

The Moderating Effect of Customers' Willingness to Participate in Service Recovery and its Impacting Factors – An Empirical Analysis

By Nicola Bilstein

Prior research cites customer participation in service recovery (CPSR) as a meaningful strategy to ensure post-recovery satisfaction or repurchase intentions. However, recent studies raise doubts about the generalizability of its unconditional positive effect, suggesting the presence of moderating factors. With an explorative, qualitative study, this article considers customer participation willingness in service recovery as moderator. It also identifies six factors likely influencing customers' willingness to participate in recovery and in turn affecting the strength and valence of the relationship between CPSR and post-recovery evaluations. For example, by changing customer participation willingness in service recovery, the factors of responsibility for a third person and domain-specific expertise influence the strength of this underlying relation; the possibility to influence the recovery result even may flip its valence. These results offer new insights for managers to assess situations in which CPSR is likely to be appropriate and thus to create more effective service recovery processes.



Nicola Bilstein is Assistant Professor in the field of Service Management at the Catholic University of Eichstätt-Ingolstadt, Auf der Schanz 49, 85049 Ingolstadt, Germany, E-Mail: nicola.bilstein@ku.de

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1. Introduction

Although it is well established that customer participation is key to service delivery (Benkenstein et al. 2017; Büttgen et al. 2012; Gallan et al. 2013), customer participation might not halt at the end of the service delivery process. If service delivery fails, customers may need to participate further in the service recovery, such as by providing information beyond an initial complaint or taking over recovery-specific tasks. Some research considers the customer's role in service recovery (Dong et al. 2008; Hazée et al. 2017; Roggeveen et al. 2012), and real-world examples highlight the prevalence of such roles, such as the “The Vodafone Network Satisfaction Guarantee” (<https://www.vodafone.co.uk/explore/network/network-satisfaction-guarantee/>) that requires customers to invoke the guarantee and provide information by clicking through their app.

Despite such widespread customer participation in service recovery (CPSR), which we define as customers' meaningful contributions to service recovery, achieved by providing inputs (e. g. information) and/or efforts (e. g. physical activities) to recover (Dong et al. 2008; Roggeveen et al. 2012), research remains scarce and fragmented. Noting the impact of service recovery after a failure on re-establishing customer satisfaction (Andreassen 2001), retaining dissatisfied customers (DeWitt et al. 2008) and learning from mistakes to avoid them in the future (Van Vaerenbergh et al. 2012), it seems pivotal for service providers to understand how customer participation affects customers' post-service recovery evaluations. Most prior studies assume a positive link between increased CPSR and post-recovery evaluations of perceived justice (Cheung and To 2016), satisfaction (Dong et al. 2008) or repurchase intentions (Roggeveen et al. 2012). However, the impact of CPSR on post-recovery evaluations might not be so straightforward. Heidenreich et al. (2015, p. 290), noting potential unfavourable outcomes of higher degrees of CPSR, recommend that “service providers should hold the level of co-creation constant across the entire value creation process”, because varying the degrees of the service delivery versus recovery lowers satisfaction levels. Hazée et al. (2017) find increased satisfaction due to greater customer inputs, yet they report mixed results for repurchase intentions and also indicate that post-recovery

evaluations depend on brand equity. According to Bilstein et al. (2016), higher levels of CPSR even may lead to lower satisfaction for technology-based services for which the recovery outcome remains stable. Such results imply that higher levels of CPSR do not necessarily lead to more favourable customer evaluations. Rather, both the strength and the valence of the relationship between CPSR and post-recovery evaluations likely vary.

In response to such challenges to the positive connection between customer participation in service recovery and post-recovery outcomes (Bilstein et al. 2016; Hazée et al. 2017; Heidenreich et al. 2015), we seek a better understanding of when CPSR might lead to more or less favourable post-recovery evaluations. We start by considering literature on customer participation in service delivery, which also features mixed empirical findings. Dong et al. (2015) accordingly identify customer participation readiness as an important boundary condition that can explain these inconsistent empirical findings in service production and delivery contexts. Similarly, we seek to ascertain whether a parallel construct – customer participation willingness in service recovery – might explain differences in the link between CPSR and post-recovery outcomes. If it can, it should be integrated into service recovery contexts, to clarify when CPSR will lead to positive or negative consequences. Thus our first research question asks: Does customers' willingness to participate in service recovery moderate the link between CPSR and post-recovery evaluations? Moreover, we attempt to understand how customers' willingness to participate in service recovery develops. Relying on equity theory (Adams 1965), we assume that customers take different factors into account to determine their level of willingness. With this research, we aim to identify such factors and thereby clarify the determinants of customer participation willingness in service recovery. Thus, as our second research question, we ask: Which factors determine customers' willingness to participate in service recovery?

By answering these research questions, the current study contributes to extant literature in several ways. First, we address recent calls for research into moderators in CPSR contexts (Hazée et al. 2017). Prior studies identify moderators that strengthen the underlying relation (Karande et al. 2007; Xu et al. 2014a), offset it (Hazée et al. 2017; Roggeveen et al. 2012) or even change its valence (Heidenreich et al. 2015). With the current study, we seek to understand whether customer participation willingness in service recovery may act as moderator and therefore explain differences in the CPSR – post-recovery outcomes link. Second, by identifying the factors that influence customers' willingness to participate in service recovery, we address calls for research on antecedents that affect customers' readiness to participate (Dong et al. 2015). In turn, we clarify when customers are more willing to participate in

service recovery and therefore more likely to develop favourable post-recovery evaluations. In this vein, we review prior results in light of our findings and specify whether factors that have been cited as moderators of the CPSR – post-recovery outcomes link actually are moderators on their own or instead are more likely to affect this link indirectly, by influencing customer participation willingness in service recovery. Third, the identification of these influencing factors reveals some novel avenues for research on CPSR and emphasises the need to consider customers' willingness to participate in service recovery when investigating their actual CPSR.

