# The Effect of Perceived Justice Dimensions on Satisfaction, Perceived Quality and Trust as Factors Influencing Loyalty in a Situation of Failure Recovery in Retail

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**Abstract:** The purpose of this paper is to investigate the effects of perceived justice dimensions on satisfaction, perceived quality and trust of consumer as factors influencing loyalty in a situation of failure recovery in retail. Totally, 400 questionnaires were distributed to university students, that 380 questionnaires were used for the final analysis, which the results from analysis of them based on structural equation modeling (SEM) show that distributive justice and Interactional justice have a positive relationship with satisfaction, perceived quality and consumers' trust; Also, consumers satisfaction, perceived value, consumer switching Costs, attitudinal loyalty and behavioral loyalty have a positive relationship with loyalty. It is for retail managers to identify how their actions during Failure Recovery resemble the characteristics of this study, in order to minimize the negative influences that affect the antecedents of consumer Loyalty.

## 1.    Introduction

It is known by organizations that the quality of their services or products is not sufficient to maintain or enhance a strategic position in the market. With this, there is the concern of managers of organizations to transform transactional operations into more relational interactions with their consumers (Garbarino and Johnson, 1999). This new relational environment has made companies increasingly realize that much of the success of the business depends on the ability to keep current customers satisfied and thus loyal to their business processes (Blodgett et al., 1997). In this scenario, one of the ways of enhancing the relationship with customers is demonstrated through the investments that organizations conduct pursuing excellence in their business processes and, in particular, in the recovery process of their service failures. The latter is seen as an important factor for differentiation and maintenance of Loyalty from consumers (Tax et al. 1998).

Previous studies have specified the concept of Justice and how this construct affects consumer perceptions (Blodgett et al., 1997; Tax et al., 1998). The concept of Justice can be understood in three different dimensions: in the form of Distributive Justice, using the concept of equity among the participants of a transaction (Tax et al., 1998), in the form of Procedural Justice when analyzing policies and procedures used by organizations during the solution process (Blodgett et al., 1997; Tax et al., 1998), and Interactional Justice, when referring to the type of treatment provided by the staff and the organization during the episode of the solution (Tax et al. 1998; Magnini et al. 2007).

There are already some studies on the perception of Justice in recovery of failure (Tax et al. (1998); Chandrashekaran, 1998; Maxham and Netemeyer, 2002). In Brazil, the main approach to the subject is synthesized in studies conducted by Santos and Fernandes (2007), who applied it to automobile dealerships established in Porto Alegre (RS), and by the same authors in 2008 using airline customers and client banks. Despite the relevance and the originality of studies by these authors, it appears that there are defects in both approaches. An example is the lack of analysis of a large variety of antecedents of Loyalty and lack of Loyalty when applying the model in highly competitive business environments that have lower exit barriers. The display of these gaps is acknowledged in the studies of Santos and Fernandes (2007, p. 48) when they emphasize the existence of a fertile field of research within the subject that needs to be explored in greater depth.

This study seeks to provide a more robust research model using a larger amount of antecedent variables that contribute to consumer Loyalty. To this end, this research was based on understanding consumer perceptions of the types of Justice they received from a national retailer in response to their complaints regarding a failure. We were also interested in the influence this perception had on customer Loyalty. Specifically, the main purpose of this work was to answer the following research question: what is the influence of Justice as an antecedent of Loyalty of consumers after a process of failure recovery in retail? To answer this question, this paper is structured in six sections: this brief introduction, theoretical references, methodology, results, discussion of the results and, finally, a section that deals with the conclusions and final considerations.

## 2.    Literature Review

### 2.1    Failure Recovery

The dissemination of proposals for more specific relationships with consumers led to the creation of different services that have been developed and deployed by companies (Parvatiyar and Sheth, 2000). The inevitable failures occurring in these services led to the creation of the recovery process, regardless of whether

or not those services are directed to the processes of maintaining customer Loyalty (Tax et al., 1998). According to Parasuraman and Berry (1991) and Tax et al. (1998), due to the intangibility of services, as well as the existence of operational interdependences and the excessive contact between customers and employees, the timing of complaint management can be considered a "critical moment of truth" in the maintenance and development of a relationship in the long term, resulting in a decisive factor for maintaining strategic positions in many sectors of business. A similar opinion is presented by Blodgett et al. (1995) when they say that retailers and service providers must understand that the answers to complainants provide an opportunity to solidify and strengthen relationships with customers.

