



Analysis on Service Failure Recovery Strategies in Food and Beverage Establishments while Tourism Activities Resumed due to COVID-19 Pandemic: The Case of Restaurants in RWANDA

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Abstract

Customer service has always been the hallmark of the Tourism and Hospitality Industry since last decade in Rwanda and the industry was among the top priorities to contribute to the development of the country, however due to COVID-19 pandemic spread all over the world since December 2019, many service sectors has been injured by the pandemic where some were partial or fully closed, including tourism and hospitality industry. In February 2022, the pandemic slowed down and the government allowed most of the closed businesses to resume again, it has been long waiting time for customers and employees to meet again in service environment. The purpose of this study is to analyze service failure recovery strategies by food and beverage employees in Rwanda after COVID-19 Pandemic. One hundred and fifty (150) food and beverage professionals were selected randomly from different establishments in different touristic areas of Rwanda such as Kigali, Musanze, Rubavu, Karongi, Kayonza and Huye. With the use of Google forms, forty four (44) questionnaires containing twenty most likely service failures in F&B establishments with their possible recovery actions were given to respondents to determine which best action to recover each service failure. The results demonstrated that some actions are mostly used by respondents to recover service failures after the pandemic (table 4) and others are less recommended. The study suggests that F&B establishments should establish complaint procedures that are unproblematic and free from bureaucracy as possible; to invest time, money and effort in handling customer complaints properly, to give more comprehensive trainings to their human resources in dealing with complaining guests. The study concludes that the main service failures are linked staff professionalism, managers are advised to initiate day to day awareness and on job empowerment to their staff for minimizing or removing all those failures so that Tourism and Hospitality Industry might catch the good level than before the Pandemic.

Keywords: *Service failure, service recovery, F&B Establishments.*

1. Introduction

A service failure is any type of error, mistake, deficiency or problem occurring during the provision of a service. The consumption of hospitality services involves a high degree of uncertainty and risk (Israeli, al, 2004). The inherent variability in hospitality services is attributable primarily to two factors: the heavy reliance on human service providers and the near impossibility of quality in inspections prior to consumption (Storbacka et al., 1994; Chan et al., 2007). Recovery of failure events is important for firm performance. Studies have shown that a firm's ability to produce repeat purchase has a critical monetary significance. The cost of preserving a customer is about 20% of the cost of bringing a new customer and an increase of 5% in returning customers will produce an increase of 25%–125% in the firm's profits (Kotler, Bowen, & Makens, 2006). Customers' willingness to return (WTR) was found to be correlated with satisfaction (Brady, Cronin, & Brand, 2002) which is often explained by the gap between expectations and experience (Kotler et al., 2006). Zero gap (experience = expectation) will result in customers' satisfaction, positive gap (experience > expectation) will generate increased satisfaction, and negative gap (experience < expectation) will lead to dissatisfaction.

One way of creating experience which exceeds expectations is by an appropriate recovery from service failures (Bitner, Booms, & Tetreault, 1990). From the beginning of COVID Pandemic, in Rwanda tourism revenue shifted from 498 million in 2019 to 121 million in 2020, respectively visitors for conferences from 66 thousands to 4 thousands and park visitors from 110 thousands to 36 thousands (RDB Report,2020). Tourism and hospitality businesses were forced to close as prevention measures and employees lost their jobs, at this time customers who were planned to visit hotels or touristic areas were also in full quarantine and there no ways of enjoying the services. When hotels and touristic areas resumed in February 2022 after almost two years, customers were in sharply speed way to re-enjoy again the missed services. In a study of the hotel, restaurant, and aviation industries, Bitner et al. reported that about a quarter of service encounters resulted in increased satisfaction as a result of an appropriate recovery from service failure. Hart, Heskett, and Sasser (1990) coined the phrase "service recovery paradox" suggesting that customers who experienced service failure which was followed by a satisfactory recovery were more satisfied and more likely to produce loyalty and favorable word of mouth than customers who have not experienced service failure at all.

