

# EXPLORING THE SERVICE RECOVERY PROCESS IN TRAVEL AND TOURISM: A DEVELOPING COUNTRY'S PERSPECTIVE

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## Abstract

This study examines factors influencing commuter re-travel intention in inter-city bus services through Expectation-Confirmation Theory (ECT). It focuses on how service quality, service recovery, and re-travel intention are impacted by the service provider's performance. A modified SERVQUAL scale, including reliability, responsiveness, assurance, empathy, and culture, measures service quality. Service recovery, addressing service failures to restore customer satisfaction, is assessed through distributive, procedural, and interactional justice dimensions. Data from 321 valid responses collected via an online survey of frequent commuters were analyzed using Co-variance Based Structural Equation Modeling (CB-SEM) and SPSS for KMO and Bartlett's tests. Results indicate high service quality enhances service recovery perceptions, mediating the relationship between service quality and re-travel intention. Effective service recovery leads to higher commuter satisfaction and increased re-travel intention. The study underscores the significance of service recovery in public transport, especially in developing regions. Service providers should prioritize quality service delivery and robust recovery mechanisms to handle service failures. Aligning recovery efforts with commuter expectations fosters satisfaction and loyalty, enhancing re-travel intention. Practitioners should focus on continuous staff training and culturally sensitive recovery strategies. Policymakers should invest in quality improvements and recovery infrastructure to boost commuter retention and satisfaction.

**Keywords:** Service Quality, SERVQUAL, Service Recovery, Re-travel Intention, Public Transport.

## 1. INTRODUCTION

In the 21<sup>st</sup> century's most progressive and competitive business environment, service organizations attempt to provide high-quality services to their customers to satisfy their needs, wants, and demands (Mainardes et al., 2023; Naeem et al., 2024). Presently, "customer is always right" is the policy of every service provider. And to meet customer requirements, service providers deal with customers at their doorsteps. Similarly, in the competitive environment of the public transport sector, retaining commuters to create their re-travel intention is the ultimate approach of every service provider. Moreover, Heskett et al. (1994) stated that retaining an existing customer is five times higher than attracting a new one. So, to maintain an existing customer, the need of the hour is to study the commuter's re-travel intention and the factors involved in it.

According to Swan and Oliver (1989), revisit intention (re-travel intention in this study) is constructed on the predicted future behavior of a customer (commuter in this study). Further, it is explained that the commuter's re-travel intention adds to commuter satisfaction and a revisit choice-making process (Um et al., 2006). Different organizations have been testified and projected on various platforms like tourism (Rusdin & Rashid, 2018). But public transportation has not been explored much, so the present study explores the transportation sector, especially the traveling behavior of inter-city bus service commuters.

On the other hand, service providers claim that service failure is bound to happen sometimes due to internal and external factors, including human errors, stated (Amoako et al., 2023; Naeem et al., 2024). In an inter-city bus service environment, it can be said that these failures and errors can be related to booking, bus maintenance, and timing, staff cooperation-related issues, etc. Hence, these kinds of failures and errors lead to commuter dissatisfaction. Service failure or dissatisfaction can demolish service providers' relationship with commuters, and that leads to negative word of mouth and may lead to disloyalty (Zariman et al., 2022). Moreover, to overcome this phenomenon, service recovery interferes.

Service recovery focuses on dealing with dissatisfaction and disloyalty and overcoming service failure. Demeter et al. (2021) articulated that service recovery interferes with designing and planning service measures to compensate dissatisfied customers. It is further explained that service recovery is a major challenge for many service organizations but an effective tool (Buhalis & Sinarta, 2019). Service recovery positively impacts customer satisfaction and increases customer repurchase intention, especially after customer plants. Amoako et al. (2023) stated that customers purchase more products/ services after registering a complaint and getting service recovery. Döring (2022) stated that service failure exists regularly. Still, the effort to address these service failures leads to knowing different methods and techniques to help in the recovery process to gain service quality.

