

Antecedents and Behavioral Consequences of Customer's Perceived Unfairness in Services*

สาเหตุและพฤติกรรมตอบสนองของลูกค้า
ต่อความรู้สึกไม่เป็นธรรมที่มีต่อการบริการ

ABSTRACT

The main objectives of this research are (1) to examine the antecedents and the behavioral consequences of customer's perceived unfairness in services, and (2) to create a simpler model capturing customer's perceived unfairness and behavioral consequences across service industries.

This research is survey research and use auto insurance service as a scope of the study. The data were collected by questionnaires from 340 current customers of auto insurance service firms who perceive unfairness in the firm's performances. The structural equation modeling: SEM is employed to test the hypotheses. The findings present that customer's perceived unfairness is most influenced by interactional unfairness, followed by procedural unfairness. As for the behavioral consequences, the findings present that narrow-spread negative word-of-mouth is the most common behavioral consequence due to customer's perceived unfairness, followed by complaint, switching behavior, and wide-spread negative word-of-mouth, respectively.

Keywords: Service, Perceived Unfairness, Customer's Behavioral Consequences

*The author thanks thesis advisor, Assoc.Prof.Dr.Pipop Udorn, and thesis committees, Assoc.Prof.Witaya Danthamrongkul and Dr.Apichart Kanarattanavong, for their insightful comments and suggestions.

บทคัดย่อ

งานศึกษานี้มีวัตถุประสงค์เพื่อ (1) ศึกษาปัจจัยเชิงสาเหตุของความรู้สึกไม่เป็นธรรมที่มีต่อการบริการและพฤติกรรมตอบสนองของลูกค้า และ (2) ค้นหาแบบจำลองที่อธิบายภาพรวมของความสัมพันธ์ระหว่างปัจจัยเชิงสาเหตุและพฤติกรรมตอบสนองของลูกค้าต่อความรู้สึกไม่เป็นธรรมที่มีต่อการบริการ ซึ่งเป็นการวิจัยเชิงสำรวจและใช้วิธีการบริการประกันภัยรถยนต์เป็นขอบเขตในการศึกษา เก็บข้อมูลโดยใช้แบบสอบถามจากกลุ่มลูกค้าของบริษัทประกันภัยรถยนต์ ซึ่งมีความรู้สึกกว่าบริษัทที่ตนใช้อยู่มีพฤติกรรมที่ไม่เป็นธรรม จำนวน 340 คน สถิติที่ใช้ในการทดสอบสมมติฐาน ได้แก่ สถิติการวิเคราะห์โมเดลสมการโครงสร้าง (Structural Equation Modeling: SEM) โดยผลการวิจัยพบว่า ปัจจัยด้านพฤติกรรมของพนักงานบริการเป็นปัจจัยที่มีอิทธิพลสูงสุดต่อการเกิดความรู้สึกไม่เป็นธรรมต่อการบริการของลูกค้า รองลงมาคือ ปัจจัยด้านกระบวนการให้บริการ สำหรับในส่วนของพฤติกรรมตอบสนองพบว่า เมื่อลูกค้าเกิดความรู้สึกไม่เป็นธรรมขึ้น ลูกค้ามีแนวโน้มจะแสดงพฤติกรรมการบอกต่อในทางลบไปยังบุคคลใกล้ชิดมากที่สุด รองลงมาคือ พฤติกรรมการร้องเรียน การเลิกใช้บริการ และการบอกต่อในทางลบไปยังสาธารณะ

คำสำคัญ : การบริการ ความรู้สึกไม่เป็นธรรม พฤติกรรมตอบสนองของลูกค้า

1. INTRODUCTION

Over the past decade, the context of customer's perceived unfairness has attracted more attention in academic marketing research since it is considered as a major factor leading to switching behavior in services (e.g. Adrian et al., 2000; Bitner et al, 1990; Hwang & Wen, 2009). Service customers typically expect consumption experiences to be fair and judge their relationships with firms by using fairness as a fundamental base (Martinez-Tur et al., 2006). Unfair perception thus commands a central role in service transactions and also affects customers' decision to stay with or switch from the firm (Seiders & Berry, 1998). Hence, it is now acknowledged that long-term loyalty is achieved only by the firms that establish an image of fairness (Singh & Sidershmukh, 2000). Given these concerns, it is essential to explore further understandings on factors influencing customer's unfair perception, as well as their behavioral consequences due to the perceptions.

Various papers have been developed to explain the phenomenon of fairness and unfairness; for example, the influences of perceived fairness in internet banking (Zhu & Chen, 2012), in hotel industry (Hwang & Wen, 2009), and in the restaurant industry (Namkung et al, 2009), and the influences of price unfairness in services (Xia et al., 2004). Specifically, most of them are based on justice theory (Rawls, 1971) which stated that customers assess the (un) fairness on the services through three dimensions: service outcomes, service process, and service employees. However, there still exist conflicts and gaps among existing studies. First, results of existing studies are still mixed; especially on what service dimension has the most significant role in influencing customer's unfairness evaluation. Some stated service outcome matters most (e.g. Smith et al., 1999; Xia et al., 2004); some stated service process matters most (e.g. Greenberg, 1990; Tax et al., 1998); while others stated service employee matters most (e.g. Namkung et al., 2010; Zhu & Chen, 2009). Second, most of the existing studies have focused on the relationship between perceived (un) fairness and switching or repurchasing intention (e.g. Adrian et al., 2000; Namkung et al., 2008). Although perceived (un) fairness may bring out other behaviors; such as, complaint and negative word-of-mouth (negative WOM), studies investigating the influences of perceived unfairness on other revenging behaviors has often been neglected.

Given these conflicts and gaps, the objective of this research is (1) to examine antecedents and potential behavioral consequences of customer's perceived unfairness, (2) to figure out the most influential service dimensions on customer's unfairness evaluation, and (3) to create a simpler model capturing customer's perceived unfairness, from the antecedent to the consequence. Specifically, we base our study on justice theory (Rawls, 1971) and expect the unfair perception to subsequently provoke complaint, negative WOM, and switching behavior. To test empirically the hypotheses proposed, we have collected data from auto insurance customers. The paper ends with our main conclusion and managerial implication for marketing managers.

2. LITERATURE REVIEW AND HYPOTHESES

2.1 Perceived unfairness in services

Justice or fairness is salient in the context of customer switching services because it is a fundamental base in which people use to judge the nature of relationships between social institutions (e.g. business firm) and individuals (Clemmer & Schneider, 1996). Early researches defined unfairness in services on equity theory, referring to the situation which customers perceived their own outcomes relative to their inputs are not balanced (Adams, 1963). However, later researchers found that, in many occasions, customers' unfair perceptions occur without an association with the equity of inputs and outcomes. For example, customers may perceive as if they are treated unfairly when they have to wait to be served for so long or when service conditions conflicts with the pre-purchase agreement. Other clarifications of service unfairness, beyond the equity perspective, are then raised. For example, Bowen et al. (1999) explained that unfair perceptions involve the provision of firm's promised results or benefits delivered to a customer. In this case, a customer is influenced by service firm's promises to form service quality expectation, and the condition that service firm fails to meet the promises or customer's expectations are considered unfair. Similarly, Martinez-Tur et al. (2006) added that unfair perceptions emerge when service experience conflicts with customer's fairness standards.