Moreover, in the same research it was found that 43% of the customers who were identified as dissatisfied reported that it was due to inappropriate response to a service failure and not due to the failure itself. Bitner et al. (1990) divided the strategies to three categories: monetary compensation strategies, service interaction strategies, and no action strategies. Another research that analyzed 342 participants who reported about 684 service failure events identified eight specific recovery actions for restaurants (Tab.1) which included free food, discount, coupon, management intervention, dish replacement, correction, apology, and no action (Warden, Huang, & Wu, 2008).

Table 1: Recovery Actions and Service Recovery Strategies

Recovery actions (Warden et al,2008)	Service recovery strategies (Bitner et al.,1990)
Free food Discount Coupon	Compensation strategies
Management Intervention Replacement Correction Service provider's apology	Assistance strategies
No action	No action strategies

Source: Warden and Bitner,(2008,1990)

As service failures cause customer dissatisfaction, they threaten the survival and growth of service businesses (Koc, 2006; Coulter, 2009; Weber, 2009; Koc, 2010, 2013; Wang et al., 2014). Service failures trigger negative emotions and negative behavioural intentions for customers (Gregoire et al., 2009; Ha and Jang, 2009; Wen and Chi, 2013). These negative emotions and ensuing behavioural intentions may include customer dissatisfaction (Kelley et al., 1993; Koc, 2017), negative word-of-mouth (Mattila, 2001), customer switching (Keaveney, 1995; Pranić and Roehl, 2013), increased costs (Armistead et al., 1995), and lower employee performance and morale (Bitner et al., 1994; Lee et al., 2013).

Hospitality can be considered as highly service failure-prone industry because of the increased customer–employee contact and the service features of inseparability, heterogeneity and perishability (Koc, 2006). Additionally, tourism and hospitality industries require constant and intense contact with customers (Koc, 2003; Kim et al., 2007), and as a result they are usually described as people businesses. Together with constant and intense contact, interaction or social exchange, the general service characteristics hospitality more susceptible to service failures (Koc, 2013).

Service failures may prove to be extremely costly for hospitality businesses, because customers quite often switch providers after experiencing service failures (Carley and Lin, 1995; Bernardo et al., 2013; Roschk and Gelbrich, 2014; Van Vaerenbergh et al., 2014). The consequences of service failures may be visible, as in the case of a customer making a formal complaint, and not visible, as in the case of the alienation of potential customers through the negative word-of-mouth referrals by dissatisfied customers

1.1 Data Collection

The study used questionnaires and the participants were asked to tick (✓) the best solution to recover the most service failures in food and beverage establishments after COVID-19 Pandemic. One hundred and fifty (150) respondents have been targeted randomly as professionals from different restaurants, hotels, motels, lodge, bars and guest houses to participate in this study. With the use of Google forms, forty four (44) questionnaires were distributed from February 2022 to March 2022 to reach out the respondents in different area of Rwanda including Kigali, Musanze, Rubavu, Karongi, Kayonza and Huye. From one hundred and fifty respondents targeted, one hundred thirty two (132) have successfully responded and eighteen (18) have failed to respond (response rate of 75%). After receiving all responses, the data have been analyzed in spss tables and then presented in different charts such as columns, lines, pies and bars.

Table 2: Common service Failures in food and beverage establishments (Bigg et al 2018)

