

The Power of Forgiveness toward Repurchase Intention พลังของการให้อภัยที่มีต่อความตั้งใจซื้อซ้ำ

Pensri Jaroenwanit¹
Arirat Chueabunkoet Noth²

Abstract

At present, satisfaction may not always cause every customer to repurchase. The buyer's decision-making is more complex than usual. The purpose of this study is to investigate the mediating roles of forgiveness on the intention to repurchase in the context of international airline service. The survey used questionnaires to collect data from 267 Thai passengers who had perceived an experience of failure of service with an international airline. Hypotheses examined the relationship among the following four constructs: collectivism culture, customer satisfaction, forgiveness, and the intention to repurchase. The SEM results showed that collectivism culture and customer satisfaction had influenced both forgiveness and repurchase intention. Furthermore, forgiveness plays a role as a mediating effect on collectivism and satisfaction towards repurchase intention. Thus, forgiveness from the customer can perform a role as a coping strategy to release negative emotions from failure of service and can open the gates of opportunity for positive behaviors, such as an intention to repurchase and positive attitudes. The findings provide a new aspect of consumer behavior for marketing scholars and extend understanding in the role of forgiveness toward behavior intention by the customer.

Keywords : *Forgiveness, Collectivism Culture, Customer Satisfaction, Repurchase Intention*

บทคัดย่อ

ในปัจจุบัน ความพึงพอใจอาจจะไม่ได้ทำให้ผู้บริโภคทุกคนซื้อซ้ำเหมือนที่ผ่านมา เนื่องจากการตัดสินใจซื้อของผู้บริโภคมีความซับซ้อนมากขึ้น ดังนั้น การศึกษานี้จึงมีวัตถุประสงค์เพื่อศึกษาบทบาทของการให้อภัยในฐานะตัวแปรส่งผ่านไปยังความตั้งใจซื้อซ้ำ ในบริบทของการให้บริการของธุรกิจการบินระหว่างประเทศ เครื่องมือที่ใช้ในการศึกษาค้นคว้าครั้งนี้คือแบบสอบถาม โดยเก็บข้อมูลจากผู้โดยสารชาวไทยที่เคยมีประสบการณ์เชิงลบกับบริการของสายการบินระหว่างประเทศ จำนวน 267 ตัวอย่าง โดยกำหนดสมมติฐานเพื่อทดสอบความสัมพันธ์ระหว่างตัวแปรวัฒนธรรมส่วนรวมนิยม ความพึงพอใจของลูกค้า การให้อภัย และความตั้งใจซื้อซ้ำ จากการวิเคราะห์สมการโครงสร้าง ผลการศึกษาพบว่า ตัวแปรวัฒนธรรมส่วนรวมนิยม และความพึงพอใจของลูกค้ามีอิทธิพลต่อการให้อภัยและความตั้งใจซื้อซ้ำ นอกจากนี้ การให้อภัยยังมีบทบาทเป็นตัวแปรส่งผ่าน

¹ Faculty of Management Science, Khon Kaen University, E-mail: penjar@kku.ac.th

² Ph.D. Candidate, Faculty of Management Science, Khon Kaen University, E-mail: chueabunkoet.a@gmail.com

ระหว่างวัฒนธรรมส่วนรวมนิยมและความพึงพอใจ ที่ส่งอิทธิพลทางอ้อมต่อความตั้งใจซื้อซ้ำของลูกค้า ดังนั้น การให้อภัยของลูกค้าจึงมีบทบาทเสมือนกลยุทธ์ในการจัดการกับอารมณ์เชิงลบที่เกิดจากการให้บริการที่ผิดพลาดและยังเป็นประตูสู่โอกาสในการแสดงพฤติกรรมเชิงบวก อาทิ ความตั้งใจซื้อซ้ำและทัศนคติเชิงบวก ผลการวิจัยครั้งนี้แสดงให้เห็นมุมมองทางการตลาดใหม่ๆ เกี่ยวกับพฤติกรรมผู้บริโภค และยังขยายความรู้ความเข้าใจเกี่ยวกับบทบาทของการให้อภัยที่มีต่อความตั้งใจในการแสดงพฤติกรรมของลูกค้า

คำสำคัญ : การให้อภัย วัฒนธรรมส่วนรวมนิยม ความพึงพอใจของลูกค้า ความตั้งใจซื้อซ้ำ

Introduction

For over three decades, marketing scholars have had interest in investigating the role of satisfaction towards the intention to repurchase. Most of the researchers have found that satisfaction is strongly related to post-purchase behavior intention (Oliver, 1981; Yi & La, 2004; Babin, Lee, Kim, & Griffin, 2005; Molinari, Abratt, & Dion, 2008; Kim, Kim, & Kim, 2009; Anwar & Gulzar, 2011). There is an implication that customers tend to increase their intention to re-buy or express positive behavior when they feel satisfied (Liang, 2012). In contrast, the customer, who is dissatisfied can be the bridge to a broken relationship, such as performing behaviors like brand switching and/or expressing negative attitudes. Most of them seek a way out of their negative emotions. In terms of service failure, two negative behaviors, such as revenge and avoidance, are encouraged (McCullough, Worthington, & Rachal, 1997). Several firms have tried to restore relationships between themselves and their customers by offering compensation and apologizing. However, some customers look for positive ways out of dissatisfaction like coping strategies, such as empathy or forgiveness that can bring the customer to rehabilitate their relationship with the firm (Aaker, Fournier, & Brasel, 2004). This may lead them to a more favorable attitude toward repurchasing and may generate positive

attitudes about the products or services of the firm (Howley, Ward, & Brown, 2008)

Unfortunately, the study of customer's intention to repurchase has been mainly explained from the standpoint of customer satisfaction. Although several studies have worked on negative behaviors, the results of customer dissatisfaction, such as complaining, negative attitudes, and brand switching, generally occur when the customer has perceived a failure of service. In fact, some customers will repurchase or revisit the firm even when they are dissatisfied. This is a reality that is happening that marketers should not overlook, especially the academic marketing research that has adopted the psychological aspect, such as expressing positive coping behaviors after a failure service of service, such as forgiveness (Worthington & Scherer, 2004; Tsarenko & Gabbott, 2006; Zourrig, Chebat, & Toffoli, 2009).

