

# Service Failure and Recovery at The Trans Luxury Hotel Bandung: An Evidence from Management Perspective

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**Abstract**—This study aims to analyze service failure and recovery in hotel industry. A qualitative research method is used, and the techniques to collect data are interview to seven respondents and secondary analysis data. This study found that there are 25 types of service failure, which were divided into eight groups. In the other hand, the result also grouped recovery into five types. The last finding of this research is a scheme linkages between service failure and recovery.

**Keywords**—service failure; recovery; hospitality industry; hotel

## I. INTRODUCTION

Discussions on service quality have been widely carried out by researchers and some of them focus on hospitality industry, for example [1], [2], [3]. [4] argues that there are four main characteristics of service that differentiate them from goods products, namely intangible, inseparability, variability, and perishability. Because it is intangible and cannot be separated between production and consumption, service is something that is nonstandardized. [5] said that the higher the interaction between service providers and guests, the higher the chance for service failures to occur. [6] added that in addition to differences in perceptions of service providers and service recipients, this gap was allegedly sticking when there was a difference between what was expected and what happened in reality. That's where the service failure occurs.

Many experts have classified service failure into several categories, such as the research of [7] that divides service failure into the behavior of employees when the service failure occurs and its relationship to core service, [8] classifies the source of service failure, and some experts divide some of the consequences of service failures that occur, such as dissatisfaction [9], loss of guest trust [10], [11], negative behavior in the form of word-of-mouth issue [12], [13], indifference from customers [14], [15], loss of income and increased costs in all hotel lines [16], decreased moral quality and employee performance [7].

In more detail, [17] have identified service failures into 26 (twenty six) points, namely, room cleanliness, reservation errors, unfriendly and unhelpful staff, weak room security, employee dexterity, low quality of food and beverage, not there is a desire of staff to help, restaurant staff who are not friendly, bill errors, receptionists are not friendly and not helpful enough, lack of clarity of safety flow in the event of a fire, waiting in line for breakfast, tidiness of staff, slow service at the restaurant, room equipment cannot function well, the room is not ready, room equipment is missing, there is no emergency address, minimal variety of food provided, room service is slow and unreliable, facilities in the gym and swimming pool are minimal, provision of leisure time and facilities are minimal, slow check in or check out, lack of staff knowledge of the surrounding area, minimal facilities for business purposes, and no information regarding local tourist destinations. Service failure becomes critical when this error affect the guest emotionally, for example their feeling of disappointment may lead to decision that they will no longer use the same property or hotel.

When service failure occurs, what should hotel do? By studying the explanation of service failure, findings in the field, and explanations from experts, it can be concluded that service failure is always possible. Thing that should be done by the hotel is to apologize and give compensation if necessary, which is called recovery. [15] state that recovery is a form of action that involves handling problems, reducing the effects of unfavorable behavior from guest dissatisfaction, and retaining the guest. Whereas according to [18], service recovery is not only merely talking about what is done by the hotel, but also includes a positive response from guests when the hotel corrects any errors that occur.

The success of service recovery will certainly lead to several benefits. Many researchers have found the effect of targeted service recovery, such as a research conducted by [17] that states that appropriate service recovery can add value to the quality of service and image of the hotel in question, lead to positive words-of-mouth, and raise the level of guest

satisfaction. [19], [20], [21], [22] also added the effect of building good and loyal relationships with guests and increasing hotel revenues. Besides causing those effects mentioned, the occurrence of service failure will also be followed by adverse effects. For example, guests who lost their trust and no longer loyal to the hotel may also spread some unfavorable news from word-of-mouth behavior.

This study aims to identify service failures that have occurred in Trans Luxury Hotel Bandung, as well as the recovery that is usually given by the hotel. Furthermore, this research also aims to create a scheme of trends between service failures that occur with the given recovery.

