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Repurchase Intentions from a Cross
Cultural Perspective

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The Roles of Forgiveness towards Repurchase Intentions from a Cross Cultural Perspective

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Abstract

This paper aims to investigate the relationship between forgiveness towards repurchasing intentions from a cross cultural perspective. The study was conducted in the airline industry where customers believed the airline service was not up to expectations. The survey used questionnaires to collect data from Thai and European passengers who had perceived failure of service experienced in the international airline. Descriptive and inferential statistics were used to analyze the data.

The result of this study found that Thai and European customers have a different degree of collectivism and forgiveness. Collectivism culture has a positive affect to forgiveness and repurchase intention. Furthermore, customer forgiveness has a positive relationship with the customer's intention to repurchase. More specifically, the study incorporates customer forgiveness as a mediator, thus forgiveness can be influenced by cultural values and can perform the role as a coping strategy by the customer to release negative emotion from a service failure and open a gate of opportunity for a customer repurchase intention.

Keywords: Forgiveness, Collectivism Culture, Repurchase Intention, Service Failure, Airline.

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Introduction

For more than three decades, marketing scholars have paid attention to customer satisfaction. Most of them indicated that satisfaction is strongly related to post-purchase behavior intention. Most studies demonstrate that satisfaction can be implied to the customers' memories, the post-purchase behavior intention (Anwar & Gulzar, 2011; Babin et al., 2005; Kim, T. et al., 2009; Molinari et al., 2008; Oliver, 1980, 1981; Yi & La, 2004). A customer will increase repurchase intention when they feel satisfied (Liang, 2012).

Notwithstanding, in context of service industries, the characteristics of service such as intangibility, inseparability, heterogeneity and perishability (Berry & Parasuraman, 1991; Lovelock & Gummesson, 2004; Lovelock& Wirtz, 2007) are a hard to control standard. In addition, the service characteristics from customers and providers in the service process cannot disguise the service failures (Boshoff, 1997). The service encounter involves the interpersonal feeling between customers and providers more than exchange (Bove & Johnson, 2002). The customers' perception in term of interaction with the service employees affects the customers' perception toward the company and also influences the customers' satisfaction. Moreover, the degree of interpersonal contact in the service production and the service consumption are influenced by the customers' experiences and attitude. They are important to the service delivery failures and to reach a successful outcome. However, the negative emotion or dissatisfaction may occur when the service delivery does not meet customer expectations or previous experience and also influence the overall degree of satisfaction (Stephens & Gwinner, 1998).

The customer who is dissatisfied can be the bridge of a broken relationship between marketers and customers. Most customers seek the opportunity to express their negative emotional feelings. Service failure encourages two negative dimensions through a customer's personality such as revenge and avoidance (McCullough, Worthington & Rachal, 1997). The way to restore a relationship may offer free gifts or special privileges, and apologize, moreover customers can resolve their negative feelings if allowed the opportunity to express their grievances.

The majority of research studies into service failure have focused on the negative emotional effect on a customer complaining, brand switching, (Garcia & Perez, 2011; Mattila & Ro, 2008; Oliver, 1981; Zeelenberg & Pieters, 2004), and negative word of mouth. Nevertheless, most researchers have overlooked the positive emotion of coping behavior such as the empathy of forgiveness that can be the bridge to customer satisfaction again and lead the customer to rehabilitate the relationship (Aaker, Fournier & Brasel, 2004) or have a more favorable repurchase intention. When the negative motivation decreases, customers will be more opened minded to increase positive motivation to restore their relationship with the company. Therefore, forgiveness can play a role as a coping strategy for negative behavior owing to poor or bad service (Chung & Beverland 2006; Howley, Ward & Brown, 2008; Moschis, 2007; Tsarenko & Gobbott, 2006; Tsarenko &Tojib, 2011; Zourrig, Chebat &

Toffoli, 2009). Moreover, forgiveness can lead a customer to repurchase and much more positive action through word of mouth (Howley et al., 2008).