For this purpose, the authors took modified SERVQUAL dimensions to study service quality in public transport. It stated that SERVQUAL's reliability means the commuter has received the services and facilities that have been promised by the service providers accurately while commuting (Umoke et al., 2020). Responsiveness means the willingness of service providers to commuters. Service providers' knowledge, expertise, and skills to commuters are known as assurance. It also created trust and confidence among commuters (Umoke et al., 2020). Furthermore, Umoke et al. (2020) articulated that empathy is the care and attention the staff and human resources provided to commuters.

In comparison, Randheer et al. (2011) stated that culture is the backbone of any society. It encourages the way of living, thinking, and behaving styles and also a way of perceiving things by building attitudes and behaviors. The term culture in consumer behavior has been discussed plenty of times and significantly affects service consumption (Gosden & Marshall, 1999). Moreover, different culture and countries can have their recovery process, but the companies should focus and formulate the service recovery strategies accordingly.

Present research ignites the significance and complexities of the relationships between service quality and the re-travel intention of commuters with the mediating role of service recovery. Moreover, the study offers insights into how the transportation sector, especially inter-city bus service, could increase profitability by introducing recovery strategies that enhance commuters' re-travel intention. Service recovery's indirect but essential role has also been highlighted to increase commuters' re-travel intention. The present study also seconds the study of Su et al. (2016), who stated that increasing repurchase intention among existing customers minimizes acquisition costs, ultimately increasing profit margins in the long run.

Organizations often overlook the purchaser's role while discussing the service recovery process. Especially in a developing country like Pakistan, where road transpiration and traveling are the essential means of transportation for commuters, it is extensive and diverse but in the developing stage (Finance, 2017). According to Pakistan Economic Survey, the road network in the country holds 96% of internal retail and 92% of travelers. Muhammad Tahir Masood PhD (2011) explained that the road transportation system faces obstacles, e.g., modern facilities, regulation of transportation system, availability of operative and satisfactory private transportation system, management and procedural setup, traffic administration methods, and ill-maintained planning issues. So the researchers decided to involve the commuters in studying the service recovery process for inter-city bus service in (Faisalabad) Pakistan. Wu and Cheng (2018) stated that involving customers in the service recovery process leads to experiential satisfaction and loyalty to repurchase. Despite the customer's importance in service recovery, that plethora of research still got less attention from researchers (Amoako et al., 2023).

## **2. Literature review and conceptual framework**

Service delivery failure means not getting the expected results while offering services, which shows a service delivery breakdown. Cho et al. (2017); Liu et al. (2021); Sengupta et al. (2015) stated that service failures are unavoidable that make a constant threat to the service providers to weaken their service performance. Many organizations face difficulties while recovering from service failure. Furthermore, Mandl and Hogreve (2020) stated that service failure consists of complete information and is available to frontline staff and management. Service delivery failure shows an organization's weakness but can enhance service quality, and service recovery helps in enhancing an organization's service quality.

### 2.1 Service Quality

Kim et al. (2004) stated that the definition of service quality focuses on meeting customers' needs, wants and demands. Parasuraman et al. (1985) stated that service quality is distinct from professed anticipation (E) of the service that is being provided with supposed performance (P) which is rising the equation as  $SQ = P - E$ . It consists of five magnitudes; reliability, tangibility, responsiveness, assurance, and empathy, SERVQUAL. The present research used a modified version of the SERVQUAL scale that has also been suggested by earlier researchers (Akan, 1995; Stafford et al., 1999). So present study adopted the modified version of the SERVQUAL scale from Randheer et al. (2011)'s commuter study, where they modified the SERVQUAL scale according to the need, wants, and demands of the Indian public transportation culture where they have eliminated the tangibility after factor analysis and adopted "culture." In the present research, service quality has been taken to judge commuters' overall service recovery in order to enhance re-travel intention. First hypothesis is as follows:

**H1:** SERVQUAL has a positive effect on service recovery.

### 2.2 Service Recovery

In consumer behavior literature, service recovery has been defined as a positive reaction from the customer when a company corrects a service failure (Fu & Mount, 2007). In the travel industry, service failure occurs when customer expectations are unmet. Michel (2001) stated that expectations consisted of "advertising, prior experience, personal needs, word of mouth, the image of the service provider and other factors" (p. 22). In reaction to a service failure, customers complain, generate negative word of mouth and switch service providers (DeWitt et al., 2008). Henceforth, some researchers suggested in the past that travel agencies need to develop effective service recovery strategies to react to service failures, increase repeat patronage intentions and maintain long-term customer relationships (Chang & Hsiao, 2008; McColl-Kennedy et al., 2003; Schoefer & Ennew, 2004). A justice theory framework is implied to explain customer evaluations to provide service failure reactions of the service providers (Smith et al., 1999). Perceived justice includes three dimensions; distributive, procedural and interactional justice. A substantive compensation that a customer receives during service recovery is called distributive justice (DJ). Procedural justice (PJ), defined as the recovery process's start and completion speed following a service failure, is called PJ. Interactional justice (IJ) means that the fair and sincere service provider deals with and interacts with the customer during service recovery. As discussed above, it is demonstrated that many researchers discussed service recovery in the services and tourism literature (Chang & Hsiao, 2008; Fu & Mount, 2007; Schoefer & Ennew, 2004). Many researchers used service recovery as a moderator, but in the present research, service recovery plays its role as a mediator. The second research hypothesis is as follows:

**H2:** Service recovery positively mediates the relationship between SERVQUAL and re-travel intention.

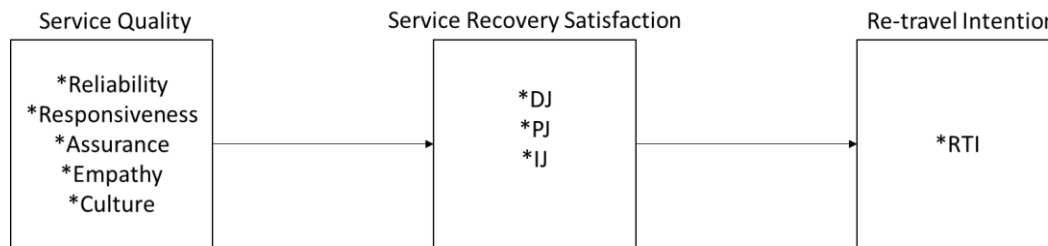
### 2.3 Commuter's Re-travel Intention Behavior

A commuter is "A person who travels over three times a week on public transport; between two places" (Broeks, 2014). The re-travel intention is derived from revisit intention, mainly to study commuters' traveling behavior. Some studies in the past modified the terms according to their studies, as Wang et al. (2020) did, and used the term reuse intention instead of revisit intention in their study. The revisit/ re-travel intention of a commuter has an influential behavior like Reichheld and Sasser (1990); Shoemaker and Lewis (1999) have described that (i) attracting the previous customer is the foremost significant aspect instead of capturing new customers, (ii) retention of a customer can be increased by 5% will give benefit from 25-85% and (iii) retention of customer inclines to produce positive word of mouth recommendations. From that study, it can be seen that attracting an existing commuter is an easy and result-oriented behavior; an increase in commuter retention is an increase in profit maximization and can increase positive word of mouth at the end. In the past, different organizations have implemented these policies like (Rusdin & Rashid, 2018) did in tourism. But then, public transportation has not been explored much. Literature extends the bad service quality's impact on commuters' dissatisfaction with the service provider. Commuter dissatisfaction leads to complain intention. In this conceptualization, transportation, especially intercity bus service in Pakistan, is an ideal way to learn more to derive factors involved in enhancing the service quality process.

