

## The Effect of Service Recovery and Situational Factors on Consumer Forgiveness



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**ABSTRACT:** The purpose of this study is to (1) determine the effect of service recovery on consumer forgiveness, (2) determine the effect of situational factors on consumer forgiveness. The respondents of this research were 100 consumers of the Tirta Dharma Regional Drinking Water Company, Bengkulu City. The collected data was analyzed using multiple linear regression analysis. The results showed that service recovery has a positive effect on consumer forgiveness. That is, the better service recovery, the higher consumer forgiveness will be. Situational factors have a positive effect on consumer forgiveness. That is, the higher the situational factor of consumers the higher the consumer forgiveness. Implementing service recovery management is considered to have a significant impact on customer evaluation because customers tend to be more emotional when involved in service restoration than during the interactional time of service. When this is done well, a dissatisfied customer can become one of the most loyal customers who acts as public relations for the organization through word of mouth. Improve service quality so that the possibility of service failure can be avoided. With good service quality there will be a positive social environment talk of company services.

**KEYWORDS:** Service Recovery, Situational Factor, Consumer Forgiveness

### INTRODUCTION

Companies in the current era operate in highly competitive markets and consumers often expect high levels of service (Yagil & Luria, 2016). Because of this competitiveness, service failures are unavoidable and represent a major challenge for companies (Riaz & Khan, 2016). Service failure occurs when a company offers services that do not meet consumer expectations (Casidy & Shin, 2015) and the consequences include reduced consumer satisfaction and loss of customers (Keiningham, Morgeson, Aksoy, Williams, 2014; Wong, Newton, Newton, 2016). To restore consumer relationships after service failures, companies must understand what influences consumers when deciding whether to forgive the company or not (Tsarenko & Tojib, 2011).

Forgiveness is a phenomenon that is relevant to many types of scientific disciplines. Historically, forgiveness originated in the field of theology and currently plays an important role in social studies, philosophy and psychology (Tsarenko & Tojib, 2011). This concept has several definitions, which makes forgiveness difficult to conceptualize. However, many scholars agree that forgiveness is a process that begins with an active decision to forgive, followed by a gradual release of resentment and a decrease in motivation to retaliate (Riaz & Khan, 2016; Yagil & Luria, 2016). In a business context, forgiveness can be described as a consumer's deliberate action to forgive the company (Xie & Peng, 2009).

Consumer forgiveness has been investigated by previous scholars in different contexts. For example, Tsarenko and Tojib (2012) propose a transactional model, which includes situational and contingency factors that can hinder or facilitate consumer forgiveness. Casidy and Shin (2015) also suggest that the spread of information i.e. word of mouth affects a company's reputation and therefore it is important for companies to have knowledge on how to manage this in order to be forgiven. Nyffenegger, Krohmer, Hoyer and Malaer. (2015) proposed that consumers who have a strong relationship with a brand are more likely to forgive a company after a service failure. In addition, (Riaz & Khan, 2016) stated that if the service failure is more severe, consumers will experience more negative feelings. Furthermore, Hazée, Vaerenbergh and Armirotto (2017) proposed different service recovery strategies that can be implemented to improve customer satisfaction after service failures.

The situational factors proposed by Tsarenko and Tojib (2011) are novelty, outcome uncertainty, and temporal factors. Novelty relates to service incidents that consumers have never experienced. However, consumers are generally aware of service failures due to easy access to new information. Despite having access to this information, consumers may still feel confused when

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experiencing a new service incident. Outcome uncertainty refers to consumer expectations and anticipated outcomes. The higher the level of outcome uncertainty, the better consumers will understand service failure. However, Tsarenko and Tojib (2011) also stated that higher levels of uncertainty produce ambiguous outcomes, which can produce negative emotions that are difficult to handle. Temporal factors correlate with the time and length during which the event occurred. Length of time plays an important role in reducing the intensity of conflict because it allows consumers to reevaluate their initial dissatisfaction.

