

**RECOVER FROM A SERVICE FAILURE: THE DIFFERENTIAL EFFECTS OF  
BRAND BETRAYAL AND BRAND DISAPPOINTMENT ON AN EXCLUSIVE BRAND  
OFFERING**

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**Abstract**

Brand managers inevitably have to face service failures and respond to them. Undertaking brand recovery is essential as customers might desire to take revenge or spread negative word-of-mouth if they feel betrayed or disappointed by the brand following the service failure. Thus, it is necessary to understand customer responses to brand recovery, which depend on whether they feel betrayed or disappointed (while related, this paper distinguishes these feelings). This research challenges the conventional wisdom by demonstrating that, after presenting customers with an exclusive brand offering during the brand recovery, brand betrayal predicts a positive brand attitude and brand disappointment predicts a negative brand attitude with the service failure. Further, the brand attitude mediates the positive relationship between brand betrayal, positive word-of-mouth, and the likelihood of recommending the brand to others. Thus, the quick recovery that follows an exclusive brand offering positively impacts on the brand relationship among betrayed customers.

*Keyword: brand betrayal; brand disappointment; word-of-mouth; brand recovery; exclusive offering; service failure*

## 1. Introduction

Service failure is “a private service performance that falls below the expectation of one or a few customer(s)” (Khamitov, Grégoire, & Suri, 2019, p. 520). Examples of service failure include poor service performance, employees behaving rudely to customers, and late delivery. In response to a service failure, customers may experience a sense of disappointment and discontinue the brand relationship, subsequently switching to a competitive brand (Zeelenberg, Van Dijk, Manstead, & vanr de Pligt, 2000; Zeelenberg & Pieters, 2004). Besides this, these customers may also experience a feeling of betrayal. This feeling of betrayal may be reflected in their disengagement with the brand in the future as they perceive the service failure as a very unpleasant experience related to the brand that loyal customers have put trust and effort into breaking a moral obligation and losing integrity (Tan, Salo, & Aspara, 2019a). For these reasons, this paper focuses on these two reactions to a service failure as there are highly related to understanding how to recover from a previously formed brand relationship (Khamitov et al., 2019).

Compared with other negative brand constructs, previous research has found that brand betrayal (Einwiller, Lis, Ruppel, & Sen, 2019; MacInnis & Folkes, 2017; Reimann, MacInnis, Folkes, Uhalde, & Pol, 2018) and brand disappointment (Zeelenberg & Pieters, 2004; Zarantonello, Romani, Grappi, & Bagozzi, 2016) are pertinent factors that lead customers to behave negatively towards a brand. In the same vein, some researchers have demonstrated that betrayed customers may experience disappointment as they feel let down by the brand (Obeidat, Xiao, Iyer, & Nicholson, 2017). While prior studies indicate that the feeling of disappointment is related to betrayal (Caldwell, Davis, & Devine, 2009; Funches, Markley, & Davis, 2009), we argue that, while related, they can be distinguished from one another, and that a sense of brand

betrayal versus brand disappointment as a consequence of service failure lead to different customer responses.

Most of the existing research overlaps the discussions of the brand betrayal experience with a feeling of disappointment (Johnson, Matear, & Thomson, 2011; Obeidat et al., 2017; Reimann et al., 2018). Except for one paper (Grégoire, Tripp, & Legoux, 2009), most research on brand betrayal mainly focused on how a brand relationship serves as a means for customer forgiveness (Khamitov et al., 2019; Tan et al., 2019a; Tsarenko, Strizhakova, & Otneset, 2019), rather than elucidating how a recovery effort could serve as a means of regaining the brand relationship. Thus, drawing on literature on the self-worth theory of motivation (Ferraro, Escalas, & Bettman, 2011; Platt & Freyd, 2015), equity theory (Homburg, Koschate, & Hoyer, 2005), and brand experience (Atwal & Williams, 2009; Brakus, Schmitt, & Zarantonello, 2009), we develop and present a series of studies (one experiment and two surveys) to investigate the differential effect of brand betrayal and brand disappointment on the recovery effort that relates to an exclusive brand offering.

The current paper offers three significant contributions. First, we add to brand betrayal literature (Grégoire et al., 2009; Reimann et al., 2018) by demonstrating that betrayed customers are motivated to protect their self-worth by evaluating the brand favorably (i.e., they have a positive brand attitude) when they are provided with an exclusive brand offering during the recovery process. This, in turn, leads to the customers' willingness to recommend the brand to others and to spread positive word-of-mouth (WOM) on social media. Second, regarding brand disappointment literature (Zeelenberg & Pieters, 2004; Zarantonello et al., 2016), the current research highlights that disappointed customers do not experience a threat to their self-worth following a service failure. Thus, they are more interested in how the brand addresses the failure

at the time of the transgression, rather than a future brand offering that is an exclusive experience. Lastly, we add to brand experience literature by showing that an exclusive brand experience is relevant to creating new identities and realities for customers (Atwal & Williams, 2009) and to enhancing the social context of customer experiences (Brakus et al., 2009).

These findings have significant implications for brand managers as they can expand their understanding of customers' feelings of betrayal versus disappointment following a service failure and how they are affected by a brand recovery strategy implemented in the form of an exclusive brand offering. In the next section, we review the literature on brand betrayal and brand disappointment in order to develop our conceptual framework and our hypotheses. This is followed by a presentation of the results obtained from the studies testing our hypotheses. Finally, we discuss the theoretical contributions, managerial implications, limitations, and suggestions for future research.

## **2. The theoretical background and hypotheses' development**

### *2.1 The importance of understanding brand betrayal and brand disappointment*

Brand relationships, also known as *consumer–brand relationships*, provide a contemporary, essential, and thought-provoking area of research (MacInnis & Folkes, 2017). A positive brand relationship results in brand preference, willingness to pay more for the brand, and self–brand connection (Tan, Salo, Juntune, & Kumar, 2019b). However, a service failure may pose a threat to a well-established consumer–brand relationship. Specifically, MacInnis and Folkes (2017) called for a greater understanding of how customers respond when they feel betrayed or disappointed following a service failure. This is because service failures can harm loyal customers who care about the brand (Tan et al., 2019a) as well as those who have a strong

self-brand connection (Johnson et al., 2011). Furthermore, following an inadequate (vs. adequate) brand recovery effort, brand betrayal and brand disappointment may further lead to adverse outcomes resulting in double deviation brand transgressions and unfavorable brand outcomes. Previous studies found that when a brand recovery fails to meet customer expectations, they may engage in retaliatory behavior and spreading negative WOM. The brand may suffer from losing market share and brand reputation (Khamitov et al., 2019; Lee, Pan, & Tsai, 2013; Obeidat et al., 2017). In contrast, following an adequate brand recovery, customers are more willing to forgive a betraying brand (Joireman, Grégoire, & Tripp, 2016) or a disappointing brand (Hegner, Fenko, & Teravest, 2017), and subsequently, they are more likely to recommend the brand to others. Despite this, as shown in Table 1, most of the existing research on the brand betrayal experience is centered on negative customer responses and on overlaps between the feelings of betrayal and disappointment. Thus, the current knowledge on the differential effect of brand betrayal and brand disappointment regarding brand recovery efforts is scant.

[Table 1 about here]

Previous research in psychology (Boekhout, Hendrick, & Hendrick, 1999) and organizational behavior (Caldwell et al., 2009) have shown that the feeling of betrayal is related to disappointment. From the marketing perspective, we argue that brand betrayal is distinct from brand disappointment in at least three ways. Firstly, customers feel a sense of betrayal when they infer that the brand has a negative motive, for example, in the case of fairness violations (Grégoire & Fisher, 2008), unethical behavior (Schmalz & Orth, 2012), or providing misleading

information (Parmentier & Fischer, 2015). Brand disappointment refers to a violation of performance-related reasons in such a way that the delivery of the brand promise does not match up to the customers' expectations (Zeelenberg & Pieters, 1999).

Secondly, brand betrayal is related to a "hot" affect that implies brand–self thoughts (Park, MacInnis, Priester, Eisingerich, & Iacobucci, 2010), and it induces customers to contemplate whether the brand has intended to betray them (Reimann et al., 2018). This context involves a threat to the self-worth of these people who feel ashamed of having invested in a betraying relationship (Platt & Freyd, 2015). In contrast, brand disappointment is related to a poor experience that follows the failure of expectations to have been met (Zeelenberg & Pieters, 1999), and it is linked to a "cold" affect that includes an evaluation of the brand (Cohen & Areni, 1991) and rarely involves a focus on the self (Zeelenberg & Pieters, 1999).

Thirdly, betrayed customers are more interested in the brand's rewards as they are motivated to avoid a feeling of negative self-worth, and they also tend to avoid a sense of psychological loss that would result from their need to terminate the brand relationship (Reimann et al., 2018). Contrarily, highly disappointed customers have less interest in the brand's rewards as they have a higher intention to switch to another brand (Zeelenberg & Pieters, 2004).

Despite the differences mentioned above, previous studies have shown that brand betrayal and brand disappointment share some similarities. They are both related to relational norm violations that evoke feelings of anger and emotional distress (Boekhout et al., 1999). When it comes to customers' brand relationship, both may result in a desire for avoidance and revenge, as well as in a desire to spread negative WOM (Grégoire & Fisher, 2008; Grégoire et al., 2009).