### 2.4 Expectation Confirmation Theory

The Expectation-Confirmation Theory (ECT) is a widely used model in consumer behavior research to understand customer satisfaction and post-purchase behavior, including repurchase intentions (Oliver, 1993). It posits that customer satisfaction is determined by the extent to which pre-purchase expectations are met or exceeded by the actual performance of the product or service. The theory has four main components: expectations, perceived performance, confirmation/disconfirmation, and satisfaction. Commuters have certain expectations regarding the quality of inter-city bus services, such as reliability, safety, comfort, and customer service. They also have expectations about the actual service quality experienced during their travel, including interactions with staff and handling of service failures. Effective service recovery can lead to positive disconfirmation, even if there was an initial service failure (Naeem et al., 2024). The level of satisfaction resulting from the confirmation/disconfirmation process influences the commuter's intention to use the bus service again. High satisfaction, particularly after effective service recovery, enhances re-travel intention. Using ECT aligns with the

research focus, helps explain customer behavior, and integrates with modified SERVQUAL dimensions. By applying ECT, the study can systematically examine how service quality and recovery efforts influence commuter satisfaction and re-travel intention, providing valuable insights for improving inter-city bus services in Pakistan.



**Figure 1:** Proposed Model

## RESEARCH METHODOLOGY

The study's target population was the commuters who used to travel on public transport, especially inter-city bus service. Therefore, the present study engaged the google form tool to develop the online survey questionnaire for data collection. This technique is called the purposive sampling method. It allows the researchers to contact the potential respondents and request them to spread the questionnaire link to similar references. The total number of respondents in this study was 321, and the study compiled the data of these respondents into Smart-PLS supported file. As the study used electronic means to collect the data from potential respondents, the study did not have any missing value/response in the data file.

### 3.1 Measuring tools

A modified version of service quality from Randheer et al. (2011), a 23-item scale, was adopted, initially developed by (Parasuraman et al., 1988) and denoted as SERVQUAL. Five-dimensional SERVQUAL scale consisted of reliability, responsiveness, assurance, empathy, and culture. The reliability dimension had three items scale, whereas responsiveness, assurance, empathy, and culture had five items scale for each dimension. Service recovery had 9 items scale modified by DeWitt et al. (2008) with three dimensions DJ, PJ and IJ. The variable re-travel intention was adopted and modified from the term revisit intention for our commuter study, consisting of three items from the study (Wu et al., 2018).

### 3.2 Research Strategy

In the present research, a pilot study took place to get better results. Before initiating the survey, the researcher took some necessary measures. Firstly, the researcher formed a Ph.D. student group of 16 members with prior knowledge and skills in survey-based studies. Based on the suggestions and changes recommended by the group, the researcher made minor adjustments to the questionnaire. The researcher is fluent in English and the local language Urdu (the National Language of Pakistan), so the questionnaire was translated into Urdu for the respondents' ease. Before sending out the questionnaire, it was back-translated into English to verify the quality of the translation. This questionnaire translation approach was adopted by the suggestions of (Van de Vijver & Leung, 1997). For more details, please follow **Table 1**.

**Table 1.** Demographic Characteristics

Measures		Frequency	(%)
Gender	Men	221	68.85%
	Women	100	31.15%
Age	20-24	35	10.90%
	25-30	121	37.69%
	31-40	151	67.04%
	41-above	14	4.36%
Education	High School	17	5.30%
	College	35	10.90%
	Bachelors	173	53.90%
	Masters	61	19.00%
	PhD	35	10.90%

<b>Purpose of Traveling on Public Transport</b>	Job/Work Purpose	211	65.73%
	Business Purpose	47	14.64%
	Personal/Social Purpose	63	19.63%
	Several times a week	108	33.64%
<b>Frequency of Using Public Transport</b>	Several times a month	149	46.42%
	Once a week	40	12.46%
	Once a month	24	7.48%

The study's target population was commuters who used to travel on public transport. The questionnaire asks for their purpose and frequency of traveling, which can be seen in **Table 1**. Therefore, the present study engaged the google form tool to develop the online survey questionnaire for data collection. This technique is called the purposive sampling method and allows the researchers to contact the potential respondents and request them to spread the questionnaire link to similar references. This study's total number of respondents was 321. Two reverse-coded questions were also placed in service recovery dimensions. One was in DJ, and 2<sup>nd</sup> was in IJ. Both were denoted with (r) in the questionnaire.