Consumer choices regarding the products or services offered will be influenced by the characteristics of the product or service, type of consumer and situational factors. Situational factors are environmental aspects that influence consumer choices, which will continue until the purchase stage and post-purchase stage. The idea of situational factors influencing consumer choice, and differences in situational types influencing competition at various levels of the product hierarchy through the consumer choice process.

Srivastava (2015) conceptualized two approaches to developing a situational taxonomy. in the consumer choice process. These approaches include: first, the psychological approach is an approach which classifies situations into psychological processes that will be directed. The advantage of this approach is that it focuses on the situation as accepted by the individual. This approach has a low systematic impact on consumer choices. Second, the objective situation approach is an approach that better describes consumer behavior. This approach is more related to the product used, and is an external factor for consumers that leads to differences in individual behavior. From these two approaches it can be concluded that in developing a simple rule of thumb , marketing researchers must have agreement with complex situations so that differences in consumer behavior can be analyzed.

Consumers in making choices cannot be separated from situational factors, including the research object at the Regional Drinking Water Company (PDAM) Tirta Dharma, Bengkulu City, Indonesia. The phenomenon seen from situational factors is such as water not flowing for 23 hours, the majority of consumer complaints or complaints are water problems that do not always exist, especially in the zone 3 service area (Muara Bangkahulu District, Sungai Serut District and Teluk Segara District). However, because Bengkulu City PDAM products are daily necessities and the quality of wells in the area is unreliable, they have to force consumers to subscribe to Bengkulu City PDAM.

As a company engaged in drinking water supply services, this company must provide excellent service . However, phenomena in the field indicate a service failure by PDAM Tirta Dharma Bengkulu City:

1. The number of consumer complaints or complaints in 2023 will reach 1,519. This means that the average number of consumer complaints in one month is 127 complaints and in one day (22 working days) there are 6 complaints.
2. The process of installing a new connection is quite long, more than 3 weeks.
3. The recording of consumer water meters is not accurate

Service failure occurs when a company offers services that do not meet consumer expectations (Casidy & Shin, 2015) and the consequences include reduced consumer satisfaction and customer loss. To restore consumer relationships after service failures, companies must understand what influences consumers when deciding whether or not to forgive the company (Tsarenko & Tojib, 2012) . However, the phenomenon that occurs is that most consumers can forgive the failure of the Bengkulu City PDAM service, for example they do not disconnect, do not avoid the company or withdraw and hope for the service they deserve, meaning they demand a solution and seriousness from the Bengkulu City PDAM regarding the services they receive.

The fact that consumer behavior differs between business fields, and the author is interested when discussing consumer forgiveness , and recognizing these differences is important for understanding consumer behavior in different businesses. For example, research by Tsarenko and Tojib (2011); Tsarenko and Tojib (2012) health, financial and retail sectors, that these characteristics can vary as social events shape consumer values and behavior. From this phenomenon, the problem in this research is whether service recovery has an effect on consumer forgiveness and whether situational factors have an effect on consumer forgiveness.

## MATERIALS AND METHODS

This research uses a quantitative approach with a survey method where data collection uses a questionnaire. The measurements of the variables in this research can be seen in the following table:

**Table 1** Variable Measurement

Variable	Dimensions	Indicator	Source
Consumer forgiveness	Avoidance motivations	<ol style="list-style-type: none"> <li>1. Maintain as much distance as possible</li> <li>2. It was as if he didn't exist</li> <li>3. Don't believe</li> <li>4. Find it hard to act warm</li> </ol>	(McCullough, et al., 2006)