## *2.2 The effects of brand betrayal and disappointment on customer responses*

Previous research has indicated that brand betrayal is a strong predictor of unfavorable customer responses (Grégoire & Fisher, 2008; Grégoire et al., 2009; Joireman et al., 2016; Reimann et al., 2018). Unlike disappointment, an outcome-driven emotion, betrayal leads to the formation of beliefs about an ethical violation. Although disappointment and betrayal may both result in anger, betrayal's cognitive and emotional nature may lead to higher retaliatory actions. This is because betrayal motivates customers to restore fairness by all means possible and they feel retaliation is a justified outcome (Grégoire & Fisher, 2008). Furthermore, we can expect brand betrayal to result in more significant adverse outcomes than brand disappointment through the "love becomes hate" effect (Grégoire et al., 2009; Tan, Salo, Juntunen, & Kumar, 2018).

We argue that when customers experience betrayal, they perceive low levels of fairness in both the process and outcome of the experience. In particular, being treated poorly by the firm with which a customer has a strong connection can be hurtful and upsetting, and may lead to retaliatory outcomes. Moreover, a betrayal experience may lead to customers having a feeling of negative self-worth (Reimann et al., 2018) as they question their wisdom for having invested in a relationship in which they were eventually betrayed (Rachman, 2010). For these reasons, we hypothesize that before a recovery effort is initiated by the brand:

**H1a:** Brand betrayal has a stronger positive effect on the desire for brand avoidance than brand disappointment.

**H1b:** Brand betrayal has a stronger positive effect on the desire for brand revenge than brand disappointment.

**H1c:** Brand betrayal has a stronger positive effect on negative WOM than brand disappointment.

**H1d:** Brand betrayal has a stronger positive effect on the customer's feeling of negative self-worth than brand disappointment.



### *2.3 Brand betrayal versus brand disappointment after presenting an exclusive brand offering during recovery*

Tsarenko et al. (2019) found that loyal customers struggle to comprehend and reconcile a brand betrayal experience. Reimann et al. (2018) stated that brand betrayal poses a threat to the customer's self-worth, especially if they have supported and formed a strong emotional connection with the brand—a self-brand connection. Tan et al. (2019a) found evidence supporting this claim and found that brand betrayal was significantly correlated with a feeling of negative self-worth and a previously measured self-brand connection following a service failure. A plausible reason is that customers feel a threat to their self-worth as they feel ashamed about their decision to invest in the relationship—a shame-on-me effect (Platt & Freyd, 2015).

Consequently, we propose that betrayed customers are more likely to respond positively to the brand recovery efforts that address their self-worth concerns. We argue that a brand recovery effort in the form of an exclusive future brand offering may restore the customers' concerns about their self-worth, endangered by the shame-on-me effect. This is because an exclusive offering allows betrayed customers to avoid shame by focusing on how the upcoming exclusive experience could help regain their sense of appreciation for the brand (Brakus et al., 2009). In line with the self-worth theory of motivation (Ferraro et al., 2011), this study claims that betrayed customers are motivated to protect their sense of self-worth by avoiding the conclusion of personal failure due to service failure. Thus, betrayed customers tend to evaluate a brand favorably after they are presented with an exclusive brand offering as they can justify that the brand is serving them better than before. On these grounds, we propose the following:

**H2:** Brand betrayal is positively related to positive brand attitude following an exclusive brand offering during a brand recovery process.

In contrast to brand betrayal, previous studies have found that brand disappointment is negatively related to customer's brand perceptions and evaluations. The negative relationship is more relatable to the negative effects of brand disappointment. This relationship can be explained through equity theory (Homburg et al., 2005). After encountering a disappointing experience (i.e., a negative affective state, producing negative inequity), customers perceive a lower outcome from a future exchange and are therefore less likely to evaluate the brand favorably. Furthermore, highly disappointed customers experience frustration with the brand following a service failure (Tan et al., 2019a), and frustrated customers have a high tendency to switch brands (Verbeke, Farris, & Thurik, 1998). As such, highly disappointed customers are less likely to appreciate an exclusive brand offering that requires them to return to the brand. Thus, customers who perceive high levels of disappointment following a service failure are less likely to positively evaluate the brand when presented with an exclusive brand offering during the recovery process. Based on these notions, we argue that:

**H3:** Brand disappointment is negatively related to positive brand attitude following an exclusive brand offering during a brand recovery process.

Tan et al. (2018) found that customers may evaluate unfavorable brands positively because of the self-presentational benefits they offer to customers. Thus, customers' evaluation of betrayal or disappointment from a service failure may determine their subsequent brand responses. Previous studies suggest that a positive (negative) brand attitude is associated (dissociated) with positive WOM and the likelihood of recommending the brand (Moore, 2015; Pace, Balboni, & Gistri, 2017). For this reason, we propose that brand attitude—measured after presenting customers with an exclusive brand offering during the recovery process—mediates the effects of brand betrayal and brand disappointment on WOM and the likelihood of

recommending the brand offering to others. A critical remark is that our research framework emphasizes *indirect-only mediation* (Zhao, Lynch Jr, & Chen, 2010). In other words, no direct effects of brand betrayal and brand disappointment are hypothesized about the customer responses as the customers' brand attitude during the recovery process serves as the means of explaining their subsequent behavior towards the brand. Thus, we hypothesize the following:

**H4:** Following a brand recovery, positive brand attitude has a positive effect on positive WOM and the likelihood of recommending the brand offering to others and a negative effect on negative WOM.

**H5:** Positive brand attitude (following a brand recovery) mediates the effects of brand betrayal and brand disappointment on spreading positive WOM and negative WOM, and the likelihood of recommending a brand offering to others.

### 3. Methodology

Figure 1 presents our conceptual framework. As shown in Figure 1a, we test H1a–H1d regarding the effects of brand betrayal and disappointment on the negative customer responses of a desire for brand avoidance, a desire for brand revenge, a desire to spread negative WOM, and a feeling of negative self-worth. In Figure 1B, we test H2–H5 regarding the effect of an exclusive brand offering on the effects of brand betrayal and brand disappointment on the customer responses of spreading positive WOM, the likelihood of recommending the brand offering, and spreading negative WOM through brand attitude. All the constructs' definitions are listed in Table 2.

[Figure 1 about here]

[Table 2 about here]

As the relationships proposed in Figure 1 are supported by theoretical and empirical findings from previous literature (the self-worth theory of motivation: Ferraro et al., 2011; equity theory: Homburg et al., 2005; and prior service failure literature: Verbeke et al., 1998; Platt & Freyd, 2015; Reimann et al., 2018; Tan et al., 2018), it is appropriate to use a non-probability convenience sampling method (Calder, Philips, & Tybout, 1982). We performed structural equation modeling analysis as this method allows researchers to include exogenous, endogenous, and control variables in a single model estimation (Hair, Black, Babin, & Anderson, 2010). To simplify this research, we applied a unidimensional concept to all constructs; we only performed first-order analysis throughout the measurement and structural models. A pilot study was conducted to make the distinctions between the experience of brand betrayal versus ordinary service performance failure. We did not specifically manipulate a brand disappointment condition as previous studies have shown that service performance failure has resulted in disappointment due to disconfirmed expectancies (Zeelenberg & Pieters, 1999, 2004).

As shown in Figure 1, Study 1 was conducted to test hypotheses H1a–H1d. On the basis of a chi-square difference test, we compared the effects of brand betrayal and brand disappointment on customer responses with an unconstrained model and a constrained model. Study 2 addressed hypotheses H2–H5. We conducted a mediation model using SPSS AMOS 25 to investigate the indirect effects of brand betrayal and brand disappointment on customer responses through brand attitude following a brand recovery, where we compare the inclusion of an exclusive brand offering (Study 2a) with the exclusion of a brand offering (Study 2b).<sup>1</sup> To

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<sup>1</sup> A critical remark on the research design can be made as, in order to examine the potential positive effect of brand betrayal on customer responses in Study 2, we did not collect any information that related to the participants' reactions after a service failure. Instead, the participants were told that they had met a dedicated e-commerce brand representative, and subsequently, they were presented with an exclusive brand offering. The reason for this design was that participants may maintain their attitude-behavior consistency (i.e., negative attitude) towards a betraying or disappointing brand once they have explicitly indicated their negative thoughts about the brand before a recovery effort.

measure the behavioral response in regard to WOM, we replaced the self-measured items that were used in Study 1 with a behavioral measure in Study 2. We then used Linguistic Inquiry and Word Count analysis software to quantify the content of positive and negative WOM behavior (Pennebaker, Boyd, Jordan, & Blackburn, 2015).

#### 4. Pilot study

One hundred ninety-six participants (50% male; age: 19–70,  $M_{\text{age}} = 35$ ) were recruited from Amazon Mechanical Turk (MTurk). First, the participants responded to demographic questions. Then they were requested to name an airline brand for which they have a positive feeling and with which they recently had a positive experience. After that, they were randomly assigned to an ordinary service performance failure scenario (control:  $n = 98$ ) or a brand betrayal scenario (treatment:  $n = 98$ ) in which they imagined that they have booked a flight with the airline brand (see the methodological details in the appendix for the scenarios). Next, they indicated their feeling of brand betrayal (Tan et al., 2019a;  $\alpha = .90$ ), the failure severity (Grégoire & Fisher 2008;  $\alpha = .88$ ), their brand disappointment (Eisikovits & Koren, 2010; Zeelenberg & Pieters, 1999;  $\alpha = .92$ ), and their feeling of negative self-worth (Critcher & Dunning, 2015;  $\alpha = .82$ ).