To study consumers' behavior and the consumers' emotion, previous studies indicated that consumer's behavior and consumer's emotion are influence by culture (Triandis, 1989; Patterson Cowley & Prasongsukarn, 2006, Yoo & Donthu, 2002). Customers in different cultures are likely to have different behaviors, different degrees of the service expectation and service engagement (Patterson et al., 2006; Patterson & Smith, 2001a; Yoo & Donthu, 2002). It is likely to be influenced by the individualism-collectivism dimension of their cultural identity. Moreover, few studies of forgiveness indicate that people from collectivist societies may be more forgiving than people in individualist societies.

Unfortunately, the study of post-purchase behavior of customers, are mostly explained by customer satisfaction. In case of dissatisfaction several studies, work on negative behavior such as complaint, negative word of mouth and brand switching. In fact, some customers repurchase or revisit the firm even when they are dissatisfied. Thus this is the challenge and very interesting to examine why some customers continue to repeat purchases despite having the negative emotion or a dissatisfaction of service. This is reality happening that marketers should not overlook, especially the academic research should pay more attention to find out more regarding this complex behavior. Besides, the study of customer coping strategies after service failure dissatisfaction at the post-purchase stage is a limited study by scholars. Forgiveness is one coping behavior (Tsarenko & Gabbott, 2006; Worthington & Schere, 2004; Zourrig, 2010) it is also a coping strategy after the customers perception on service failure. This is a way to release negative emotions and minimize any motivation to harm the service provider. Thus, forgiveness not only builds positive behavior to the service provider after service failure, but also provide the basis to restore a relationship between the customer and the firm (Chung & Beverland, 2006)

In addition, the study of the relationship between the culture different dimension as the individualism-collectivism and the forgiveness are more interesting to the marketing scholar but most studies investigate the forgiveness behavior as the dependent variable in the psychology area. Indeed, the relationship of forgiveness may play a role of the mediator between the different cultures, and the post-purchase intention, also useful for marketing and the consumer behavior aspect.

Literature Review

Individualism (IV) – Collectivism (CV)

The last 35 years, many scholars have worked on the individualism-collectivism dimension and they found worthwhile benefits of this dimension. The perception and behavior of people in the collectivist culture are different from individualist culture, Individualism-collectivism has been conceptualized

as syndromes that include beliefs, attitudes, norms, roles, values, and behaviors in different cultures (Hofstede, 2001; Hofstede, Hofstede & Minkov, 2010; Triandis, 2004;)

According to Hofstede, many Asian countries demonstrate collectivism culture. Asian people value social harmony, cooperation and shared responsibility, role compliance and conformity to the group, courtesy, tolerance, and moral discipline. Thailand is a highly collectivist country, this is manifest in a close long-term commitment to the group member and loyalty ingroup. An offence leads to loss face and Thai people are very sensitive, they do not like to feel shamed in front of their group. While, the individualism culture is demonstrable in Western countries (Meng, 2010), such as the United Kingdom and many European countries that are highly individualistic. The route to happiness is through personal fulfillment, self-actualization (Hofstede Center, n.d). Based on the discussion, this study proposes a hypothesis relationship amongst nationality and collectivism cultures.

H₁: Thai and European Passengers are different Degree of Collectivism Culture

At present, the interest in cross culture investigation on interpersonal relationships is increasing in consumer behavior studies, especially the adaptation of cross culture psychology has expanded theories in cultural differences (Recine, Werner & Recine, 2007; Triandis,2004; Zourrig et al., 2009). Cultural difference dimensions such as individualism – collectivism may influence human personality. In the case of interpersonal conflict, the perceived group membership of the offender may influence the disposition of an offended party toward engaging in coping behavior such as forgiveness (Zourrig, 2010). Based on the discussion, this study proposes a hypothesis, a relationship among nationality and forgiveness.

