AIRLINE SERVICE RECOVERY STRATEGIES AND PASSENGERS’ SATISFACTION IN NIGERIA

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http://doi.org/10.35409/IJBMER.2023.3501

ABSTRACT
This study examined airline service recovery strategies and passengers’ satisfaction in Nigeria. Its aim was to determine the effects of compensation, communication, feedback, empowerment, explanation, apologies, and tangibles on passengers’ satisfaction in Nigerian airlines. The study adopted a cross-sectional survey research design. From a finite population of 1,491 passengers, a sample size of 315 passengers was determined using the Taro Yamane formula. Subsequently, a structured questionnaire was used to obtain primary data for the study. The data obtained were descriptively analyzed while hypotheses testing were executed using simple linear regression. Consequently, the findings of the study revealed that out of the airline service recovery strategies tested (compensation, communication, feedback, empowerment, explanation and apologies) had significant positive effects on passengers’ satisfaction in Nigeria, whereas tangibles had a non-significant effect on passengers’ satisfaction towards airlines in Nigeria. Furthermore, the study made practical recommendations which could be applied by players in the commercial aviation industry.

Keywords: Airline, Aviation industry, Service Recovery, Service Failure, Passenger Satisfaction.

1. INTRODUCTION
The airline industry is known to be a major catalyst for the socio-economic development of emerging economies like Nigeria. It is the engine that drives global economic and social progress as it connects people, countries, cultures, and provides access to global markets and generates trade (Ganiyu, 2017). The global aviation industry has experienced phenomenal growth since World War II. As of 2019, the industry transports over 2.2 billion passengers annually both for business and leisure (IATA, 2021). In terms of worldwide trade, the total value of goods transported by air represents 35 percent of all international trade. The industry also caters for 40 percent of international tourist travel. It has provided about 32 million jobs worldwide and contributed over 8 percent (US$ 3557 billion) to global Gross Domestic Product (IATA, 2021). IATA’s (2021) report indicates that the global aviation industry is expected to amass substantial growth in the next several years due to trade and air-transportation deregulation and liberalization, new leisure patterns, high income elasticity of demand and swelling value of goods to be transported. Similarly, international passenger numbers are projected to grow at an average annual
growth rate (AAGR) of 5.1 percent while domestic passenger numbers at an AAGR of 5.3 percent between 2008 and 2012.

However, the airline industry and these forecasts by IATA remain exposed to several risks, ranging from temporary negative impacts such as natural disasters, insecurity, high costs of aviation fuel and a fragile global economy. Despite these, the ultimate factors driving growth remain rationally positive. According to Etuk, Anyadighibe, James & Mbaka (2021), for service-delivery companies like the airline industry, in today’s era of consumer enlightenment and sophistication to be able to succeed, they must have the capability to consistently deliver high-quality services that meet or surpass customers’ anticipations. The air transport industry in Nigeria has shown strong growth of 11.4 percent which has been sustained since 2007 (Chikwendu, Ejem & Ezenwa, 2012). In like manner, the airline industry in Nigeria has also seen a massive growth in recent times with an average growth rate of over 8 percent and has also witnessed passenger increased from 293,613 to 543,379 in 2012 alone (Chikwendu, et al., 2012). According to Etuk & Akpan (2015), the airlines foundation is built on proven safe, reliable and on-time air transportation while delivering to customers the highest standard of professionalism and efficient customer services. The growth in this sector especially the domestic sub-sector is attributable to increasing confidence in safety and security of domestic air transport coupled with the deregulation and liberalization of the airline sector which culminated into the influx of a lot of airlines into Nigeria including the domestic sub-sector. This brought fierce competition into the industry which forced industry professionals to devise workable strategies so as to stay in business. The best strategy is to focus on emerging programs aimed at retaining acquired customers in the midst of the competition. From a global viewpoint, the world's economy is stirring from a commodity-based economy to a more energetic one in which employment, value creation, and economic wealth are vital (Uford, Charles and Etuk, 2022).

