The Effects of Service Recovery and Perceived Justice on Customer Relationship in the Beauty Service Industry

Eun-Jeong Ryou
Dept. of Clothing & Textiles, Changwon National University

Abstract

The purposes of this study are to explore how the service recovery of the beauty shops and customers' perceived justice affect the customer relationship. A survey based questionnaire method was employed for this study. Data were collected by a convenient sampling of 232 female customers of hair beauty shops in Seoul and Busan. The data were analysed by using SPSS 21.0, including a frequency analysis, reliability analysis, factor analysis and multiple of regression analyses. The first result showed that all dimensions of service recovery had a significantly positive effect on the perceived justice. Especially, behavioral recovery of beauty shops was the major significant factor affecting perceived justice. Second, distributive justice and interactive justice had a significant effect on satisfaction. However, procedural justice did not have any significant effect on satisfaction. Finally, satisfaction was significantly and strongly associated with both trust and commitment. These results provide empirical proposition that the recovery strategies for complaint handling of the beauty service shop are related closely to relationship marketing.

Key words: beauty service industry, service recovery, perceived justice, customer relationship

I. Introduction

Customer needs for the beauty and attractiveness of appearance have diversified and increased for reasons of a lot of informations about the advanced beauty service and the improvement of living standard. The volume of beauty service industry is expanding because of the change of customers desires. The beauty service industry was segmented and specialized into the fields of hair care, make up, skin care and nail care after the 2000s. Among them, the hair care industry occupies presently the largest area so that the sales scale is KRW
4,500 billion and the number of the hair beauty shop is 90,000 nationally ("Hair salon leading beauty market", 2012). The beauty service industry experienced a qualitative change with a quantitative growth of beauty service market, the expansion of the well-known franchise store, the extensive size of beauty shop and the high educational level of beauty professional staffs. However, the business of beauty service shop is becoming more difficult due to the economic recession and excess competition. Therefore, for overcoming the problems like the above, the marketing for management innovation and service development is needed (Choi, 2008; Kim, & Kim, 2006).

The beauty service is defined by all kinds of activity offering consistently customers the beauty care technique with personal and physical service products (Kim, 2012). The important elements of beauty service are not only technical skills but also general services like comfort environment, hospitality attitude of staffs and reservation receipt. The beauty service industry has distinctively the production process of service that staffs and customers engage with simultaneously. Therefore, the differentiated attributes of beauty service are concurrency and non separability with producing and consuming, extinction and non standardization caused by various production process (Hwang & Hwang, 2001).

The beauty service industry has more concern for increasing the loyalty of existing customers than securing new customers. Therefore, the efforts for building a consistent customer relationship are important in order to achieve the business goal of beauty industry. However, the strategy of beauty service quality can fail for satisfying suitably the customer desires. If any service trouble arise, customers will respond aggressively (Choi, 2008). Service failure causes customer dissatisfaction with the service provider, and due to that customers may exit silently, spread a negative word-of-mouth, voice their complaints to the operator, or continue to patronage the same service provider despite their dissatisfaction (Kim, T., Kim, W. G., & Kim, H. B., 2009). An effective recovery process can then repair the service failure and, consequently, turn dissatisfied customers into satisfied ones, improving customer relationships and preventing defection (Fornell & Wenerfelt, 1987). Complaint handling or recovery of service failure is important to minimize a breakaway from existing customer relationship and to lead a return visit and customer loyalty. Therefore, service recovery is critical for satisfying its customers as well as strengthening its relationships with them (Blodgett, Hill, & Tax, 1997; Kim, Chae, & Hwang, 2014: Smith & Bolton, 2002).

Besides, the success of service recovery depends on the perceived justice of customers. Whether customers perceived the fair and justified experience in service recovery encounters is important in success with complaint handling. In order to more fundamentally comprehend effective service recovery, researchers have utilized justice theory as the main framework for examining service recovery procedures (McColl-Kennedy & Sparks, 2003).