Recently, most of the studies on perceived fairness and unfairness in services have based on justice theory, suggested by Rawls (1971). As services are simultaneous production and consumption (Groenroos, 2007), Rawls (1971) drew the idea that when evaluating the services, customers concern both the outcomes and the process to reach the outcomes. Besides, as there are high interactions between a customer and service employees during service production and consumption (Goodwin & Roos, 1992), the interaction between a customer and service employees is considered another part of service process which affects customers' fairness and unfairness judgment. Therefore, Rawls (1971) developed justice theory in order to explain an individual's judgment about being treated fairly or unfairly by the service firm specifically. Based on justice theory, perceived unfairness consists of three dimensions: distributive unfairness (dealing with the proportion of costs and outcomes received from purchasing services), procedural unfairness (dealing with the process in which service outcomes are delivered), and interactional unfairness (dealing with interpersonal behavior in the enactment of procedure and delivery of outcomes). Our research thus defined customer's perceived unfairness as ***"customers' perceptions of service costs and outcomes, service process, or service employees that destroys sense of equity or conflicts with their fairness standards"***. Details of the three unfairness dimension are illustrated below.

2.1.1 Distributive unfairness

The concept of distributive unfairness has its origin in social exchange theory, which focuses on the role of equity in an allocation of costs and outcomes during value exchange between the two parties (Adams, 1963). An exchange is judged as unfair when customers perceive their outcomes received from the exchange are not proportional to their costs; and when their cost and outcomes ratio is not in balance with that of comparison others, such as other customers (Greenberg, 1990). Later, Deutsch (1975) added another two distributional rules: rule of equality, all individuals should be rewarded equally regardless of contributions to an exchange; and rule of needs, rewards should correspond with individuals' needs. Based on the Deutsch's (1975) rules, distributive

unfairness occurs when customers perceive that their outcomes are inferior to or different from that of other customers or not related to their needs. Thus, the recent conceptualization of distributive (un) fairness consists of three principles: equity, equality, and need; in which they are associated with costs and service outcomes.

Our research thus defines distributive unfairness as ***“an extent to which customers perceive that they are treated unfairly in regard to costs and service outcomes”***. Smith et al. (1999) argued that distributive dimension have the strongest role on customer's (un) fairness evaluation because it clearly represents what customer obtain from the relationships with the service firm. As such, we expect a positive relationship between distributive unfairness and overall perceived unfairness.

H1: Distributive unfairness has a positive influence on overall perceived unfairness.

2.1.2 Procedural unfairness

The concept of procedural unfairness deals with process and policies by which service outcomes are delivered (Seiders & Berry, 1998). Recently, various perspectives of procedural unfairness have been recommended. For example, Zhu and Chen (2009) pointed out that procedural unfairness occurred when the firm cannot deliver services perceived as free-of-bias, consistent, and accurate by its customers. Similarly, Lind and Tyler (1988) argued that to achieve fair perceptions of service process, all comparison others should receive the same service procedures, and bias in the application of service procedures does not exist.

Most of the existing researches indicate that procedural unfairness is akin to three main issues: information-provided, time, and promise (e.g. Bowen et al., 1999; Leventhal, 1980). First, information-provided unfairness refers to the situations that customers are lacked of or misled by information provided by the firm (e.g. Bowen et al., 1999; Seiders & Berry, 1998). Second, time unfairness refers to the situation that service delivery is delayed, not punctual, or takes a longer-than-necessary length of time (e.g. Park et al., 2008; Taylor, 1994). Last, promise unfairness refers to the situation that service firms fail to meet what they have previously promised, informed or advertised to their customers (Leventhal, 1980).

Our research thus defines procedural unfairness as ***“perceived unfairness of activities and policies pertaining to service outcome production and delivery”***. Since Seiders and Berry (1998) pointed out that service process affects customer's service evaluation because it is an integral part of service offering, we expect a positive relationship between procedural unfairness and overall perceived unfairness.

H2: Procedural unfairness has a positive influence on overall perceived unfairness.

2.1.3 Interactional unfairness

The concept of interactional unfairness focuses on interpersonal treatment customers receive during the enactment of procedures (Tax et al., 1998). Since it exists the process of exchanging value between customers and service employees during the service encounter (Bitner et al., 1990) and services rely heavily on service employees, quality of interpersonal interaction between customers and service employees plays another role in influencing customer unfairness evaluations. This dimension is important since Bies and Shapiro (1987) found

Antecedents and Behavioral Consequences of Customer's Perceived Unfairness in Services

that; despite fair service outcomes and procedures, customers still felt being unfairly treated, as a result of interactional factors. Our research thus includes interactional unfairness and defines it as ***“an extent to which customers perceive that they are treated unfairly regarding service employees throughout service production and consumption process”*** (Adapted from Maxham & Netemeyer, 2002).

Interactional unfairness includes various characteristics of service employees, such as disrespect, impoliteness, dishonesty, non-candor, discourtesy, non-decorum (Leventhal, 1980), ineffectiveness (Park et al., 2008), unfriendliness, bias and ironic manners (Bowen et al., 1999). Several researches indicated that interactional unfairness has the most significant role in influencing customer's service evaluation (e.g. Stewart, 1998; Zhu & Chen, 2009), and this condition is truer for service highly involved in human contact and customization, such as hair care, insurance, and restaurant (Namkung et al., 2009). As such, we expect a positive relationship between interactional unfairness and overall perceived unfairness.

H3: Interactional unfairness has a positive influence on overall perceived unfairness.

2.2 Behavioral consequences due to perceptions of unfairness

In our study, we focus on three major behavioral responses to dissatisfaction that mostly mentioned in the literatures: complaint (Tax et al., 1998), negative WOM (Solvang, 2008; Wangenheim, 2005), and switching behavior (Keaveney, 1995; Seiders & Berry, 1998). Notably, we notice the different impact of negative WOM at any scope of spread area on the firm. For example, when negative WOM goes to customer's family members, it affects one household consumption only; whereas, when it goes through online communication channels, it affects a numerous household consumptions. Therefore, we split negative WOM into two types according to its spread area: narrow-spread and wide-spread negative WOM. As such, behavioral responses to perceived unfairness investigated in the research consist of complaint, narrow-spread negative WOM, wide-spread negative WOM, and switching behavior. Details of the four behavioral consequences and their relations with perceived unfairness are illustrated below.

