

## Research Article

### Perceived Justice's Influence on Post-Purchase Intentions and Post-Recovery Satisfaction in Online Purchasing: the Moderating Role of Firm Reputation in Iran

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**Abstract:** The purpose of this study is to investigate the effects of perceived justice on post-purchase intentions and post-recovery satisfaction by considering the role of firm reputation. Perceived justice, the independent variable, was measured on distributive, procedural and interactional. Post-purchase intentions and post-recovery satisfaction, the dependent variable and also, Firm Reputation was the moderator variable. Totally, 400 questionnaires were distributed to university students, that 382 questionnaires were used for the final analysis, which the results from analysis of them based on simple linear regression and multiple hierarchical regression show that perceived justice Dimensions influences on post-purchase intentions and post-recovery satisfaction and in addition to it, variable of firm reputation moderates these influences too. Managerial implications of these findings are briefly discussed.

**Keywords:** Firm reputation, perceived justice, post-purchase intentions, post-recovery satisfaction

## INTRODUCTION

Services are of an immaterial and intangible nature, so it is difficult for service providers to deliver services in a faultless manner. Customers experiencing a service failure may convey their dissatisfaction to others through negative word-of-mouth and a negative sentiment towards the offending service provider, adversely impacting customers, profits and even company reputation (Bitner *et al.*, 2000). Most customers when face a service failure thinks that it will be corrected in near future (Holloway and Beatty, 2003). Via effective recovery strategies, service providers can still appease unsatisfied customers, increase the customer retention rate (McCollough *et al.*, 2000) and even foster a long lasting relation with dissatisfied customers (Kelley *et al.*, 1993), ultimately making them loyal ones (Boshoff, 1997).

There are numerous studies on service failure and service recovery, but most of them concentrate on physical providers of services. Increasing growth of e-commerce recently has lead to increase in online shopping as a vital business model. Even so, online shopping failure is still inevitable. When service failure occurs, service providers must take appropriate recoveries to return dissatisfied customers to a state of satisfaction, enhance customer Literature review and hypotheses development retention rate and even assist build long-term relationships that make customers loyal. Thus, online shopping service failure and strategies for compensating them are of significant importance for academics and practitioners (Holloway and Beatty, 2003). Meanwhile many researchers

(Holloway and Beatty, 2003; Forbes *et al.*, 2005; Collier and Bienstock, 2006; Holloway and Beatty, 2008; Wang *et al.*, 2010; Kuo *et al.*, 2011) have extended service failure and service recovery research in cyberspace, most have focus on the typology of online retailing service failures and recoveries as well as seldom explore the relationships between customer post-recovery satisfaction and post-purchase intentions with service recoveries in the context of online retailing.

Justice theory has received many attentions as a theoretical framework for service recovery studies (Hoffman and Kelley, 2000; Maxham, 2001; Wirtz and Mattila, 2004; Schoefer, 2008; Ha and Jang, 2009). There are studies which shows that perceived justice is considered as a key cognitive influencing subsequent customer satisfaction and post-purchase intentions in service recovery (McColl-Kennedy and Sparks, 2003; Schoefer, 2008; Ha and Jang, 2009).

Previous literature suggests that firm reputation has been a research focus in previous marketing studies; but there is no or very little research on the impact of firm reputation within a failure/complaint handling situation (Hess, 2008). May be Hess's (2008) is the only study which investigates firm reputation in the service failure and recovery context. Moreover, based on Bailey and Bonifield (2010) exploring how subsequent handling of a non fulfillment influences consumers' sentiments and behavioral intentions would be interesting, in particular with respect to how the service recovery interacts with firm reputation. No investigations existed about how a company's communication on a non fulfillment could impact the manner in which consumers respond to the

company. This, obviously, would have managerial implications. They further recommend that it may be interesting to draw from equity theory, specifically the literature on interactional justice, procedural and distributive justice, to explore such an issue.

In this respect, this study aims to fill these gaps in the literature by considering effects of perceived justice aspects on Post-Purchase Intentions and Post-Recovery Satisfaction and to analyze moderating role of firm reputation on the relationship between perceived justice and post-purchase intentions and post-recovery satisfaction. Based on those outcomes, suggestions are provided to operators and managers of online shopping websites.

