

Service Recovery, Justice and Customer Satisfaction: Evidence from Internet Service Users in Nepal

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Abstract

Background: In Nepal's highly competitive internet service market, service failures are inevitable. Effective service recovery has become a critical determinant of customer satisfaction and loyalty, yet empirical evidence on this dynamic within the country's Internet Service Provider (ISP) sector remains limited.

Objectives: This study aims to evaluate the influence of key service recovery dimensions—timeliness, employee behavior, fairness in pricing, and follow-up—on customer satisfaction among WorldLink internet users in the Kathmandu Valley.

Methods: A quantitative, cross-sectional research design was employed. Data were collected from 442 WorldLink users in Kathmandu Valley using a structured online questionnaire. The proposed model was tested using Partial Least Squares Structural Equation Modeling (PLS-SEM), grounded in justice theory.

Findings: The results demonstrate that all four service recovery dimensions have a significant positive influence on customer satisfaction. Timeliness ($\beta = 0.329$) and fairness in pricing ($\beta = 0.299$) emerged as the strongest predictors, followed by employee behavior ($\beta = 0.245$) and follow-up ($\beta = 0.118$). The model explained 75.4% of the variance in customer satisfaction, underscoring its strong explanatory power.

Conclusion: The study concludes that a holistic service recovery strategy, integrating procedural, interactional, and distributive justice, is essential for enhancing customer satisfaction in Nepal's ISP sector. While WorldLink excels in timeliness and employee behavior, strengthening follow-up mechanisms is a key area for improvement.

Novelty: This research is among the first to empirically validate the applicability of justice theory to service recovery in Nepal's ISP sector, offering a comprehensive analysis of multiple recovery dimensions using robust PLS-SEM techniques within a unique emerging market context.

Keywords: Customer Satisfaction, Employee Behavior, Fairness in Pricing, Follow-up, Internet Service Providers, Timeliness

Introduction

The internet has become an indispensable infrastructure underpinning modern economic, social, and organizational activities. Across the globe, increased reliance on internet-based services has transformed how businesses operate, how education is delivered, and how individuals communicate. In emerging economies, internet connectivity plays an even more critical role by accelerating digital inclusion, economic participation, and service accessibility. Nepal, as a developing country with rapidly expanding digital adoption, exemplifies this transformation. Over the past decade, the expansion of internet services has significantly contributed to socio-economic development, business efficiency, and improved access to information and services (Nepal Telecommunication Authority, 2023).

The rapid growth of internet usage in Nepal has been largely driven by the expansion of broadband infrastructure, declining costs of internet-enabled devices, and increased penetration of mobile and fiber-based services. As of 2023, Nepal reports approximately 36 million internet subscriptions exceeding its population, reflecting multiple subscriptions per user and intense competition among service providers (NTA, 2023). Currently, 62 licensed Internet Service Providers (ISPs) operate within the country, intensifying market rivalry and significantly increasing customers' bargaining power. In such a competitive environment, service reliability alone is insufficient; how firms respond when service failures occur has become a decisive factor influencing customer satisfaction, loyalty, and retention.

It is the satisfaction from its use that more directly impacts purchasing decisions.

The statements of aggression have an intersection with power, identity, morality, and other themes.

Service failures are inevitable in the internet service sector due to technical complexities, infrastructural limitations, environmental challenges, and operational constraints. This issue is pronounced in Nepal, where geographical diversity, including mountainous terrain and remote rural settlements, creates persistent challenges for network deployment, maintenance, and service continuity. Consequently, customers frequently experience service disruptions such as connectivity failures, slow speeds, and delayed complaint resolution. These service failures, if poorly managed, can lead to dissatisfaction, negative word of mouth, and customer switching behavior (Parasuraman et al., 1991).