Failure	Failure details
1. Dish defect	The presence of foreign object to the served food which can cause health hazard to the customer (eg: pins, rings, wood debris, hair, insects...)
2. Slow service	Any contact between the customer and a service provider which takes more time than the time expected by customer.
3. Out of stock	Unavailability of a dish/food/beverage/product which was ordered by the customer
4. Incorrect temperature	Food/beverage temperature which is either higher or lower than expected by customer
5. Inappropriate servers' behavior	Service provider's behavior which does not comply with the industry standards for proper behavior.
6. Wrong order	The serving of a food/beverage other than was ordered by the customer.
7. Billing error	Any error occurred in the customers' billing process (initial bill or final invoice).
8. Food/Beverage spillage	Spillage of either food or beverage on or near the customer.
9. Beverage expiration date	The beverage served to the customer is out of consumption date.
10. Poor food quality	The customer is not satisfied with the quality of food(eg: taste, color or smell)
11. Insufficiency of facilities or amenities in the room	Lack of equipment or useful feature provided when renting a room at hotel
12. Poor cleanliness in dining area	The restaurant is not free from dirt/waste/fliers/insects /bad smell or the floor is not dry
13. Language barrier	The staff cannot communicate efficiently with the customer
14. guest property is stolen	The customer living in hotel missed her/his belonging (eg:money,computer,iphone,phone,clothes,shoes,watch,jewelry,bracelets,...)
15. Room relocation for over stay customers	While checking out at the check-out date ,the guest want to extend his/her stay and that room was booked by another customer, then the hotel want to change the over stay guest to another room.
16. Wrong cooking degree	The food served to the customer is not at the desirable cooking level
17. Unavailability of menu item	The customer orders the food on the menu but it is not available in the house.
18. Food poisoning	After consuming the food, the customer get sick (simple or severe sickness which cause vomiting, diarrhea, abdominal pain, dizziness or any other bad feeling)
19. Clothes pressing damage	Accidently, the customer's cloth is burned by hot iron when hotel staff is pressing guest garments in laundry.
20. Missing the reserved room	Due to mistakes made during reservation or other factors, the check in guest cannot get the reserved room.

Source: (Bigg et al 2018)

1.2 Results

Frequency tests were constructed where the twenty (20) major service failures (Table 2) in food and beverage department with their recovery actions were matched by respondents. The findings are listed in statistical graphics and are demonstrating the possible solutions from the highest to the lowest preferable as from 132 food and beverage professionals from different F&B establishments.

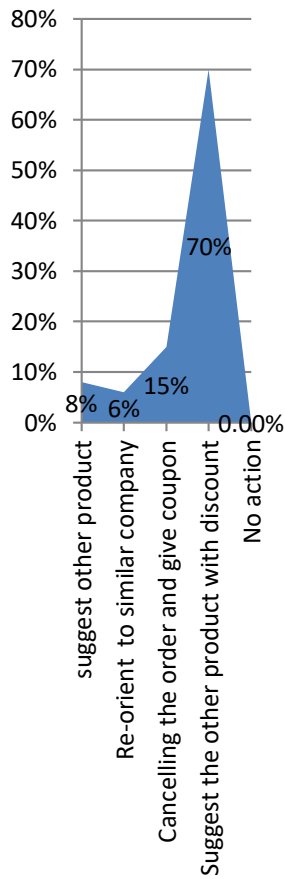
Table 3: Respondent's information

Gender		Education level	
Male	62	Primary	0
Women	70	secondary	4
Working companies		diploma	22
Hotels	44	Advanced diploma	45
restaurants	19	Bachelor's	52
Motels/guest houses	23	Master's	9
Bars/night clubs	3	Phd	0
Coffee shops	2	None	
Training institutions	41	Working departments	
Working experiences		Restaurants	52
Less than one year	7	Kitchen	28
One to two years	36		
Three to four years	59	Banqueting	8
Five to six years	13	Housekeeping	23
Seven years and above	17	Front office	10
		Administration	7
		Others	4

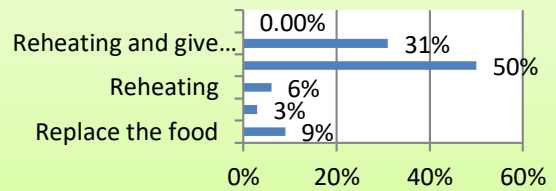
Source: primary data, 2022

Illustration 1: Service Failures and Recovery Solutions (Respondents, 2022)