## LITERATURE REVIEW

**Online retail service failure and recovery in online shopping websites:** As a real or perceived service-related calamity, service failures happen during interaction with a customer's experience with a firm (Maxham, 2001). Service recovery shows the manner in which service providers respond to a service failure (Gronroos, 1988). In relation to categorizing service failures, the typology of Bitner *et al.* (1990) has drawn the most attention in later research (Kelley *et al.*, 1993; Hoffman *et al.*, 1995; Forbes *et al.*, 2005), including three major groups such as employee response to service delivery system failures, employee response to customer needs and requests and unprompted and unsolicited employee actions. Service recovery strategies can be categorized tangibly into psychological and tangible strategies (Miller *et al.*, 2000). Psychological recovery strategies includes activities that can improve customer psychological dissatisfaction in a direct way, e.g., apology and explanation, while tangible recovery strategies refer to tangible compensation, e.g., a free service, refund, gift, discount and coupon, with the aim of reducing customer practical.

With respect to increasing prevalence of online shopping, researchers have involved in service failure research in a more concentrated way. For instance, Holloway and Beatty (2003) categorized service failures in online shopping into delivery, web site design, customer service, payment, security, as well as miscellaneous and others. Also they classified the dimensions of dissatisfiers and satisfiers in an online environment into website design, interaction, fulfillment/reliability, customer service and security/privacy (Holloway and Beatty, 2008). The dimension implying the greatest dissatisfaction is fulfillment/reliability, whilst the dimension implying the most satisfaction is website design/interaction. By surveying customers in relation to service failure and recovery in online shopping, Forbes *et al.* (2005) classified service failures of online retailers into two groups and ten categories, including:

- Response to service delivery system/product failure: slow/unavailable service, system pricing, packaging errors, out of stock, product defect, bad information and web site system failure.
- Response to customer needs and requests: special order/request, customer error and size variation, as well as identification of eleven types of service recovery including discount, correction, correction plus, replacement, apology, refund, store credit, unsatisfactory correction, failure escalation, nothing and replacement at brick-and-mortar.

Kuo *et al.* (2011) suggested three groups and eighteen categories of service failures and also ten recovery strategies in relation to online auction. Compared with shopping websites (Forbes *et al.*, 2005), online auction showed a new group of failures, "unprompted and unsolicited seller actions" and four different categories, including "policy failure", "hold disaster", "alterations and repairs" and "gap between expectation and perception". Whereas, "website system failure" in shopping websites is absent in an online auction. Also, online auction recoveries are akin to the recoveries employed in shopping websites.

**Dimensions of perceived justice:** Justice theory stems from social exchange (Homans, 1961) and equity theory (Adams, 1965). In an exchange, the cost or price of product or service should be equal to the gains. If the cost is higher than the gains, actions can be taken to decrease the extent of unfairness. Konovsky (2000) suggested that perceived justice is a critical subject in research on reaction of a person to a conflict. Because service failures are typical conflicts, service recovery actions taken to cope with a service failure can be assessed based on perceived justice. Practically, recovery strategies of a firm are usually assessed employing the three elements of justice, namely distributive justice, procedural justice and interactional justice (Maxham and Netemeyer, 2003; Chebat and Slusarczyk, 2005; Schoefer and Ennew, 2005; Collier and Bienstock, 2006; Schoefer, 2008; Del Rio-Lanza *et al.*, 2009).

**Distributive justice:** Distributive justice relates to receiving monetary compensation by the failed customer received. Most failed customers can perceive distributive justice of a recovery action after they have received a discount, coupons, refund, free giveaways or alternative goods as compensation from the offending service provider (Blodgett *et al.*, 1997; Tax *et al.*, 1998; Hoffman and Kelley, 2000). Distributive justice can be assessed by customer perception of the fairness, equality, necessity and value of the compensation (Tax *et al.*, 1998; Smith *et al.*, 1999; Maxham and Netemeyer, 2003; Wirtz and Mattila, 2004).