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Variable	Dimensions	Indicator	Source
		5. Dodge 6. Severing ties 7. Withdraw	
	Revenge motivations	8. Make him pay 9. Expect something bad 10. Get what you deserve 11. revenge 12. Hurt and miserable	
	Benevolence motivations	13. Goodwill 14. Move forward with the relationship 15. Positive relationship 16. Putting aside the pain 17. Surrendering pain and resentment 18. Let go of anger	
Service recovery	Distributive Justice	1. Discounts 2. Refunds 3. Free gift 4. Upgrades	Smith, et al., 1999; Kau & Loh, 2016)
	Distributive Justice	5. Discounts 6. Refunds 7. Free gift Upgrades	
	Procedural justice	8. Process control 9. Decision control 10. Accessibility 11. Timing/speed Flexibility	
	Interactional justice	12. Explanation 13. Honesty 14. Politeness 15. Effort Empathy	
Situational factors	Physical Surrounding	1. Service product quality 2. Service product quantity 3. Continuity of service products	(Belk, 2014; Belk, 2015)
	Social surroundings	4. Suggestions from neighbors/friends 5. Family recommendation 6. Positive talk about the company	
	Temporal perspective	7. Specific occasions when purchasing behavior occurs 8. Past experience 9. Save time if you use the service	
	Task definition	10. The goals or objectives that consumers have 11. Prerequisites for choosing 12. Information regarding general or specific purchases	
	Antecedent states	13. Temporary feeling ( mood ). 14. Feelings of anxiety or joy 15. Conditions that consumers bring to a situation	

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## Sample and Data Collection

The population in this research is PDAM Tirta Dharma Bengkulu City consumers who made complaints in 2023 as many as 1,519 people. The sampling technique used in this research uses a purposive sampling technique, namely a technique for determining samples with certain considerations (Sugiyono, 2015). The criteria or considerations for selecting the sample for this research are customers who have subscribed to Bengkulu City PDAM water for at least 15 years and are more than 18 years old. Based on these criteria, a sample of 100 PDAM customers in Bengkulu City was obtained.

The data in this research was collected by distributing questionnaires using an online survey method with a questionnaire tool and distributed online via social media within two weeks to respondents.

The research instrument in the form of a questionnaire was tested for the validity and reliability of the instrument. The data processing technique uses computerized calculations from the SPSS 23 for Windows program. In this research the author uses descriptive data analysis, multiple linear regression analysis, coefficient of determination analysis and t statistical test.

## RESULTS AND DISCUSSION

The water distribution system in PDAM Bengkulu City is through a pipe network with a gravity and pumping system. Bengkulu City PDAM has three reservoirs for water distribution, namely the Surabaya IPA Reservoir with a capacity of 2x200 m<sup>3</sup>, the Nelas WTP Reservoir with a capacity of 3,000 m<sup>3</sup> and the Sebakul Water Reservoir with a capacity of 5,000 m<sup>3</sup>. The following is the amount of water production and distribution of Bengkulu City PDAM.

**Table 2. Bengkulu City PDAM Water Production and Distribution**

Year	IPA Surabaya (m <sup>3</sup> )		Nelas Natural Science (m <sup>3</sup> )	
	Production	Distribution	Production	Distribution
2018	5,510,129	5,044,932	9,067,335	8,722,300
2019	4,346,137	4,010,942	10,784,415	10,299,998
2020	4,420,266	3,927,628	11,317,446	10,135,285
2021	7,359,799	6,235,608	10,429,030	9,934,409
2022	8,348,100	5,315,362	9,833,354	9,672,921

Source: Bengkulu City PDAM, 2023

## Respondent Demographics

The following explains the demographic characteristics of the 100 respondents who participated in this research based on age, gender, education level, occupation and frequency of complaints.

**Table 3. Demographic Description of Respondents**

Description	Frequency	Percentage (%)
<b>Age</b>		
25-35 years old	57	57
36-45 years old	34	34
> 45 years	9	9
<b>Gender</b>		
Man	56	56
Woman	44	44
<b>Level of education</b>		
Elementary/middle school equivalent	2	2
high school equivalent	12	12
College (D I-IV, S1, S2, S3)	86	86
<b>Work</b>		
Central/regional ASN, BUMN, BUMD	38	38
Private employees	27	27
Self-employed	25	25
Doesn't work	10	10

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Frequency of complaints		
2 times	55	55
2-3 times	25	25
> 3 times	20	20
Amount	100	100

Source: Research Data, 2023

These results indicate that the respondents in terms of age are young. Younger respondents are more willing to expend the effort involved in making a complaint. Therefore, demographic factors such as age really play an important role in consumer complaining behavior. Based on gender, the respondents in this study were almost comparable. Ruslan (2013) shows that there is a relationship between demographic factors and customer complaint behavior and reveals that women are more likely to complain compared to men.