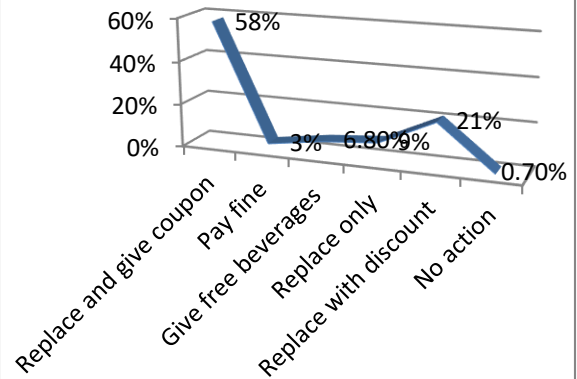
Ordered product is out of stock



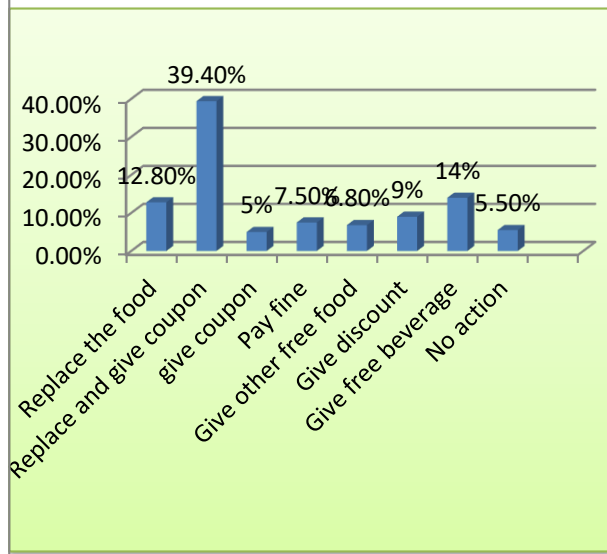
The served food is not at the desired temperature