According to Singh (1988), the act of complaining can lead to a set of possible behaviors if customers are dissatisfied. In general, these options include a formal complaint, seeking redress (refund, exchange, repair, or excuse, etc.), negative word of mouth (i.e., customers may talk to others about a dissatisfaction), discontinuance of the relationship (leaving the commercial environment with the promise never to return to consume), and contact with others to expose the situation in order to denigrate the operational Quality and / or commercial enterprise (complaints in the media).

The positive commercial aspect of first responses to consumers is providing considerable evidence that if a company handles complaints immediately they can reduce the incidence of negative communication and negative word of mouth recommendations to others, and increase the likelihood of repurchase by these plaintiffs, who may spend significantly and issue a positive word of mouth communication (spreading affection, good relationship etc.). These consumers may also become more loyal if they perceive immediate attention and a high degree of Justice in the proposed solution (Blodgett et al., 1995). Magnini et al. (2007) also concluded that the company's immediate response to the complaints offers a unique opportunity to model the importance of customer Satisfaction and Loyalty may increase if the customer views this recovery effort as a legitimate compensatory action and sincere correction of a failure rather than a simple effort of maintaining public relations.

According to Hess et al. (2003), the number of failures also influences the perception of customers and, due to the amount of interactions among agents, provides an important source of information about customer Satisfaction for enterprises. While acknowledging the number of interactions with customers as an important factor in the process of Satisfaction, Magnini et al. (2007) point out that this is not a significant aspect, because this relationship is moderated by a number of contextual influences and researchers must have a more refined approach to analyze the processes of recovery. According to these authors, a highly significant variable in assessing customer Satisfaction before a failure recovery process is the severity of the occurrence. If the failure experienced by the customer is too large, no reasonable excuse or repair can create a significant rebound to restore the levels of Satisfaction, Trust, and Perceived Quality to a level similar to that which existed before the occurrence (Magnini et al., 2007). The authors illustrate this idea, citing research by McCollough et al. (2000) who used customers at airports and a hypothetical scenario of a three-hour delay in flights.

## 2.2 *Perceived Justice Dimensions*

A critical moment in the relationship between service providers and consumers is during a complaint about the failure of a service. A major challenge for managers of organizations is to understand how the settlement process of the problem was provided for the consumer. Thus, the type, the means, and amount of Justice that were applied in resolving the complaint become crucial factors in understanding the consumer (Tax et al. 1998). According to Tax et al. (1998), complaint handling can be viewed as a sequence of manipulations of processes that begin with the statement of a complaint and encompass the elements of organizational interactions leading to the decision and presentation of results to the customer. Bies and Shapiro (1987) also point out that every part of this sequence is subject to considerations of Loyalty on the part of complainants and each resolution proposed by the organization creates a different aspect of Justice to consumers' complaints.

The process of Justice, according to Tax et al. (1998), means the handling of the complaint, and includes the series of events related to the procedure for recovery of failures that occurred. This is not based merely on the existence of Loyalty (Distributive Justice) which addresses the results of post-decision, but also on two other moments of this transaction, which come directly from the processes performed (Procedural Justice) and include the relationships among the functional agents of the process (Interactional Justice). Martinez-Tur et al. (2006) corroborate this idea, citing the distributive aspect as a theory of the capital perceived by consumers and ignores the social factor present in concepts related to the processes and interactions among people.

## 2.3 *Consumer Loyalty*

According to Oliver (1999), Loyalty is a deep commitment to repurchase or promote a product or service in the future. This is evidenced by the repeated purchase of the brand or the same set of brands, and feeling emotionally connected. Jones and Sasser (1995) conceptualize customer Loyalty as "the feeling of attachment or affection for the people of a company, its products and services." Also based on the aspect of the relationship, Singh and Sirdeshmukh (2000) define Loyalty as a behavior that demonstrates the intention to maintain and expand this relationship with the service provider.