From a managerial perspective, this article provides detailed insights about the service recovery process. Managers of service companies can focus on the factors we specify herein when they design service recovery processes to integrate customer participation. Several factors that we identify may strengthen the positive impact of CPSR on post-recovery evaluations by stimulating customers' willingness to participate; other factors can lead to unfavourable consequences. With this knowledge, service managers can achieve better, more effective service recovery processes.

The remainder of the manuscript is structured as follows: In Section 2, we establish our theoretical background by introducing customer participation willingness in service recovery and linking it to equity theory. Section 3 describes the qualitative study and its findings. Then in Section 4, we discuss our results in light of extant literature and derive managerial implications. Finally, Section 5 details some limitations of this study.

2. Theoretical background

2.1. Moderators in CPSR

Most research on the consequences of CPSR (*Tab. 1*) reports better post-recovery evaluations at higher degrees of CPSR. That is, customers indicate higher satisfaction and repurchase intentions after a recovery that relies on their contributions (e. g. Dong et al. 2008; Hazée et al. 2017), seemingly due to the enhanced justice perceptions they derive from participating in the recovery (Cheung and To 2016; Karande et al. 2007; Roggeveen et al. 2012). Still, studies that account for moderators suggest their varying effects. That is, most moderating factors appear to influence the strength of the relationship between CPSR and post-recovery evaluations (Guo et al. 2016; Karande et al. 2007; Xu et al. 2014a), though some studies reveal how moderators affect its valence, whether by flipping that valence or acting as boundary conditions (Hazée et al. 2017; Heidenreich et al. 2015; Roggeveen et al. 2012). The variety in these findings indicates the need to include modera-

Study	Theoretical Foundation	Moderators	Operationalisation of CPSR	Major Findings
Cheung and To (2016)	Social exchange theory	/	Measured	Customer involvement with service failure predicts customer co-creation of service recovery. Both constructs increase customers' justice perceptions and thus their satisfaction.
Dong et al. (2008)	Customer socialization theory	/	Manipulated	Higher CRSR leads to higher levels of role clarity and perceived value for future co-creation, as well as greater satisfaction with service recovery and intentions to co-create in the future.
Guo et al. (2016)	Product experience theory Control theory	Process control Information control	Manipulated	Three types of perceived control in service recovery are identified (process, decision and information). Outcome favourability and relationship-based self-esteem mediate the effects of perceived control types and their interactions on customers' justice perceptions, which ultimately increase repurchase intentions.
Hazée et al. (2017)	Outcome favourability mechanism	Brand equity	Manipulated	Co-creating service recovery has a positive effect on customers' beliefs about the favourability of the outcome. Co-created recovery is not recommended for firms with high brand equity but is beneficial for firms with low brand equity.
Heidenreich et al. (2015)	Expectation-disconfirmation theory	Degree of co-creation during service delivery Perceived guilt	Manipulated	Service providers should match the level of co-creation in service delivery with the level of co-creation in service recovery. Co-creation in recovery only leads to higher satisfaction if the customer co-created the failure. High co-creation in a failed service delivery increases internal failure attributions and thus perceived guilt. Perceived guilt also strengthens the relation between the level of co-creation in recovery and satisfaction.
Karande et al. (2007)	Justice theory	Past transaction history Gender	Manipulated	Giving recovery voice to customers increases their perceptions of procedural justice and their overall satisfaction. For established customers, the impact of recovery voice on procedural justice is stronger than for new customers.
Roggeveen et al. (2012)	Equity theory	Failure delay severity Perception of co-creation	Manipulated	Co-creation of the service recovery ameliorates post-recovery evaluations for severe delays but has no influence for less severe delays. Equity mediates this interaction. Co-creation as a recovery strategy is at least as effective as offering compensation, but only if customers perceive it positively.
Xu et al. (2014a)	Justice theory	Cultural background Gender	Manipulated	When a service employee initiates co-recovery by inviting customers to co-create a solution with the employee, customers report higher levels of perceived justice, satisfaction and repurchase intentions than if customers initiate co-recovery or company-recovery. Western customers appreciate it more if employees take the initiative. Gender has no impact.
Xu et al. (2014b)	Justice theory	/	Manipulated	Financial compensation, service skills and timing are three key resources to integrate into service recovery situations. If customers perceive that the company fails to make proper use of its resources or treats customers' resources in an unfair manner, co-created service recovery is likely to fail.

Tab. 1: Literature review: Studies of the consequences of CPSR

tors to draw accurate conclusions about the outcomes of CPSR. Inspired by Dong et al.'s (2015) research on customer participation readiness, we shed new light on the meaning of customer participation willingness in service recovery, to extend prior research on the relevant moderators.

2.2. Establishing customer participation willingness in service recovery

Dong et al. (2015, p. 162) define customer participation readiness as "the extent to which a customer is prepared

to participate in service production and delivery" and propose that it may help explain the mixed empirical findings regarding the outcomes of customer participation. They account for the moderating effect of customer participation readiness for service production and delivery and find that when customer participation readiness is high, customer participation prompts positive service outcomes like customer satisfaction and perceived service quality; if it is low, the impact of customer participation on these service outcomes decreases or even becomes negative.