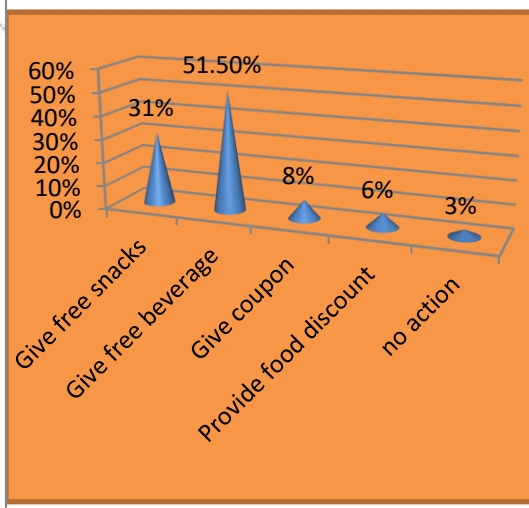
The served beverage is expired



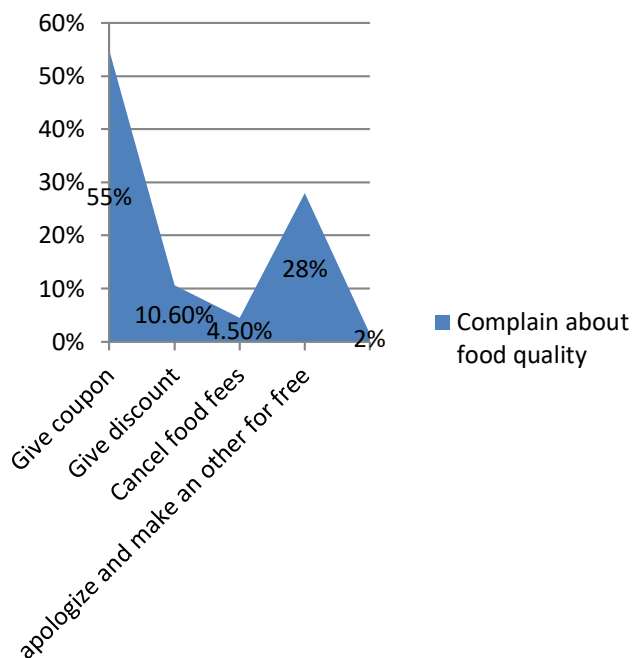
Dish defect



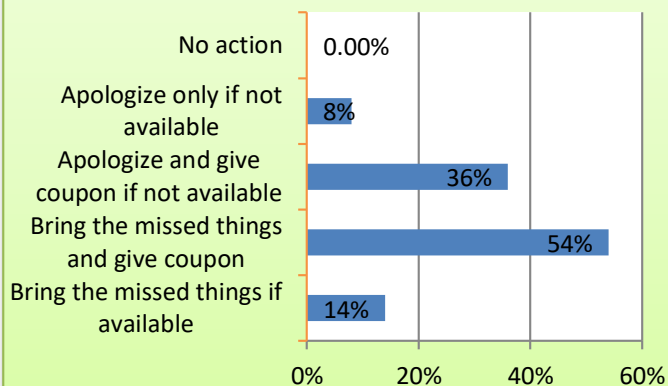
Slow service



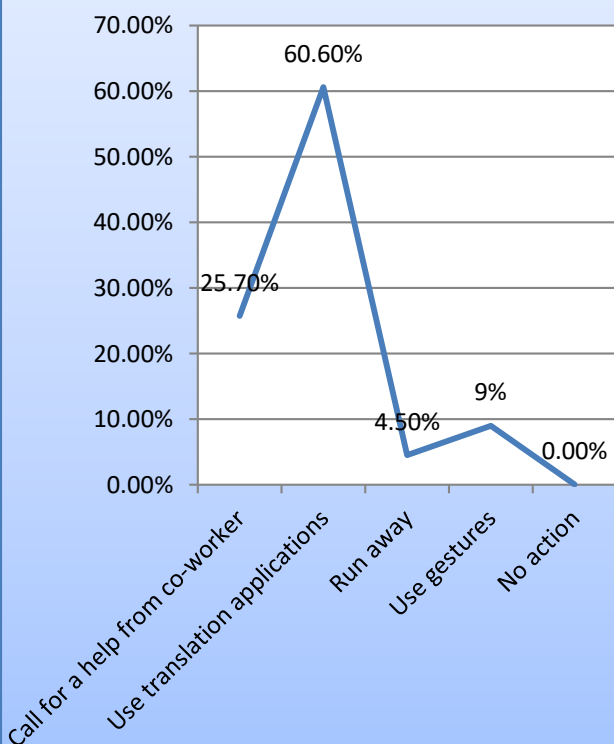
Complain about food quality



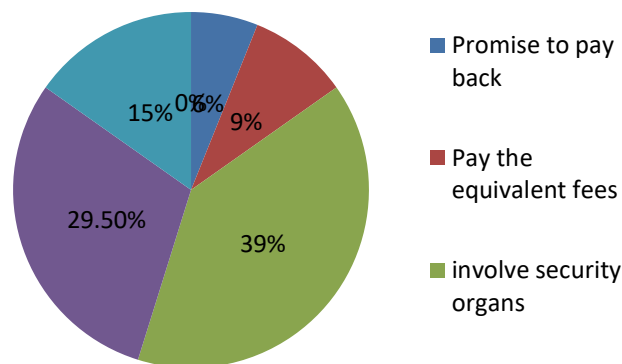
Insufficiency of facilities/amenities in the room