The results showed that the participants in the brand betrayal condition felt more betrayed by the brand ( $M = 4.32$ ) than the participants in the control condition ( $M = 3.79$ ;  $t(194) = 2.29$ ,  $p < .05$ ). The betrayed participants also indicated a higher level of a feeling of negative self-worth ( $M = 4.17$ ) than the participants in the control condition ( $M = 3.71$ ;  $t(194) = 2.17$ ,  $p < .05$ ). Critically, participants in the brand betrayal condition felt that the scenario was less severe ( $M = 5.11$ ) than the participants in the control condition ( $M = 5.47$ ;  $t(194) = -2.00$ ,  $p < .05$ ). However,

there was no significant difference in brand disappointment ( $M_{brand\ betrayal} = 4.95$  vs.  $M_{control} = 5.20$ ;  $p > .10$ ). Four comparative histograms were developed to further understand the distribution of the responses on Likert scales amongst the conditions (see Appendix A). As observed, both the brand betrayal and the feeling of negative self-worth scales were normally distributed across the two conditions. In contrast, the ratings for the failure severity and brand disappointment scales were skewed left in both the brand betrayal or control condition, which resulted in a higher mean value as most participants indicated Scale 4 or above on these two constructs. A left-skewed distribution is generally a result of a higher boundary, this would mean that in the group of betrayed customers, the brand disappointment scale was unable to measure the highest disappointment levels for all betrayed customers. Similarly, customers encountered an ordinary service performance failure, they had rated a higher level of failure severity that the scale was not able to detect the failure severity for all respondents.

The findings of the pilot study are in line with our initial assumption, which was that betrayed customers are more likely to experience a threat to their self-worth due to a shame-on-me effect (Platt & Freyd, 2015). On the contrary, after encountering an ordinary service performance failure, customers are more likely to have a brand disappointment experience for performance-related reasons (the performance did not meet their prior expectations) (Zeelenberg & Pieters, 1999, 2004). Remarkably, we found that customers who have experienced brand disappointment (due to service performance failure) do not necessarily experience a feeling of brand betrayal or a shame-on-me effect, while betrayed customers may encounter a feeling of disappointment (Caldwell et al., 2009; Funches et al., 2009). Despite this, the correlation strength between brand disappointment and brand betrayal is rather weak (as indicated in Studies 1 and 2 on Table 4;  $r < .30$ ). In responding to this manipulation challenge that overlaps the feelings of

disappointment and betrayal, in the next two studies, we utilized self-reported survey measures of the degree of brand betrayal and brand disappointment in order to test our hypotheses.

## 5. Study 1

Two hundred ninety-nine participants from across the UK (53% male; age: 19–77,  $M_{age} = 37$ ) were recruited from Prolific. First, the participants were asked to name one familiar and well-liked e-commerce brand that sells multiple brands of consumer electronics products. Next, the participants were presented with the following service failure scenario, and subsequently, they were asked to indicate their feelings of brand disappointment, brand betrayal, desire for brand avoidance (Grégoire et al., 2009), desire for brand revenge (Grégoire et al., 2009), desire to spread negative WOM (Sinha & Lu, 2016), and their feeling of negative self-worth.

*Service failure scenario. Imagine that you have bought a professional camera from Brand X recently. Brand X promises to deliver the camera to you in two days. You are excited about the camera and wish to use it in next week's photography contest. Sadly, your delivery is late by five days. You find out the cause of the delayed delivery after sending a request for this information to Brand X. The reason is due to Brand X's poor shipping arrangements. In your mind, this is a controllable issue that should not have happened. You receive your camera one day before the photography contest. However, the camera lens is broken. You have no choice but to use your current camera that has an autofocus issue in the contest.*

### 5.1 Results

Table 3 presents that the measurement models show sufficient reliability and validity as recommended by Hair et al. (2010) ( $\chi^2/d.f. = 1.723$ , root mean square error of approximation [RMSEA] = .049, non-normed fit index [NNFI] = .958, comparative fit index [CFI] = .982, and standardized root mean square residual [SRMR] = .039). All the Cronbach's alpha and composite reliability exceeded the value of .80. The results of the discriminant validity analysis showed that

the square root of average variance extracted (AVE) exceeded the correlations between all pairs of constructs (see Table 4).

[Table 3 about here]

[Table 4 about here]

Table 5 demonstrates that the structural model fits the data well ( $\chi^2/d.f. = 2.568$ ,  $RMSEA = .073$ ,  $NNFI = .935$ ,  $CFI = .959$ , and  $SRMR = .074$ ). The results revealed that brand betrayal has stronger positive effects on the desire for brand avoidance ( $\beta_{\text{betrayal}} = .67$  vs.  $\beta_{\text{disappointment}} = .17$ ;  $\Delta\chi^2 = 28.19$ ,  $p \leq .01$ ), desire for brand revenge ( $\beta_{\text{betrayal}} = .69$  vs.  $\beta_{\text{disappointment}} = .22$ ;  $\Delta\chi^2 = 22.72$ ,  $p \leq .01$ ), and desire to spread negative WOM ( $\beta_{\text{betrayal}} = .59$  vs.  $\beta_{\text{disappointment}} = .25$ ;  $\Delta\chi^2 = 9.27$ ,  $p \leq .01$ ) compared with brand disappointment. In line with our hypothesis, brand betrayal significantly and positively predicted the feeling of negative self-worth ( $\beta_{\text{betrayal}} = .56$  vs.  $\beta_{\text{disappointment}} = .04$ ;  $\Delta\chi^2 = 37.07$ ,  $p \leq .01$ ). However, no significant relationship was observed between brand disappointment and the feeling of negative self-worth. Thus, H1a, H1b, H1c, and H1d are supported.

[Table 5 about here]

## 5.2 Discussions

Our findings in Study 1 provide support for our prediction that brand betrayal and brand disappointment have a differential impact on customer responses to service failure. Specifically, brand betrayal is found to have stronger positive effects on the desire for brand avoidance and brand revenge, as well as on the desire to spread negative WOM, compared with brand disappointment. This finding is in line with previous studies indicating that brand betrayal leads



to detrimental effects on the brand relationship (Balaji, Khong, & Chong, 2016; Grégoire & Fisher, 2008; Grégoire et al., 2009; Joireman et al., 2016; Reimann et al., 2018).

Even more importantly, the feeling of negative self-worth is positively and significantly predicted by the experience of brand betrayal but not by brand disappointment, a similar finding as that found in the pilot study. Thus, Study 1 advances our knowledge about the differential effects of brand betrayal and brand disappointment, which provides evidence that customers are more (not) likely to feel a threat to their self-worth as they feel ashamed about their decision to invest in a betraying (disappointing) relationship. In this regard, betrayed (vs. disappointed) customers should have different responses toward a brand recovery effort that addresses their concerns about their self-worth, such as an exclusive brand offering. In Study 2a, we examined the role of a brand recovery effort in the form of an exclusive brand offering in order to gain an understanding of its effects on brand disappointment and brand betrayal. Since betrayed customers feel a threat to their self-worth, we expect that an exclusive brand offering can have a counteractive effect and lead to more positive outcomes.

## **6. Study 2a**

A preliminary study with 80 participants recruited from MTurk was conducted in order to examine the manipulation effect of exclusive brand offerings. The participants were requested to evaluate three types of exclusive offerings in an e-commerce marketing campaign: (1) six months of 60-minute VIP early access to limited-quantity flash sales, (2) six months of free shipping on any online purchase, and (3) six months of a 10% discount every Friday based on their preferences. Then they evaluated each offering based on its perceived attractiveness (Orsingher & Wirtz, 2018; “the offering is appealing to me,” “the offering is attractive,” “the

offering is valuable to me”; ranging from 1 = *strongly disagree* to 7 = *strongly agree*) and perceived uniqueness (Chaudhuri, 2002; “the offering is unique to me,” “the offering is exclusive,” “the offering is different from other brand’s offering”; ranging from 1 = *strongly disagree* to 7 = *strongly agree*). Based the results, the participants perceived the Type 1 offering as more attractive ( $M = 5.59$ ) and more unique ( $M = 5.55$ ) than the Type 2 offering ( $M_{attractiveness} = 5.17, t = 2.64, p < .05; M_{uniqueness} = 5.12, t = 2.06, p < .05$ ) and the Type 3 offering ( $M_{attractiveness} = 5.16, t = 2.07, p < .05; M_{uniqueness} = 5.28, t = 2.42, p < .05$ ). Thus, the Type 1 offering was included as an exclusive future brand offering in Study 2a.

We followed a procedure similar to that of Study 1 but with two changes. First, four hundred ninety-eight US participants (53% male; age: 21–81,  $M_{age} = 37$ ) were recruited from MTurk to indicate their self-brand connection (Park et al., 2010;  $\alpha = .91; M = 4.57$  vs. midpoint 4;  $t(497) = 7.44; p < .001$ ) and brand attitude (T1) toward a listed well-liked and familiar e-commerce brand. Then, they were asked to read a scenario related to a delayed delivery and a damaged camera lens from the brand. Following this, they imagined dealing with a dedicated e-commerce brand representative for a product replacement. In the scenario, the brand representative apologized to the participants for the incident and promised a replacement. To appreciate the participant as a valuable customer, the brand representative offered them an exclusive brand offering (i.e., a Type 1 offering) and subsequently, they indicated again their brand attitude (T2). Second, after presenting the exclusive brand offering, the respondents expressed the likelihood they would recommend the brand offering to their friends (Wirtz, Orsingher, Chew, & Tambyah, 2013). Lastly, the participants responded to an open-ended question about WOM on a WhatsApp group (see the methodological details in the appendix) following the brand recovery efforts.