Based on education level, the respondents in this study were dominated by university educational backgrounds. Phau and Baird (2008) state that consumers who have a high level of education tend to show aggressive behavior in submitting complaints. Almost the majority of research respondents work as central/regional ASN, BUMN, BUMD. Occupation is related to consumer income, according to research by Phau and Baird (2008) there is no significant difference between the type of employment and consumer complaining behavior.

Based on the frequency of complaints, more than the majority of research respondents have submitted complaints to PDAM Bengkulu City twice. These results indicate that there was a service failure which had an impact on customer complaints. Service restoration can retain customers and increase company revenue.

**Table 4. Respondents' responses to Service Recovery**

No	Question	Answer Choices					Average	Information
		STS	T.S	K.S	S	SS		
	<b>Distributive Justice</b>						<b>3.55</b>	Accept
1	I got a discount	12	7	20	31	30	3.60	Accept
2	I got a refund	9	8	31	26	26	3.52	Accept
3	I got a free gift	4	13	51	13	19	3.30	Less accepting
4	I got a new service	2	14	24	24	36	3.78	Accept
	<b>Procedural justice</b>						<b>3.93</b>	Accept
5	My service is taken care of	0	8	25	30	37	3.96	Accept
6	My service comes first	0	11	34	34	21	3.65	Accept
7	My services get more access	0	11	23	28	37	3.93	Accept
8	My service was expedited	2	9	25	19	45	3.96	Accept
9	My service is made easier	0	9	16	28	47	4.13	Accept
	<b>Interactional justice</b>						<b>3.99</b>	Accept
10	I get an apology	0	6	30	35	9	3.87	Accept
11	I received an honest explanation	0	4	25	18	53	4.20	Accept
12	I received more polite service	0	7	22	25	46	4.10	Accept
13	I accept more service efforts	0	5	34	18	43	3.99	Accept
14	I got empathy from all the waiters	3	5	29	35	28	3.80	Accept
	<b>Average Service Recovery</b>						<b>3.84</b>	Tall

Source: Research Data, 2023

Table 4 shows that the overall average of respondents' responses to the service recovery variable is of 3.84. Thus, the existence of relatively high service recovery at Bengkulu City PDAM is believed to be able to provide customers' goodwill so that they can forgive.

Average response of respondents on the distributive justice dimension with the receiving category (3.55). The receiving category means that consumers receive a new service where previously they experienced a failure in the Bengkulu City PDAM service, such as an inaccurate customer water meter recording service, resulting in a new service, namely meter stand correction. The officer will make corrections by dividing the bill by the consumer's average monthly usage so that the inflated bill will be

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distributed evenly over the previous month which was not recorded. This service is provided due to the failure of the meter recording officer (human error), recording according to the actual water meter number at the customer's house. However, Bengkulu City PDAM must minimize this service failure, considering that consumers have spent time and energy by coming to the service office which has only one service point.

The average response of respondents to the procedural justice dimension was in the accepting category (3.93) with the highest average value in the ninth statement item, namely 4.13 (accepting). The item is about services that are made easier. The receiving category means that Bengkulu City PDAM provides easy services to consumers due to service failures, such as officers visiting consumers directly, being contacted directly by officers via telephone, ease of administration and ease of other services.

The average response of respondents to the interactional justice dimension was in the accepting category (3.99) with the highest average value in the eleventh statement item, namely 4.20 (accepting). The item is about honest explanations. The receiving category means that Bengkulu City PDAM provides an explanation to consumers regarding service failures that occur, such as large customer water bills due to leaks in the customer's home installation, so in this case PDAM officers will provide a detailed explanation of how the bill can become large. Leaks before the water meter are the PDAM's responsibility, while after the water meter are the customer's responsibility. Often leaks in water network installations in customers' homes are not discovered, because the installation is under the floor, even though the water tap in the house has been turned off, the water meter continues to turn because water flows through the leaking installation. With an honest explanation, failed services can be restored and consumer forgiveness will be easy to obtain.

