

Degree Program in BI-Luiss Joint MSc in Marketing

Course of Consumer Behavior - Brand Forgiveness

**Hedonic vs Utilitarian: Brand Typologies influence on
Brand Forgiveness among silent dissatisfied customers.
Introducing the concept of microtransgression**

Prof. Deniz Lefkeli

SUPERVISOR

Prof. Matteo De Angelis

CO-SUPERVISOR

Henning A. Torvet

ID 791221

CANDIDATE

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Abstract

This thesis examines how different brand typologies (hedonic vs utilitarian) influence brand forgiveness among silent dissatisfied customers experiencing a microtransgression. It explores a gap in existing literature, which primarily has focused on dissatisfied customers who voice complaints or on more severe types of brand failures. The concept of microtransgressions is introduced by this thesis and is defined as a low severity failure, rooted in subjective instances of negative expectation disconfirmation.

Understanding this topic is interesting because silent dissatisfied customers often exit without providing feedback, limiting companies' ability to improve. Although older data on silent customers is still used, this reflects a lack of recent research. Investigating forgiveness in cases of unvoiced dissatisfaction could help uncover hidden churn and informs better service strategies in today's digital marketplace.

The study used a quantitative, between-subjects online experiment. Participants were randomly assigned to read a scenario featuring either a fictional hedonic or utilitarian coffee brand, where a customer experienced a microtransgression. Responses were measured using validated scales for brand forgiveness, blame attribution, and manipulation checks for brand typology.

Results showed a statistically significant difference in forgiveness. However, contrary to the initial hypothesis, participants reported higher forgiveness for the utilitarian brand than for the hedonic one. Blame attribution did not significantly mediate this relationship. Most participants blamed the brand in both scenarios but were more forgiving toward the utilitarian brand. Manipulation checks confirmed successful perception of brand typologies as intended.

These findings challenge assumptions derived from studies of severe brand failures, showing that forgiveness patterns between typology may shift when dissatisfaction is silent and minor. Theoretically, this calls for more context sensitive frameworks. Managerially, utilitarian brands may foster forgiveness through consistent delivery, while hedonic brands should better manage subjective expectations. This highlights the strategic importance of identifying and addressing silent dissatisfaction early, as it can accumulate into churn over time.

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1.0 INTRODUCTION

While searching for a topic for my thesis, I decided to take a lunch break near my study facilities. There were several options serving food nearby, but I ended up choosing a familiar fast-food restaurant. The meal was ordinary. It did not taste particularly good, it was not very filling, and it did not feel worth the price. An immediate feeling of dissatisfaction occurred. I had experienced a failure.

Interestingly, the offering I received was in line with what one could objectively expect from such a place. It met the basic standards typically associated with this type of service. Yet, on a personal level, I still felt dissatisfied. This mismatch between objective expectations and subjective experience was something I could not ignore. The reason for my dissatisfaction could be argued to be due to the brand's offering and value proposition, which are factors generally considered to be within the company's control.

What caught my attention was not just the disappointment itself, but the fact that I had felt this way before. I had been in similar situations where I chose the same brand, felt dissatisfied, and yet returned later. I never gave feedback or filed a complaint. I simply moved on. Despite the absence of any apology or resolution, I continued to go back to the same brand.

This made me reflect more deeply on the phenomenon and if it could relate in contexts different from hedonic oriented fast-food situations as well. I somehow forgave the brand for the wrongdoing they did to me without them doing anything to “deserve” forgiveness. Rationally does it not make sense, but are we more inclined to forgive some brands more than others, even without compensation?

This experience became the starting point for this thesis. I became interested in exploring brand forgiveness following a minor brand failure in cases where consumers remain silent and do not express their dissatisfaction. Specifically, I want to compare how two different brand typologies, hedonic versus utilitarian brands influence consumers' propensity to forgive the brand while remaining silent about their dissatisfaction. The research question for this thesis is therefore, *How do different brand typologies influence brand forgiveness among silent, dissatisfied customers following a microtransgression?*

1.1 Why is this important to study?

Dissatisfied customers represent a valuable asset for companies because they provide critical insights into how a brand's offerings fall short of expectations. By choosing to engage with a brand initially, these customers demonstrate a degree of trust and alignment with the brand's promise. Their initial purchase indicates potential for future transactions, under the right circumstances. However, if their dissatisfaction is not adequately addressed, it can lead to the end of their journey as a customer.

Customer complaints and recovery strategies have been extensively studied in marketing literature (Tax et al., 1998). Customers who voice dissatisfaction give companies an opportunity to regain trust and retain loyalty, creating a potential win-win situation. Yet, this group is relatively small compared to the much larger segment of dissatisfied customers who remain silent (Chebat et al., 2005).

A commonly cited statistic in the literature suggests that only 4–5 percent of dissatisfied customers complain to the brand, while the remaining 96 percent stay silent. Moreover, 91 percent of these silent customers leave the brand without providing any explanation (Goodman & Broetzmann, 2019). However, it is important to note that these figures are largely based on old sources, such as the U.S. government study from 1986 (TARP, 1986) cited by Chebat et al. (2005). This is questionable to rely on today because the market environment has changed significantly since these statistics were first reported. The growth of digital channels and social media has greatly influenced how consumers express dissatisfaction. Today, customers can share complaints through a variety of complaint channels, both publicly and privately, such as through social media posts, online reviews, direct messages, and brand monitoring tools. Because it is now easier to complain, the number of silent dissatisfied customers may be different from what it was in the 1980s. Despite this, the statistics continue to occur in marketing literature, reflecting a broadly accepted understanding and potentially outdated truth about customer satisfaction (Van Vaerenbergh & Orsingher, 2016).

This continued use of old data shows that there is a lack of recent studies about how many customers complain, leave silently, or forgive brands in today's digital world. Most research to date has been focusing on customers who complain or those who leave after dissatisfaction (Chebat et al., 2005). However, the segment of silent dissatisfied customers who neither complain nor abandon the brand but instead quietly forgive and return therefore remain as a gap in the literature. If the widely cited statistics still holds true today, this silent forgiving group represents approximately 9 percent of all dissatisfied customers. Over twice the size of the complaining

group and yet there has been little attention in academic research (Chebat et al., 2005). As a result, there is a clear need to study silent forgiveness as its own topic, especially since it may play an important role in customer loyalty and long-term brand success (Bradford et al., 2009)

Nevertheless, silence nor forgiveness should be mistaken for satisfaction. Accumulated dissatisfaction over repeated negative experiences may eventually drive even silent forgivers away. These customers potentially purchase at a lower frequency compared to satisfied ones. Therefore, converting silent forgivers into fully satisfied customers could enhance overall satisfaction and increase revenue.

On the upside, the significance of customer satisfaction in general is further underscored by more recent data. According to the American Customer Satisfaction Index (ACSI), customer satisfaction in the United States reached an all-time high of 77.9 out of 100 in 2024 (ACSI, 2024). Despite this peak, satisfaction levels have only marginally improved over the past decade, indicating ongoing challenges for companies in effectively allocating resources to improve customer experiences (Hult & Morgeson, 2023). Additionally, Forbes (2024) reports that poor customer experiences cost organizations globally over \$3.7 trillion annually, highlighting the substantial financial impact of consumer dissatisfaction and the need for refined customer service strategies (Hyken, 2024).

While the dynamics of customer complaint behavior have been well documented (Tax et al., 1998; Stephens & Gwinner, 1998), much of the empirical foundation relies on outdated research, particularly the 1986 TARP report. This gap limits our understanding of how customer behavior has evolved in today's digital and highly connected marketplace. With the rise of digital platforms and lower switching costs, traditional complaint behavior metrics may no longer fully apply. Updated, representative data on customer complaint behavior would provide managers with better insights into recovery strategy effectiveness and opportunities for improvement, ultimately enhancing customer satisfaction.

A critical gap in current research concerns the prevalence and psychological mechanisms of brand forgiveness among silent dissatisfied customers. Non-complaining customers often exit silently, depriving firms of a chance to respond. However, the segment of silent forgivers, those who neither complain nor leave but quietly forgive and return, remains underexplored. This thesis aims to examine this silent forgiving segment more closely, shedding light on a failure response pattern that could help companies assess their risk of being silently forgiven based on brand typology. Understanding this response pattern could lead to designing more effective recovery strategies in today's marketplace.

2 THEORETICAL BACKGROUND

2.1 Customer satisfaction and Expectation Disconfirmation Theory

Expectation Disconfirmation Theory (EDT), first introduced by Oliver (1980), has been the foundation in understanding customer satisfaction within marketing and consumer research. The theory explains that satisfaction is not determined only by the quality of a brand's offering, but rather by the comparison between consumers' pre-purchase expectations and their actual post-purchase experiences (Shukla et al., 2024). This comparison leads to either confirmation or disconfirmation of expectations, which in turn shapes the consumer's level of satisfaction or dissatisfaction.

Consumers form expectations prior to purchase based on various sources such as advertising, media reports, sellers, word-of-mouth from peers and influencers. The accuracy of the information received at this stage is crucial. Realistic information leads to realistic expectations, while misleading information can result in unrealistic expectations (Shukla et al., 2024). These expectations therefore serve as a reference point that consumers use to evaluate the offering during and after consumption.

After forming expectations, consumers interact with and use the product. During this phase, they develop perceptions about the offerings' actual performance. This stage is critical, as it provides the basis for the subsequent evaluation of whether the product has met, exceeded, or fallen short of initial expectations. Following this, when consumers have formed initial expectations and interacted with a product or service, they proceed to evaluate its actual performance relative to those expectations. This evaluative process leads to either confirmation or disconfirmation. If consumers perceive that the product's performance goes beyond their initial expectations, this results in positive disconfirmation. Conversely, when the perceived performance falls short of what was anticipated, negative disconfirmation occurs. In cases where the product's performance aligns precisely with expectations, this is referred to as simple confirmation.

The outcome of this comparison is critical, as it directly shapes the consumer's subsequent satisfaction or dissatisfaction. Positive disconfirmation and simple confirmation generally strengthen consumers' attitudes

toward the product, fostering a sense of satisfaction. On the other hand, negative disconfirmation leads to the development of unfavorable attitudes and dissatisfaction (Shukla et al., 2024). This process is closely aligned with cognitive dissonance theory, which posits that individuals experience psychological discomfort when their expectations and actual experiences don't correspond, prompting them to adjust their attitudes or beliefs in response (Shukla et al., 2024). Thus, confirmation or disconfirmation serves as a pivotal cognitive mechanism that determines whether consumers will be satisfied or dissatisfied after their purchase, influencing their future attitudes and behaviors toward the brand.

Following the confirmation or disconfirmation process, consumers cognitively adjust their attitudes toward the offering. Satisfaction strengthens when expectations are met or exceeded, enhancing the likelihood of repurchase and loyalty. Conversely, negative disconfirmation generates dissatisfaction and unfavorable attitudes, which can reduce the likelihood of future purchases (Shukla et al., 2024).

2.1.1 Dissatisfied but repurchase

The literature on customer satisfaction also explains that even dissatisfied consumers may sometimes continue purchasing due to a variety of factors. Research conducted on cumulative satisfaction (Olsen & Johnson, 2003) explains that a customer's overall evaluation of their experiences with a product or service happens over time. Further they argue that cumulative satisfaction serves as an anchor for customer loyalty and repurchase decisions. Specifically, the authors state that customers rely on their entire history of experiences when forming intentions and making repurchase decisions (Olsen & Johnson, 2003). This means that one negative experience does not necessarily outweigh a history of satisfying interactions.