### 3.2 Data collection and analysis method

The present study used the co-variance based structural equation modeling (CB-SEM) technique to examine the structural model. Partial Least Square (PLS) technique was used for the findings. PLS is considered the second-generation technique capable of running the measurement and structural model together, along with the regression and component factor analysis (CFA) (Hair et al., 2012). SEM has been used several times, especially in studying service quality, satisfaction, and post-purchase behaviors (Allen et al., 2019; Naeem et al., 2024). The present study added the service recovery variable as a new addition to the literature.

## 4. RESULTS AND DISCUSSION

### 4.1 Factor analysis

In this first round of analysis, Cronbach's Alpha was analyzed to verify the reliability of factors using Smart-PLS 4.0 using the Structural Equation Modeling (SEM) technique. Cronbach's Alpha was significant and reliable, but factor loadings showed weak indicators of SERVQUAL dimensions. As a journal rule of thumb, the researcher can eliminate the indicators to improve their reliability construct if the indicator has more than .40 and lesser than .70 value (Wong, 2013). In this first round, researchers analyzed and eliminated weak indicators from SERVQUAL dimensions, whereas service recovery and re-travel intention remained the same. Surprisingly, all three indicators from the reliability construct were weak. It can be generalized that reliability has nothing to do with service recovery. Only two indicators were found suitable from the responsiveness dimension of SERVQUAL. Assurance has been found significant with all the indicators. While talking about the empathy dimension, it was found significant with three items out of five. The last and modified dimension in the SERVQUAL model was culture. The results signified the last three items of the scale from its five items. These eliminated indicators of SERVQUAL had decreasing reliability, so the remaining items were submitted positively to the EFA. The service recovery and re-travel intention variables were significantly submitted to EFA.

The researchers conducted Exploratory Factor Analysis (EFA) using Varimax's orthogonal rotation using SPSS 25. Kaiser-Meyer-Olkin (KMO) and Bartlett's tests were also conducted to measure the sphericity of the variables. SERVQUAL's KMO resulted in 0.925, whereas the minimum required was 0.5, and Bartlett's test was significant with a value of 0.00. The minimum suitable value for factor analysis of Bartlett's test should be less than 0.05. Service recovery's KMO test resulted in 0.889, and the significance of Bartlett's test was 0.00, with all its dimensions having 9 items scale. The last variable re-travel intention's KMO, resulted in 0.729, whereas Bartlett's

test was significant with a value of 0.00. VIF, t-statistics, and p-values have been calculated. VIF values for all the factors were less than 3.0, which is a highly significant level. T-statistics and p-values were also explained significantly in **Table 2**. SRMR and NFI were also calculated and found to have 0.061 and 0.791, respectively. In SRMR, a value less than 0.08 is generally considered a good fit (Hu & Bentler, 1999). On the other hand, NFI should be closer to 1. The closer NFI is, the more significant the result is. **Table 2** is available for more details.

