest, some of the best and worst failures come from either having a competent or incompetent team. One example was given by the guest "Mary" and the service provider "Bill" that the front-line employees can make all the difference. "Mary" expressed the front desk agents "disinterest" for her problem at one hotel, which only increased the severity of the problem. "Bill", the service provider, was able to rally the workers and find a solution very quickly because she knew her team.

Thus, the most certain method for an organization to recover from a service failure is to have the front-line employees identify and solve the problem (Hart, Heskett, & Sasser, 1990). Being a team allowed them to be creative and come up with solution that are not “cookie cutter.” in appearance. Guests also expressed a greater satisfaction with the service recovery effort when multiple options were presented to them. These multiple options were made possible by the creativity of the staff and showed how they could utilize their team.

**Limitations**

The hospitality industry is a global industry. Because of this, one of the limitations of my study is the sample size I collected. I was able to collect data from 10 individuals; five service recovery managers and five guests/clients. A larger sample size could have potentially accounted for other perspectives in the system that may have allowed for different experiences to be shared than those of the individuals I interviewed alone.

I would also deduce that the findings are geographically limited. I conducted interviews with individuals in the Pacific Northwest, Texas, North Carolina, and Louisiana. The individuals I interviewed do not represent a global hospitality family. Many cultural differences exist around the world, and I do not infer that my recommendations could be applied on a global scale

**Three Practical Recommendations**

One recommendation I have after conducting this study would be that individuals in an organization that work on the “front lines” (e.g. front desk agents), may deal with service failures in a very different manner compared to those who work in a management capacity. One aspect of the service recovery process that was repeatedly reiterated was that management may be more willing to give the guest a rectification that the front desk agent did not have the power to do. For example, if a guest experienced a service failure and the front desk agent was the first to help resolve the failure, they may not be able to compensate the guest an entire night's stay or use the resources a manger may have to go "above and beyond." In this research, the individuals who directly managed service failures and who were in lower positions of power than were management felt that they would sometimes work relentlessly to solve the service failure only to later realize that they were not in as capable position as management. A key lesson for organizations from this is to empower the front-line employees to understand the extent of their power in resolving service failure. At times, there may be a need for management to take control of the situation, but teach the necessary tools to empower the front-line employees. Based on my research, the front-line employees who did deal directly with service failures felt more empowered if they knew the extent of their power and if they had managements support. Thus, *organizations should empower their front-line employees and demonstrate support for them in rectifying service failures when they occur.*

A second recommendation would be to *balance the tension between the benefits and costs of issuing an apology*. As previous stated, accepting responsibility and apologizing can open the organization up to financial losses (Fuchs-Burnett, 2002). However, in this study, an apology was denoted as being one of the most, if not *the* most important part of the service recovery process. An apology was an action the guests wanted to hear immediately, and the service recovery managers demonstrated the understanding of this by stating they would begin with an apology of some kind.

Understanding the organization an individual works for, and the audience the individual is speaking with when rectifying a service failure is important. If an organization states that an apology is not allowed because of potential liabilities, then considering how the individual can still express remorse for the failure that has occurred without issuing an apology would be useful.

Of course, the audience the individual is speaking to regarding the service failure may genuinely want an apology and the service recovery process cannot move forward without an apology. In such scenarios, a subjective analysis of the situation is warranted to decide the most appropriate choice of action. Guests who experience a service failure have had their trust broken, so rebuilding that trust should be of paramount importance to a high-end hospitality organization. Perhaps trust could potentially be rebuilt through consistently improved service, even without apologies being issued.