**Procedural justice:** Procedural justice which means customer perceptions of the recovery process

concentrates on the flexibility and efficiency of the recovery policies or rules. Failed customers can perceive procedural justice of a recovery action when the offending company admits the failure, attempts to fix its mistake timely and adapts its recovery strategy according to customer demands. Procedural justice can generally be assessed based on whether customers can freely express their opinions, recovery efficiency of the offending company, control the outcome, of making complaints easily, flexibility, instantaneity, transparency of the recovery process and suitability of the recovery action or policy (Tax *et al.*, 1998; Smith *et al.*, 1999; Maxham and Netemeyer, 2003; Wirtz and Mattila, 2004; Chebat and Slusarczyk, 2005).

**Interactional justice:** Interactional justice suggests the extent of fairness in which service providers interact with and address failed customers. Most failed customers perceive interactional justice of a service recovery action when the offending service providers show their willing to interact with them respectfully, honestly and empathetically whilst trying to solve a problem and communicate with customers (Tax *et al.*, 1998; Maxham and Netemeyer, 2003; Wirtz and Mattila, 2004). Interactional justice is generally assessed by reliability, clear explanation of the problem, sincerity, apologetic attitude, communication, politeness, respect, detailed attention to problems, willingness to hear complaints and willing to solve the problem (Smith *et al.*, 1999; Wirtz and Mattila, 2004).

**Post-recovery satisfaction:** Based on prevalency of customer orientation concept, all firms consider customer satisfaction as a necessity to gaining sustainable growth and competitive advantages (Deng *et al.*, 2010; Udo *et al.*, 2010). Customer satisfaction also plays a crucial role in service recovery and directly impacts customers' attitude and intentions (Holloway *et al.*, 2005). Post-recovery satisfaction means overall satisfaction of customers with the secondary service (remedial action) of a service provider after a service failure; it is different from customers' satisfaction with the first service encounter. Hence, post-recovery satisfaction also refers to as secondary satisfaction (Tax *et al.*, 1998; Smith *et al.*, 1999; McCollough *et al.*, 2000; Harris *et al.*, 2006).

**Post-purchase intentions:** Post-purchase intentions are frequently employed as a basis for forecasting customers' future behaviors (Kuo *et al.*, 2009). It can be explained as customers' intentions to repurchase products or services from the same retailer and communicate their experience of purchasing and using the product or service to their friends (Zeithaml *et al.*, 1996; Wang *et al.*, 2006). Post purchase intentions can be categorized into economic behavioral intentions and social behavioral intentions (Smith *et al.*, 1999).

Economic behavioral intentions refer to customers' behavioral reactions in the financial dimension, such as repurchase intention (Anderson and Mittla, 2000; Maxham, 2001; Maxham and Netemeyer, 200, 2003). Repurchase intention means an expression of customer loyalty, which is a significant concept in relation to vendor success (Kim and Son, 2009; Qureshi *et al.*, 2009; Zhang *et al.*, 2011). Besides this social behavioral intentions suggest customers cognitive reactions to the delivery of services for service providers, such as complaining behavioral intentions (Tax *et al.*, 1998) and word-of-mouth communication intentions (Maxham, 2001; Maxham and Netemeyer, 2002, 2003).

**Firm reputation:** Firm reputation is explained as customers' perceptions of how well a firm takes care of customers and genuinely is concerned about their welfare (Doney and Cannon, 1997). Reputation of a firm known for its service quality can be formed in several ways. Customers' perceptions of a firm can arise directly through facing with its products and services (Campbell, 1999). Whereas, many firms develop reputations, good and bad, without such direct contact. Significant insights about many products and services can happen through remarks from friends, family members and colleagues (Richens, 1983).

Firm reputation has drawn the attention of marketing researchers. This research show that reputation influences customers' product choice (Traynor, 1983), general beliefs about products and services (Brown, 1995), trust (Johnson and Grayson, 2005) and purchase intentions (Yoon *et al.*, 1993). Research within a sales context has suggested that firm reputation impacts managers' intentions to integrate vertically and switch to alternative manufacturer's representatives (Weiss *et al.*, 1999). Notwithstanding these outcomes, firm reputation has not, to our knowledge, been studied within a customer complaint/failure context.