Despite a importance of service failure handling in building customer relationship, research findings are very insufficient in the beauty service industry (Kim, 2012). Little study (Choi, 2008: Hwang, 2005: Kim 2012) has been made to investigate the perceived justice regarding service recovery and customer relationship after recovery. In this regard, the purposes of this study are to explore how the service recovery of beauty shop and customers’ perceived justice affect the customer
II. Literature Review

1. Service Recovery and Perceived Justice

Service recovery refers to the action taken by a service provider to address a customer complaint regarding a perceived service failure (Grönnroos, 1988). The ultimate goal of service recovery is to pacify dissatisfied customers through appropriate actions in order to reduce potential damage to customer relationships caused by service failures (Ha & Hang, 2009; Zemke, 1993). Some researchers suggest that a firm’s recovery effort can either reinforce customer relationships or compound the failure (Hoffman, Kelly, & Rotalsky, 1995; Smith, Bolton, & Wagner, 1998). According to Miller, Craighead, and Karwan (2000), service recovery efforts are defined as “those actions designed to resolve problems, to alter negative attitudes or dissatisfied customers and to ultimately retain these customers”.

In a service marketing situation, customer inputs could be the costs associated with a service failure such as economic, time, energy, and psychic costs (Hoffman & Kelley, 2000). The outcomes could include recovery tactic used such as cash refund, apology, replacement, and so on. These specific recovery strategy can be classified by three dimensional complaint handling of behavioral recovery, psychological recovery, and monetary recovery (Kelly, Hoffman, & Davis, 1993; Kim, 2012).

The outcomes of service recovery must be perceived to be fair or just by the customers. In order to more fundamentally comprehend effective service recovery, researchers have utilized justice theory as the main framework for examining service recovery procedures (McColl-Kennedy & Sparks, 2003). Perceived justice is a multi-dimensional concept comprising three dimensions: distributive, procedural, and interactional justice.

Distributive justice refers to the assignment of tangible resources by the firm to rectify and compensate for a service failure (del Rio–Lanza, 2009). In context of service failure/recovery, it refers to the perceived fairness of specific reimbursement like a repair, refund, discounts, exchange and free upgrades (Ahn, 2011).

Procedural justice refers to the methods the firm uses to deal with the problems arising during service delivery in aspects such as accessibility, timing/speed, process control, delay and flexibility to adapt to the consumer’s recovery needs (del Rio–Lanza, 2009). Procedural justice also includes policies, procedures, and tools that companies use to support communication with customers and specifically, the time taken to process complaints and to arrive at a decision. Procedural justice focuses on the way that the outcome is reached (Davoud, Ishak, Malliga, & Mohammad, 2010).

Interactional justice focuses on interpersonal interactions during the process of service delivery. It means the evaluation of the degree to which the customers have experienced justice in human interactions from the employees of service organization during the recovery process (Sparks & McColl–Kennedy, 2001).

Despite a widespread adoption of the justice framework, research findings vary considerably. There is variability in the relative strength of the effects of each justice dimension on satisfaction with complaint handling (Ostringer, Valentini, & De Angelis, 2010).
2. Customer Relationship

Complaint handling strategies are important particularly in managing continuous customer relationships in service business. Effective resolution of customer problems and relationship marketing are linked closely in terms of their mutual interest in customer satisfaction, trust, and commitment (Tax, Brown, & Chandrashekaran, 1998).

Satisfaction with complaint handling can enhance the evaluation of service experiences. Bitner, Brooms, and Tetreault (1990) find that customers were likely to have positive reactions to encounters in which initial service failures were followed by effective recoveries, such as being upgraded to a better room, compensated with a free meal or drink, provided with an explanation as to why the service was unavailable, or assisted in solving the problem. Satisfaction reinforces the customer’s decision to participate in the service process, leading over time to commitment (Fornell, 1992). The attitudinal and behavioral consequences of customer satisfaction play a central role in driving long-term customer relationships.

Commitment can be defined as one’s enduring desire to maintain a valued relationship (Moorman, Zaltman, & Deshpande, 1992). Definitions of commitment focus on the enduring desire of parties to maintain a relationship (Morgan & Hunt, 1994). The need for customer participation in the delivery process makes the concept of commitment especially relevant to services. Customer relationship commitment is directly related with satisfaction of service recovery (Kelley & Davis, 1994). The resultant commitment of the social credit is a key factor to avoid the uncertainty of the relationship (Dwyer, Shurr, & Oh, 1987). Therefore, commitment is a typical dimensions that constitute the relationship and can be called a critical variable for the maintenance of customer relationships and loyalty.