Widyastuti et al. (2024) conducted research on what makes dissatisfied consumers remain loyal in online shopping. The study reveals that certain switching barriers prevent consumers from moving to offline shopping options. These barriers may vary, but for their context they included efficiency, and price benefits offered by e-commerce platforms. Ultimately, they also find evidence that successful service recovery efforts can retain unhappy customers. This concept is well-documented in the literature and can even lead to higher satisfaction levels than if the customer journey had been smooth, a phenomenon known as the "Service Recovery Paradox" (McCollough et al., 2000).

Further, previous research also explains that dissatisfied customers might repurchase due to a lack of competition or awareness over alternatives (Curtis et al., 2022). In such instances, customers may not be aware of other options or may not have readily available choices, leading them to repurchase despite dissatisfaction. The article also notes that switching barriers can contribute to this behavior, further underlining the findings from Widyastuti et al. (2024).

Social influence can also play a part when dissatisfied customers continue to purchase from a brand. According to research by Sun et al. (2017), a consumer might continue to use an offering even when it makes them dissatisfied if people in their reference network use it. Specifically, this research investigated satisfaction and loyalty relating to instant mobile messaging applications. Among their findings was that consumers tend to continue using messaging applications even though they are dissatisfied, if a substantial number of their friends use it.

Ultimately, if all these factors do not apply, dissatisfied consumers may also continue purchasing from the same brand due to forgiveness. Consumers might forgive a brand due to personal interests, such as the desire to continue benefiting from the brand's products or services (Yoruk et al., 2024). Consumers may perceive forgiveness as a deliberate coping strategy if they feel they have sufficient resources to manage the dissatisfaction caused by the brand (Yoruk et al., 2024). Furthermore, if consumers perceive that the offending party has made significant reparative efforts and shown sincere remorse, they are more inclined to forgive, which helps reestablish relational balance and allows them to continue engaging with the brand.

2.1.2 Satisfied but moving on

While satisfied consumers are generally more likely to repurchase products compared to those who are dissatisfied, satisfaction is not always a guaranteed predictor of future purchase (Shukla et al., 2024). Expectation Confirmation Theory explains that satisfaction with prior experience often leads to repurchase intentions. However, other factors can influence post-purchase intentions besides satisfaction. One key reason is variety-seeking behavior. Many consumers experience diminishing utility or enjoyment from repeatedly purchasing the same product, even if it meets or exceeds their expectations. Over time, this leads to boredom or satiation, prompting consumers to seek novelty and stimulation by trying different brands or products. This tendency is not a reflection of dissatisfaction but rather a natural desire for change and diversity in consumption experiences

(Shukla et al., 2024). Research shows that even if consumers repeatedly buy their favorite products, they also tend to choose alternatives that satisfy their need for freshness and variety (Zhang, 2022).

Another factor is the need for uniqueness. Some consumers are motivated by a desire to distinguish themselves from others through their consumption choices. This need for self-uniqueness drives them to seek scarce, innovative, or customized products and to prefer unusual shopping experiences. Even when satisfied with a previous purchase, these consumers may avoid repurchasing the same item to maintain their sense of individuality and avoid conformity (Shukla et al., 2024).

Consumer innovativeness also plays a significant role. Innovative consumers are naturally inclined to seek out and experiment with new products or brands. Their purchase decisions are driven by curiosity and a willingness to adopt novel offerings, regardless of their satisfaction with existing options. This trait leads to a higher propensity to switch brands or products, as the pursuit of perceived value by innovations outweighs the comfort of a familiar, satisfying choice (Shukla et al., 2024).

2.2 Types of failure

Research encompassing customer journeys that involve failure is not a new phenomenon. As brand forgiveness cannot occur without a failure, understanding the concept is crucial. For a failure to happen there must be some sort of mismatch between the delivered offering by the brand and the expectations by the customers (Yoruk et al., 2024), like the example provided initially. In the literature there are three main categories of failures or negative events that can undermine consumer trust and satisfaction: product-harm crises, service failures, and brand transgressions. Each of these categories is distinct in its origin, nature, and its implications for the consumer-brand relationship.

2.2.1 Product-harm crises

Product-harm crises are defined as discrete, well-publicized events in which products are found to be defective or dangerous, posing risks to at least a portion of the product's customer base (Dawar & Pillutla, 2000; Cleeren et al., 2017). Such crises can arise from various causes, including manufacturer negligence, product misuse, or even sabotage (Siomkos & Malliaris, 1992). The consequences are typically severe, not only endangering consumers but also inflicting significant reputational and financial damage for the brand involved (Haas-Kotzegger & Schlegelmilch, 2013). Product-harm crises are characterized by their direct connection to the tangible goods offered by a company and often trigger widespread public concern and negative publicity.

In the scenario described for this thesis, the meal was safe and met basic standards, thereby no evidence of defectiveness or danger. The dissatisfaction was subjective and not related to any health or safety issue, nor did it affect a large group of consumers. There was no publicized event or recall, which are hallmarks of product-harm crises. Therefore, the described scenario does not align with how the literature outlines a product-harm crisis.

2.2.2 Service failures

Service failures on the other hand occur when a service provider's performance fails to meet consumer expectations (Chuang et al., 2011). These failures can then further be divided into two categories, outcome-oriented and process-oriented service failures (Harrison-Walker, 2012). Outcome-oriented failures is regarding what the customer actually receives, while process-oriented failures relate to how the service is delivered (Harrison-Walker, 2012). Common examples include delays, unfulfilled promises, or unsatisfactory interactions with service personnel. Regardless of the specific cause, service failures typically leave consumers with negative experiences, potentially damaging the brand image and customer loyalty. Service recovery strategies is then normally used to mitigate such effects and restore customer satisfaction.

From the scenario this thesis is based on, it is clear that the consumer felt dissatisfied with the meal's taste, satiety, and value, which could be interpreted as a service outcome not meeting personal expectations. However, objectively, the offering aligned with what is typically expected from such a restaurant, suggesting the service did

not fail in an absolute sense. There was no explicit breach of the service process or delivery. The dissatisfaction was rooted in subjective perception rather than in a measurable service shortcoming. Service failures usually involve a loss or failure that is recognized by both the consumer and the provider, often encouraging a recovery response, which was absent here as the consumer did not voice the dissatisfaction and was not either proactively initiated by the brand.

2.2.3 Brand transgressions

Brand transgressions refer to violations of the explicit or implicit rules and norms that govern the consumer-brand relationship (Aaker et al., 2004). These transgressions often involve ethical breaches or actions that compromise the perceived integrity and values associated with the brand. A brand transgression occurs when a brand violates consumer expectations regarding its behavior, quality, or values (Khamitov et al., 2019). Notably, while all product-harm crises and service failures can be considered brand transgressions, the reverse is not necessarily true. Brand transgressions can be further categorized as relational or non-relational, depending on whether they pertain to the relationship itself or to broader societal or ethical standards (Kim et al., 2018). The impact of a brand transgression is often amplified in cases where consumers have a strong identification with the brand, leading to heightened feelings of betrayal and more pronounced negative shifts in brand attitude (Aaker et al., 2004).

In the example the consumer experienced a subjective sense of disappointment that recurred over multiple visits, indicating a perceived misalignment between personal expectations and the brand's actual delivery. This scenario reflects a private, personal sense of failure rather than a public or objective breach, which fits the broader definition of brand transgressions. So at best it could be considered a mild form of brand transgression. However, brand transgressions often involve failures that are more severe and affect the brand's integrity or social contract with customers. The example described reflects a more common, individual level of dissatisfaction with the product offering and value proposition, which is a customer pain point but cannot be considered a complete transgression.

It is noteworthy that research on brand forgiveness and recovery has predominantly focused on service failures, with brand transgressions and product-harm crises receiving comparatively less scholarly attention (Kim et al., 2023; Özdemir, 2023; Yoruk et al., 2024). Most current research encompasses service failures where the consumer voice their dissatisfaction to the brand and therefore involve a recovery process. This gives the brand

an opportunity to take action and possibly restore the customer-brand relationship. A brand who has appropriate resources to handle such complaints is likely to seize the opportunity and if the recovery process is successful, forgiveness is more likely to occur (Kim et al., 2023).

2.2.4 Microtransgression

It is evident that the primary categories of failure outlined in the literature fall short of categorizing the failure example under discussion in this thesis. The primary rationale behind is that these events are rooted in significant failures with a high degree of severity. Consequently, there is a need for a failure category that encompasses all the dimensions of the foundation example.

Sands et al. (2020) recently introduced the concept of microfailures to address a gap in the service failure literature, which has traditionally focused on large, noticeable failures that prompt customer complaints and recovery efforts. Microfailures are defined as instances where a customer's expectations go unmet in a small way during a service interaction (Sands et al., 2020). While each microfailure is minor in isolation, such as a waiter forgetting to refill a drink or a meal arriving slightly later than expected, its cumulative effect can be substantial. Repeated microfailures that go unnoticed by brands can erode customer goodwill and drive defection over time, making them a potential managerial concern with high significance despite their subtle nature. Importantly, microfailures are still considered service failures, as they involve a deviation from objectively expected service performance, even if the deviation is slight and often unreported by customers (Sands et al., 2020).

Thus this, the microfailure framework is not entirely sufficient for capturing all types of customer dissatisfaction. Particularly in scenarios where the service objectively meets the expected standards, yet the customer still experiences disappointment. In the example provided, where a consumer feels dissatisfied with the taste, satiety, and value of a meal, despite the offering aligning with what is typically expected from the brand, there is no explicit breach of service process or delivery. The dissatisfaction is rooted in a subjective perception rather than a service shortcoming. Service failures, including microfailures, usually involve a loss or failure recognized by both the consumer and the provider (Sands et al., 2020). In this case, however, the consumer's disappointment is private and unvoiced, and the brand has technically fulfilled what they intended to deliver, and yet the consumer remains dissatisfied. Therefore, the experience does not fit entirely within the microfailure category as defined by Sands et al. (2020).

To address this theoretical gap, a new category of failure is proposed, microtransgression. Building on both the microfailure concept (Sands et al., 2020) and Expectation Disconfirmation Theory (EDT) (Oliver, 1980), microtransgressions are proposed as minor, instances of negative expectation disconfirmation that do not constitute an objective service failure or public brand transgression, but instead reflect a private, subjective erosion of satisfaction. Similarly to microfailure, the low severity of the failure is also an important characteristic of microtransgressions. Expectation Disconfirmation Theory explains that customer satisfaction is shaped by the comparison between pre-purchase expectations and post-purchase experiences. When perceived performance falls short of expectations, negative disconfirmation occurs, leading to dissatisfaction (Shukla et al., 2024). Microtransgressions occur when this negative disconfirmation is persistent but subtle, arising from a misalignment between the customer's evolving personal expectations and the brand's consistent offering, rather than from any observable failure in service delivery.

The concept of microtransgression aligns well with the initial failure example. The consumer's dissatisfaction is not due to a failure in service execution but rather a personal sense of disappointment, a mild, private misalignment between what the customer hopes for and what the brand delivers. This does not rise to the level of a brand transgression, which would involve a public or objective breach of trust, nor does it fit the definition of a microfailure, which requires a deviation from expected service performance. Instead, microtransgression captures the unique, subjective nature of this dissatisfaction phenomena, emphasizing the importance for brands to understand and address the nuanced, evolving expectations of their customers to prevent dissatisfaction.

2.3 Silent dissatisfied Customers

Silent dissatisfied customers, also referred to as silent churners, quiet customers, or non-complainers, are those who experience dissatisfaction with a product or service but do not express their negative feelings to the brand. Although much research has focused on customers who actively voice complaints, silent dissatisfied customers constitute a significant and often overlooked portion of the consumer base. Dahlgren & Johnson (2016) explore this phenomenon in online contexts, emphasizing its strategic importance for brand management, since brands ultimately exist in the minds of customers. Chebat et al. (2005) highlight that non-complaining dissatisfied consumers represent the vast majority of dissatisfied customers, with only a small fraction actually filing

complaints. Ro & Mattila (2015) further underscore the limited research on these "silent voices," who choose not to react after a failure.