Service recovery refers to the actions taken by an organization to address service failures and restore customer satisfaction (Grönroos, 1988). The concept of service recovery gained early prominence through British Airways' "Putting the Customer First" initiative, which empowered frontline employees to prioritize customer needs during service breakdowns (Zemke & Schaaf, 1990). Importantly, service recovery is not merely about returning service delivery to its original state; rather, it aims to restore and even enhance customers' perceptions of the service provider (Pycraft, 2000). When executed effectively, service recovery can transform service failures into opportunities for strengthening customer relationships and trust (Michel et al., 2009).

Extant literature identifies service recovery as a core component of Customer Relationship Management (CRM) and a critical determinant of customer satisfaction in service-based industries (Grönroos, 1988; Tax & Brown, 1998). Scholars argue that effective service recovery mitigates the negative consequences of service failures and enhances customers' overall evaluations of the firm (Maxham & Netemeyer, 2002). Conversely, poorly managed recovery efforts can exacerbate dissatisfaction and accelerate customer defection (Mansori et al., 2014). Key service recovery dimensions frequently discussed in the literature include timeliness of response, employee behavior, perceived fairness of outcomes, and post recovery follow-up (Smith et al., 1999; Wirtz & Mattila, 2004; Johnston & Michel, 2008).

While service recovery has been extensively examined in developed economies and sectors such as hospitality, retail, and banking, empirical evidence from emerging markets, particularly in the internet service sector, remains limited. Existing studies in Nepal's telecommunications industry have largely focused on service quality, pricing, and customer satisfaction, often overlooking the specific mechanisms through which service recovery influences customer evaluations (Luitel, 2023). This gap is significant, as service recovery represents a "moment of truth" that can either strengthen or damage long-term customer relationships (Parasuraman et al., 1991).

Furthermore, Nepal's sociocultural context introduces additional complexity into service recovery dynamics. Cultural norms, communication styles, and expectations regarding fairness and responsiveness can shape how customers perceive service recovery efforts. Understanding these contextual factors is essential for designing recovery strategies that resonate with Nepali consumers and enhance satisfaction, which directly impacts purchasing decisions (Shresta et

al., 2024). Despite this, limited empirical research has examined service recovery within Nepal's ISP sector using robust analytical techniques.

Against this backdrop, the present study focuses on WorldLink Communications Ltd., Nepal's largest Internet Service Provider. Established in 1995, WorldLink serves over 700,000 subscribers and holds approximately 29% market share, supported by an extensive fiber-optic network spanning all 77 districts (NTA, 2023). WorldLink has positioned itself as an industry leader through continuous technological innovation, customer service investment, and corporate social responsibility initiatives. However, given the inevitability of service disruptions in the ISP sector, understanding how WorldLink's service recovery strategies influence customer satisfaction is both practically and theoretically significant.

Accordingly, this study aims to evaluate customer satisfaction following service recovery among WorldLink internet users in Kathmandu Valley. Specifically, it examines the impact of four key service recovery dimensions: timeliness, employee behavior, fairness in pricing, and follow-up on customer satisfaction. By employing Partial Least Squares Structural Equation Modeling (PLS-SEM) and grounding the analysis in justice theory, the study contributes empirical evidence from an emerging economy context. The findings offer valuable insights for ISP managers, policymakers, and researchers seeking to enhance service recovery effectiveness, customer satisfaction, and long-term competitiveness in Nepal's rapidly evolving digital landscape.

Literature Review and Hypothesis Development

Service recovery has emerged as a critical research domain within service marketing and operations management, particularly as service-based industries face increasing customer expectations and competitive pressures. Broadly, service recovery refers to the actions undertaken by a service provider in response to a service failure to restore customer satisfaction and trust (Grönroos, 1988). Early conceptualizations of service recovery emphasized its corrective nature; however, contemporary perspectives recognize service recovery as a strategic opportunity to strengthen customer relationships rather than merely rectify failures (Michel et al., 2009).