As the market becomes more competitive, firms are more likely to attempt to maintain their market share by focusing on retaining the current customer (Tripathi, 2014) and with the advances of modern technology, consumer information and societal changes, the nature of customer behaviour has become refined, thereby making it harder for marketers to successfully appeal to and influence customer behaviour in favour of their product (Etuk, Anyadighibe, James, & Uma, 2022). The need to reduce customer attrition and churn rates in the face of fierce competition coupled with technological advancements in a highly-volatile airline industry has become a more arduous task than ever thought. The major pre-occupation of modern airlines is to acquire customers but this has not been the case. Airlines all over the world have lost and continue to lose customers to the extent that it has direct impact on their returns on investment and a practical implication for their very existence and survival (Albers & Rundshagen, 2020). The reality is that customer retention in today’s airline service environment is very difficult to tackle in a market that is highly volatile. In the face of these challenges, airlines are prone to service failures, which may undermine their marketing performance and competitive standing in the industry. This is why aviation managers are in the search for effective service recovery strategies which could be leveraged to mitigate the adverse impacts of service failures and enhance passengers’ satisfaction. Also, the employees who are part of service delivery can also be a reason for some service failures. Thus, strategizing to keep highly valued service employees would imply keeping them actively happy to work for the organization through good administrative machinery built on an understanding of employees needs and satisfaction drives (Ibok & Etuk, 2013). According to Eneh,
Anyadighibe & Etuk (2019), the employee incentives are designed to obtain the maximum performance from staff and help retain an employee that is productive. All these are measures to eliminate service failures and ensure service recovery. As such, given the increasingly crucial imperatives of service recovery, several researchers have conducted studies to explore how service recovery strategies are implemented to improve customer satisfaction and loyalty across service industries including aviation. In that effort, scholars have examined the causality between service recovery strategies and customer satisfaction towards airlines in developed Western countries (Etemad-Sajadi & Bohrer, 2019; Abbas, Abdullateef & Mohd, 2015; McDougall & Levesque, 1999; Lewis & McCann, 2004; Bennington & Cummance, 1998). Whereas, in a developing African country like Nigeria, scholars are overwhelmingly centered on hotels (Nwokorie, 2016; Cheng, Gan, Imrie & Mansori, 2018; Oranusi & Mojekeh, 2019), while shortchanging research attention on airlines. This entails that in the context of Nigerian airlines, the causality between service recovery strategies and customer satisfaction is yet to be empirically established, which means that it is unclear how Nigerian airlines respond to service failures and how they initiate service recovery to enhance passengers’ satisfaction.

In light of this study gap, we carried out this study to examine the effect of service recovery strategies (compensation, communication, feedback, empowerment, explanation, apologies, and tangibles) on passengers’ satisfaction in Nigerian airlines.

Objectives of the Study

The main objective of this study was to assess the effect of airline service recovery strategies on passengers’ satisfaction in Nigeria. The specific objectives were;

i. To examine the effect of compensation on passengers’ satisfaction in Nigerian airlines.

ii. To determine the effect of communication on passengers’ satisfaction in Nigerian airlines.

iii. To examine the effect of feedback on passengers’ satisfaction in Nigerian airlines.

iv. To examine the effect of empowerment on passengers’ satisfaction in Nigerian airlines.

v. To determine the effect of explanation on passengers’ satisfaction in Nigerian airlines.

vi. To examine the effect of apologies on passengers’ satisfaction in Nigerian airlines.

vii. To determine the effect of tangibles on passengers’ satisfaction in Nigerian airlines.

Research Questions

The following research questions were formulated from the objectives of the study as stated below:

i. To what extent does compensation affect passengers’ satisfaction in Nigerian airlines?

ii. To what extent does communication affect passengers’ satisfaction in Nigerian airlines?

iii. To what extent does feedback affect passengers’ satisfaction in Nigerian airlines?

iv. To what extent does empowerment affect passengers’ satisfaction in Nigerian airlines?

v. To what extent does explanation affect passengers’ satisfaction in Nigerian airlines?

vi. To what extent do apologies affect passengers’ satisfaction in Nigerian airlines?

vii. To what extent do tangibles affect passengers’ satisfaction in Nigerian airlines?

Hypotheses of the Study

The following null hypotheses were formulated for the study.
H01: Compensation has no significant effect on passengers’ satisfaction towards airlines in Nigeria.

H02: Communication has no significant effect on passengers’ satisfaction towards airlines in Nigeria.

H03: Feedback has no significant effect on passengers’ satisfaction towards airlines in Nigeria.

H04: Empowerment has no significant effect on passengers’ satisfaction towards airlines in Nigeria.

H05: Explanation has no significant effect on passengers’ satisfaction towards airlines in Nigeria.

H06: Apologies has no significant effect on passengers’ satisfaction towards airlines in Nigeria.

H07: Tangible has no significant effect on passengers’ satisfaction towards airlines in Nigeria.

