

A Study on Customer Satisfaction of Service Recovery in Airasia Airlines: The Role of Perceived Justice on The Emotional Reaction of Customers

Prepared by: Tan Wan Yee

ABSTRACT

The purpose of this research is to study the level of customer satisfaction towards the service recovery provided by Airasia Airlines. This research will investigate the service recovery based on *justice theory*, *emotional reactions*, and *the critical outcome of both the recovery/emotional satisfaction*. The objectives of this study are to evaluate the overall satisfaction level based on the differences of demographics factors towards service recovery; to determine the relationship of the 3 perceived justices on emotional reaction of customers and overall satisfaction; to determine the relationship of customer's emotional reaction on repurchase intention and word-of-mouth; and to investigate the overall satisfaction on repurchase intention and word-of-mouth. Based on the objectives, it is found that there are no significant differences of demographic factors in overall satisfaction level. Furthermore, distributive justice has a strong impact on emotional reaction and 3 perceived justices have a strong impact on recovery satisfaction level. The recommendation suggested is to develop a staff training to build the personnel skills of handling the problems. In addition, Airasia is recommended to review the customer's complaint periodically to make improvements to overcome the service failure.