Aaker et al. (2004), state that marketing studies have failed to examine forgiveness as a strategy in rehabilitation of customers. Customer forgiveness has become more interesting for studies in the business area recently, despite the fact that even to understand the customer relationship with the marketers' transgression is complicated. Several studies have indicated that forgiveness as a concept not only offers value to marketers, but also exhibits closely in the transgression in the relationship

between customers and marketers (Chung & Beverland, 2006; Tsarenko & Gobbott, 2006; Howley et al., 2008; Zourrig et al., 2009; Tsarenko & Tojib, 2011). Therefore, to examine the complex customer behavior, and to understand why some of them continue to repurchase despite dissatisfaction in service is a challenging and very interesting area to explore. Forgiveness may play a role in the coping strategies to release negative emotions and minimize motivation to harm to service provider. Thus, forgiveness may not only build positive behavior, but may also provide the basis to restore a relationship between the customers and the firm (Chung & Beverland, 2006).

Furthermore, many research studies have indicated that consumer behavior and the consumer's emotions are influenced by culture (Yoo & Donthu, 2002; Patterson, Cowley, & Prasongsukarn, 2006). People from collectivist cultures tend to have high levels of forgiveness (Feigenblatt, 2010). Thus, the relationship between collectivist culture, forgiveness, and the intention to repurchase are very interesting and challenging to study, especially in regard to the mediating effect of forgiveness, which may play a role in the relationship between collectivism, customer satisfaction after compensation, and the intention to repurchase. This can be a contribution to marketing and the aspects of consumer behavior.

Theoretical Background and Hypotheses Development

The Effect of Customer Forgiveness

Forgiveness is defined as "a complex process involving: cognitive, affective, and motivational responses to the events of the wrong doing" (Zourrig et al., 2009). Forgiveness is the set of emotional changes when people reduce motivation to vengeance, punishment, anger, as well as motivation of avoiding contact with the

offender (McCullough et al., 1997; McCullough, 2001). Forgiveness can play a role in coping strategies that can affect coping behaviors (Lazarus & Folkman, 1984). A few researchers have applied this theory to emphasize the emotional aspect of customer forgiveness (Tsarenko & Gabbott, 2006; Zourrig et al., 2009). The concept of forgiveness has been researched and discussed in disciplines, such as management and various divisions of psychology including social behaviors (Chung & Beverland, 2006). Several concepts of forgiveness are closely related to marketing and are of value to marketers because forgiveness is related to interpersonal relationships, especially in the context of service in which a high risk of failure can occur.

When people forgive, they resist or have a low motivation to become angry or to seek out an opportunity to get revenge or to avoid the offender (McCullough, Root, & Cohen, 2006). Instead, they are more likely to release their negative emotions and to motivate a change towards more positive emotions, such as empathy, benevolence, and sympathy, and this leads to forgiveness coping (Worthington & Scherer, 2004; Zourrig et al., 2009). Therefore, since service failures occur within a service context, most of the firms usually recover their service. This involves attempts to restore the interpersonal relationship with the customers. In time, the negative emotions of the customers, such as anger and vengefulness, will gradually reduce and will tend to decrease until they disappear. Forgiveness may help to build positive emotional reactions and from the failure, chances to restore the relationship with a service provider may be provided. Additionally, this may lead to opportunities to be more successful in recovering services or in compensating. Hence, forgiveness can indicate a renegotiation of the relationship between the service provider and the consumer (Chung & Beverland, 2006)

such as re-patronage, repurchase intention, and positive word of mouth (Levesque & McDougall, 2000; Palmer, Beggs, & Keown-McMullan, 2000). Consumers may also be willing to continue to engage in their relationship with the marketer after they have perceived recovery of service. In contrast, a lack of forgiveness can be represented by switching to another provider and by expressing negative attitudes to others.

Repurchase Intention

The repurchase intention refers to a customer's future behavior; there can be a positive or negative intention to repeat a purchase. From their experience, the customer will make a judgement about re-buying a service from the same provider (Hellier, Geursen, Carr, & Rickard, 2003), but may not necessarily be loyal (Oliver, 1999). Positive intention to repurchase involves an intention to re-buy and an intention to express words to others in a positive way. These generally occur as a consequence of the customers being satisfied. Conversely, complaining, brand-switching, and expressing negative attitudes are unfavorable behavioral intentions that are more likely to occur when customers are dissatisfied, especially in the case of a service failure (Liu, Furrer, & Sudharshan, 2001). Several studies have indicated that satisfaction is related strongly and significantly to the intention to repurchase in both the product and service contexts (Oliver, 1981; Anderson, 2000; Maxham III, 2001; Yi & La, 2004; Babin et al., 2005; Molinari et al., 2008; Kim et al., 2009; Anwar & Gulzar, 2011).

The Effect of Collectivism

For almost four decades, many academic research studies have examined collectivist cultures in many contexts, such as psychology, social science, management, and marketing, etc. (Hofstede, 2001;

Triandis, 2004; Craig & Douglas, 2005; Yoo, Donthu, & Lenartowicz, 2011). The behaviors of collectivist cultures are different from individualist cultures. People in collectivist cultures identify with the social networks or groups to belong to, group harmony, and with an avoidance to losing face (Mooij, 2004; Hofstede, 2001; Hofstede & Minkov, 2010). Individuals are likely to maintain benevolent relationships, have common goals with others, and to be sociable, cooperative, capable of compromise, courtesy, empathy, and harmony. However, when dissatisfaction occurs, they tend not to express their emotions directly (Triandis, 2004; Hofstede & Minkov, 2010; Feigenblatt, 2010). Collectivist cultures are found in many Asian countries, such as Thailand, Indonesia, South Korea, and China, etc. Thailand is a highly collectivist country because Thais do not like to lose face and avoid outwardly express negative emotions.