## II. METHOD

This study requires deep data extraction. Therefore, the authors choose to use qualitative approach. The number of samples in this study were seven people. The characteristics of the participants selected in this study were they are in the managerial levels from front-liner departments (Front Office, Food and Beverages, and House Keeping), have high levels of interaction with guests, have previous experience in handling service failures, have previous experience in giving recovery, ever getting copies from the event of service failure or recovery given by his subordinates, and voluntarily made as a participant in this study.

This study uses two data as the material to be analyzed. The first is primary data and the second is secondary data. To collect the primary data, the technique that is chosen by the researchers is interview technique. Other strengthening data is obtained from documents belonging to The Trans Luxury Hotel called FINCC (Feedback, Incident, Negative Comment, and Complaint), Actual Cost FINCC (Feedback, Incident, Negative Comment, and Complaint), Recovery, and Continuous Improvement FINCC (Feedback, Incident, Negative Comment and Complaint). The instrument that the researchers used was interview guidelines, voice recording devices, cameras, supporting documents needed for comparative data during the interview process, and notebook.

Data analysis technique used in this study was verbatim analysis. Data that has been analyzed verbatim needs to be reduced, or as what Spradley's research calls as domain analysis. The results of the reduction data still need a follow-up process, so that the points of identification of service failure and recovery at The Trans Luxury Hotel Bandung can be displayed more clearly. The next step is coding analysis, or as better known in the research language as taxonomy.

## III. RESULTS AND DISCUSSION

After the analysis process, the results were collected and categorized into eight service failure groups. Each group has its own failure service forms. The total number of service failures found is 25 (twenty five). As for the recovery, the results of the study found 8 (eight) forms of compensation given by employees as well as General Manager.

### A. Service Failure

The first finding is service failure with regard to timing or speed of service. As a five-star hotel, the speed of service is a part of the guest assessment, which is a chance given for the guest to give their impression of their stay at the hotel. There are some cases related with timing group that guests have complained about. The first is the process of check in and check out that takes too long and inefficient, which causes a long

queue of guests who want to check in and check out. Next is room delay, where guests who will check in cannot get a room at the appointed time or promised. The Trans Luxury Hotel Bandung has stipulated that their check out time is at 12 noon, while check in time is at 3 pm. Service failure happens when at 3 pm the room is still not ready for the guests who have come to check in. The third problem is the problem of queued calls. Sometimes all the employees are busy that they cannot answer all incoming calls. It will make many calls abandoned, which leads to customer dissatisfaction. The fourth is the problem of serving time at the restaurant. Generally, the serving time of food ranges from 20-30 minutes and no more than 15 minutes for drink. The occurrence of service failure is when the food or drink ordered does not come at the promised time.

The problem of accuracy is a part of service failure. It could happen not only in serving the needs and desires of guests but also in providing information. First, the case encountered was a complaint about double check-in that happened either because there was an error in writing room number in the key jacket or the employee did not check the suitability of the system. Other complaints are matters relating to billing, such as incorrectly include prices, discounts, or items that are not actually consumed by guests into the bills. Other problems that are part of the problem of accuracy are room service. An example is when the guest's requests to clean the room is not carried out properly. Even though it has been scheduled in the work sheet, there is still a possibility that the employees cannot successfully analyze which room should be prioritized. The last problem of accuracy is a reservation error. The reservation column is a column that contains guest's various choices during his stay. This service failure refers to the event where the employee gives service that is not suitable with what has been written in the column.

The other group that was successfully identified was comprehension, which means service failure occurs due to differences in understanding. Previous research from [23] shows that communication with guests is an important thing, the goal is none other than to get a common understanding. However, sometimes everything doesn't work smoothly. Body gesture can be something that guests complain about. In this study, we found that an unfavorable gesture is complaintable because one of the characteristics of 5-star hotel guests is they are more focus on how employees deliver the service than the price that must be paid. In addition to gesture, coordination between employees must also be maintained to reach the same understanding. Bad coordination can refer to a failure in the matter of guest's preferences or requests. As an information system, all parties must understand what guests want during their stay. Communication is also the most important part of achieving the same understanding. Whether or not employees can accommodate guests' wishes must be conveyed or communicated well to their guests so that they do not lead to their own prejudices.

