A First-Mover Lost Market Opportunity: a Case Study

Shamsul Huq Bin SHAHRIAR [1*]**, Mahbub Ul ISLAM** [2]**, Md. Fayjullah KHAN** [3],
Sayed ARAFAT [4], **Saifur RAHMAN** [5]

[1] *Enroute International Limited, Dhaka, Bangladesh*
[2] *James Cook University, Australia*
[3] *M M Rahman & Co. Chartered Accountants, Dhaka, Bangladesh*
[4] *University of Dhaka, Dhaka, Bangladesh*
[5] *ACNABIN Chartered Accountants, Dhaka, Bangladesh*

ABSTRACT This case discusses about a restaurant named 'Spicy Chicken' shares a common boundary with a university. This university, known as East West University is recognized as a well-established and renowned brand for more than a decade. Recently it has relocated to a new campus, in a new location on the other side of the city, an un-established area known as 'Aftab Nagar'. Unfortunately, 'Aftab Nagar' lacks the usual urban norm; unlike the rest of Dhaka city. To cater the daily meal including breakfast, lunch and dinner for a student crowd of ten thousand along with the hundreds of faculty members and university staffs as well as the neighborhood, the restaurant came into operation; keeping the university in its eyes solely as the prime target market. In spite of being the first-mover in the local market the restaurant could not utilize the opportunity. The authors, have attempted to explore the case of Spicy Chicken in light of service failure and recovery theory. The major finding of this study propose that Spicy Chicken lost its market opportunities due to a multitude of reasons consisting core service failure, process failure and unfairness perceived due to distributive justice and interactional justice.

1. Introduction

Service failure is unexpected yet unavoidable (Hart et al., 1990). Usually customers expect flawless service, at the same time service providers also try to provide hundred percent perfect service. Errors related to service; i.e. failure of delivering the core service, any mistake related to service delivery process, unprofessional behavior of service provider, delay, improper service delivery environment or failure of meeting customers' service expectations; create tension. If customers really find the errors are not at all ignorable, they consider it as service failure. After facing any service failure customers may start reacting. If customers make any complaint after facing any service failure, the management gets a chance to take the proper corrective actions.

Tax and Brown (1998) recommend that, effective management of complaints and recovering customers, following a service failure should be the cornerstone of an organization's customer satisfaction strategy. Service failure and no or unsatisfactory recovery action may cost a lot for the service provider organizations. Roos (1999) observed it as a driver of customers' switching behavior.

Interestingly most of the customers seem to avoid complaining, according to a research by Michel (2002) ninety percent of the customers do not make any complaint regarding service failures, however negative consequences e.g. customer dissatisfaction, customer anger, negative word-of-mouth and

---

[*] Corresponding author: **Shamsul Huq Bin Shahriar** – shahriarhuq002@gmail.com

switching intention, subsequently may remain same in these cases. Service providers may take some extra precautions to prevent the service failure. Though ensuring perfect service delivery every time or avoiding service failure in every service encounter is nearly impossible, service providers should be properly equipped with effective recovery strategies. Things become more and more complicated as most of the customers do not make any complaint about the failure and most of the time service personnel do not take any advice from the customers so service providers get less chance to redesign or modify the practicing imperfect service recovery strategies. In this study authors have discussed such issues with a real life case, how a first mover has lost its huge market due to lack of constructive service management knowledge.

2. Case background

This case is a part of a series of case studies conducted on small and micro restaurant brands based on Dhaka city. In this series researchers tried to explain different aspects of service failure and recovery from the perspective of micro restaurant and food service brands. Their recent study (Shahriar, et al., 2018) on customers' expectations from service recovery revealed that, restaurants those have better understanding of customers' needs and those who are involving customers with the recovery process are getting more customer satisfaction and loyalty. Another case study by Shahriar, et al. (2017) on small restaurant brands, showed that small restaurant brands which are emphasizing on customers' engagement to design effective service recovery policies, additionally customer engagement essentially help the service organization to reduce the cost of recovery action.