Several studies have applied the theoretical contribution of collectivism to marketing and consumer behavior (Clark, 1990; Gregory, Munch, & Peterson, 2002; Yoo & Donthu, 2002). Collectivist cultures have influence on consumer behavior, such as satisfaction, buying behaviors, and word-of-mouth (Liu et al., 2001) For example, collectivist cultures tend to give positive word-of-mouth, to be more loyal and less motivated to complain, and to switch brands less often than individualistic cultures do. Moreover, with regard to dissatisfaction or negative emotions, a study of the relationship between collectivism and forgiveness as a coping behavior has found that collectivism has an influence on forgiveness, and people in a collectivist culture are more likely to show forgiveness than those in individualistic cultures (Takaku, Weiner, & Ohbuchi, 2001; Neto & Mullet, 2004; Zourrig et al., 2009; Feigenblatt, 2010). In addition, collectivist customers have a higher intention to have positive behavior

to the firm, such as the purchasing product or service resulting from word of mouth (Liu et al., 2001). Regarding the discussion, this study proposes a set of hypotheses as follows:

H₁: Collectivist culture has a positive effect on forgiveness

H₂: Collectivist culture has a positive effect on the intention to repurchase

The Effect of Satisfaction

Customer satisfaction is defined as a customer's pleasure or displeasure from the perceived and expected feelings about the consumption experiences (Oliver, 1999; Yi & La, 2004; Kotler & Keller, 2012). In the service context, if service performance exceeds or meets the customer's expectations, he/she is more likely to be satisfied. In contrast, dissatisfaction tends to occur when the level of service that the customer perceives is under his/her level of expectation (Parasuraman, Zeithaml, & Berry, 1985; Lovelock & Wirtz, 2007). This is referred to as service failure (Hess, Ganesan, & Klein, 2003). The failure might result from many causes, such as a slow response time, a lack of courtesy from the service person, and/or a poor quality of delivery (Hensley & Sulek, 2007; Wangenheim & Bayon, 2007). These lead the customer to becoming dissatisfied and result in negative behaviors, such as complaining, negative attitudes, a loss of trust, and switching providers in the future (Smith, Bolton, & Wagner, 1999; Goetzinger, Park, & Windows, 2006; Mattila & Ro, 2008; Reynolds & Harris, 2006). Since service failure often occurs, most service providers seek a way to restore the relationship between them and customers by employing potential recovery strategies, such as apologizing, acknowledging the problem, or offering compensation (i.e., monetary refunds, discounts, upgrade services, special privileges

or services (Patterson et al., 2006). Thus, consumer satisfaction is important to the firm because it involves repeated purchases, positive word of mouth, and loyalty.

However, even if satisfaction is a key to the intention of repurchasing, sometimes the satisfaction does not cause customers to repurchase as was originally believed (Yi & La, 2004). The relationship between them is more complex than expected (Söderlund, 2002; Anderson & Srinivasan, 2003). A study by McCullough et al. (1997) indicated that forgiveness frequently occurs in the context of satisfaction. Thus, it is possible that the satisfaction may bring positive emotions, such as customer forgiveness after the customer has recovered from service failure by their service provider. Therefore, this study proposes a set of hypotheses as follows:

H₃: Customer satisfaction has a positive effect on forgiveness.

H₄: Customer satisfaction has a positive effect on intention to repurchase.

H₅: Customer satisfaction mediates the relationship between collectivist cultures and intention to repurchase.

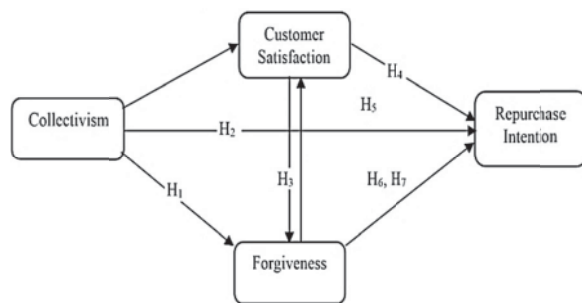
Based on the discussion as abovementioned, this study formulated a hypothesis relationship among collectivist cultures and forgiveness. It is expected that forgiveness will mediate the influence of cultural differences and the intention to repurchase. In addition, after the service provider's recovery from their failure, the customer's degree of satisfaction may strongly influence the intention to repurchase through forgiveness. Both relationships may reflect the mechanism underlying the consumer's decision-making process in the future.

H₆: Forgiveness mediates the relationship between collectivist culture and the intention to repurchase.

H_7 : Forgiveness mediates the relationship between customer satisfaction and the intention to repurchase.

Conceptual Model

The research model preformed by the literature and hypothesis development. The purpose of this model is to demonstrate the relationship between collectivism and customer satisfaction as it relates to the intention to repurchase through forgiveness which serves the role of mediator. This represents the contribution of this study. The model is shown in Figure 1.



H_5 , H_6 , and H_7 : Mediating effects

Figure 1 Conceptual framework of forgiveness

Methodology

Measurement Scales

Six items of collectivism ($\alpha = .89$) were operationalized from CVSCALE, as developed by Yoo et al. (2011). Three items of satisfaction ($\alpha = .88$) were adapted from Smith et al. (1999). Six items of forgiveness ($\alpha = .85$) were operationalized from TRIM-18 by McCullough et al. (2006). Four items of repurchase intention (.91 - .97) were adapted from Maxham III (2001) and Anderson and Srinivasan (2003). The questionnaire was initially developed in English and then translated into Thai by bilinguals exhibiting Thai as their mother tongue and then back translated by bilingual writers whose mother tongue

was English to avoid translation error, then a Thai version was used as a measurement and was based on a 7-point Likert scale (1 = strongly disagree, 7 = strongly agree).

