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EXPLORING CONSUMERS' COPING BEHAVIORS IN ONLINE DOUBLE DEVIATION SCENARIOS: FROM POWER PERSPECTIVE

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Abstract

Service recovery is a critical moment of truth in retaining customers and reinforcing customer relationships, and has been considered as an "Achilles' heel" in online marketplaces. Poor service recoveries exacerbate the negative effects of the failure, producing a "double deviation" effect. The double deviation effect may arise from the seller's power misuse and then dissolve the buyer-seller relationship (e.g., violate consumer psychological contract), elicit consumer negative emotions which lead to customer coping behaviors. This study links the theories of psychological contract violation (PCV), emotion, and coping from the power perspective to investigate the double deviation scenario in online auction marketplaces. Two moderators (perceived power and perceived consumer empowerment) are considered in our proposed model. Data collected from 181 consumers of one auction website provide support for the proposed model. The results shed light on what constitutes the determinants of consumer judgments while facing double deviation scenario and how consumers react to and cope with it in online marketplaces. Implications and limitations are discussed.

Keywords: Coping Behaviors, Emotions, Justice, Power Perspective, Psychological Contract Violation, Online Marketplaces.

1. INTRODUCTION

Service recovery is a critical moment of truth in retaining customers (Tax and Brown, 1998) and reinforcing customer relationships (Blodgett et al., 1997), and has been considered as an “Achilles' heel” in online marketplaces¹. Poor service recoveries exacerbate the negative effects of the failure, producing a “double deviation” effect (Bitner et al., 1990), a perceived inappropriate and/or inadequate response to failures in the service delivery system. Since online market is more mature and online consumers have more experience and needs than before, it is time for online sellers or retailers to focus on service recovery issue beyond merely order-taking. As with any transaction mode, a seller can exercise his/her power inappropriately in service recovery process without consumers' consent, against their will (Dwyer et al., 1987), and without fulfilling his/her obligations, which may lead to consumers' emotional and behavioral reactions. This begs our research questions: what constitutes the determinants of consumer judgments while facing double deviation scenario and how consumers react to and cope with it in online marketplaces? Specifically, consumers are the primary service receivers and their subjective perceptions are the most relevant for predicting consumers' coping behaviors in response to the online double deviation scenario. To better understand above questions, we refer to the power perspective, which aims to explain unequal power between the exchange parties in the presence of online double deviation scenarios.

While the power perspective has primarily been investigated within the context of organizational relationships, it has been expanded to buyer-seller relationships within offline (Dwyer et al., 1987) and online marketplaces (Chiu et al., 2009), typically viewing buyer as powerless party and seller as powerful one. The double deviation effect may arise from the seller's power misuse (e.g., refuse to refund) and then dissolve the buyer-seller relationship (Schneider and Brown, 1999), elicit consumer negative emotions (Voorhees et al., 2006) which lead to subsequent customer coping behaviors such as customer defections. However, prior research on service recovery, primarily centering on disconfirmation theory or justice theory, has yet to supply some of the missing links above, especially in the online marketplaces where power asymmetry exists between buyers and sellers (Chiu et al., 2009).

Given the increased importance of service recovery in online marketplaces and the lack of empirical research on the double deviation effect in the information systems (IS) context, this study links the theories of PCV, emotions, and coping from the power perspective to fill the abovementioned knowledge gap. The contributions of this study include (1) introducing broader configurations of PCV to IS research, (2) an rich understanding of their specific associations with negative emotions, (3) validating the effect of negative emotions on consumers' coping behaviors, (4) exploring the abovementioned relationships and issues from power perspective, and (5) the provision of empirical support for the proposed relationships.