2. LITERATURE REVIEW
The Concept of Service Failures

Service failure can be defined as the specific events that lead to customer dissatisfaction (Baliga, Chawla, Ganesh & Sivakumaran, 2021). A growing group of service failure and recovery literature has appeared in the past two decades. For example, Choi, Mattila and Bolton (2021) suggest that a service failure occurs when customer perceptions of service delivery do not meet customer expectations. Service failures represent a threat for firms, creating both customer dissatisfaction and incentives to switch service providers (Azemi, Ozuem, Howell & Lancaster, 2019). Similarly, other research has noted that service failure may lead to a breakdown in the relationship between a customer and the service organization, generating negative word-of-mouth communication and negative future behaviours (Baliga, Chawla, Ganesh & Sivakumaran, 2021). According to Etuk & Ekong (2016), failures may occur for all kinds of reason—the service may be unavailable when promised; it may be delivered too late or too slowly, the outcome may be incorrect or poorly executed or employees may be rude or uncaring. Addressing the major causes of service failure for airlines, Migacz, Zou and Petrick (2018) identified that the majority of complaints for airlines were of three major types: first, flight delays (usually technical in nature); second, service interruptions (through frequent strikes); third, consumer complaints regarding the attitudes of ground staff. However, a study by Chen and Chang (2010) argued that even the best airlines periodically suffer from some form of service failure, such as overbooking or delayed flights. Research by Tahanisaz (2020) noted that lower service quality (flight delays, mishandled baggage, or passenger complaints) may negatively affect sales revenue. Additionally, some of the most common causes of failure incidents for airlines include industrial strikes, mishandled baggage, overbooking and technical/weather problems resulting in flight cancellations or delays.

The Concept of Service Recovery

When service failure takes place, what is expected of the airlines? By studying the explanation of service failure, findings in the field and explanations from expert agrees that the airlines should apologize and provide compensation if necessary, which is known as recovery
(Etuk & Ekong, 2016). Service recovery is the process of resolving service-related issues confronted by consumers in the process of service consumption. It entails all efforts by the service provider aimed at fixing or amending the bad service experience given to customers during the service encounter (Casidy & Shin, 2015). It is a provider’s response to service failure; a situation where their services fail to perform as expected thereby failing to meet customers’ service needs. According to Demeter, Walters & Mair (2021), service recovery occurs when service providers reach out to customers to rectify and make up for negative service experiences they had with the company’s brand. The goal of service recovery is to appease a dissatisfied customer by making amends or compensation for a poorly-delivered service so as to convert dissatisfaction to satisfaction over the long term. This entails that service providers engage in service recovery actions in the hopes of resolving customers’ cognitive dissonance so as to encourage positive perceptions of their brands. In the aviation context, service recovery occurs when airlines take steps or initiate programmes aimed at reconciling with aggrieved or dissatisfied passengers by quickly identifying and resolving problems they encountered during their encounters with airlines (Migacz, Zou & Petrick, 2018). According to Zeithaml, Bitner & Gremler (1985), service recovery refers to “the actions taken by an organization or service supplier in response to service failure. This definition is supported by Komunda & Osarenkhoe (2012) who maintained that service recovery refers to the actions a supplier takes in order to seek out dissatisfaction and as a response to poor service quality. Organizations that provide superior service quality do experience higher economic returns and also have a more satisfied customer base (Etuk, Anyadighibe, Amadi & James, 2022). Therefore, it has become ubiquitous for service providers to seek out competitive advantages by providing superior service and avoiding poor service quality i.e., service failure (Etuk et al; 2022).

However, the service recovery strategies considered for this study include compensation, communication, feedback, empowerment, explanation, apologies and tangible.

**Passengers’ Satisfaction**

Passengers’ satisfaction is the degree to which an airline’s passengers are happy with their experiences with the company. It indicates the fulfillment that passengers derive from using the services of an airline (Robertson, 2019). Etuk (2021) sees passengers’ satisfaction as a specific transaction (the difference between predicted service and perceived service) in contrast with attitudes, which are more enduring and less situational oriented. In other words, it is how happy passengers are with their overall experiences with an air-service company. Passengers derive satisfaction from an airline service if their need is met effortlessly, in a convenient way that makes them loyal to the firm. Hence, passengers’ satisfaction is an important step to gain passengers’ loyalty in the commercial aviation industry (Monoarfa, Usman & Tausyanah, 2020). In the views of Bellizzi, Eboli, Mazzulla, and Postorino (2022), passengers’ satisfaction is a measure of how commercial aviation services supplied by passenger airline meet or surpass passengers’ expectations. In a competitive commercial aviation industry where airlines compete for passengers, passengers’ satisfaction can be a key differentiator and component of aviation marketing strategy. Furthermore, Derrick (2019) submits that passengers’ satisfaction is the degree to which services provided by an airline reach or surpass passengers’ expectations. In other words, passengers’ satisfaction is how satisfied a passenger is after doing business with an airline. It does
not only measure how happy a passenger is with their transactions with an airline but also their overall experience with the airline’s brand. As such, Juneja (2019) maintains that passengers’ satisfaction is the overall essence of the impression about an airline by a passenger. This impression which a passenger makes regarding an airline is the sum total of all the processes he goes through, right from communicating with the airline before patronage, his interactions with the airline during flight services and post-flight services offered by the airline.