**Table 2. Results**

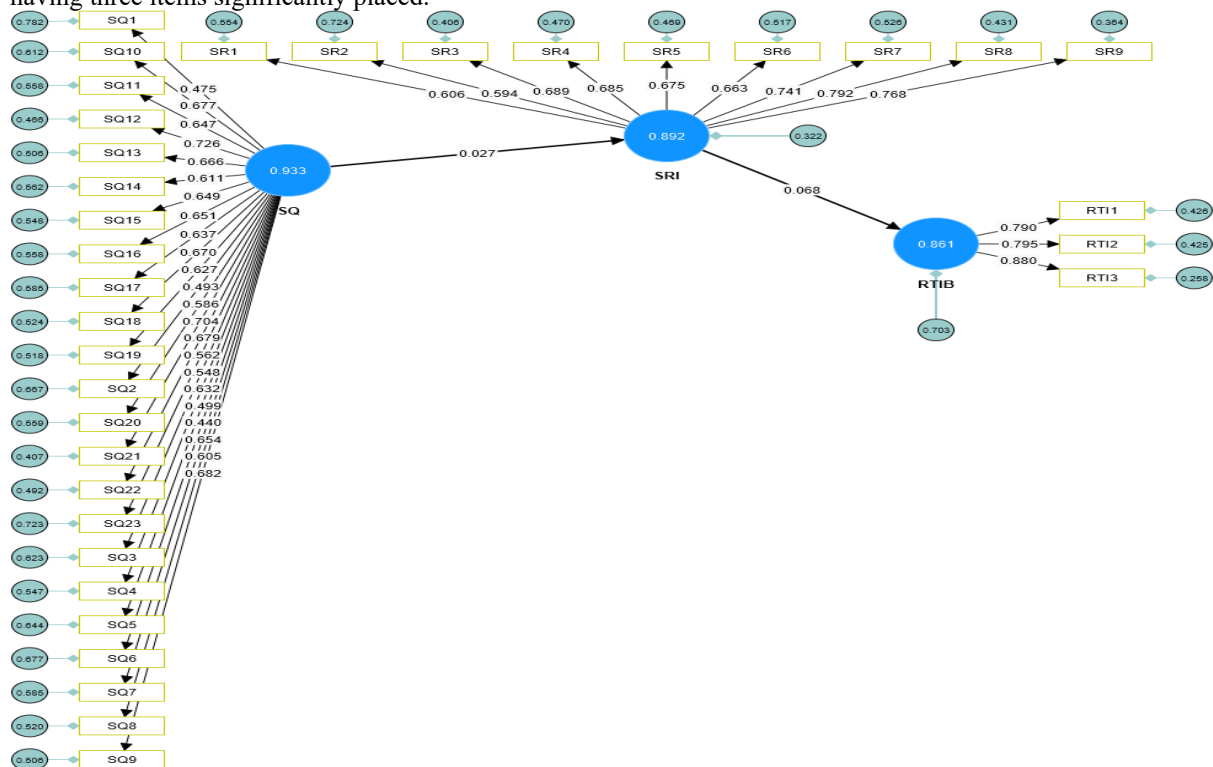
Factors	Loading	CA	AVE	p-value
<b>SERVQUAL</b>		<b>0.933</b>	<b>0.517</b>	0.001
SQ1	0.475			
SQ2	0.632			
SQ3	0.548			
SQ4	0.632			
SQ5	0.499			
SQ6	0.44			
SQ7	0.654			
SQ8	0.605			
SQ9	0.682			
SQ10	0.677			
SQ11	0.647			
SQ12	0.726			
SQ13	0.666			
SQ14	0.611			
SQ15	0.649			
SQ16	0.651			
SQ17	0.637			
SQ18	0.67			
SQ19	0.627			
SQ20	0.586			
SQ21	0.704			
SQ22	0.679			
SQ23	0.562			
<b>SRI</b>		0.892	0.536	0.00
SR1	0.671			
SR2	0.64			
SR3	0.75			
SR4	0.727			
SR5	0.733			
SR6	0.681			
SR7	0.767			
SR8	0.798			
SR9	0.804			
<b>RTIB</b>		0.861	0.687	0.00
RTI1	0.627			
RTI2	0.942			
RTI3	0.884			



#### 4.2 Path Analysis

Smart-PLS 4.0, Structural Equation Modeling (SEM) is implied for path analysis and can be seen in **Figure 2**. All the accepted indicators are showing their paths significantly. **H1** ( $\beta = 0.096$ ,  $p < 0.05$ ) is accepted positively and stated that SERVQUAL positively affects service recovery. However, the critical analysis showed that SERVQUAL's first dimension reliability has nothing to do with service recovery and was found insignificant. In the responsiveness dimension, research suggested that the behavior and knowledge of the employees (regarding services) were significant in the recovery process, which is the most important finding. SERVQUAL's third dimension of assurance implies that safety, punctuality, employee knowledge, prompt service behavior, and convenience positively affect service recovery. While talking about the empathy dimension, employees' attention to their best interests and understanding the specific needs of the commuter made it significant in the service recovery process. Talking about culture, the last and modified dimension in the SERVQUAL model. The results concluded that inter-city bus service staff's respect for local values and priority to giving more attention to women, children, and handicapped commuters' positively affect the service recovery process.