Several factors contribute to customers' silence. Dahlgren & Johnson (2016) identify barriers such as limited time and energy to engage in complaints, low expectations shaped by prior experiences, and perceptions that large online businesses are unlikely to respond effectively. Some issues may also be resolved proactively by brands before customers feel compelled to complain. Building on Hirschman's (1970) classic framework, dissatisfied customers may simply "exit" by switching providers without voicing dissatisfaction. Ro & Mattila (2015) distinguish two silent responses: loyalty, where customers remain silent in hopes of improvement, and neglect, characterized by apathy and inaction. Additional barriers include the hassle of complaining and skepticism about its effectiveness (Voorhees, 2006). From a cognitive-emotive perspective, Chebat et al. (2005) propose the concept of Seeking Redress Propensity (SRP), where consumers with low SRP-score avoid confrontation and negative emotions by choosing not to complain.

Understanding why customers remain silent is crucial because it has significant consequences for brands, customer retention, and service recovery. Rust et al. (1996) argues that when unhappy customers do not complain, companies risk losing them along with future profits. Dahlgren & Johnson (2016) emphasize that silent churn complicates efforts to understand customer departures, resulting in missed opportunities for improvement. Ro & Mattila (2015) highlight that non-complainers who neglect their dissatisfaction are unlikely to return, underscoring the need to cultivate strong emotional bonds. Silence also prevents companies from addressing failures and winning back dissatisfied customers. As Blodgett & Anderson (2000) note, encouraging complaints provides firms with opportunities to resolve issues and strengthen loyalty. Chebat et al. (2005) stress that without complaints, companies lose valuable feedback essential for improvement. Hirschman (1970) suggests that while "exit" signals market feedback, the absence of "voice" can hinder brands' understanding of how to recover and maintain performance. Therefore, understanding the drivers of silent dissatisfaction and developing strategies to encourage customer feedback are vital for brands aiming to improve service quality and foster long-term loyalty.

2.4 Brand forgiveness

Brand forgiveness refers to consumers' ability to move past negative emotions and behaviors such as seeking revenge or avoiding a brand, after experiencing a product or service failure (Yoruk et al., 2024; Özdemir, 2023). Unlike forgiveness in personal relationships between people, brand forgiveness is a consumer response shaped by cognitive, emotional, and motivational factors that lead to constructive and positive behaviors toward the brand (Özdemir, 2023). It involves letting go of negative feelings and emotions to restore a favorable view of the brand.

Recent research has increasingly focused on understanding the mechanisms behind consumer forgiveness, especially as brands face growing challenges to rebuild trust because negative incidents have become more frequent (Yoruk et al., 2024). Studies have explored forgiveness across various contexts, including service failures, product harm crises, and broader brand transgressions (Yoruk et al., 2024). Key areas of inquiry include the drivers of forgiveness, its outcomes, such as renewed satisfaction, loyalty, and repurchase intentions, and the factors influencing the forgiveness process, including customer characteristics, brand attributes, and the nature of the customer-brand relationship (Yoruk et al., 2024; Kim et al. 2023; Özdemir, 2023). Despite that the topic has gained traction in the literature, there remains no consensus on a unified definition or standardized measurement of brand forgiveness (Yoruk et al., 2024; Kim et al. 2023; Özdemir, 2023). Additionally, while forgiveness following service failures has been well studied, less attention has been given to forgiveness in the context of product-harm crises or brand transgressions (Yoruk et al., 2024). This thesis aims to contribute to filling this gap by giving attention to forgiveness in the context of microtransgressions.

Understanding brand forgiveness is important because it plays a pivotal role in rebuilding and sustaining strong consumer-brand relationships (Yoruk et al., 2024; Kim et al., 2023). When brands successfully earn forgiveness, they can achieve long term benefits such as increased customer satisfaction, loyalty, positive word-of-mouth, and even improvements in consumers' overall well-being (Yoruk et al., 2024; Kim et al., 2023). Conversely, failure to obtain forgiveness may lead to negative outcomes, including brand hate and negative word-of-mouth (Özdemir, 2023; Kim et al., 2023). For businesses, insights into forgiveness provide practical guidance on restoring trust and limiting the fallout from complaints, bad publicity, or boycotts (Yoruk et al., 2024; Kim et

al., 2023). Ultimately, studying brand forgiveness helps companies recover from failures and supports consumers in achieving closure, enabling them to move forward positively (Özdemir, 2023).

2.5 Previous research

Three literature reviews on brand forgiveness have recently been published by Kim et al. (2023), Özdemir (2023), and Yoruk et al. (2024) with the aim to explain what current research has concluded and to highlight what gaps exist for future research to address. Collectively, they highlight that brand forgiveness has become an increasingly important topic within marketing literature and that it has been a popular topic for research in the last decades, particularly in the context of service failures and recovery.

2.5.1 Brand forgiveness in the customer journey

Kim et al. (2023) adopted a customer journey framework in order to systematically review factors influencing brand forgiveness. They identified multiple factors in different stages of the customer journey where a transgression occurs that can influence the consumer forgiving the brand. Three stages of the customer journey were analyzed: pre-transgression, transgression, and recovery.

The pre-transgression encompasses the period before a transgression occurs, covering both the time before the customer-brand interaction begins and until the actual failure happens. This stage, therefore, includes pre-existing factors that potentially can influence forgiveness before the consumer-brand interaction that results in a transgression. Among them, they highlight characteristics of both the consumer and the brand but underline that the quality of the existing relationship between them is the most documented factor driving brand forgiveness in the pre-transgression stage. However, the authors acknowledge that brand characteristics are an understudied domain and encourage this for further research, as only seven out of their 102 articles did their research on brand characteristics (Kim et al., 2023). Specifically, they mention the influence of brand personalities for future research, where this thesis aims to study the influence of brand typologies. Different brand typologies may create distinct customer expectations, levels of brand attachment, and perceptions of risk associated with failure.

The transgression stage begins at the moment a failure occurs and ends before the brand potentially initiates any recovery efforts. During this phase, customers' cognitive and emotional evaluations of the transgression play a crucial role in shaping their willingness to forgive the brand (Kim et al., 2023). The authors

identify several key factors influencing forgiveness at this stage, including attribution, the type of transgression, customer's role, and emotional responses. Among these, perceived transgression severity emerges as the most significant factor, highlighted in 22% of the reviewed papers. Generally, the less severe the failure is perceived by the customer, the more likely they are to forgive it. Minor inconveniences tend to be forgiven more readily than serious failures that cause substantial harm or distress.

Kim et al. (2023) distinguishes between two main types of transgressions: performance-based and relational. Performance-based transgressions involve issues with the core product or service, while relational transgressions relate to negative behaviors by staff. The authors note that customers are typically more forgiving of performance-based transgressions.

Additionally, the paper suggests that future research should explore how these transgression types affect forgiveness across different contexts, particularly contrasting hedonic versus utilitarian (Kim et al., 2023). This distinction implies that the nature of the brand, whether it primarily serves enjoyment or practical needs, may influence customer reactions and forgiveness after a transgression. This insight directly supports the focus of this thesis, which examines various brand typologies, such as the hedonic versus utilitarian framework.

Finally, the recovery stage is when the brand has the opportunity to initiate any recovery efforts following a service transgression. At this stage, justice stood out as the most important factor to influence forgiveness based on the reviewed papers. When customers perceive that justice has been restored following a brand failure, they are more likely to forgive the brand. Although this stage is only relevant if the customer actually complains or if the transgressor acknowledges the failure and proactively initiates a recovery without the need for the customer to complain. That almost 80% of the papers reviewed by Kim et al. (2023) includes this stage, thereby further underlining the need for this study where recovery is irrelevant for the context.

2.5.2 Main theories on brand forgiveness

Yoruk et al. (2024) aimed to create a theory driven integrative framework for consumer forgiveness. Their work synthesized existing literature on psychological mechanisms through a deep exploration of core theories, conceptualizations, mediators, and moderators. The main theories identified by the authors in the consumer forgiveness literature were attribution theory, coping theory, and justice theory.

Attribution theory provides a useful framework for understanding how consumers interpret and respond to negative brand events by assigning causes to them. Consumers tend to attribute the causes of failure to either internal factors, like company negligence or employee behavior, or external factors beyond the brand's control (Yoruk et al., 2024). In the context of research on silent dissatisfied customers, these customers are likely to engage in an evaluation process, analyzing the extent to which the brand is responsible for their dissatisfaction. Their conclusion, deeply influenced by their attributions regarding the brand's intentions and control over the situation, play a crucial role in shaping their initial emotional responses and determining whether forgiveness is even considered as an option (Yoruk et al., 2024).

According to Weiner (2000), how consumers judge the cause of a problem, whether it was intentional, likely to happen again, or under the brand's control greatly affects their willingness to forgive. For example, consumers forgive more easily if they perceive the cause of the problem as accidental and uncontrollable, such as a force majeure delay. They forgive less when they think the issue was intentional and controllable, like the relational transgression example with rude employees of Kim et al. (2023). In co-produced service experiences, where customers play a role in the service outcome, those who see themselves as responsible for the failure (self-attribution) are generally more inclined to forgive the service provider than those who hold the provider accountable (Kim et al., 2023). In essence, attribution theory tells us that when customers perceive the brand as less responsible for the failure, their willingness to forgive increases (Yoruk et al., 2024). The relevance of these attributions may also vary depending on the brand typology. For example, a performance failure by a utilitarian brand might be attributed to incompetence (Özdemir, 2023). Thus, the nature of the brand and the type of failure can lead to different levels of unforgiveness among silent customers. This theory helps explain the cognitive processes behind consumer forgiveness and has been widely applied in the literature to understand how causal attributions influence forgiveness outcomes.

Complementing attribution theory, coping theory offers insight into the emotional and cognitive mechanisms consumers use to manage the stress and negative emotions triggered by brand transgressions (Yoruk et al., 2024). In this context, consumer forgiveness can be viewed as a coping process. Silent dissatisfaction suggests that consumers are opting out of active coping strategies, such as voicing complaints, and may instead turn to forgiveness as a form of emotional coping. Here, forgiveness could allow the consumer to deal with negative feelings created from the transgression without any direct interaction with the brand (Yoruk et al., 2024).

According to Yoruk et al. (2024), this theory explains that consumers engage in a two-stage evaluation process when facing a negative event. In the primary stage, consumers evaluate the severity and personal relevance of the transgression, determining whether it poses a threat or harm to their expectations or sense of fairness. Coping Theory recognizes that individuals employ a variety of strategies to handle negative experiences. For silent customers, forgiveness might serve as an internal coping mechanism, helping to reduce emotions like disappointment, anger, or betrayal which generally are emotions one would like to avoid (Yoruk et al., 2024). The secondary stage in coping theory involves evaluating available resources to cope with the situation. Factors established before the transgression, such as the consumer's relationship with the brand and the brand's typology, can influence these resources and, therefore, the likelihood of silent forgiveness. For instance, a strong emotional connection with a hedonic brand could provide more internal resources for coping through forgiveness compared to a purely transactional relationship with a utilitarian brand. In the secondary evaluation stage, consumers assess their available resources and options to cope with the situation, including evaluating the brand's recovery efforts if any are offered. Forgiveness, from this perspective, emerges as a coping strategy when consumers successfully regulate their negative emotions and reframe the event in a more positive light. This emotional regulation process is critical in understanding why some consumers choose to forgive even in the absence of explicit recovery attempts.