Trust is an important factor in the development of marketing relationships and exists when one party has confidence in an exchange partner’s reliability and integrity (Morgan & Hunt, 1994). Holmes and Rempel (1989) observe that trust is strengthened if partners are responsive in ways that acknowledge an individual’s particular needs and affirm their sense of worth. Trust is an indicator of a growing relationship that tends to foster higher levels of commitment and cooperation (Morgan & Hunt, 1994). Especially in the beauty service industry, trust to the other may reduce the uncertainty and perceived risk. Therefore, trust can be regarded as an important indicator of long term relationships with customers.

To summarize the above, satisfaction with service recovery is significantly and strongly associated with both trust and commitment, which provides the empirical proposition that complaint handling is tied closely to relationship marketing.

III. Methods

1. Research Issues

The first objective is to investigate the behavioral Characteristics related purchasing the beauty Service.

Next objective is to examine the effects of service recovery on perceived justice.

The final objective is to examine the effects of perceived justice on customer relationship.
2. Measurement

A survey based questionnaire method was employed for this study. The questionnaire consisted of the measurement items related with purchasing behavior of beauty service, service recovery, perceived justice, customer relationship and demographic characteristics. The validated multiple scales from previous literature were employed and the most of scales were measured on a 5 point Likert-scale.

Service recovery was measured with 12 statements adopted from Kelly et al. (1993), Smith et al. (1999) and Kim (2012). Perceived Justice was measured with 12 statements adopted from DeWitt, Nguyen, & Marshall (2008), Tax et al. (1998) and Ahn (2011). Customer relationship was measured with 9 statements adopted from Crosby, Kenneth, and Deborah (1990) and Ryou and Park (2013). To identify samples’ characteristics, demographics related with age, income, marital status and occupation were measured by the nominal scale items.

3. Sample and Data Analysis

Data were collected by a convenient sampling of 232 adult female customers in Seoul and Busan. A screening question was asked to see if respondents encountered any service failure with hair beauty service over the last few years. Respondents in their 20s comprised 55.7% of the total samples. Other respondents were 30s (10.7%), 40s (17.2%) and 50s (16.4%). Among all respondents, 48.7% were university students, the highest proportion, followed by employee workers (25.9%) and housewives (25.4%). Married of the total respondents accounted for 40.9%. The monthly household income ranges of the sample were less than KRW 2 million (27.2%), KRW 2 million ~ less than 4 million (33.2%), KRW 4 million ~ less than 6 million (20.3%) and more than KRW 6 million (19.4%).

The data were analysed by using SPSS 21.0, including a frequency analysis, reliability analysis, factor analysis and multiple of regression analyses.

IV. Results

1. Behavioral Characteristics for Beauty Service

The behavioral characteristics for the beauty service are presented in Table 1. In the visiting frequency of beauty shop, one in two months (29.7%) was the most common, followed by once in three months (24.1%) and once a month (16.4%). The service frequently used was found to be hair cut (42.6%), followed by Dyeing or coating (26.2%) and permanent (25.0%). The ranges of KRW 50,000 ~ 100,000 (25.6%) and KRW 100,000 ~ 150,000 (26.3%) were the most common in maximum expenditure for beauty service. The loyal customers (59%) of visiting mainly one shop were much more frequent than the customers of visiting several beauty shops. The criteria for selecting the beauty shop appeared in the following order of an expertise of staff (33.9%), reasonable price (25.5%), location and convenient access (12.5%) and acquaintances recommendation (10.5%).