2. THEORETICAL FRAMEWORK AND RESEARCH HYPOTHESES

2.1 The Double Deviation Effect

Despite that service recovery—the process by which the seller attempts to identify and rectify service failures or quality problems (Fitzsimmons and Fitzsimmons, 2001)—has been widely touted, the exploration of the double deviation effect is still in its infancy. Past research on consumer evaluation of recovery efforts has adopted two theoretical perspectives including the disconfirmation model (see McCollough et al., 2000) and the justice theory (see Maxham and Netemeyer, 2002). Despite their advances to service recovery, there is still much to learn. Given that recovery failure is one of the main reasons that drive customers away and may jeopardize seller profitability (McCollough et al., 2000), the double deviation effect deserves more than a passing notice. Especially, in online marketplaces the spatial and temporal separation between buyer and seller provides challenges (e.g., information asymmetry, the problems of opportunism and uncertainty) for both parties regarding the

¹ Forrester.com, <http://www.forrester.com/Research/Document/Excerpt/0,7211,40652,00.html> [accessed on October 12, 2009]

double deviation issue.

2.2 Psychological Contract Violations

The psychological contract refers to “an individual’s belief regarding the terms and conditions of a reciprocal exchange agreement between the focal person and another party” (Rousseau, 1989). In other words, a psychological contract violation (PCV) occurs when the focal person perceives that the other has failed to fulfill its obligations or promises. One widely accepted typology of psychological contract—*transactional* and *relational* contract—is considered as the underlying constructs in this study. *Transactional* contract has a purely economic or materialistic focus and explicit performance terms. Such contracts are often short-time orientated, narrow in scope, and entail limited involvement by both parties (Rousseau, 1989). *Relational* contract, in contrast, is broader, open-ended, loosely specified, and subjective and implicitly understood by the parties to the exchange (Conway and Briner, 2005; Rousseau, 1989). Although previous literature has mainly paid attention to the transactional nature of buyer-seller relationships in online transaction, online buyer-seller relationships can last for a long period of time in view of product warranties, product returns, and post-purchase service and support (Pavlou et al., 2007). Overall, the psychological contracts implicit in relationships are thoughtful constructs for understanding the nature of the interactions between sellers and buyers (Schneider and Bowen, 1999).

Justice Dimensions as Sources of Psychological Contract Violations

Given that individuals’ assessments of violation are affected by their perceptions of how fairly they were treated (Morrison and Robinson, 1997), this study regards Colquitt’s (2001) four (in)justice dimensions—*distributive*, *procedural*, *interpersonal*, and *informational injustice*—as the building blocks of transactional- relational PCV in online double deviation scenarios. Andersson (1996) has regarded injustice dimensions as useful perspectives to explain employees’ reactions to different types of contract violations. *Distributive justice* refers to the extent to which consumers perceive they have been treated fairly with regard to the final recovery outcome (Maxham and Netemeyer, 2002). Given that transactional contract has a purely economic focus, distributive justice basically accounts for the transactional component of the contract (Shore and Tetrick, 1994), i.e., distributive injustice as source of transactional PCV. Apart from the justice of recovery outcome, consumers pay attention to the fairness of recovery procedures as well. *Procedural justice* is defined as the fairness of the policies and processes contributing to recovery outcomes embodying certain types of normatively acceptable principles (Carr, 2007). *Interpersonal justice* captures the degree to which consumers are treated with politeness, dignity, and respect by sellers throughout the recovery process. *Informational fairness* is defined as providing information or knowledge about procedures that demonstrate regard for consumers’ concerns (Carr, 2007). Given that procedural, interpersonal, and interactional violations occur mainly in relational contracts (Shore and Tetrick, 1994), it is justified to consider procedural, interpersonal, and informational (in)justice as sources of relational contract.

2.3 Emotions

Emotions have been conceptualized as individuals’ reactions to an event or object and can play a significant role in human functioning by molding, constraining, and structuring behaviors and thoughts (Lazarus, 1991). Emotions are particularly germane to service encounters since services are intangible and often imply dynamic interactions between the exchanged parties (Ashforth et al., 2008). As Lazarus and Cohen-Charash (2004) suggest that “the discrete emotions provide the most useful source of information about the fate of an adaptational process”, we consider two types of negative emotions—anger and dissatisfaction—for our analysis. Anger, one of the most commonly experienced negative emotions in service encounters (McCull-Kennedy et al., 2009), arises when an individual experiences a personal slight or insult, demeaning offense, or harmful action (Lazarus, 1991). Dissatisfaction, in contrast, has been de-emphasized historically; notwithstanding some emotion theorists (e.g., Weiner, 1986) recognize dissatisfaction as “relatively undifferentiated emotion that is nonspecific in the sense that it is a general, valenced reaction to a negative event” (Bougie et al., 2003).