## RESEARCH HYPOTHESIS

**Perceived justice dimensions and post-purchase intentions:** Service recovery is significant with respect to the fact that service failures are inevitable. Handling service complaints in an undesirable way may lead to negative word-of-mouth and low repurchase intentions (Tax and Chandrashekar, 1992). In addition, customers mostly remember unfair handling of service failures (Seiders and Berry, 1998). Whereas, a situation in which service providers offer refund or discounts to redress a service failure and handle a failure politely allows them to induce customers' word-of-mouth and increase their repurchase intention (Blodgett *et al.*, 1997). Based on research conducted on service failures in online retailing context, a higher perceived

procedural justice of service recovery means that there is a higher motivation for positive word-of-mouth, whilst a higher perceived interactional justice means that there is a higher repurchases intention (Maxham and Netemeyer, 2003). Ha and Jang (2009) suggested that perceived justice influences the post-purchase intentions of customers in a positive way. Thus this hypothesis is formulated:

- H1:** The distributive justice has a positive influence on post-purchase intentions.
- H2:** The procedural justice has a positive influence on post-purchase intentions.
- H3:** The interactional justice has a positive influence on post-purchase intentions.

**Perceived justice dimensions and post-recovery satisfaction:** Post-recovery satisfaction has been widely employed to evaluate the perceived justice level (Maxham and Netemeyer, 2002, 2003; Mattila and Patterson, 2004; Schoefer, 2008; Del Rio-Lanza *et al.*, 2009). Maxham and Netemeyer (2002) in a survey on service recovery of banks found that post-recovery satisfaction of customers increases with perceived distributive justice and interactional justice. This finding is similar to those of Mattila and Patterson (2004) on service recovery measures in various cultures. Examining online shopping of electronic devices, Maxham and Netemeyer (2003) found that distributive justice and procedural justice enhance post-recovery satisfaction. Schoefer (2008) and Del Rio-Lanza *et al.* (2009) suggested that distributive justice, procedural justice and interactional justice improve post-recovery satisfaction. When service providers consider the elements of perceived justice from customer viewpoint they can better understand customer perceptions of justice and improve post recovery satisfaction of customers. Therefore, it is hypothesized that:

- H4:** The distributive justice has a positive influence on post-recovery satisfaction.
- H5:** The procedural justice has a positive influence on post-recovery satisfaction.
- H6:** The interactional justice has a positive influence on post-recovery satisfaction.

**Post-recovery satisfaction and post-purchase intentions:** Post-purchase intentions may be considered as a result of customer satisfaction (Anderson and Mittal, 2000). In revising service failures of online retailers, Collier and Bienstock (2006) found that customer dissatisfaction with recovery measures influences their future behavioral intentions including switching and negative word-of-mouth. Also customers which experience satisfactory recovery from a service failure involve in positive word-of-mouth

communications (Holloway *et al.*, 2005) and online shipping more frequently (Montoya-Weiss *et al.*, 2003) and have higher repurchase intentions (Holloway *et al.*, 2005). Thus:

- H7:** The Post-recovery satisfaction has a positive influence on post-purchase intentions.

**Moderating role of firm reputation:** Evidence shows that perceived justice with service recovery results in greater intention (Ha and Jang, 2009). In this way, the direct relationship between perceived justice and repurchase intention is established. In this study, we propose that firm reputation moderates this direct relationship. We propose that the relationship between perceived justice and Post-recovery satisfaction and post-purchase intentions vary as a function of the firm reputation. Customers' perceptions of firm reputation arise from beliefs that the firm is dependable (Brown, 1995), produces quality service or products (Campbell, 1999; Rindova *et al.*, 2005), cares about its customers and is trustworthy (Doney and Cannon, 1997; Johnson and Grayson, 2005). In this way, a good reputation is very important to companies because favorable reputation results in greater repurchase intentions (Hess, 2008).

Hess (2008) indicated that customers are usually considered as somewhat forgiving of a failure, especially from a firm with an excellent reputation for service quality. They are aware that firms with excellent reputations have made substantial investments in employee training, control mechanisms and service delivery systems to minimize the occurrence of failures. In the case of occasional failure, customers are expected to take these efforts in consideration and be more forgiving of firms with good reputations. In addition, Choi and Mattila (2008) note that for a firm with a good reputation for high service quality, a single service failure is usually forgiven, so it has a minimal influence on image of the firm. In contrast, this buffering effect must not be visible for providers who usually deliver low quality services. In this way; failures are more destructive for firms with undesirable reputation.