The second hypothesis, **H2** ( $\beta = 0.111$ ,  $p < 0.05$ ), is also accepted significantly by stating that service recovery positively affects the re-travel intention of commuters. The service recovery scale consisted of three dimensions and nine items naming 1) distributive justice (DJ), 2) procedural justice (PJ), and 3) interactional justice (IJ). Each dimension consisted of three items. It is implied that DJ is significantly mediating between SERVQUAL and re-travel intention and stated that the outcome commuter received after the service recovery process was satisfactory for the commuter, and the travel agency provided compensation in order to convince the commuter to re-travel with the same travel agency (inter-city bus service). However, the second item of DJ, "I did not get what I deserved," was a reverse-coded question and performed well in the present research. The second dimension PJ stated is that the commuter is satisfied with the procedural service recovery and employees' flexibility in dealing with the problems to help the commuter by following policies and procedures. Interactional justice (IJ) stated that after service recovery, commuters think that inter-city bus service is concerned with my problems and communicating more appropriately. However, its 2<sup>nd</sup> item, "the travel agency did not put the proper effort into resolving my problem," was also reverse-coded and found significant. Moreover, reverse-coded questions were denoted with (r) during data collection. Moreover, the re-travel intention was a unidimensional dependent variable having three items significantly placed.



**Figure 2.** Path analysis

#### 4.3 Discriminant validity

The discriminant validity calculated through the HTMT ratio shows that all the relations indicate decent findings. The HTMT ratio is a modern and well-known technique in research to check the discriminant validity of the model. See **Table 3**.

**Table 3. HTMT Ratio**

	RTIB	SQ	SRI
RTIB			
SQ	0.078		
SRI	0.089	0.094	

## 5. DISCUSSION AND IMPLICATIONS

### 5.1 Discussion

This study explores the relationship between service quality, service recovery, and commuters' re-travel intention following ECT model. Moreover, the modified SERVQUAL dimensions were used to examine how service quality directly influences service recovery and re-travel intention. The results support previous research on service recovery's role in customer retention, particularly within the transportation industry. Service quality positively impacts service recovery, with dimensions of assurance, responsiveness, and empathy significantly influencing recovery efforts and supports the previous findings (Parasuraman et al., 1985; Randheer et al., 2011). When commuters perceive high levels of assurance, responsiveness, and empathy from service providers, they are more likely to experience satisfactory service recovery. The study also highlights the importance of cultural considerations in service quality assessments within different contexts.

Assurance is a critical dimension, reflecting the confidence and trust commuters place in service providers. When commuters feel safe and secure, they are more likely to forgive service failures and appreciate recovery efforts. Respondents' ability to promptly and effectively address issues and provide personalized attention plays a crucial role in how service recovery is perceived. Cultural factors influence how commuters perceive and respond to service recovery efforts. Understanding and incorporating cultural nuances into service delivery and recovery strategies are essential for improving commuter satisfaction and retention. The study confirms that service recovery mediates the relationship between service quality and re-travel intention. Effective service recovery strategies enhance commuters' likelihood of reusing the bus service despite previous failures. By addressing service failures promptly and effectively, service providers can mitigate the negative impacts of such failures and reinforce positive commuter perceptions.

### 5.2 Theoretical Implications

This paper will help in extracting Expectation-Confirmation Theory (ECT) in public transportation. The research contributes to the study of ECT since it extends this concept about consumer behavior to other areas of study.

First, the study also improves SERVQUAL further by modifying it to suit the case of transportation when applied to the people. This paper intends to propose that the original SERVQUAL instrument could be adapted to suit the cultural context of the commuters by incorporating the cultural dimension as well. The given adaptation can further increase the practical application of the SERVQUAL model in various industries, particularly in the area of service recovery, where culture does affect responses of clientele having an important influence on their expectation and satisfaction.

Second, the research is theoretically challenging as it discusses the mediating role of service recovery on the connection amid the service quality and service re-travel intention. Although ample studies have focused on the direct or the service quality and customer satisfaction and loyalty relationship, the study presents the indirect association through service recovery. The new outlook highlights the fact that the service recovery is the main factor that can either overcome the original service quality difference and convert it into the long-term customer satisfaction and loyalty.