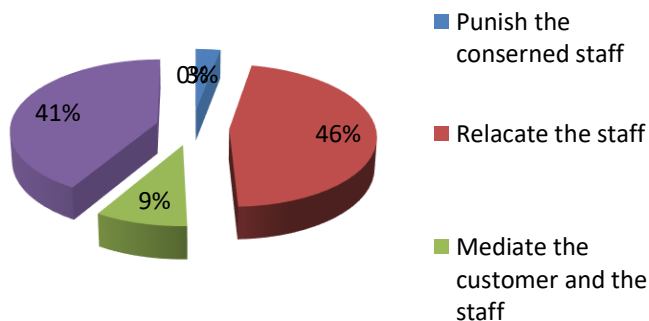
Language barrier



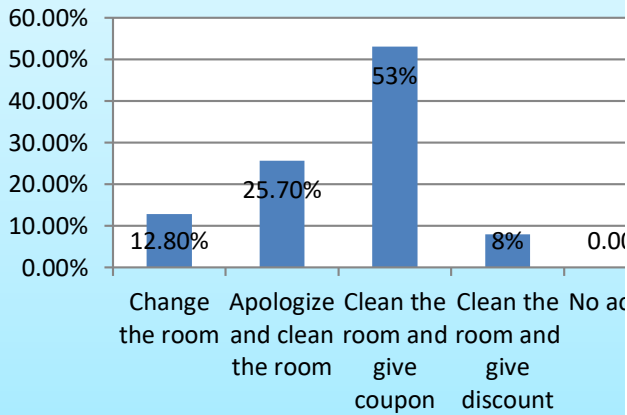
Guest property is stolen



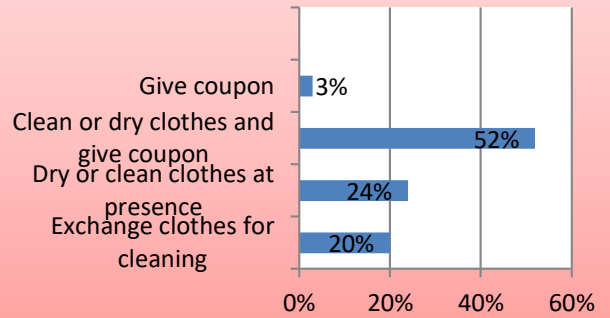
customer is not happy with staff service behaviour