This particular case study is based on a restaurant brand named Spicy Chicken. The restaurant came into operation about seven years ago, in 2012 at Aftab Nagar, a sub urban area of Dhaka. It was the summer semester for the students of East West University, a time when the university had just moved to its newly built permanent campus at Aftab Nagar. Aftab Nagar, was a new urban project at that time and yet evolving to get a typical urban look. However, for a student crowd of ten thousand, also a few other hundreds of faculty members and university staffs and the neighborhood, 'Aftab Nagar' was not ready to cater the daily meal, quality food and service that was required by such customer set. Spicy Chicken intended to grab the opportunity and became the first-mover in the market. It was much difficult for a single restaurant to meet the demand of that large market, so a large gap existed between the demand of East West University and the supply offered by Spicy Chicken. Having the first mover's advantage, Spicy Chicken, by and large, enjoyed the status of 'choice' to the East West University community. Among the students the brand is nick named as "Spicy".

Six year was on, the duo stayed side by side, sharing the same boundary wall. As it is clear from the timing and location that the restaurant eyed the university crowd as the prime target market. Being a first–mover in the market Spicy could not utilize its opportunity due to issues related to service failure and failure of recovery.

In case of Spicy Chicken, within a brief period of time other restaurants entered the market. Thus, facing sudden increased and intense competition, customers of spicy chickens were somewhat snatched by the other new competitors. Spicy Chicken now faces challenge- how to protect the brand as well as the customers. The authors, from the side of the recipient of the services of Spicy Chicken, have witnessed service failure of the restaurant management. The authors, forming a team of five members have attempted to scrutinize the brand Spicy Chicken under stress.

3. Service failure and recovery for a small brand

Service failure is defined as any service related mishap or problem (real or perceived) that a customer experiences with any service firm (Maxham, 2001). Basically, it is an outcome when the service requested by consumers is not fulfilled or is unreasonably delayed or the service quality is lower than what the consumers expect (Binter, Booms, and Tetrearlt, 1990). Though service brands (both big and small service brands) always try their best to provide hundred percent error free services to their customer to ensure customer satisfaction and loyalty, but service operations where employees and customers are taking part in the process are inherently complex; as human-based systems owing to the concurrent provision of many customer experiences and outcomes (Johnston and Clark, 2005).

Therefore, any delivery of service may lead to errors, mistakes; in other words, service failures (Hart et al., 1990).

Keaveney (1995) segmented service failures into two categories: "core service failures" and "service encounter failures." Core service failure occurs when consumers are unable to obtain the fundamental service promised by a service provider. Other scholars (Hoffman, Kelley and Rotalsky, 1995; Smith, Bolton and Wagner, 1999) have segmented service failure into two categories, "outcome" and "process". Service outcome failure occurs at the actual time of receiving the good or service when a company fails to meet the fundamental good or service they requested. Service process failure occurs during the process of service. These failures often prove extremely costly for firms, as customers may switch to competitors after such experiences (Folkes and Kotsos, 1986).

Though according to some researchers, it seems impossible to avoid service failure (Hart et al., 1990); Webster and Sundaram (1998) claim that responding to service failures is one method to enhance firm's customer retention. In the backdrop of service failure, the process by which a firm attempts to rectify a service delivery is referred to service recovery (Kelley and Davis, 1994). Adams (1965) equity theory proposed to explain social exchange relationship is now used to evaluate transaction between service provider and recipient. In a service marketing situation, customer inputs would be the costs with respect to economic, time, energy, and psychic (Hoffman and Kelley, 2000). The outcomes would consist of specific recovery attempts; such as cash refund, apology, replacement, and so on. The perception of fairness is a pre-requisite by the customers in order for them to be satisfied with the service recovery.

Hence, based on equity theory a concept of justice was proposed by Tax et al. (1998) with three dimensions: distributive, procedural and interactional justice. Distributive justice refers to the specific outcome of the recovery effort, i.e. the attempts or tactics done by the service provider do in order to minimize the dissatisfaction of offended customer and whether the resultant outcomes outweigh the costs incurred by the aggrieved customer (Greenbery, 1990; Gilliland, 1993). Frequently quoted distributive justice would mention discounts, coupons, refund, free gift, replacement, apologies and so on (Hoffman and Kelley, 2000; Tax et al., 1998). Effect of distributive justice on customer re-patronage and negative word-of-mouth intentions is reported to be significant in retail setting (Blodgett et al., 1997).