Moreover, Dong et al. (2015) detail that customer participation readiness consists of three readiness factors: perceived ability, perceived benefit of participation and identification with the participation role. Most prior studies (e.g., Auh et al. 2007; Meuter et al. 2005) apply these readiness factors as antecedents or mediators that determine the degree of customer participation in service production and delivery; Dong et al. (2015) instead reason that they may function as moderators. Customers frequently lack any choice of their level of participation in service delivery, so their readiness to participate significantly determines their post-participation evaluations. For example, prior research frequently manipulates customer participation, such that customers cannot choose the level of their participation; in real-world service processes, firms often predetermine the level of customer participation during service delivery (Dong et al. 2015). In these situations, evaluations of the customer participation, and thus perceptions of the service outcome, likely vary, depending on how prepared the customer is to participate in the service production and delivery.

We predict a similar situation for service recoveries. In manifold situations, customers lack a choice in their level of CPSR. For example, the majority of empirical studies manipulate the level of CPSR to assess its impact on outcome variables (see *Tab. 1*). Many firms apply predetermined service recovery steps, without giving customers any opportunity to choose their participation level. For example, travellers experiencing delays while traveling on the Deutsche Bahn in Germany must fill out two pages of a form to receive compensation; telephone customers experiencing troubles with their Internet usually must proceed through a process predefined by their communication provider, which requires specific inputs. Consequently, we propose transferring the customer participation readiness concept to a service recovery context. However, customer participation readiness likely reflects a different theoretical rationale in this recovery context, as we discuss in the next section. Therefore, we expressly use a unique denomination and refer to "customer participation willingness in service recovery," which we define as the level of the customer's inclination to participate in the service recovery.

2.3. Equity theory as perspective to seize customer participation willingness in service recovery

Equity theory (Adams 1965) frequently offers a perspective for explaining customers' responses to service failures and service recovery (e.g., Grewal et al. 2008; Hogreve et al. 2017). It predicts that customers compare their own perceived outcomes (e. g. monetary and non-monetary benefits) and perceived inputs (e. g. monetary and non-monetary costs) to the outcome-to-input ratio of an exchange partner in a specific situation to derive evaluations (Adams 1965). A service process represents a social exchange between the complainant and the service provider (Smith et al. 1999), so customers usually perceive inequity in case of a service failure (Maxham 2001), reflecting their perception that their inputs to the service delivery have not been rewarded by the promised service outcome (Hogreve et al. 2017).

Equity theory also can explain the link of different levels of CPSR with post-recovery evaluations. Prior research postulates that customer participation behaviours in service recovery affect customers' perceived outcome-to-input ratio (e.g., Bilstein et al. 2015; Roggeveen et al. 2012). We extend this discussion of equity theory in the CPSR context, by applying it to customer participation willingness in service recovery, with the argument that customers compare expected outcomes and expected inputs in a specific recovery situation to determine their willingness to participate in the service recovery. If the expected benefits exceed the costs, customers should be more willing to participate in service recovery. If they encounter a service recovery that requires higher levels of CPSR, these customers seemingly should assess the service recovery process more positively, due to their higher willingness to participate. In contrast, customers with low willingness to participate in service recovery presumably develop less favourable evaluations of service recoveries that require high CPSR. Therefore, we predict a moderating influence of customer participation willingness in service recovery on the CPSR – post-recovery outcomes link.

Assuming that the comparison of benefits and costs determines the level of customers' willingness to participate in service recovery, we also need to identify factors that influence either cost or benefit perceptions. Such factors also have the potential to influence the link between CPSR and customer post-recovery evaluations indirectly, by influencing customers' willingness to participate in the service recovery. With an exploratory study, we therefore seek to (1) support a moderating role of customer participation willingness in service recovery, (2) identify factors that determine customers' inclination to contribute to the service recovery and (3) assess whether moderators considered in CPSR literature (*Tab. 1*) are moderators of the CPSR – post recovery evaluations link or, as we believe is more likely,

are factors that indirectly influence this link through customer participation willingness in service recovery.

3. Qualitative study

3.1. Data collection and analysis

We take a qualitative approach to scrutinize the moderating impact of customer participation willingness in service recovery on the relationship between CPSR and post-recovery evaluations and to explore factors that indirectly affect that link, by influencing either customers' cost or benefit perceptions. We performed 20 problem-centred interviews with customers between 23 and 68 years of age (M = 41.15 years; 70 % female), to investigate actual service recovery situations. Saturation principles determined the sample size (Patton 2002). Two trained interviewers conducted the interviews, either face-to-face or via telephone, between November 2014 and January 2015, in German. The interviews lasted between 22 and 61 minutes (M = 36 minutes), and the transcribed data totalled approximately 408 pages. The transcripts were imported into the software program NVivo 11 (from QSR International) to support the data analysis.

The problem-centred interviews followed an informal interview guide that started with a critical incident technique (Bitner et al. 1990), asking participants to describe in detail at least one recently experienced product or service failure and the corresponding recovery process. [1] Depending on the level of detail in the responses, the interviewers asked additional questions, such as about the level of CPSR, willingness to participate in the specific recovery situation or final evaluations of the service recovery.

Some impacting factors result from the initial statements, but the interview guide also contained a projective, key question about factors that might have decreased or increased their willingness to participate in the described recovery situation. At the end of the interviews, a short questionnaire collected demographic information and interviewees' self-evaluations of their complaining behaviour.