## 6.1 Results

As presented in Tables 1, 2, and 3, the measurement models ( $\chi^2/d.f. = 1.966$ ,  $RMSEA = .044$ ,  $NNFI = .967$ ,  $CFI = .984$ ,  $SRMR = .022$ ) and structural models ( $\chi^2/d.f. = 2.064$ ,  $RMSEA = .046$ ,  $NNFI = .964$ ,  $CFI = .981$ , and  $SRMR = .030$ ) fit the data well (Hair et al., 2010). The results of Table 5 reveal that, after presenting participants with an exclusive brand offering during the recovery process, brand betrayal significantly and positively predicted brand attitude ( $\beta = .12$ ,  $t = 2.35$ ,  $p \leq .05$ ), whereas brand disappointment was significantly and negatively related to positive brand attitude ( $\beta = -.16$ ,  $t = -3.82$ ,  $p \leq .01$ ). As hypothesized, positive brand attitude positively predicted positive WOM ( $\beta = .18$ ,  $t = 3.31$ ,  $p \leq .01$ ) and the likelihood of recommending the brand offering to others ( $\beta = .30$ ,  $t = 6.48$ ,  $p \leq .01$ ); whereas, positive brand attitude is negatively related to negative WOM ( $\beta = -.19$ ,  $t = -3.55$ ,  $p \leq .01$ ). Thus, H2, H3, and H4 are supported.

Following this, we used SPSS AMOS 25 to conduct an indirect effect analysis with 10,000 bootstrapped samples and a 99% confidence level for the confidence intervals; the results reveal that the indirect relationships were mediated by the brand attitude, measured after presenting participants with an exclusive brand offering. The results of the indirect model show that brand betrayal has positive indirect effects on positive WOM ( $\beta = .02$ ,  $SE = .01$ ; CI [.004, .052]) and the likelihood of recommending the brand offering ( $\beta = .04$ ,  $SE = .02$ ; CI [.004, .075]) but a negative indirect effect on negative WOM ( $\beta = -.02$ ,  $SE = .01$ ; CI [-.055, -.003]) through brand attitude. In contrast, brand disappointment has negative indirect effects on positive WOM ( $\beta = -.03$ ,  $SE = .01$ ; CI [-.063, -.007]) and the likelihood of recommending the brand offering ( $\beta = -.05$ ,  $SE = .02$ ; CI [-.085, -.018]) but a positive indirect effect on negative WOM ( $\beta = .03$ ,  $SE = .01$ ; CI [.009, .065]) through brand attitude. Thus, H5 is supported.

## 6.2 Discussions

Our findings in Study 2a support our hypothesis that providing customers with an exclusive future brand offering in the brand recovery process is likely to result in greater positive WOM and the greater likelihood of recommending the brand to others, as well as resulting in lower negative WOM among customers who experienced betrayal as a result of a service failure.

In contrast, a higher degree of brand disappointment is likely to lead customers to evaluate an exclusive brand offering unfavorably. The reason for this is that a disappointing brand has failed to meet customers' current expectations, and subsequently, they are less likely to perceive future outcomes positively. In this sense, disappointed customers perceive a lower outcome from the future exchange, and therefore, they are less likely to value the exclusive brand offering that requires them to return to the brand. Thus, highly disappointed customers are expected to engage in negative WOM on the private messaging application, even if an exclusive experience of the brand offering is presented to them during the recovery process.

Although Study 2a provides insights into how an exclusive brand offering can mitigate the effects of brand betrayal, we conducted Study 2b to test these relationships when an apology is offered. Given that prior studies reported that an apology is the most commonly used strategy for handling a service failure (Roschk & Kaiser, 2013), we examined whether it can offset brand betrayal. Thus, Study 2b was conducted to address this potential confounding factor.

## 7. Study 2b

Four hundred eighty-four adults from across the US (52% male; age: 18–69,  $M_{\text{age}} = 37$ ) were recruited from MTurk to participate in this study in exchange for a fee. We followed a

procedure similar to that of Study 2a with only one minor change: the brand representative offered an apology rather than an exclusive brand offering following the service failure.

### 7.1 Results

Both datasets (that of Study 2a vs. that of Study 2b) showed that no significant differences in the participants' evaluation of self-brand connection<sup>2</sup> ( $p = .328$ ), brand betrayal ( $p = .187$ ), brand disappointment ( $p = .613$ ), and their evaluation of negative WOM ( $p = .155$ ). Critically, compared with the participants that were presented with an exclusive brand offering (Study 2a), the participants of Study 2b evaluated the brand attitude less favorably ( $M_{study\ 2a} = .59$  vs.  $M_{study\ 2b} = .19$ ,  $t = -3.79$ ,  $p < .001$ ), were less likely to recommend the brand ( $M_{study\ 2a} = 4.36$  vs.  $M_{study\ 2b} = 4.06$ ,  $t = -2.34$ ,  $p = .020$ ), and spread a lower percentage of positive WOM ( $M_{study\ 2a} = 4.76$  vs.  $M_{study\ 2b} = 4.17$ ,  $t = -2.26$ ,  $p = .024$ ).

As presented in Tables 3, 4, and 5, a series of statistical analysis similar to that of Study 2a showed that the model fits the data well. To investigate whether a sincere apology contributes to a confounding effect on the relationship between a brand betrayal experience and exclusive brand offerings, we checked on the direct and indirect effects of brand betrayal on customer responses. The results showed that brand betrayal does not significantly predict brand attitude ( $\beta = -.04$ ,  $t = -0.69$ ,  $p = .488$ ) when an apology (without an exclusive brand offering) is offered during recovery efforts. As such, brand betrayal did not have positive indirect effects on positive WOM ( $\beta = -.01$ ,  $SE = .02$ ; CI [-.046, .021]), the likelihood of recommending the brand ( $\beta = -.02$ ,  $SE = .03$ ; CI [-.077, .040]), and negative WOM ( $\beta = .00$ ,  $SE = .01$ ; CI [-.077, .024]). The results

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<sup>2</sup> In Study 2b, participants' self-brand connection was significantly higher than the midpoint of 4 ( $M = 4.47$ ;  $t(483) = 5.86$ ;  $p < .001$ ). Thus, the current research had considered the positive brand relationship part of the listed brand as those brands are highly connected to the participants in Study 2a and 2b.

of the indirect effect of brand disappointment are consistent with Study 2a, which showed negative indirect effects on positive WOM ( $\beta = -.04$ ,  $SE = .02$ ; CI [-.080, -.030]) and the likelihood of recommending the brand offering ( $\beta = -.08$ ,  $SE = .03$ ; CI [-.134, -.030]) but a positive indirect effect on negative WOM ( $\beta = .02$ ,  $SE = .01$ ; CI [.001, .046]).

## 7.2 Discussions

Study 2b serves to rule out the confounding effect of a sincere apology. We proposed that an apology may serve as an efficient brand recovery strategy in reducing the detrimental effect of brand betrayal on negative customer responses and tested whether this was the case. Our findings showed that, unlike the positive effects of offering an exclusive brand offering, offering an apology did not mitigate the adverse outcomes of brand betrayal. Specifically, we found that brand betrayal is not significantly related to positive brand attitude in response to an apology offered after a service failure. In line with Study 2a, we found that brand disappointment is negatively related to positive brand attitude, positive WOM, and recommendation intentions following an apology.

## 8. Conclusion

The current research addresses a gap in marketing research as it sheds light on the differential effects of brand betrayal and brand disappointment by explaining the underlying mechanisms of the effects with the explanations of the self-worth theory of motivation (Ferraro et al., 2011; Platt & Freyd, 2015), equity theory (Homburg et al., 2005), and brand experience (Atwal & Williams, 2009; Brakus et al., 2009). To the best of our knowledge, this is a pioneering

research that attempts to identify the positive effects of brand betrayal on customer responses following a brand recovery effort that relates to an exclusive brand offering.

Notably, this research explores the *immediate* effect of an imaginary brand betrayal, instead of asking participants to recall a real experience of brand betrayal (Grégoire & Fisher, 2008; Grégoire et al., 2009; Reimann et al., 2018) that had hurt them earlier on without a proper brand recovery effort addressing their feeling of betrayal. As such, the current research describes the mechanisms that underlie the immediate impacts of brand betrayal on customer responses. Thus, the design cannot be compared to a brand betrayal experience that happened some time ago. With this in mind, the present study identifies a positive aspect of the impact of brand betrayal on customer responses after a service failure, which moved the examination of brand betrayal beyond the sphere of a love-becomes-hate effect (Grégoire & Fisher 2008; Grégoire et al., 2009).

### *8.1 Theoretical implications*

First, we contribute to the brand betrayal literature by integrating the self-worth theory of motivation (Ferraro et al., 2011) into service failure research. In the case of betrayal, customers encounter an unpleasant state of brand–self thoughts as the brand they care about has betrayed them by violating a moral norm in the relationship (Reimann et al., 2018), such as taking advantage of them, intentionally misleading them, or trying to exploit them (Tan et al., 2019a). To avoid a shame-on-me effect, these customers are motivated to protect their self-worth by evaluating the betraying brand favorably (i.e., positive brand attitude) when they are provided with an exclusive brand offering during the recovery process. In addition, with the mediating role of brand attitude, a rise in the degree of brand betrayal was found to have positive indirect effects

on the customers' willingness to recommend the brand offering to others and spread positive WOM in a social messaging application. Thus, we demonstrated that an exclusive brand experience serves as a means of mitigating the feeling of negative self-worth in a brand betrayal experience that occurred in the immediate past. In this sense, betrayed customers could devote their attention to the exclusive brand experience that is to be gained soon, and thus, they could temporarily disregard the brand–self thoughts related to personal failure.