In the context of business operations, Loyalty is measured directly by research on consumer behavior. It is linked to the direct relationship between customers and organizations, and is multifaceted, complex, and subject to Consumer Switching Costs which are influenced by several factors that are unique to each business sector (Parente, 2000). Reichheld and Sasser (1990) point out that the existence of a higher customer Loyalty can lead to reduced costs of acquiring new customers, reducing the maintenance costs of business and promoting an easier path to profitability.

According to Dick and Basú (1994), this positioning on the movement of customers perceived as loyal to the company is explained by the fact that in this situation these customers are less motivated to seek new business alternatives, being more resistant to persuasion from competitors and more likely to spread positive word of mouth communication. The authors note that these behavioral and emotional factors cannot be seen with the same intensity and the Loyalty of consumers must be classified into four different levels – true Loyalty when the attitude is favorable and the repurchase is consistent, spurious Loyalty (false) that occurs when the customer buys regularly (strong performance),

however, demonstrates low commitment in terms of attitude or having no preference, latent Loyalty that occurs when the client, despite showing strong attitude shows a low level of repurchase and, finally, lack of Loyalty, which occurs in situations where consumers have a low level of preference (poor attitude) and behavior (irregular frequency of purchases). According to the authors, consumers who have spurious Loyalty may be prone to replace the vendor in the face of better alternatives, and consumers who have latent Loyalty may be facing barriers to access to the product or service.

There is a clear difficulty in forming Loyalty in markets with low differentiation between competitors, such as some types of retail with high volatility, heterogeneity of factors influencing the purchase decision, and with great competitive prices (Dick and Basú, 1994). However, the authors point out that even in these markets, the supplier's effort can lead to an improvement in the attitude of the consumer, providing a relationship that can result in the formation of preference and significantly contribute to the development of long-term Loyalty (Dick and Basú, 1994; Jones and Sasser, 1995).

Several authors have cited several variables present in relationships that directly precede the construction of the Loyalty of consumers, namely: Satisfaction (Oliver, 1997; Dick and Basú, 2004), Perceived Quality (Parasuraman et al., 1988; Dabholkar et al. 1996) and Trust (Garbarino and Johnson, 1999; Sirdeshmukh et al. 2002). There are also other situational factors that directly influence the construction of consumer Loyalty, such as perceived Value in relational exchanges (Sirdeshmukh et al., 2002) and Consumer Switching Costs for consumers to change to new suppliers (Burnham et al., 2003). The importance of these antecedents of Loyalty and evidence from relationships of these constructs with the types of perceived Justice by consumers after the occurrence of the failure recovery process enabled the formulation of the hypotheses of this research.

## 3. Research Hypothesis

Distributive Justice can be translated as perceived Loyalty after the tangible result of a dispute, negotiation, or decision involving two or more parties in a process of failure recovery (Blodgett et al., 1993). This perception possibly influences the judgment of Satisfaction, Quality, and Consumer Trust in the supplier; Thus:

**H1:** The perceived distributive justice has a positive relationship with Iranian consumers' satisfaction in a situation of failure recovery in retail.

**H2:** The perceived distributive justice has a positive relationship with Iranian consumers' perceived quality in a situation of failure recovery in retail.

**H3:** The perceived distributive justice has a positive relationship with Iranian consumers' trust in a situation of failure recovery in retail.

The understanding of procedural justice is based on the perception of consumers after the operation processes (Blodgett et al., 1997). Very probably this perception affects the judgment of Satisfaction, Perceived Quality, and Consumer Trust in the supplier. Thus:

**H4:** The perceived procedural justice has a positive relationship with Iranian consumers' satisfaction in a situation of failure recovery in retail.

**H5:** The perceived procedural justice has a positive relationship with Iranian consumers' perceived quality in a situation of failure recovery in retail.

**H6:** The perceived procedural justice has a positive relationship with Iranian consumers' trust in a situation of failure recovery in retail.

Understanding consumers' perception of interactional justice, - the manner in which they were treated during the resolution process, for example, with courtesy and respect or rudeness (Bies, Shapiro, 1987; Tax et al. 1998) - possibly influences consumers, like this:

**H7:** The perceived interactional justice has a positive relationship with Iranian consumers' satisfaction in a situation of failure recovery in retail.

**H8:** The perceived interactional justice has a positive relationship with Iranian consumers' perceived quality in a situation of failure recovery in retail.

**H9:** The perceived interactional justice has a positive relationship with Iranian consumers' trust in a situation of failure recovery in retail.