The qualitative data analysis relies on Mayring's (2014) qualitative content analysis; we combine the "summary" and "structuring" methods. We followed an inductive approach during the coding, in which we allowed categories and patterns to emerge from the data. To verify the quality of the coded categories, an independent judge applied a simplified coding schema, which we compared with the detailed NVivo one. The two schemes largely overlapped, and any differences were resolved through compromise. The final coding schema consists of 16 sub-categories across the 4 main categories, as detailed in Tab. 2.

3.2. Findings

3.2.1. Customers' willingness to participate in service recovery

The interviews offer substantial insights into the meaning of customer participation willingness in a service recovery context. In particular, they affirm that customers' comparison of the expected benefits and costs determine their level of participation willingness in a specific recovery situation. Most participants cited cost aspects, noting their personal effort in terms of time, hassle or monetary costs to engage in CPSR, such as "If it reduces the processing overhead, then I'm ready to participate. If it increases the

Main Categories	Sub-categories	Sources	Quotations
Impacting Factors	Perceived responsibility for the failure	20	105
	Perception of failure severity	19	49
	Proactivity of service provider	17	40
	Possibility to influence the recovery result	16	35
	Domain-specific expertise	16	22
	Responsibility for a third person	2	2
Customer Participation Willingness in Service Recovery	Expected costs	15	36
	Expected benefits	11	21
CPSR	Performance of tasks within the process	18	84
	Provision of basic information	18	83
	Provision of additional information	11	17
	Conducting proactive tasks	3	5
Post-recovery evaluation	Word-of-mouth	16	46
	Repurchase	18	42
	Satisfaction	17	37
	Satisfaction with solution	9	16

Tab. 2: Coding categories

time required, then I'd rather not. If it complicates matters further, then I would rather not [participate]" (Maria, 23 years). For these participants, elements that reduce their perceived effort likely would increase their willingness to participate and thereby influence their post-recovery evaluations. According to Lena (24 years), the effort required by CPSR must be reasonable, in which case she is willing to participate and perceives CPSR more positively, leading to more favourable post-recovery outcomes: "This scope [of CPSR] was okay, but if the scope widened, such that you didn't hear anything [from the company], have to call them repeatedly or write letters to follow up – that would go too far. ... but just because I went there, it has already contributed to me saying: 'Yes, I was more satisfied'". Interviewees also noted benefit aspects though, referring to elements that increase the value of a specific situation and therefore their willingness to participate. Elizabeth (58 years) exhibited a high willingness to participate in service recovery, because she values the opportunity to incorporate her preferences into the solution process. In turn, she expressed positive perceptions of a reasonable degree of CPSR and would recommend a firm that supports higher CPSR. These findings support our prediction, derived from equity theory, and lead us to offer the following propositions:

P1: Customer participation willingness in service recovery moderates the relationship of CPSR and post-recovery evaluations.

P2: Customers' comparison of costs and benefits in a specific service recovery situation determines their willingness to participate in service recovery.

3.2.2. Perceived responsibility for the failure

A frequently mentioned factor in the interviews (Tab. 2) was perceived responsibility for the failure. Participants distinguished among provider, customer and external failures (e. g. *force majeure*). The qualitative results are clear with regard to provider and customer failures: If customers sense that they have contributed to the failure, they are more willing to participate in the recovery process: "I would be more willing to participate, if somehow I contributed something to the problem. Definitely, I would be willing to participate sooner and more" (Lena, 24 years). In assigning part of the blame to themselves, they feel more compelled to participate in its rectification. Some respondents even indicated a need to compensate for their fault: "Then you have a guilty conscience and are more willing to participate" (Alexandra, 46 years). Customers seem to value the chance to make up for their error as a benefit in this situation. However, for provider failures, customers believe the provider is solely responsible for taking the necessary steps to recover them. Their willingness to participate thus appears lower: "But if the mistake

only lies with the company, I am still ready to start the process but not much more" (Maria, 23 years).

For external failures, the picture is less clear. About half of the respondents indicated a higher willingness to participate in the recovery of an external failure, whereas the other half assigned responsibility to the service provider: "Well, it is a natural disaster or whatever and they cannot do anything for it. But still they have to try, first and foremost, to fix the mistake, not me" (Hazel, 62 years). These mixed results seem to arise because the question of guilt cannot be resolved easily in this situation: "The company itself cannot help it, but theoretically I cannot help it either. Um, that's difficult" (Mike, 23 years). Annabel (59 years) added: "If nobody has guilt, you cannot surrender it. You have to do something yourself. You cannot blame anyone else for that!" These reactions appear to depend largely on customers' benevolence. Consequently, we propose:

P3: Customer responsibility exerts a positive impact on customers' service recovery participation willingness; provider responsibility has a negative one. For external responsibility, the link is not clear and likely depends on customers' personal traits.

3.2.3. Responsibility for a third person

Another form of pertinent responsibility when it comes to CPSR is responsibility for a third person. If customers describe a failure that affects someone else primarily, rather than themselves, they display greater willingness to participate in the recovery, especially if the other person is in need of assistance. Here, customers appear to derive additional benefits from the opportunity to help others through their participation. For example, Hazel (62 years) indicates a much higher willingness to undergo the complaint process if it benefits her grandchild, and Annabel (59 years) emphasizes her willingness to participate in service recovery "when it comes to people", such as a good friend "whose mother is in the hospital and everything goes wrong. [Her friend says], if you do not have any relatives there, you're doomed". Our findings highlight this perceived responsibility for a third person, suggesting that customers perceive more favourable outcome-to-input ratios in this situation, which increases their willingness to participate.