There is evidence in plenty to prove that these specific emotions enclose idiosyncratic behavior and behavioral tendencies related to anger and dissatisfaction (Bougie et al., 2003). For example,

dissatisfaction is associated with the unpleasantness of events rather than with their causes (Weiner, 1986). Transactional PCV measured by distributive injustice seems to be associated with dissatisfaction due to its outcome-orientation in terms of economic, tangible, short-term, and extrinsic features (Conway and Briner, 2005). Therefore, it is straightforward to predict the positive impact of this transactional PCV on the consumer's dissatisfaction with the recovery failure. On the other hand, relational components of contracts are more emotionally perceived than transactional components and may trigger stronger emotions such as anger (Rousseau and Ho, 2000). Given the implicit promise of fair play by service, consumers expect to be treated fairly but become angry when they perceive otherwise, signifying the importance of socio-emotional exchanges (i.e., relational contracts). Accordingly, we hypothesize the following:

H1a: Transactional PCV is positively related to consumers' dissatisfaction in online double deviation scenarios.

H1b: Relational PCV is positively related to consumers' anger.

2.4 Power in Online Marketplaces

Power is conceived as the ability to affect others to achieve intended goals (French and Raven, 1959). We propose an extension of the lens of power to analyze online buyer-seller relationship under the double deviation effect in online marketplaces. Given that the spatial and temporal separation between online buyer and seller aggravates the information asymmetry, fear of opportunism, and uncertainty (Pavlou et al., 2007); the power perspective provides new insights to illuminate the online buyer-seller relationship. For example, when a seller has resources that are desired by a buyer, an asymmetric power exists. The seller may engage in harmful opportunistic behaviors (e.g., refuse to give refunds), that is, power misuse.

In this study perceived power refers to the belief that events and outcomes are under one's own control, i.e., "a high expectancy for control of events" (Ross and Broh, 2000). People with power conviction believe that their behaviors can achieve desired outcomes, while people with powerlessness attribute success or failure to factors beyond their own control (Neal and Seeman, 1964). Past research has shown that control over an unpleasant event ease negative affect (Hui and Bateson, 1991). In such sense, consumers who perceived high levels of power tend to accept the outcomes (transactional PCV) and thus are less likely to get angry. Therefore, we hypothesize the following:

H2: Higher levels of perceived power reduce the influence of transactional PCV on anger.

2.5 Consumer Coping Behaviors

According to theory of coping (Lazarus and Folkman, 1984), coping behaviors refer to the cognitive and behavioral efforts that individuals make to master, tolerate or relieve stress and perceived adversity. Lazarus and Folkman (1984) distinguish two types of coping behaviors: problem-focused coping and emotion-focused coping. *Problem-focused coping behaviors* reflect adaptive behaviors directed at managing the situation causing the distress to resolve the problem. *Emotion-focused coping behaviors* are oriented toward managing emotional response to the problem to reducing negative emotions (e.g. anger). This study focuses on emotion-focused coping aspect because the impact of problem-focused coping on sellers has been mitigated through direct communication between consumers and sellers. To reflect the context of online marketplace, this study re-conceptualizes two coping behaviors—*consumer switching behavior* and *destructive voice*—to consistent with two emotion-focused coping methods (avoidance and emotional venting) (Duhachek, 2005).

Consumer Switching Behaviors

Consumer switching behaviors refer to consumers' voluntary termination of the relationship with a specific seller (Bougie et al., 2003). From emotion-focused coping perspective, switching behaviors signify the means of escaping from the stressful situation by avoidance (Duhachek, 2005). More specifically, the interactivity and market transparency features of Internet posit online consumers as more active roles and strengthen their switching opinions (i.e., deciding whom or where to transact with) (Rezabakhsh et al., 2006).