2.2.1 Complaint

Traditional marketing theory stated that complaint is a post-purchase process, occurring in the context of customers being disappointed (Blodgett et al., 1995). It has been defined as an action taken by an individual that involves ***“communicating something negative regarding the service firm to the internal agencies of the service firm”*** (Heung & Lam, 2003). After experiencing unfair incidents, customers are motivated to complain about the incidents to employees responsible for the incident, upper-leveled employees (e.g. CEO, manager or director of the department, and general manager), or even through the provided complain channels (e.g. comment box, call center, e-mail) (Solvang, 2008). Huang and Lam (2003) added that customer's likelihood to complain seems to be higher in the cases that problem triggering the customer's dissatisfaction is obviously attributed to the firm. As ample research argued that dissatisfaction leads to complaint (e.g. Hirschman, 1970; Solvang, 2008), it is reasonable to expect that a positive relationship between overall perceived unfairness and complaint.

H4: Overall perceived unfairness has a positive influence on complaint.

2.2.2 Narrow-spread negative WOM

Negative WOM is simply defined as ***“an informal communication for sharing negative information regarding a firm or a brand between a customer and their communication networks”*** (Wangenheim, 2005). However, as mentioned earlier, we notice the different impact size at any scope of spread area on the service firm. The wider the spread area, the greater the negative impact on the firm. We thus divide negative WOM into two types: narrow-spread and wide-spread negative WOM, according to its spread area. We limited the spread area of narrow-spread negative WOM within specific persons whom a customer is closed to or familiar with. It covers ***spouse, family members, friends, colleagues and any persons whom a customer is familiar with***. The negative impact of this behavior is thus expected to be paid on few persons' or few households' consumption. As ample research argued that customers dissatisfied with the service firm were likely to share negative contents regarding the given firm to their family members, friends, and colleagues (e.g. Solvang, 2008; Wangenheim, 2005), we expect a positive relationship between overall perceived unfairness and narrow-spread negative WOM.

H5: Overall perceived unfairness has a positive influence on narrow-spread negative WOM.

2.2.3 Wide-spread negative WOM

Similar to but distinct from narrow-spread negative WOM, wide-spread negative WOM refers to the functions that customers ***(1) share their dissatisfactions to less familiar persons (e.g. acquaintances) or (2) distribute or broadcast negative content regarding a firm or a brand to a dispersed recipients, without specific targeting*** (Adapted from Don et al., 1995). In other words, it is another kind of negative information sharing in which its recipients go beyond those mentioned in the narrow one. It also covers customers sharing negative information to the public via online communication channels (e.g. websites, social networks, and blogs) or mass media. Considered as a shotgun approach, spreading a story to a number of people at once, its negative impact on the affected firm are expected to be much more serious than narrow negative WOM does. The increasing convenient approaches to connect to the Internet, especially via smartphones and tablets, and the increasing numbers of social network users are important factors encouraging customers to engage in wide negative WOM activities. As such, we expect a positive relationship between overall perceived unfairness and wide-spread negative WOM.

H6: Overall perceived unfairness has a positive influence on wide-spread negative WOM.

2.2.4 Switching behavior

Switching refers to ***“the voluntary termination of an exchange relationship between a customer and a service firm”*** (Keaveney, 1995; Roos, 1999). It is the most severe behavioral consequence against the firm, because it costs the service firm a great deal of money through the loss of the customer's future revenue; loss of free advertising through customer's word-of-mouth, and higher costs in attracting new customers to compensate the lost ones (Keaveney, 1995). As Stewart (1998) argued that switching the firm is a function to cope with disappointment or dissatisfaction and ample research revealed that customers are likely to switch the firm if they have continuingly experienced several unfair incidents (e.g. Adrian et al., 2000; Roos, 1999; Zhang et al., 2007), we expect a positive relationship between overall perceived unfairness and switching behavior.

H7: Overall perceived unfairness has a positive influence on switching behavior

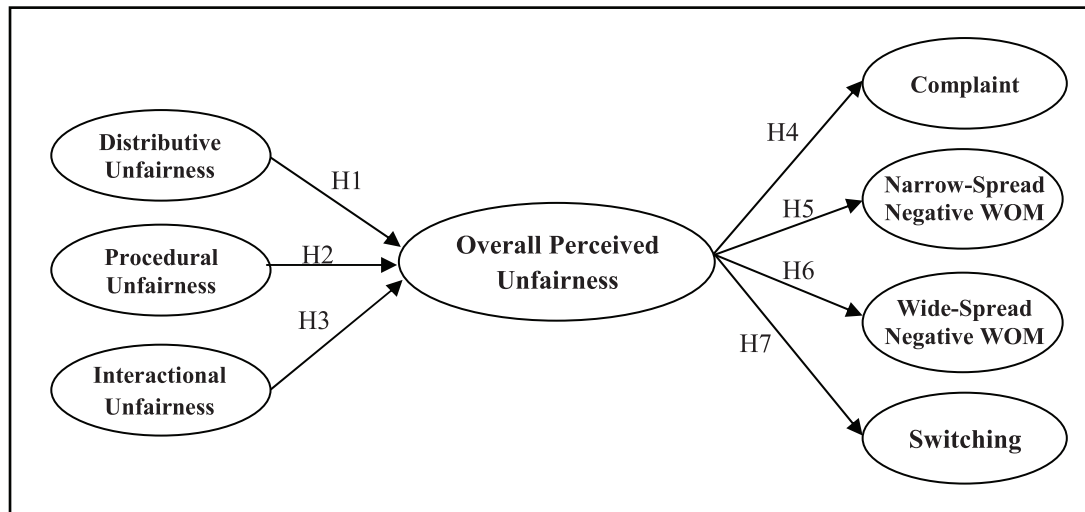


Figure 1: Conceptual model of antecedents and behavioral consequences of customer's perceived unfairness in services and hypotheses

3. RESEARCH METHODOLOGY

3.1 Research design and data collection

The present research is a quantitative research, using survey method to collect data through a structured questionnaire. The questionnaire was administered to current customers of auto insurance firms in Bangkok. Auto insurance industry was selected to test the model since it combined key characteristics of all services (Keaveney & Parthasarathy, 2001). As such, the results could represent all services.

With employing a purposive sampling; all respondents were prescreened and these who had the age of 20 years and over, had bought an auto insurance service, and had unfair experiences with their current auto insurance firm; were recruited for our analysis. Trained interviewers were hired to collect data from the Department of Land Transport, 3 shopping malls, and 3 universities in Bangkok, during July, 2011. For data collection process, the interviewers approached the respondents, informed research objectives, prescreened them, asked them to recall unfair experience with their current auto insurance firm, and let them to fill in the questionnaires by themselves. A total of 360 responses were collected. Out of these, twenty were rejected because of missing data in the questionnaire. Thus, the total usable sample for analysis was 340, which resulted in an effective response rate of 94.44%.

3.2 Measures of constructs

After the respondents had recalled unfair experiences, they were asked a number of questions to assess their attitudes and actions in relation to the unfair experiences. All the eight constructs in this research (1) were obtained from the literatures or (2) generated from literature reviewing and then were reviewed by marketing academics.