P4: Customers who complain on behalf of a third person display greater willingness to participate in service recovery.

3.2.4. Failure severity

Failure severity is another factor frequently mentioned in the interviews (Tab. 2). They identified three sources that intensified their failure perceptions: high personal relevance, effects on multiple people and repeated failures.

All these elements determine customers' perceptions of failure severity, but their effects on customers' willingness to participate in service recovery differ. For example, the respondents reported being more likely to participate in the recovery process if other people also were harmed: "It depends on how many people are affected. Of course I was willing to cooperate more with the table reservation, because it affected not only myself but five other people" (Sophie, 23 years). Similarly, if the failure has great personal relevance, customers are more willing to participate: "If it's an incredibly severe mistake and much depends on it, for me personally, then I would say I definitely help or I'm definitely willing to put in time. But if it's not that important to me, then I would just see it as their job" (Lena, 24 years). In such a situation, many customers even demand the right to participate, to make sure the failure is rectified quickly and appropriately. Thus, they expect to have more control over the process, which provides them with additional benefits.

However, for repeated failures we observe mixed results. Some customers argue that their willingness to participate would increase, because they want to resolve the problem once and for all: "To finally get it solved, I might want to help myself once more, because I see that they are ... unable to reasonably process any information and therefore do not come to the solution themselves" (Paul, 55 years). Customers who adopt this reasoning do not regard their participation positively; they understand it as a "necessary evil" to achieve a solution, so they are ready to participate. Another, larger group of customers instead is annoyed by repeated failures and therefore perceive higher costs connected with them, leaving them unwilling to participate: "That would negatively affect my readiness. Because I would say: 'That's happened before. And now I want you to fix it as soon as possible!'" (Mike, 23 years). Overall then, we expect lower levels of participation willingness in response to repeated failures. Formally, we propose:

P5: Failure severity increases customers' willingness to participate in service recovery if the failure is highly relevant to the customer or involves multiple people. If failure severity results from repeated failures, customer participation willingness decreases.

3.2.5. Proactive service recovery

If service companies initiate recovery efforts before the customer complains or even notices the failure, it represents a proactive service recovery (Smith et al 1999). In our interviews, customers expressed their appreciation for proactive service recovery, which led to increased levels of satisfaction and positive word-of-mouth intentions:

I found that totally pleasant ... the e-mail already contained the coupon code and it was just full of surprises –

two free rides nationwide! I really rate it very positively when they approach me. Because I think that's the exception ... especially in this long-distance bus example; it was really so positive that I now tell others about it in every discussion of long-distance bus services (Emma, 25 years).

However, customers also express a lower willingness to participate in a service recovery that has been initiated by the provider. Therefore, they indicate lower post-recovery evaluations when proactive recoveries combined with higher CPSR, because they equate the proactive recovery with a provider's admission of guilt and perceive their greater participation in this situation as non-rectified, additional costs. They expect the provider to handle the problem, but their increased CPSR amplifies their perceptions of inequity: "It's completely bad, because if the other person already knows that he has made a mistake and stands by it, why should I do something in that situation?" (Jasper, 68 years). Thus, we find strong evidence that proactivity substantially diminishes customer participation willingness in service recovery. This decrease may be so substantive that it alters the valence of the relation between CPSR and post-recovery evaluations. Formally, we propose:

P6: Proactivity in service recovery lowers customer participation willingness in service recovery.

3.2.6. Possibility to influence the recovery result

Customers indicate a higher willingness to participate in service recovery if they believe they can influence the recovery outcome through their participation. For example, if customers believe they can reduce the time needed to resolve a problem, they appreciate the ameliorated result, in terms of time: "If it is possible for me to do something so that I can turn around the situation more quickly, I am ready to participate" (Elizabeth, 58 years). In addition to accelerating the service recovery process, they might influence its components. For example, if customers believe that they can attain a recovery outcome that is better adapted to their needs by participating, they are more willing to participate: "It would be tailored to my needs, to my demands, and it would be closest to what I want" (Elizabeth, 58 years). Others seek a choice among different recovery outcomes: "I can have a say here so that I can even create various options to choose from, so to speak. [I can] select the best or cheapest or whatever..." (Louisa, 51 years). If their participation is not likely to add such value though, customers are more reluctant to engage in additional tasks: "Yes, and the effort if it turns out the same!... If you can't really influence it anyway, then you just take it as easy as possible, don't you?" (Annabel, 59 years). The possibility of influencing the recovery result and its effect on customer participation willingness thus appears important for CPSR, and we propose:

P7: The possibility to influence the service recovery outcome strengthens customers' willingness to participate in service recovery.

3.2.7. Customer's domain-specific expertise

The domain-specific expertise that customers possess, related to the area in which the failure occurs, may affect their willingness to participate in service recovery, though the interviews do not draw a completely unified picture. On the one hand, most customers agree that they would use their knowledge to support the service provider and accelerate the service recovery: "I would be willing to share my knowledge because I think that will speed up the process" (Christina, 25 years). This urge becomes even more pronounced if customers have profound expertise in the specific area, perhaps due to their professional experiences: "I worked in gastronomy myself and if I'm in a restaurant and somehow something goes wrong with the food, then I think I'm more accommodating than other people, because I just know.... That's why I'm quite ready to help" (Lena, 24 years). On the other hand, some respondents who are very familiar with the domain of the failure refuse to participate in the recovery, because the failure prompts their fury, which deters them from participating: "If I were an expert myself, then I would have accurately informed myself what I wanted in advance and would be accordingly angrier if I did not get exactly what I wanted. ... So then I would probably be less willing [to participate]" (Alexandra, 46 years). As suggested by equity theory, more expertise may diminish the perceived costs of CPSR, by making it easier for customers to perform recovery tasks, which would increase their willingness to participate in service recovery. For this exploratory study, we rely on such well-established theoretical predictions, together with initial evidence from our interviews, to propose:

P8: Domain-specific expertise increases customers' willingness to participate in service recovery.