Disconnected information often causes service failure. When the information provided is not clear, the work will not be followed up properly, and the work will not be handled properly. As a result, the second party will not know exactly what to do. That is when the service failure occurs. In his research, [24] cited Michael's (2001) explanation which categorize failure as in the case of process, interaction, documentation, condition, information, system, and third party cases. As explained above, if a piece of information is broken, it will cause a domino effect which leads either to a service failure or the guest will complain about the service provided.

The fifth group is a group of service failure related with productivity. Problems with productivity have been widely discussed by experts, such as skills and ability to follow the existing procedures. In this study, we also found various problems concerning productivity. Cases that occur are related to food and beverages products. Service failure occurs when a guest complaints of things like different or less pleasant taste, order that is not in accordance with what he asks or expects, etc. In this study, we also found the fault of employees who were considered lack in understanding the procedure or skill that was qualified. Another type of complaint is about luggage, which is the task of certain sections. An example of this kind of complaint is items in guest's room have not been moved, incomplete, etc.

Another problem related to productivity found in this research is laundry problems. Complaints that are usually encountered by managers, for example, are stains on guests' clothes as well as wrinkled clothes. Even if the check is done well, there is a possibility that the stain or wrinkle already exists before the washing process. Profiling guests, which means the ability to know characters, preferences, or things that are not liked by guests, is something that must be mastered by front liners as the front guard in serving guests. The more type of guests they can identify, the easier it is for the front liners in providing services. [25] argue that things are very interesting for guests when they can be identified and respected through their profiles. In short, profiling guest becomes a service failure when employees do things such as still asking for guest preferences, despite they have been written on the system or known by the majority of employees. Another mistake is wrong orders, where employees enter orders that are different from what is requested by the guest. Although it does not cause serious problems, the incorrect input of the guest's order data is still considered as a service failure.

Experience is formed neither only by the services provided nor only from the taste of food or drinks in the restaurant, but also the completeness of hotel facilities, especially the rooms. [18] explains that there are two types of services. The first is core service is the reason why the company is established. The second is complementary service where facilities and supporting services enter it. In this study, some things that guests complain about to managers also cover facilities issues. Complaints that are usually encountered by managers related to air conditioning, IPTV, clogged toilets, non-hot water, noise, and electricity problems. The next problem is regarding hygiene. Either the hygiene of food, drink, the items used, or the state of the place. Hygiene has also been the subject of service failure discussions by [26]. In [24], the researchers mentioned several forms of service failure including daily operations, hygiene, behavior, food and beverage quality, and environmental conditions. Not all hygiene problems are fatal, but for a 5-star hotel, this problem is a matter of guest attention.

Security is part of the service failure that takes the most attention from the hotel management at The Trans Luxury Hotel. [27] also said that hotel management must really pay attention to the security aspects of guests as long as they stay at the hotel. The hotel must ensure that the guest's safety will be prioritized. Based on the results of the interview, issues regarding safety are top urgent issue for the hotel.

#### *B. Recovery*

Based on interviews to seven respondents that come from managerial level, we found that there were five recovery keys commonly given at The Trans Luxury Hotel Bandung. The first and the basic recovery is apology. Apology itself means that the

staff or manager apologizes to the consumer without giving any compensation. Apology covers several expressions, namely empathy, acknowledgment, clarification, and follow-up. [27] said that when a service failure occurs, the thing that must be done by the hotel is to enforce standard policies and rules by giving an apology accompanied by a detailed explanation to the guest. After that, they should correct the error as soon as possible.