Our independent variables consisted of three factors: distributive unfairness, procedural unfairness, and interactional unfairness. These three factors were measured by the measures adapted from Namkung et al. (2009) and Tax (1993), on a 7-point Likert scale anchored by (1) strongly disagree to (7) strongly agree. While, our dependent variables consisted of five factors: one main construct and four behavioral consequences. The main construct “overall perceived unfairness” was measured by 3 items, adapted from Ajzen et al. (2000), on a 7-point Likert scale anchored by (1) not at all to (7) very much. For four behavioral consequences, each of them was measured by 3 items and the respondents were asked to indicate the extent to which they engaged in each behavior, on a 7-point Likert scale anchored by (1) not at all to (7) very large extent. The measure of complaint was adapted from Heung and Lam (2003), the measure of narrow-spread negative WOM was adapted from Fan et al. (2010), the measure of wide-spread negative WOM was new items, and the measure of switching behavior was adapted from Shin and Kim (2008) and Zhang, et al. (2007). Although all measures have been created and adapted from English literatures, we translated them into Thai language since all of our samples are expected to be Thais. Back translation was also conducted for all items to formulate measures equivalence.

The questionnaire was pre-tested among a group of 40 potential respondents but no major problems were detected. Some minor modifications were made to ensure clarity of the items in the final version of the questionnaire.

4. RESEARCH RESULTS

4.1 Sample profiles

Samples were 340 current customers of several auto insurance firms who had experienced unfair incident with the firms. A preliminary analysis of the data revealed that the total samples were almost evenly split by gender. Other demographic and consumption behavior information of the samples were presented in Table 1.

The sample is quite well represented for Thai population. However, two points should be cautioned. First, almost all samples have a Bachelor's degree or higher, while most of the population in Thailand only educated in high school level or lower (61.2%). Moreover, only 10.1% of the population has higher education. (National Statistical Office, 2010). Second, most of our samples used auto insurance class 1. However, with regard to the market survey by Mittare Insurance Company (2012), of the total 13 million auto insurance policies in the market, the auto insurance class 1 policies were made in the amount of one million contracts only. The rest are auto insurance class 2 and class 3, which were almost equal in number. As a result, practitioners must be aware of the stated point. Future research should pay more attention to sample selecting process regarding to the given issues as well.

Antecedents and Behavioral Consequences of Customer's Perceived Unfairness in Services

Table 1: Sample profiles

| Demographic Data | | | | | | | |
|---------------------------------|----------------------|--------|---------|------------------------------|-----------------------|---------------------|---------|
| Characteristics | | Number | Percent | Characteristics | | Number | Percent |
| Gender | Female | 177 | 52.1 | Education level | < Bachelor's degree | 30 | 8.8 |
| | Male | 163 | 47.9 | | Bachelor's degree | 175 | 51.5 |
| Age | 20-30 years old | 131 | 38.5 | | Monthly income (Baht) | > Bachelor's degree | 135 |
| | 31-40 years old | 126 | 37.1 | 20,000 or less | | 97 | 28.5 |
| | 41-50 years old | 58 | 17.1 | 20,001-40,000 | | 143 | 41.1 |
| | > 50 years old | 25 | 7.3 | 40,001 or above | | 100 | 29.4 |
| | Consumption Behavior | | | | | | |
| Characteristics | | Number | Percent | Characteristics | | Number | Percent |
| Class of insurance ¹ | Class 1 | 226 | 66.5 | Frequency of Claim per year | 2 times or less | 292 | 85.9 |
| | Class 2 | 37 | 10.9 | | 3-4 times | 44 | 12.9 |
| | Class 3 | 77 | 22.6 | | 5 times or higher | 4 | 1.2 |
| Relationship duration with firm | Less than 1 year | 51 | 15.0 | Claim amount per time (Baht) | Less than 10,000 | 133 | 42.4 |
| | 1-2 years | 152 | 44.7 | | 10,001-20,000 | 114 | 36.3 |
| | 2-3 years | 71 | 20.9 | | 20,001-30,000 | 46 | 14.6 |
| | More than 3 years | 66 | 19.4 | | More than 30,000 | 21 | 6.7 |

4.2 Validity and reliability analyses of measures

To verify the consistency and reliability of the questionnaire, validity and reliability tests were conducted prior to the data analysis. In assessing the validity of measures, all measurement items were factor analyzed by using principal component analysis with varimax rotations. As shown in Table 2, all the measurement items had factor loadings above 0.5, the conventional criterion suggested by Hair (2006), and fall upon expected factors, except for measurement items of distributive and procedural unfairness which were loaded into four separated factors instead of two expected factors. In case of distributive unfairness, it consisted of two separated factors: cost factor, representing unfairness related to costs a customer paid for purchasing services; and benefit factors, representing unfairness related to benefits a customer acquired from the service firm. In case of procedural unfairness, it consisted of two separated factors: process factor, representing unfairness related to service process and treatment; and promise factor, representing the condition that the service firm fail to meet what it had previously promised or advertised to its customers.

In analyzing the reliability, Cronbach's alphas were employed. As shown in Table 2, the reliability indices of nine measured constructs ranged from 0.71 to 0.87. As all of the reliability indices were above 0.7, the conventional criterion of reliability suggested by Nunnally (1959), the reliability of all measures was gained and all measures were acceptable to ensure for further analysis.

¹Auto insurance is classified into amount and range of coverage

Table 2: Results of the validity and reliability analyses of measures (1)

| Measurement items | Mean | Factor loadings | Cronbach's Alpha |
|--|------|-----------------|------------------|
| 1.) Antecedents | | | |
| 1.1 Distributive Unfairness | | | |
| Factor 1: Cost | | | |
| • Compared to service outcomes, price was expensive. | 5.33 | .81 | .73 |
| • Compared to other firms, price was expensive. | 5.06 | .83 | |
| Factor 2: Benefit | | | .81 |
| • Benefits are less than your expectations. | 5.20 | .65 | |
| • Benefits are less than those of other firms. | 5.12 | .85 | |
| 1.2 Procedural Unfairness | | | |
| Factor 1: Process | | | |
| • Service treatment was not standardized. | 5.19 | .75 | .72 |
| • Service treatment was biased. | 4.24 | .80 | |
| Factor 2: Promise | | | .72 |
| • The firm provided you with distorted information. | 5.22 | .68 | |
| • The service conditions differed from the advertisement. | 5.30 | .83 | |
| • Service quality was lower than what you had previously informed. | 4.71 | .80 | |
| 1.3 Interactional Unfairness | | | |
| • Service employees were impolite. | 4.26 | .81 | .73 |
| • Service employees were ineffectiveness. | 5.46 | .77 | |
| • Service employees were ironic. | 4.80 | .70 | |
| 2.) Main Construct: Overall perceived unfairness | | | |
| • Overall, how much undesirability did you feel with the firm? | 5.94 | .60 | .70 |
| • Overall, how much unworthiness did you feel with the firm? | 5.54 | .84 | |
| • Overall, how much unfairness did you feel with the firm? | 5.52 | .75 | |
| 3.) Behavioral Consequences | | | |
| 3.1 Complaint | | | |
| • You complained to service employees. | 4.70 | .85 | .79 |
| • You complained to the manager | 4.42 | .84 | |
| • You complained through complaint channels. | 4.67 | .73 | |