Conceptual framework

This study examined airline service recovery strategies and passengers’ satisfaction in Nigeria. Its specific aim was to establish the causality between airline service recovery strategies and passengers’ satisfaction in Nigeria. In the scope of this study, emphasis was on the following service recovery strategies as indicators of the independent variable: compensation, communication, feedback, empowerment, explanation, apology and tangibles on customer satisfaction towards airlines in Nigeria. The dependent variable (passengers’ satisfaction) is operationalized as the extent to which airlines’ passengers are excited and gratified with the quality of services received from commercial airlines. The nature of the relationship between the independent and dependent variables is conceptualized in the model presented in figure 1.

![Conceptual framework](image)

**Figure 1:** Conceptual framework

**Source:** Authors’ Model (2023)

Theoretical framework

The theoretical underpinning for this study is based on the reactivist theory of crisis management (or reactivism) propounded by Rappaport and Knepper (1998). This theory is grounded in the assumption that in a social context, the possibility of crisis emergence over the
long term cannot be avoided because of the diverse interests and fallibility of human systems. This entails that in every human society or system, there is a real possibility for crises to emerge, either arising from the conflicting interests of humans or from the fallibility (imperfection) of human nature (Rappaport & Knepper, 1998). The theory defines crisis as an unwanted occurrence which causes disagreement, pain and losses to one or all parties involved in a social exchange relationship. The very fact that crises cause pain, disagreement and damage to people is the why it is essential for crises to be averted or eliminated from exchange relationships. The basic premise of this theory therefore is that people will have to react to the emergence of crises on a continuous basis in order to ensure the practical running of human societies and systems. This means that in order for human societies to function properly, people must seek and resolve crises after they have emerged. The reactivist theory of crisis management stands in contrast to the proactivist theory because, while the proactivist theory espouses the notion that people should act in advance to avoid the emergence of crises, reactivism maintains that crises are inevitable and can only be reacted to after they have emerged (Gwen & Wentworth, 2001). To successful handle crises confronting business organizations, strategic reactivists such as Farhad, Abdulaziz and Imran (2017) recommend that managers must put in place emergency response or contingency plans that are capable of being deployed within the fastest possible pace to address organizational crises.

Such contingency plans, in a manufacturing firm could include back-up power generators, reserve productive materials, substitute factory workers or personnel and supplementary equipment stockpiles. These resources are necessary to constitute part of the emergency response plans required by manufacturing firms to address crises during different phases of manufacturing. The relevance of the reactivist theory of crisis management to this study is rooted in its basic premise which suggests that since airlines are run by human beings aided by machines, there is a real possibility for errors to occur during service delivery, which may culminate in service failures capable of ruining passengers’ perceptions or experiences of the service delivery. The way forward, therefore as suggested by this theory, is for aviation managers and airline operators to establish emergency response plans (such as service recovery strategies) which could be deployed in the event of service failures to initiate recovery. In the context of this study, service recovery strategies could include compensation, communication, feedback, empowerment, explanation, and apology which could serve as contingency actions initiated to pacify air passengers, while attempting to restore service delivery.

Empirical Review

Cheng, Gan, Imrie and Mansori (2018) conducted a study to determine the relationship among service recovery, customer satisfaction and customer loyalty in Malaysia’s hotel industry. The study used a self-administered questionnaire to obtain primary data from 500 hotel customers in Malaysia. The structural equation modelling technique was adopted for hypotheses testing. The findings of the study revealed that service recovery dimensions (distributive justice, procedural justice and interactional justice) have significant relationships with customer satisfaction, and loyalty in the Malaysian hotel industry. Also, Nwokorie (2016) examined the relationship between service recovery strategies and customer loyalty in selected hotels in Lagos State, Nigeria. The study obtained primary data from 330 staff and customers of selected hotels in Lagos, Nigeria through a structured questionnaire. While descriptive statistics were used for data analysis, the hypotheses of the study were tested using Z-test statistical method. Consequently, the findings of
the study revealed that service recovery strategies had significant positive relationships with customer satisfaction and loyalty in Lagos hotels. McDougall and Levesque (1999) examined the effectiveness of recovery strategies. The study was based on 592 responses from airlines customers and service managers. The results show that assistance plus compensation have a significant effect on recovery services. Other research has noted that service failure may lead to a breakdown in the relationship between a customer and the service organization, generating negative word-of-mouth communication and negative future behaviours (Ha & Jang 2009).

