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Abstract

Knowing how to handle angry customers following a service failure is an important aspect of a service provider’s work role. This paper presents a conceptual framework to help marketing academics and managers better understand: (1) how customer anger is provoked by a service failure; and (2) how customer anger may be reduced through using specific service recovery attempts by service providers. Specifically, we propose a two-phase conceptual model incorporating pre-service recovery (Phase 1) and service recovery (Phase 2). We argue that in Phase 1, an external cause produces anger and that cognitive appraisal is undertaken specifically in terms of: (a) goal relevance; (b) goal incongruence; and (c) ego-involvement – and this moderates the intensity of anger experienced by the customer. In Phase 2, we argue that customer anger can be reduced if the service provider undertakes the following: (a) listening; (b) engaging in blame displacement; and (c) providing an apology to the customer.

Keywords: Service failure, Service recovery, Emotions, Customer anger

1. Introduction

Despite considerable efforts to make customers happy, things do not always go right in service delivery. When things go wrong negative emotions, such as anger, frustration and even rage, are produced and expressed. When the service fails, recovery attempts by service providers may enhance or enflame these negative emotions. Knowing how to handle the recovery process is crucial as an inappropriate response may only make matters worse (Sparks and McColl-Kennedy, 2001).

It is surprising that research to date has largely disregarded the role of consumer emotions in service recovery (Stephens and Gwinner, 1998), particularly as service failures and some attempts at recovery may result in very strong negative emotions. Anger is a particularly common emotion in such circumstances. Some exceptions are Bagozzi, Gopinath, and Nyer (1999) Folkes (1984), Folkes, Koletsky, and Graham (1987), Härtel, McColl-Kennedy, and McDonald (1998), Nyer (1997), Smith and Bolton (2002), Stephens and Gwinner (1998) who studied the effects of customer emotional responses on customer satisfaction, or customer perceptions and judgments of organisational recovery attempts. Yet no study has specifically investigated the relationships between negative emotions, especially customer anger and cause of service failure, with the purpose of exploring practical strategies for recovery attempts. To fill this gap, this paper argues a two-phase conceptual framework to better understand and respond to customer anger in a service failure/recovery context.

Specifically, we propose that in Phase 1, an external cause produces anger and that cognitive appraisal takes place with reference to: (a) goal relevance; (b) goal incongruence; and (c) ego-involvement – and this moderates the intensity of anger experienced by the customer. In Phase 2, we argue that customer anger can be reduced if the service provider undertakes the following: (a) listening; (b) engaging in blame displacement; and (c) providing an apology. These customer anger diffusion strategies are discussed in the second part of the paper. First, however, we examine the categories of service failures that trigger customer anger, incorporating cognitive appraisal and causal attribution theory to develop a conceptual framework to better understand customer anger.
2. Customer Anger – A Conceptual Framework

2.1. Categories of Service Failures

Service failures are evaluated by customers as negative events. However, these failures may or may not be the trigger of customer anger. In other words, a customer may be angry for many different reasons. To better understand the causes of anger, a service provider could think about the fundamental elements which might produce anger. First, the service provider needs to look at the key types of service failures. Traditionally, services marketing literature has identified three main categories: (1) process failures vs. outcome failures; (2) magnitude of failures; and (3) core vs. non-core failures. Bitner, Booms, and Tetreault (1990), Hoffman, Kelley, and Rotalsky (1995), Keaveney (1995), and Mohr and Bitner (1995) refer to process and outcome. The outcome dimension of a service encounter is that which customers actually receive from the service, whereas the process dimension focuses on how they receive the service (Mohr and Bitner, 1995; Parasuraman, Zeithaml, and Berry, 1985; Smith, Bolton, and Wagner, 1999). Another way to categorise service failure events is in terms of the magnitude of the failure. Previous research has shown that the higher the magnitude of the failure, the lower the level of customer satisfaction (Gilly and Gelb, 1982; Hoffman et al., 1995; Richins, 1987; Smith et al., 1999). Core service failures were defined by Keaveney (1995) as those that are due to mistakes or technical problems with the services themselves. In other words, customers view core service failures as “big mistakes”, and non-core failures as more minor.

Although it is acknowledged that there are different categories of failures, and that negative emotion typically accompanies service failures, no study has explicitly investigated customer anger in terms of the type of service failure. Given the paucity in research in marketing, we turn to the psychology literature to help us identify appropriate theory relevant to the diffusion of customer anger. Specifically, we examine the appropriateness of appraisal theory and causal attribution theory in order to develop a conceptual framework to understand the determinants and moderators of customer anger.