It is also important to recognize that coping theory encompasses maladaptive behaviors. Brand avoidance, where a consumer simply chooses not to engage with the offending brand, is a passive coping strategy and represents a form of consumer unforgiveness among silent customers (Yoruk et al., 2024). Understanding when silence leads to forgiveness versus brand avoidance can therefore be clarified by coping theory.

Justice theory further enriches the understanding of forgiveness by focusing on consumers' perceptions of fairness following a transgression (Yoruk et al., 2024). From the customer journey framework of Kim et al. (2023) this theory is mainly relevant in the recovery stage. It's also partly relevant in the pre-transgression stage as previous recovery from the same transgressor could be a pre-existing factor influencing forgiveness even when staying silent this time. This theory emphasizes that consumers have a fundamental need for justice restoration, which strongly influences their forgiveness decisions. Perceptions of fairness relate not only to the outcomes provided by the brand, such as compensation or apologies but also to the manner in which the brand communicates and manages the resolution process. When consumers feel that they have been treated with respect and honesty, that the compensation is adequate, and that the procedures for addressing their concerns are transparent and fair, they are more inclined to forgive the brand. Conversely, perceived unfairness or injustice in any of these dimensions can significantly hinder forgiveness (Yoruk et al., 2024). Together with attribution and coping theories, justice theory provides a comprehensive theoretical foundation for understanding the complex psychological and emotional processes of consumer forgiveness as a phenomenon, particularly in the context of service failures and the recovery stage.

3.0 DIFFERENT BRAND TYPOLOGIES

To investigate how brand characteristics influence brand forgiveness, this study adopts a brand typology framework. In the context of branding and consumption, a typology classification enables categorizing of brands according to the dominant value they offer to consumers (Lanseng, 2014). This thesis applies a twofold typology distinguishing between hedonic and utilitarian brands. These two types reflect distinct consumer expectations, motivations and value perceptions, providing a structured approach to analyze how brand typologies may influence forgiveness among silent dissatisfied customers.

The distinction between hedonic and utilitarian brands is a well-established concept in marketing literature (Hirschman & Holbrook, 1982; Batra & Ahtola, 1991). While most brands contain both hedonic and utilitarian elements, one dimension typically dominates the brand's positioning and how consumers perceive them (Spangenberg, 2016). This differentiation is based on the fundamental types of value that consumers get from products and services. To understand this, it's essential to consider both what motivates certain consumption and the features of the offering that provide value (Lanseng, 2014).

Utilitarian value, also referred to as functional or extrinsic, has traditionally been the primary focus of consumer behavior research (Lanseng, 2014). It is determined by an offering's capacity to fulfill a specific, external goal, with value coming from objective and concrete features that serve practical purposes (Lanseng, 2014). Consumers motivated by utilitarian value are often characterized as efficient and rational, seeking to complete tasks and solve problems (Vieira et al., 2018). For example, allergy medicine is valued for its ability to hinder allergic reactions, and a stroller is appreciated for its functional value of transporting a baby (Lanseng, 2014). Brands that emphasize utilitarian value highlight functional benefits, performance, efficiency, and reliability, positioning themselves as practical tools that enable consumers to achieve their goals and foster a sense of self-efficacy (Ugalde et al., 2023). This aligns with the traditional view of consumption as utility maximization (Rathee et al., 2022).

In contrast, hedonic value is derived from the enjoyment and pleasure that a product provides (Hirschman & Holbrook, 1982). Here, the consumption experience itself becomes significant, serving as an end in itself rather than as a means to another goal (Lanseng, 2014). Consumers seeking hedonic value are attracted to fun, sensory stimulation, and emotional gratification (Vieira et al., 2018). Hedonic brands therefore aim to provide enjoyment

through pleasurable, emotionally engaging experiences (Ugalde et al., 2023), drawing pleasure from sensory elements like taste, touch, looks, or sound. Hedonic value also comes from noticeable features, but people enjoy these by using their senses directly, which results in subjective feelings and value perception (Lanseng, 2014). Examples include the enjoyment of the sweet taste and smooth texture of ice cream or the immersive sights and sounds of a home theatre system (Lanseng, 2014).

The primary distinction between these two types of brands lies in the expectations, motive and the value consumers seek, even though both may involve immediately perceptible attributes (Lanseng, 2014). Utilitarian brands are outcome oriented, serving as a means to an external end and relying on objective, functional attributes (Lanseng, 2014). Hedonic, on the other hand, is experience-oriented and is an end in itself. It is based on the subjective pleasure derived from sensory interaction (Lanseng, 2014). Utilitarian consumption is driven by satisfying needs and achieving goals. It is usually processed in a more logical way of thinking. On the contrary, hedonic consumption is motivated by the desire for enjoyment and stimulation and is processed more through emotions (Rathee et al., 2022).

As mentioned, it is important to recognize that products and brands are rarely exclusively utilitarian or hedonic. They often provide multiple types of value simultaneously (Lanseng, 2014). In fact, hedonic and utilitarian values can complement each other (Vieira et al., 2018). For instance, toothpaste that prevents cavities (a utilitarian function) can also have a pleasant taste (a hedonic benefit) (Vieira et al., 2018). However, toothpaste is still considered utilitarian because it primarily serves as a means to achieve good dental health. It is also unlikely that the main reason consumers brush their teeth is for the sensory experience the flavor provides. Nevertheless, brands strategically emphasize one type of value over the other through their design, marketing, and positioning. However, including benefits of the other could differentiate from competitors (Ugalde et al., 2023).

3.0.1 Previous research on Hedonic versus Utilitarian context

Shahid Sameeni et al. (2022) published a study comparing perceived brand betrayal between hedonic and utilitarian brands. Shahid Sameeni et al. (2022) describes this concept as an emotional response that arises when a brand, one with which loyal customers have developed a close relationship, commits a moral transgression. Feelings of betrayal may emerge if the brand misleads, deceives, withholds important information, or fails to support a customer during a critical moment. The phenomenon is distinguished from simple dissatisfaction and is associated with strong negative emotions, such as anger. The authors also research how brand betrayal is related

to post-purchase regret, and found a significant positive relationship (Shahid Sameeni et al., 2022), meaning that consumers who feel betrayed by a brand tend to regret their loyalty and purchase, wishing they had chosen an alternative. Shahid Sameeni et al. (2022) described regret as an unpleasant, cognitively based emotion felt when consumers evaluate their purchase decisions and realize or imagine that their current situation would have been better had they decided differently. It is noted as the most frequent and intense negative emotion experienced after decisions. Despite this study operating on the opposite end of failure severity than this thesis, their main findings comparing the two brand typologies is interesting. They find that brand betrayal leads to significantly stronger feelings of post-purchase regret for utilitarian brands compared with hedonic brands. This discrepancy is attributed to the different psychological coping mechanisms associated with each product type. Emotion-focused coping for hedonic products facilitates the psychological repair of regret, while problem-focused coping and rational evaluation for utilitarian products result in more challenging regret regulation (Shahid Sameeni et al., 2022). Prior positive emotional associations with hedonic products may also act as a counterbalance to regret, which is less likely with utilitarian products.

Another key distinction between hedonic and utilitarian brands is how consumers vary in their perceived need to justify purchasing their offerings. According to Okada (2005) are consumers naturally motivated to seek enjoyment and fun through hedonic consumption, yet this desire often conflicts with an internal need for justification. This tension between wanting to indulge and needing to rationalize such indulgence is a key driver behind many systematic patterns in consumer choice, and the author further states that this perceived need to justify hedonic consumption often poses a great challenge compared with utilitarian consumption.

One major reason hedonic consumption is harder to justify is the association with guilt. Hedonic purchases are frequently perceived as wasteful or indulgent, which can evoke feelings of guilt, especially in cultures that emphasize hard work and self-discipline (Okada, 2005). This guilt is not simply a separate emotional response but is closely intertwined with the process of justification itself. Consumers may anticipate guilt before making a hedonic purchase or experience it afterward, which makes justifying such choices more difficult. Interestingly, perceived guilt can be reduced when the hedonic offering is earned through effort or given as a gift, ultimately making justification easier (Okada, 2005).

Another factor complicating the justification of hedonic goods is the difficulty in quantifying their benefits. Unlike utilitarian offering, where practical and functional advantages are often clear and measurable, a hedonic offering is primarily experiential and has a subjective nature. This makes it harder for consumers to construct rational, compelling reasons for choosing hedonic offerings based solely on how they make one feel.

On the other hand, utilitarian goods tend to be easier to justify because their benefits are more tangible and quantifiable. These products are often viewed as objectively necessary or practical, which simplifies the mental process of rationalizing their purchase. Choosing utilitarian options is sometimes described as the “path of least psychological resistance” because it aligns with straightforward, functional reasoning rather than emotional indulgence (Okada, 2005).

3.1 Hypothesis Development

Hedonic versus utilitarian brands are particularly interesting to compare because they offer fundamentally different types of value and set distinct expectations for consumers. Utilitarian brands emphasize functionality and practical benefits, so consumer expectations are more objective and clearly defined. In contrast, hedonic brands promise enjoyment and pleasure, making the evaluation of their offerings more subjective and dependent on individual experience. This leads to a clear causal chain: brand typology (hedonic or utilitarian) shapes whether the evaluation is subjective or objective, which ultimately is likely to affect the likelihood of forgiveness.

The main effect that will be tested in the experiment is therefore whether there are differences in brand forgiveness between hedonic and utilitarian brands. The null hypothesis is therefore:

H0: There is no difference in brand forgiveness among silent, dissatisfied customers across different brand typologies.

Following this, consumers are expected to be more forgiving toward hedonic compared to utilitarian brands when a microtransgression occurs. Building on Shahid Sameeni et al. (2022), consumers tend to react less severely to betrayals by hedonic brands compared to utilitarian ones, implying greater forgiveness toward hedonic brands in cases of dissatisfaction. Despite being on the opposite side of the failure severity spectrum, this

difference is expected to apply in this context as well based on the emotional and cognitive processes consumers engage in when coping with brand failures.

Hedonic offerings are further strongly associated with positive emotional experiences, which encourage emotion focused coping strategies that should help consumers psychologically repair negative feelings more easily (Shahid Sameeni et al., 2022). When a microtransgression causes negative disconfirmation, consumers experience psychological discomfort or cognitive dissonance (Shukla et al., 2024). However, for hedonic brands, the pre-existing positive emotional associations act as a buffer, softening the impact of this dissonance. This emotional cushioning allows consumers to reconcile the inconsistency between expectation and reality with less formation of strongly unfavorable attitudes, making forgiveness more plausible.

In contrast, utilitarian brands are primarily evaluated on functional and rational criteria, leaving little room for emotional buffering. Negative disconfirmation in this context triggers more pronounced cognitive dissonance (Shukla et al., 2024), which consumers resolve through stronger dissatisfaction and possibly therefore reduced willingness to forgive. Utilitarian brand failures affect not just the immediate consumption experience but also the desired functional outcome, creating a dual layered negative disconfirmation that is likely to complicate the forgiveness process.

Moreover, the subjective-objective distinction between brand types further explains this phenomenon. Utilitarian brands fulfill essential consumer needs and are thus perceived as more important, making transgressions appear more severe. Hedonic brands, offering subjective pleasure, are perceived as less critical (Okada, 2005), so their failures might be seen as less severe and easier to forgive.

Taken together, these cognitive and emotional mechanisms suggest that silent dissatisfied consumers are more likely to forgive hedonic brands following a microtransgression than utilitarian brands. This leads to the following hypothesis:

H1: Silent dissatisfied consumers are more likely to forgive hedonic versus utilitarian brands following a microtransgression.

The process by which brand typology influences silent dissatisfied consumer forgiveness is not expected to be direct, but be mediated by how blame is attributed following a microtransgression. When a failure occurs,

consumers engage in a cognitive evaluation to determine responsibility for the negative experience. This attribution process is crucial in shaping whether and how consumers forgive the brand (Kim et al., 2023).