Given that dissatisfied customers have a feeling of unfulfillment, think about what they have

sacrificed, and make a deliberate consideration of how to act (Bougie et al., 2003), they are less prone to invest energy to restore justice by retaliation (Grégoire and Fisher, 2008) but engage in switching behavior instead (Bougie et al., 2003). Given consumer switching behaviors as means for expressing consumers' economic preferences (Nunziato, 2000), consumers through Internet have instant access to alternative sellers to whom they can easily switch when dissatisfied (Rha and Widdows, 2002). Accordingly, we hypothesize the following:

H3a: Consumers' dissatisfaction is positively related to consumer switching behaviors in online double deviation scenarios.

Destructive Voice

This study regards destructive voice as attempts to vent negative emotions such as venting mechanisms in cyberspace. In extension of the destructive voice in online marketplaces, this study specifies *electronic word-of-mouth (EWOM)* and *electronic boycott (E-Boycott)* as sub-dimensions of destructive voice. The profusion of customer initiative websites (e.g., Yahoo! 2009²) implies that consumer retaliation and EWOM spreading have become predominant up to now. EWOM refers to customers' efforts to denigrate a seller for the product or service, but to a wider audience and in written form in cyberspace (Schoefer and Diamantopoulos, 2008). E-Boycott is "an attempt by one or more parties to achieve certain objectives by urging individual consumers to refrain from making selected purchases" (Friedman, 1985; p. 97) in the online marketplace.

Scholars have consistently demonstrated that customers' anger leads to destructive behaviors such as boycotting, negative word of mouth, and complaints to third parties (DeWitt and Brady, 2003). Not surprisingly, the impact of such behaviors is more powerful online than offline because the boundless dialogue with unlimited Internet users strengthens EWOM and E-Boycott (Rezabakhsh et al., 2006). Customers who experience anger may go to considerable lengths to pay back or get even with the seller that has mistreated them (Bougie et al., 2003), even when the dollar amount related to the issue is quite small (McColl-Kennedy et al., 2009). Accordingly, we hypothesize the following:

H3b: Consumers' anger is positively related to destructive voice in online double deviation scenarios.

2.6 Consumer Power in Online Marketplaces

Recent research on consumer power has been applied to diverse contexts and relationships such as virtual teams, online support groups, buyers-suppliers or buyers-companies relationships (see Amichai-Hamburger, 2008). However, notice that there seems to be lack of research and consensus about the consumer power, especially in the context of online markets. Given "the advantages of using Internet facilities to identify, reach, and persuade an audience to join an action" (Zureik and Mowshowitz, 2005), the Internet is possibly the most powerful instrument yet contrived to actualize consumer power. That is, online consumers are more powerful and demanding in their shopping expeditions than offline consumers (Koufaris, 2002), and may employ Internet technologies to exercise their power to cope with sellers' misbehaviors, i.e., coping behaviors. Accordingly, destructive voice can be regarded as a means of active consumer power, while consumer switching behavior as a passive consumer power.

Perceived consumer empowerment refers to a consumer's subjective experience that they have greater ability than before (i.e., the increased ability) to intentionally affect others (the offending seller) and prevent undesired outcomes (Wathieu et al., 2002). It is only the conception of increasing ability to influence others which evokes empowerment and empowerment may be experienced whether the ability/power actually increases or not. As consumers take charge of their online marketing environment, investing resources (time and efforts) in the control tools that are made accessible to them, they will presumably have raised outcomes favorable to them (Wathieu et al., 2002). Past research indicates that individuals with the perception of disempowerment tend to be passive, withdrawn (Martinko and Gardner, 1987), likely to avoid challenge, and low in persistence (Weary et al., 1989). Accordingly, consumers with lower consumer empowerment thoughts may straightly

² Yahoo! Directory, http://dir.yahoo.com/Society_and_Culture/Issues_and_Causes/Consumer_Advocacy_and_Information [Access date 10/19/2009]

switch to others given the amenities of online marketplaces, and vice versa. Therefore, we propose the following:

H4a: Higher levels of perceived consumer empowerment reduce the influence of anger on consumer switching behaviors.

From power perspective, constrained power and sovereignty perceptions together promote the sense of disempowerment (Harrison et al., 2006), and thus inhibit consumer power exercise (destructive voice in this study). Given that destructive voice symbolizes a mechanism of regaining consumer power in the case of service failure, angry consumers with higher perceptions of consumer empowerment will be inclined to perform destructive voice against the offending seller due to their active attempts at creating change. This is because empowered consumers are proposed to be active, to be self-initiating, and to be resilient to obstacles (Campbell and Martinko, 1998). Therefore, we hypothesize the following:

H4b: Higher levels of perceived consumer empowerment increase the influence of anger on destructive voice.

