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Understanding Customer Actions during Self-service Technology Failures in Multichannel Service Environments

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Understanding Customer Actions during Self-service Technology Failures in Multichannel Service Environments

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Contemporary customers are now being offered multiple channels of access to service companies, via the traditional service encounter, through the use of self-service technologies (SSTs) and technology facilitated employee encounters (Neslin and Shankar 2009). The tourism services industry is changing with the introduction of newer SSTs and their rapid adoption by customers. Examples of SSTs include hotel reservation websites, kiosk technologies at airports and mobile telephone service applications. SSTs may provide tourism service companies with opportunities for cost savings and broadening of the customer base, while customers appreciate the improved service in terms of convenience, efficiency, customer control, and cheaper price. The minimal or no interaction with company employees characteristic of SST encounters still poses a threat to their successful implementation, because it makes monitoring and recovery of service failures difficult (Dabholkar and Spaid 2012; Forbes 2008).

Research suggests that SST service failures are not being dealt with to the satisfaction of customers, which presents a threat to building lasting customer relationships (Forbes 2008; Forbes, Kelley, and Hoffman 2005). Furthermore, the recognised active role of the customer as a producer during SST encounters has received limited research in the situation of service recovery (Dong, Evans, and Zou 2008). The research attention has focused on the responses of service providers during SST failure/recovery episodes (e.g. Dabholkar and Spaid 2012; Mattilla, Cho, and Ro 2011), while overlooking the customer role (Dong et al. 2008). Based on the service-dominant logic in services marketing (Vargo and Lusch 2004), this paper contributes towards exploring customer actions during SST failure/recovery situations. The objective of this paper is to explore the factors affecting customer actions during SST failure/recovery episodes.

The research method employed to gather customer experiences of various SST failures was short qualitative interviews with 133 passengers at an international airport. This method of data collection was suggested as appropriate for gaining of a broad perspective on the main themes in an area of research where there is relatively little prior knowledge (Carson, Gilmore, Gronhaug, and Perry 2001). With a view to avoiding any preconceptions, the research included a broad sample in terms of ages, gender and education. Furthermore, the inclusion of a broad sample of participants was intended for gaining various customer perspectives. The limitations of this research method constitute the insufficient depth in questioning during the short interviews. The aim of this research was to gain initial understanding of customer behaviour during SST failures and should be followed by a more comprehensive data collection instrument, such as in-depth interviews or focus groups.

The interpretive analysis revealed numerous SST service recovery situations, namely when customers took no action, tried to recover the service, demanded a self-service option for service recovery, sought assistance from a company employee, abandoned the SST of the service company, alerted the company of service faults or interacted with other customers in recovering the service. These customer actions are discussed in terms of affecting factors. Some of the factors, which may determine customer actions during SST service failure episodes, include the ability of the SST to fix itself, customer experience with SSTs, the cost and ease of contacting a customer service representative, the presence of knowledgeable fellow customers, switching barriers and time pressure.

The findings from this research have implications for both academic knowledge and practice. The understanding of customer actions during SST failure/recovery episodes contributes towards the debate on efficient and effective SST service recovery. The outcomes from this research may assist services providers, customers, marketers, managers and policy

makers in ensuring higher consumer adoption and usage of SSTs in the tourism industry, and the wider services sector. The managerial implications are in the areas of optimal customer relationship management, improved customer experiences with SSTs and reduction of company operational costs. The paper concludes with the limitations of the research and suggestions for further research.

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