If the customers are unsatisfied with beauty service, the most customers answered that they expressed the complaints as a non verbal action (41.8%) followed by a immediate protest (19.0%) and a request of appropriate explanation (10.3%).
| Behavior | Characteristics                  | Frequency(%) |
|----------|----------------------------------|--------------|
| Visiting frequency |                              |              |
|          | Once a month                     | 38(16.4)     |
|          | Once in two months               | 69(29.7)     |
|          | Once in three months             | 56(24.1)     |
|          | Once in four months              | 19(8.2)      |
|          | Once in five months              | 12(5.2)      |
|          | twice a year                      | 38(16.4)     |
|          | Total                             | 232(100.0)   |
| Frequently used services |            |              |
|          | Permanent                         | 58(25.0)     |
|          | Cut                               | 99(42.6)     |
|          | Dyeing or Coating                 | 61(26.2)     |
|          | Temporary setting                  | 2(0.9)       |
|          | Clinic                            | 2(0.9)       |
|          | etc.                              | 10(4.4)      |
|          | Total                             | 232(100.0)   |
| Maximum expenditure (unit: KRW) |                  |              |
|          | less than 50,000                  | 21(9.1)      |
|          | 50,000 ~ less than 100,000        | 61(25.6)     |
|          | 100,000 ~ less than 150,000       | 62(26.3)     |
|          | 150,000 ~ less than 200,000       | 36(15.5)     |
|          | 200,000 ~ less than 250,000       | 22(9.5)      |
|          | 250,000 ~ less than 300,000       | 12(5.2)      |
|          | more than 300,000                 | 18(7.8)      |
|          | Total                             | 232(100.0)   |
| Switching behavior of beauty shop |                  |              |
|          | Mainly one shop                   | 137(59.0)    |
|          | Two or Three shops                | 48(20.7)     |
|          | Multiple shops                    | 47(20.3)     |
|          | Total                             | 232(100.0)   |
| Selection criteria* |                  |              |
|          | Recommendation of acquaintances    | 54(10.5)     |
|          | Reasonable price                   | 131(25.5)    |
|          | Brand reputation                   | 121(2.3)     |
|          | Acquaintance with staffs           | 39(7.6)      |
|          | Expertise of staffs                | 174(33.9)    |
|          | Store environments                 | 18(3.5)      |
|          | Discount or Promotion policy       | 18(3.2)      |
|          | Location & Convenient access       | 64(12.5)     |
|          | etc.                              | 5(1.0)       |
|          | Total                             | 513           |
| Complaining behavior |                  |              |
|          | Immediate protest                  | 44(19.0)     |
|          | Non verbal expression              | 87(41.8)     |
|          | Revisit or Call for protest        | 16(6.9)      |
|          | Claim by e-mail or home page       | 3(1.3)       |
|          | Request of explanation             | 24(10.3)     |
|          | Specific compensation claims       | 8(3.4)       |
|          | etc.                              | 40(17.3)     |
|          | Total                             | 232(100.0)   |

* multiple response item
2. Measurement Assessment

To assess of service recovery, an exploratory factor analysis was conducted through SPSS 21.0. It generated three dimensions for service recovery: psychological recovery, monetary recovery, and behavioral recovery. This is consistent with the results of the study by Kelly et al. (1993) and Kim (2012). The three factors accounted for 70.6% of the total variance (see table 2). Factor loadings ranged from 0.57 to 0.83, and Cronbach’s alpha of factors were 0.81 or 0.87.

To assess of perceived justice, an exploratory factor analysis was conducted through SPSS 21.0. The three factors, interactive, distributive, and procedural dimensions of perceived justice accounted for 77.7% of the total variance (see table 3). All factors show a value above the threshold .80 for Cronbach’s alpha.

3. Effects of Service Recovery on Perceived Justice

A multiple regression analysis was conducted in order to determine the effect of that service