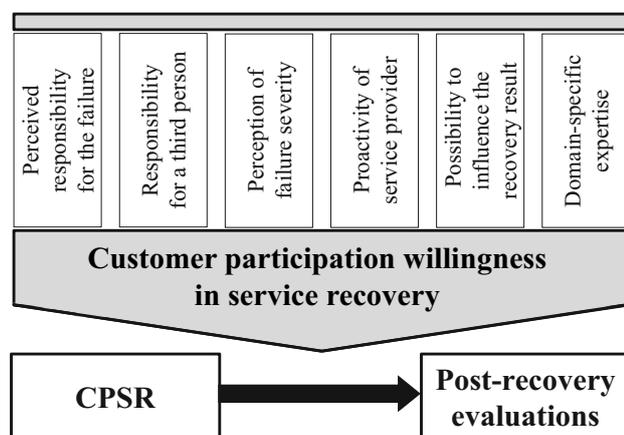


Fig. 1: Theoretical framework

3.3. Theoretical framework and prior research

These findings lead us to suggest the theoretical framework in Fig. 1, reflecting the factors that likely influence customers' willingness to participate in service recovery and therefore indirectly affect the link between CPSR and customer post-recovery evaluations.

When we compare this proposed framework to extant CPSR research (Tab. 1), we observe several overlaps. Heidenreich et al. (2015) indicate that internal failure attributions lead to higher perceptions of guilt, which interact with the level of customer recovery co-creation, such that the link between CPSR and satisfaction is more positive at high levels of perceived guilt but negative when feelings of guilt diminish. We observe a similar causality, in that perceived responsibility for the failure appears to affect perceptions of guilt. However, in contrast with Heidenreich et al.'s (2015) conceptualisation of "perceived guilt" as a direct moderator of the underlying relation, we include customer willingness to participate in service recovery as moderator, which depends on perceived responsibility for the failure and the associated feeling of guilt.

In terms of boundary conditions, Roggeveen et al. (2012) argue that the positive relationship between CPSR and post-recovery evaluations is contingent on failure delay severity; they observe a link for severe delays but not for less severe delays. Thus they include severity as a direct moderator of the CPSR – post-recovery evaluations link, whereas the findings from our qualitative study suggest that perceptions of failure severity affect the underlying relation indirectly, by influencing customer participation willingness in service recovery.

4. Discussion

In the past decade, CPSR has attracted increasing service research attention and been promoted as a promising strategy to increase customers' post-recovery evaluations (e. g. Dong et al. 2008; Roggeveen et al. 2012). Still, recent studies question the universally positive consequences of CPSR, noting some moderators that might offset the positive effect (e. g. Hazée et al. 2017) or even reverse it (e. g. Heidenreich et al. 2015). The current article extends this discussion by identifying customer participation willingness in service recovery as a moderator and specifying influence factors related to this moderator. These findings suggest four key topics, with critical theoretical and managerial implications (Fig. 2).

4.1. Theoretical contributions and avenues for research

This study responds to recent calls for more research into the moderators in CPSR contexts (Hazée et al. 2017), by

Key topics	Avenues for future research	Managerial implications
<p>Meaning of threats to customer participation willingness in service recovery</p>	<ul style="list-style-type: none"> • Confirm greater participation willingness due to domain-specific expertise • Verify reduced participation willingness due to repeated failures 	<ul style="list-style-type: none"> • Require low degrees of CPSR after repeated failures • Group customers by their domain-specific expertise • Allow clients to choose CPSR levels
<p>Meaning of "others" for CPSR</p>	<ul style="list-style-type: none"> • Examine triadic relationships involving (vulnerable) others in a CPSR context • Scrutinize group failures in a CPSR domain 	<ul style="list-style-type: none"> • Determine if others are involved in service recovery situations • Allow higher degrees of CPSR after group failures and if the customer acts in place of other persons
<p>Meaning of output specificity for CPSR</p>	<ul style="list-style-type: none"> • Investigate the relation of CPSR and post-recovery evaluations separately for generic and specific outcomes • Affirm the switch in valence due to output specificity 	<ul style="list-style-type: none"> • Allow higher degrees of CPSR when the customer can alter the recovery outcome • Require low degrees of CPSR if recovery outcome cannot be changed
<p>Meaning of customers' perceptions of guilt for CPSR</p>	<ul style="list-style-type: none"> • Specify the effect of external failures for customer participation willingness • Determine if proactivity affects the valence of the relation between CPSR and post-recovery evaluations 	<ul style="list-style-type: none"> • Recover from provider and external failures with little CPSR, but allow higher CPSR for customer failures • Avoid high CPSR after proactive service recoveries

Fig. 2: Key topics for service research and management

building on Dong et al.'s (2015) argument for service delivery, namely, that the customer participation – outcome link is contingent on customer participation readiness. We introduce a parallel concept (customer participation willingness in service recovery) that arises in a service recovery context; we observe a similar situation, in that customers often cannot choose their degree of participation in service recoveries. Customer participation willingness in service recovery therefore determines how customers assess higher degrees of CPSR, which ultimately affects their post-recovery evaluations. In this sense, our results extend Dong et al.'s (2015) findings by suggesting that customers conduct a cost-benefits analysis to derive their participation willingness in service recovery. With this foundation, we predict factors that might determine the link between CPSR and post-recovery evaluations, by influencing customers' willingness to participate (see Fig. 1). Some of these factors have already been considered as direct moderators of the CPSR – outcome link (Heidenreich et al. 2015; Roggeveen et al. 2012). In light of our findings though, quantitative research should assess whether each of these factors actually functions directly as a moderator or indirectly by altering customer participation willingness in service recovery. We identify six factors that are likely to determine customers' willingness to participate in service recovery and thus have indirect effects on the strength and valence of the relationship between CPSR

and post-recovery evaluations. Some effects are unambiguous; others deserve further consideration.