Satisfaction is a key factor in long-term relationships between buyers and suppliers of services. With its acquisition, the client becomes motivated to repeat purchase and recommend the provider to other potential customers (Lam et al., 2004). After reaching a solution for the complaint process and forming a perception of the types of Justice, quite possibly the Customer Satisfaction regarding Loyalty to the service provider has changed. With this:

**H10:** The Iranian consumers' satisfaction has a positive relationship with Loyalty to the retailer in a situation of failure recovery in retail.

The occurrence of encounters between consumers and providers can enhance the Perceived Quality by modifying future purchase intentions of customers (Cronin and Taylor, 1992). With the perception of the types of Justice, the consumer has different understandings of Perceived Quality for suppliers after recovery from failure, thus affecting their Loyalty. With this, it is reasonable to assume that:

**H11:** The Iranian consumers' perceived quality has a positive relationship with Loyalty to the retailer in a situation of failure recovery in retail.

Trust is associated with the risk the consumer has in acquiring certain vendor services (Dowling, Staelin, 1994). This construct is possibly influenced by the perception that consumers have after the failure recovery. This perception will also likely influence their Loyalty. Then it is expected that:

**H12:** The Iranian consumers' trust has a positive relationship with Loyalty to the retailer in a situation of failure recovery in retail.

After recovery of the failure by the service provider, the positions of Value and Consumer Switching Costs are possibly modified because the value is defined as the consumer's perception of the benefits minus the costs of maintaining an ongoing relationship with a service provider (Sirdeshmukh et al. 2002). After resolution of the failure, possibly this position is strengthened, affecting the Loyalty of the consumer. With this:

**H13:** The higher the Value Perceived, the greater consumer Loyalty in a situation of failure recovery in retail.

Consumer Switching Costs are those incurred by the consumer to switch suppliers, which could be avoided if the consumer remained with the current supplier (Lee et al., 2001). Upon completion of the process of fault recovery, possibly, consumers may have changed their perception in this regard. So we assume that:

**H14:** The greater the switching Costs, the greater consumer Loyalty in a situation of failure recovery in retail.

Consumer Loyalty can be measured jointly by the repetition of purchase behavior and intention of consumers to maintain long-term business relationships with a supplier (Oliver, 1999; Sheth et al., 1999; Sirdeshmukh et al., 2000). As Dick and Basú (1994) found, it is possible to understand that this differentiation (attitudinal and behavioral) represents a way to develop the capability to predict repurchase, and encourage managers of organizations to adopt monitoring strategies of customer retention. If Attitudinal Loyalty is the statement of reuse, including consumer understanding that the benefits of the relationship outweigh its costs, and generating an attitude to recommend a product or service to friends (Sirdeshmukh et al., 2002), then:

**H15:** The Iranian consumers' attitudes has a positive relationship with Loyalty to the service provider in a situation of failure recovery in retail.

Regarding the behavioral mode, and determined by indicators such as frequency and volume of consumer purchases (Jones and Sasser, 1995), after the failure recovery process, possibly consumers have changed their behavior in relation to the supplier. So it was necessary to verify:

**H16:** The Iranian consumers' behavior has a positive relationship with Loyalty to the service provider in a situation of failure recovery in retail.

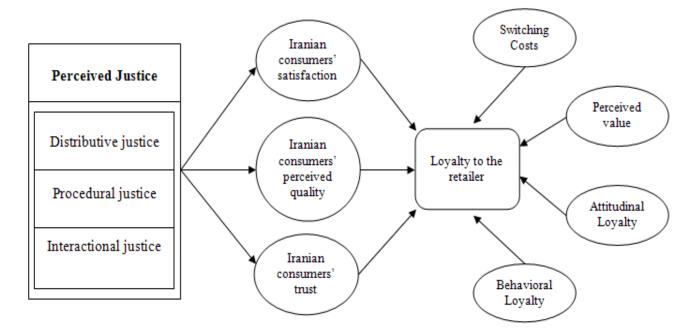Therefore, based on the hypothesis, figure 1 is a conceptual model to this study.