Second, the current research contributes to the brand disappointment literature by providing insight into its negative effects on customer responses after a service failure. Although the research on brand disappointment has been well documented (Zeelenberg & Pieters, 1999; 2004; Zeelenberg et al., 2000), comparing the effects of brand disappointment and brand betrayal on customer responses is less understood. Intuitively, brand disappointment should have fewer adverse outcomes compared to brand betrayal. However, such conventional wisdom is only applicable to a situation before a recovery effort. This research demonstrates that a higher degree of brand disappointment results in a greater negative impact on customer responses compared with brand betrayal, even though the brand has made an effort to repair the relationship by offering the customers an exclusive reward or a sincere apology. In this sense, we shed some light on the response of disappointed customers to an exclusive brand offering by adopting equity theory (Homburg et al., 2005). Customers feel disappointed and let down when a brand fails to deliver its promises, resulting in negative inequity, produced by the negative affective state. For this reason, customers have a lower perceived outcome or an inadequate evaluation of a future brand offering as the degree of disappointment increases.

Third, we contribute to the brand experience literature (Atwal & Williams, 2009; Brakus et al., 2009) by elucidating the relationship between an exclusive brand offering, brand betrayal,



and brand disappointment during a brand recovery process. Specifically, this study shows that rewarding disappointed customers with the feeling of exclusivity does not necessarily lead to a positive recovery outcome. However, an exclusive brand experience (e.g., VIP access) may elicit a sense of distinction or extraordinariness among customers who feel betrayed, which can create new identities and realities for the customers (Atwal & Williams, 2009) and thereby increase the social context of customer experiences (Brakus et al., 2009). In sum, our research describes how a future brand experience (e.g., an exclusive or personalized experience) can be positively or negatively affected by a prior brand experience.

### *8.2 Managerial implications*

The current research presents and tests the effectiveness of using an exclusive brand offering as a recovery strategy when customers feel betrayed or disappointed following a service failure. Apart from responding to customer complaints with an apology and resolving problems promptly, brand managers can provide highly betrayed customers with an exclusive brand offering (e.g., a complimentary six months of VIP early access to limited-quantity flash sales) that requires them to return to the brand in the near future. As such, brand offerings can serve as a means to treat them as valuable customers and restore the brand relationship. Further, an exclusive brand offering is important to the brand's profitability as it has a direct impact on future revenues (Gielens & Steenkamp, 2019). Such recovery tactics are especially effective among profoundly betrayed customers but not so effective among highly disappointed customers. Brand managers should focus on resolving the complaints of disappointed customers immediately in order to regain trust. In this regard, brand managers should include brand disappointment and betrayal measures on a complaint form so that they can understand the two

types of customer reactions to the brand after a service failure. Still, our findings are only applicable to a situation in which a brand betrayal experience that has occurred in the immediate past and the brand has reacted in time. For this reason, an exclusive brand offering is limited in its applicability to customers that have experienced brand betrayal at some point in the more distant past.

### *8.3 Limitations and future research*

In this research, we used a hypothetical service failure scenario to investigate the immediate effects of brand betrayal and brand disappointment on customer responses. Such a method involves inherent limitations; an experimental design of this kind is well controlled and does not always represent a real-life situation (Bernard, 2012). A field experiment could be conducted to replicate the effects in other domains, for example, in the context of a restaurant and/or hotel. Previous research has found that satisfaction and brand loyalty are crucial in brand recovery (del Río-Lanza, Vázquez-Casielles, & Díaz-Martín, 2009). A future study could integrate these two constructs in a moderated mediation model to provide further insight into the effects of brand betrayal and brand disappointment on other possible customer responses, such as the feelings of deception and hopelessness, that are not investigated in the current research. Lastly, this study only focuses on one type of future brand offering that relates to an exclusive experience. A further study that provides insights into the dimensions of a future brand offering, such as the originality and usefulness of the exclusive experience, is needed in order to provide a better understanding of the type of brand offering that is most beneficial after a service failure.

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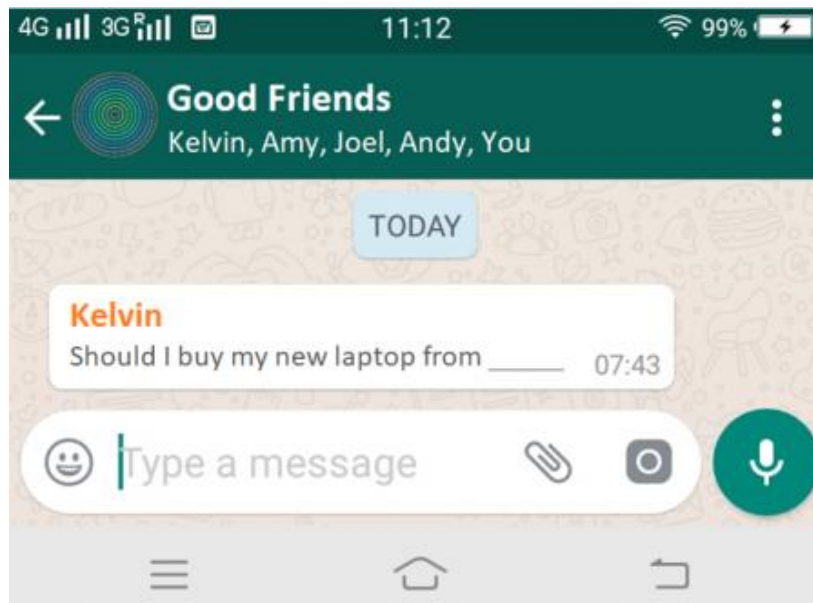
## METHODOLOGICAL DETAILS APPENDIX

### **Pilot study scenarios: Service performance failure versus brand betrayal**

*Control: Service performance failure.* Imagine that you are currently in Helsinki, Finland, and have been traveling with Brand X, an airline, extensively for the last five years. You are happy with Brand X's efficiency and service quality. Recently, you have booked a Brand X ticket to Singapore to celebrate your best friend's wedding ceremony. On the departure day, you are informed that your flight is delayed by three hours. After waiting for three hours, you are informed that your flight is delayed by another two hours, which is followed by another delay of one hour, amounting to a total delay of six hours. You then find out the cause of the flight delay after enquiring with three Brand X members of staff. The reason is due to Brand X's mechanical problems, which are not related to the weather or traffic issues. Further, Brand X does not offer you a complimentary airport meal voucher during the flight delay. In your mind, Brand X has disappointed you as this is a controllable issue that should not have happened.

*Treatment: Brand betrayal.* Imagine that you are currently in Helsinki, Finland, and have been traveling with Brand X, an airline, extensively for the last five years. You are happy with Brand X's efficiency and service quality. Recently, you have booked a Brand X ticket to Singapore to celebrate your best friend's wedding ceremony. On the departure day, your flight is delayed. You try to find out the cause of the flight delay by enquiring about it from three Brand X members of staff. The first staff member tells you the delay is due to an airport traffic issue. The second staff member uses an impatient tone of voice while answering your question, and he points out a weather issue. The third staff member informs you that the reason is due to Brand X's mechanical problems, which are not related to the weather or traffic issues. You then ask for a complimentary airport meal voucher for the long delay. However, a Brand X staff member explains he cannot generate any complimentary voucher at the service counter. He further advises you to submit an online claim by using an original meal receipt. Surprisingly, while on the plane, you found out a similar class passenger who is sitting beside you was given a complimentary Brand X lounge pass (with free food and drink) from the same service counter. In your mind, Brand X has betrayed you due to your unfair treatment.