In particular, further research should determine whether customers' perceptions of failure severity act as drivers of or threats to customer participation willingness in service recovery. Prior research examining the meaning of delay severity in a CPSR context (Roggeveen et al. 2012) shows that CPSR affects post-recovery evaluations only for severe delays. Our results extend these findings, by suggesting that failure severity works indirectly, not as a direct moderator. Furthermore, we demonstrate that customers' perceptions of failure severity can be nurtured by various sources (personal relevance, effect on multiple people, repeated failures), each of which should be included in continued assessments, because they affect customers' participation willingness differently. Using interview data, we establish that the personal relevance of a service failure and effects on multiple people both increase customers' willingness to participate and thus strengthen the influence of CPSR on post-recovery evaluations. Prior research also indicates that the importance and personal relevance of a failure heightens customers' likelihood of sharing information and performing recovery-related tasks (Cheung and To 2016). Yet our observations about repeated service failures are mixed. Most customers are less willing to participate in service recoveries for repeated failures, but

some of our informants indicated increased participation willingness. This increased willingness has a negative connotation though, because these customers perceive their increased participation as a means to an end – namely, to finally obtain a solution to a persistent failure. Whether such comments really imply increased participation willingness, beyond the specific case, is a question for further research, perhaps with larger, quantitative samples. More research also is required to explicate the effects of domain-specific expertise. We identify a positive impact; some of the interview comments and prior findings (in technology-based service settings; Bilstein et al. 2016) instead suggest its negative influence.

Another avenue for research would be to scrutinize the meaning of “others” in the CPSR context. That is, we observe a higher willingness to participate in recovery if “others” are involved. Customers who feel responsible for a third person derive more benefits from their participation and display a higher willingness to participate in service recovery; as mentioned, they also appear more willing to participate if others are affected by the service failure. The former finding expands recent discussions of triadic relationships involving a third, vulnerable entity (Rötzmeiner-Keuper et al. 2018). Such vulnerable entities may be children, seniors, unconscious or incapable patients, animals and so forth (Rötzmeier-Keuper et al. 2018; Rosenbaum et al. 2017). Our findings emphasize the meaning of such triadic relationships in a CPSR context. The latter finding pertains more to the scarce research on group service failures (e. g. Albrecht et al. 2017; Du et al. 2014). Customers express higher complaint intentions in group service failure settings, compared with individual service failures (Du et al. 2014; Huang et al. 2014), but no research accounts for customers' perceptions and evaluations of CPSR in this context. Hence, our results contribute to both streams of literature by linking them to a CPSR context for the first time.

We also identify three factors for which the impact on customer participation willingness in service recovery may be so strong that it may switch the valence of the positive customer participation – outcome link to a negative one: responsibility for failure cause, proactivity of a service provider and possibility to influence the recovery result. By identifying a potential influence on the recovery results as a factor, we extend recent discussions of output specificity in service delivery (Dong and Sivakumar 2015) and recovery (Bilstein et al. 2015). Output specificity “refers to the degree to which the nature of the output is influenced by the person who provides the resource (e. g. service employee vs. customer)” and may be both “generic (having one common output) and specific (having distinct outputs)” (Dong and Sivakumar 2015, p. 735). Most studies (e. g. Heidenreich et al. 2015; Roggeveen et al. 2012) postulate that customers add value to the service re-

covery, through their increased efforts and contributions (i.e., specific output). Thus, by contributing, customers can “shape and personalize the content of service recovery through joint collaboration with the service provider” (Roggeveen et al. 2012, p. 772) or “actively participate in finding an appropriate solution” (Heidenreich et al. 2015, p. 285). Yet in many service recovery situations, CPSR does not lead automatically to enhanced outcomes, such as in technology-based service domains (Bilstein et al. 2016). Accordingly, some investigations of CPSR cite generic outputs (e. g. Bilstein et al. 2015; 2016) and identify a negative link between CPSR and post-recovery evaluations. On the basis of our interviews and prior findings, we predict that if customers believe they can influence the recovery outcome, they express greater willingness to participate in service recovery, prompting a positive relation between their CPSR and post-recovery evaluations. Without such a possibility, the underlying relation might switch, due to the substantial decrease in customer participation willingness. We call for research that investigates the meaning of output specificity in particular for CPSR.