| Factor                        | Item                                      | Factor loading | Cumulative var. | Eigen value | Reliability |
|--------------------------------|-------------------------------------------|----------------|-----------------|-------------|-------------|
| Psychological recovery         | The staffs sympathized with my dissatisfaction | .83            | 29.30%          | 3.22        | .87         |
|                                | The staffs apologized to me for their faults | .81            |                 |             |             |
|                                | They admitted their errors and mistakes   | .77            |                 |             |             |
|                                | The staffs were trying to reassure me      | .76            |                 |             |             |
| Monetary recovery              | They gave me the costly benefit            | .83            | 52.92%          | 2.60        | .83         |
|                                | The beauty shop gave me a discount the amount I pay | .80            |                 |             |             |
|                                | They promised a better service later       | .68            |                 |             |             |
|                                | They provided additional services not required | .59            |                 |             |             |
| Behavioral recovery            | The staffs explained more about my problem | .79            | 70.60%          | 1.75        | .81         |
|                                | The superiors intervened to solve my problems | .75            |                 |             |             |
|                                | They solved my problem immediately         | .57            |                 |             |             |
Table 3. Factors of Perceived Justice

| Factor           | Item                                                                 | Factor loading | Cumulative var. | Eigen value | Reliability |
|------------------|----------------------------------------------------------------------|----------------|-----------------|-------------|-------------|
| Interactive justice | In resolving the problem, I was treated with the courtesy by the staffs | .82            | 27.95%          | 3.07        | .90         |
|                  | The staffs’ communications with me were appropriate                  | .74            |                 |             |             |
|                  | The staffs put the proper effort into resolving my problem           | .69            |                 |             |             |
|                  | The staffs were considerably concerned about my problem              | .59            |                 |             |             |
| Distributive justice | I got results I deserved                                             | .82            | 55.86%          | 2.06        | .85         |
|                  | The outcome I received was fair                                      | .76            |                 |             |             |
|                  | In resolving the problem, the beauty service shop gave me what I needed | .74            |                 |             |             |
|                  | The conclusion of problem was right                                  | .62            |                 |             |             |
| Procedural justice | The length of time taken to resolve the problem was necessary        | .83            | 77.7%           | 1.89        | .87         |
|                  | The policies and procedures the beauty shop had were adequate for addressing the problems | .70            |                 |             |             |
|                  | The beauty shop showed flexibility in dealing with my problem        | .58            |                 |             |             |

Table 4. Factors of Customer Relationship

| Factor     | Item                                                                 | Factor loading | Cumulative var. | Eigen value | Reliability |
|------------|----------------------------------------------------------------------|----------------|-----------------|-------------|-------------|
| Commitment | I feel attachment to relations with the beauty shop                  | .82            | 31.07%          | 3.42        | .86         |
|            | I will continue the relationship with the beauty shop                 | .79            |                 |             |             |
|            | I will continue to be a loyal customer of this beauty shop           | .71            |                 |             |             |
| Trust      | I can trust the procedures and provisions of beauty shop             | .79            | 55.21%          | 2.66        | .85         |
|            | The efforts of the beauty shop give me confidence                    | .75            |                 |             |             |
|            | Services provided by the beauty shop is reliable.                    | .72            |                 |             |             |
| Satisfaction | I am satisfied with the handling of the beauty shop for my problem  | .85            | 76.87%          | 2.34        | .84         |
|            | I am satisfied with the overall experience in the beauty shop         | .82            |                 |             |             |
|            | As a whole, I am satisfied with the beauty shop                      | .75            |                 |             |             |
recovery activities of beauty shop would have on the justice perception of unsatisfied customers (see table 5).

First, the three factors of service recovery were defined as the independent variables and distributive justice was defined as the dependent variable. The results showed that behavioral recovery ($\beta=.53$), psychological recovery ($\beta=.22$) and monetary recovery ($\beta=.19$) had a significant effect on distributive justice.

Next, the three factors of service recovery were defined as the independent variables and procedural justice was defined as the dependent variable. The results showed that behavioral recovery ($\beta=.54$), psychological recovery ($\beta=.2$) and monetary recovery ($\beta=.20$) had a significant effect on procedural justice.

Finally, the three factors of service recovery were defined as the independent variable and interactive justice was defined as the dependent variable. The results showed that behavioral recovery ($\beta=.55$), psychological recovery ($\beta=.14$) had a significant effect on interactive justice. However, monetary recovery did not have any significant effect on interactive justice.

The results showed that all variables of service recovery had a significantly positive effect on the justice perception. Especially, behavioral recovery of beauty shop is the major significant factor affecting all type of perceived justice.

