Research on The Effect of Service Recovery Quality on Customer Behavioural Intention in Tiktok Mall

Lu ChenXia[1], Dr. Norizan bin Mat Saad[2], Dr. Abdul Rashid Abdullah[3]
[1]Graduate School of City University of Malaysia
[2]Graduate School of City University of Malaysia
[3]School of Entrepreneurship, Universiti Keusahawanan Koperasi Malaysia (UKKM)
475042054@qq.com,norizan.saad@city.edu.my,abdul.rashid@ukkm.edu.my

ABSTRACT

With the rapid development of live broadcasting platforms in China represented by TikTok Mall, it brings some service misbehaviors, which have caused some impacts on customers. In order to eliminate the negative impacts of these misbehaviors on customers, service recovery behaviors need to be studied. Through questionnaire to the customers who has TikTok Mall experiences in Hangzhou and 321 valid questionnaires were returned. This paper finds that result recovery quality, process recovery quality, and interaction recovery quality all have a significant impact on customers' behavioral intentions. Therefore, there is a need to enhance remediation measures after misbehavior occurs so as to generate positive customer behavioral intentions.

Keywords: Result Recovery Quality, Process Recovery Quality, Interaction Recovery Quality, Customers' Behavioral Intentions, Tiktok Mall

INTRODUCTION

With the onset of the post-pandemic period, an increasing number of local consumers are embracing online retail. China's major e-commerce platforms are still in a stage of rapid development, with various types striving for attention. These include emerging representatives like social shopping platform PinDuoDuo and live broadcasting shopping platform TikTok Mall, which are particularly popular among younger demographics(Wibowo, I, J, A., 2021). At the same time, there is increasing visibility of the drawbacks. The service's intangibility and volatility contribute to its uncertainty and instability, leading to difficulties in achieving zero defects even with meticulous service processes and mature staff training. The virtual nature of online shopping makes it challenging to avoid service failures. The "Live E-commerce Shopping Consumer Satisfaction Online Survey Report" published on March 1, 2020, revealed that around 40% of participants reported encountering unsatisfactory experiences in live e-commerce shopping. However, the study found that only approximately 10% of them filed complaints after facing shopping issues(Tran, D, V. and Vu, Q, H., 2019). Consumers do not complain about the reasons are: can not find the responsible body complaints, merchants and the live room each other to pass the buck, and the complaint process is complex and unsatisfactory results, compared with

30

traditional brick-and-mortar shopping, online shopping customers can only rely on the net map, online shopping evaluation and word of mouth to decide to buy, fakes and fakes, substituting the best for the best, the undesirable phenomenon of mixing up the pearls abound, and the logistics and distribution services, information security and privacy protection and other links are very prone to deviations. The logistics and distribution services, information security and privacy protection, and other aspects very easily produce deviations, resulting in service failure, triggering customer dissatisfaction and even complaints, the accumulation of negative emotions will further interfere with the customer's subsequent behavioral intentions, resulting in customer turnover and other issues, and then no longer shop in the live room.

Service errors have historically been a primary factor in discouraging consumers from making repeat purchases, as indicated by numerous academic studies. The digital nature of businesses creates barriers to detecting service errors proactively due to the lack of face-to-face interactions(Thu, T, T, H., Kim, N, H. and Viet, T, L, N., 2022). This poses a significant challenge in preventing the occurrence of service errors in advance. The hidden and unpredictable nature of service errors often leads to untimely recovery or even a lack of business services, resulting in consumer complaints, anger, and other negative emotions, which in turn translates into the dissemination of negative word-of-mouth, not making secondary purchases and other negative behaviors. To cope with the unavoidable mistakes in the service process, TikTok Mall has also gradually emphasized the implementation of service recovery. Service remedial measures refer to the effective behaviors adopted by service providers after consumers experience service errors.