Procedural justice indicates to the customers' perceived fairness of the policies, procedures, and criteria from the service providers' side while mitigating a dispute or negotiation (Blodgett et al., 1997, p. 189). Blodgett et al. (1997) report that procedural justice does not have a significant effect on customer re-patronage or negative word-of-mouth intentions.

Interactional justice indicates the degree of fairness perceived by the offended customer out of the interpersonal treatment received during the enactment of procedures (Tax et al., 1998, p. 62). Tax et al. (1998) further listed down five elements of interactional justice: explanation/ causal account, honesty, politeness, effort and empathy. In specific context of a service recovery situation, interactional justice means to the mannerism through which the recovery process is installed and demonstrated. That the mannerism by which managers and employees communicate with customers affect customer satisfaction is supported by several researchers (Goodwin and Ross, 1992). The importance of apology for mistakes is reported to be immense for customer satisfaction. Several other factors as central to customer satisfaction as empathy, politeness and willingness to listen to customers. Blodgett et al. (1997) report that interactional justice has the strongest effect on customer re-patronage and negative word of-mouth intentions.

On the other hand, service quality is closely related to the brand image. As small service brands do not follow the typical modes of promotion and much rely on customers' positive word-of-mouth; they consider customer interaction or the process of service delivery as the "Moment of truth (MOT)". Whereas, brand itself provides the significant points of differentiation competitive offering available in the market (Wood, 2000). Therefore, branding is an important tool to create a clear image or perception regarding the product or service. Creating and managing a service brand is undoubtedly different from product branding.

In case of service organizations, the service quality itself represents the brand/ firm and create an impression about the brand. So it is also important for the service brans to design effective service recovery processes. In previous studies Shahriar et al. (2018) tried to focus on the service recover design from the small brands' perspective. Findings from this researchers showed that services

providers are trying to become more innovative while designing the service recovery. Service providers are now more concerned about customers' feedbacks, customers' expectations while designing effective service recovery process.

In any service delivery process things can go wrong, mistakes may happen. Service recovery provides the service organizations with another chance to make things alright. According to a research by Miller et al. (2000) argued that the effective service recovery is just as important as primary excepted service to satisfy customer. Service recovery is a process of regaining customers trust and make them satisfied. However, sometimes the proper recovery actions can bring better results, can make the customers more loyal and satisfied than before; this phenomenon was tagged as "recovery paradox" (Bitner et al. 1990; Zeithaml et al. 1996), though later on researchers such as Michel and Meuter (2008) found recovery paradox as a rare event. Successful companies rather proactively encourage dissatisfied customers to complain (Tax et al., 1998), so that they can understand their lacking and provide effective service recovery at the same time. In this particular case study authors tried to focus more on the failure of service recovery in the context of a small restaurant brand. It is basically a story of a first-mover in the market and how it lost its opportunities.

4. Purpose of the study

Over the years issues related to service failure and service recovery have been the core of concentration for many researchers. However, practical case studies in the field of service recovery can hardly be found in the context of a first mover in the market and its complex relationship with its prime customers.

The purpose of this study is to explore the question 'how' any 'why'; i.e. how *Spicy Chicken* lost market opportunity. *Spicy Chicken* is taken as a case of something that in spite of being a first mover eventually lost a huge market opportunity.

5. Methodology

The authors have adopted single qualitative case study methodology which is descriptive and explanatory in nature. Case study as a methodology, well suits the procedure of inquiry (Merria, 1998) to understand the complexity (Ragin, 1987).

Then a positive comparative method has been applied with the light of the service failure and recovery literature since the case of *Spicy Chicken* is chosen with an analytical view. Creswell (2007) defined it is an in-depth investigation of bounded systems and based on the extensive data collection. As this study offers qualitative study to illustrate specific issues so it is accurate to entitle as instrumental case (Creswell, 2012) on strategic service management.

As a restaurant business, the service processes or the services provided by *Spicy Chicken* are performed and managed by only one manager and four waiters under his authority. In order to find out the causes and rationality of service failure both the parties; i.e. the service provider and recipient both were interviewed in-depth.

