

The Service Recovery Journey: Conceptualization, Integration, and Directions for Future Research

EXECUTIVE SUMMARY

Every day, millions of customers around the globe experience service failures. Even though customers are well aware of the fact that something can go wrong, recent data from the 2017 National Customer Rage Survey are pretty alarming: More than half of U.S. households had experienced at least one problem with products and services in the twelve months preceding the study, putting no less than \$313 billion in revenue at risk. “What’s really surprising is that these numbers haven’t changed in more than 40 years,” say the authors Yves Van Vaerenbergh (KU Leuven, Belgium), Dorottya Varga (KU Leuven, Belgium), Arne De Keyser (EDHEC Business School, France) and Chiara Orsingher (University of Bologna, Italy). The numbers made them wonder what researchers and practitioners were missing.

“What we propose is that researchers and practitioners have been looking at service recovery in a static way, without recognizing its dynamic nature. The majority of the studies consider service recovery as a discrete, single-point-in-time event, as something that you do as after-sales activity. We believe this view is too narrow, and introduce the idea of the *service recovery journey*. This view recognizes that service recovery is always composed of various actions that need to be aligned – much like the regular customer journey”. In this project, the authors identify a wide set of recovery options managers may use at the pre-recovery, recovery and post-recovery phases of the service recovery journey to ensure the rebuilding of customer relationships following a failure. “We definitely recommend researchers and practitioners to have a look at the various options reported in the paper. It is certainly something that can be used to assess current practices”, the authors continue.

The close connection between the SRJ and the regular customer journey suggests that if organizations wish to deliver compelling customer experiences they should almost automatically concurrently design a SRJ and manage it as a core business activity. “Managers cannot treat the service recovery journey as independent from the regular customer journey,” the authors say. “They must optimize the service recovery journey’s flow by ensuring touchpoint consistency and connectivity across complaint channels, contextualize service

recovery by ensuring frontline employee training and empowerment but also use technology to get insights into customers experiencing a service failure. It is imperative that organizations use data derived from the service recovery journey not only to optimize this journey but also to engage in problem prevention activities.”

The researchers’ efforts to conceptualize service recovery as a journey gave rise to many new ideas. “What struck us the most was the significant number of questions we could not answer. To give just one example: research has not looked at the ROI of recovery investments, which is crucial to have a real business impact.” Even though researchers have been studying service recovery for over 40 years, a lot of work remains. “Our research agenda is a full one in the years to come,” the authors conclude.