### Description of Respondents' Responses to Situational Factors

**Table 5. Respondents' Responses to Situational Factors**

No	Question	Answer Choices					Average	Information
		STS	T.S	K.S	S	SS		
	<b>Physical Surrounding</b>						<b>3.51</b>	Good
1	The water quality is quite good	6	13	19	39	23	3.60	Good
2	Sufficient quantity of water	3	14	27	34	22	3.58	Good
3	Continuity (flowing for 24 hours)	9	17	27	25	22	3.34	Not good
	<b>Social surroundings</b>						<b>2.99</b>	Not good
4	Advice from neighbors	9	23	54	9	5	2.78	Not good
5	Recommendation from family	12	15	44	24	5	2.95	Not good
6	Positive conversation about the company	8	9	52	12	19	3.25	Not good
	<b>Temporal perspective</b>						<b>3.11</b>	Not good
7	Interesting memories about the company	9	20	43	15	13	3.03	Not good
8	Previous pleasant experience	11	10	49	19	11	3.09	Not good
9	Save time when choosing a service	3	16	53	14	14	3.20	Not good
	<b>Task definition</b>						<b>3.63</b>	Good
10	The need for products	0	3	31	33	33	3.93	Good
11	Requires using the product	3	10	38	21	28	3.61	Good
12	There is information about the product	3	17	46	10	24	3.35	Good
	<b>Antecedent states</b>						<b>3.42</b>	Good
13	Temporary feeling (mood).	0	18	58	10	14	3.20	Not good
14	Feeling happy	0	13	52	13	22	3.44	Good
15	Circumstances necessitate coming here	2	11	30	36	21	3.63	Good
	<b>Average Situational Factor</b>						<b>3.33</b>	<b>Not good</b>

Source: Research Data, 2023

Table 5 shows that the overall average response of respondents to the situational factor variable is 3.33. These results indicate that consumer situation factors regarding PDAM Tirta Dharma Bengkulu City services are poor, especially in the social surrounding and temporal perspective dimensions. This dimension must receive attention from PDAM Bengkulu City management so that this situational factor can be more positive.

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The average response of respondents with the highest average value on the task definition dimension was in the good category (3.63) with the highest average value on the tenth statement item, namely 3.93 (good). This item is about the need for the product. The good category means that consumers choose PDAM Bengkulu City because of their need for water. This is because PDAM Kota Bengkulu is the only company operating in the field of water needs services that has sole authority over water management so that there are no other alternatives that consumers can choose from. So if the quality of the consumer's well water is not good (colored and smelly) then there is no other choice for the community to register access to clean water, except subscribing to Bengkulu City PDAM water.

The average response of respondents with the lowest average value in the social surrounding dimension was in the not good category (2.99) with the lowest average value in the fourth statement item, namely 2.78 (not good). The item is about suggestions from neighbors. This fact shows that in reality the social environment of the community has not provided good recommendations for Bengkulu City PDAM services. This indicates that the quality of Bengkulu City PDAM services is not very good so that positive discussions regarding the company's services have not occurred. Therefore, PDAMs must seriously improve their services so that consumers can tell positive things about the company more often.

Respondents' responses in another poor category were the temporal perspective dimension (3.11) with the lowest average value being the fourth statement item, namely 2.78 (not good). The item is about "interesting memories about the company". Based on PDAM service facts, the types of complaints that occur are similar and tend to recur, such as recording water meters that have been previously corrected, occurring again in the following month. This is of course a bad memory, and this situation is detrimental to consumers and has a negative impact on the company. This fact also shows that poor temporal perspective is believed to influence consumer behavior, especially situational factors. The limitations of consumer choices in making decisions to purchase and consume a service will be influenced by situational factors.