From the service providers' side, a team consisting of one manager and four waiters was interviewed. From the service recipient side, the sample frame comprised of two clusters: students and faculty members of East West University. Key informants of student category were selected via a three-step recruitment process. Firstly, through covert participant observation technique the researchers followed the real time set-up inside the *Spicy Chicken* at peak hours of business i.e. from 12 noon till 5 in the afternoon. Secondly, a segment of customers was filtered out, based on who seemed complaining or aggrieved about the service.

Thirdly, the researchers followed them immediately to have a short interview that was taken while loitering around the campus. A total of 30 students cum customers were interviewed where we found saturation at 17 customers (Mason, 2010). A sample of 5 faculty members who were also the customers of *Spicy Chicken* as well was recruited through snowball sampling for depth-interview (Tabachnick and Fidell, 2001). Regarding the generalization issue, the authors recommend basis for generality as analytical generalization as Yin (1994) rather than frequent generalization.

6. Case analysis

6.1 Verbatim analysis from manager

Regarding its key customers, manager of *Spicy Chicken* seems to be contradicting himself; when he says "*Often, customers get angry and leave, as they perceive the waiting time is too long. Though, we do our best to serve our customers.*"

Manager, a middle-aged man, has been with *Spicy Chicken* from the outset. He expresses a mixed reaction. On one side, he looks content that this is the best place with respect to space, environment and quality of food in the close neighborhood of the university. He seems like boasting:

...... "*Faculty members of the university regularly visit our restaurant than any others' in the locality*".

On the other, the admitted that customers do switch, but he attributes it primarily to competitors. Secondarily, he admits service failure related complaints; on the ground of timing, quality of food (taste) and service. He defends and justifies every complaint with complacency:

...... "*We offer food that is not pre-cooked, rather cooked after receiving the order. Therefore, we are limited on quick service.*"

...... "*It is obvious that providing same quality (taste) is not possible all the time since it is a human oriented process, not machine oriented.*"

...... "*Employee mood does vary with different customers which I find a natural human issue. Keeping smile intact on the face is not always possible.*"

He admits service failure related complaints; on the ground of timing, quality of food (taste) and service. He also confirms about taking fast recovery actions; mainly of two types: asking for an apology and offering complementary dish to compensate for customers' long waiting time. According to him, now Spicy Chicken is training the service personnel to improvise their professional attitude. In the end, the manager reinforces by stating "*We provide the best service in this region or locality that is proven with the time we are operating with success in this locality. Competitors are snatching mainly the price sensitive share of the pie*".

From the statements and expressions of the manager it becomes apparent that though spicy chicken is constantly losing its customer to the other competitors, the manager is somewhat delusional by believing that he and his staffs have no responsibilities in such occurrence. He's holding other factors accountable for customer switching instead of questioning his team's own efficiency in service providing process.

The manager seems satisfied that faculty members of the university are still enjoying service of spicy chicken as he values them as spicy chicken's premium as well loyal customers. But in many cases, loyalty is often matter of time and events and hence it's crucial that the manager must conceive the idea of service improvement along with revising recovery policies. Another observation derive from the manager's output is proposing that manager is kind of reluctant about the service failure and recovery. Though he admits service failure and thinks of it as a very common phenomenon in service delivery, his efforts to minimize failure circumstances and to provide appropriate recovery seems questionable since he thinks he and his staffs are doing their best already.

However, though the manager is under the impression that management is not to be held responsible in case of customer switching or losing customers, in reality management can play most important role to insure customer retention. Instead of ignoring the obvious management's lacking in events such as service process improvement and effective service recovery policy design, to survive in competitive market fast mover must adopt to proper measures for handling customers better.

6.2 Profile of management team

The following table presents the profile of the management team. None of the service employees have ever received any professional training on service delivery.

Table 1. Management team profile

Position held as	Education	Total experience	Years with *Spicy Chicken*
Manager	Graduate	20	3 years, from the beginning
Waiter A	Higher Secondary	3	3 years, from the beginning
Waiter B	Higher Secondary	5	3 years, from the beginning
Waiter C	Graduate	3.5	1 year
Waiter D	Higher Secondary	1.5	1.5 years

6.3 Verbatim analysis from service personnel

Following is presented two summary tables that contains excerpt of interviews with the service personnel (four waiters).