After summarizing the results of previous academic research, it is found that quickly providing high-quality service recovery when customers encounter service errors is key to effectively repairing the customer-business relationship between online merchants and consumers. In the complicated business network environment, how can businesses use service solutions to address and successfully gain customers' sense of fairness after service mistakes happen, to retain customers effectively? TikTok Mall's e-commerce platform experiences various service failures that cannot be entirely prevented. Once a service failure occurs, it is crucial to implement effective remedial measures to minimize the negative consequences. In a competitive market with multiple players vying for attention, the importance of remedial efforts in cultivating customer loyalty and reducing customer turnover on the platform is growing significantly. Service recovery aims to rectify errors and retain dissatisfied customers, ultimately restoring consumer satisfaction and loyalty.

LITERATURE REVIEW

Customer Behavioral Intentions
The concept of behavioral intention has its origins in psychology and social sciences and was first defined by Fishbein and Ajzen, who regarded the subjective likelihood of people wanting to embark on a certain course of action as behavioral intention(Şimşek, K. and Demirbağ, O., 2017). Chiu conduct his work in digging into the effect of service recovery methods on customers' behavioral intention, defined customers' behavioral intention as the outward activity that customers show because they are governed by their thoughts. Based on the background of service failure(Chiu, K, L., 2011), Some scholar believes that positive word-of-mouth willingness refers to the fact that after experiencing a service failure, customers still have the willingness to actively publicize the advantages of the merchant's products or services to other customers, to encourage others to buy them, and are willing to use social media platforms to positively recommend the products or services, which includes both praise and recommendation(Masa'deh, R. et al., 2017). Based on the network scenario,and others pointed out

that customers' online behavioral intention refers to a series of emotional changes caused by the information presented in the webpage, which ultimately changes the customers' purchase intention.

Quality of service recovery
Service recovery is a research branch of service marketing, the latter being a hot research topic in marketing. In early studies, service recovery is defined as the activities of businesses to alleviate the negative emotions (e.g., complaints) of customers caused by service failures (Hou Rujing et al., 2012). With the in-depth research of scholars gradually enriched, the connotation of service recovery is no longer limited to the enterprise's response to service failure (Schweikhart et al, 1993), Smith et al. (1999) defined it as a series of activities taken by the enterprise proactively for the service failure before, during and after.

Hypothetical development

Service recovery is an important opportunity for merchants to win back customers. Online shoppers are particularly concerned about whether merchants take positive and effective remedial measures after experiencing service failures. In the event of service failure, the customer in the transaction is difficult to stand in an objective point of view of the rational view of the transaction process, it is very easy to attribute the failure of the service to the online merchant, and its subsequent behavioral intentions are inevitably affected by its emotional impact. Effective service recovery by the merchant can, to a certain extent, restore the customer's sense of identification with the merchant, enhance the sense of trust, increase the motivation to purchase, enhance the intention to repeat purchases and spread word of mouth, and even create customer loyalty.

result recovery quality mainly refers to tangible compensation(Tran, D, V. and Vu, Q, H., 2019). In the traditional shopping environment, tangible compensation is the most critical measurement dimension of service recovery, which mainly includes appropriate compensation, gift vouchers and gifts, discounts, etc. It has the deepest impact on customers' behavioral intention and is the most direct and effective means to promote the formation of positive word-of-mouth communication intention. Based on cognitive equity theory, scholars studying the impact of service recovery on positive word-of-mouth (WOM) communication intentions in the context of service failure in the catering industry found that tangible recovery, such as compensation, return and exchange, and recall, can promote the formation of positive WOM communication among customers, and that customers are more willing to accept recovery with equal compensation due to the influence of traditional Chinese consumer thinking and habits(Wen, B. and Christina, G., 2013). The important reason for the negative emotions of customers experiencing service failure is that they have suffered certain material losses, and the material recovery taken by service providers can make up for the economic losses perceived by the customers, reflecting the apologies of the merchants in a relatively short period of time, highlighting the remedial motives of the merchants and their sense of responsibility, and triggering the customers' willingness to forgive, which is conducive to the formation of positive behavioral intentions of the customers. TikTok Mall, as an emerging online shopping platform, the quality of result recovery will also have a positive effect on customers' behavioral intention, so the following hypothesis is proposed:

H1: The quality of result recovery has a positive effect on customers' behavioral intention.