Kerin (2009) noted that retaining customers affects profits at higher rate than does attracting new customers. At such, and according to previous research, applying successful service recovery strategies positively affects companies’ revenues and therefore profits. According to Batainch et al., (2015), commitment and satisfaction have a strong impact on customer retention. The current study highlights the role of realizing e-service recovery satisfaction in achieving customer retention. E-service recovery is characterized as a fast, accurate and effective means that providers can apply to absorb the negative effects of service failure. These findings affirms the conclusion of Lewis and McCann (2004), the research examined the influence of service failure and recovery strategies in airlines. The study highlighted that the most common service recovery strategies used for the airlines sector that include: apology, correction, explanation, immediate action and responsibility for the service failure. Similarly, Susskind (2002) service failures are inevitable due to the high ‘people factor’ of services in the hospitality business. Service failure can accelerate customer dissatisfaction with the service provider, which could possibly lead to customer complaints. Airline customers who are dissatisfied with the service phenomenon most likely will show the following for reactions: exit silently, spread a negative word-of-mouth (WOM), voice their complaints to the operator, or endure to patronage the same property despite their unhappiness. In the same vein, Zeithaml and Bitner (2003) in their research maintain that service recovery refers to the actions taken by a firm in response to service failure. Service failure often occurs when the customer’s perceived service quality falls below customer expectations. For example, delivery and web site design glitches are two major types of service failure in online retailing. Such failures may result to significant costs to the company, such as losing customers and encouraging negative words of mouth.

Furthermore, Hart et al., (1990), firms learn from experiences of service recovery when they may not be able to prevent service failure believed that firms should not regard service failure as a challenge but as an opportunity to make satisfied customers. Hence, recovery strategies have a dramatic impact on a firm’s revenue and profitability as resolving customer problems has impacts on customer satisfaction and loyalty. Hart et al. (1990) also found that customer behavioural intentions are more favourable when customers believe that firms consistently implement service recovery when failures occur. Nevertheless, Kotler and Keller (2006) have established that retaining current customers results in cost reduction, timely feedback, upholds and secures profits. Studies have also revealed that the cost of gaining one customer is five times greater than cost of retaining and existing customer. Finally, Bennington and Cummame, (1998) service recovery is positive step towards customer satisfaction and loyalty. Due to global competition, services providers are trying to facilitate such a service quality to customers which lead to uniqueness of selling proposition and to avoid product substitution. However, one study has shown that almost 70 percent of customers who change their service providers do not complain about price or product quality, they can have complained about the indifferent attitude of their former providers. Finding
from the Jupiter executive survey (ES) revealed that a majority of 75 percent consumers expressed that the speedy response to customer service inquires would affect their decision to make future purchases from a particular service industry.

3. RESEARCH METHODOLOGY
The study adopted a cross-sectional survey design to enhance the collection of primary data required for analysis and generation of findings. The population comprised 1,491 airline passengers in Calabar, Nigeria from which a sample size of 315 passengers was statistically determined using the Taro Yamane procedure as follows:

\[
\begin{align*}
n &= \frac{1491}{1 + 1491(0.05)^2} \\
n &= \frac{1491}{1 + 1491 	imes 0.025} \\
n &= \frac{1491}{1 + 3.7275} \\
n &= \frac{1491}{4.7275} \\
n &= 315.388683 \\
\therefore n &= 315 \text{ approximately.}
\end{align*}
\]

Subsequently, simple random sampling technique was adopted to select passengers to participate in the survey. The instrument used for primary data collection was a 7-point Likert scale questionnaire anchored by strongly agree (value 7) and strongly disagree (value 1). The adapted RECOVSTAT instrument (Boshoff, 1999) was used to quantify satisfaction with service recovery (the time and compensation proxies added). In total, 19 items were generated to measure the variables of the study. To validate the instrument’s reliability status, Cronbach’s alpha method was applied, thereby revealing that all questionnaire scales generated alpha coefficients greater than 0.7. Subsequently, the data obtained through the questionnaire were analyzed using descriptive statistics, while simple linear regression was adopted for hypotheses testing. The simple regression model tested is as follows:

\[Y = a + \beta X + e\]

Where:
- \(Y\) = Dependent variable (passengers’ satisfaction)
- \(a\) = The intercept
- \(\beta\) = Coefficient of the independent variable
- \(X\) = Independent variable (airline service recovery strategies)
- \(e\) = Margin of error (5 percent)

Therefore:
- \(X_1\) = Compensation
- \(X_2\) = Communication
- \(X_3\) = Feedback
4. DATA ANALYSIS AND DISCUSSION

We distributed 315 questionnaire copies to respondents out of which 250 copies were completed and returned, while 65 questionnaire copies were considered to be invalid because the flight passengers were first time users. This brought about a response rate of 79.37 percent. Hence, the analysis done in this study was based on the responses of 250 airline passengers.