**Figure1**. Research conceptual model



## 4. Methodology

### 4.1 Questionnaire Design

A structured instrument was used to collect data and using a five point Likert scale: distributive justice was adapted from Blodgett et al. (1997), Tax et al. (1998) and Smith et al. (1999); procedural justice was adapted from Blodgett et al. (1997) and Thibaut & Walker (1975); interactional justice was adapted from Clemmer (1988) and Tax et al. (1998); satisfaction and attitudinal loyalty were adapted from Oliver (1997); trust was adapted from Dowling and Staelin (1994); perceived quality was adapted from Dabholkar et al. (1996);

perceived value was adapted from Sirdeshmukh et al. (2002); consumer switching costs was adapted from Lee et al. (2001); behavioral loyalty was adapted from Lopes (2007). Respecting to the fact that the questionnaire used in present research was developed based on both research background and opinions of relevant experts,

thus it has content validity. In order to verify reliability of questionnaire, Cronbach α coefficient was used. Cronbach α was estimated at 95% which demonstrated questionnaire reliability. Also as Table 1 shows, Cronbach α coefficient was estimated at above 0.7 for all dimensions.

**Tablel.** Cronbach α coefficient estimated for various dimensions

| Dimensions | Items | Cronbach's Alpha |
|---|---|---|
| distributive justice | 4 | 0.811 |
| procedural justice | 5 | 0.820 |
| interactional justice | 6 | 0.779 |
| satisfaction | 5 | 0.786 |
| Attitudinal Loyalty | 5 | 0.825 |
| trust | 4 | 0.847 |
| Perceived Quality | 6 | 0.857 |
| Perceived Value | 6 | 0.747 |
| Consumer Switching Costs | 6 | 0.864 |
| Behavioral Loyalty | 2 | 0.898 |
| Adoption Plan | 49 | 0.963 |

### 4.2  Sampling Target

In this study, we used a database that contained information from 380 consumers who accessed the CS (Customer Service) from a large national retailer, which sells materials for construction. This database lists records of complaints about failures of services (such as lack of delivery, delays, malfunctioning products, lack of products available for purchase, problems with attendance of employees, etc.). Client access to the retailer's CS happened between 2 and 12 months before the date of the survey.

### 4.3  Data Analysis

Structural equation modeling (SEM) with Lisrel software was used for the data analysis. SEM is a comprehensive statistical approach for testing hypotheses about relations between observed and latent variables. It combines features of factor analysis and multiple regressions for studying both the measurement and the structural properties of theoretical models. SEM is formally defined by two sets of linear equations called the inner model and the outer model. The inner model specifies the relationships between unobserved or latent variables, and the outer model specifies the relationships between latent variables and their associated observed or manifest variables (Turkyilmaz and Ozkan, 2007). SEM methodology can account for independent variable errors and model multiple relationships simultaneously, which results in more powerful tests of mean differences (Martinez et al., 2008); We also completed an analysis of atypical observations (outliers), and a treatment of co-linearity and verification of normality, to support the decision to use LISREL or PLS modeling for analysis. After validations a SEM with analysis of the paths was run. Figure 2 depicts the results.
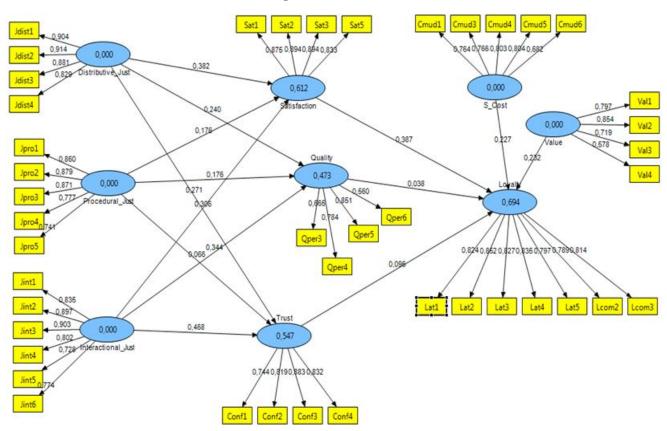
**Figure2**. Structural Model



**Hypotheses testing**

T-test analyses of the relationships identified five relationships that were below the critical values adopted in this study and were considered not significant; Table 2 shows these results.