Sampling Design and Data Analysis

The international airline industry was chosen as the context for this study because these industries have a high level of contact with customers and may be at risk of frequently encountering customer dissatisfaction. Thus, the sampling design relies upon Thai passengers over 20 years of age who have been dissatisfied with their experience of service with an international airline for a year past. To be certain that suitable participants were used in this study, the sample size was calculated using Bowerman, O'Connell, and Orris (2004) formula. There is $N = p(1 - p) ((Z_{\alpha/2})/B)^2$, where N is the sample size; $Z_{\alpha/2}$ is the confidence level, and B is an error tolerance. For this study, an acquiring of normal distribution p should be 0.5; the confidence interval at .05 should be 1.96, and B should be .07 (7% is acceptable) (Veasna, Wu, & Huang, 2013). Therefore, the result of the calculated sample sizes is 196 respondents. However, Hair, Black, Babin, and Anderson (2010) suggested that in structural equation modeling, a critical sample size of 200 is an effective parameter estimation.

This study used a two stage sampling approaches. The first stage is convenience sampling. The second is purposive sampling which is used for screening passengers, who have had bad experiences in the international airline service, in order to ensure that it is appropriate for the passengers are appropriate to become respondents. After that, questionnaires were distributed to the respondents using the self-administered method. A total of 290 questionnaires were distributed, 280

were returned and 16 cases had to be excluded and deemed as unqualified due to having incomplete or missing data. In addition, outliers were also deleted. This is an acceptable range of not more than 10%. The remaining 264 cases were valid and were able to be used. Descriptive statistics were conducted to demonstrate personal data and international airline experience. To test the conceptual model and hypothesis, Confirmatory Factor Analysis (CFA) and Structural Equation Modeling (SEM) were analyzed in this study.

Results

Personal Data and International Airline Experience

This section provides information about the 264 Thai passengers. Females represented the largest portion of the sample (56.4%), aging between 31-40 years old (34.8%), holding a Bachelor's degree (57.2%) and monthly income less than 30,000 baht (43.6%). The respondents traveled with an international airline 3-6 times last year (40.2%), and encountered the experiences of bad airline service during a year past that included flight delays (26.1%), the mishandling of baggage (18.9%), and a slow response time (11.4%).

Table 1 Customer satisfaction on the airline compensation (n = 264)

Airline's Compensate	Number of case	Percent	Satisfaction score	Interpret
Apology by staff or crew	333	39.74	3.75	Neutral
No compensation or apology	202	24.11	2.15	Dissatisfied
Free food and drink	75	8.95	4.36	Neutral
Hotel accommodation	53	6.32	3.71	Neutral
Free gift	43	5.13	3.84	Neutral
Monetary refund	43	5.13	3.32	Dissatisfied
Replacement (baggage, seat, etc.)	30	3.58	3.68	Neutral
Derived apologize or/and letter of explanation from airline executive	27	3.22	4.31	Neutral
Special discount	26	3.10	3.35	Dissatisfied
Other (manage the ticket for next flight)	6	0.72	4.44	Neutral
	838	100		

Reliability Test

Before estimating the hypothesized conceptual model, convergent and construct validity were adopted to assess as the measurement model. A confirm factor analysis was adopted to investigate four individual constructs. The results as shown in Table 2 demonstrated a satisfied threshold that

all items have the standardized factor loading exceeded .70 and that t-values were higher than 1.96 ($p < .001$) as Hair et al. (2010) suggested. Moreover, all correlation coefficients among the independent variables were less than .90. Convergent validity was demonstrated because all constructs indicated that the Average Variance Extracted (AVE)

values exceeded .05 as the threshold value had suggested (Fornell & Larcker, 1981).

Testing multicollinearity issues among research variables can be conducted by the tolerance value, and by the Variance Inflation Factor (VIF) (Hair, et al., 2010). The correlation between the independent variables was below .09, indicating a low

multicollinearity. Both tolerance values (.106 - .414) and VIF (2.417 – 9.429) from multiple regression analysis were in the acceptable threshold. Thus, the result is that the multicollinearity is negligible in this study. (See Table 2)

Table 2 Result of confirmatory factor analysis (CFA) and reliability test (n = 264)

Variables items		Std. loading	t-value	tolerance	VIF	CR	AVE	α
<i>Satisfaction</i>						.883	.720	.863
Sat1	The service I received was fair.	.954	16.674**	.106	9.429			
Sat3	The airline appropriated dealing with my problem.	.695	A	.306	3.264			
Sat4	The airline's overall response to service delivery and compensation was much better than expected.	.723	13.241**	.320	3.124			
<i>Collectivism</i>						.868	.715	.939
Col1	People should sacrifice their own benefits for the group.	.879	16.414**	.414	2.418			
Col2	I prefer being with the group to pass through difficult times.	.851	15.422**	.348	2.873			
Col3	Group welfare is crucial than individual benefit.	.840	14.628**	.391	2.561			
Col4	Group success is crucial than individual success.	.865	16.803**	.333	3.005			
Col5	Personal goals should only proceed after considering the group welfare.	.846	17.551**	.332	3.013			
Col6	Group loyalty should be encouraged although personal goals are not reached.	.808	A	.373	2.681			
<i>Forgiveness</i>						.795	.729	.943
Fgn1	Even though I have receive wrongdoing, I still have goodwill for them.	.830	15.957**	.414	2.417			
Fgn2	I prefer compromising and maintaining the relationship.	.864	17.747**	.280	3.566			
Fgn3	Despite with they did, I want us to have a positive relationship with this airline.	.841	17.426**	.261	3.838			
Fgn4	I do not mind, even they dissatisfied me.	.916	19.929**	.234	4.270			
Fgn5	I have given up my resentment.	.850	23.677**	.229	4.360			
Fgn6	I will release my anger, so that I can maintain the relationship with them.	.832	A	.231	4.326			

Table 2 Result of confirmatory factor analysis (CFA) and reliability test (n = 264) (continued)

	Variables items	Std. loading	t-value	tolerance	VIF	CR	AVE	α
<i>Repurchase intention</i>						.956	.844	.941
Ri1	When I need to travel and can make my own decision, this airline is my first choice.	.830	20.644**	.215	4.654			
Ri2	I intend to use this airline whenever I need to travel, even they are many alternatives.	.897	24.056**	.198	5.044			
Ri3	I would recommend this airline to my friends or others.	.957	21.079**	.252	3.962			
Ri4	If my friend or someone needs to travel, I would recommend them to try this airline.	.871	A	.216	4.624			