### 4. Effects of Perceived Justice on Customer Relationship

A multiple regression analysis was conducted in order to determine the effect of that perceived justice of customers would have on each of the relationship dimensions (see table 6).

First, the three factors of perceived justice were defined as the independent variables and satisfaction was defined as the dependent variable. The results showed that distributive justice ($\beta=.49$) and interactive justice ($\beta=.38$) had significant effects on satisfaction. However, procedural justice did not have any significant effect on satisfaction. These are consistent with the results of the study by Ahn (2011) and Lee (2010). Chebat and Slusarczyk (2005) observed that the specific effects of the three justice dimensions on customer loyalty are quite

---

Table 5. Effects of Service Recovery on Perceived Justice

| Dependent v.          | Independent v.         | $\beta$ | t     | F       | $R^2$ |
|-----------------------|------------------------|--------|-------|---------|-------|
|                       | Behavioral R.          | .53    |       |         |       |
| Distribution Justice  | Psychological R.       | .22    | 10.21*** | 179.07*** | .70   |
|                       | Monetary R.            | .19    | 4.41*** |         |       |
|                       |                        |        | 3.93*** |         |       |
|                       | Behavioral R.          | .54    |       |         |       |
| Procedure Justice     | Psychological R.       | .21    | 10.61*** | 192.73*** | .71   |
|                       | Monetary R.            | .20    | 4.39*** |         |       |
|                       |                        |        | 4.24*** |         |       |
|                       | Behavioral R.          | .55    |       |         |       |
| Interactive Justice   | Psychological R.       | .14    | 12.31*** | 183.12*** | .75   |

*** p<.001
different from each other. The procedural justice had a very little effect on customer relationship because customers recognized a quick and accurate recovery procedures as a natural requirement (Chebat & Slusarczyk, 2005). The very significant influence of distributive justice was consistent with most exiting researches (Ahn, 2012; Ostringer et al., 2010; Smith et al., 1999).

Next, the three factors of perceived justice and satisfaction were defined as the independent variables and commitment was defined as the dependent variable. The results showed that only satisfaction ($\beta=.76$) had a significant effect on commitment.

Finally, the three factors of perceived justice and satisfaction were defined as the independent variables and trust was defined as the dependent variable. The results also showed that satisfaction ($\beta=.56$) and distributive justice ($\beta=13$) had a significant effect on trust. Commitment and trust of customer relationship were indirectly influenced by perceived justice in terms of satisfaction. Satisfaction is significantly and strongly associated with both trust and commitment, which provides the empirical proposition that complaint handling is tied closely to relationship marketing (Tax et al., 1998).

Table 6. Effects of Perceived Justice on Customer Relationship

| Dependent v. | Independent v.     | $\beta$ | $t$     | F       | $R^2$ |
|--------------|--------------------|--------|--------|---------|-------|
| Satisfaction | Distributive Justice | .49    | 6.23***| 131.73***| .53   |
|              | Interactive Justice | .38    | 5.04***|         |       |
| Commitment   | Satisfaction       | .76    | 18.52**| 251.49***| .74   |
| Trust        | Satisfaction       | .56    | 13.29***| 212.66 | .72   |
|              | Distributive Justice| .13    | 3.28** |         |       |

*p<.01  **p<.001

V. Conclusion

The right service recovery is essential for the customer relationship in the fast changing environment of beauty service industry. Customer complaints can always occur in process of service production due to the characteristics of beauty services. Effective complaint handling can have a impact on customer attitudes and improve the business outcome of beauty shop. This study empirically examined how service recovery of beauty shop and perceived justice make a difference to customer relationship. Results indicate the significant implications and strategic service marketing activities.

The first intents of this study were to investigate the behavioral characteristics for the beauty service. In the visiting frequency of beauty shop, one in two months was the most common. The service frequently used was found to be hair cut. The ranges of KRW 100,000 ~ 150,000 were the most common in maximum expenditure for beauty service. These results are compared to the existing study (Ryou & Park, 2012) by sampling female in the 20’s. Therefore, the market segmentation strategy by age or other variables is needed in the beauty service industry.
The loyal customers of visiting mainly one shop were much more frequent. The criteria for selecting the beauty shop appeared in the following order of an expertise of staff, reasonable price, location and convenient access and recommendation of acquaintances. Therefore, the management of service quality is need to build a loyalty and customer relationship.