Table 2: Results of the validity and reliability analyses of measures (2)

| Measurement items | Mean | Factor loadings | Cronbach's Alpha |
|---|------|-----------------|------------------|
| 3.2 Narrow-Spread Negative WOM | | | |
| • You shared unfair experiences with family members/friends. | 4.87 | .79 | .87 |
| • You shared negative content regarding the firm with family members/friends. | 5.40 | .85 | |
| • You told family members/friends not to buy the firm's services. | 5.55 | .80 | |
| 3.3 Wide-Spread Negative WOM | | | |
| • You shared negative content regarding the firm with acquaintance. | 4.33 | .66 | .71 |
| • You shared negative content regarding the firm on the Internet. | 3.79 | .81 | |
| • You shared negative content regarding the firm to mass media. | 2.52 | .60 | |
| 3.4 Switching Intention | | | |
| • You have thought about switching the firm. | 6.03 | .82 | .82 |
| • You have thought about not making a renewal. | 5.71 | .87 | |
| • You have planned to use other insurance firm. | 5.56 | .84 | |

Model adjustment

With regard to the results of validity analysis, we adjusted the antecedent construct to be consisted of five factors: cost, benefit, process, promise, and interactional unfairness; representing all three service dimensions. See Figure 2 for the revised model.

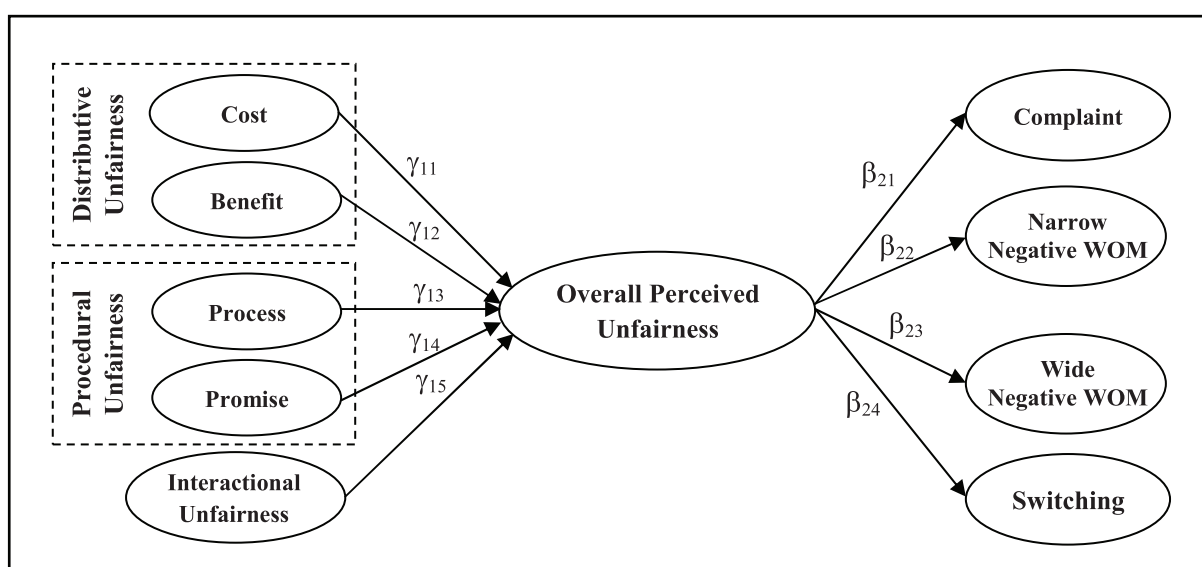


Figure 2: Revised of the simplified structural model

4.3 Measurement model

By using “Two-steps” approach (Anderson & Gerbing 1988), a 27-item, 10-factor covariance structure measurement model was firstly estimated to assess the model fit with survey data. Model fit was estimated via χ^2/df , the goodness of fit index (GFI), the Bollen’s incremental fit index (IFI), the Tucker-Lewis coefficient (TLI), the comparative fit index (CFI), and the root mean square error of approximation (RMSEA). Value range of 3 to 1 is recommended for χ^2/df (Carmines & McIver, 1981), values $\geq .90$ are recommended for GFI, IFI, TLI, and CFI, and values $\leq .10$ are recommended for RMSEA (Browne & Cudeck, 1993). Since all the fit indices corresponded with the recommended values ($\chi^2 = 513.661$, $df = 277$, $\chi^2/df = 1.85$, $GFI = .90$, $IFI = .93$, $TLI = .91$, $CFI = .93$, and $RMSEA = .05$), the measurement model yield a high goodness-of-fit.

4.4 Structural model

A structural equation model was estimated to test the hypothesized model depicted in Figure 2 and explained variance estimates. The hypothesized structural model yields a good fit ($\chi^2 = 549.083$, $df = 297$, $\chi^2/df = 1.85$, $GFI = .90$, $IFI = .92$, $TLI = .91$, $CFI = .92$, and $RMSEA = .05$). The several patterns of results were closed to our expectation. As shown in Table 2, seven of nine structural paths were positively significant. Three of five perceived unfairness paths in the antecedent construct (H2 and H3), and all the four paths from overall perceived unfairness to behavioral consequences (H4, H5, H6, and H7), were significant. Besides, the model explained 77% of the variance in overall perceived unfairness, 49% in complaint, 47% in negative WOM, 66% in negative broadcasting, and 36% in switching intention. In conclusion, H2, H3, H4, H5, H6, and H7 were supported; while H1 was not supported.

Table 3: Result of structural model

| Hypothesized paths | Path coefficients |
|---|-------------------|
| Antecedents | |
| H1: Distributive unfairness (Cost factor) \rightarrow Overall perceived unfairness (γ_{11}) | .05 |
| H1: Distributive unfairness (Benefit factor) \rightarrow Overall perceived unfairness (γ_{12}) | .06 |
| H2: Procedural unfairness (Process factor) \rightarrow Overall perceived unfairness (γ_{13}) | .24** |
| H2: Procedural unfairness (Promise factor) \rightarrow Overall perceived unfairness (γ_{14}) | .36** |
| H3: Interactional unfairness \rightarrow Overall perceived unfairness (γ_{15}) | .44** |
| Consequences | |
| H4: Overall perceived unfairness \rightarrow Complaint (β_{21}) | .54** |
| H5: Overall perceived unfairness \rightarrow Narrow-spread negative WOM (β_{22}) | .69** |
| H6: Overall perceived unfairness \rightarrow Wide-spread negative WOM (β_{23}) | .14* |
| H7: Overall perceived unfairness \rightarrow Switching intention (β_{24}) | .44** |

Note: * = Significant at 0.05 level or better, ** = Significant at 0.01 level or better