Process recovery quality is the performance of customers in terms of the efficiency of recovery after a service failure, which is mainly related to the efficiency of the implementation of recovery process matters (refunds, returns, and exchanges) and interpersonal contacts, including the speed of response of recovery procedures and the proactivity of remediators. recovery proactivity refers to the firm's advance

statement or information about preventive recovery before the service failure occurs, as well as the firm's initiative to inquire about the damage caused to the customer by the service failure after the service failure occurs, including whether the firm is proactive in resolving the service failure when the customer chooses to remain silent(Olorunniwo, O, F., Hsu, K, M. and Udo, J, G., 2006). On the one hand, when the enterprise informs customers of preventive remedial information in advance, the customer's cognitive awareness will be changed to some extent, and the customer will perceive that he or she has a certain right to know and be treated fairly, and his or her goodwill towards the enterprise's service and remedial measures will be increased(Wang, G., 2022). In addition, advance information about service failure can stimulate the customer's psychological defense mechanism, in the case of psychological preparation, service failure will not cause customers to violent emotional fluctuations, accordingly, the tendency of negative behavior will be weakened; on the other hand, after the failure of the service, the enterprise takes the initiative to carry out service recovery to reflect the sense of social responsibility of the enterprise, which can help to repair the customer's trust and positive intervention for the customer's cognition and emotion after the failure, triggering forgiveness and forgiveness. On the other hand, after the service failure, the enterprise's active service recovery can reflect the enterprise's social responsibility, help repair customer trust, and positively intervene in the customer's cognition and emotion after the failure to trigger the emotion of forgiveness, which is an important performance of the individual to release the negative emotion, and help the customer's willingness to repurchase and the willingness of word-of-mouth communication. Scholars studying restaurant service failure scenarios have found that proactive recovery is more likely to stimulate consumer repurchase and word-of-mouth communication. As an emerging online shopping platform, the quality of process recovery will also have a positive effect on customers' behavioral intention, so the following hypothesis is proposed:

H2: The quality of procedural recovery has a positive effect on customers' behavioral intentions.

Interaction recovery quality is the psychosexual compensation of the customer in the remedial interaction after a service failure, the psychological measure of the customer's feeling of being treated sincerely after being apologized for and respected, specifically including the service provider's apology and understanding of the customer. Responsiveness is the speed at which customer issues are addressed and responded to. In the fast-paced, service-oriented marketing era, customers value the speed and quality of service, and once the service process breaks down, customers will focus on whether the service provider can make substantial compensation in a timely and proactive manner. Remedy response time is a key factor affecting the customer's willingness to forgive, the service provider's remedial response speed will affect the customer's perception of control, fast recovery of the business will give the customer a psychological hint of the impact of the failure of the service in a controllable range, the easier it is to cause the customer to forgive and reduce the possibility of negative evaluation(Khudri, M, M. and Sultana, S., 2015). Apologizing means admitting mistakes to customers. Based on cognitive fairness theory and from the perspective of interactive fairness, scholars have found that a sincere apology from the merchant to the customer after a service failure is more effective than material recovery. When studying offline shopping services, scholars found that during face-to-face contact between customers and frontline service personnel, the positive and responsible attitude and sincere apology of service personnel can effectively improve the remedial effect(Wei, J. and Deng, M., 2018). Scholars in the study found that apologies can satisfy customers' needs in terms of self-esteem and emotions, which is a spiritual remedial signal given by merchants to customers, and to a certain extent, makes up for the perceived loss of customers, who have a greater likelihood of forming positive behavioral intentions.