Interview with couple of (four) service employees revealed the conventional nature of complaint usually spicy chicken encounters and the way those failure events are met with recovery. From the table it is noticeable that they face general failure occurrences like late delivery and questionable food quality.

Table 2. Interview summary on 'service failure and recovery' issue

Service personnel	Complaints received on service failure	Actions taken for service recovery
Waiter A	Long waiting time is most frequently reported complaint. *"Specially, students are intolerant to waiting".* Complaint about food quality	Apology Replacement of dish without extra charge
Waiter B	His comments were identical with waiter A	His comments were identical with waiter A
Waiter C	He seemed unwilling to admit explicitly about service failure. He rather claims *"Yes, sometimes customers do complain but it's not a big deal as we can quickly fix it as we are enough experienced."*	Replacement of dish without extra charge
Waiter D	Quality of food, for example: insufficient cooking of chicken, or, too much spicy. Long waiting time	Apology Replacement of dish without extra charge

Similarly, half of the staffs seemed unwilling to admit service failures instead hold the idea that customer types are responsible for such events. In case of recovery action, the observation is that spicy chicken handles service failure incidents with traditional recovery approaches of mere improvisation like verbal apology and replacement of core or tangible service part. In the particular situation Spicy chicken is now, losing customers and confronting competition, as a fast mover, their traditional service recovery strategy seems inadequate.

Interview with the stuffs also revealed reasons behind losing customer from their perspective and their suggestions to overcome any service failure events. Majority of them indicated competitors' low price and wide variety of offerings diminished customers' interest towards spicy chicken. One but all of them tend to deny managerial responsibilities and management's lacking for customer switching occurrence. In spite of such denial, most of them suggested proper training and personnel hiring type managerial intervention to overcome or reduce failure incidents. Such suggestions present the impression that proper managerial actions or measures can turn the wheel for the Spicy chicken.

Table 3. Interview summary on reasons and recommendations

Service personnel	Reasons of losing customer	Suggestions for minimizing service failure
Waiter A	Competition from other low-cost restaurants Less variety of food "that we cannot offer"	Increasing number of waiters. *"With only 4 waiters to serve at peak hours becomes impossible to serve and manage a full crowd size of 150 customers."* Providing the stuffs proper training on time management and quick or in time service management.
Waiter B	Same as above	Providing the stuffs proper training on time management and quick or in time service management. Increasing the number of waiters Recruiting 2 expert cooks
Waiter C	Same as above	Providing the stuffs proper training on time management and quick or in time service management.
Waiter D	He straightforwardly blames the management. *"It is the ignorance of the management. We have no authority in making decision. Only with smile problems cannot be fixed."*	His suggestions are same as waiter B. He did sound very hopeful *"Within next 6 months few experienced staff will be joining us"*

6.4 Feedback from the students

Student's feedback refers to aspects as:
   "...It's about just last month. They took almost an hour to serve my dish. Their response was a mere apology with no complementary dish or discount…. There is no other restaurant that can match with Spicy Chicken in terms of menu and interior in the vicinity of the campus…So, I have no choice."
   "...Their service staffs tend to show less professionalism, they often do not equally treat every customer… they are much talkative and start to providing explanation for any mistake rather solving the problems"
   "...Once I used to go there quite frequently. Now I don't go there much. No, it's not due to service failure rather due to menu. I prefer fast food."
   "...Spicy Chicken was a place I used to go almost every day. Later, it came as a big shock when I asked for a small favor; as small as requesting for an extra empty packet along with a take away order…The answer was….I will have to pay extra for merely an empty packet…this is their management policy. That was the last time I visited there. I now even strongly insist my friends not to go to Spicy Chicken anymore."

   Considering the experiences and expressions shared by the students, who are the most common and largest portion of the customers of Spicy-chicken it appears that as a brand and a fast mover spicy chicken established itself firmly in customers mind and customers have a certain level of expectation regarding the Spicy chicken's service. Due to lack of admitting management inefficiency in adequate service design along with recovery strategy and sudden emergence of a number of competitor spicy chicken is falling short of meeting such expectation of customers as their frustration is noticeable and that's why spicy chicken is losing customers consequently.