Thus, the influence of perceived justice because of recovery efforts might have a stronger effect on post-recovery satisfaction and post-purchase intentions of firms having a good reputation. Tough these findings are of significant importance, to our best knowledge; previous studies have not examined the moderating role of firm reputation with respect to perceived justice in service recovery. Thus, this study proposed the following hypotheses:

- H8:** Firm reputation will moderate the relationship between distributive justice and post-purchase intentions.

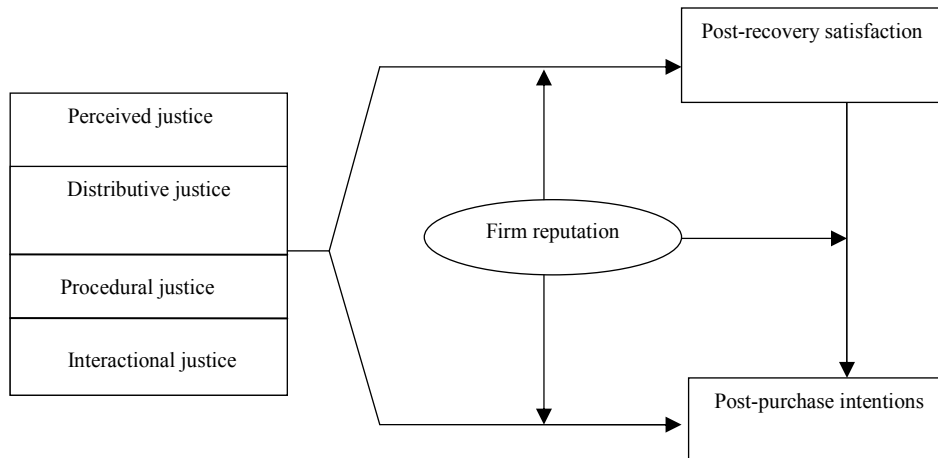


Figure 1: The conceptual model for research

- H9:** Firm reputation will moderate the relationship between procedural justice and post-purchase intentions.
- H10:** Firm reputation will moderate the relationship between interactional justice and post-purchase intentions.
- H11:** Firm reputation will moderate the relationship between distributive justice and post-recovery satisfaction.
- H12:** Firm reputation will moderate the relationship between procedural justice and post-recovery satisfaction.
- H13:** Firm reputation will moderate the relationship between interactional justice and post-recovery satisfaction.
- H14:** Firm reputation will moderate the relationship between Post-recovery satisfaction and post-purchase intentions.

Therefore, based on the hypothesis, Fig. 1 is a conceptual model to this study.

## METHODOLOGY

### Data collection and analysis:

**Procedure and questionnaire design:** Simulated scenarios of service failure and recovery were employed in our survey. Using these virtual scenarios, respondents' reactions in relation to each service failure and recovery situation can be considered as if they were realistically engaged in it. Contrary with the conventional method in which respondents answer questions based on their memory, this method can more effectively resist biases caused by fading of memory, reasonable tendency and consistency factors, finally giving a representative sample in a more efficient way and at a lower cost (Smith *et al.*, 1999). Respecting the fact that service failures are infrequent, simulating the scenarios enables us present prevalent service failures and recovery strategies of online shopping websites in a more accurate way.

In this study the scenarios were designed with regard to different service failures and recovery strategies and manipulating variables. According to relevant literature (Holloway and Beatty, 2003; Forbes *et al.*, 2005; Holloway and Beatty, 2008), present study classified prevalent service failures of online shopping websites into delivery failure, system failure, product quality failure, website security failure and customer support failure. According to the tangibility of recovery strategies, four recovery strategies were identified which included tangible recovery strategy, psychological recovery strategy, strategy with neither tangible nor psychological recovery and strategy with both tangible and psychological recovery. Totally, 20 scenarios were designed based on the above five failures and four recovery strategies. Each scenario was designed on the basis of previous relevant literature and practical circumstances. Respecting the fact that the ratios of female and male online shoppers vary across different categories of goods (Chan, 2008), this study tried to mitigate the interference of product information differences by choosing a good from the top five popular wears products among both female and male shoppers (Chan, 2008). Finally, a shoes brand was selected as the product for testing in our scenarios. The draft questionnaire composed of valid and reliable questions extracted from previous literature. In order to ensure the adequacy and clarity of questions and identify potential problems about questionnaire, this study employed three experts to review the questionnaire, which helped us to finalize the questionnaire.