**Table2**. Hypotheses Testing

| Hypothesis | Independent Variable | Dependent Variable | Standard deviation | Standard error | Teste *t* | Sig. | Results |
|---|---|---|---|---|---|---|---|
| H1 | Distributive Justice | consumers' satisfaction | 0.123 | 0.123 | 3.108 | p<0.01 | supported |
| H2 | Distributive Justice | consumers' perceived quality | 0.133 | 0.133 | 1.807 | p<0.10 | supported |
| H3 | Distributive Justice | consumers' trust | 0.125 | 0.125 | 2.163 | p<0.05 | supported |
| H4 | Procedural Justice | consumers' satisfaction | 0.128 | 0.128 | 1.366 | n.s. | Rejected |
| H5 | Procedural Justice | consumers' perceived quality | 0.138 | 0.138 | 1.270 | n.s. | Rejected |
| H6 | Procedural Justice | consumers' trust | 0.131 | 0.131 | 0.506 | n.s. | Rejected |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| H7 | Interactional Justice | consumers' satisfaction | 0.097 | 0.097 | 3.145 | $p < 0.01$ | supported |
| H8 | Interactional Justice | consumers' perceived quality | 0.123 | 0.123 | 2.785 | $p < 0.01$ | supported |
| H9 | Interactional Justice | consumers' trust | 0.122 | 0.122 | 3.849 | $p < 0.01$ | supported |
| H10 | consumers' satisfaction | Loyalty to the retailer | 0.147 | 0.147 | 2.634 | $p < 0.01$ | supported |
| H11 | consumers' perceived quality | Loyalty to the retailer | 0.111 | 0.111 | 0.338 | n.s. | Rejected |
| H12 | consumers' trust | Loyalty to the retailer | 0.118 | 0.118 | 0.816 | n.s. | Rejected |
| H13 | Perceived value | Loyalty to the retailer | 0.098 | 0.098 | 2.364 | $p < 0.05$ | supported |
| H14 | Consumer Switching Costs | Loyalty to the retailer | 0.084 | 0.084 | 2.703 | $p < 0.01$ | supported |
| H15 | Attitudinal Loyalty | Loyalty to the retailer | Variable load (Lat 1,2,3,4 e 5) between 0.797 e 0,852 | | | | supported |
| H16 | Behavioral Loyalty | Loyalty to the retailer | Variable load (Lcom2 e Lcom3) between 0.789 e 0.814 | | | | supported |

## 5. Results and Discussion

### 5.1 Discussion

As expected, there was a positive relationship between Distributive Justice, Interactional Justice, and the antecedents of Loyalty (Perceived Quality, Satisfaction and Trust). However, contrary to what was expected, no significant relationship between Justice and the antecedents of procedural loyalty was observed. This phenomenon can be linked to the fact that consumers believed that the complaint process and waiting for the failure recovery was slow and stressful, even if they realize that they have not been harmed financially and that the service provided by the retailer was adequate. This can be connected to the operating procedure of the retailer studied, which uses a fleet of outsourced vehicles and largely depends on that service to deliver the replacement of defective products. Similarly, the retailer does not have absolute control of the lead time of delivery.

In general, the results found in this application are opposed to those observed by Tax et al. (1998). In that study, the authors stress that many consumers notice the failure of the repair service, and show that there is no perceived Distributive Justice and Interactional Justice and that when a failure occurs, the sense of Justice is not repaired quickly.

The relationship between the antecedents of loyalty and loyalty of consumers in the process of failure recovery was tested by the hypotheses, H10, H11, and H12. In this analysis, the relationship between Satisfaction and loyalty (H10) was the only positive and significant relationship. Even if the procedural justice did not contribute to the formation of Satisfaction, this result is not surprising. The study by Blodgett et al. (1997) identified that the way consumers are treated (Interactional Justice) exerts a greater influence on satisfaction than negative judgments of the procedures. Also the study by Martinez-Tur et al. (2006) identified the perceived superiority of distributive justice in predicting consumer satisfaction.

Another finding of this study is the lack of relationship between perceived quality and loyalty and between trust and loyalty from

the perspective of failure recovery service. Results showed that consumers perceived distributive justice and interactional Justice and were pleased with the outcome of their cases and retained loyalty to the company, even though the failure affected their perception of quality and trust. It is then an alert for operators and retailers: even if the failure recovery occurs, the customers' perception of quality and trust in the institution may be disrupted for a longer period than previously thought.