Description of Respondents' Responses to Consumer Forgiveness

**Table 6. Respondents' Responses to Consumer Forgiveness**

No	Question	Answer Choices					Average	Information
		STS	T.S	K.S	S	SS		
	<b>Avoidance motivations</b>						<b>2.64</b>	Less avoidance
1	I will keep as much distance as possible	18	19	41	14	8	2.75	Less avoidance
2	It's as if this company doesn't exist	31	27	32	6	4	3.25	Less avoidance
3	I don't believe it anymore	23	11	46	16	4	2.64	Less avoidance
4	I find it hard to act warm	14	8	56	17	5	2.91	Less avoidance
5	I avoid this company	20	32	34	10	4	2.46	Less avoidance
6	I will disconnect	27	31	32	3	7	2.32	Don't shy away
7	I will withdraw	24	28	38	3	7	2.41	Less avoidance
	<b>Revenge motivations</b>						<b>2.36</b>	Not demanding
8	I demand compensation	11	10	42	13	24	3.29	Less demanding
9	I expected something bad	54	20	26	0	0	1.72	Very undemanding
10	I expected something decent	9	5	23	24	39	3.79	Demand
11	I will take revenge	81	11	8	0	0	1.27	Very undemanding
12	I hope they experience the same thing	53	27	16	3	1	1.72	Very undemanding
	<b>Benevolence motivations</b>						<b>3.63</b>	Forgive
13	I have good intentions to forgive	9	7	32	18	34	3.61	Forgive
14	I continue to move forward with good relationships	0	8	33	27	32	3.83	Forgive
15	I continue to maintain positive relationships	0	6	24	30	40	4.04	Forgive
16	I put aside the pain (service failure)	5	24	47	11	13	3.03	Forgive
	<b>Average Consumer Forgiveness</b>						<b>3.56</b>	Forgive

Source: Research Data, 2023

Table 6 shows that the overall average response of respondents to the consumer forgiveness variable is 3.56. These results indicate that consumers tend to forgive mistakes or unpleasant service and consumers continue to move forward by maintaining a good relationship with PDAM Kota Bengkulu.

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The average response of respondents with the highest average value in the benevolence motivations dimension was in the forgiveness category (3.63) with the highest average value in the tenth statement item, amounting to 4.04 (forgive). The item is about continuing to maintain positive relationships. The forgiveness category means that consumers will continue to build positive relationships and put aside the "pain" of the failure of the service they received.

The fact is that Bengkulu City PDAM consumers can forgive the company, because they really need PDAM services and products. There are no other clean water alternatives that can be used, even if there were, the price of getting the product is quite expensive, for example from drilled wells and refilling gallons of water. PDAM Kota Bengkulu is the sole player in selling clean water through a network of pipes and water tanks. Therefore, consumers are forced to forgive because they are very dependent on PDAM service products.

The average response of respondents with the lowest average value in the revenge motivations dimension was in the forgiveness category (2.36) with the lowest average value in the tenth statement item, amounting to 1.27 (very undemanding). This item is about taking revenge. The category is very undemanding, meaning that consumers will not take revenge for the failure of the service they receive. As previously explained, consumers continue to accept and forgive PDAM services that are not very good, especially for areas where the water quality is smelly and colored, the quantity is insufficient (water flow is small) and areas where the water does not flow continuously (24 hours).

### Results of Multiple Linear Regression Analysis

Regression analysis is used to determine the influence of service recovery and situational factors on consumer forgiveness. The output from the multiple linear regression calculation can be seen in Table 7

**Table 7. Results of Multiple Linear Regression Analysis**

Variable	Standardized Coefficients	t	sig
Service Recovery	0.282	2,975	0.004
Situational Factors	0.292	3,083	0.003
R <sup>2</sup>	0.217		

Source: Research Data, 2023

The regression equation formed from the results of this analysis is  $Y = 0.282 X_1 + 0.292 X_2$ . Based on this regression equation, the coefficient value of each variable can be explained as follows:

1. The service recovery variable on the consumer forgiveness variable with a regression coefficient value of 0.322. The regression coefficient is positive, meaning that the service recovery variable has a positive influence on consumer forgiveness. This means that the better the service recovery, the higher the consumer forgiveness will be, conversely, the less good the service recovery, the lower the consumer forgiveness will be.
2. The influence of situational factors on the consumer forgiveness variable with a regression coefficient value of 0.292. The situational factor regression coefficient value has a positive direction of influence. This means, the higher the situational factor consumers, consumer forgiveness will be higher. Conversely, the lower the consumer's situational factor, the lower consumer forgiveness will be.