<u>H₂: The Passengers from Collectivist and Individualist Culture have Different Degrees of Forgiveness</u>

The study of the relationship between individualism-collectivism and forgiveness as a coping behavior within a stressful event found individualism-collectivism influenced customer forgiveness. (Neto & Mullet 2004; Takaku, Weiner & Ohbuchi, 2001; Zourrig et al., 2009) Collectivist people are more likely to have forgiveness than individualist (Neto & Mullet, 2004; Takaku et al., 2001; Zouring et al., 2009) because of collectivist culture placing a high value on the interdependence and empathy (Feigenblatt, 2010). Benevolence and good will maintain relationships (Zourrig et al., 2009). Conversely, the people from individualistic culture are likely to have the motivation of negative behaviors such as revenge. (Tsarenko & Tojib, 2011). In addition, individualist customers have a lower intention to praise service providers than the collectivist customers even the service quality as a positive experience is more likely to be used via word of mouth referral in the purchase of services than individualistic cultures do. (Liu, Furrer & Sudharshan, 2001). Based on the discussion, this study proposes a set of hypothesis of the following:

<u>H₃: Collectivism Culture has a Positive Affect in Forgiveness</u> <u>H₄: Collectivism Culture has a Positive Affect in a Repurchasing Intention</u>

Repurchase-Intention (RI)

Repurchase intention in reference to the intended behavior, can have positive or negative intention to repeat purchase but not necessarily be loyal (Oliver, 1999). Two type of positive repurchase intention: intent to re-buy and intent to engage in positive word of mouth and recommendation (Zeithaml & Bitner, 1996). Repurchase intention and positive word of mouth are both favorable behavioral intention that are more likely to occur when customers are satisfied. Conversely, brand-switching, negative word of mouth and complaining are unfavorable behavioral intentions that are more likely to occur when customers are dissatisfied, especially in the case of a service failure (Liu et al., 2001).

However, since service failures occur, most of the firm usually recovered their service. It involves attempts to restore the interpersonal relationship. Chung & Beverland (2006) indicated that forgiveness involved a renegotiation of the relationship between marketer and consumer, such as re-patronage, repurchase intention and positive word of mouth (Levesque & McDougall, 2000; Palmer, Beggs & Keown-McMullan, 2000) consumers are also willing to continue to engage their relationship with the marketer after perceive service recovery. Based on the discussion, this study proposes a hypothesis relationship among forgiveness and repurchase intention.

H₅: Forgiveness has a Positive Affect in a Repurchasing Intention

A Potential Moderator of Forgiveness (FG)

Forgiveness is defined as to give up resentment against or the desire to punish; to stop being angry with, to pardon, or to give up all claim to punish or exact penalty (an offense) (McCullough, Root & Cohen, 2006). To understand the role of forgiveness as coping strategies that can be used to conduct how forgiveness can affect coping behaviors. Zourrig et al. (2009) adapted the cognitive appraisal theory of Lazarus & Folkman (1984) to develop a cognitive emotive coping model indicating that the customer forgiveness role as a coping process leading to restoring the interpersonal relationship. There are consistent study by Tsarenko & Gabbott (2006) that also draw the cognitive appraisal theory (Lazarus & Folkman, 1984) to emphasize the emotional aspect of customer forgiveness.

The concept of forgiveness has been researched and discussed in disciplines such as management and various divisions of psychology including social behavior (Chung & Beverland, 2006). Several concepts of forgiveness are closely related to marketing and value to marketers (Aaker et al., 2004). When people forgive, they resist or reduce the motivation to anger or seek revenge the customer likely to dispense with negative emotions and change to a positive emotion such as empathy, compassion and sympathy, this leads to forgiveness coping (Worthington & Scherer, 2004; Zourrig et al., 2009). Thus,

Forgiveness may build positive emotional reaction to a service failure or a service provider and provide the basis chance to restore the relationship or minimize bad feelings and harm. (Chung & Beverland, 2006).