4.5 Relative effects of unfairness

Our research also aims to clarify that what is the most significant service dimension on the unfairness evaluation. Basically, the result of the structural model depicted in Table 3 implied that interactional unfairness had the strongest influence on overall perceived unfairness, followed by procedural unfairness ($\gamma_{15} > \gamma_{13}, \gamma_{14}$). While distributive unfairness does not have an influence on customer's unfairness evaluation. To confirm this notion, we used nested models comparison approach. We compared one model in which γ_{13} , γ_{14} , and γ_{15} were constrained to be equal, with the original model in which all the structural paths are estimated freely. If the χ^2 difference test is statistically significant at p-value less than 0.05, the constrained model differs from the original ones, and the notion is then supported. The results of χ^2 difference test provides strong evidence that perceived unfairness is most influenced by interactional unfairness, followed by procedural unfairness, since $\gamma_{15} > \gamma_{13}, \gamma_{14}$ ($\chi^2_{diff} = 7.69$, $df = 2$, $p = .02$). In other words, the incidents regarding service employees play the most significant role in influencing customer's unfairness evaluations, followed by the incidents regarding service process and policies.

4.6 Relative effects of behavioral consequences

Like the antecedent constructs, we examine the relative effects of the behavioral consequences. Across all four behavioral consequences, the influence of overall perceived unfairness was highly significant (at $p < 0.01$), as shown by path coefficients in Table 3. More interestingly, the result of the structural model suggested that narrow negative WOM was the most common behavioral consequences due to customer's perceived unfairness, followed by complaint, switching, and wide negative WOM, respectively ($\beta_{22} > \beta_{21} > \beta_{24} > \beta_{23}$). Again, to confirm this notion, we used nested models comparison approach. We compared one model in which β_{21} , β_{22} , β_{23} , and β_{24} were constrained to be equal, with the original model in which all the structural paths are estimated freely. The given notion is supported since $\beta_{22} > \beta_{21} > \beta_{24} > \beta_{23}$ ($\chi^2_{diff} = 63.265$, $df = 3$, $p < .01$). As such, we can conclude that, when unfair perceptions emerge, service customers are most likely to engage in narrow negative WOM activities followed by complaint, switching, and wide negative WOM.

5. CONCLUSION, IMPLICATIONS, LIMITATIONS, AND FUTURE RESEARCH SUGGESTIONS

5.1 Discussion and conclusion

Our research successfully presents the simpler model capturing customer's perceived unfairness and behavioral consequences in services context. With the exceptions of two structural paths from distributive unfairness to overall perceived unfairness, all structural paths are significant. The structural model provides strong evidence that customer's overall perceived unfairness is influenced by procedural and interactional unfairness (H2 and H3), but not by distributive unfairness (H1). This also means that procedural and interactional unfairness have stronger effects on unfairness evaluation than distributive unfairness, and this corresponds with Seiders and Berry (1998), stating that since it is difficult for service customers to evaluate the fairness of service outcomes, they weight service process and service employees more heavily. The insignificant effect of

distributive unfairness may lie in the fact that auto insurance is considered as a continuous service where customers make a payment only once a year. As such, customers are less aware of value of money dimension.

Our structural model also indicates that interactional unfairness has the strongest effect on the overall perceived unfairness and this correspond with several studies (e.g. Bitner et al., 1990; Namkung et al., 2009), indicating that interaction between customers and employee is the most crucial characteristics during service consumption. A potential explanation is that, service customers rely heavily on service employees in several aspects; for example, in informing about service offerings and policies, and in providing rectifications when the service incidents occur (Groenroos, 2007). Maprasert (2004) additionally highlighted that customers tend to depend on service employees' explanation and knowledge more heavily in highly technical and complicated services (e.g. insurance, consulting, and financial services).

In terms of behavioral consequences, the influence of overall perceived unfairness creates complaint, narrow-spread negative WOM, wide-spread negative WOM, and switching behavior (H4-H7). Firstly, the relation between overall perceived unfairness and complaint (H4) exists; due to the fact that, when customers face with an unfair incident and hold it to the firm's responsibility, it is reasonable for them to make a complaint, so as to call for the rectification of the incidents (Heung & Lam, 2003).

Next, overall perceived unfairness creates negative information sharing behaviors in both terms of narrow- and wide-spread negative WOM (H5 and H6). Being viewed as a venting mechanism and a mean to gain sympathy from others (Zeelenberg & Pieters, 2004), customers affected by unfair incidents are likely to forward their dissatisfaction experiences to others. Notably, since overall perceived unfairness creates a strong influence on narrow-spread negative WOM (H5) and a weak effect on wide-spread negative WOM (H6), we hold an idea that, when experiencing an unfair incident, customers typically share negative content regarding the firm with their close or familiar persons (e.g. family members, friends, and colleagues) rather than with less familiar ones or the wider communication network. This notion is also consistent with Carl (2006), explaining that home is the most frequent location (39.7%), followed by work (21.6%), and commercial settings or public area (13.7%).

The final significant relation is between overall perceived unfairness and switching behavior (H8). Consistent with a number of studies (e.g. Xia et al., 2004; Zeelenberg & Pieters, 2004), it is expected that perceptions of unfairness would either predispose or precipitate customers to terminate the relationship with the firm. Although service customers typically do not leave the firm at the first time they find the firm treat them unfairly because high exiting costs are inherent in the nature of services (Groenroos, 2007), customers eventually exit the firm if they are still not brought back to the normal satisfaction state.

Specifically, among four behaviors, narrow-spread negative WOM is considered the most common behavioral consequence due to unfair perceptions, followed by complaint, switching, and wide-spread negative WOM, respectively. Consistent with Solvang (2008), since the costs of exposing negative WOM is the lowest when comparing with other revenging behaviors, customers would rather share negative contents regarding the firm with close or familiar persons than spend more time and cost writing complaint letter or searching for a new service firm.

Antecedents and Behavioral Consequences of Customer's Perceived Unfairness in Services

5.2 Managerial implications

Our research helps marketing managers to understand customer's unfairness evaluation, factors influencing it, and behavioral consequences due to it. We now offer some important guidelines for managing customer's unfair perception and maintaining long-term relationship with the customers in service context.

Managing and preventing service unfairness

With the significant effect of procedural and interactional unfairness on overall perceived unfairness, it implies that the vulnerable-to-unfairness area is contributed to service process and service employees' manners. According to limited resources, managers should allocate enough resources for monitoring the qualities of service process (procedural dimension) and the employees' performance (interactional dimension); while taking less effort and resources in maintaining distributive fairness. However, this explanation may limit into the low-priced service industries (e.g. auto insurance services, restaurant, and beauty salon). For other service industries, further investigation is necessary.

The greatest influence of interactional unfairness suggests that managers should give the first priority to prevent unfair incidents in an area of interaction between customers and service employees. Thus, service business should put more emphasis on the employee recruitment, training, and performance management. Basically, managers could train their employees in particular knowledge about services in order that they have enough knowledge to make the customers fully understand the services. It is also necessary to train service employees in interpersonal skills which include developing polite, respectful, and subtle communication skills to ensure that the customers can maintain fair perception and feel comfortable along the entire process of service consumption.