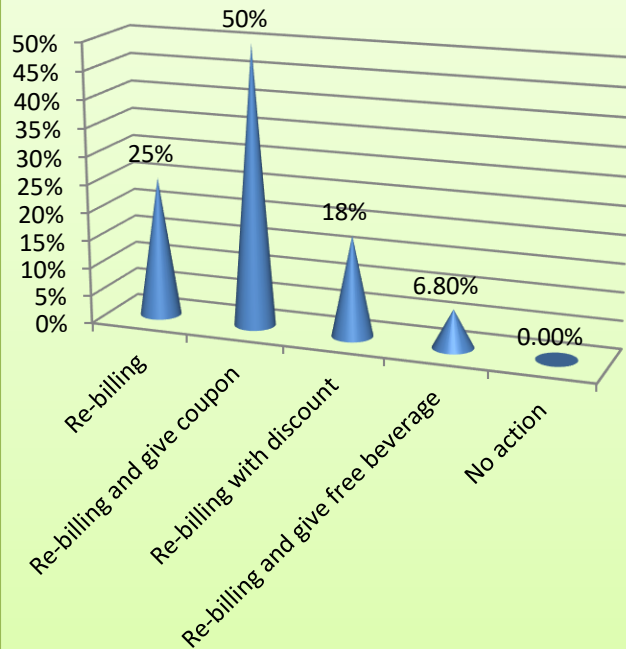
Poor cleanliness in dining area



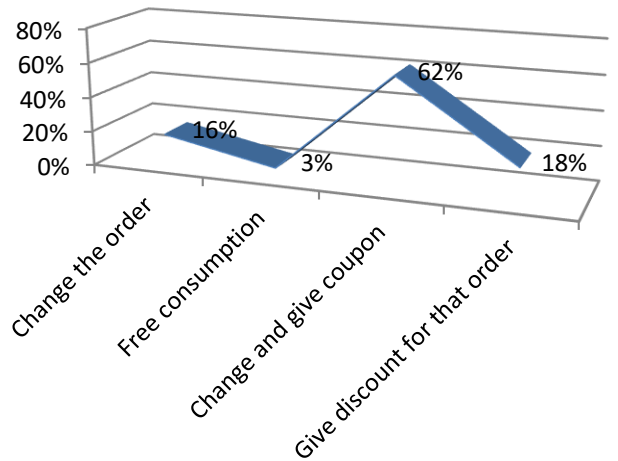
Food or beverage spillage over customer



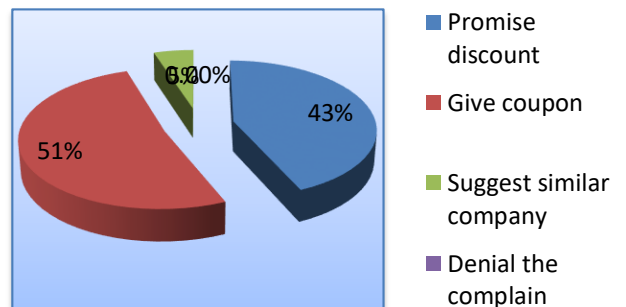
Billing error



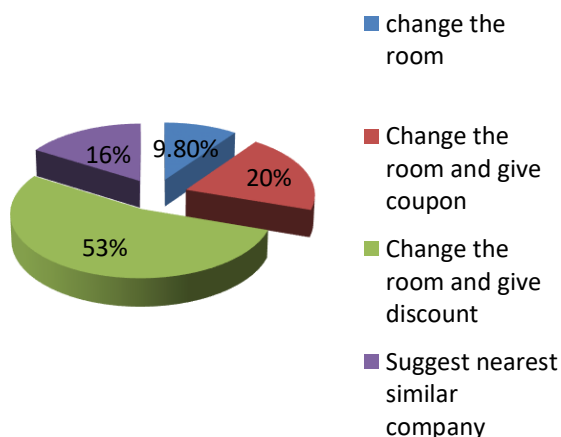
Wrong customer order



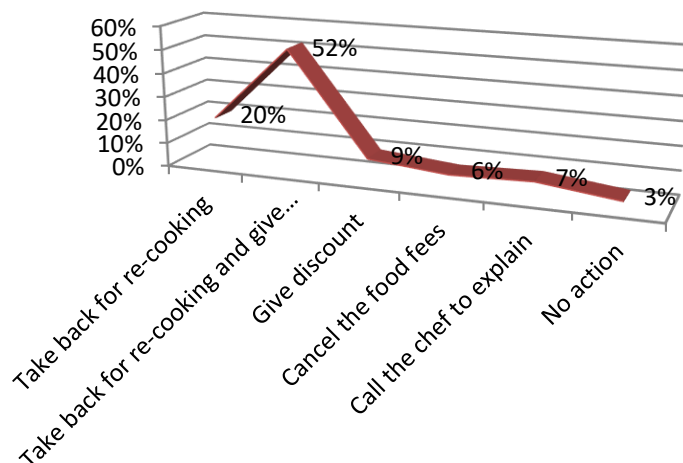
Room relocation for overstay customer



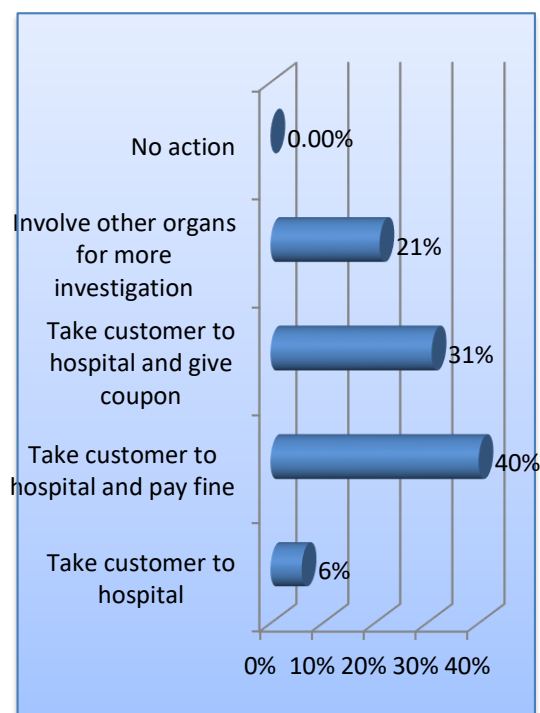
Missing the reserved room



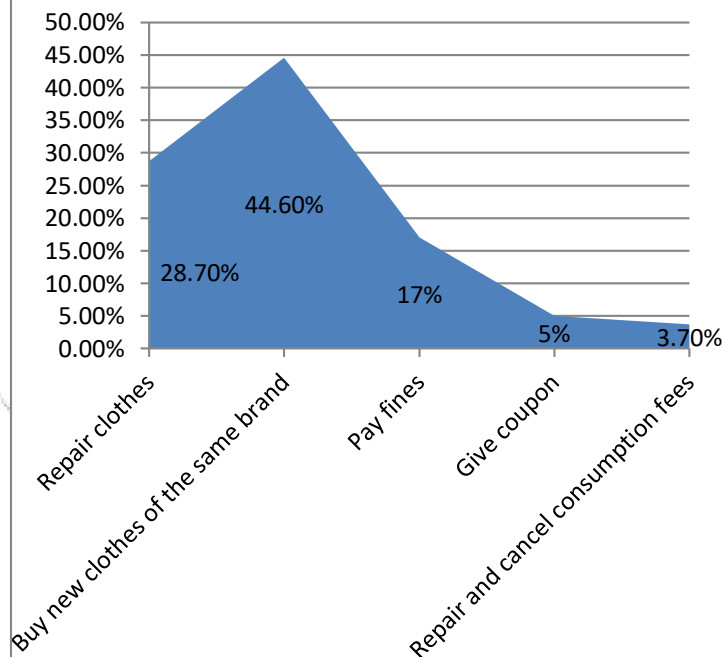
Wrong cooking degree



Food poisoning



Pressing damage



Source: Primary data, 2022

The results present the best actions that have been used by F&B professionals on different service failures and the most solutions are in category of assistance strategies.

Below is a **Table 4** showing the solution ranked number one (No.1) to be used for each service failure in F&B establishments to speed up the service sustainability after the Covid 19 Pandemic.

Service failure	No. 1 preferable action	Score percentage (%) from respondents	Rank
Ordered product is out of stock	Suggest the other product with discount	70%	
The served beverage is expired	Replace and give coupon	58%	
Dish defect	Replace and give coupon	39.40%	
Slow service	Give free beverage	51%	
Complain about food quality	Give coupon	55%	
Insufficiency of facilities/amenities in the room	Bring the missed things and give coupon	54%	
Language barrier	Use translation applications	60.60%	
Customer is not happy with staff service behavior	Relocate the staff	46%	
Poor cleanliness in dining area	Clean the room and give coupon	53%	
Food or beverage spillage over customer	Clean or dry clothes and give coupon	52%	
Billing error	Re-billing and give coupon	50%	
Room relocation for overstay customer	Give coupon	51%	
Missing the reserved room	Change the room and give discount	53%	
Wrong cooking degree	Take back for re-cooking and give coupon	52%	
Food poisoning	Take customer to hospital and pay fine	40%	
Pressing damage	Buy clothes of the same brand	44.60%	

Source: primary data, 2022

Although the above actions scored No.1, there are also other possible actions that have demonstrated their potential in recovering service failures in F&B establishment. Considering the nature of service in hospitality industry, the author elevated that the employees in frontline should be aware of all possible actions so that they are able to respond timely and efficiently to any kind of service failure.