Overall, Figure 1 presents the proposed model. This study links the theories of PCV, emotion, and coping from the power perspective to investigate the double deviation scenario in online auction marketplaces. Two power related constructs are considered in our model.

3. RESEARCH METHOD

3.1 Measures

All measurement items for this study’s dominant constructs were adopted from existing validated measures. A pretest was conducted using 5 IS experts and 12 graduate students with online shopping experience to assess its logical consistencies, ease of understanding, sequence of items, and contextual relevance. Then, a pilot study with 150 customers of the target auction website was also conducted to assess the measurement properties of the final items.

3.2 Survey Administration

The research hypotheses were tested with data collected from 181 customers in Yahoo-Kimo’s online auction website—one of the largest online auction markets in Taiwan. A banner with a hyperlink connecting to our Web survey was published on a number of bulletin board systems (BBS), and chat rooms, and individuals with online auction and service recovery experiences were cordially invited to support this survey. The Web survey yielded a total of 181 complete and valid responses for data analysis. Table 1 presents the demographic information of the respondents.

Measure	Items	Freq.	Percent	Measure	Items	Freq.	Percent
Gender	Male	76	42	Gender	Female	105	58
Age	< 20	6	3.3	Education	High school	6	3.3
	20-24	77	42.5		College &	116	64.1
	25-29	67	37.1		University		
	30 ~	31	17.1		Graduate school	59	32.6
Online Shopping Experience (in years)	1-2	16	8.8	Yahoo Auction Shopping Experience (times in 1 year)	1	9	5
	3-4	62	34.3		2-3	37	20.4
	5-6	57	31.5		4-5	36	19.9
	7~	46	25.4		6~	99	54.7

Table 1. Demographic Information of Respondents (N = 181)

3.3. Data Analysis

For data analysis, we utilized a two-step approach as recommended by Anderson and Gerbing (1988), involving the analysis of the measurement model and testing the structural relationships among the latent constructs. PLS (partial least squares) was used to evaluate both the measurement model and the structural model, because it allowed the latent constructs in our data to be modeled as formative or reflective indicators. PLS places minimal restrictions on measurement scales, sample size and residual distribution (Chin et al., 2003).

3.4 Measurement Model

Second-order constructs (i.e., relational PCV and destructive voice) were approximated using repeated indicators, as suggested by Chin et al. (2003). The adequacy of the measurement model was evaluated for reliability, convergent validity, and discriminant validity. Reliability was assessed using composite reliability values. Table 2 shows that all the values were exceeded the commonly acceptable level of 0.7. The convergent validity of the scales was assessed by two criteria (Fornell and Larcker, 1981): (1) all indicator loadings should be significant and exceed 0.7; (2) the average variance extracted (AVE) for each construct should exceed the measurement error variance for that construct (i.e., AVE should exceed 0.50). All items exhibited a loading greater than 0.7 on their respective constructs, and all the AVEs ranged from 0.74 to 0.92 (Table 2). Thus both conditions for convergent validity were satisfied.

Discriminant validity is considered good if three criteria are met. First, the loading of each item on its assigned construct should be larger than its loading on any other construct (Chin, 1998). Second, the correlations among all constructs should be all well below the 0.85 threshold (Kline, 1998), suggesting that all constructs are distinct from each other. Third, the square root of the AVE of a construct should be greater than the correlation between the construct and the other constructs in the model (Fornell and Larcker, 1981). All criteria are clearly met, demonstrating sufficient construct validity of the scales.

3.5 Structural Model

In PLS analysis, examining the structural paths and the R-square scores of endogenous variables assesses the explanatory power of a structural model. Figure 1 shows the results of structural path analysis. All paths exhibited a P-value less than 0.05. The significance of all paths was assessed with 500 bootstrap runs. All the statistically significant standardized path coefficients exceed 0.2, the minimum value suggested by Chin (1998) for a meaningful path. Overall, the base model accounted for 23% of the variance for customer switching behaviors and 15% for destructive voice (Figure 1).