Hypotheses Testing and Structural Equation Model (SEM)

In order of the maximum likelihood, the estimated method and hypotheses testing were applied with the structural equation model shown in Table 3 and in Figure 2. The results indicated that $\chi^2 = 167.239$; $df = 141$; $\chi^2/df = 1.186$; $p = .065$; $GFI = .940$; $AGFI = .920$; and $RMR = .074$. All of this set of goodness-of-fit measures of indices, which have been gotten as the threshold, have been suggested by Hair et al. (2010), and have indicated that the structural equation model is a fit model. Thus, we have adopted this model to test the hypotheses. The results of the hypotheses testing are shown in Table 3. The results have revealed that when collectivism is correlated with forgiveness there is a significantly positive influence to forgiveness ($\beta_{H_1} = .463$; $p < .001$; $t = 8.021$), and the collectivism has positive effect on the intention to repurchase ($\beta_{H_2} = .628$; $p < .001$; $t = 10.935$). Thus, hypotheses 1 and 2 have been supported. Moreover, regarding satisfaction toward forgiveness and an intention to repurchase, the results have shown that when satisfaction is correlated with forgiveness there is a

significantly positive influence ($\beta_{H_3} = .186$; $p < .001$; $t = 3.405$). Therefore, hypothesis 3 was supported. Because satisfaction had displayed a positive relationship to the intention to repurchase ($\beta_{H_4} = .081$; $p > .100$; $t = 1.857$), hypothesis 4 was, therefore, not supported.

In order to test the mediation effects, most studies use SEM as the statistical method (Ro, 2012). However, SEM cannot test the significance of the mediator effect. Veasna et al. (2013) suggest that the Sobel's test is the best practice with regard to SEM. Therefore, this study adopted the Sobel statistical method to test the mediation effect in hypotheses H_5 , H_6 , and H_7 . The results of the mediating effect are shown in Table 3. The mediating role of forgiveness has an effect on the relationship between collectivism and the intention to repurchase ($\beta_{H_6} = .291$; $z\text{-test} = 5.276$; $p < .001$). In addition, the role of forgiveness has a mediating effect on the relationship between satisfaction and the intention to repurchase ($\beta_{H_7} = .117$; $z\text{-test} = 2.656$; $p < .01$). Thus, hypothesis 6 and 7 were supported, while the mediating role that satisfaction plays in the relationship between collectivism and repurchase intention was not supported ($\beta_{H_5} = .016$;

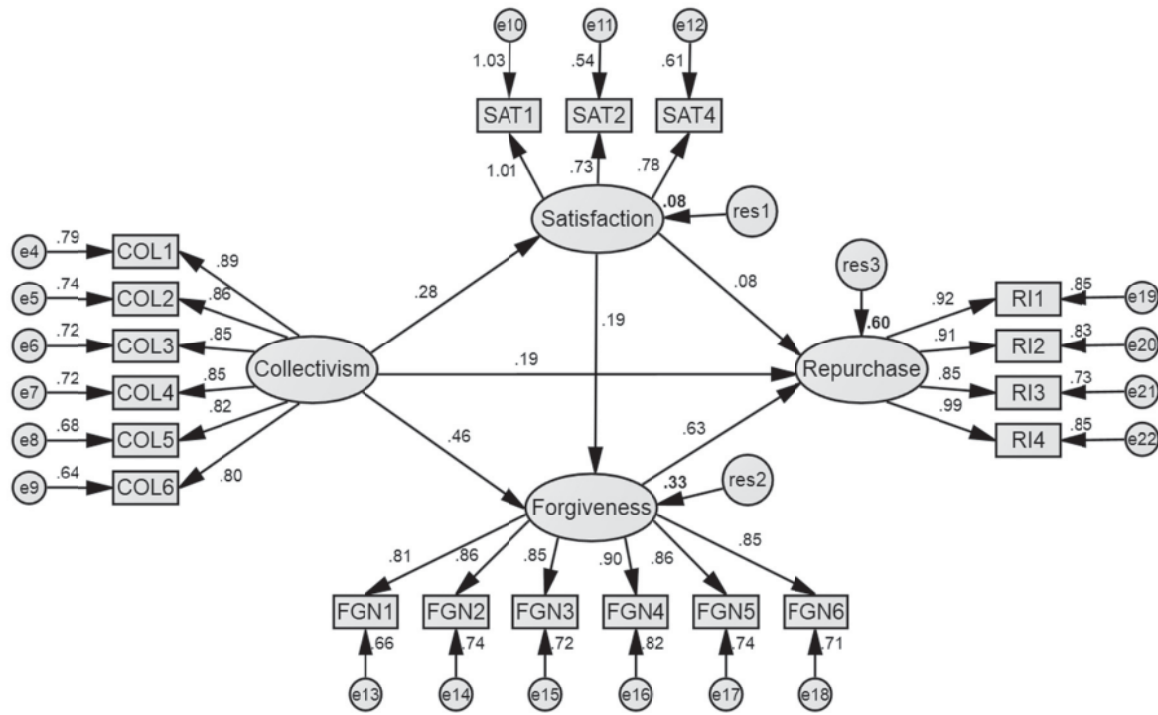
z-test = 0.260; $p > .10$). Therefore, we can conclude that forgiveness plays a mediating role that has an effect on the relationship between collectivist culture, satisfaction, and intention to repurchase

as this study had expected. In other words, the customers who have high collectivism and satisfaction with the airline service recovery is likely to have repurchase intention when they are forgiving about bad service experience.