**Perceived justice:** Measures for perceived justice dimensions were borrowed or adapted primarily from previous studies. Totally thirteen items were employed for measuring "perceived justice". In this study, distributive justice was measured by a four-item scale adopted from Blodgett *et al.* (1997) and Smith *et al.* (1999). The procedural justice was measured by a four-item scale adapted from Blodgett *et al.* (1997) and

Table 1: Results of original regression analysis table

Hypothesis	Independent variable	Dependent variable	Unstandardized coefficients		Standardized coefficients		Sig.
			B	S.E.	beta	t	
1	Distributive justice	Post-purchase intentions	1.089	0.364	0.293	2.9970	0.003
			0.392	0.112		3.5050	0.001
2	Procedural justice	Post-purchase intentions	1.997	0.289	0.222	6.9000	0.000
			0.216	0.083		2.6010	0.010
3	Interactional justice	Post-purchase intentions	1.418	0.311	0.588	4.5600	0.000
			0.655	0.079		8.3300	0.000
4	Distributive justice	Post-recovery satisfaction	2.496	0.250	0.240	10.003	0.000
			0.179	0.063		2.8300	0.005
5	Procedural justice	Post-recovery satisfaction	2.673	0.156	0.293	17.158	0.000
			0.219	0.062		3.5050	0.001
6	Interactional justice	Post-recovery satisfaction	3.344	0.422	0.126	7.9340	0.000
			0.188	0.130		1.4490	0.150
7	Post-recovery satisfaction	Post-purchase intentions	1.566	0.465	0.413	3.3690	0.001
			0.693	0.134		5.1860	0.000

Table 2: Results of hierarchical multiple regression analysis

Hypothesis	Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	S.E.E.	Change statistics		
						R <sup>2</sup> change	F change	Sig. F change
8	1	0.293 <sup>a</sup>	0.086	0.079	0.844	0.086	12.283	0.001
	2	0.438 <sup>b</sup>	0.192	0.179	0.797	0.106	17.078	0.000
9	1	0.126 <sup>a</sup>	0.016	0.008	0.979	0.016	2.1000	0.150
	2	0.662 <sup>b</sup>	0.438	0.430	0.742	0.423	97.798	0.000
10	1	0.311 <sup>a</sup>	0.097	0.090	0.839	0.097	14.074	0.000
	2	0.311 <sup>b</sup>	0.097	0.083	0.842	0.000	0.0010	0.972
11	1	0.240 <sup>a</sup>	0.058	0.050	0.640	0.058	8.0090	0.005
	2	0.405 <sup>b</sup>	0.164	0.151	0.605	0.107	16.569	0.000
12	1	0.293 <sup>a</sup>	0.086	0.079	0.631	0.086	12.283	0.001
	2	0.550 <sup>b</sup>	0.302	0.291	0.553	0.216	40.301	0.000
13	1	0.413 <sup>a</sup>	0.170	0.164	0.898	0.170	26.889	0.000
	2	0.589 <sup>b</sup>	0.347	0.337	0.800	0.176	35.064	0.000
14	1	0.413 <sup>a</sup>	0.170	0.164	0.898	0.170	26.889	0.000
	2	0.646 <sup>b</sup>	0.417	0.408	0.756	0.247	54.966	0.000

Karatepe (2006). In order to measure the interactional justice construct, we exploited a five-item scale adapted from Karatepe (2006), Smith *et al.* (1999) and Tax *et al.* (1998).

**Post-recovery satisfaction:** To measure the post-recovery satisfaction, we used a three-item scale adapted from Goodwin and Ross (1992).

**Post-purchase intentions:** The post-purchase Intentions were measured by a three-item scale adapted from Kuo *et al.* (2009).

**Firm reputation:** The five point scale for switching intention was adapted from Walsh *et al.* (2006). In their study, seven items for measuring firm reputation had coefficient alpha of 0.94, which can be regarded to be very reliable.