Table 1
Summary of respondents’ demographic characteristics

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>170</td>
<td>68.0</td>
</tr>
<tr>
<td>Female</td>
<td>80</td>
<td>32.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>68.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 - 25 Years</td>
<td>75</td>
<td>30.0</td>
</tr>
<tr>
<td>26 - 45 Years</td>
<td>140</td>
<td>56.0</td>
</tr>
<tr>
<td>46 - 60 Years</td>
<td>35</td>
<td>14.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Educational qualifications</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>O’Level</td>
<td>45</td>
<td>18.0</td>
</tr>
<tr>
<td>HND/B.Sc.</td>
<td>105</td>
<td>42.0</td>
</tr>
<tr>
<td>Professional/Postgraduate</td>
<td>100</td>
<td>40.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student</td>
<td>90</td>
<td>36.0</td>
</tr>
<tr>
<td>Self employed</td>
<td>60</td>
<td>24.0</td>
</tr>
<tr>
<td>Civil/public servant</td>
<td>20</td>
<td>8.0</td>
</tr>
<tr>
<td>Businessman/woman</td>
<td>80</td>
<td>32.0</td>
</tr>
<tr>
<td>Total</td>
<td>250</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Authors’ Analysis via SPSS 2023

The results in Table 1 show that out of the 250 respondents surveyed, 170 respondents which represent 68.0 percent were male, while 80 of the respondents which represent 32 percent were female. With respect to respondents’ age, the results show that 75 (30 percent) of the respondents were within the age range of 18 to 25 years, 140 (56.0 percent) of the respondents were aged between 26 to 45 years, 35 (14 percent) of the respondents were in the age bracket of 46 to 60 years. On respondents’ educational qualifications, the results show that 45 (18.0 percent) of the
respondents had O’level qualifications, 105 (42.0 percent) of the respondents had HND/B.Sc. degrees, while 100 (40.0 percent) of the respondents had professional or postgraduate qualifications. Finally, on respondents’ occupation, the results show that 90 (36.0 percent) of the respondents were students; 60 (24.0 percent) of the respondents were self-employed; 20 (8.0 percent) of the respondents were civil/public servants; and 80 (32.0 percent) of the respondents were businessmen/women.

Test of hypotheses

1. $H_0$: Compensation has no significant effect on passengers’ satisfaction towards airlines in Nigeria.
2. $H_0$: Communication has no significant effect on passengers’ satisfaction towards airlines in Nigeria.
3. $H_0$: Feedback has no significant effect on passengers’ satisfaction towards airlines in Nigeria.
4. $H_0$: Empowerment has no significant effect on passengers’ satisfaction towards airlines in Nigeria.
5. $H_0$: Explanation has no significant effect on passengers’ satisfaction towards airlines in Nigeria.
6. $H_0$: Apologies has no significant effect on passengers’ satisfaction towards airlines in Nigeria.
7. $H_0$: Tangible has no significant effect on passengers’ satisfaction towards airlines in Nigeria.

Table 2. Summary of regression analysis results

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>R</th>
<th>$R^2$</th>
<th>Standardized β coefficient</th>
<th>Test statistic</th>
<th>P value</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>$H_1$</td>
<td>0.273</td>
<td>0.075</td>
<td>0.273</td>
<td>F test = 6.615</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>T test = 3.484</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$H_2$</td>
<td>0.716</td>
<td>0.513</td>
<td>0.716</td>
<td>F test = 64.543</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>T test = 6.642</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$H_3$</td>
<td>0.375</td>
<td>0.141</td>
<td>0.375</td>
<td>F test = 13.404</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>T test = 6.050</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$H_4$</td>
<td>0.344</td>
<td>0.119</td>
<td>0.344</td>
<td>F test = 11.038</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>T test = 2.238</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


### Table 2

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Coefficient 1</th>
<th>Coefficient 2</th>
<th>F test</th>
<th>T test</th>
<th>P-value</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>H₅</td>
<td>0.601</td>
<td>0.601</td>
<td>69.806</td>
<td>7.284</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>H₆</td>
<td>0.593</td>
<td>0.593</td>
<td>67.048</td>
<td>6.053</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>H₇</td>
<td>0.080</td>
<td>0.006</td>
<td>0.803</td>
<td>1.186</td>
<td>0.449</td>
<td>Non-Significant</td>
</tr>
</tbody>
</table>