Table 3 Result of hypotheses testing by SEM and Sobel's test (n = 294)

Hypotheses and path	Std. coefficient	(S.E.)	t-value	Model fit statistic
Hypothesis 1 : COL → FGN	.463***	.074	8.021	$\chi^2/df(167.239)=1.186$; $p = .065$; GFI=.940; AGFI=.920; CFI=.994; NFI=.964; RMR=.077; RMSEA=.024
Hypothesis 2 : COL → RI	.194***	.075	3.711	
Hypothesis 3 : SAT → FGN	.186***	.070	3.405	
Hypothesis 4 : SAT → RI	.081	.063	1.857	
<i>Mediating effects</i>			z-test	p(sig.)
Hypothesis 5 : FGN → SAT → RI	.016	(a=.186 x b=.081); $SE_a=.070$; $SE_b = .063$	0.260	$p > .100$
Hypothesis 6 : COL → FGN → RI	.291***	(a=.463 x b=.628); $SE_a=.074$; $SE_b = .064$	5.276	$p < .001$
Hypothesis 7 : SAT → FGN → RI	.117**	(a=.186 x b=.628); $SE_a=.070$; $SE_b = .064$	2.656	$p < .010$

Note Sobel test (Sobel, 1982) using for test the mediation effect, as provided: $z = ab/SE_{ab}$, while $SE_{ab} = \sqrt{b^2SE_a^2 + a^2SE_b^2}$. Where a and b are the regression coefficients for the relationship between the independent (a), dependent (b) and mediator variables; SE_a and SE_b are the standard error of the relationship between the independent, dependent variables and the mediator variables.



CMIN = 167.239, df = 141, CMIN/df = 1.186, p = .065
 RMR = .074, RMSEA = .027, GFI = .940, AGFI = .920,
 CFI = .994, TLI = .993, NFI = .964

Figure 2 The forgiveness mediating model

Discussion and Conclusions

Among marketing scholars, research into customer forgiveness as a coping strategy to deal with the negative emotions, such as dissatisfaction due to service failure, is limited. The benefits derived from the findings of this study will be fantastic in expressing an understanding how forgiveness has a role as a mediating effect on the relationships between collectivist cultures, customer satisfaction, and the intention to repurchase. This study has found that collectivism and customer satisfaction are antecedents to the intention to repurchase through various mechanisms of forgiveness. As a consequence, the effects of collectivism on forgiveness and the intention to repurchase have been confirmed by this study. In addition, from the results of this study a strong relationship between

collectivism and customer satisfaction has emerged. The results are consistent with Donthu and Yoo (1998)’s study. Liu et al. (2001) stated that collectivism culture has an influence on consumer behavior because people in these cultures tend to be satisfied, loyal, and have positive responses. Like a few other studies, this study found that collectivism has an effect on forgiveness, and that customers who have a high level of collectivism are more likely to be forgiving (Takaku et al., 2001; Neto & Mullet, 2004; Zourrig et al., 2009; Feigenblatt, 2010). Therefore, it may imply that the customers who live in highly collectivist cultures as Thais are more likely to be satisfied, to express forgiveness, and have a high level of intention to repurchase after recovering from the failure of a service provider.

Moreover, these findings have confirmed that customer satisfaction has a significant influence on forgiveness. That is, the customer who has high level of satisfaction after receiving service recovery from providers are more likely to have a high level of forgiveness after service failure. This factor is consistent with McCullough et al. (1997)'s study. Unlike the findings of most other studies, the relationship between satisfaction and the intention to repurchase has not emerged. Furthermore, customer satisfaction is not a potential factor to mediate the relationship between forgiveness and intention to repurchase. This is consistent with the research of Yi and La (2004) which has stated that the customers who have a high level of satisfaction may not necessarily have a high intention to repurchase due to a more complex buying process and consumer behavior nowadays. Thus, it is believed that forgiveness may play a role as a mediator in the relationship between customer satisfaction and the intention to repurchase. Moreover, customer satisfaction had shown a significant relationship with the intention to repurchase through the mechanism of forgiveness. Findings reported by McCullough et al. (1997) have supported the results of this study.

The prediction of the mediating effect of forgiveness on the relationship between collectivist cultures and the intention to repurchase has been confirmed in this study. As coping strategies, customers from collectivist cultures tend to release their negative emotions and transform their emotions by expressing benevolence and empathy and forgiveness to make them happy (Zourrig et al., 2009). There is an interpretation that forgiveness can transform negative emotions to positive emotional reactions and can build a bridge that can offer a chance to restore the relationship between customer and service provider (Chung &

Beverland, 2006). Thus, the conclusion of this relationship can be indicated by renegotiation, re-patronage, an intention to repurchase, and by expressing positive attitudes by word of mouth through forgiveness which is used as a coping strategy by the customer.

Managerial Implications

Regarding the restoration of the customer relationship, it is important for service managers in a recovery program to understand customer forgiveness after a service failure. Forgiveness is one of coping strategies utilized by customers to release their dissatisfaction. Thus, the service manager should immediately seek the appropriate recovery strategy, such as a sincere apology, prompt actions to resolve the problem, or a special offering or a privilege, in order to win back the goodwill and to restore the relationship. This is especially true for customers from collectivist cultures which tend to maintain harmony with the group, to be benevolent and to show empathy to each other. In these cultures, their values encourage customers to be more forgiving to service providers.

Therefore, if the service manager can recover from service failure in the right way and at the right time, the forgiveness will create a bridge for the customer to repurchase or once again become a patron, and as a result, may lead them to be loyal in the future. Mistakes or failures in the service context may be unavoidable, especially in high contact services, such as the airline industry. However, as much as possible, the service providers should control the quality of services, and deliver the service that the customer expects. Strategies to create forgiveness may include, for examples, sincere apology, promptly solving the problem, special offering or privilege, keep promise, and follow up customer satisfaction after recovery in

service by phone. The service improvement and customer relationship management are important because the cost of building new relationships with new customers is far more expensive than restoring relationships with the existing ones.