However, managers should not overlook the importance of procedural dimension. As mentioned in the review of literatures, procedural unfairness mostly relates to time, information-provided, and the firm failing to meet the promises. Thus, to prevent procedural unfairness, service firms may apply to some technology to the production and delivery process, in order to reduce the complexity, and the length of delivery time. For example, auto insurance firms may develop a mobile application which allows customers to make claim through their smartphones in order that they do not to wait for the insurance representatives arriving the accident scene. Managers should also proactively provide the relevant information about service policies and process to their customers, via friendly-used channels (e.g. the firm's official websites and social networks). Besides, if unfair incidents are anticipated, managers should inform the customers and provide explanations in advance. For example, if a delay in arriving at the accident scene is expected, the insurance representative should inform the customer in advance; due to traffic congestion, he might take more than 30 minutes to arrive at the scene.

The service firms' response when customers' unfair perceptions arise

As service unfairness is inevitable, how to manage and control the damages when customers' unfair perceptions occur is also important. The significant influences of procedural and interactional unfairness also suggest that the firms should focus more on these two dimensions when delivering service recovery. Perhaps, managers would benefit by investing more money in improving fair recovery policies (procedural fairness) and improving service employees' problem-solving skills (interactional fairness) than would by offering expensive tangible compensations (distributive fairness).

The greatest significant influence of interactional unfairness indicates that service employees could command a central role in service recovery strategies. Employee empowerment and training in problem-solving skills are thus our major concerns. Managers should empower their service employees to make their own decisions on delivering service recovery, especially on routine problems, to customers in real time. Previous researches have proved that implementing a recovery in a timely manner can bring dissatisfied customers back to normal satisfaction state, as well as decrease revenging behaviors (Chang et al., 2008). However, in order for employees to provide customers with satisfied service recovery, training employees in areas of problem-solving skills and the art of providing explanation to ensure that the employees' explanations will not be used as excuses, could be addressed. In terms of procedural dimension; keep in mind that, when facing unfair incidents, customers normally want to understand why things go wrong and why specific measures to fix the incident were taken (McColl-Kennedy & Sparks, 2003). As such, the firms should provide the affected customers with an opportunity to present their information regarding the incidents and then explain what really happens and present the fair policies to rectify the situation to the customers.

Managing customers' behavioral consequences

Service business should realize that spreading negative WOM is the most common behavioral consequences due to perceived unfairness. Thus, instead of having customers spreading negative WOM to their communication network, managers should induce customers to express their dissatisfaction and problems directly to the firm by facilitating complaint activities. By doing this, the firm may set up convenient complaint channels such as a comment box at the firm's branch, a forum in websites or social networks, or a call center. Devising guidelines for complaint handling in order that employees of the whole organization can respond to customers' complaint in the same direction is also necessary. Previous studies (e.g. Tax et al. 1998; Xia et al., 2004) reported the negative relationships between complaint and negative WOM behaviors and this supports our recommendation. Notably, since customers have less tendency to broadcast negative information regarding the firm through online communication channels or general public, the firm can take less effort and resources in monitoring customers' reaction through the given communication channels. Finally, although customers may eventually exit the firm, the firm responding to their problems is still necessary since it helps decrease the levels of negative reactions against the firm (Xia et al., 2004).

5.3 Limitations and future research suggestions

Although the present research makes contributions to the knowledge in perceived unfairness in service context, several limitations and future research direction deserve to be mentioned. First, since the sample was only coming from auto insurance customers, further research to validate and generalize the model on other service industries is needed.

Second, we caution that the insignificant effect of distributive unfairness, which is in contradiction with some previous studies (e.g. Park et al. 2008; Xia et al., 2004), is due to the small amount of money of auto insurance's prices. Thus, future research should be tested with a service that its prices are perceived as high by the customers; for example, airlines, fitness center, and high-end restaurant. Perhaps, testing the model with high-priced services may encourage the customers to think about the value of money dimension more carefully.

Third, while our study focuses only on unfair incidents which lead to switching behavior, other researches argued that customers may switch from the service firm because of dissatisfaction with service recovery, not because of the incident itself (Fan et al., 2010). As such, future research that combines service recovery construct and investigate its effect on perceptions of unfairness, switching intention, and other behavioral consequences, may help broaden our understanding on perceived unfairness and customer switching in services.

Finally, expanding our framework to incorporate some other moderating tests are fruitful in providing more insights for future research. For example, the levels of customer's switching costs, the levels to which the customers holds the firm responsible for the unfair incidents, and the levels of customer's assertiveness or aggressiveness, are our concerns for future research. Incorporating these moderating tests may help provide better understanding of how customers with different characteristics respond to service unfairness.

REFERENCES

- Adams, J. S. (1963). Toward an understanding of inequity. *Journal of Abnormal and Social Psychology and Marketing*, 67(5), 422-436.
- Adrian, P., Rosalind, B., & Caroline, K.-M. (2000). Equity and repurchase intention following service failure. *Journal of Services Marketing*, 14(6), 513-528.
- Ajzen, I., Rosenthal, L. H., & Brown, T. C. (2000). Effects of perceived fairness on willingness to pay. *Journal of Applied Social Psychology*, 30(12), 2439-2450.
- Anderson, J. C., & Gerbing, D. W. (1988). Structural equation modeling in practice: A review and recommended two-step approach. *Psychological Bulletin*, 103(3), 411-423.
- Bies, R. J., & Shapiro, D. L. (1988). Voice and justification: The influence on procedural fairness judgments. *The Academy of Management Journal*, 31(3), 676-685.
- Bitner, M. J., Booms, B. H., & Tetreault, M. S. (1990). The service encounter: Diagnosing favorable and unfavorable incidents. *The Journal of Marketing*, 54(1), 71-84.
- Blodgett, J., G., Wakefield, K., L., & Barnes, J., H. (1995). The effects of customer service on consumer complaining behavior. *Journal of Services Marketing*, 9(4), 31-42.
- Bowen, D. E., Gilliland, S. W., & Folger, R. (1999). HRM and service fairness: how being fair with employees spills over to customers. *Organizational Dynamics*, 21(3), 7-24.
- Browne, M. W., & Cudeck, R. (1993). Alternative ways of assessing model fit. In K. A. Bollen & J. S. Long (Eds.), *Testing structural equation models* (1993). Newbury Park: Sage Publications.
- Carl, W. J. (2006). What's all the buzz about? Everyday communication and the relational basis of word-of-mouth and buzz marketing practices. *Management Communication Quarterly*, 19(4), 601-634.
- Carmines, E., & McIver, J. (1981). Analyzing models with unobserved variables: Analysis of covariance structures. In G. W. Bohrnstedt & E. F. Borgatta (Eds.), *Social measurement: Current issues* (pp. 65-115). Beverly Hills: Sage Publications, Inc.
- Clemmer, E. C., & Schneider, B. (1996). Fair service. *Journal of Advances in Services Marketing and Management*, 5, 109-126.