As Okada (2005) explains, consumers have a heightened need to justify purchases from hedonic brands, which are associated with pleasure and indulgence rather than necessity. This need for justification often brings feelings of guilt, even in the absence of any brand failure. When a microtransgression does occur however, this underlying guilt is expected to become more salient, leading consumers to attribute the blame for the failure to themselves rather than to the brand. In other words, the negative outcome is expected to be perceived as a consequence of their own choices, rather than a failure of the hedonic brand.

This internal attribution of blame is not expected to prevail to the same extent with utilitarian brands, because they are evaluated more on functional and objective criteria (Shukla et al., 2024). When utilitarian brands fail, consumers are therefore expected to attribute blame to the brand itself, as these brands are expected to fulfill specific needs and deliver on concrete promises (Shukla et al., 2024). The mismatch between objective expectations and subjective experience, as discussed in the introductory narrative of this thesis, often leads consumers to see the brand as responsible for their dissatisfaction.

The literature further supports the link between blame attribution and forgiveness. Kim et al. (2023) find that when consumers attribute the cause of a failure to themselves (external to the brand), they are more likely to forgive the brand, as self-blame reduces negative feelings toward the brand and lessens the perceived severity of the transgression. This is consistent with coping theory, which suggests that forgiveness can be a deliberate strategy for consumers who feel they have sufficient resources to manage dissatisfaction (Yoruk et al., 2024).

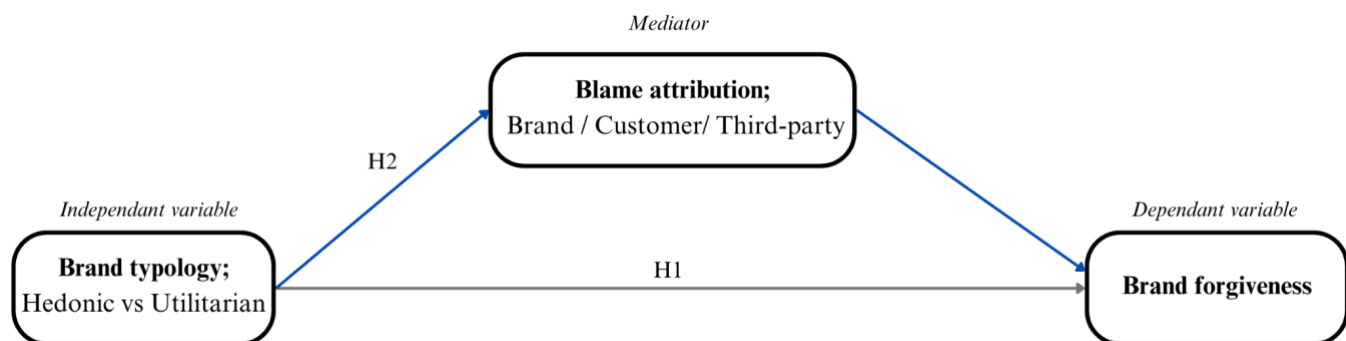
Thus, attribution of blame acts as a mediator between brand typology and forgiveness. Hedonic brands, due to the guilt and self-justification processes involved in their consumption, are more likely to be forgiven because consumers attribute blame externally to themselves. Utilitarian brands, on the other hand, are more likely to be blamed directly for failures, making forgiveness less likely. This mediation mechanism is found to be true and it also helps explain why hedonic brands are more forgivable and provides a richer understanding of the psychological processes underlying consumer responses to brand transgressions. The final hypothesis that will be tested is therefore as follows:

H2: Attribution of blame (internal vs. external) mediates the relationship between brand typology and consumer forgiveness in the sense that hedonic brands are more likely to be attributed external blame.

3.2 Conceptual Framework

To investigate these hypotheses, the conceptual framework is organized to capture the key variables and their relationships. Brand typology (hedonic vs utilitarian) is the variable that will be manipulated and therefore serves as the independent variable (IV). The main outcome that will be measured in this study is level of brand forgiveness among silent dissatisfied customers experiencing a microtransgression. The dependent variable (DV) is therefore brand forgiveness. The model further incorporates attribution of blame as a mediator. Whether the microtransgression is seen as the brand's fault or due to external factors, possibly self attribution. The mediator is expected to strengthen the relationship between hedonic brand typology and forgiveness. This framework provides a systematic basis for testing the proposed hypotheses while tightening a gap in the literature of how brand forgiveness among silent dissatisfied customers unfolds across typologies.

The proposed conceptual model is as follows:



4.0 METHODOLOGY

4.1 The experiment

This study adopts a quantitative, between-subjects online experimental research design to investigate how different brand typologies, hedonic versus utilitarian brands, influence brand forgiveness among silent dissatisfied customers following a microtransgression. Only exposing subjects to one condition was decided for the purpose of minimizing the risk of carryover, where a participant's experience in one experimental condition affects their responses in another (Charness et. al, 2012). The experiment is structured to simulate a realistic consumption scenario in which a customer experiences mild dissatisfaction but does not voice a complaint, reflecting the phenomenon of microtransgression and "silent dissatisfaction" previously explained.

Before being exposed to the experiment, the respondents were informed that they will assess a situation where a hypothetical consumer, with a gender-neutral name, Alex, is interacting with a fictional brand. The reason for using third person scenarios is to encourage respondents to answer more freely and objectively due to reduced social desirability bias (Malhotra et al., 2017). Using fictional brands eliminates respondents potential previous experience and bias towards a real brand, ultimately increasing the probability of objective answers allowing for only measuring the construct intended. Information about responses being collected anonymously was also given.

Participants were randomly assigned to one of two brand typology conditions. Each condition presents a scenario with a coffee shop brand, either "Velvet Brew" for the hedonic condition or "Daily Grind" for the utilitarian condition. Further they describe the interaction between Alex and the randomly assigned coffee brand, that emphasize the pre-purchase expectations, the purchase and their actual post-purchase experience. At the end the interaction is described as a minor, yet noticeable, shortcoming in the experience that leaves Alex dissatisfied without voicing a complaint or receiving any recovery effort from the brand. Both scenarios describe Alex visiting a coffee shop, receiving polite service, and experiencing a drink that is slightly below expectations, resulting in mild, unvoiced disappointment that goes unrecognized by the brand. The key difference between the two scenarios is the brand typology. Velvet Brew represents a hedonic brand focused on rich, sensory experiences and artisanal quality, like latte art and rich complex flavors. Daily Grind on the other hand exemplifies a utilitarian brand prioritizing efficiency, consistency, and functional benefits, like quick, ready to drink coffee that provides the energy needed from caffeine. Aside from these brand-related factors, all other aspects of the scenarios are held

constant, ensuring that the only actual difference is the hedonic versus utilitarian nature of the brand, allowing for a clear assessment of its effect on subsequent forgiveness.

The experimental procedure is delivered via the online survey platform Qualtrics, which enables precise randomization and control over scenario exposure. After reading their assigned scenario, participants complete a series of validated measurement instruments, including a multi-dimensional attribution of blame scale, a third-person brand forgiveness scale adapted for the context of silent dissatisfaction and a manipulation check to verify the perceived brand typology. All scales constructed were on a 7-point likert scale from strongly disagree (1) to strongly agree (7). The attribution of blame scale is based on Siamagka (2023), but in the middle of the attribution of blame measurement an attention check was placed with instructions on what to answer. This allowed easier removal of invalid responses. The items measuring brand forgiveness was inspired by Harrison-Walker (2019). However, their scale included an extensive number of items, so a reduced version formulated in third person was used for this study. Dhara (2022) inspired the manipulation check scale to understand if the fictional brands were perceived as intended. The demographic variables, age and gender, were also collected to allow for control and potential exploratory analyses. These were default measurements provided by Qualtrics. For the complete survey flow, see Appendix A.

This design enables good isolation of causal effects by controlling for extraneous variables and ensuring that all participants are exposed to standardized information. By focusing on silent dissatisfied customers and introducing the concept of microtransgression, the study addresses a gap in current research and provides insights into the psychological mechanisms underlying brand forgiveness in everyday, mild failures. The use of random assignment, standardized scenarios, and established measurement scales enhances the internal validity and generalizability of the findings within the context of consumer brand interactions.

4.2 The sample

A total of one hundred and sixty respondents were recruited randomly with even numbers for both conditions through Cloud Research's platform Connect. Of these, three participants exposed to the utilitarian condition and one for hedonic failed the attention check and were therefore excluded from the analysis, leaving the utilitarian condition with 77 respondents and hedonic with 79. Of the respondents included for the analysis 55% (n=86) were males which gives a satisfying distribution between gender. This is also present among the participants included in the hedonic group where 48% (n = 38) were males. However, the utilitarian condition had

a more unbalanced gender split with 62% (n = 48) males leaving 36% (n = 28) females. In total three respondents answered a different gender (non-binary n = 1, prefer not to say n = 2), and is the reason for percentages described not adding up to 100%. For the demographic variable Age, a total of 67% (n = 105) answered to be younger than 45, with the most frequent age intervals being 25-34 and 35-44, in that order. In difference from gender distribution, this was equal across conditions. Even though precise mean and median for age is hard to calculate using the data collected, both ended approximately around 40 years old for both conditions. See Appendix B for more details regarding demographics.

4.3 Data preparation

After excluding respondents who failed the attention check, two preparatory steps were necessary before beginning the analysis: reverse coding negatively worded items and aggregating items measuring the same construct into a single variable using the mean.

Reverse coding is necessary for negatively worded items to ensure that all items measuring the same construct are aligned in direction (Malhotra et al., 2017). Without reverse coding, responses to negatively phrased questions would distort the overall measurement, as higher scores would indicate the opposite of what the scale intends to capture. Specifically, two items assessing brand forgiveness were negatively phrased and thus required reverse coding. This was done by subtracting each respondent's original score from eight. For example, one positively worded item asked participants to indicate the extent to which they agreed that Alex would "forgive the brand for being dissatisfied," with responses ranging from "Strongly disagree" (coded as 1) to "Strongly agree" (coded as 7). In contrast, a negatively worded item asked whether Alex would "feel resentment toward the brand," using the same response scale. Because this item was phrased negatively, its scores were reversed so that higher values would consistently reflect greater forgiveness. The same procedure applied to the sixth and final item measuring brand forgiveness: "avoid the brand because of what happened." For instance, if a respondent selected "Strongly disagree" (original score = 1) for this item, the reverse coded score would be 7, indicating a high level of forgiveness.

As all my questions had multiple items measuring the same thing and some questions having items measuring different things it was found necessary to aggregate items into one variable. The first question respondents were asked to evaluate after reading their scenario intended to capture which entity they attributed the blame to. Three items measured internal causes attributing the blame to the brand itself. As an example,

respondents were here asked to evaluate if they agreed or not to “The brand is responsible for the customer's dissatisfaction”. A high score here would attribute the blame to the brand. Collectively these three brand attribution items had a cronbach's alpha of 0.926 which is well above the threshold of > 0.7 often used in marketing literature (Taber, 2017). This value therefore implies a strong internal reliability consistency between the items measuring attribution in the direction of the brand (Malhotra et al., 2017).

For causes of external attribution Kim et al. (2023) showed that these could either be externally attributed to the customer itself or third party causes outside both the brand and the customers control. Following the same question with the items measuring brand attribution there were also six items measuring external attribution, three for customer attribution and three for third parties. Although they were measuring in the opposite direction of the brand they were not reverse coded for the main analysis as it was important to capture the three different causes separately for the mediation analysis. For example, if the respondent answered strongly agree to “The customer is to blame for their dissatisfaction” it would be coded as a 7 and attribute blame to the customer, away from both the brand and third party causes. When performing a reliability analysis for causes of blame customer attribution items had a cronbach's alpha of 0.732 and third party had an alpha of exactly 0.800. The item total statistics also showed for both these causes that removing any item would not increase the internal reliability consistency and based on both being above the threshold they were successfully aggregated into one variable each.