**Research sample:** In this study, information was collected from 382 students in the management program at Tehran Azad Islamic University using a descriptive design and class random sampling in May 2012.

**Data analysis:** In order to test 7 research hypotheses, regarding to significance values and t-value in original

regression analysis table (Table 1), it is judged that if sig. value is less than research error coefficient value, i.e., 0.05 and also t-value is more than 1.96 or less than -1.96, then the related hypothesis will be supported with a CI confidence intervals of 95%.

Also in order to identify moderating role of firm reputation in hypotheses 8 to 14, research hypotheses will be judged employing hierarchical multiple regression in 2 blocks (Table 2). For each phase, R<sup>2</sup> is calculated and variance extension ( $\Delta R^2$ ) is estimated using R<sup>2</sup> from previous phase. In each R<sup>2</sup> phase,  $\Delta R^2$  represent the influence of the variable being introduced to the analysis in the same phase. In each phase, R<sup>2</sup> will be significant if introducing of variables in each phase leads to increase in R<sup>2</sup> and decrease in standard error which in that case moderating role of the newly introduced variable i.e., firm reputation is demonstrated.

## HYPOTHESIS TESTING AND RESULTS

**Hypothesis 1:** Findings of original regression analysis table (t-value = 3.505; sig. = 0.001) in relation to hypothesis 1 show that distributive justice influences positively on post-purchase intentions; thus hypothesis 1 is supported.

**Hypothesis 2:** Findings of original regression analysis table (t-value = 2.601; sig. = 0.010) in relation to hypothesis 2 show that procedural justice has a positive effect on post-purchase intentions; Thus hypothesis 2 is supported.

**Hypothesis 3:** Findings of original regression analysis table (t-value = 8.330; sig. = 0.000) in relation to hypothesis 3 show that interactional justice influences positively on post-purchase intentions; thus hypothesis 3 is supported.

**Hypothesis 4:** Findings of original regression analysis table (t-value = 2.830; sig. = 0.005) in relation to hypothesis 4 show that distributive justice from perceived justice dimensions has a positive effect on post-recovery satisfaction; Thus hypothesis 4 is supported.

**Hypothesis 5:** Findings of original regression analysis table (t-value = 3.505; sig. = 0.001) in relation to hypothesis 5 show that procedural justice from perceived justice dimensions influences positively on post-recovery satisfaction; Thus hypothesis 5 is supported.

**Hypothesis 6:** Findings of original regression analysis table (t-value = 1.449; sig. = 0.150) in relation to hypothesis 6 show that interactional justice from perceived justice dimensions does not positively influence on post-recovery satisfaction; Thus hypothesis 6 is rejected.

**Hypothesis 7:** Findings of original regression analysis table (t-value = 5.186; sig = 0.000) in relation to hypothesis 7 show that post-recovery satisfaction has a positive effect on post-purchase intentions; Thus hypothesis 7 is supported.

**Hypothesis 8:** According to results from hierarchical regression,  $R^2$  for first phase in which distributive justice was introduced in equation equaled 0.086 and then by introducing firm reputation in second phase  $R^2$  value for these two variables equaled 0.192 and  $\Delta R^2$  for firm reputation variable was 0.106. According to increase in from 0.086 to 0.192 and also decrease in standard error of estimation from 0.844 to 0.797 it can be concluded that firm reputation variable can play a moderating role between 2 variables of distributive justice and post-purchase intentions, thus this hypothesis is supported.

**Hypothesis 9:** According to results from hierarchical regression,  $R^2$  for first phase in which procedural justice was introduced in equation equaled 0.016 and then by introducing firm reputation in second phase  $R^2$  value for these two variables equaled 0.438 and  $\Delta R^2$  for

firm reputation variable was 0.423. According to increase in from 0.016 to 0.438 and also decrease in standard error of estimation from 0.979 to 0.742 it can be concluded that firm reputation variable can play a moderating role between 2 variables of procedural justice and post-purchase intentions, thus this hypothesis is supported.