2.2. Cognitive Approaches to Anger

In the psychology literature, there are several approaches to understanding anger. The cognitive approach is appropriate for this research context because it facilitates empirical testing, and has been applied in a social psychology setting. However, although a cognitive approach to anger has been well developed and documented, it has been questioned by some theorists. In particular, Scherer (1999) argues that anger sometimes can be aroused independently from goal-oriented evaluation. In addition, Berkowitz (1989, 1993) proposes a cognitive-neoassociationistic approach which argues that any unpleasant state of affairs (e.g. physical pain, unpleasant temperature, social stress etc.) could give rise to anger. This approach opposes cognitive appraisal analysis of anger. Furthermore, non-cognitive appraisal theorists (Berkowitz, 1989, 1993; Oatley and Johnson-Laird, 1996; Quigley and Tedeschi, 1996) claim that appraisal theories do not always work perfectly as anger can be aroused unconsciously, that is without thinking about it. In other words, individuals can be angry without carrying out a cognitive evaluation of the negative event.

However, we acknowledge that each of the theoretical approaches has merit in certain ways. The main purpose of this paper is to investigate how anger is triggered, and how service providers can effectively deal with angry customers. Specifically, we argue that both appraisal theory and attribution theory can help us to better understand customer anger (cf. Berkowitz, 1999; Frijda, 1993; Gotlib and Abramson, 1999; Scherer, 1999).

2.3. Appraisal Theories

Appraisal theory is a type of cognitive approach which views emotion as a function of cognition (Izard, 1991). Essentially, cognitive appraisal theorists propose dimensions which integrate an individual’s cognitive process of an event and the resultant emotions from the appraisal process (Folkman and Lazarus, 1991; Lazarus, 1991b, 1991a; Roseman, 1984; Roseman, Antoniou, and Jose, 1996; Roseman, Dhawan, Naidu, and Thapa, 1995; Roseman, Spindel, and Jose, 1990; Smith and Ellsworth, 1985; Smith and Lazarus, 1993).

Appraisal theories are divided into four main streams which are characterised by the nature of the appraisal dimensions: criteria, attribution, themes or meaning (Scherer, 1999). Criteria is the classic approach which postulates specific profiles for appraisal outcomes which determine the nature of the emotion. Theorists such as Roseman (1984), Roseman et al. (1990, 1996), Scherer (1984), and Smith and Ellsworth (1985) propose dimensions by which individuals evaluate an event that occurs to them, and these dimensions in turn determine which emotions are provoked. These dimensions are characteristic of the event, the relevance of the event to
the individual’s goal, agency and the compatibility of the event with an individual’s standards.

2.4. Attribution Theory

Attributions is another stream of the appraisal approach. This research (cf. Heider, 1958; Shaver, 1985; Weiner, 1985, 1986) focuses mainly on the nature of the causal attributions that are involved in emotion-antecedent appraisals (Scherer, 1999). Weiner (1980, 1985, 1986), a key researcher in this field, emphasises the extent to which a number of key emotions, such as anger, pride or shame, can be distinguished solely on the basis of internal-external attribution of responsibility. The third group of researchers (cf. Lazarus, 1991b; Monat and Lazarus, 1991; Smith and Lazarus, 1993) attempts to link the elicitation of a specific emotion to the identification of a specific pattern of goal relatedness of an event. This group is known as the themes group (Scherer, 1999). The fourth group, identified as the meaning group (Scherer, 1999), focuses on the logical operations that determine the labeling of a feeling state with a specific emotion word. Among the above approaches, attribution theory and themes approach are applied in this research because causal attribution is the most popular attribution theory applied to service failure/recovery literature (Folkes, 1984, 1988; Folkes et al., 1987; Forrester and Maute, 2001; Härtel et al., 1998; Hunt and Kernan, 1991; Taylor, 1994; Swanson and Kelley, 2001), and the themes approach provides a deeper understanding of customer anger that we will discuss in detail later.

Attribution theories describe the ways in which individuals explain their world and the events that happen to them, especially negative events (Gotlib and Abramson, 1999). The theory proposes three dimensions of causal attribution (Weiner, 1980, 1985, 1986): locus, controllability, and stability. Locus is the location of the cause of problems or negative events. Controllability is whether the problem is volitional or non-volitional. Finally, stability is whether the problem is temporary or permanent.