Limitations and Future Research

Although this study provides a mechanism of the coping strategy of forgiveness as a mediating role, marketing scholars have designated the topic to psychology. There are some limitations that should be of concern. *Firstly*, the five dimensions of cultures by Hofstede (2001) were adopted, but in this study only one dimension, collectivism, was used. Other dimensions, such as masculinity, power distance, uncertainty avoidance, and long-term orientation may also have an influence on forgiveness. *Secondly*, as its context, this study examined only Thai passengers who had experienced service failure on international airlines. In future research, a comparative study between Asian and Western cultures should be investigated, which may provide a wider aspect of relationship between culture and forgiveness. *Thirdly*, customer forgiveness may be affected by personality traits. For example, agreeableness and extraversion have positive relationship with forgiveness (Berry, Worthington, Parrott, O'Conner, & Wade, 2001; Brose, Rye, Lutz-Zois, & Ross, 2005). Thus, with future research, it may be possible to overcome the limitations of this present study. Lastly, recovery strategy or coping behavior in collectivism culture context may investigate a unique value such as kreng jai in further research, since it may extend knowledge about recover and coping strategy of customer in collectivism culture such as Thailand.

References

- Aaker, J., Fournier, S., & Brasel, A. S. (2004). When good brands do bad. *Journal of Consumer Research*, 31(June), 1-16.
- Anderson, E. W., & Srinivasan, S. S. (2003). E-satisfaction and E-loyalty: A contingency framework. *Psychology and Marketing*, 20(2), 123-138.
- Anderson, T. W. (2000). Antecedents to satisfaction with service recovery. *European Journal of Marketing*, 34(1), 156-175.
- Anwar, S., & Gulzar, A. (2011). Impact of perceived value on word of mouth endorsement and customer satisfaction: Mediating role of repurchase intentions. *International Journal of Economics and Management Sciences*, 1(5), 46-54.
- Babin, B. J., Lee, Y. K., Kim, E. J., & Griffin, M. (2005). Modeling consumer satisfaction and word of mouth: Restaurant patronage in Korea. *Journal of Service Marketing*, 19(3), 133-139.
- Berry, J. W., Worthington, E. L., Jr., Parrott, L., III, O'Connor, L. E., & Wade, N. G. (2001). Dispositional forgiveness: Development and construct validity of the Transgression Narrative Test of Forgiveness (TNTF). *Personality and Social Psychology Bulletin*, 27, 1277-1290.
- Bowerman, B. L., O'Connell, R. T., & Oris, J. B. (2004). *Essential of business statistic* (4th ed.). New York: McGraw Hill.
- Brose, A. B., Rye, M. S., Lutz-Zois, C., & Ross, S. R. (2005). Forgiveness and personality traits. *Personality and Individual Differences*, 39, 35-46.
- Chung, E., & Beverland M., (2006). An exploration of consumer forgiveness following marketer transgression. *Advance in Consumer Research*, 33, 98-99.

- Clark, T. (1990). International marketing and national character: A review and proposal for an integrative theory. *Journal of Marketing*, (October), 66–79.
- Craig, S. C., & Douglas, S. P. (2005). Beyond national culture: Implication of cultural dynamics for consumer research. *International Marketing Review*, 23(3), 322–342.
- Donthu, N., & Yoo, B. (1998). Culture influences on service quality expectations. *Journal of Service Research*, 1(2), 178–186.
- Feigenblatt, O. F. (2010). Forgiveness and culture: An interdisciplinary dialogue. *Journal of History and Social Sciences*, 1(1), 1–9.
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39–50.
- Goetzinger, L., Park, J. K., & Widdows, R. (2006). E-customer's third party complaining and complimenting behavior. *International Journal of Service Industry Management*, 17(2), 193–206.
- Gregory, G., Munch, J., & Peterson, M. (2002). Attitude functions in consumer research: Comparing value-attitude relations in individualist and collectivist culture. *Journal of Business Research*, 55, 933–942.
- Hair, J., Black, W., Babin, B. J., & Anderson, R. E. (2010). *Multivariate data analysis* (7th ed.). New Jersey: Prentice Hall.
- Hellier, P. K., Geursen, G. M., Carr, R. A., & Rickard, J. A. (2003). Customer repurchase intention: A general structural equation model. *European Journal of Marketing*, 37(11/12), 1762–1800.
- Hensley, R. L., & Sulek, J. (2007). Customer satisfaction with waits in multi-stage service. *Managing Service Quality*, 17(2), 152–173.
- Hess, R. L. Jr., Ganesan, S., & Klein, N. M. (2003). Service failure and recovery the impact of relationship factor on customer satisfaction. *Journal of the Academy of Marketing Science*, 31(2), 127–145.
- Hofstede, G. (2001). *Culture's consequences: Comparing values, behavior, institutions and organizations across nations* (2nd ed.). Thousand Oaks, CA: Sage Publications.
- Hofstede, G. J., & Minkov, M. (2010). *Cultures and organizations—software of the mind*. New York: McGraw Hill.
- Howley, M. J., Ward, J. C., & Brown, S. W. (2008). The forgiveness processes of very dissatisfied customers. Retrieved August 20, 2013, from <http://ssrn.com/abstract=1153972>
- Kim, T. T., Kim W. G., & Kim, H. B. (2009). The effect of perceived justice on recovery satisfaction, trust, word-of-mouth, and revisit intention in upscale hotels. *Tourism Management*, 30, 51–62.
- Kotler, P., & Keller, K. L. (2012). *Marketing management* (14th ed.). New Jersey: Prentice Hall.
- Lazarus, R. S., & Folkman, S. (1984). *Stress, appraisal, and coping*. New York: Springer Publishing.
- Levesque, T. J., & McDougall, G. H. G. (2000). Service problems and recovery strategies: An Experiment. *Canadian Journal of Administrative Sciences*, 17(1), 20–37.
- Liang, Y. H. (2012). Effect of personality on satisfaction and repurchase intention of online games. *IEEE International Conference on Management of Innovation & Technology*, (June), 348–352.
- Liu, B. S., Furrer, O., & Sudharshan, D. (2001). The relationships between culture and behavioral intentions toward Services. *Journal of Service Research*, 4(2), 118–129.