Significant @ P ≤ 0.05

Source: Authors’ analysis through SPSS (2023)

### 5. DISCUSSION OF FINDINGS

**Compensation and passengers’ satisfaction**

The results of the regression analysis summarized in Table 2 reveals that the relationship between compensation and passengers’ satisfaction towards airlines in Nigeria is 27.3 percent ($R = .273$). The results also show that up to 7.5 percent of the variability in passengers’ satisfaction towards airlines in Nigeria is caused by compensation ($R^2 = 0.075$). Similarly, the F-statistic ($F = 6.615$), t-statistic ($t = 3.484$) and significance level (p-value = 0.000 < 0.05) indicate that the effect of compensation on passengers’ satisfaction towards airlines in Nigeria is statistically significant and positive. Therefore, the results provide sufficient empirical evidence to conclude that compensation has a significant positive effect on passengers’ satisfaction towards airlines in Nigeria. This finding is in line with the result of McDougall and Levesque (1999), which showed that assistance and compensation had a significant effect on recovery services.

**Communication and passengers’ satisfaction**

The results of the regression analysis summarized in Table 2 reveals that the relationship between communication and passengers’ satisfaction towards airlines in Nigeria is 71.6 percent ($R = .716$). The results also show that up to 51.3 percent of the variability in passengers’ satisfaction towards airlines in Nigeria is caused by communication ($R^2 = 0.513$). Similarly, the F-statistic ($F = 64.543$), t-statistic ($t = 6.642$) and significance level (p-value = 0.000 < 0.05) indicate that the effect of communication on passengers’ satisfaction towards airlines in Nigeria is statistically significant and positive. Therefore, the results provide sufficient empirical evidence to conclude that communication has a significant positive effect on passengers’ satisfaction towards airlines in Nigeria. These days, consumers are constantly bombarded with promotional efforts from many different sources and marketers use communication to inform, educate, and persuade their target audiences to buy their product or service (Odigbo, Etuk & Akpan, 2021). This finding aligns with the study of Ha and Jang (2009) which revealed that communication amidst a service failure could significantly enhance customer satisfaction, thereby reducing the possibility of negative word of mouth spread. This premise is supported by the study of Etuk, Anyadighibe, James & Ulo (2022), which found that promotion facilitates subscribers’ patronage and satisfaction in Nigeria.
Feedback and passengers’ satisfaction
The results of the regression analysis summarized in Table 2 reveals that the relationship between feedback and passengers’ satisfaction towards airlines in Nigeria is 37.5 percent (R = .375). The results also show that up to 14.1 percent of the variability in passengers’ satisfaction towards airlines in Nigeria is caused by feedback (R² = 0.141). Similarly, the F-statistic (F = 13.404), t-statistic (t = 6.050) and significance level (p-value = 0.000 < 0.05) indicate that the effect of feedback on passengers’ satisfaction towards airlines in Nigeria is statistically significant and positive. Therefore, the results provide sufficient empirical evidence to conclude that feedback has a significant positive effect on passengers’ satisfaction towards airlines in Nigeria. This finding aligns with the study of Cheng, Gan, Imrie and Mansori (2018), which revealed that feedback has a significant relationship with customer satisfaction and customer loyalty in Malaysia’s hotel industry.

Empowerment and passengers’ satisfaction
The results of the regression analysis summarized in Table 2 reveals that the relationship between empowerment and passengers’ satisfaction towards airlines in Nigeria is 34.4 percent (R = .344). The results also show that up to 11.9 percent of the variability in passengers’ satisfaction towards airlines in Nigeria is caused by empowerment (R² = 0.119). Similarly, the F-statistic (F = 11.038), t-statistic (t = 2.238) and significance level (p-value = 0.000 < 0.05) indicate that the effect of empowerment on passengers’ satisfaction towards airlines in Nigeria is statistically significant and positive. Therefore, the results provide sufficient empirical evidence to conclude that empowerment has a significant positive effect on passengers’ satisfaction towards airlines in Nigeria. This finding is in line with the study of Nwokorie (2016), which revealed that service recovery strategies (including employee empowerment) had a significant effect on customer loyalty in selected hotels in Lagos State, Nigeria.