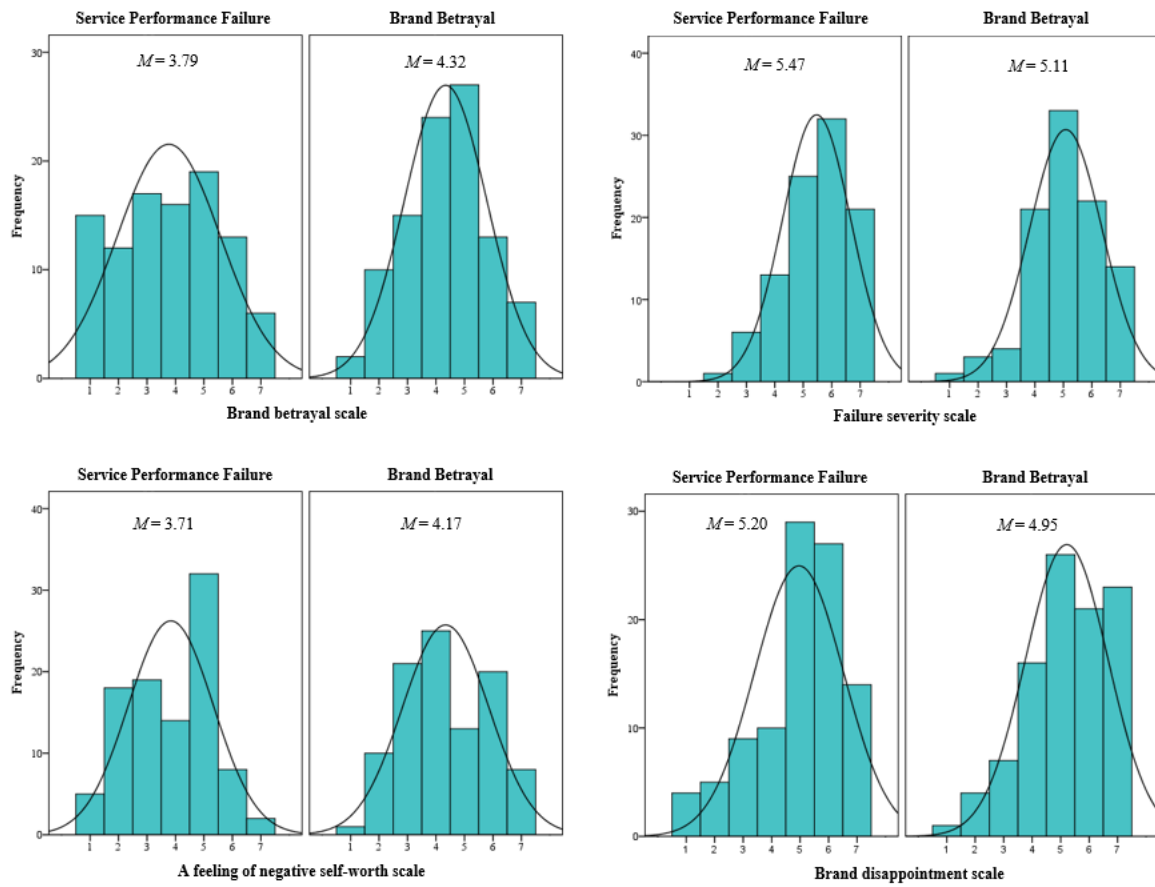


**Studies 2a and 2b: Behavioral measure of WOM**

Imagine that you are replying to messages on a WhatsApp Good Friends Group, someone (e.g., Kelvin) asks you: “Should I buy my new laptop from the *listed e-commerce brand*?” How are you going to respond to him in the WhatsApp group with regard to the e-commerce brand?

## APPENDIX A

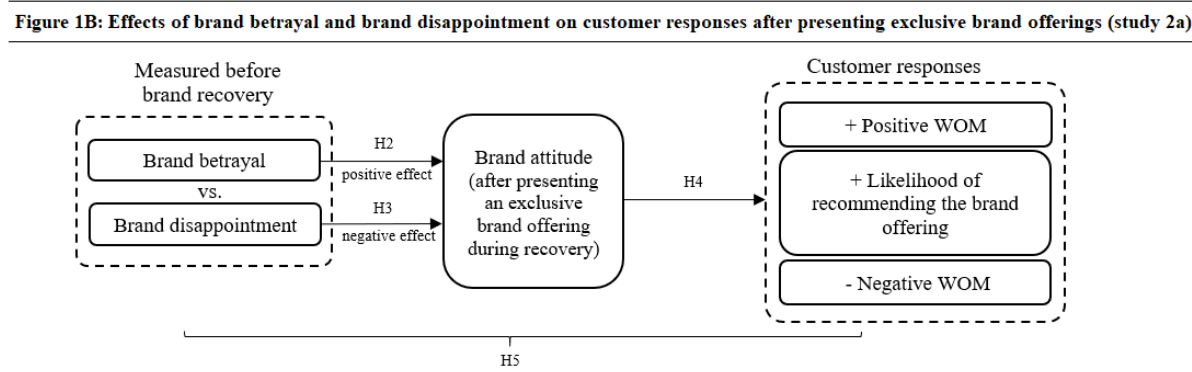
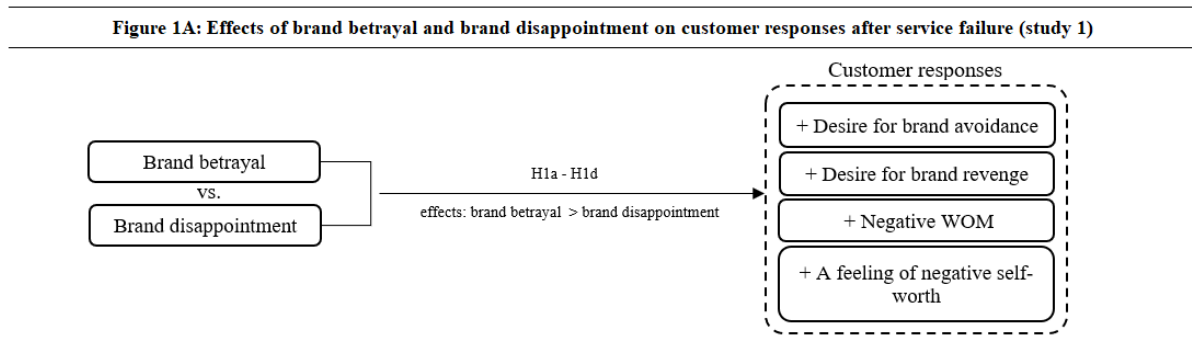
### Pilot study: A comparison of histogram between service performance failure (control) and brand betrayal conditions



Note:

To simplify the illustration of histograms, we have grouped the average of each construct for each participant into a rounded scale as presented.

**Fig. 1**  
 Differential Effects of brand betrayal and brand disappointment on customer responses



Notes: Study 1 tested the effect of brand betrayal and brand disappointment on customer responses by controlling gender and age; Studies 2a controlled the effects of gender, age, self-brand connection, and brand attitude (before service failure) on brand attitude (after presenting participants with an exclusive brand offering during recovery process) and customer responses; WOM: word-of-mouth

**Table 1**

An overview of selected research on the brand betrayal experience

| Studies   | Main contribution  | Customer responses  | An investigation of                            |  | Findings that relate to brand betrayal   |
|---|--|---|--|--|--|
|   |  |   | Disappointment                                 | A recovery effort                                |  |
| Grégoire and Fisher (2008)<br><i>(Empirical)</i>    | Understanding a love-becomes-hate effect from a positive brand relationship  | Retaliatory behavior and demands for reparation                     | Not investigated                               | Not investigated                                 | Customers are more likely to perceive a sense of betrayal with violation of fairness norm as relationship strength grows.  |
| Grégoire et al. (2009)<br><i>(Empirical)</i>        | The time effect on the desire for retaliation and avoidance in online public complaining                             | The desire for revenge and desire for avoidance                     | Not investigated                               | Yes  | Following a brand betrayal experience, customers' desire for brand avoidance increases (the desire for brand revenge decreases) over time. An expensive recovery is effective among non-loyal (vs. loyal) customers.   |
| Johnson et al. (2011)<br><i>(Empirical)</i>         | Understanding a post-exit brand relationship quality that varies with self-relevant (vs. self-neutral) relationships | Anti-brand actions: third-party complaining, negative WOM, hatred   | Minor (as an explanation for negative emotion) | Not investigated                                 | Self-relevant (vs. self-neutral) relationship is more likely to result in the feeling of brand betrayal after a transgression.   |
| Lee et al. (2013)<br><i>(Empirical)</i>             | The moderating effects of relational benefits during a brand betrayal experience in the upscale restaurant industry  | The desire for revenge and desire for avoidance                     | Not investigated                               | Not investigated                                 | Food and employee service failures negatively predicted brand betrayal, whereas, price fairness did not lead to feelings of betrayal. High (vs. low) relational customers displayed greater desire for revenge and avoidance after encountering a brand betrayal experience. |
| Parmentier and Fischer (2015)<br><i>(Empirical)</i> | Understanding the process of consumers' disengagement from serial brands   | Brand audience dissipation  | Not investigated                               | Not investigated                                 | Utilizing the notion of brand betrayal in assessing a serial brand assemblage that explains why consumers amplify the incoherence of the assemblage components (e.g., inconsistent information) and contribute to the destabilization of a brand's identity.                 |
| Joireman et al. (2016)<br><i>(Conceptual)</i>       | A conceptualization of a customer forgiveness model  | Customers' negative motivations, negative behavior, and forgiveness | Not investigated                               | Minor (focuses on the impact of failed recovery) | Following a failed recovery, customers are more likely to forgive a betraying brand because they have formed a stronger brand relationship.  |

|  |  |   |  |                  |   |
|--|--|---|--|------------------|---|
| Obeidat et al. (2017) ( <i>Empirical</i> )       | A comprehensive model of cognitive appraisals and emotional elicitations that contribute to a desire for revenge | Desire for revenge  | Minor (as an explanation for betrayal) | Not investigated | Perceived power and helplessness are positively associated with brand betrayal and, subsequently, these effects contribute to the customer's desire for revenge.                                      |
| MacInnis and Folkes (2017) ( <i>Conceptual</i> ) | The relationship between brand attachment and brand betrayal   | Not available   | Not investigated                       | Not investigated | A feeling of brand betrayal is positively associated with a higher degree of anthropomorphism of the brand by the customer.   |
| Reimann et al. (2018) ( <i>Empirical</i> )       | Distinctions between the experience of brand betrayal and brand dissatisfaction                                  | Feelings of psychological loss, self-castigation, indignation-focused and frustration-focused anger, and rumination                                 | Minor (as an explanation for betrayal) | Not investigated | Brand betrayal (vs. brand dissatisfaction) is more harmful to a negative brand relationship as it has longer lasting negative consequences.   |
| Tan et al. (2019a) ( <i>Empirical</i> )          | The customer's positive response toward a betraying brand  | Personal information disclosure, feeling of negative self-worth, and perceived attractiveness   | Not investigated                       | Yes              | Betrayed customers are more likely to disclose additional personal information for a personalized brand offering when the degree of brand betrayal increases.   |
| Khamitov et al. (2019) ( <i>Conceptual</i> )     | A systematic review of brand transgression by integrating service failure and product-harm crisis literature     | Cognition, affect, and behavior responses during and after a brand transgression, service failure, and product-harm crisis                          | Not investigated                       | Yes              | Brand betrayal is considered as a cognitive-affective variable that underlies the relational process.   |
| Tsarenko et al. (2019) ( <i>Empirical</i> )      | A motivational process of customer forgiveness that underlies self-determination theory                          | Not available   | Not investigated                       | Yes              | Betrayed customers are more likely to express their forgiveness as disillusionment, and they are less likely to trust in the brand recovery attempts.   |
| <b>This study</b> ( <i>Empirical</i> )           | The differential effect of brand betrayal (vs. brand disappointment) on the brand recovery efforts               | The desire for avoidance, desire for revenge, a feeling of negative self-worth, brand attitude, negative and positive WOM, and brand recommendation | Yes                                    | Yes              | A brand recovery effort that is followed by an exclusive brand offering results in a positive (negative) impact on a brand relationship when the degree of brand betrayal (disappointment) increases. |