2.5. Cognitive Appraisal Theories

Cognitive appraisal theorists propose dimensions which integrate an individual’s cognitive process of an event and the resultant emotions from the appraisal process. The two main causes as proposed by Roseman et al., (1990) are event-caused versus person-caused, and self-caused versus agency-caused. They argue that anger results from an event when it is inconsistent with the individual’s motive, and when it is caused by other persons. Similarly, Smith and Ellsworth (1985) and Ortony, Clore, and Collins (1988) also use dimensions such as impersonal versus human control, self versus other agency to explore emotions triggered by an event. Other psychologists consider closely related constructs such as control, accountability, and blame (Folger and Cropanzano, 2001; Folkman and Lazarus, 1991; Folkman, Lazarus, Dunkel-Schetter, Delongis, and Gruen, 1986; Izard, 1977; Lazarus, 1991b, 1966; Lazarus and Folkman, 1984; Monat and Lazarus, 1991).

In short, there is significant overlap among the dimensions proposed by appraisal theories in terms of the cognitive function of anger. They argue that if A has to suffer from a problem caused by B, and A thinks that this problem is controllable by B, A will be angry at B (Ortony et al., 1988; Roseman, 1984; Scherer, 1984; Smith and Ellsworth, 1985).

Applying these psychological dimensions to the service failure/recovery context, service failures that lead to anger can be divided into two categories based on their causes: (1) external and (2) non-external. From the customer’s perspective, an externally-caused service failure is the service failure caused by a service provider. In contrast, non-external-caused failures are caused by the customer, by the situation, or due to a customer not knowing who or what caused the problem. For example, if a customer has to wait for one hour in a health clinic, although s/he has made an appointment and arrives on time, this will be appraised as a failure. The customer might think that the long-waiting time is caused by front desk staff who did not do a good job in arranging the appointment schedule. This problem is called an external-caused service failure, and the health clinic is blamed as the external party that caused the problem. However, if the customer is late, the waiting time s/he has to endure is caused by her/himself. This is an example of non-external-caused service failure. Finally, if the doctor is delayed by an emergency, and all patients in the waiting room have to wait for a long time, this would also be interpreted as a non-external-caused service failure.

Anger needs an object or target. In other words, an individual has to be angry at someone or something (Berkowitz, 1999). In the service failure context, if customers perceive the problem to be the service provider’s fault, s/he will be angry at the service provider. Otherwise, customers might be angry at themselves or at other parties, but these cases are outside the scope of this research. Hence we propose:
If it is perceived that the service failure is caused by an external source (e.g., the service provider), the customer will be angry at the external cause. Combining causal attributions and appraisal theories, we propose the cause of the service failure as the main component that triggers anger at the service provider. However, causal attributions themselves do not explain the intensity of the customer’s anger because appraisal theories focus on emotion generally rather than in terms of discrete emotions such as happiness, sadness, anger, shame (Izard, 1991; Lazarus, 1991b; Lazarus and Folkman, 1984; Quigley and Tedeschi, 1996; Roseman, 1984; Roseman et al., 1990; Stephens and Gwinner, 1998). Lazarus (1991b)’s three key components of an individual’s primary appraisal have been widely acknowledged in the literature (cf. Frijda, 1993; Nyer, 1997; Ortony et al., 1988; Roseman, 1984; Roseman et al., 1996; Roseman et al., 1990; Scherer, 1999; Smith and Ellsworth, 1985) and therefore, we use these as the appraisal components in Figure 1. The three components are: goal relevance, goal incongruence, and ego involvement.

2.6. Cognitive Appraisal
Essentially, cognitive appraisal theorists argue that cognitive appraisal processes result in different emotions. The core concept of appraisal theories is that a person evaluates and interprets events in terms of their own well-being. Those evaluations result in emotional responses (or no emotion at all). Different individuals can have different emotional reactions for the same event based on their individual appraisal process. In other words, emotions are produced by an individual’s psychological appraisal process, not by a specific event or physical circumstance per se (Bagozzi et al., 1999; Folkman et al., 1986; Lazarus, 1991b, 1991a, 1966; Lazarus and Folkman, 1984; Nyer, 1997; Roseman, 1984; Roseman et al., 1990; Stephens and Gwinner, 1998). Lazarus (1991b)’s three key components of an individual’s primary appraisal have been widely acknowledged in the literature (cf. Frijda, 1993; Nyer, 1997; Ortony et al., 1988; Roseman, 1984; Roseman et al., 1996; Roseman et al., 1990; Scherer, 1999; Smith and Ellsworth, 1985) and therefore, we use these as the appraisal components in Figure 1. The three components are: goal relevance, goal incongruence, and ego involvement.