In addition, H2 were tested by statistically comparing the path coefficients from transactional PCV to anger in the structural model for high perceived power with the corresponding path coefficients in the structural model for low perceived power. Because perceived power was not a categorical variable, the groups were divided into high perceived power and low perceived power groups using the median (Baron & Kenny, 1986). Perceived power was divided by the median of the sum of the four perceived power items. Results indicate that for consumers perceiving a higher power in online double deviation effect, transactional PCV has a smaller effect on anger ($\beta = 0.02$) than those perceiving a lower power ($\beta = 0.10$), which supports Hypothesis 2 ($t = 3.50, p < 0.05$) (Table 3). The same procedures were applied to test moderating effects for H4a and H4b. Table 4 presents the results of moderating effect testing for perceived consumer empowerment, thus supporting both H4a and H4b.

Constructs	Items	Composite Reliability	Mean (STD)	AVE
Distributive Injustice (DJ)	4	0.95	3.82 (1.45)	0.81
Informational Injustice (IFJ)	4	0.94	3.42 (1.44)	0.81
Interpersonal Injustice (IPJ)	4	0.96	3.12 (1.30)	0.86
Procedural Injustice (PJ)	4	0.92	3.52 (1.40)	0.74
Perceived Power (PP)	4	0.95	3.69 (1.60)	0.83
Anger (ANG)	3	0.97	3.80 (1.61)	0.92
Dissatisfaction (DIS)	3	0.90	4.17 (1.51)	0.76
Perceived Consumer Empowerment (PCE)	4	0.93	4.70 (1.25)	0.76
Consumer Switching Behaviors (SWT)	3	0.97	3.81 (1.50)	0.91
Electronic Word-of-mouth (WOM)	4	0.92	4.76 (1.48)	0.75
Electronic Boycott (BOY)	5	0.97	3.70 (1.52)	0.86

Table 2. Descriptive Statistics for the Constructs

Path	High PP (β)	Low PP (β)	Difference	t-Statistics
TPCV → Anger (H2)	0.02	0.10	-0.08	3.50

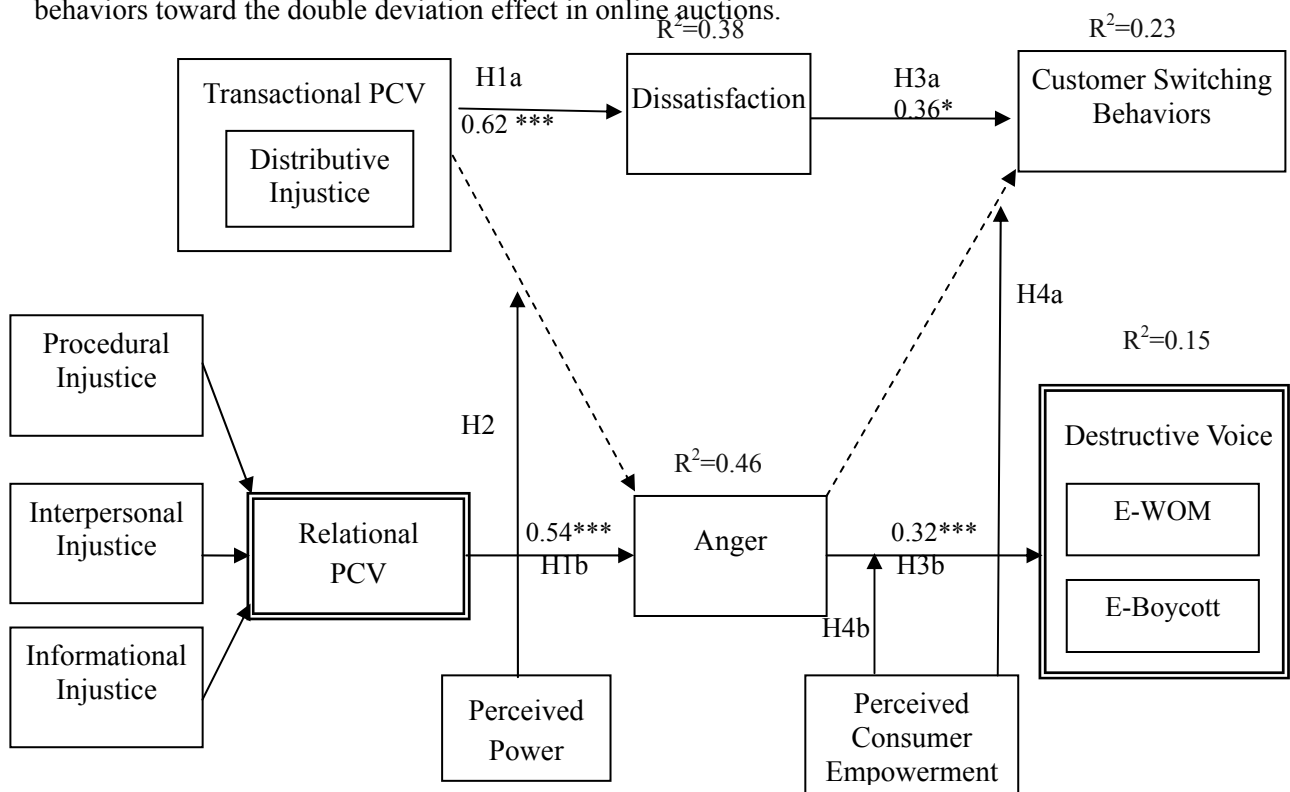
Table 3. Path Coefficients and the Results of Moderating Effect Testing for Perceived Power (PP)