At present, the adaptation of cross culture psychology has been expansion theories in relation to cultural differencies such as the study of Recine et al. (2007), Triandis (2004), Zourrig et al., (2009). Cultural difference dimensions such as individualism – collectivism may influence consumer behavior such as emotion and forgiveness in different directions (Zourrig et al., 2009). When the forgiveness works within an individual in a service context, customers will gradually reduce negative emotions such as anger and vengeful tend will decrease until it disappears. Negative motivation is harmful to the offending firm, while positive emotion, such as empathy, sympathy and benevolence tend to increase, the motivation to continue the relationship with the transgressor and a willingness to interact with the company again (Howley et al., 2008).

Hence, forgiveness can indicate a future intention to a repeat purchase intention and positive word of mouth behaviors. In contrast, unforgiveness can be represented by switching to another provider and negative word of-mouth behavior (Chung & Beverland, 2006). However forgiveness has the potential to accelerate the restoration of a strained relationship between a service provider and a customer. Moreover, even some customers reluctance to forgive may not restore the relationship to its original former self, but the relationship quality will increase the commercial relationship and encourage positive word of mouth (Chung & Beverland, 2006; Enright, Gassin & Wu, 1992). Based on the discussion, this study proposes a hypothesis relationship among collectivism culture and forgiveness. It is expected that forgiveness will mediate the influence of culture different and repurchase intention, reflecting the mechanism underlying consumer's decision making in the context of international airline service.

<u>H₆</u>: Forgiveness in Service Failure Mediates the Influence of Collectivism Culture on Repurchasing Intention.

Methods

Samples and Procedure

This study is a pilot study that adapted the forgiveness theory, collectivism culture and post purchase of customer behavior for examination in this study. The survey was data collected from 250 international airline passengers who passed Suvanabhumi Airport there is divide by quota sampling: 115 Thais and 135 European passenger. The research participants were first screened by two question of nationality and dissatisfied service experience with an international airline. Next, they were requested to complete the measures of collectivism culture, forgiveness and repurchase intention.

Measures

The research participants were instructed to indicated the degree to which they agree or disagree with each of the scale items in the Likert type (1 = strongly disagree, 7 = strongly agree). Repurchase intention adapted from Maxham III (2001) and Anderson & Srinivasan (2003) consist 6-item scale, reliability .609. Collectivism culture adapted from CVSCALE by Yoo, Donthu & Lenartowicz (2011) contain 6-items, reliability .889. Forgiveness was measures adapted by the TRIM-18 produces by McCullough et al. (2006) contains 18-items, reliability .906.

Results

Descriptive Result

The profile of the research participants is: 115 Thai passengers and 135 European passengers, male (61.2%), age between 35-44 years old (41.2%), Master degree holders (35.6%), and travelling by plane between 11-20 times in the past 2 years (35.2%), flight delay and baggage mishandling affects to passenger dissatisfaction the most, most of them did not receive any compensation from the airline. The only compensation the airline offered was an apology and free food and drink. Thai passenger are high collectivism culture, forgiveness and high repurchase intention score, there imply Thais are collectivist. While European passenger are low collectivism culture, forgiveness and repurchase intention, there imply Europeans are individualist. There evaluate by median comparison. Mean, median and standard deviation are displayed in Table 1.

Table 1. Descriptive Statistic and Reliability

	Thai Passengers (n = 115)			European Passengers (n = 135)			Median
	Mean	SD.		Mean	SD.		
Collectivism	5.577	.946	High	2.957	.985	Low	3.833
Forgiveness	5.152	.921	High	2.845	.942	Low	4.083
Repurchase Intention	4.489	.855	High	2.477	.867	Low	4.000

Hypothesis Testing

 $\underline{H_1}$: Thai and European Passengers Are Different in Degrees of Collectivism Culture

<u>H₂: Passenger from Collectivist and Individualist Culture Are Different in Degrees of Forgiveness</u>