The final recommendation addresses the dichotomy between honesty and performance, specifically involving the intentions behind the service recovery actions taken by service recovery managers. Service recovery managers might not always agree with a guest because they may suspect the guest is trying to get something for free (e.g. a compensated night). For whatever reason, the service recovery manager may not feel or express a genuine feeling of remorse or guilt. Working in the hospitality industry can sometimes require a performance. Some individuals might genuinely feel remorse every time a service failure occurs, but in analyzing the responses from service recovery managers, more often than not, service failure recovery may require a performance, and this performance is key to a successful resolution. I argue that this performance is not insincere, but expressing genuine remorse may be difficult for an individual based on factors such as daily life or work stresses or difficulty expressing emotion in high-stress situations. Managing one’s emotions in a service failure setting therefor becomes vitally important. As previously stated, emotional labor is the act of expressing socially desired emotions during service transactions (Hochschild, 1973). This expression may, at times, be considered a performance, but that performance is vital to the service recovery process. Thus, *emotional labor is vitally important when looking to express remorsefulness for a failure that has occurred.*

## Conclusion

In the high-end hospitality industry, many examples exist of how a service failure can elevate one's stress and anxiety. Organizations should maintain an awareness and understanding that ownership should be taken during this situation, and that a genuine, sincere showing of remorse should be expressed. Guests who feel acknowledged, listened to, and treated with respect have demonstrated a willingness to work to overcome their service failure. Mistakes happen and guests understand this but there must be a direct acknowledge from the organization to the guest.

The ex-antecrisis timing strategy coupled with emotional framing methods appeared to be more beneficial than the ex-postcrisis timing method coupled with rational framing methods in repairing organizational image post service failure. Guests preferred the ex-antecrisis strategy with emotional framing because those strategies were more empathetic and allowed for corrections to be made if possible prior to the failure growing in severity. The service recovery managers also agreed with this and said that talking to guests in a compassionate manner allowed for more successful negotiation regarding the service failure rectification.

Service failure management has the power to make or break an organization in the mind of a consumer. As demonstrated through the study, there is an unrealized power in the hospitality industry when managing service failures. When service failures do occur, an organization can benefit from using the opportunity to do everything in their power to help reestablish trust. When handled properly, service failures can be used as an opportunity to grow and develop a deeper relationship, built on trust and recovery.

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## APPENDIX A

Interview Questions (Form A)

1. What is your name and occupation?

2. How long have you worked at your current position?

3. When a service failure has occurred in your organization, what type of response is beneficial to quickly rectifying the problem with a guest? (e.g., immediate response/ inform the guest before they have been made aware of service failure). (RQ2, RQ3)

4. When a service failure has occurred, how is the message about the failure framed to the guest? (RQ2)

5. When a service failure has occurred, what is the timeline you implement to rectify the service failure? (RQ3)

6. What is one action taken during the management of service failures that helps to improve customer satisfaction? (RQ2)

7. What is one instance where you helped to effectively rectify a service failure that stands out in your mind? (RQ2)

8. What is one instance where a service failure had occurred, and you feel you could have done something differently to improve customer satisfaction? (RQ4)

9. Regarding the timeliness of handling a service failure, what, if any, is one strategy that should be implemented while rectifying a service failure? (RQ2/RQ3)

10. What is one service recovery action is that is damaging to an organization? (RQ4)

11. What is a method of best practice to help eliminate organizational liability when managing a service failure? (RQ4)

# APPENDIX B

Interview Questions (Form B)

1. What is your name and occupation?

2. How long have you been staying in high-end hospitality organizations?

3. When a service failure has occurred during your stay, what type of response was beneficial to quickly rectifying the problem you experienced? (e.g., immediate response) (RQ2, RQ3)

4. When a service failure has occurred, how was the message about the failure framed to you? (RQ2)

5. When a service failure has occurred, what was the timeline the organization implement to rectify the service failure? (RQ3)

6. What is one action taken during the management of service failures that helped to improve your satisfaction? (RQ2)

7. What is one instance where a service failure was rectified that stands out in your mind? Was there something unique the organization did? (RQ2)

8. What is one instance where a service failure had occurred, and you feel the organization could have done something differently to improve customer satisfaction? (RQ4)

9. Regarding the timeliness of handling a service failure, what, if any, is one strategy that should be implemented while rectifying a service failure? (RQ2/RQ3)

10. What is one service recovery action that an organization has taken that creates dissatisfaction in the outcome? (RQ4)