6.5 Selected feedback from the faculty members of the university

Similar remarks can be made examining the feedbacks or opinions of faculty members of the university who are supposed to be the premium customers perceived by the Spicy chicken's management:
   "...I am a regular eater at Spicy Chicken. I have a lot of complaints…long waiting, fluctuation in taste, less variety in menu, slow responsiveness of waiter and they seem not to care… Environment is

not properly cleaned…insufficient lighting….I did complain with anger…dish was changed, with no apology. I still go there as I have no choice."

"… I quite regularly go to Spicy Chicken along with my colleagues. Though, I am not much satisfied with their environment and service…At times, I need to entertain my personal guest. I take them to Spicy Chicken as the university canteen is not up to the mark. Once, I complained that the chicken was not sufficiently cooked…. The outcome was change of dish, but no apology…I would suggest for improvement of environment and service even at the cost of price."

Though Spicy chickens is struggling to provide appropriate service and effective service recovery from customer perspective, customers are still seem to be tolerating enough but the question of "how long" they will remain the same raises serious concern for the management.

7. Case findings

The most frequently reported service failures are long waiting time and quality of food or fluctuation in taste. Long waiting time falls under the category of process failure. Whereas food quality or fluctuation in taste would be core service failure. These two service failures are also acknowledged by the management. The third frequently reported complaint comprises of issues which are sort of not directly related to service; i.e. insufficient cleanliness or lighting, these were not even caught in the radar of management. Furthermore, mismatch was discovered at the interface of management and customer. Non-responsive or irresponsible behavior was alleged from the customers' front; both students and faculty members but exactly the opposite was claimed from the management's front. Another serious mismatch was found on the ground of apology between the management's claim and that of faculty members. From the management side, the claim of the manager about providing adequate training to the waiters was found as somewhat misrepresenting or misleading as most of the waiters rather insisted on the need of proper training.

Another misrepresentation was identified through cross-checking with the waiters as well as customers about what manager claimed about offering complimentary dish to compensate for customers' long waiting time. While lack of variety in the menu was a less frequent complaint from the customers' front, management perceived it as a major reason for customer switch. Another management misperception is customers switching to low cost alternate as customers' feedback is rather opposite. There is a serious communication gap between the customers and the service provider and unfortunately here in this case, management of the restaurant (service provider) is totally unaware of that. There focus is more on regular service delivery rather than understanding customers' satisfaction and creating long term customer relationship.

Another unconventional yet constructive inspection can be made from the business affairs of Spicy Chicken. From the case analysis it becomes apparent on the surface that Spicy Chicken usually deals with somewhat of a regular customer set. Even in some cases the restaurant remains the only choice for the customer set. They had a huge opportunity to make healthy relation and maintain proximity with the East West University that might help Spicy Chickens to form a regular customer base including students and the faculty members and university staffs. Based on the Faculties' and Students' preferences or needs in respect to different times like breakfast for the morning shift, lunch for the day shift and dinner for executive students or night shifts the daily meal plan of Spicy Chicken was developed. Hence, since customers beyond the student or faculties are insignificant for spicy chicken, it seems to operate in a stable business environment in terms of customer and have a steady customer base.

For such customer set spicy chickens recovery strategy could be more innovative instead of following traditional ones. Since spicy chicken comprehended that service failure is inevitable for them, they could try to make a positive impression on their customers through unorthodox recoveries. The service recovery paradox concept could provide spicy chickens with the solution to customer complication issues. A strategy following the recovery paradox abstraction would be plausible for that specific customer base to be converted into a more satisfied or loyal one. Most of the difficulties spicy chicken encountered concerning losing customers and customer switching seem to be the causal effect of service failure and inadequate recovery policy so revising recovery policies in association with the service recovery paradox effect could be used as a trump card for a winning outcome Service recovery literature confirms the correlation between repeated satisfaction and trust in the brand

(Ganesan, 1994). In this study the authors reveal a set of mismatches not only at the junction of management and customer, but also within the structure of management itself. In this backdrop, the authors raise valid doubt on the intention of management putting the 'trust' factor at 'risk'. Spicy Chicken is rather a case of repeated dissatisfaction that eventually turning the 'trust' factor weaker. The management of Spicy Chicken seems myopic and less trained. While the prime target customer, East West University is suffering from repeated dissatisfaction, opportunities are being lost.