Path	High PCE (β)	Low PCE (β)	Difference	t-Statistics
Anger → Switching Behaviors (H4b)	0.02	0.07	-0.05	1.96
Anger → Destructive Voice (H4b)	0.34	0.17	0.17	4.74

Table 4. Path Coefficients and the Results of Moderating Effect Testing for Perceived Consumer Empowerment (PCE)

4. DISCUSSION AND IMPLICATIONS

This paper aims to shed light on the phenomenon of consumers' coping behaviors in response to their distinct negative emotions in online double deviation scenarios. This study contributes to our understanding of the effects of transactional-relational PCVs on distinct emotional and behavioral responses. Overall, drawing from the power perspective, the study links the theories of PCV, emotions, and coping to develop and empirically test a model that explains consumers' coping behaviors toward the double deviation effect in online auctions.



* $p < .05$, ** $p < .01$, *** $p < .001$

□ First order construct
 □□ Second order construct

Figure 1. PLS Analysis of the Research Model

4.1 Key Findings

The results support all the expected relationships among PCV, emotions and coping behaviors in online auctions. The study has several key findings: First, it introduces the concept of PCV in the double deviation effect in online auctions and identifies its underlying sources (i.e., injustice

dimensions). Second, it provides a rich view of the online buyer-seller relationships by extending transactional PCV and relational PCV, which had previously been ignored in the literature. Using both transactional PCV and relational PCV to explore their relationships with different negative emotions, the results support the hypothesized impact of distinct PCV on dissatisfaction ($\beta = 0.62$) and anger ($\beta = 0.54$). Third, it proposes and further validates that perceived power negatively moderated the influence of transactional PCV on anger. The importance of transactional PCV reduced as a predictor of anger when power perceptions increased. Fourth, it tests and supports the direct impact of dissatisfaction on consumer switching behavior ($\beta = 0.36$) and that of anger on destructive voice ($\beta = 0.32$) which is consistent with previous research (Bougie et al., 2003; Grégoire and Fisher, 2008). Fifth, it not only supports the positive moderating effect of perceived consumer empowerment between anger and destructive voice but also the negative moderating effect of that between anger and consumer switching behaviors. Finally, the results of significant impact of dissatisfaction on consumer switching behaviors are consistent with Oliver's (1997) findings that dissatisfied customers cope with passive behaviors whereas angry customers generally voice and complain.

4.2 Implications for Theory

Building on research that examines PCV in online marketplace (Pavlou and Gefen, 2005), this research makes the extra step by conceptualizing PCV based on the transaction-relational typology to shed light on the online double deviation scenario. Given that relationship is central to service and all kinds of buyer-seller dealings, the integration of the relational PCV results in a more descriptive model that better explains the interactions between buyers and sellers especially for the online double deviation effect. This study extends the boundary of PCV research from employer relationships to buyer-seller relationships in online double deviation effects.