In the unsatisfactory situation with beauty service shop, the most customers expressed the complaints as a non verbal action. The visible expression of customer complaints gives an improvement opportunity to the beauty shop. Furthermore, this opportunity of expressing the complaints can effectively drive the recovering from service failures. Effective complaint handling strategies are important particularly in managing a favorable attitude and behavior of customer.

Second, every dimension of service recovery have a significant effect on the perceived justice. Among them, behavioral recovery is the most essential activity. The immediate provision of adequate results such as repairs, refunds, exchanges and apology are the most important means to recover the service failure. Comparatively, monetary recovery had a poor effect. This result indicates that customers experienced service failure expect more reliability and trustworthiness of service providers than a physical compensation.

Third, using justice theory, customers evaluate the complaint incidents in terms of the outcomes they receive, the procedures used to arrive at the outcomes, and the nature of the interpersonal treatment during the process. Results indicate that distributive and interactive justice perception to service recovery have related positively to satisfaction of customer relationship. Specifically, the perception of distributive justice have more effect on the customer relationship. Perception of distributive justice focus on compensation for financial loss and an apology. The importance of the apology suggests that recovery is not just for economic aspect, but also for emotional aspect. Interational dimensions is noteworthy because it implies that customer expectations regarding interpersonal treatment toward a failure are considerably higher than they are in standard service encounter situations, especially for loyal customers (Kelley & Davis 1994).

Forth, satisfaction for service recovery is significantly and strongly associated with trust and commitment. The results imply that efforts in service recovery can improve evaluations of service quality, build commitment and trust, and strengthen customer relationships. Commitment and trust significantly increase purchase intentions and positive WOM (Ryou & Park, 2012). Commitment and trust can lead directly to cooperative behaviors that are conducive to successful relationship marketing (Morgan & Hunt, 1994).

Although this study provides preliminary insights for recovery strategy toward service failure of beauty shop and has a limitation with a convenient sampling. Further researches are necessary to find the differentiated results of customer group segmented by age and loyalty.

References

Ahn, S.(2011). Building Fashion Customer Loyalty by Service Recovery and the Effect of Explanations on It. Journal of the Korean Society of Clothing and Textiles, 35(7), 841–855.
Bitner, M., Brooms, B., & Tetreault, M. (1990). The service encounter: Diagnosing favorable and unfavorable incidents. *Journal of Marketing, 54*(1), 71–84.

Blodgett, J., Hill, D., & Tax, S. (1997). The effects of distributive, procedural and interactional justice on postcomplaint behavior. *Journal of Retailing, 73*(2), 185–210.

Chebat, J., & Slusarczyk, W. (2005). How emotions mediate the effects of perceived justice on loyalty in service recovery situations: An empirical study. *Journal of Business Research, 58*(5), 664–673.

Choi, J. (2008). An Effect of Beauty Service Quality, Value and Service Recovery Effort on the Customer Satisfaction (unpublished doctoral dissertation). Konyang University, Nonsan, Korea.

Crosby, L. A., Kenneth R. E., & Deborah, C. (1990). Relationship Quality in Service Selling: An Interpersonal Influence Perspective. *Journal of Marketing, 54*(July), 68–81.

Davoud N., Ishak I., Malliga M., & Mohammad, J. (2010). Perceived Justice in Service Recovery and Recovery Satisfaction: The Moderating Role of Corporate Image. *International Journal of Marketing Studies, 2*(2), 49–56.

del Rio–Lanza, A. B., Vazquez–Casielles, R., & Diaz–Martin, A. M. (2009). Satisfaction with service recovery: Perceived justice and emotional responses. *Journal of Business Research, 62*(8), 775–781.

DeWitt, T., Nguyen, D., & Marshall, R. (2008). Exploring customer loyalty following service recovery: The Mediating effects of trust and emotions. *Journal of Service Research, 10*(3), 269–281.