After respondents had decided where to attribute the blame, they were asked to evaluate to what extent they thought Alex would forgive the brand. When two out of six items had been reverse coded all six items were also subjects for aggregation into one variable for the DV brand forgiveness. Collectively all six items for brand forgiveness had an alpha score of 0.898. When experimenting with removing items it was clear that even with only three out of six items the alpha score would be above the threshold of 0.7. Malhotra et al. (2017) explain that a shortcoming with using cronbach's alpha to measure internal reliability is that the score has a tendency to increase with more items included. This could then essentially make the score artificially high. However, although Malhotra et al. (2017) note that Cronbach's alpha can be artificially inflated by including more items, potentially overstating internal consistency, it was considered appropriate to retain all six items in the aggregated brand forgiveness variable for several reasons. First, the six items collectively capture multiple nuanced facets of the forgiveness construct, including both positive and negative dimensions, thereby providing a more comprehensive and valid measurement. Second, the high alpha score of 0.898 indicates high internal consistency, suggesting that the items reliably measure the same underlying construct without excessive redundancy. Finally, reducing the

number of items could risk losing important conceptual content and reduce the construct's breadth, which is critical for capturing the complexity of brand forgiveness in this context. Therefore, retaining all six items balances reliability with content validity, ensuring a robust and meaningful dependent variable ready for analysis.

As mentioned previously there was not considered necessary to perform a pre test to see if the manipulation of the IV was perceived as intended based on the literature on hedonic vs utilitarian being extensive. Despite this a manipulation check was included in the main study to make sure that the two fictional brands were perceived as intended. At the end of the experiment before demographics were collected, respondents were asked to evaluate to what extent they agreed that the scenario they received contained a hedonic or utilitarian brand, with the item "This brand focuses on providing pleasure and enjoyment" as one out of two items measuring if they agreed the brand was hedonic and "This brand provides straightforward, no-nonsense coffee" as one out of two items measuring utilitarian. The two items measuring hedonic construct gave a collected cronbach's alpha of 0.742 and the two items for utilitarian gave an alpha score of 0.719. Thus, both constructs were aggregated into one variable each using the mean score given by each respondent on the respective item.

Table 1.1: *Cronbach's alpha score for aggregated variables*

Scale	Number of items	Cronbach's alpha
Brand attribution	3	0.926
Customer attribution	3	0.732
Third-party attribution	3	0.800
Brand forgiveness	6	0.898
Hedonic manipulation check	2	0.742
Utilitarian manipulation check	2	0.719

4.4 Main analysis and results

To test the hypothesis that there is no difference in brand forgiveness between the hedonic and utilitarian brand scenarios (H_0), an independent samples t-test was conducted. The hypothesis that was tested were:

$$H_0: \mu_1 = \mu_2$$

$$H_1: \mu_1 \neq \mu_2$$

Here μ_1 represents mean Brand Forgiveness for Hedonic brand, and μ_2 represents mean Brand Forgiveness for Utilitarian brand.

The analysis revealed a statistically significant difference in mean forgiveness scores between the two groups, $t(154) = -2.80$, $p = 0.006$. Thus, the null hypothesis was rejected. Moving on, the t-test also explained which group that reported the highest level of forgiveness. Contrary to the H1 of this study that expected higher forgiveness towards hedonic brands, participants in the utilitarian scenario reported significantly higher forgiveness ($M_{\text{Utilitarian}} = 5.08$, $SD = 0.95$) than those in the hedonic scenario ($M_{\text{Hedonic}} = 4.60$, $SD = 1.18$). The mean difference was -0.48 (95% CI: -0.82 , -0.14), indicating that forgiveness was lower in the hedonic condition. The effect size, as measured by Cohen's d , was -0.45 , representing a moderate effect. Levene's test for equality of variances was not significant ($p = 0.066$), so equal variances were supported between the groups which in turn support the necessary assumption of performing an independent sample t-test.

Table 1.2: Results from independent sample t-test, comparing mean forgiveness across groups

Group	N	Mean	Std. Deviation	t	df	p	Cohen's d
Hedonic	79	4.601	1.180	-2.80	154	0.006	-0.45
Utilitarian	77	5.082	0.947				

4.5 Mediation analysis

The second hypothesis of this study (H2) was that attribution of blame would mediate the relationship between brand typology and brand forgiveness. The direction expected based on the literature was that respondents would attribute blame to external causes when exposed to the hedonic condition thus increased forgiveness and when exposed to the utilitarian condition in the direction of the brand itself, resulting in lower forgiveness. Before doing the actual mediation analysis an independent samples t-test was used to check if there was a difference in attribution between groups using the three aggregated attribution of blame variables.

The t-test results indicated no significant differences for any type of attribution. Specifically, for brand attribution, the difference between the hedonic ($M = 5.32$, $SD = 1.10$) and utilitarian ($M = 5.37$, $SD = 1.19$) conditions were not significant, $t(154) = -0.23$, $p = 0.815$, $d = -0.04$. Similarly, customer attribution did not differ significantly between the hedonic ($M = 3.52$, $SD = 1.26$) and utilitarian ($M = 3.71$, $SD = 1.30$) groups, $t(154) = -0.91$, $p = 0.364$, $d = -0.15$. For third-party attribution, there was also no significant difference between the hedonic ($M = 3.02$, $SD = 1.18$) and utilitarian ($M = 2.87$, $SD = 1.34$) conditions, $t(154) = 0.77$, $p = 0.444$, $d = 0.12$. These results indicate that participants attributed blame similarly across both brand types and do not provide the best foundation before doing the mediation analysis. The only thing of some value that can be derived from the t-test is that on average respondents attributed the blame to internal rather than external causes.

Table 1.3: Results from independent sample t-test, comparing attribution across groups

Attribution	Group	N	Mean	Std. Deviation	t	df	p	Cohen's d
Brand	Hedonic	79	5.32	1.100	- 0.234	154	0.815	- 0.038
	Utilitarian	77	5.37	1.194				
Customer	Hedonic	79	3.52	1.261	- 0.912	154	0.363	- 0.146
	Utilitarian	77	3.71	1.297				
Third-party	Hedonic	79	3.02	1.182	0.767	154	0.444	0.123
	Utilitarian	77	2.87	1.345				

To perform the mediation analysis PROCESS 4 for SPSS was utilized. First the three different aggregated variables for attribution of blame were analyzed as separate mediators using brand typology as IV and brand forgiveness as DV. The direct effect of typology on brand forgiveness was significant ($\beta = 0.455$, $SE = 0.174$, $t(151) = 2.61$, $p = 0.010$, 95% CI [0.111, 0.799]). This indicates that, even when controlling for the proposed mediators, participants in the utilitarian group reported significantly higher levels of brand forgiveness compared to those in the hedonic group, which further underline the results of the t-test.

However, the analysis revealed no evidence of significant mediation. The indirect effects of brand typology on brand forgiveness through brand attribution (Effect = 0.0009, 95% CI [-0.033, 0.038]), customer attribution (Effect = 0.015, 95% CI [-0.033, 0.093]), and third-party attribution (Effect = 0.010, 95% CI [-0.031, 0.066]) were all non-significant, as their 95% confidence intervals included zero. Similarly, the total indirect effect was also non-significant (Effect = 0.026, 95% CI [-0.038, 0.111]).

Furthermore, brand typology did not significantly predict any of the proposed mediators: brand attribution ($\beta = 0.043$, $p = 0.815$), customer attribution ($\beta = 0.187$, $p = 0.363$), and third-party attribution ($\beta = -0.155$, $p = 0.444$). This suggests that different brand typology did not influence how participants attributed blame. The overall model explained a modest but non-significant proportion of variance in brand forgiveness ($R^2 = 0.056$, $F(4, 151) = 2.24$, $p = 0.068$).

Table 1.4: Mediation analysis results using all three aggregated variables for attribution

	p	LLCI	ULCI	β
Brand attribution	0.815	- 0.033	0.038	0.043
Customer attribution	0.363	- 0.033	0.093	0.187
Third-party attribution	0.444	- 0.038	0.111	- 0.155

Moving on, another attempt for mediation analysis was made. This time the items that measured external blame (customer and third-party) were first reverse coded using the same procedure as for the brand forgiveness items, and then aggregated to one variable based on their mean. This gave a cronbach's alpha of 0.850, indicating that these items after reverse coding do in fact measure the same construct.

The new mediation analysis using PROCESS Model 4 was then conducted to examine whether the relationship between typology and brand forgiveness was mediated by the aggregated attribution variable. The a path (typology → attribution) was not significant, $\beta = 0.004$, $SE = 0.156$, $t = 0.025$, $p = 0.980$, 95% CI $[-0.305, 0.313]$, indicating that typology did not predict differences in aggregated attribution. The b path (attribution → forgiveness, controlling for typology) was also not significant, $\beta = -0.008$, $SE = 0.089$, $t = -0.095$, $p = 0.924$, 95% CI $[-0.184, 0.167]$, suggesting that the aggregated attribution variable did not predict brand forgiveness. The direct effect, path c of typology on brand forgiveness, controlling for attribution, was significant, $\beta = 0.481$, $SE = 0.172$, $t = 2.795$, $p = 0.006$, 95% CI $[0.141, 0.821]$. Similarly to both the t-test and the previous mediation analysis this proves that participants in the utilitarian condition on average reported higher forgiveness than those in the hedonic condition. The indirect effect (a × b path) of typology on forgiveness through the aggregated attribution variable was also not significant (effect = 0.000, BootSE = 0.016, 95% BootCI $[-0.036, 0.033]$), as the confidence interval included zero. In summary, the mediation analysis showed no evidence that the aggregated attribution variable mediates the effect of typology on brand forgiveness; the relationship is therefore best explained by the direct effect (path c) of typology on forgiveness. Thus this, H2 is rejected.

Table 1.5: Mediation analysis results using one partly reverscoded aggregated variable for attribution

Path	p	LLCI	ULCI	β
Typology → Attribution	0.980	- 0.305	0.313	0.004
Attribution → Forgiveness	0.924	- 0.184	0.167	- 0.008
Typology → Forgiveness	0.006	- 0.038	0.141	0.821

4.6 Manipulation Check

To verify that the brand typology manipulation was successful, the aggregated variables with sufficient Cronbach's alpha score were used to conduct an independent samples t-test. Participants in the hedonic scenario ($M = 5.22$, $SD = 0.94$) rated the brand in their scenario significantly higher on the hedonic scale than those in the utilitarian scenario ($M = 4.37$, $SD = 1.44$), $t(130.55) = 4.32$, $p < 0.001$. Levene's test indicated unequal variances ($F = 12.13$, $p < .001$), so the degrees of freedom were adjusted accordingly. The mean difference was 0.85 (95% CI [0.46, 1.23]), with a large effect size (Cohen's $d = 0.70$).

Conversely, participants in the utilitarian scenario ($M = 5.45$, $SD = 1.09$) rated their brand significantly higher on the utilitarian scale than those in the hedonic scenario ($M = 4.01$, $SD = 1.12$), $t(154) = -8.19$, $p < .001$. Levene's test did not indicate a violation of the assumption of equal variances ($F = 0.04$, $p = 0.84$). The mean difference was -1.45 (95% CI [-1.80, -1.10]), also with a large effect size (Cohen's $d = -1.31$). These results from this t-test therefore confirm that the manipulation of brand typology was effective, participants perceived the fictional hedonic and utilitarian brands as intended.

