Gamification and Its Role in Service Recovery

Dr Amin Nazifi, Prof Holger Roschk, Prof Alan Wilson

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A large body of research on service recovery has focused on the effectiveness of conventional tools such as compensation. Despite recent technological advancements, the recovery literature has not kept pace with these developments. One example is gamification which has gained popularity in the marketing domain over the past years (Larivière et al., 2017). Therefore, this paper will examine the effectiveness of gamification in a service recovery context.

For this purpose, we draw on cognitive neoassociation theory. This theory suggests that while venting anger can make people actually more (rather than less) angry, distraction may lead to an effective reduction in anger (Bushman, 2002). We therefore, hypothesize that gamification acts as a distraction and so reduces customers' negative reactions to failures, compared with a non-gamified recovery. We also hypothesize that distraction rather than justice explains customers' reactions. Moreover, we expect that low level of compensation through a gamified recovery leads to similar levels of justice, anger and nWOM compared with high compensation through a traditional non-gamified recovery. We also examine the moderating roles of failure severity and reward type.

We use two experiments: The first experiment will be a 2 (gamification: present vs absent) * 3 (compensation level: None vs low vs high) between-subject design. The core scenario describes a service failure related to long waiting for a meal at a restaurant. In the gamification present condition, participants are informed that they can play a game (using the company's app) with a chance to win a reward (none vs 20% vs 100% refund). In the gamification absent condition, participants are informed that they will receive the following response (none vs 20% vs 100% refund). A second experiment will be conducted to examine the moderating effects of perceived severity and reward type. This will be a 2 (failure severity: low vs high) * 2 (compensation type: voucher for next visit vs refund) * 2 (compensation level: 20% vs 100%) between subject design with gamified recovery as the baseline.

This study will make three contributions: First, it will contribute to the growing gamification literature and will address the call for research by Van Vaerenbergh et al. (2018) as being the first study to examine the effectiveness of a gamified service recovery. Second, this study will shed light on the mechanism that explains customers' reactions to a gamified recovery. Specifically, this research will examine whether distraction (rather than justice) can be a better predictor of customers' reactions. Third, by examining the moderating effects of failure severity and reward type, this study will explore boundary conditions for the effectiveness of gamified recovery. The study ultimately offers insights to managers on how to capitalize on modern technologies to deliver a more efficient recovery.

References available upon request.