### Results of Coefficient of Determination Analysis

Table 7 shows that the value of the coefficient of determination shows that the R<sup>2</sup> value is 0.217. This value means that the service recovery and situational factor variables contribute 21.7 percent in influencing consumer forgiveness. Meanwhile, the remainder, amounting to 78.3 percent, was influenced by other factors not included in this model. According to Tsarenko and Tojib (2012), these factors CITATION Tsa12 \l 1033 influence consumer forgiveness, such as contingency factors (relationship history, social influence, competitor density, and switching costs), Word of Mouth (WOM), Brand Relationship and the severity of service failure.

### Statistical Test Results t

Based on Table 7, it is known that the service recovery variable has a significant effect on customer forgiveness (significance 0.004 < 0.05). Thus, it can be concluded that the hypothesis states that service recovery has a positive effect on consumer forgiveness acceptable. This means the better the recovery service PDAM Bengkulu City, consumer forgiveness will be higher. On the contrary, the worse the service recovery PDAM Bengkulu City, consumer forgiveness will be lower.

Table 7. It is known that the situational factor variable significant effect on customer forgiveness (significance 0.003 < 0.05). Thus it can be concluded that the hypothesis states situational factors has a positive effect on consumer forgiveness



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acceptable. This means, the higher the situational factor consumers, consumer forgiveness will be higher. Conversely, the lower the consumer's situational factor, the lower consumer forgiveness will be.

### DISCUSSION

The research results prove that service recovery has a positive effect on consumer forgiveness. This means, the better the recovery service will be Consumer forgiveness will also be higher, conversely, the worse the service recovery, the lower consumer forgiveness will be. Service recovery has been carried out by PDAM Bengkulu City in response to service failures, generally PDAM apologizes, offers new services, or provides other conveniences. Implementing effective service recovery strategies allows negative emotions to dissipate and is an important element for consumer forgiveness. Consumers generally want to regain their emotional balance after experiencing a service failure incident and thus they are inherently willing to forgive.

The recovery service offered by PDAM Kota Bengkulu is relatively high, especially in the distributive justice dimension. Respondents responded that PDAM Kota Bengkulu provided new services after a service failure occurred. For example, the failure of the meter recording service has an impact on the amount of water used and billing. Recovery is carried out by means of meter meter correction, so that it corresponds to the actual situation. Greenbery (1990) explains that distributive justice focuses on the results of service recovery, for example what efforts the company makes to handle customer complaints when the company makes a mistake, even though the company has to incur large costs to compensate for losses.

Bengkulu City PDAM in the procedural justice dimension restores services by providing service convenience, such as accelerated service, providing special services and other administrative conveniences. These results indicate that PDAM is focused on providing justice that consumers should receive when submitting complaints in accordance with the rules and policies set by the company. Tjiptono (2016) said that the service recovery that the company will carry out must first carefully understand the expectations and needs of consumers. Thus, companies can increase consumer forgiveness by maximizing pleasant customer experiences and minimizing or eliminating unpleasant customer experiences.

Dimensions of interactional justice, Bengkulu City PDAM provided an explanation regarding the service failure that occurred. This phase is carried out by PDAM after listening and understanding well what consumers have to say, meaning that the heated atmosphere has subsided and the conversation is going well. PDAM service officers provide an explanation of why the failure occurred and explain the solution and how long it will take to complete it.

Service failures often cause strong emotional reactions from customers (consumer forgiveness). And failures can be controlled with service recovery (DeWitt, et al., 2008). For consumers, whatever the reason, they are never wrong even if they are wrong. Service recovery provides an opportunity to correct service failures to satisfy customers and retain them. The main goal of any service recovery program is to return the relationship between customers and service providers to a normal state. If this is done well, dissatisfied customers can become very loyal customers and act as public relations for the organization through word of mouth.