Table 1.6: *Results from independent sample t-test, comparing manipulation score across groups*

DV	Group	N	Mean	Std. Deviation	t	df	p	Cohen's d
Hedonic	Hedonic	79	5.22	0.943	4.32	130.55	< 0.001	0.70
	Utilitarian	77	4.37	1.440				
Utilitarian	Hedonic	79	4.01	1.122	-8.19	154	< 0.001	-1.31
	Utilitarian	77	5.45	1.086				

4.7 Controlling for demographic variables

A last analysis was made to control the effect of the demographic variables age and gender on forgiveness. The aggregated brand forgiveness variable was used as dependent and age, gender and brand typology was used as independent variables in a multiple linear regression. The overall model was marginally non-significant, $F(3, 152) = 2.65$, $p = 0.051$, and explained approximately 5% of the variance in forgiveness scores ($R^2 = 0.05$).

Of the predictors, neither age ($B = 0.028$, $p = 0.672$) or gender ($B = 0.003$, $p = 0.981$) were significant predictors of forgiveness. Not surprisingly, brand typology was the only significant predictor of forgiveness ($B = 0.484$, $p = 0.006$), further proving previous results that participants were more likely to forgive utilitarian brands than hedonic brands.

Table 1.7: *Results from multiple linear regression, comparing mean forgiveness across groups*

R²	ANOVA Sig.	Variable	Unstandardized Coefficients B	t	Sig.
0.05	0.051	Age	0.028	0.424	0.672
		Gender	0.003	0.023	0.981
		Brand typology	0.484	2.781	0.006

5.0 GENERAL DISCUSSION

This study aimed to examine how different brand typologies influence brand forgiveness among silent, dissatisfied customers experiencing a microtransgression. Investigating such a novel phenomenon presented challenges, as existing literature offered limited empirical guidance for predicting the direction of the main effect. Nevertheless, the research question was answered with statistically significant results, revealing a notable effect of brand typology on forgiveness. Interestingly, the direction of this effect contradicted initial expectations. Participants were more forgiving of the utilitarian brand than the hedonic. This unexpected finding challenges assumptions drawn from prior research and opens new areas for understanding consumer responses to brand failures.

5.1 Higher forgiveness towards the utilitarian brand

Since the manipulation check confirmed that participants accurately perceived the brand typologies as intended, the discrepancy for the main effect is unlikely due to flaws in the experimental design. Instead, it raises a critical question, *why were utilitarian brands more readily forgiven in the context of microtransgression among silent dissatisfied customers?*

One plausible explanation lies in the novel constructs introduced in this study. The concept of microtransgression, defined as a low-severity, subjective dissatisfaction that does not involve ethical breaches or serious brand transgressions, diverges from the types of failures traditionally examined in the literature. Most prior research on brand forgiveness has focused on obvious, high-severity service failures and when combined with literature on hedonic versus utilitarian consumption, hedonic brands were expected to be more forgivable due to emotion focused coping and self-blame mechanisms. However, in the case of subtle disappointments such as those examined here, the findings suggest that this pattern may be reversed.

Notably, both brand conditions received average forgiveness scores above the midpoint of the scale, indicating a general tendency toward forgiveness in the context of a microtransgression. Yet, utilitarian brands were significantly more forgiven. This may be because consumers hold stronger, more emotionally charged expectations for hedonic brands, particularly regarding pleasure and sensory satisfaction. When these expectations are slightly unmet, the mildness of microtransgressions may be insufficient to trigger the anticipated cognitive

dissonance processes that would otherwise potentially increase forgiveness toward hedonic brands. In contrast, utilitarian brands are possibly evaluated on more pragmatic and functional criteria, which might lead consumers to be more tolerant of minor shortcomings if the brand is generally perceived as effective and reliable. Consumers may also find it easier to rationalize failures when the core function of the product is “close enough” to their expectations. For example, the coffee from the utilitarian brand still delivered on its essential attributes being efficient, drinkable, and containing caffeine, thereby fulfilling its fundamental purpose. Meanwhile, although the objective failure was identical, the hedonic coffee likely posed a greater perceived gap between expectations and reality, as consumers anticipated a more pleasurable or sensory-rich experience. This perceived discrepancy may have reduced forgiveness toward the hedonic brand despite the similar extent of failure.

The silent nature of the dissatisfaction in this study further distinguishes it from existing research. Prior studies generally have focused on customers who voice their dissatisfaction, enabling brands to engage in recovery strategies that facilitate forgiveness. Silent customers, by contrast, neither complain nor seek resolution. This absence of feedback and recovery opportunities may suppress some of the cognitive and emotional coping processes theorized to drive forgiveness. Thus, silent dissatisfaction may follow a different psychological pathway, one that diminishes the expected forgiveness advantage of hedonic brands.

5.2 Why didn't blame attribution mediate?

Based on previous research, it was expected that attribution of blame would mediate the relationship between brand typology and forgiveness. Consumers tend to have a stronger need to justify hedonic consumption and often feel more guilt when a failure occurs, leading them to assign blame to themselves rather than the brand. Kim et al. (2023) explain that self-attribution typically increases forgiveness because when the brand is not perceived as responsible, consumers are more likely to forgive. Given this, hedonic brands were expected to receive higher forgiveness due to this self-blame mechanism.

However, the lack of significant mediation by attribution of blame was not surprising given that the hedonic brand was not the most forgiven, which could imply that self-attribution did not occur, a conclusion supported by later analyses. What was more surprising was that participants in both conditions on average attributed the blame to the brand. Both groups had mean brand blame scores above 5.3 on a 7-point scale (where 5 corresponds to “somewhat agree”), while customer and third-party blame scores were below the neutral midpoint of 4. Despite this shared attribution of blame to the brand, forgiveness scores in both groups were above

the midpoint, indicating a general tendency to forgive despite perceiving that the brand was at fault. This contradicts attribution theory, which suggests that unforgiveness is more likely when the brand is blamed.

On another note, this may again be explained by the low severity of the failure, which in general is easier to forgive. The findings suggest that low-severity failures, such as microtransgressions, may be easier to forgive even when the brand is blamed, particularly for utilitarian brands. Conversely, a high-severity failure from a utilitarian brand might be harder to forgive compared to a hedonic brand, because then the core offering could be perceived as completely useless, ultimately triggering regret and self blame among customers. This indicates that the severity of the failure could moderate the relationship between blame attribution and forgiveness, which was not explicitly tested in this study but empirically proven in previous research (Kim et al., 2023).

The fact that both groups blamed the brand, but forgiveness differed significantly suggests that blame attribution was not the driving factor behind forgiveness in the context of this study. One possible explanation is that the experimental scenarios may not have been constructed effectively to portray a situation where the brand was objectively not the one to blame. As participants on average perceived the brand as clearly responsible, there was not sufficient variance in blame attribution to serve as a mediator between brand typology and forgiveness.

Additionally, the use of third-party scenarios and a hypothetical customer may have limited participants' emotional involvement and personal identification with the situation. Blame attribution involves both cognitive and emotional processing, which could have been stronger if the respondent imagined themselves as directly affected. While the intention behind using third-party scenarios was to reduce bias and facilitate more objective responses, this approach may have inadvertently reduced the depth of engagement needed for participants to attribute blame differently across conditions.

5.3 Theoretical and managerial implications

This study's main contributions to the current literature on brand forgiveness is by introducing the construct of microtransgressions and specifically exploring how silent dissatisfied consumers forgive. Existing research has predominantly focused on major failures and contexts where dissatisfaction is voiced, enabling brands to influence forgiveness by initiating recovery strategies. By contrast, this study demonstrates that even low-severity failures, such as subtle mismatches between subjective expectations and objective performance, can meaningfully affect consumer perceptions when dissatisfaction remains unvoiced. This shifts the focus toward

understanding how brands are evaluated in small everyday failures, expanding the theoretical scope of failure typologies and forgiveness mechanisms.

The results also challenge current assumptions about the relative forgiveness given to hedonic versus utilitarian brands. Earlier studies (Shahid Sameeni et al., 2022) proposed that hedonic brands benefit from emotional buffering or self-blame mechanisms, fostering greater forgiveness. However, this research shows a reverse effect in the context of silent dissatisfaction and microtransgressions significantly prove that utilitarian brands were readily more forgiven. This suggests that forgiveness patterns are not as linear but dependent on contextual moderators such as failure severity and voice behavior.

Finally, the study casts doubt on the explanatory power of attribution theory in low-severity, silent contexts. Despite participants attributing blame primarily to the brand (with mean scores above 5.3 out of 7), respondents moderately forgave the brand for the dissatisfaction. This contradicts theoretical frameworks on blame attribution that suggest unforgiveness is more likely when the brand is attributed the blame (Kim et al., 2023). By integrating these insights, this study advances a more nuanced understanding of brand forgiveness, emphasizing the need to contextualize theoretical frameworks within the interplay of failure severity, brand typology, and consumer voice behavior.

On the managerial side, the first step for any brand is acknowledging that minor expectation discomfort over time can make a previously forgiving customer to churn. Thus, from a brands perspective being forgiven is not necessarily a good thing long term, as even forgiving customers are not expected to do so forever. Meaning higher forgiveness now might be a blessing in disguise long term. For a utilitarian brand the next would be to focus on core functionality to sustain forgiveness. The findings suggest that consumers tolerate minor shortcomings if the brand consistently delivers on its primary functional promise, as utilitarian offerings are means to accomplish something else. By prioritizing reliability, brands can build a buffer against dissatisfaction. For example, a utilitarian coffee chain might focus on perfecting order accuracy and wait times, even if the coffee is too hot or the taste unremarkable it's still drinkable. This reliability reassures customers that the brand fulfills its essential purpose, making small deviations easier to overlook.

Hedonic brands, however, should manage subjective expectations with precision. Overpromising in marketing could potentially risk amplifying dissatisfaction when experiences fall short. Instead, these brands should emphasize attributes that can be standardized and kept constant, such as ambiance, service warmth, or

aesthetic consistency. This approach could reduce expectation gaps and aligns marketing with actual deliverable outcomes.

To address silent dissatisfaction, brands should implement proactive strategies. Monitoring of social media, reviews, and purchase patterns can uncover unspoken grievances. Complement this with subtle feedback mechanisms, such as post-purchase surveys asking, “How did your experience feel today?”, a question that invites emotional nuance. Further, and maybe most importantly, train staff to recognize nonverbal cues of dissatisfaction (e.g., a half-finished drink or hesitant body language) and respond with subtle recovery gestures, like offering a complimentary snack or a personalized apology note. Being proactive in offering recovery efforts, even for unvoiced complaints, could potentially be highly effective to influence forgiveness. This demonstrates that the brand notices and cares, even when a customer for whatever reason stays silent. By aligning strategies with brand typology and investing in silent feedback loops, managers can turn minor failures into opportunities to increase a customer's lifetime value or avoid them in the first place.

5.4 Limitations

This thesis has several limitations that should be acknowledged. First, the sample size of 156 participants, while adequate for detecting moderate effects, may limit the statistical power and the broader applicability of the findings. A larger and more equal distributed sample across groups could increase confidence in the results and enhance their generalizability.

Further, the use of a hypothetical consumer and asking respondents for evaluations from a third person point of view, introduces a level of abstraction that may not fully capture real-world consumer behavior. Although a decision taken with good reason this risks misalignment with actual decision-making processes, as participants potentially would respond differently if perceived as personally involved in the scenario. Therefore, this methodological choice simplifies complex consumer experiences but may reduce ecological validity.

Moving on, although the controlled online environment employed in this study was methodologically valid, it may have failed to replicate the emotional and situational complexities found in real-life consumer experiences. The absence of elements such as real human interactions, ambient context and an actual willingness to purchase from the described brand potentially influenced participants' responses regarding forgiveness. This

limitation reflects broader challenges in online consumer research, where the lack of real-world context can affect behavior and responses.