8. Concluding remarks

Blodgett et al. (1997) and Mattila (2001) reported that distributive justice has significant impact on customer satisfaction. In case of Spicy Chicken, the customers perceive that 'distributive justice' is largely in imbalance. Nevertheless, some attempts were made to 'replace'. Specially, customers were found aggrieved due to lack of 'apology' which is in line with the National Complaints Culture Survey (2006). According to that survey customers rate apology and solving the original problem as most important for customer satisfaction. Customers' perceive that absence of all elements of interactional justice: explanation or causal account, honesty, politeness, effort and empathy (Tax et al., 1998) is attributable to service failure of the restaurant. Service failure/recovery literature documents the positive correlation between repeated satisfaction and trust in the brand (Ganesan, 1994).

In this study the authors revealed a set of mismatches. Spicy Chicken being the first-mover lost a great deal of opportunity and now market challengers are giving them much competition. The management of Spicy Chicken seems myopic, considering its responsibilities and actions, while the prime target per se the East West University is suffering from repeated dissatisfaction. There is still silver lining in the cloud. Spicy Chicken can capitalize on the "recovery paradox" and thereby recover customers' 'trust' and rebuild the brand.

References

[1]   Adams, J.S. (1965). Inequity in social exchange. *Advances in Experimental Social Psychology,* 2, pp. 267-299.

[2]   Binter, M., Booms, J. B.H., and Tetreault, M. S. (1990). The service encounter: Diagnosing favorable and unfavorable incidents, *Journal of Marketing*, 54(1), pp. 71-84.

[3]   Blodgett, J.G., Hill, D.J. and Tax, S.S. (1997). The effects of distributive justice, procedural and interactional justice on post complaint behavior. *Journal of Retailing*, 73(2), pp. 185- 210.

[4]   Brown, S.W. (2000). The move to solutions providers. *Marketing Management Journal*, 9(1), pp. 10-11.

[5]   Creswell, J.W. (2007). *Qualitative inquiry and research design: Choosing among five approaches* (2nd ed.). Thousand Oaks, CA: Sage.

[6]   Creswell, J.W. (2012). *Educational Research: Planning, Conducting, and evaluating quantitative and qualitative research* (4th ed.). US: Pearson Education.

[7]   Folkes, V.S. and Kotsos, B. (1986). Buyers' and sellers' explanations for product failure: who done it? *Journal of Marketing*; 50 (April), pp.74– 80.

[8]   Ganesan, S. (1994). Determinants of long-term orientation in buyer-seller relationships. *Journal of Marketing*, 58(April), pp. 1-19.

[9]   Gilliland, S.W. (1993). The perceived fairness of selection systems: an organizational justice perspective. *Academy of Management Review*, 18(4), pp. 697-734.

[10] Goodwin, C. and Ross, I. (1992). Consumer responses to service failures: influence of procedural and interactional fairness perception. *Journal of Business Research*, 25(2), pp. 149-163.

[11] Greenbery, J. (1990). Organizational justice: yesterday, today and tomorrow. *Journal of Management*, 16(2), pp. 399-432.

[12] Hart, C.W.L., Heskett, J.L. and Sasser, W.E. (1990). The profitable art of service recovery. *Harvard Business Review*, July/August, pp. 148-156.

[13] Hoffman, K.D., Kelly, S.W. and Rotalsky, H.M. (1995). Tracking service failures and employee recovery efforts. *Journal Service Marketing*, 9(2), pp. 49-61.

[14] Hoffman, D.K. and Kelley, S.W. (2000). Perceived justice needs a recovery evaluation: a contingency approach. *European Journal of Marketing*, 34(3/4), pp. 418-29.

[15] Johnston, R. and Clark, G. (2005). *Service Operations Management* (2nd ed.), Harlow: Prentice-Hall.

[16]   Keaveney, S.M. (1995). Customer switching behavior in service industries: An exploratory study. *Journal of Marketing*, 59(2), pp. 71-82.