Another form of action is goodwill. Goodwill is a form of apology accompanied by the provision of goods that have low cost as a form of good faith by the manager. In addition, some forms of goodwill include goods or facilities that are usually needed by guests during their stay. The detailed form of goodwill is extra bed, late check out, massage, apology cake, coffee and tea, dessert, fruit amenities, bread basket, and club lounge access.

The next recovery is gift compensation or vouchers. Recovery gifts are usually only given by the employee from manager level and above. [5] said guests who seek compensation or recovery after service failure want the errors to be handled by management in some service failures that they consider important. The new gift will be given in the occurrence of a complicated and fatal event.

The biggest form of recovery given by The Trans Luxury Hotel Bandung is responsibility. Referred to as something more than just recovery, responsibility is a form of full accountability from The Trans Luxury Hotel for fatal events that have occurred.

Responsibility has the highest level of urgency, and there is no nominal limit or form of goods that determine it. This form of recovery can only be issued by the highest rank, namely the General Manager.

#### *C. Service Failure and Recovery Schemes*

After the researchers found out what service failures have ever happened and how the compensation is done by the hotel, then the scheme of the tendency between service failure and recovery can be made. The results of the primary and secondary data show that there is a relationship between the two variables studied.

Apology, as the most basic recovery level, is usually given when non-serious problems happen, such as queued calls, employee's gestures, communication, technical problems in air conditioning, TV, electricity, hot water, and toilets. Goodwill deals with problems such as check in or check out, room delay, serving time, luggage, noise, and cleanliness. Compliment as a form of compensation is given to handle service failures in billing, food and beverages products, laundry, orders, and guest items. Gifts from the manager and above are given to handle serious service failures, such as room numbers, room service, reservation errors, staff coordination, clarity of information, guest profiling, hygiene, and lost items. The highest form of responsibility is given specifically in the occurrence of severe problems, such as fraud and emergency situations.

## IV. CONCLUSION

The data reached a saturation point when the seven participants who were interviewed numbered seven people, consisting of frontliner managers at The Trans Luxury Hotel Bandung. Service failures that often occur at The Trans Luxury Hotel Bandung are identified into 25 (twenty five) forms of service failures. Those twenty-five service failures are included in eight groups.

The first is timing group, consists of four forms of events, namely the check-in or check-out process, room delay, queued calls, and serving time. The second is accuracy, consists of four forms of events namely wrong billing, errors in writing room numbers, mistakes in providing room service, and reservation errors. The third group is comprehension, which consists of three forms of service failure behavior, namely staff, gesture, and communication coordination. The fourth group is clarity, which means the service failure is related to the clarity of the information provided. The fifth is the problem of productivity, in which the form of service failure consists of luggage, F & B products, laundry, wrong orders, and guest profiling. The next service failure is things that are more constructive and beyond human control, namely noise, air conditioning, TV and electricity, as well as hot water and toilets. The seventh is hygiene problems including equipment, facilities, hotel equipment, and fresh room condition. The last problem is security and safety including fraud, emergency situations, loss of goods, and maintenance of guest's belonging during their stay. Through the analysis described in this study, we have also identified some common forms of recovery. The form of recovery action is only divided into five groups, namely apology, goodwill, complimentary, gifts, and responsibilities. Based on the analysis, a scheme that shows the relationship between service failure and recovery has been made. This scheme shows what kind of recovery given to each service failure. The result shows that apology tends to deal with problems such as queue calls, employee gestures, communication, air conditioning, TV and electricity, hot water, and toilets. Whereas goodwill deals with the constraints of check in or check out, room delay, serving time, luggage, noise, and cleanliness. Furthermore, the compliment is given when the service failure deals with billing, FB products, laundry, wrong orders, and guest items. Recovery in the form of gift handles quite complicated issues, such as room numbers, room service, reservation errors, staff coordination, clarity of information, guest profiling, hygiene, and lost items. And the biggest form of recovery is responsiveness that handles service failure fraud and emergency situations.

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