Goal relevance
Goal relevance is the extent to which a problem is personally relevant to the individual’s well-being. When an event occurs which carries no implications for an individual’s well-being, it is appraised as goal irrelevant (Lazarus and Folkman, 1984). And if there is no goal relevance, there will be no emotion (Lazarus, 1991b). The intensity of the emotional response also depends on goal relevance (McCoy-Kennedy and Sparks, 2003). The more relevant it is to one’s goal, the greater the intensity of negative emotions experienced. For example, if a customer discovers that an amount of money which was supposed to be transferred into her/his account has not yet appeared, it is assessed as problematic. If the money is planned to be used for a special purpose in a certain time, then it is likely to be appraised as highly relevant to one’s goal.

Goal incongruence
Goal congruence is the extent to which an event meets
the desire of the individual, or is consistent with what s/he wants (Lazarus, 1991b). In other words, in a service failure context, one could say that the event is very incongruent to the goal that s/he wants to achieve. For example, in the case of a health clinic, although the customer has been waiting for forty minutes and is becoming annoyed as the front desk staff does not appear to recognise the problem. When the customer approaches the counter to complain, s/he is informed that the doctor s/he is waiting for is caught up in an emergency. The customer requests to be transferred to another doctor because s/he sees that the patients of other doctors are being attended to and they have arrived after the customer concerned. However, the person on the front desk is not flexible enough to solve the problem, and the customer ends up waiting for one hour. In spite of the cause of the problem being situational, the customer is still very angry. The reason is that the customer attributes the cause of the waiting time and her/his anger to the inflexibility and lack of concern of the front desk staff. Hence, this is an externally-caused service failure that triggers customer anger, and the longer the customer has to wait, the more unpleasant the customer feels, and the more angry s/he will become.

**Ego involvement**

Ego involvement is the extent to which the event touches an individual’s ego-identity which involves self-esteem and social-esteem, personal value, moral value, meanings, ego ideas (Lazarus, 1991b). Therefore, if one’s self-esteem is threatened, conditions are ripe for anger. For example, a customer makes a booking in a restaurant for a very important date. When they arrive, no seats are available. Somehow the booking was not recorded. That event is not only goal relevant, and goal incongruent but also has a high level of ego involvement. In this case, the customer might experience anger although it might actually be her/his fault for being late for the booking time, or perhaps other factors such as a traffic jam have made the individual late for the booked time. The anger might be directed at herself/himself, or s/he might blame the restaurant for the problem. In short, the more the customer is embarrassed about the failure service, the more angry s/he will become. Prior relationship between the service provider and the customer is one dimension within ego involvement that increases customer anger with the service provider. For instance, in the restaurant booking case above, the customer will be angrier at the restaurant if s/he is a regular customer, than if s/he is a new customer. Hence, we argue that:

**P2:** The more relevant the goal, the more incongruent the event, and the more ego-involvement the failure, the angrier the customer will be.

### 3. Recovery Attempts

The services marketing literature recognises that there are several ways to recover customers. A popular approach proposes recovery strategies based on social exchange theory and justice theory. These strategies are compensation, response speed, apology and initiation (Smith and Bolton, 2002; Smith and Bolton, 1998; Smith et al., 1999), concern, voice, neutrality, and outcome (Sparks and McColl-Kennedy, 2001). Although these recovery strategies deal with recovering customer satisfaction and repurchase intention, they do not directly address the ways to diffuse customer anger. Strategies of apology, concern and voice appear applicable to anger reduction. According to Smith et al. (1999), an apology compensates the customer’s self-esteem damage, and it can help regain customer satisfaction. Sparks and McColl-Kennedy (2001) argue that voice involves customers having an opportunity to express their view and/or provide input to the decision, and concern is the manner in which the service provider shows interest toward the failure.


Based on the above review, we apply listening, explanation and apology as the steps to follow to diffuse customer anger. Furthermore, we argue that listening should be the first step because it facilitates explanation and apology. Listening shows concern on the part of the service provider (Beatty, 1999), and gives customers a chance to voice their opinions. From a customer’s perspective, without listening, a service provider cannot provide a meaningful, convincing explanation, or a genuine apology (Bennett, 1997; Folkes, 1984; Folkes et
Hence, we propose:

**P3:** Listening is positively associated with the reduction of customer anger.

Although explanation is widely used in service failure/recovery literature, there is limited discussion of how this should be carried out in practice. Specifically, research recommends that service providers explain the situation to the customer, but the literature does not provide details on how to go about explaining, nor what is the goal of the explanation or what could be achieved from the explanation. To fill the gap in the literature, we propose that excuse giving theory be applied to service recovery (Folkes, 1988; Manusov et al., 1998; Schlenker, 1980; Weiner, Figueroa-Munoz, and Kakihara, 1991; Weiner, 2000; Weiner, Folkes, Amirkhan, and Verette, 1987). The main purpose of excuse giving strategy is to allocate responsibility. Based on causal attribution theory, by displacing blame, an individual can lessen another’s level of anger. Applying this idea to the current research, we propose blame displacement as the second step in order to help diffuse customer anger.