To test this set of hypotheses, independent sample *t*-tests were conducted for the collectivism culture and forgiveness score. The result of testing show Thai and European passengers have different degree of collectivism culture. Moreover, passenger from collectivist culture and individualist culture have different degree of forgiveness. The results reveal that nationalities such Thai

and European significantly different in the collectivism culture degree, there is imply that Thai passenger are collectivism, while European passenger are individualism culture. Moreover, passenger from different culture are significantly different in the forgiveness degree. Therefore H_1 and H_2 are supported (Table 2)

Table 2. The Results of Independent Sample t-test of Hypotheses: H_1 and H_2

Test of hypotheses (n =250)	t	p < .001	Meaning
Collectivism (H ₁)	-23.989	.000	Supported
Forgiveness (H ₂)	-7.744	.000	Supported
Repurchase Intention	-9.566	.000	Supported

H₃: Collectivism Culture has a Positive Affect to a Repurchasing Intention.

To test this hypothesis that repurchase intention was regressed on collectivism culture. The regression results are show in Table 3. The results reveal that collectivism culture correlated with repurchase intention there is significantly positive influence to repurchase intention ($R^2 = .440$, $\beta_{H3} = .699$, t = 13.947, p < .001). Therefore, H_3 is supported.

<u>H₄: Collectivism Culture has a Positive Affect to Forgiveness.</u>

To test this hypothesis that forgiveness was regressed on collectivism culture. The regression results are show in Table 3. The results reveal that collectivism culture are high correlated with forgiveness there is significantly positive influence to forgiveness ($R^2 = .313$, $\beta_{H4} = .750$, t = 10.635, p < .001). Therefore, H_4 is supported.

<u>H₅: Forgiveness has a Positive Affect in a Repurchasing Intention.</u>

To test this hypothesis that repurchase intention was regressed on forgiveness. The regression results are show in Table 3. The results reveal that forgiveness are correlated with repurchase intention there is significantly positive influence repurchase intention ($R^2 = .286$, $\beta_{H5} = .423$, t = 10.044, p < .001). Therefore, H_5 is supported.

<u>H₆: Forgiveness in Service Failure Mediates the Influence of Collectivism Culture on Repurchasing Intentions.</u>

Repurchase intention was regressed on collectivism culture and forgiveness. To test the mediating role of forgiveness. First, H_3 indicates that collectivism culture had a significant impact on repurchase intention: $CV \rightarrow RI$. Second, H_4 indicated that collectivism culture had a significant impact on forgiveness: $CV \rightarrow FR$. Third, H_5 indicated that forgiveness had significant influence repurchase intention: $FG \rightarrow RI$. Fourth, to test a mediating role of $CV \rightarrow FG \rightarrow RI$ relationship (H_6) this study was adopted the Sobel statistical method to test the mediation effect in hypotheses H_6 . The mediating role of forgiveness has an effect on the relationship between collectivism and the intention to repurchase (β_{H6} = .551; z-test =10.582; p < .001). Thus, hypothesis 6 was supported.

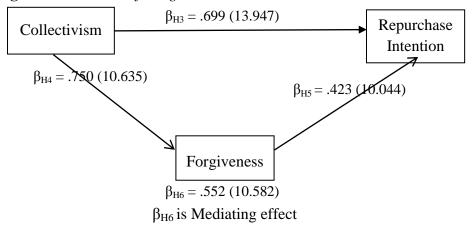
	Table 3. The	Results Re	egression o	of Hypotheses	Testing: I	H_3 H_4 H_5 and	H_6
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Hypothesis	Independent variable	Dependent variable	β coefficient, t, p of IV
H_3	Collectivism	Repurchase intention	$\beta_{\text{H3}} = .699; t = 13.947;$ SE. = .044; Sig = .000
H_4	Collectivism	Forgiveness	$\beta_{H4} = .750; t = 10.635;$ SE. = .048; Sig = .000
H ₅	Forgiveness	Repurchase intention	$\beta_{H5} = .423; t = 10.044;$ SE. = .051; Sig = .000
H ₆	Collectivism Forgiveness	Repurchase intention	$\beta_{H6} = .552 \text{ (a=.766 x b=.721);}$ $SE_a = .048; SE_b = .051$ z-test = 10.582