Forgiveness was also measured through self-reported intentions rather than actual observed behavioral outcomes like repurchase rates. This reliance on self-report introduces a potential disconnection between participants' stated willingness to forgive and their actual behavior following a failure. Such discrepancies are to be expected with this type of research methodology, but they should be addressed to ensure that the results are interpreted with caution.

This thesis exclusive focus on coffee shop scenarios also limits the generalizability of the findings to other industries. Consumer expectations and perceptions of brand failures can vary significantly across sectors, especially between hedonic and utilitarian contexts or industries such as luxury goods and the automobile industry. Therefore, the results may not fully translate to settings where different consumer priorities and expectations prevail.

5.5 Suggestions for future research

The findings of this study highlight gaps in the theoretical understanding of brand forgiveness among silent dissatisfied customers, particularly in the context of microtransgressions. To advance on this emerging topic, the following avenues for future research are proposed.

The absence of mediation effects by blame attribution in this study underscores the need to further explore the mechanisms that influence the link between brand typology and forgiveness. Future research should investigate mediators and moderators that could clarify this relationship. For instance, the perceived severity of failure has been proven to mediate forgiveness (Yoruk et al., 2024) including objective severity (high vs low) as a moderator between brand typology and forgiveness could be interesting to clarify the results of this study and the one of Shahid Sameeni et al. (2022) would be interesting. While utilitarian brands' minor functional shortcomings might be more readily forgiven, severe failures could reverse this pattern, amplifying dissatisfaction for utilitarian brands while hedonic brands' emotional resonance buffers backlash. Similarly, the distinction between silent versus voiced dissatisfaction would also benefit from deeper exploration. The psychological processes driving silent forgiveness may differ fundamentally from those in contexts where customers actively complain or where brands proactively address dissatisfaction before complaints arise. Future comparative studies

could compare silent, voiced or proactively addressed dissatisfaction by the brand as a moderator to better understand how they differ when it comes to forgiveness.

A parallel challenge lies in identifying silent forgivers and distinguishing them from genuinely satisfied customers. Existing data on silent dissatisfaction, largely rooted in outdated studies from the 1980s, most likely fails to account for modern digital complaint channels and shifting consumer behaviors. Future research should try to quantify the magnitude and proportions of silent customers, particularly across industries, to assess their potential impact on customer retention and brand equity.

Additionally, contextual variations should be explored to get a deeper understanding of how brand typologies influence forgiveness. High versus low price across industries like cars or fast moving consumer goods or cross-cultural replications could test whether the observed forgiveness asymmetry between utilitarian and hedonic brands holds in contexts where expectations, cultural norms and needs are different. Such insights would not only potentially validate the findings of this study but also enhance the understanding of how forgiveness varies.

5.6 Conclusion

This thesis set out to explore how brand typologies, hedonic versus utilitarian, influence brand forgiveness among silent, dissatisfied customers experiencing a microtransgression. The findings revealed a counterintuitive pattern according to existing literature. Utilitarian brands gave significantly higher forgiveness than hedonic brands in the context of low-severity, unvoiced dissatisfaction. This challenges prior assumptions derived from research on high-severity failures, where hedonic brands were theorized to benefit from emotional buffering and self-blame mechanisms. Hedonic brands were expected to benefit from the same mechanisms also in this context. Instead, the results suggest that consumers may adopt distinct psychological processes when evaluating minor, everyday failures. Utilitarian brands, valued for their functional reliability, appear to foster more tolerance for subtle shortcomings when core promises are met, while hedonic brands, reliant on subjective pleasure, face less forgiveness when sensory or emotional expectations are just slightly unmet.

The introduction of the microtransgression construct represents a key theoretical contribution, expanding how the literature categorizes brand failures to include private, subjective mild negative disconfirmations that differ from traditional categorizations of service failures or transgressions. This study also advances the understanding of silent dissatisfaction as a distinct phenomenon, providing empirical evidence that forgiveness can occur even in the absence of recovery efforts or voiced complaints. The findings question the universality of attribution theory in low-severity contexts, as participants attributed blame to the brand in both conditions yet still exhibited forgiveness, underscoring the need for more context specific theoretical frameworks.

From a managerial perspective, these insights highlight the importance of aligning brand strategies with typology specific consumer expectations. Utilitarian brands should prioritize consistency in core functionality to maintain trust, while hedonic brands must carefully calibrate marketing promises to avoid amplifying expectation gaps. Proactive monitoring of silent dissatisfaction, through social listening, subtle feedback mechanisms, and staff training, can help brands address microtransgressions before they accumulate into churn.

Despite its contributions, this study has limitations, including its reliance on hypothetical scenarios, a modest sample size, and a narrow industry context. Future research should explore cross industry applications, incorporate behavioral measures of forgiveness, and investigate moderators like failure severity and cultural norms to better understand how brand typologies influence brand forgiveness.

In closing, this thesis underscores the nuanced interplay between brand typology, failure type, and consumer silence. By recognizing microtransgressions as a distinct and possibly substantial part of dissatisfaction, brands should refine their strategies to nurture forgiveness, enhance loyalty, and ultimately create interactions of mutual value in the marketplace.

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APPENDIX A

SURVEY FLOW

Start of Block: Block 1 introduction

Welcome!

Thank you for participating in this study about consumer behavior.

In this study, you will be asked to evaluate a scenario where a hypothetical customer is interacting with a fictional brand. The scenario will describe the brand and its offering, in addition to how the customer reacts to the interaction.

After reading the scenario you will be asked a few questions based on the scenario.

There are no right or wrong answers, and your honest responses are important for the study. Your participation is voluntary, and all responses will be kept anonymous and used solely for academic research purposes. The study should take approximately 4 minutes to complete.

End of Block: Block 1 introduction

Start of Block: Block 2 Instructions

On the next page, you will be presented with a scenario involving a customer and a coffee brand. Please read the scenario carefully.

When you have finished reading, please continue to answer the following questions.

End of Block: Block 2 Instructions

Start of Block: Block 3 Scenario Hedonic =1, Utilitarian = 2

Display this scenario:

If group = 1

Imagine Alex visits **Velvet Brew**, a coffee shop known for its artisanal, tempting coffee creations that emphasize rich flavors and exceptional coffee experiences. Alex orders a specialty latte from a polite waiter, expecting a creamy drink, full of complex flavor notes, as Velvet Brew is especially known for this carefully crafted coffee drink. When the latte arrives, it's delivered pretty quickly and there's somehow an attempt at some latte art. When Alex tastes, the flavor is slightly weaker and less creamy than anticipated. The coffee is still drinkable but does not fully deliver the rich sensory

experience Velvet Brew is known for. Alex feels mildly disappointed with this experience, but despite being less satisfied, Alex **does not complain**. Alex's disappointment is therefore not recognized by Velvet Brew, so no apology or compensation is given.

Display this scenario:

If group = 2

Imagine Alex visits **Daily Grind**, a coffee shop known for its practical and efficient service tailored for people who need coffee for the energy provided by caffeine. Daily Grind offers straightforward coffee that prioritizes consistency and convenience put together in a good tasting cup. Alex orders a regular black coffee from a polite waiter, expecting well brewed coffee with a balanced flavor that provides the boost needed to move forward with the rest of the day, as Daily Grind is known for dependable quality and quick service. When the coffee arrives, it is delivered promptly, but it is a bit too hot to drink right away. Alex then notices the flavor is slightly weaker than expected, however, still drinkable but less satisfying than what Daily Grind's reputation suggests. Alex also feels that the boost provided by the coffee was a bit lower than expected. Alex feels mildly disappointed with this experience, but despite being less satisfied, Alex **does not complain**. Alex's disappointment is therefore not recognized by Daily Grind, so no apology or compensation is given.

End of Block: Block 3 Scenario Hedonic =1, Utilitarian = 2

Start of Block: Block 4 Attribution measurement

Please rate on a scale from 1 (strongly disagree) to 7 (strongly agree) to what extent you agree or disagree with the following statements

- The brand is responsible for the customer's dissatisfaction (Attribution_brand1)
- The dissatisfaction happened because of something the brand did or failed to do (Attribution_brand2)
- The brand could have prevented this dissatisfaction (Attribution_brand3)
- The customer's own expectations caused the dissatisfaction (Attribution_customer1)
- The customer is to blame for their dissatisfaction (Attribution_customer2)
- This is an attention check. Please select 'Disagree' for this statement (attention_check)
- The customer could have avoided dissatisfaction by acting differently (Attribution_customer3)
- The dissatisfaction was caused by factors outside both the brand's and customer's control (Attribution_third_party1)
- External circumstances led to this dissatisfaction (Attribution_third_party1)
- The dissatisfaction was due to bad luck or uncontrollable events (Attribution_external3)

End of Block: Block 4 Attribution measurement

Start of Block: Block 5 Measuring brand forgiveness

Please rate on a scale from 1 (strongly disagree) to 7 (strongly agree) to what extent you agree or disagree with the following statements.

I think Alex would....

- Forgive the brand for being dissatisfied (Forgiveness_1)
- Feel resentment toward the brand (Forgiveness_2)
- Give the brand another chance (Forgiveness_3)
- Hope the brand is treated fairly by others (Forgiveness_4)
- Be likely to buy from this brand again in the future (Forgiveness_5)
- Avoid the brand because of what happened. (Forgiveness_6)

End of Block: Block 6 Measuring brand forgiveness

Start of Block: Block 7 Manipulation Check

Please rate on a scale from 1 (strongly disagree) to 7 (strongly agree) to what extent you agree or disagree with the following statements about the coffee brand described in the scenario you just read.

- This brand focuses on providing pleasure and enjoyment (Hedonic_check_1)
- This brand is practical and useful for everyday needs (Utilitarian_check_1)
- This brand offers coffee that are cool and exciting (Hedonic_check_2)
- This brand provides straightforward, no-nonsense coffee (Utilitarian_check_2)

End of Block: Block 7 Manipulation Check

Start of Block: Block 8 Demographics

How old are you?

- ☐ Under 18 (Coded_as_1)
- ☐ 18-24 years old (Coded_as_2)
- ☐ 25-34 years old (Coded_as_3)

☐ 35-44 years old (Coded_as_4)

☐ 45-54 years old (Coded_as_5)

☐ 55-64 years old (Coded_as_6)

☐ 65+ years old (Coded_as_7)

How do you describe yourself?

☐ Male (Coded_as_1)

☐ Female (Coded_as_2)

☐ Non-binary / third gender (Coded_as_3)

☐ Prefer to self-describe (Free_text_4) _____

☐ Prefer not to say (5)

End of Block: Block 7 Demographics

APPENDIX B

Respondents demographics

Age and gender

	Frequency	Percent		Frequency	Percent
18-24	9	5.8	Male	86	55.1
25-34	49	31.4	Female	67	42.9
35-44	47	30.1	Non-binary	1	.6
45-54	25	16.0	Prefer not to say	2	1.3
55-64	16	10.3	Total	156	100.0
>64	10	6.4			
Total	156	100.0			

Age distribution across groups

group		Frequency	Percent
Hedonic	18-24	4	5.1
	25-34	20	25.3
	35-44	29	36.7
	45-54	13	16.5
	55-64	11	13.9
	>64	2	2.5
	Total	79	100.0
Utilitarian	18-24	5	6.5
	25-34	29	37.7
	35-44	18	23.4
	45-54	12	15.6
	55-64	5	6.5
	>64	8	10.4
	Total	77	100.0

Gender distribution across groups

Group		Frequency	Percent
Hedonic	Male	38	48.1
	Female	39	49.4
	Non-binary	1	1.3
	Perfer not to say	1	1.3
	Total	79	100.0
Utilitarian	Male	48	62.3
	Female	28	36.4
	Perfer not to say	1	1.3
	Total	77	100.0