Antecedents and Behavioral Consequences of Customer's Perceived Unfairness in Services

- Deutsch, M. (1975). Equity, equality, and need: What determines which value will be used as the basis of distributive justice. *Journal Social Issues*, 31, 137-149.
- Don, C., Ron, G., & Norman, M. (1995). How damaging is negative word of mouth? *Marketing Bulletin*, 6(1), 42-50.
- Fan, Y.-W., Wu, C.-C., & Wu, W.-T. (2010). Online retailing service failure recovery and consumer loyalty. *National Central University*, Taiwan.
- Greenberg, J. (1990). Organizational justice: Yesterday, today, and tomorrow. *Journal of Management*, 16(2), 399-432.
- Groenroos, C. (2007). *Service management and marketing: customer management in service competition* (3rd ed.). Chichester, England: Wiley.
- Hair, J. F. (2006). *Multivariate data analysis* (6th ed.). Upper Saddle River, N.J.: Pearson Prentice Hall.
- Heung, V. C. S., & Lam, T. (2003). Customer complaint behavior towards hotel restaurant services. *International Journal of Contemporary Hospitality Management*, 15(5), 288-289.
- Hirschman, A. O. (1970). *Exit, voice, and loyalty; responses to decline in firms, organizations, and states*. Cambridge, Mass.: Harvard University Press.
- Hwang, J., & Wen, L. (2009). The effect of perceived fairness toward hotel overbooking and compensation practices on customer loyalty. *International Journal of Contemporary Hospitality Management*, 21(6), 659-675.
- Keaveney, S., & Parthasarathy, M. (2001). Customer switching behavior in online services: An exploratory study of the role of selected attitudinal, behavioral, and demographic factors. *Journal of the Academy of Marketing Science*, 29(4), 374-390.
- Keaveney, S. M. (1995). Customer switching behavior in service industries: An exploratory Study. *The Journal of Marketing*, 59(2), 71-82.
- Leventhal, G. S. (1980). What should be done with equity theory? New approaches to the study of fairness in social relationships. In K. J. Gergen, M. S. Greenberg & R. H. Willis (Eds.), *Social exchange: Advances in theory and research* (pp. 27-55). New York: Plenum.
- Lind, E. A., & Tyler, T. R. (1988). *The social psychology of procedural justice*. New York ; London: Plenum.
- Maprasert, V. (2004). *The service relationship double-bond model: Customer-business context*. Doctoral Dissertation, Thammasat University, Faculty of Commerce and Accountancy.

- Martnez-Tur, V., Peir, J. M., Ramos, J., & Moliner, C. (2006). Justice perceptions as predictors of customer satisfaction: The impact of distributive, procedural, and interactional justice. *Journal of Applied Social Psychology*, 36(1), 100-119.
- Maxham, J. G., & Netemeyer, R. G. (2002). Modeling customer perceptions of complaint handling over time: The effects of perceived justice on satisfaction and intent. *Journal of Retailing*, 78, 239-252.
- Mittare Insurance Company. (2012). ประกันภัยรถยนต์ '3 พลัส' แข่งเดือด ค่ายพีบีคเปิดศึกขายผ่านแบงก์/เพิ่มรายได้-เบี้ยรับ-ส่วนแบ่งตลาด. Retrived October 15, 2012, from http://www.mittare-online.com/html/news_detail.php?code__news=24.
- Namkung, Y., Jang, S., Almanza, B., & Ismail, J. (2009). Identifying the underlying structure of perceived service fairness in restaurants. *International Journal of Contemporary Hospitality Management*, 21(4), 375-392.
- National Statistical Office. (2010). *The 2010 Population and Housing Census*.
- Nunnally. (1959). Attitude measurement. In the *Handbook of Social Psychology* (pp. 206-210). Massachusette: Addison - Wesley.
- Park, O.-J., Lehto, X., & Park, J.-K. (2008). Service failures and complaints in the family travel market: A justice dimension approach. *Journal of Services Marketing*, 22(7), 520-532.
- Rawls, J. (1971). *A theory of justice*. Oxford.: Oxford University Press.
- Roos, I. (1999). Switching processes in customer relationships. *Journal of Service Research*, 2(1), 68-85.
- Seiders, K., & Berry, L. L. (1998). Service fairness: What it is and why it matters. *The Academy of Management Executive* (1993-2005), 12(2), 8-20.
- Shin, D.-H., & Kim, W.-Y. (2008). Forecasting customer switching intention in mobile service: An exploratory study of predictive factors in mobile number portability. *Technological Forecasting and Social Change*, 75(6), 854-874.
- Singh, S., & Sidershmukh, D. (2000). Agency and trust mechanisms in consumer satisfaction and loyalty judgments. *Journal of the Academy of Marketing Science*, 28(1), 150-167.
- Smith, A. K., Bolton, R. N., & Wagner, J. (1999). A model of customer satisfaction with service encounters involving failure and recovery. *Journal of Marketing Research*, 36(August), 356-372.

Antecedents and Behavioral Consequences of Customer's Perceived Unfairness in Services

- Solvang, B. K. (2008). Customer protest: exit, voice or negative word of mouth. *Journal of Business Science and Applied Management*, 3(1), 14-28.
- Stewart, K. (1998). An exploration of customer exit in retail banking. *International Journal of Bank Marketing*, 16(1), 6-14.
- Tax, S. S., Broen, S. W., & Chandrashekar, M. (1998). Customer evaluation of service complaint experiences: Implication for relationship marketing. *Journal of Marketing*, 62(April), 60-76.
- Tax, S. S. (1993). *The role of perceived justice in complaint resolutions: Implications for services and relationship marketing*. Doctoral Dissertation, Arizona State University.
- Taylor, S. (1994). Waiting for service: The relationship between delays and evaluations of service. *Journal of Marketing*, 58(2), 56-69.
- Wangenheim, F. V. (2005). Postswitching negative word of mouth. *Journal of Service Research*, 8(1), 67-78.
- Xia, L., Monroe, K. B., & Cox, J. L. (2004). The price is unfair! A conceptual framework of price Fairness perceptions. *Journal of Marketing*, 68(October), 1-15.
- Zeelenberg, M., & Pieters, R. (2004). Beyond valence in customer dissatisfaction: A review and new findings on behavioral responses to regret and disappointment in failed services. *Journal of Business Research*, 57(4), 445-455.
- Zhang, R., Wang, K., Chen, K., & Rong, R. (2007). *Customer switching intention in service industries and the effect of customer perceived value*. Paper presented at the Service Operations and Logistics, and Informatics, Philadelphia, PA, USA.
- Zhu, Y.-Q., & Chen, H.-G. (2012). Service fairness and customer satisfaction in internet banking: Exploring the mediating effects of trust and customer value. *Internet Research*, 22(4).