**Hypothesis 10:** According to results from hierarchical regression,  $R^2$  for first phase in which interactional justice was introduced in equation, equals 0.097, then by introducing firm reputation variable in equation in second phase,  $R^2$  of these 2 variables equals 0.097 and  $\Delta R^2$  for firm reputation variable was obtained as 0.000 showing that this variable cannot explain post-purchase intentions variance. Given the fact that  $R^2$  value remained fixed at 0.097 and standard error of estimation increased from 0.839 to 0.842; it may be concluded that firm reputation variable cannot play a moderating role between two variable of interactional justice and post-purchase intentions; thus this hypothesis is rejected.

**Hypothesis 11:** According to results from hierarchical regression,  $R^2$  for first phase in which distributive justice was introduced in equation equaled 0.058 and then by introducing firm reputation in second phase  $R^2$  value for these two variables equaled 0.164 and  $\Delta R^2$  for firm reputation variable was 0.107. According to increase in from 0.058 to 0.164 and also decrease in standard error of estimation from 0.640 to 0.605 it can be concluded that firm reputation variable can play a moderating role between 2 variables of distributive justice and post-recovery satisfaction, thus this hypothesis is supported.

**Hypothesis 12:** According to results from hierarchical regression,  $R^2$  for first phase in which procedural justice was introduced in equation equaled 0.086 and then by introducing firm reputation in second phase  $R^2$  value for these two variables equaled 0.302 and  $\Delta R^2$  for firm reputation variable was 0.216. According to increase in from 0.086 to 0.302 and also decrease in standard error of estimation from 0.631 to 0.553 it can be concluded that firm reputation variable can play a moderating role between 2 variables of procedural justice and post-recovery satisfaction, thus this hypothesis is supported.

**Hypothesis 13:** According to results from hierarchical regression,  $R^2$  for first phase in which interactional justice was introduced in equation equaled 0.170 and then by introducing firm reputation in second phase  $R^2$  value for these two variables equaled 0.347 and  $\Delta R^2$  for firm reputation variable was 0.176. According to increase in from 0.170 to 0.347 and also decrease in standard error of estimation from 0.898 to 0.800 it can

be concluded that firm reputation variable can play a moderating role between 2 variables of interactional justice and post-recovery satisfaction, thus this hypothesis is supported.

**Hypothesis 14:** According to results from hierarchical regression,  $R^2$  for first phase in which post-recovery satisfaction was introduced in equation equaled 0.170 and then by introducing firm reputation in second phase  $R^2$  value for these two variables equaled 0.417 and  $\Delta R^2$  for firm reputation variable was 0.247. According to increase in from 0.170 to 0.417 and also decrease in standard error of estimation from 0.898 to 0.756 it can be concluded that firm reputation variable can play a moderating role between 2 variables of post-recovery satisfaction and post-purchase intentions, thus this hypothesis is supported.

## DISCUSSION AND CONCLUSION

A significant asset to all successful businesses are repeat customers the most effective way to retain them is offering a service beyond the customers' expectations. Unfortunately perfect customer service may be practically impossible in online Purchasing, because in that case the contact between customer and service provider is very intensive, so service failures may frequently happen in this context (Gronroos, 1984). Therefore it should be tried to perform service recovery after any faulty service in a carefully planned way and in this way a long-term relationship is established with the customers.

Prior research on service recovery has detailed the role of perceived justice on post-purchase intentions and post-recovery satisfaction. This study also examined the role of firm reputations in service recovery situation. Present study aimed to examine dimensions of perceived justice on post-purchase intentions and post-recovery satisfaction and to analyze moderating role of firm reputation for the relationship between perceived justice and service recovery and post-purchase intentions and post-recovery satisfaction.

On the basis of the responses from the 382 respondents, the results suggest that distributive, procedural and interactional justices have a positive effect on post-purchase intentions. Also, distributive and procedural justices have a positive effect on post-recovery satisfaction and in contrast to previous findings; interactional justice had no significant relationships with post-recovery satisfaction. About the distributive and procedural justice dimensions, interaction terms were significant, indicating the fact that firm reputation has a moderating role in the relationship between distributive and procedural justices and post-purchase intentions. But, for interactional justice dimension, interaction term was not significant showing that firm reputation did not play a

moderating role between perceived justice and post-purchase intentions. The results also verified the moderating role of firm reputation in the relationship between perceived justice and post-recovery satisfaction. Also, the results suggest that that post-recovery satisfaction influences post-purchase intentions and additionally, firm reputation moderates this influence too.

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