H3: Interaction recovery quality has a positive effect on customers' behavioral intention.
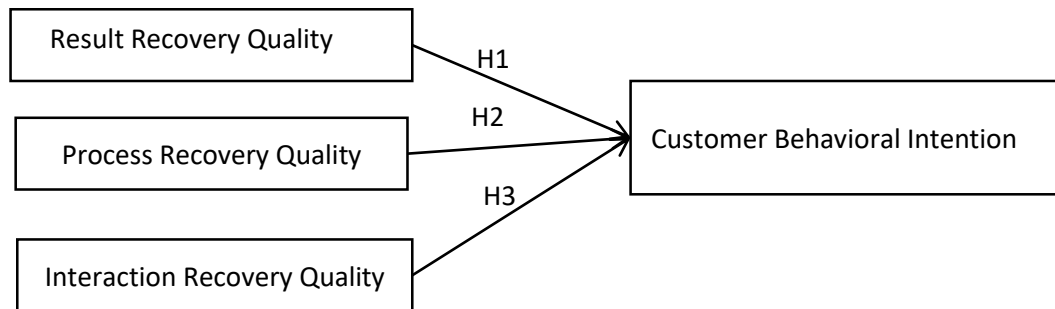

Figure 1 Research Framework

METHODOLOGY

The data for this study was gathered via a survey conducted among individual consumers in Hangzhou City, Zhejiang Province, China who have experience with online shopping. The surveyed population consisted of college students, graduate students, as well as employees from various enterprises and public institutions, and freelancers. This selection was based on the main motives for online shopping which are convenience and cost-effectiveness. These groups collectively represent 66.9% of all online shoppers due to their capacity (time, energy, etc.) to engage with the services provided by online stores.

Based on the sources provided, it is evident that service recovery strategies play a crucial role in online retail businesses (Wei, J. and Lin, X., 2020). The sources illustrate that fast recovery, sincere apologies, and interactive recovery quality have a positive impact on customers' perception of service failures and their behavioral

Customer behavioral intention. Customer behavioral intention is divided into repurchase intention and word-of-mouth communication intention, for the measurement of repurchase intention comprehensive reference to Dodds, Monroe (1991) scale, for the measurement of word-of-mouth communication intention reference to Blodgett, Granbois & Walters (1993) scale, the final total of 7 items. The quality of result recovery was slightly modified from the Forbes, Kelley & Hoffman, and Smith (2005) scale and consisted of 4 items; the quality of process recovery was slightly modified from the Forbes, Kelley & Hoffman, and Smith scale and consisted of 6 items; and the quality of interactional recovery was slightly modified from the Collier, Collier & Hoffman (2005) scale and consisted of 6 items; and the quality of interaction recovery was slightly modified from the Collier, Collier & Hoffman (2005) scale. The recovery questions were slightly modified from the Collier and Bienstock (2006) scale and consisted of 3 items.

RESULTS

A survey of users of the TikTok mall platform was conducted by distributing questionnaires online. The survey period is August-November 2023, a total of 400 questionnaires were distributed, 367 questionnaires were actually recovered, and other remaining questionnaires were collected after

excluding invalid questionnaires, 321 questionnaires, with an effective recovery rate of 80.25%. Among the consumers interviewed in the survey, 198 (61.68%) were female and 123 (38.32%) were male.

Table 1 Reliability Analysis

	Items	Reliability
Customer Behavioral Intention	7	0.739
Result Recovery Quality	4	0.820
Process Recovery Quality	6	0.865
Interaction Recovery Quality	3	0.872
Source:Compiled from survey data		

The reliability assessment was conducted to confirm the dependability and consistency of the data utilized in the study, ensuring the accuracy of the derived findings. Each variable underwent a thorough reliability test targeting a minimum benchmark value of 0.7. All reliability coefficients for the constructs surpassed this threshold, indicating that the specific questionnaire structure employed demonstrated significant suitability within this research context.