The academic interest in service recovery gained prominence following initiatives such as British Airways' customer first campaign, which highlighted the importance of empowering frontline employees to address service breakdowns effectively. Subsequent studies extended this view, arguing that recovery efforts should not simply return customers to a neutral state but should aim to elevate post recovery satisfaction beyond pre-failure levels, a phenomenon often referred to as the "service recovery paradox" (McCollough et al., 2000).

Extant literature consistently underscores that ineffective service recovery leads to negative outcomes, including customer dissatisfaction, adverse word-of-mouth, and customer switching behavior (Tax et al., 1998). Conversely, effective recovery enhances satisfaction, loyalty, and repurchase intentions (Karatepe & Ekiz, 2004). Given the inevitability of service failures, particularly in technology-intensive sectors such as internet services, service recovery has become an integral component of customer relationship management and service quality assurance.

Theoretical Foundation: Justice Theory in Service Recovery

Justice theory provides a robust theoretical foundation for understanding customer evaluations of service recovery efforts. According to justice theory, customers assess recovery experiences based on three dimensions: distributive justice (fairness of outcomes such as compensation or price adjustments), procedural justice (fairness and efficiency of recovery processes), and interactional justice (quality of interpersonal treatment during recovery) (Smith et al., 1999). Empirical studies consistently demonstrate that customers' perceptions of fairness across these dimensions significantly influence post recovery satisfaction and loyalty (Tax et al., 1998; Cheng et al., 2019). However, the relative importance of these dimensions varies across industries, cultures, and economic contexts.

Empirical research demonstrates that these justice perceptions significantly influence post recovery satisfaction and behavioral intentions (McCollKennedy & Sparks, 2003; Hess et al., 2003). Customers who perceive recovery efforts as fair are more likely to forgive service failures and maintain positive attitudes toward the service provider. Justice theory is particularly relevant in-service contexts where failures are frequent and customer-provider interactions are ongoing, such as the internet service sector.

Timeliness

Timeliness refers to the speed with which a service provider responds to and resolves service failures. Prompt recovery has been consistently identified as a critical determinant of customer satisfaction. Boshoff (1997) emphasized that swift recovery efforts signal organizational competence and concern for customers, thereby mitigating dissatisfaction. Similarly, Smith et al. (1999) found that delayed responses exacerbate negative customer emotions, while timely actions significantly enhance post recovery evaluations.

Therefore, timely recovery is particularly salient in the ISP context, where service disruptions directly affect customers' daily activities.

H₁: Timeliness has a significant positive influence on customer satisfaction.

Employee Behavior

Employee behavior during service recovery plays a crucial role in shaping customer perceptions. Interactional justice literature highlights that respectful, empathetic, and courteous treatment can significantly improve recovery satisfaction, even when technical issues persist (Wirtz & Mattila, 2004). Maxham and Netemeyer (2002) demonstrated that customers who perceive genuine concern and politeness from service staff are more likely to feel valued and satisfied after a failure.

Positive interpersonal behavior signals the firm's commitment to customer welfare and helps rebuild emotional trust. In service recovery situations, customers often remember *how* they were treated more vividly than the failure itself, making employee behavior a central recovery dimension.

H₂: Employee behavior during service recovery has a significant positive influence on customer satisfaction.

Fairness in Price

Fairness in price, or distributive justice, relates to customers' perceptions of whether compensation or price adjustments appropriately reflect the inconvenience or loss experienced. Smith et al. (1999) reported that fair compensation significantly enhances customer satisfaction and reduces resentment following service failures. Customers who perceive outcomes as equitable are more likely to forgive failures and continue the relationship. In subscription-based services such as internet provision, pricing disputes are common sources of dissatisfaction. Transparent billing practices, refunds, or service credits can restore customer trust and reinforce perceptions of fairness, thereby strengthening satisfaction and loyalty (Smith et al., 1999).

H₃: Fairness in price has a significant positive influence on customer satisfaction.