Note: Sobel test (Sobel,1982) using for test the mediation effect, as provided: $\mathbf{z} = \text{ab/SE}_{ab}$, while $\mathbf{SE}_{ab} = \mathbf{PHE} + \mathbf{PHE}$. Where \mathbf{a} and \mathbf{b} are the regression coefficient for the relationship between the independent (\mathbf{a}), dependent (\mathbf{b}) and mediator variables; $\mathbf{SE}_{\mathbf{a}}$ and $\mathbf{SE}_{\mathbf{b}}$ are the standard error of the relationship between the independent, dependent variables and the mediator variables.

The Roles of Forgiveness Mediation Model

Figure 1. The Roles of Forgiveness Mediation Model



Discussion

The results of this study which was conducted by Thai and European passengers who has perceived failure of service experience in the international airlines. The result of customer dissatisfaction in service may lead to broken relationships between airline service providers and customers. However, the positive emotion will occur when a customer seeks the way out from negative emotions such as using the coping mechanism of forgiveness (McCullough et al., 1997). When negative emotions decrease, customers will be more opened minded and alter behavior to empathy to restore their relationship with the firm and re-establish customer repurchase from the same service provider in the future (Chung & Beverland, 2006; Zourrig, 2009). This is the role of

forgiveness as a coping strategy (Chung & Beverland, 2006; Tsarenko & Gabbott, 2006, Worthington & Schere, 2004). Moreover, the culture value as collectivism is influence forgiveness as well (Zourrig, 2009).

The results of this study found that Thai and European passengers have a different degree of collectivism culture (Yoo & Donthu, 2002) and also a different degree of forgiveness (Zourrig, 2009). Moreover Collectivism culture has a positive influence to the repurchase intention and forgiveness. While forgiveness has a positive influence to repurchase intention (Howley et al., 2008). This implies that the role of forgiveness is a mediator in the relationship between collectivism cultures and repurchase intention has been confirmed in this study. As coping strategies, customers tend to release their negative emotions and transform their emotions by expressing benevolence and empathy change to be happiness. There is an interpretation that forgiveness can transform negative emotions to positive emotional reactions, there is the bridge to restore the relationship between customer and service provider. Thus, the conclusion of this relationship can be indicated by renegotiation, re-patronage, an intention to repurchase, and positive word of mouth through forgiveness which is used as a customer coping behavior.

The benefit of this study was to extend knowledge of the customer purchasing behavior after dissatisfaction at the post-purchase with the positive coping strategy. Moreover, setting the foundation for studying the relationship between collectivism culture, customer forgiveness and repurchase intention which results in new academic knowledge and encourages researchers to use this knowledge in the future. For the managerial benefit, marketers can apply the result of this study on planning the service recovery strategies to reduce customer negative emotion and to encourage them to continue purchasing and to retain loyalty because customer forgiveness can create the opportunity to the marketer to recover the emotion from prior to the service failure. In addition, managers can evaluate disadvantages after the service failure and avoid future mistakes with customers, particularly with service encounters directly between the service employee and customers. It is vitally important to understand the utmost importance of service transgressions and service failure because the cost to establish new customers are vastly more expensive than maintaining existing customers (Liang, 2012). Especially in high-contact services such as the airline industry. However, this study conduct only one dimension of by Hofstede (2001). Other dimensions, such as masculinity, power distance, uncertainty avoidance, and long-term orientation may also have an influence on forgiveness. Moreover, this study did not compare mediating effect of forgiveness between Thai and European. There is the limitation of this study, thus future research may conduct with another factor and comparison mediating effect as abovementioned.

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