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**Table 2**

The study constructs and their definitions

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| <b>Construct</b>                                  | <b>Definition</b>   | <b>Reference</b>                          |
|---|---|---|
| Service failure                                   | Service failure is a private service performance that falls below the expectation of one or a few customer(s).  | Khamitov et al. (2019)                    |
| Brand betrayal                                    | A state evoked when a brand fractures an established, strong consumer–brand relationship by engaging in a service failure that violates the consumer’s sense of morality and integrity. | Reimann et al. (2018); Tan et al. (2019a) |
| Brand disappointment                              | The feeling that occurs when the service performance does not match up to expectations  | Zeelenberg and Pieters (2004)             |
| Brand attitude                                    | The positive or negative disposition towards a brand  | Spassova and Lee (2013)                   |
| Desire for brand avoidance                        | The consumer’s need to withdraw from any interactions and relationship with the brand   | Grégoire et al. (2009)                    |
| Desire for brand revenge                          | The consumer’s need to cause damage to the reputation of a brand  | Grégoire et al. (2009)                    |
| Negative WOM                                      | The consumer’s efforts to denigrate a brand to their family and friends by sharing negative or unfavorable feedback or opinions   | Balaji et al. (2016); Sinha and Lu (2016) |
| A feeling of negative self-worth                  | A negative evaluation of oneself  | Critcher and Dunning (2015)               |
| Positive WOM                                      | The consumer’s efforts to communicate to other parties concerning a positive evaluation of the brand  | Maxham III (2001)                         |
| The likelihood of recommending the brand offering | The likelihood of the consumer engaging in efforts to recommend the brand offering to others  | Wirtz et al. (2013)                       |

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**Table 3**

Results of standardized factor loading, Cronbach's Alpha, composite reliability, average variance extracted, and model fit indices

| Constructs   | Study 1 (n) = 299 |          |     |     | Study 2a (n) = 498 |          |         |         | Study 2b (n) = 484 |          |         |         |
|--|-------------------|----------|-----|-----|--------------------|----------|---------|---------|--------------------|----------|---------|---------|
|  | SFL               | $\alpha$ | CR  | AVE | SFL                | $\alpha$ | CR      | AVE     | SFL                | $\alpha$ | CR      | AVE     |
| Brand disappointment (Eisikovits & Koren, 2010; Zeelenberg & Pieters, 1999)        |                   | .86      | .87 | .69 |                    | .93      | .93     | .82     |                    | .91      | .91     | .78     |
| BD1: To what extent does brand X break the promise made to you?                    | .87               |          |     |     | .90                |          |         |         | .85                |          |         |         |
| BD2: To what extent does brand X let you down in a moment of need?                 | .85               |          |     |     | .92                |          |         |         | .95                |          |         |         |
| BD3: To what extent does brand X fail to support you?                              | .78               |          |     |     | .90                |          |         |         | .84                |          |         |         |
| Brand betrayal (Tan et al., 2019a)   |                   | .91      | .92 | .78 |                    | .94      | .94     | .84     |                    | .94      | .94     | .85     |
| BB1: To what extent does brand X intend to take advantage of you?                  | .89               |          |     |     | .89                |          |         |         | .93                |          |         |         |
| BB2: To what extent does brand X intentionally mislead you?                        | .86               |          |     |     | .93                |          |         |         | .88                |          |         |         |
| BB3: To what extent does brand X try to exploit you?                               | .90               |          |     |     | .93                |          |         |         | .95                |          |         |         |
| Negative WOM (Sinha & Lu, 2016)  |                   | .98      | .98 | .94 |                    |          |         |         |                    |          |         |         |
| NWOM1: How likely are you to say bad things about brand X to other people?         | .95               |          |     |     | — <sup>a</sup>     |          |         |         | — <sup>a</sup>     |          |         |         |
| NWOM2: How likely are you to say negative things about brand X to other people?    | .99               |          |     |     | — <sup>a</sup>     |          |         |         | — <sup>a</sup>     |          |         |         |
| NWOM3: How likely are you to say unfavorable things about brand X to other people? | .98               |          |     |     | — <sup>a</sup>     |          |         |         | — <sup>a</sup>     |          |         |         |
| Desire for brand avoidance (Grégoire et al., 2009)                                 |                   | .95      | .95 | .88 |                    |          |         |         |                    |          |         |         |
| I want (wanted) to ...   |                   |          |     |     |                    |          |         |         |                    |          |         |         |
| DA1: Keep as much distance as possible between the firm and me.                    | .90               |          |     |     | — <sup>a</sup>     |          |         |         | — <sup>a</sup>     |          |         |         |
| DA2: Cut off the relationship with the firm.                                       | .97               |          |     |     | — <sup>a</sup>     |          |         |         | — <sup>a</sup>     |          |         |         |
| DA3: Withdraw my business from the firm.   | .94               |          |     |     | — <sup>a</sup>     |          |         |         | — <sup>a</sup>     |          |         |         |
| Desire for brand revenge (Grégoire et al., 2009)                                   |                   | .94      | .94 | .85 |                    |          |         |         |                    |          |         |         |
| I want (wanted) to ...   |                   |          |     |     |                    |          |         |         |                    |          |         |         |
| DR1: Take actions to get the firm in trouble.                                      | .91               |          |     |     | — <sup>a</sup>     |          |         |         | — <sup>a</sup>     |          |         |         |
| DR2: Punish the firm in some way.  | .95               |          |     |     | — <sup>a</sup>     |          |         |         | — <sup>a</sup>     |          |         |         |
| DR3: Cause inconvenience to the firm.  | .91               |          |     |     | — <sup>a</sup>     |          |         |         | — <sup>a</sup>     |          |         |         |
| A feeling of negative self-worth (Critcher & Dunning, 2015)                        |                   |          |     |     |                    |          |         |         |                    |          |         |         |
| After the incident, ...  |                   |          |     |     |                    |          |         |         |                    |          |         |         |
| FNSW1: I feel humiliated.  | .85               | .89      | .89 | .73 | — <sup>a</sup>     |          |         |         | — <sup>a</sup>     |          |         |         |
| FNSW2: I feel ashamed.   | .93               |          |     |     | — <sup>a</sup>     |          |         |         | — <sup>a</sup>     |          |         |         |
| FNSW3: I feel inferior.  | .78               |          |     |     | — <sup>a</sup>     |          |         |         | — <sup>a</sup>     |          |         |         |
| Brand attitude* (Spasova & Lee, 2013)  |                   |          |     |     |                    | .89/.97  | .89/.97 | .73/.91 |                    | .93/.98  | .93/.98 | .82/.94 |
| BA1: bad (-3) versus good (+3)   | — <sup>a</sup>    |          |     |     | .84/.94            |          |         |         | .91/.97            |          |         |         |
| BA2: unpleasant (-3) versus pleasant (+3)  | — <sup>a</sup>    |          |     |     | .86/.96            |          |         |         | .91/.96            |          |         |         |
| BA3: unfavorable (-3) versus favorable (+3)  | — <sup>a</sup>    |          |     |     | .87/.98            |          |         |         | .91/.98            |          |         |         |
| Self-brand connection (Park et al., 2010)  |                   |          |     |     |                    | .91      | .91     | .84     |                    | .91      | .91     | .83     |

|  |                |     |     |     |     |     |     |     |     |
|--|----------------|-----|-----|-----|-----|-----|-----|-----|-----|
| SBC1: To what extent is X could reflect part of you and who you are?               | — <sup>a</sup> | .93 |     |     |     | .94 |     |     |     |
| SBC2: To what extent do you feel personally connected to X?                        | — <sup>a</sup> | .91 |     |     |     | .88 |     |     |     |
| Likelihood of recommending the brand offering** (Wirtz et al., 2013)               |                |     | .98 | .98 | .94 |     | .96 | .97 | .91 |
| LR1: How likely will you recommend the brand offering to him/her?                  | — <sup>a</sup> | .91 |     |     |     | .90 |     |     |     |
| LR2: How likely will you encourage him/her to use the brand offering?              | — <sup>a</sup> | .98 |     |     |     | .98 |     |     |     |
| LR3: How likely will you put in effort to recommend the brand offering to him/her? | — <sup>a</sup> | .99 |     |     |     | .98 |     |     |     |

CFA model fit indices:

Study 1:  $\chi^2/d.f.$  = 1.723, RMSEA = .049, NNFI = .958, CFI = .982, SRMR = .039