Third, this study enhances a concept of culture in models of service recovery. It proposes that cultural differences affect the perceptions of commuters on the quality of the provided services and the recovery rates. The results of the study have impact to the cross-cultural scope in service management and offered a theoretical explanation on how service recovery plans are to be changed with respect to cultural values, social norms and expectations.

Last, the current study develops a background knowledge on re-travel intention in the local transportation sector that has largely been underrepresented in comparison with tourism and hospitality markets. The study proposes an extension of the re-travel intention concept to the study of inter-city bus services and, thus, adds to the body of literature concerning customer retention in the transportation services. It would indicate that the same elements that contribute to customer satisfaction and loyalty in other sectors can be applicable to the sphere of public transport to identify the new paths of future studies in this field.

### 5.3 Practical Implications

The study identifies the significance of the service recovery in maintaining the commuters and increasing the chances of re-travel. Service providers must come up with effective service recovery plans, where they must



organize proper ways of addressing customer complaints, compensate the customers and treat them like important people. Each of the implications has been discussed in turn.

First, it is important to know the local culture so that service recovery strategies may be designed to meet the expectation of the commuters. The paper indicates that the culture factor can significantly impact the perception of the commuters about the services and the recovery service. Based on their cultural context, the service providers must ensure that their recovery measures do not ignore the local values and neither do they fail to fulfil the exceptional demand of different classes of commuters, i.e., focusing on the convenience and safety of female passengers, minors, and handicapped customers.

Second, the results imply that the use of the digital channels of real-time communication with commuters may be a considerable contribution to the service recovery process. The service providers ought to employ the use of the technology to allow timely response, receive feedbacks, and provide constant channels of communication so that the commuters are not left in darkness on the measures that are being put in place toward addressing any bottlenecks. This would enhance general satisfaction and create a trustful belief.

Third, the paper highlights the importance of trust as a major element in customer loyalty even in situations which involve service failures. Rebuilding and encouraging the chances of the commuters returning can be achieved by making the service recovery efforts seem reasonable and timely and, therefore, renewing the trust that service providers may have lost. It is advisable that providers concentrate on establishing open and standard service recovery processes that would prevent dissatisfaction and ensure repeat purchase.

Last, policy makers need to consider putting more investments in improving the service infrastructure to increase commuter satisfaction. This entails improvement on service staff training, service recovery procedures, physical improvement of service e.g. bus could be cleaner or bus does not arrive late. Development of more efficient services and recovery systems in the wake of breakdowns will play an essential role in enhancing customer and staff retention rates especially in areas such as Pakistan where the existing transport infrastructure is largely inefficient.

## 7. CONCLUSION, LIMITATIONS AND FUTURE RESEARCH

### 7.1 Conclusion

The study found that SERVQUAL positively impacts service recovery, but its reliability was found to be insignificant. Employee behavior and knowledge were found to be crucial in the recovery process, with punctuality, product knowledge, prompt service behavior, and convenience being key factors. Employees' attention to understanding the specific needs of commuters was also significant. The study also highlighted the importance of respecting local values and prioritizing women, children, and handicapped commuters in the inter-city bus service. Commuters' outcomes after service recovery were satisfied, with compensation and flexibility from employees in dealing with problems. The study concluded that inter-city bus services should show appropriate concerns about commuters' problems and communicate more appropriately with them to increase re-travel intention and minimize acquisition costs, ultimately increasing profit margins in the long run.

### 7.2 Limitations and Future Research Directions

The present study has some limitations as well. First, the study is based on the developing country Pakistan. It can be implemented or not in other countries of origin. Second, the culture may vary so the recovery process can differ. Finally, the research may deepen the evaluation of the relationships by using longitudinal panel data to confirm present research over time. The study suggests that integrating digital platforms for real-time communication and feedback can improve service recovery efforts and commuter satisfaction. It also suggests exploring the long-term effects of service recovery on loyalty and retention in different cultural contexts, highlighting potential areas for future research.

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