Dwyer, R., Shurr, P., & Oh, S. (1987). Developing Buyer–Seller Relationships.
Service Quality and Consumer Satisfaction of Beauty Parlor. *Journal of the Korean Society of Costume*, 51(8), 171–183.

Kelley, S. W. & Davis, M. A. (1994). Antecedents to Customer Expectations for Service Recovery. *Journal of Academy of Marketing Science*, 22(1), 52–61.

Kelly, S. W., Hoffman, D., & Davis, M. A. (1993). A Typology of Retail Failures and Recoveries. *Journal of Retailing*, 69(4), 429–445.

Kim, J. (2009). *A Study on Customers’ Complaint Behavior against Hair Shop* (unpublished master’s thesis). Kyungil University, Daegu, Korea.

Kim, J., Chae, N., & Hwang, S. (2014). The influence of service recovery fairness on customers’ satisfaction and intention to response: focused on purchasing fashion product at the open market and general internet shopping mall. *Journal of Fashion Business*, 18(1), 118–131.

Kim, S. (2012). *A Structure Relationship Among of the Service Failure, Recovery Strategy, Satisfaction after Recovery and Action Intention in Beauty Service Industry* (unpublished doctoral dissertation). Catholic University of Daegu, Daegu, Korea.

Kim, S., & Kim, K. (2006). A study of the effect of the perceived beauty service quality on purchase intention. *Journal of Fashion Business*, 10(1), 106–119.

Kim, T., Kim, W. G., & Kim, H. B. (2009). The effects of perceived justice on recovery satisfaction, trust, word-of-mouth, and revisit intention in upscale hotels. *Tourism Management*, 30, 51–62.

Lee, J. (2010). The Mediating Effect of Trust, Satisfaction and Guest Commitment on the Service Justice and Behavioral Intention according to Service Failure. *Journal of Tourism & Leisure*, 22(3), 117–135.

McColl-Kennedy, J. R., & Sparks, B. A. (2003). Application of fairness theory to service failures and service recovery. *Journal of Service Research*, 5, 251–267.

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.

Miller, J. L., Craighead, C. W., & Karwan, K. R. (2000). Service recovery: A framework and empirical investigation. *Journal of Operations Management*, 18, 387–400.

Moorman, C., Zaltman, G., & Deshpande, R. (1992). Relationships between providers and users of marketing research: The dynamics of trust within and between organizations. *Journal of Marketing Research*, 29, 314–329.

Morgan, R. M. & Hunt, S. (1994). The Commitment–Trust Theory of Marketing Relationships. *Journal of Marketing*, 58(July), 20–38.

Mowday, T., Lyman P., & Richard S. (1982). *Employee–Organization Linkages*. New York: Academic Press.

Orsingher, C., Valentini, S., & De Angelis, M. (2010). A meta analysis of satisfaction with complaint handling in services. *Journal of Academy of Marketing Science*, 38(2), 169–186.

Ryou & Park (2012). The Effects of Beauty Service Quality on Relationship Quality and Behavioral Intention. *Journal of the Korean Society of Design Culture*, 19(2), 90–100.

Smith, A. K. & Bolton, R. N. (1998). An experimental investigation of service failure and recovery: Paradox or peril? *Journal of Service Research*, 1(1), 65–81.

Smith, A. K., Bolton, R. N., & Wagner, J.
(1998). A model of customer satisfaction with service encounters involving failure and recovery. *Journal of Marketing Research, 36*(3), 356–372.

Sparks, B. N., & McColl-Kennedy, J. R. (2001). Justice strategy options for increased customer satisfaction in a services recovery setting. *Journal of Business Research, 54*, 209–218.

Tax, S., Brown, S., & Chandrashekaran, M. (1998). Customer evaluation of service complaint experiences: Implications for relationship marketing. *Journal of Marketing, 62*(2), 60–76.

Zemke, R. (1993). *The art of service recovery: Fixing broken customers and keeping them on your side*. American Management Association, New York, 463–476.

Received (June 18, 2015)
Revised (July 15, 2015)
Accepted (July 20, 2015)