Study 2a:  $\chi^2/d.f.$  = 1.966, RMSEA = .044, NNFI = .967, CFI = .984, SRMR = .022

Study 2b:  $\chi^2/d.f.$  = 2.214, RMSEA = .050, NNFI = .964, CFI = .980, SRMR = .024

Notes:

SFL = Standardized factor loadings, all loadings are significant below 0.001 level and less than 0.01 difference in loading when comparing the CFA and second order CFA;  $\alpha$  = Cronbach's Alpha; CR = Composite reliability; AVE = Average variance extracted

\* Brand attitude was measured twice in studies 2a and 2b; before a service failure and after presenting participants with an exclusive brand offering during recovery process

\*\* In study 2b, since the participants were not presented with an exclusive brand offering, all items were referring to brand X, rather than a brand offering

<sup>a</sup> Not included in the respective study



**Table 4**  
Result of the discriminant validity analysis

| Constructs                                       |          | 1              | 2              | 3              | 4              | 5              | 6              | 7              | 8              | 9              | 10             |            |
|--|----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------|
| 1. Brand disappointment                          | Study 1  | <b>.83</b>     |                |                |                |                |                |                |                |                |                |            |
|  | Study 2a | <b>.90</b>     |                |                |                |                |                |                |                |                |                |            |
|  | Study 2b | <b>.78</b>     |                |                |                |                |                |                |                |                |                |            |
| 2. Brand betrayal                                | Study 1  | .19*           | <b>.89</b>     |                |                |                |                |                |                |                |                |            |
|  | Study 2a | .20**          | <b>.92</b>     |                |                |                |                |                |                |                |                |            |
|  | Study 2b | .28**          | <b>.85</b>     |                |                |                |                |                |                |                |                |            |
| 3. Negative WOM                                  | Study 1  | .35**          | .58**          | <b>.97</b>     |                |                |                |                |                |                |                |            |
|  | Study 2a | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> |                |                |                |                |                |                |                |            |
|  | Study 2b | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> |                |                |                |                |                |                |                |            |
| 4. Desire for brand avoidance                    | Study 1  | .28**          | .64**          | .72**          | <b>.94</b>     |                |                |                |                |                |                |            |
|  | Study 2a | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> |                |                |                |                |                |                |            |
|  | Study 2b | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> |                |                |                |                |                |                |            |
| 5. Desire for brand revenge                      | Study 1  | .32**          | .68**          | .62**          | .71**          | <b>.92</b>     |                |                |                |                |                |            |
|  | Study 2a | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> |                |                |                |                |                |            |
|  | Study 2b | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> |                |                |                |                |                |            |
| 6. A feeling of negative self-worth              | Study 1  | .12            | .55**          | .36**          | .54**          | .45**          | <b>.86</b>     |                |                |                |                |            |
|  | Study 2a | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> |                |                |                |                |            |
|  | Study 2b | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> |                |                |                |                |            |
| 7. Brand attitude (T1)                           | Study 1  | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> |                |                |                |            |
|  | Study 2a | -.07           | -.15*          | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | <b>.86</b>     |                |                |            |
|  | Study 2b | .02            | -.26**         | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | <b>.82</b>     |                |                |            |
| 8. Self-brand connection                         | Study 1  | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> |                |                |            |
|  | Study 2a | -.01           | .36**          | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | .42**          | <b>.92</b>     |                |            |
|  | Study 2b | .07            | .27**          | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | .38**          | <b>.83</b>     |                |            |
| 9. Likelihood of recommending the brand offering | Study 1  | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> |                |            |
|  | Study 2a | -.01           | .29**          | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | .22**          | .52**          | <b>.97</b>     |            |
|  | Study 2b | .00            | .10*           | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | .17**          | .43**          | <b>.91</b>     |            |
| 10. Brand attitude (T2)                          | Study 1  | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> |            |
|  | Study 2a | -.12*          | .19**          | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | .37**          | .51**          | .48**          | <b>.96</b> |
|  | Study 2b | -.15**         | -.01           | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | — <sup>a</sup> | .24**          | .36**          | .54**          | <b>.94</b> |

Notes:

\*\* . Correlation is significant at the .001 level (2-tailed)

\* . Correlation is significant at the .05 level (2-tailed)

Square root of AVE in bold; <sup>a</sup> Not included in the respective study; In studies 2a and 2b, the positive and negative WOM was analyzed in percentage by LIWC, these two observed variables were included in the CFA analysis, however there are not presented here to avoid confusion; T1: Before a service failure; T2: After presenting participants with an exclusive brand offering during recovery process

**Table 5**  
Key findings from study 1, 2a, and 2b

|                            | Study 1 ( <i>n</i> = 299) |                |                | Study 2a ( <i>n</i> = 498)          |                | Study 2b ( <i>n</i> = 484)          |                |
|----------------------------|---------------------------|----------------|----------------|-------------------------------------|----------------|-------------------------------------|----------------|
|                            | $\beta$                   | <i>t</i> value | $\Delta\chi^2$ | $\beta$                             | <i>t</i> value | $\beta$                             | <i>t</i> value |
| <b>H1a:</b> BB → DA        | .67**                     | 12.01          | 28.19**        | — <sup>a</sup>                      |                | — <sup>a</sup>                      |                |
| BD → DA                    | .17**                     | 3.49           |                | — <sup>a</sup>                      |                | — <sup>a</sup>                      |                |
| <b>H1b:</b> BB → DR        | .69**                     | 12.91          | 22.72**        | — <sup>a</sup>                      |                | — <sup>a</sup>                      |                |
| BD → DR                    | .22**                     | 4.54           |                | — <sup>a</sup>                      |                | — <sup>a</sup>                      |                |
| <b>H1c:</b> BB → NWOM      | .59**                     | 11.43          | 9.27**         | — <sup>a</sup>                      |                | — <sup>a</sup>                      |                |
| BD → NWOM                  | .25**                     | 4.94           |                | — <sup>a</sup>                      |                | — <sup>a</sup>                      |                |
| <b>H1d:</b> BB → FNSW      | .56**                     | 9.81           | 37.07**        | — <sup>a</sup>                      |                | — <sup>a</sup>                      |                |
| BD → FNSW                  | .04                       | 0.78           |                | — <sup>a</sup>                      |                | — <sup>a</sup>                      |                |
| <b>H2:</b> BB → BA         | — <sup>a</sup>            |                |                | .12*                                | 2.35           | -.04                                | -0.69          |
| <b>H3:</b> BD → BA         | — <sup>a</sup>            |                |                | -.16**                              | -3.82          | -.17**                              | -3.61          |
| <b>H4:</b> BA → PWOM       | — <sup>a</sup>            |                |                | .18**                               | 3.31           | .26**                               | 5.34           |
| BA → LR                    | — <sup>a</sup>            |                |                | .30**                               | 6.48           | .46**                               | 11.07          |
| BA → NWOM                  | — <sup>a</sup>            |                |                | -.19**                              | -3.55          | -.10*                               | -1.99          |
| <b>H5: Indirect effect</b> |                           |                |                | $\beta$ (SE) (lower and upper CI)   |                |                                     |                |
| BB → PWOM                  | — <sup>a</sup>            |                |                | .02 (.01) * (CI = [.004, .052])     |                | -.01 (.02) (CI = [-.046, .021])     |                |
| BB → LR                    | — <sup>a</sup>            |                |                | .04 (.02) * (CI = [.004, .075])     |                | -.02 (.03) (CI = [-.077, .040])     |                |
| BB → NWOM                  | — <sup>a</sup>            |                |                | -.02 (.01) * (CI = [-.055, -.003])  |                | .00 (.01) (CI = [-.007, .024])      |                |
| BD → PWOM                  | — <sup>a</sup>            |                |                | -.03 (.01) ** (CI = [-.063, -.007]) |                | -.04 (.02) ** (CI = [-.080, -.030]) |                |
| BD → LR                    | — <sup>a</sup>            |                |                | -.05 (.02) ** (CI = [-.085, -.018]) |                | -.08 (.03) ** (CI = [-.134, -.030]) |                |
| BD → NWOM                  | — <sup>a</sup>            |                |                | .03 (.01) ** (CI = [.009, .065])    |                | .02 (.01) * (CI = [.001, .046])     |                |
| $\chi^2/d.f.$              |                           | 2.568          |                | 2.064                               |                | 2.264                               |                |
| RMSEA                      |                           | .073           |                | .046                                |                | .051                                |                |
| NNFI                       |                           | .935           |                | .964                                |                | .961                                |                |
| CFI                        |                           | .959           |                | .981                                |                | .977                                |                |
| SRMR                       |                           | .074           |                | .030                                |                | .031                                |                |

Notes:  
\*\*  $p \leq .01$ ; \*  $p \leq .05$   
BD = brand disappointment; BB = brand betrayal; DA = desire for brand avoidance; DR = desire for brand revenge; NWOM = negative WOM; FNSW = A feeling of negative self-worth; BA = brand attitude after brand recovery; PWOM = positive WOM; LR = likelihood of recommending the brand offerings;  $\beta$  = standardized parameter estimates; CI = confidence intervals; <sup>a</sup> Not included in the respective study; Studies 2a and 2b indirect test with 10,000 bootstrapping and a 99% confidence level for confidence intervals; Study 1 tested the effect of brand betrayal and brand disappointment on customer responses by controlling gender and age; Studies 2a and 2b controlled the effects of gender, age, self-brand connection, and brand attitude (before service failure) on brand attitude (after presenting participants with an exclusive brand offering during recovery process) and customer responses; The controlling effects were not presented to avoid complexity

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