[17]   Kelley, S.W., Hoffman, D.K. and Davis, M.A. (1993). A typology of retail failures and recovery, *Journal of Retailing*, 69(4), pp. 429-452.

[18]   Mason, M. (2010). Sample Size and Saturation in PhD Studies Using Qualitative Interviews. Forum Qualitative Sozialforschung / Forum: *Qualitative Social Research,* 11(3) [online] Available at: < http://www.qualitative-research.net/index.php/fqs/article/view/1428/3027> [Accessed 4 March 2018]

[19]   Mattila, A.S. (2001). The effectiveness of service recovery in a multi-industry setting. *Journal of Services Marketing*, 15(7), pp. 583-96.

[20]   Mattila, A.S. (2001). The impact of relationship type on customer loyalty in context of service failure. *Journal of Service Research*, 4(2), pp. 91-101.

[21]   Maxham, J.G. III (2001). Service recovery's influence on consumer satisfaction, word-of-mouth, and purchase intentions. *Journal of Business Research*, 54(1), pp. 11-24.

[22]   Merriam, S.B. (1998). *Qualitative research and case study application in education*. San Francisco: Jossey- Bass.

[23]   Michel, S. (2002). Exploring the Service Recovery Paradox, American Marketing Association Proceedings, Summer, pp.75-82 [online] Available at: < http://www.dienstleistungsmarketing.ch/oldsite/downloads/artikel/michel/exploringsr-paradox.pdf> [Accessed 15 July 2018].

[24]   Michel, S. and Meuter, M. L. (2008). The service recovery paradox: true but overrated? *International Journal of Service Industry Management*, 19(4), pp.441-457.

[25]   Miller, J. Craighead, C. and Karwan, K. (2000). Service recovery: A framework and empirical investigation. *Journal of Operations Management*, 18(4), pp. 387-400.

[26]   (The) National Complaints Culture Survey (2006). TMI, The National Complaints Culture Survey, Redditch.

[27]   Roos, Inger (1999). Switching Processes in Customer Relationships. *Journal of Service Research*, 1 (August), pp. 68-85.

[28]   Shahriar, S.H.B., Arafat, S., Khan, F. and Islam, M.U. (2018). Service recovery strategies versus customers' expectations, race for sustainability: a qualitative study on micro brands, *Marketing from Information to Decision Journal*, 1(2), pp. 42-53.

[29]   Shahriar, S. H. B., Farhin, K., Islam, M.U. and Arafat. S. (2017). Reviewing the recovery, for small restaurant brands: case study from Dhaka, Bangladesh, Reaching consumers of emerging markets, Proceedings of the 2017 Annual Conference of the Emerging Markets Conference Board, January 5–7, 2017, IIM Lucknow. pp. 597-600.

[30]   Swanson, S.R. and Kelley, S.W. (2001). Service recovery attributions and word-of-mouth intentions. *European Journal of Marketing*, 35(1/2), pp. 194-211.

[31]   Smith, A.K., Bolton, R. and Wagner, J. (1999). A model of customer satisfaction with service encounters involving failure and recovery. *Journal of Marketing Research*, 36(3), pp. 356-372.

[32]   Tabachnick, B.G. and Fidell, L.S. (2001). *Using Multivariate Statistics* (4th ed.), Needham Heights, MA: Allyn and Bacon.

[33]   Tax, S.S., Brown, S.W. and Chandrashekaran, M. (1998). Customer evaluation of service complaint experiences: implications for relationship marketing. *Journal of Marketing*, 62(April), pp. 60-76.

[34]   Tax, S.S. and Brown, S.W. (1998). Recovering and learning from service failure. *Sloan Management Review*, 40(1), pp. 75-89.

[35]   Webster, C. and Sundaram, D.S. (1998). Service consumption criticality in failure recovery. *Journal of Business Research,* 41, pp. 153– 159.

[36]   Wood, L. (2000). Brands and brand equity: definition and management, *Management Decision*, 38(9), pp.662-669.

[37]   Zeithaml, V., Berry, L. and Parasuranam, A. (1996). The behavioural model of service failure and recovery strategies. *Journal of Marketing*, 60, pp. 31-46.

Please cite the article as it follows