Explanation and passengers’ satisfaction
The results of the regression analysis summarized in Table 2 reveals that the relationship between explanation and passengers’ satisfaction towards airlines in Nigeria is 60.1 percent (R = .601). The results also show that up to 36.1 percent of the variability in passengers’ satisfaction towards airlines in Nigeria is caused by explanation (R² = 0.361). Similarly, the F-statistic (F = 69.806), t-statistic (t = 7.284) and significance level (p-value = 0.000 < 0.05) indicate that the effect of explanation on passengers’ satisfaction towards airlines in Nigeria is statistically significant and positive. Therefore, the results provide sufficient empirical evidence to conclude that explanation has a significant positive effect on passengers’ satisfaction towards airlines in Nigeria. This finding is in line with the study of Lewis and McCann (2004), which revealed that the most common service recovery strategies used for airlines are apology, correction, explanation, immediate action and responsibility for the service failure.

Apologies and passengers’ satisfaction
The results of the regression analysis summarized in Table 2 reveals that the relationship between apologies and passengers’ satisfaction towards airlines in Nigeria is 59.3 percent (R = .593). The results also show that up to 35.2 percent of the variability in passengers’ satisfaction towards airlines in Nigeria is caused by apologies (R² = 0.352). Similarly, the F-statistic (F = 67.048), t-statistic (t = 6.053) and significance level (p-value = 0.000 < 0.05) indicate that the effect of apologies on passengers’ satisfaction towards airlines in Nigeria is statistically significant and positive. Therefore, the results provide sufficient empirical evidence to conclude that apologies
have a significant positive effect on passengers’ satisfaction towards airlines in Nigeria. This finding is in line with the study of Nwokorie (2016), which revealed that apologies, as a service recovery strategy, have a significant effect on customer loyalty in selected hotels in Lagos State, Nigeria.

Tangible and passengers’ satisfaction
Table 2 shows the model summary of the relationship between tangibles and passengers’ satisfaction in. From the “R” column, the table reveals that the correlation between both variables is 0.080 (that is 8.0 percent) which indicates a very weak degree of correlation between tangibles and passengers’ satisfaction. The $R^2$ value (0.006) indicates that only 0.6 percent of the dependent variable (passengers’ satisfaction) can be explained by the independent variable (tangibles). The results show that the regression model does not adequately predict the dependent variable significantly and indicates that, overall, the regression model does not statistically significantly predict the outcome variable, that is, it is not a good fit for the data ($F = 0.803; p > 0.05$). Therefore, we conclude that tangible does not have significant effect on passengers’ satisfaction towards airlines in Nigeria. This finding is contrary to the study of Nwachukwu (2014), which revealed that service tangibles had significant impacts on overall satisfaction of passengers with intra-city public bus transport services in Abuja.

6. CONCLUSION AND RECOMMENDATIONS
As captured in the central assumption of the reactivist theory of crisis management, the possibility of crisis emergence over the long term cannot be avoided because of the diverse interests and fallibility of human systems. This entails that as long as humans are involved in the service delivery process of airlines, there is a real possibility for service failures to occur; which is why scholars have sought to determine how to implement service recovery strategies to address such service failures. This study centered on the effect of service recovery strategies on passengers’ satisfaction in Nigerian airlines. It specifically explored the effects of compensation, communication, feedback, empowerment, explanation, apologies, and tangibles on passengers’ satisfaction towards airlines in Nigeria. Consequent upon statistical tests of the hypotheses developed for the study, the findings revealed that out of the airline service recovery strategies tested (compensation, communication, feedback, empowerment, explanation, and apologies) had significant positive effects on passengers’ satisfaction in Nigeria. Whereas tangibles had a non-significant effect on passengers’ satisfaction towards airlines in Nigeria. Therefore, we conclude that airlines could significantly improve passengers’ satisfaction towards their services by implementing service recovery strategies such as compensation, communication, feedback, empowerment, explanation, and apologies, if and when there is a service failure. To that end, we have presented the following recommendations for implementation by players in the commercial airline industry:

1. Airlines should maintain compensation packages for passengers who have experienced a service failure in order to make amends for poor service experiences and improve passengers’ satisfaction.
2. There is need for airlines to maintain around-the-clock communication with passengers during service failures regarding their efforts to restore service delivery. This will provide confidence and assurance to passengers that airlines are committed to restore service during failures.
3. Passengers’ feedback is essential to the resolution of service failures, which is why airlines should consistently elicit feedback from passengers in order to determine the most effective ways of initiating recovery programmes.

4. Airline service employees should be empowered with training, knowledge and skills to initiate recovery efforts aimed at averting service failures and restoring service delivery in the event of a failure.

5. During communication with passengers, airlines should ensure to honestly and transparently explain to passengers the causes of service failures and what actions are being taken to restore service delivery.

6. Airlines should ensure to offer timely and polite apologies to aggrieved passengers during service failures while they work to ensure restoration of service delivery.

REFERENCES


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