1.3 Recommendations

Given that complaint-handling process is a strategic tool, food and beverage establishments need to establish appropriate complaint mechanisms, systems and procedures. To make full use of this strategic tool, an effective complaint management system should be developed which should be tailor-made by considering the customer profile, company mission, industry specifications etc. It is recommended that a successful complaint policy should be; easy to understand, simple to implement and effectively communicated to all staff. Complaint procedures should be as unproblematic and free from bureaucracy as possible, given the fact that F&B companies should make the complaining process very easy not to further frustrate complaining customer. It is always good to have written policies to handle different levels of complaints in creating a consistency among each occurrences as well as train employees. Another advantage of having predetermined and communicated policies and procedures is assisting the complaint handling process in providing clear guidelines for employees in providing responses to complaining customers. Consumer complaints are critical in improving the service quality by continuously correcting the mistakes thus increasing customer satisfaction, loyalty positive word-of-mouth. Thus F&B companies need to invest time, money and effort in handling customer complaints properly. Listening, apologizing, providing a speed solution, keeping promises, explaining the failure and providing a tangible token of atonement is also recommended.

Hoteliers should realize the fundamental importance of human resources in dealing with complaining guests. As has been suggested by several scholars human interaction is the core of recovering from a service failure and even a best planed, generous and fair recovery may not create favorable response if frontline employees cannot deliver it properly. Since employees represent the hotel at that moment, hotels should not let their employees looking for their managers to offer even a small atonement which will

comfort dissatisfied customer standing in front of reception desk. The key to prevent such occurrences is empowerment. Only empowered and trained employees can solve guest complaints in a timely manner and reduce level of tension between guest and hotel.

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