Albeit that power asymmetry does exist between buyers and sellers in online marketplaces, limited attention has been paid to such issue. Existing research on customer assessment of recovery efforts has predominately focused on theories of disconfirmation (McCullough et al., 2000) and justice (Schoefer and Diamantopoulos, 2008); instead, this study analyzes such matter from power perspective and believes that the alternative view of power may shed new light on the scenario. A major finding of the study is the moderating role of perceived consumer empowerment. It is also important to search for moderating variables that turn simple main effects into more insightful conditional relationships (Featherman and Fuller, 2003). Evidence presented suggests that a deeper understanding of anger and potential coping behaviors is possible when interactions are taken into consideration. Furthermore, drawn from power perspective, this study suggests that angry customers not only simply engage in destructive voice as a response to anger but also undertake the switching behavior when they perceive lower levels of consumer empowerment. This means that when angry customers awake that their abilities to affect others are not as strong as they thought, they may undertake switching behaviors (Martinko & Gardner, 1987) and hesitating to invest more energy to voice (Weary et al., 1989). This result may reasonable illuminate why angry customers keep silence and the low possibility for customers to voice their complaining.

4.3 Implications for Practice

This study's findings suggest that anger serves to discourage online sellers from doing what elicits the anger. Given that angry customers have already recognized who or what should hold accountable for the failure (Folkes et al., 1987), they are now armed with powerful Internet technologies and take the advantages of IT-enabled environments (e.g., weblog, instance message) to raise their voice loudly and powerfully. For example, half of all the purchases that US consumers made in 2006 were affected by online sources mostly run by other users rather than by any specific firms (Marketing Management, 2007). Not surprisingly, these online behaviors such as EWOM and E-Boycott are destined to attract attentions from online sellers due to the impact on sellers' sales and reputations. Besides, these findings support the intuitive notion that online sellers should attempt to prevent customers from getting angry and response to customers' complaining with extra care. On the other hand, having showing that dissatisfaction is a significant predictor of switching, this finding suggests that simply failed recovery outcomes may be sufficient reasons for consumers to switch due to the information ubiquity, reach, and interactivity traits of Internet. Seeing that most dissatisfied consumers in general

do not bother to complain, sellers may lose opportunities to obtain consumer feedback, remedy the failure, and lose their business.

The significant relationships between PCV and emotions suggest that online sellers should pay attention not only to transactional outcomes but to customer relationship concerns during the recovery process. To prevent consumers from getting dissatisfied, sellers need to ensure the fairness of recovery outcomes (transactional contract) such as the amount of refund, the shipping schedule, quality, and correctness of the exchange product (distributive justice). Additionally, to mitigate customers' anger, this study suggests that sellers should strengthen customer relationships during recovery process by reassessing the fairness and appropriateness of existing recovery procedures (procedural justice) as well as the attitude and quality of customer-seller communications (interpersonal and informational justice). For example, seller should respond to consumers' complaints or questions in a timely manner; have fair policies to handle problems or disputes; treat consumers with respect during the interactions; and provide relevant information to meet consumers' specific needs. Although the concept of relational contract seems more abstract than that of transactional contract for sellers, the good news is that fair procedures and interactions can lower the economic cost of complaining and thus reduce the compensation needed to achieve distributive justice (Tax and Brown, 1998).

4.4 Limitations and Future Research

This study has several limitations that create some opportunities for future research. First, the data were collected from the single auction website, Yahoo-Kimo, the largest online auction marketplace in Taiwan. Whether our findings can be generalized to other auction websites remains unclear. Further verifying the generalizability of the propose model in other online marketplaces is highly encouraged to reinforce the study's external validity. Second, the results may have been impacted by self-selection bias. Our sample consisted only of online consumers with service recovery experiences in Yahoo-Kimo's auctions. Individuals who had already ceased to participate in Yahoo-Kimo's auctions might have different perceptions about the influence of the underlying constructs in this study. Whether the results can be generalized to nonparticipants or to disaffected participants will require additional research.

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