According to Weiner’s causal attribution theory (1980, 1985, 1986), an individual will be angry with the party where causal locus is attributed and when the problem is perceived to be controllable by that party. In order to lessen a customer’s level of anger, it seems appropriate to target the excuses at the antecedents of the attributions which are motivation, information and beliefs (Folkes, 1988; Weiner et al., 1991; Weiner et al., 1987) rather than trying to change the customer’s formed attributions. According to Folkes (1988), customers might be motivated to attribute the causal inference to an external cause to protect their self-esteem, thus they seek information about the frequency of the problem, others’ experiences of the problem, and their own experience of the problem. Customers might also have prior beliefs about the causes of the problem. Providing information appears to be relatively easy to do, and hence we propose that service providers engage in a blame displacement strategy, specifically in terms of the following three steps:

**Step 1:** Identify the cause of the problem (whether the cause of the problem is external or non-external).

**Step 2:** Communicate to the customer if the problem is non-externally-caused, explain the cause of the problem so that the customer clearly understands that the locus of the cause is not the service provider.

**Step 3:** Withhold information if the cause of the problem is the service provider. If possible, redirect the blame to another target other than the service provider. (For example: late delivery from the supplier, software failure, communication failure, virus in the computer system, strike) or redirect the blame to situational targets (bad weather, traffic accident etc).

If the cause of the problem is successfully redirected away from the service provider (from external to non-external cause), the blame displacement strategy is considered successful. For example, in the restaurant case above, if the problem is the restaurant’s fault (not recording the booking), it is an externally-caused service failure. However, if the manager explains to the customer that it is the restaurant’s policy to hold the booking for only half hour, and the customer is late by more than half an hour, and the seats were given away to other people, the cause of the problem will be moved from external cause to non-external. Alternatively, if the customer is informed that the staff member who should have made the booking is a new staff member, and her/his mistake will be reviewed by the manager, the customer has someone to blame for the trouble. In this case, the new staff member will be an external cause of the problem rather than the restaurant. Hence:

**P4:** An appropriate blame displacement strategy is positively associated with the reduction of customer anger.

If customers feel that their ego-identity or self-esteem is damaged by the service failure, they think that they deserve an apology (Bennett, 1997; Folkes, 1984; Folkes et al., 1987; Menon and Dube, 2000; O’Grady, 1995; Taylor, 1994; Swanson and Kelley, 2001). Therefore, giving an apology is an essential strategy. As mentioned above, one of the antecedents of the causal attributions is self-esteem protection. Moreover, ego-involvement is proposed as one of the moderators of the relationship between failure causes and customer anger. Yet the service provider might not be able to identify how much ego-involvement the customer is experiencing. Therefore, providing an apology is a safe strategy to use. Hence:

**P5:** Apology is positively associated with the reduction of customer anger.
4. Conclusions and Future Research

This paper proposes a conceptual framework to help better understand customer anger following service failure, and to assist service providers in reducing customer anger as a result of a service recovery attempt. We propose that customer anger is triggered by a service failure that the customer perceives as the service provider’s fault. Customer anger at the service provider will be moderated by the customer’s cognitive appraisal in terms of: (1) goal relevance; (2) goal incongruence; and (3) ego-involvement. Based on this understanding, we propose strategies to diffuse customer anger using causal attribution theory and communication techniques. The specific strategies proposed are listening, blame displacement, and apology. We argue that listening gives a service provider a chance to identify the cause of the problem, decode the cause of anger and decide upon appropriate response techniques. Blame displacement allows the service provider to redirect the blame. Giving an apology compensates the customer in terms of ego-identity or self-esteem damage associated with the service failure.

Although limited by the scope and size of this research, this paper opens some interesting lines for future research. In the current research, we propose strategies to diffuse customer anger by providing information that redirects the blame. Research on customer’s evaluations of the appropriateness of blame displacement would be helpful. What if an excuse is perceived to be not good enough? In this case, the service provider will face the risk of losing customers, and negative word of mouth. Conversely, if the service provider does not give an excuse and accepts the responsibility, how much compensation should be offered to the customer? Research into the costs and/benefits of giving an excuse and not giving an excuse would appear to be a fruitful research direction to take.

A limitation of this paper is that the conceptual framework proposed does not address issues of cultural difference. In addition, at the conceptual level, we cannot address the issues of individual differences, nor industry differences. Studying these differences will require a long-term comprehensive study.
References


Biographies

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