- Lovelock, C., & Wirtz, L. (2007). *Services marketing: People, technology, strategy* (6th ed.). New Jersey: Prentice Hall.
- Mattila, A. S., & Ro, H. (2008). Discrete negative emotions and customer dissatisfaction response in a casual restaurant setting. *Journal of Hospitality and Tourism Research*, 32(1), 89–107.
- Maxham III., J. G. (2001). Service recovery's influence on consumer satisfaction, positive word of mouth, and purchase intentions. *Journal of Business Research*, 54, 11–24.
- McCullough, M. E. (2001). Forgiveness: Who does it and how do they do it?. *Current Directions in Psychological Science*, 10, 194–197.
- McCullough, M. E., Root, L. M., & Cohen, A. D. (2006). Writing about the benefits of an interpersonal transgression facilitates forgiveness. *Journal of Consulting and Clinical Psychology*, 74(5), 887–897.
- McCullough, M. E., Worthington, E. L., & Rachal, K. C. (1997). Interpersonal forgiving in close relationship. *Journal of Personality and Social Psychology*, 73, 321–336.
- Molinari, L. K., Abratt, R., & Dion, P. (2008). Satisfaction, quality and value and effects on repurchase and positive word-of-mouth behavioral intentions in a B2B services context. *Journal of Service Marketing*, 22(5), 363–373.
- Mooij, M. (2004). *Consumer behavior and culture: Consequences for global marketing and advertising*. California: Sage Publication.
- Neto, F., & Mullet, E. (2004). Personality, self-esteem, and self-construal as correlates of forgivingness. *European Journal of Personality*, 18(1), 15–30.
- Oliver, R. L. (1981). Measurement and evaluation of satisfaction process in retail settings. *Journal of Retailing*, 57(3), 25–48.
- Oliver, R. L. (1999). Whence customer loyalty?. *Journal of Marketing Research*, 63(Special Issue), 33–44.
- Palmer, A., Beggs, R., & Keown-McMullan, C. (2000). Equity and repurchase intention following service failure. *Journal of Service Marketing*, 14(6), 513–528.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*, 49(Fall), 41–50.
- Patterson, P. G., Cowley, E., & Prasongsukarn, K. (2006). Service failure recovery: The moderating impact of individual-level cultural value orientation on perceptions of justice. *International Journal of Research in Marketing*, 23, 263–277.
- Reynolds, K. L., & Harris. (2006). Deviant customer behavior: An exploration of frontline employee tactics. *Journal of Marketing Theory and Practice*, 14(2), 95–111.
- Ro, H. (2012). Moderator and mediator effects in hospitality research. *International Journal of Hospitality Management*, 31(3), 952–961.
- Smith, A., Bolton, R., & Wanger, J. (1999). A model of customer satisfaction with service encounters involving failure & recovery. *Journal of Marketing Research*, 36(3), 356–372.
- Sobel, M. E. (1982). Asymptotic confidence intervals for indirect effect in structural equation models. *Sociological Methodology*, 13, 290–312.
- Söderlund, M. (2002). Customer familiarity and its effects on satisfaction and behavioral intentions. *Psychology and Marketing*, 19(10), 861–879.
- Takaku, S., Weiner, B., & Ohbuchi, K. I. (2001). A cross-cultural examination of the effects of apology and perspective taking on forgiveness. *Journal of Language and Social Psychology*, 96(20), 144–166.

- Triandis, H. C. (2004). The many dimension of culture. *Academic of Management Executive*, 18(1), 88–93.
- Tsarenko, Y., & Gabbott, M. (2006). *Forgiveness: A new insight in business relationships*. Chicago, IL: American Marketing Association.
- Tsarenko, Y., & Tojib, D. R. (2011). A transactional model of forgiveness in the service failure context: A customer driven approach. *Journal of Service Marketing*, 25(5), 381–392.
- Veasna, S., Wu, W. Y., & Huang, C. H. (2013). The impact of destination source credibility on destination satisfaction: The mediating effects of destination attachment and destination image. *Tourism Management*, 36, 511–526.
- Wangenheim, F., & Bayon, T. (2007). Behavioral consequences of overbooking service capacity. *Journal of Marketing*, 71(4), 36–47.
- Worthington, E. L., & Scherer, M. (2004). Forgiveness in an emotion-focused coping strategy that can reduce health risks and promote health resilience: Theory, review and hypotheses. *Psychology and Health*, 19(3), 385–405.
- Yi, Y., & La, S. (2004). What influences the relationship between customer satisfaction and repurchase intention?: Investigating the effects of adjusted expectations and customer loyalty. *Psychology and Marketing*, 21(5), 351–373.
- Yoo, B., & Donthu, N. (2002). The effects of marketing education and individualism cultural values on marketing ethics of students. *Journal of Marketing Education*, 24(2), 92–103.
- Yoo, B., Donthu, N., & Lenartowicz, T. (2011). Measuring Hofstede's five dimensions of cultural values at the individual level: Development and validation of CVSCALE. *Journal of International Consumer Marketing*, 23(3/4), 193–210.
- Zourrig, H., Chebat, J. C., & Toffoli, R. (2009). Exploring cultural differences in customer forgiveness behavior. *Journal of Service Management*, 20(4), 404–418.



Pensri Jaroenwanit is an Associate Professor of Marketing in Faculty of Management Science, Khon Kaen University. She received her BSc in Agriculture from Kasetsart University and MBA in Marketing from National Institute of Development Administration. Later she obtained her Ph.D. in Marketing (International Program) from Thammasat University. Associate Professor Pensri is an author and co-author of over 20 articles in GMSARN International Journal, The International Journal of Arts & Sciences, World Review of Business Research, Athens Journal of Business and Economics. Her academic profession and experience includes an author of How Export Involvement, Promotion & Strategy Affect Firm Performance: The Case of Developing Country. She also is a reviewer of BU Business Review.



Arirat Chueabunkoet Noth, DBA. Graduated with a Bachelor of Business Administration in Marketing from Rajamangala University of Technology and a Master of Business Administration in Marketing from Northeastern University. She completed her DBA. Degree in Business Administration from Khon Kaen University. She has published academic journal in

Athens Journal of Business and Economics, Thai VCML, Mae Fah Luang University International Conference (Proceeding) and she also got the best paper of Innovation award : The 12th Thai Value Chain Management and Logistics (November 2012). Dr. Noth also has had almost 12 years of lecturer experience in marketing.