The Influence of Situational Factors on Consumer Forgiveness Situational factors has a positive effect on consumer forgiveness. This means, the more positive the situational factors are then consumer forgiveness will be higher. Conversely, the more negative the situational factor, the lower consumer forgiveness will be. Situational factors such as consumers' need for clean water and the absence of other alternatives that consumers can choose, because PDAM is the only company that has sole authority over water management in Bengkulu City, will create high consumer forgiveness. These results support the research of Badgaiyan and Verma, (2015; Wolf, et al., (2017) that situational factors positive and significant effect on consumer forgiveness. Arika (2012) concluded that the physical environment and collateral situational influence consumer forgiveness.

Situational factors in this research are included in the poor category. These results indicate that aspects of situational factors are not very good for PDAM Tirta Dharma Bengkulu City products or services. Consumers tend to forgive because they are forced to need PDAM products and there is no other alternative, apart from PDAM. This is based on unfavorable responses from aspects task definition, namely choosing PDAM Bengkulu City because of the need for water.

In aspect social surroundings, Consumer choices regarding Bengkulu City PDAM services are less based on suggestions from neighbors. This fact shows that the discussion about PDAM has not been very positive in the eyes of the public. Therefore, PDAMs must seriously improve their services so that consumers can tell positive things about the company more often

In consumer behavior, there are many factors that influence it, one of which is the consumer himself. Every consumer consumes PDAM products and services differently from one consumer to another. But there are times when a consumer in consuming a product or service is influenced by other consumers so that the consumer follows the consumer who influences him. Therefore, consumer influence is very determining in consumption behavior. Selective consumers will actively involve themselves in the purchasing decision making process.

## The Effect of Service Recovery and Situational Factors on Consumer Forgiveness

Temporal perspective aspect is that consumers have less interesting memories about the company. This means that the Bengkulu City PDAM service that they received previously has not had any significant changes. This is also supported by the fact that many consumer complaints have similarities and tend to be repeated, such as inaccurate meter recording, long waiting times for new installations, piling up water bills, quality, quantity and continuity of water. This is of course a bad memory, and this situation is detrimental to consumers and has a negative impact on the company.

This fact also shows that poor temporal perspective is believed to influence consumer behavior, especially situational factors. The limitations of consumer choices in making decisions to purchase and consume a service will be influenced by situational factors.

### Research Implications

Strategic implications for Bengkulu City PDAM which the author quotes from the "service profit chain" theory according to the concept of Heskett et al., 1994 is:

1. Service recovery performance must be integrated into human resource management practices, such as recruitment and selection of prospective employees; training on oral and written communication skills, stress management and problem solving; and empowering employees to take actions deemed necessary as soon as possible to resolve problems that arise.
2. Develop service recovery guidelines and standards. The performance of service companies can be improved by developing service recovery guidelines that focus on creating customer satisfaction and fairness.
3. Providing easy access and effective response through call centers. Apart from being useful for reducing obstacles to customers' decisions to submit complaints, call centers also contribute to the three dimensions of justice through ease and comfort of access (24 hours a day, 7 days a week) and fast response/handling of problems.
4. Compile customer and product databases. Data bases regarding customers (such as customer preferences, purchases, and service incidents), can be the main source for solving problems and restoring services quickly and effectively. Every employee, regardless of position, is obliged to pay special attention to customer complaints and questions, and report any failures to the service supervisor, so that the source of the failure problem can be traced.

## CONCLUSION

This research can be concluded as follows:

1. Service recovery has a positive effect on consumer forgiveness. This means the better the recovery service PDAM Bengkulu City, consumer forgiveness will be higher. On the contrary, the worse the service recovery PDAM Bengkulu City, consumer forgiveness will be lower.
2. Situational factors has a positive effect on consumer forgiveness. This means, the higher the situational factor consumers, consumer forgiveness will be higher. Conversely, the lower the consumer's situational factor, the lower consumer forgiveness will be.

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