In a previous study, Blodgett, Hill, and Tax (1998) examined the simulated failure recovery processes in an American retail shoe store. We have identified scenarios where the recovery process was facilitated and the solution of the fault was simple, and consumers voiced a high level of Trust in the retailer. However, consumer trust was negatively affected when the solution was delayed by the lack of substitute product, on when the solution was not simple. As procedural justice was not seen in this study there is also the possibility that, according to the consumer's judgment, the process for recovery of the failure was not adequate, leading to an impairment of Trust in the retailer.

The hypotheses to verify the relationship between perceived value (H13) and the Consumer Switching Costs (H14) with the loyalty of consumers were confirmed. The value perceived by survey respondents was mainly represented by the time advantage that they have when making their purchases from the supplier and the advantages they have in acquiring the various services from that retailer over the other competitors in the industry. This fact can be understood as a prominent factor in the competition. This result corroborates the understanding of Lam et al. (2004), who claim that consumers remain loyal if they feel they are getting a higher value from a given company relative to its competitors.

The hypothesis about the Consumer Switching Costs was confirmed. We found that the higher the Consumer Switching Costs, the greater Loyalty the consumer expressed. This can be explained by recognizing that consumers voiced concern about the time needed for adaptation to a new supplier of products. Even though the respondents agreed that there are several shops that could supply their needs, the majority considered that there is difficulty in adapting to another supplier and it would be

complicated, which can be verified by the judgment of value and benefits of their services retailer. This positioning results in the construction of exit barriers, possibly causing the Loyalty of these consumers. Burnham et al. (2003), contribute to this understanding, when they say that customers cannot switch suppliers because there is a high Consumer Switching Cost, high difficultly in understanding due to the amount of information provided by the department, or lost benefits that the exchange would cause them.

The hypotheses that examined the relationship between positive attitudinal loyalty (H15) and consumer behavior loyalty (H16) with loyalty were confirmed. This result reinforces the concept of the two dimensional relationship of loyalty made by Dick and Basú (1994).

*5.2  Conclusion*

The results from the testing of hypotheses allow the affirmation that our theoretical model is robust to the end proposed. With the analysis and confirmation of paths, it was possible to identify the relationships suggested in the study.  We illustrated the perception of the various judgments of justice for consumer complaints, specifically perceived justice on satisfaction, as well as the perceived quality and trust.

We believed that the research question (what is the influence of justice on the antecedents of consumer loyalty after a process of failure recovery in retail?) has been adequately addressed because our study identified the relationship between the three types of justice and the antecedents of loyalty.

The importance of the results lies in the affirmation of academic support for Blodgett et al. (1995) where retailers and service providers can visualize the process of claimants' behavior as an important opportunity to solidify and strengthen relationships with their customers.

*5.3  Academic Implications*

This study differs from those designed by Santos and Fernandes (2008), mainly because it takes place in the trade sector which has low barriers to consumers' exit and uses data from a large materials construction retail company. Furthermore, this study analyzed a real process of recovery from failure.

The second contribution was to identify the relationship of Justice with the antecedents of perceived Loyalty and to understand how these antecedents explain the Loyalty of consumers.

The third contribution was to promote, in a single model, an aggregate analysis of several constructs that are considered relevant antecedents of building consumer Loyalty. The study of Satisfaction, Quality, Trust, and Perceived Value of the Consumer Switching Costs are themes that, although already well explored, are extremely important for understanding the influence of relational management with consumers, which per se already justifies the continuation of academic work in this thematic line.

*5.4  Managerial Implications*

Competitiveness and the search for retail differentiation induce a constant concern for organizations with factors that provide for consumer retention. Our theoretical model provides managers

identified hotspots of the failure recovery process that are acting as barriers to the process of building Loyalty with their consumers

Operationally, this study is an indication of the need "to do it right the first time" at the risk of compromising image quality and Trust of the customer portfolio, even if they promote efforts to correct faults. Another contribution is the establishment of a simple and appropriate research tool to verify the perception of Justice and its influence on Satisfaction, Perceived Quality, and Trust.

It is for retail managers to identify how their actions during Failure Recovery resemble the characteristics of this study, in order to minimize the negative influences that affect the antecedents of consumer Loyalty.

**6.  Acknowledgment**

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