A final avenue for continued research involves examining customers' perceptions of guilt in a service recovery context, which we encountered in our interviews in relation to the responsibility for failure and the proactivity of the service provider. A sense of joint guilt leads to increasing willingness to participate in service recovery for customer failures. This finding aligns with the results detailed by Heidenreich et al. (2015), namely, that an internal failure attribution affects perceived guilt, which directly moderates the customer participation – satisfaction link. In contrast, customers clearly attribute the guilt for provider failures to the company, so they are not prepared to participate. Continued research should investigate whether this decrease in participation willingness leads to a weakened positive effect of CPSR on post-recovery evaluations or even transforms it into a negative effect. For external service failures, the question of guilt has not been resolved, and customers vary in their stated willingness to participate. Further research is required to delineate this effect, including whether personal traits or situational factors inform customers' participation willingness in external failure situations. When it comes to proactive service recoveries, customers appreciate the benefits of a service recovery initiated by the provider and report higher levels of post-recovery evaluations, but they also express nearly no willingness to participate. From customers' point of view, a proactive service recovery equals an admission of guilt by the provider, so they judge it like a provider failure. Continued research should seek to clarify how proactivity determines the relation between CPSR and post-recovery evaluations, through customers' willingness to participate, to determine whether it affects only the strength or also the valence of this relationship. Proactive strategies

seemingly can prevent failures, prior to their occurrence (Van Vaerenbergh et al. 2012), so they might have positive influences on customers' evaluations (Mikolon et al. 2015), yet research into proactive service recoveries is scarce (Shin et al. 2017). Unlike most prior research, our interview findings refer to proactive recovery situations in which the failure has already occurred. That is, the service recovery has been initiated by the provider, prior to a customer complaint (Smith et al. 1999). We hope our findings stimulate continued research into proactive service recovery and extend to proactive recovery strategies that take place after a failure has occurred.

4.2. Managerial implications

Our results offer managers new insights into which factors affect the consequences of CPSR, enabling them to benefit from its advantages while avoiding its detriments. In particular, they should design service recovery processes to account for four key findings.

First, customer participation willingness may be threatened by repeated failures and customers' domain-specific expertise. Therefore, managers should minimize customers' involvement in recoveries after repeated failures and ensure that employees have high levels of competence to solve the problem on their own. Service providers also would be well advised to group customers according to their level of expertise with the service and offer different recovery processes, varying with their level of CPSR. Another option would be to allow customers to choose the level of CPSR they prefer.

Second, managers should acknowledge that customers think not just of themselves but also of others when it comes to their CPSR. This factor seems especially prevalent in group failures, as are common in industries like tourism, transportation or catering (Du et al. 2014). Customers prefer to participate in such recovery situations, because they gain a sense of doing something good for the group. A similar benefit arises in triadic relationships in which the customer participates in place of another person, as might occur in industries like health care, educational services or child or senior care (Rötzmeiner-Keuper et al. 2018). These customers derive additional benefit from CPSR, which increases their willingness to participate in service recovery and ultimately provokes better post-recovery evaluations. Service providers should adapt the design of their service recovery processes to encourage this effect.

Third, the output specificity of CPSR represents a critical consideration, in that a positive link between CPSR and post-recovery evaluations is more likely in recovery situations in which customers can alter the outcome. Passengers of a cancelled flight who choose the best alternative route, through their CPSR (Roggeveen et al. 2012), or

those who are able to learn from CPSR, which makes them better prepared for future participation (Dong et al. 2008), thus may display more favourable post-recovery evaluations. However, recoveries in other fields, such as technology-based services, rarely allow for outcome customization (Bilstein et al. 2016). In these cases, CPSR could decrease post-recovery evaluations, due to customers' lower willingness to participate in these situations. Therefore, we recommend that service providers encourage greater participation in recovery processes that enable customers to create additional value but limit participation to a minimum for recoveries that can only produce generic outcomes.

Fourth, managers must account for customers' perceptions of guilt and find ways to offer service recovery processes that feature different levels of CPSR, depending on the cause of the failure. For provider failures, companies should seek to solve the problem mostly on their own, requiring only minimal CPSR. Because the effect of external failures is not clear, we offer the same recommendation in this case. But service providers should give customers a chance to participate in the recoveries of failures they caused. This option enables the service providers to benefit from customers' working power, while also giving customers a means to ease their feelings of guilt, which should boost their post-recovery evaluations. A related topic of interest is the question of proactivity; we recommend that managers note the positive effect a proactive service recovery can have on customers' post-recovery evaluations, even if the failure already has occurred. Along with these positive effects though, providers need to consider the potential recovery initiation-coproduction trade-off and realize that customers are less willing to participate in proactive recoveries.

5. Limitations

By nature, this exploratory study contains some limitations. The intrinsic limitations of qualitative research mean that our results cannot be generalized to a larger population without caution. These results should be considered suggestive and then validated by further empirical research. The proposed effects of external failures, domain-specific expertise and repeated failures in particular demand further, quantitative investigations with larger samples. The expected shifts in valence for the CPSR – post-recovery – evaluation links, due to factors such as proactivity or output specificity, also need to be addressed with quantitative research. Our qualitative approach cannot reveal the strength of these effects. For example, output specificity might weaken the positive underlying link or make it negative; further research should specify these effects. Our sample also included a broad range of customers, but it was not representative, and women were

slightly overrepresented. However, we do not consider this factor a concern, because prior studies on CPSR reveal no moderating effect of gender (Karande et al. 2007, Xu et al. 2014a), so we have no reason to believe women and men systematically assess CPSR differently. The participants also noted their experiences with recovery situations in a variety of industries, which we did not account for when analysing the impacting factors. Further research could examine whether different factors take on varying levels of importance in different industries.

Notes

[1] We mention both product and service failures to ensure participants also consider service failures that incorporate tangible components (e. g. car repair).

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Keywords

Customer Participation Willingness in Service Recovery, Service Recovery, Proactivity, Output Specificity, Qualitative Research