Table 2 Description and Correlation Analysis

	M	SD	ITP	PP	PS	CP
CBI	3.874	0.687	1			
RRQ	4.019	0.667	.516**	1		
PRQ	4.396	0.558	.257**	.351**	1	
IRQ	3.498	0.849	.383**	.219**	0.075	1
**P<0.01.						
Source:Compiled from survey data						

Table 3 Regression and Hypothesis test

Hypothesis	Constructs	Standardized Coefficients	t	Sig.	Sppourt
H1	Result Recovery Quality	0.424	8.573	0.000	Accept
H2	Process Recovery Quality	0.486	8.786	0.000	Accept
H3	Interaction Recovery Quality	0.283	6.095	0.000	Accept
F		56.744			
Significant		0.000			
R^2		0.349			
Adjusted R^2		0.343			
Source: Compiled from survey data					

R2 represents the total change in the dependent variable "Customer Behavioral Intention", which can be explained by the independent variable "Result Recovery Quality", "Process Recovery Quality", "Interaction Recovery Quality", and the degree of explanation of the dependent variable. It is observed that the R2 value is 34.9% and the significance value is 0.000. therefore, service recovery quality has a significant effect on customer behavioral intention. As a result of regression analysis, result recovery

quality has a positive and significant effect on customer behavioral intention (t=8.573, sig.<0.001) and supporting H1. Procedural recovery quality has a positive effect on customer behavioral intention (t=8.786, sig.<0.001), supporting H2. Interaction recovery quality has a positive and significant effect on customer behavioral intention (t=6.095, sig.<0.001), supporting H3 .

CONCLUSION

The regression analysis revealed that result recovery quality, process recovery quality, and interaction recovery quality all have a significant impact on customers' behavioral intentions. The findings suggest that TikTok Mall can effectively regain positive word-of-mouth from customers by addressing deficiencies through high-quality recovery efforts. For instance, when customers lodge complaints after service failures, they are more inclined to seek actual compensation through mutual interactions rather than relying solely on timely communication. A proactive strategy to address this involves initially offering compensation and an apology followed by reinforcing the fairness of the complaint resolution process with the customer. Such an approach aligns with our empirical results and ultimately contributes to fostering long-term positive customer behavioral intentions.

REFERENCES

Wibowo, I., & Joseph, A. (2021). Outcomes of perceived online webshop quality: Empirical evidence. Market-Tržište, 33(2), 149-164.

Tran, V. D., & Vu, Q. H. (2019). Inspecting the relationship among E-service quality, E-trust, E-customer satisfaction and behavioral intentions of online shopping customers. Global Business & Finance Review (GBFR), 24(3), 29-42.

Minh, N. T., Trung, V. H. M., & Ha, N. T. T. (2022). Factors Affecting Customers' Satisfaction with E-commerce of Business in Vietnam. Journal of Positive School Psychology, 879-885.

Şimşek, K., & Demirbağ, O. (2017). Modeling service quality, customer satisfaction and behavioral intentions in airline industry: A SEM approach. The Journal of International Scientific Researches, 2(6), 11-29.

Chiu, L. K. (2011, May). The effects of institutional trust and financial innovation on customer behavioral intentions. In 2011 International Conference on E-Business and E-Government (ICEE) (pp. 1-4). IEEE.

Al-Badi, A., Abu-Hlalah, A., Alkyal, R., & Zytoon, S. (2017). Factors Affecting User¡¯ s Satisfaction of Tourism Board Website and Its Impact on Continuous Intention to Use. International Journal of Business Administration, 8(4), 1-15.

Wen, B., & Geng-qing Chi, C. (2013). Examine the cognitive and affective antecedents to service recovery satisfaction: A field study of delayed airline passengers. International Journal of Contemporary Hospitality Management, 25(3), 306-327.

Olorunniwo, F., Hsu, M. K., & Udo, G. J. (2006). Service quality, customer satisfaction, and behavioral intentions in the service factory. Journal of services marketing, 20(1), 59-72.

Wang, G. (2022, March). The Application of 7P Analysis Model in the Market Strategy-Taking the Beauty Industry as an Example. In 2022 7th International Conference on Financial Innovation and Economic Development (ICFIED 2022) (pp. 1620-1624). Atlantis Press.

Khudri, M. M., & Sultana, S. (2015). Determinants of service quality and impact of service quality and consumer characteristics on channel selection. British Food Journal, 117(8), 2078-2097.

Wei, J., & Lin, X. (2022). Research on the influence of compensation methods and customer sentiment on service recovery effect. Total Quality Management & Business Excellence, 33(5-6), 489-508.