Follow-up

Follow-up refers to post-recovery actions taken by the service provider to ensure that the problem has been fully resolved and that the customer is satisfied. Johnston and Michel (2008) argue that follow-up signals organizational commitment and care, reinforcing positive recovery perceptions. Holloway and Beatty (2003) further suggest that follow-up interactions provide opportunities to correct unresolved issues and enhance relational trust. Although follow-up has received comparatively less attention in empirical research, emerging evidence suggests that proactive communication after recovery contributes positively to customer satisfaction and long-term relationship quality, particularly in service-intensive contexts.

H₄: Follow-up actions have a significant positive influence on customer satisfaction.

Methodology

Research Design

This study employed a quantitative, cross-sectional research design integrating both descriptive and explanatory approaches. The descriptive design was used to summarize respondents' characteristics and key study variables, while the explanatory design examined the causal relationships between service recovery dimensions and customer satisfaction. This combined approach is appropriate for assessing both the level of service recovery performance and its influence on customer satisfaction outcomes within a service context.

Population and Sample

The target population comprised WorldLink Internet users residing in the Kathmandu Valley, Nepal. WorldLink was selected for its dominant market position and extensive customer base in Nepal's internet service sector. Given the absence of a complete sampling frame, a nonprobability convenience sampling technique was adopted, which is commonly used in service and consumer behavior research where accessibility is a constraint.

Following Cochran's (1977) sample size estimation formula for an unknown population, a minimum sample size of 384 respondents was deemed sufficient at a 95% confidence level with a $\pm 5\%$ margin of error. A total of 479 responses were collected via an online survey; 442 were valid and retained for final analysis, exceeding the minimum requirement and ensuring adequate statistical power.

Data Collection Procedure

Primary data were collected using a structured online questionnaire administered via Google Forms. The online mode was selected to ensure wider reach, respondent convenience, and efficient data collection. Participation was voluntary, and respondents were informed of the academic purpose of the study to minimize response bias.

Measurement Instruments

The questionnaire consisted of 29 closed-ended items divided into two sections. Section A captured demographic and use-related information, including age, gender, education level, residence district, duration of internet usage, bandwidth subscription, and purpose of internet use. Section B measured perceptions of service recovery and overall customer satisfaction.

All constructs were measured using a 7-point Likert scale, ranging from 1 (strongly disagree) to 7 (strongly agree), which allows for greater response sensitivity and reliability in behavioral research.

Service recovery dimensions were adapted from established literature to ensure content validity: Timeliness (Boshoff, 1997); Employee Behavior (Wirtz & Mattila, 2004); Fairness in Price (Smith et al., 1999), and Follow-up (Sciarelli et al., 2017). Customer satisfaction items were adapted from prior service recovery and satisfaction studies to reflect post recovery evaluation.

Reliability and Validity

Measurement reliability and validity were assessed using Partial Least Squares Structural Equation Modeling (PLS-SEM). Internal consistency reliability was evaluated through Cronbach's alpha and Composite Reliability (CR), with all values exceeding the recommended threshold of 0.70, indicating satisfactory reliability. Convergent validity was established through indicator loadings and Average Variance Extracted (AVE) values above 0.50. Discriminant validity was confirmed using the Fornell–Larcker criterion and the HTMT ratio, ensuring adequate construct distinctiveness.

Data Analysis Technique

Data analysis was conducted in two stages. First, descriptive statistics (frequencies, means, and standard deviations) were used to summarize respondent characteristics and variable distributions. Second, PLS-SEM was employed to test the hypothesized relationships between service recovery dimensions and customer satisfaction.

PLS-SEM was selected due to its suitability for predictive research, complex models as well as its robustness with moderate sample sizes. The structural model was evaluated using path coefficients, bootstrapping procedures, R² value, and Variance Inflation Factors (VIF) to assess explanatory power and multicollinearity.

Results

The study involved 442 internet users; the questionnaire contained questions related to respondents' demographic and internet usage characteristics. The following table provides us synopsis of responses:

Table 1: Respondent Profile and Internet Usage Characteristics

		Frequency	Percent
Gender	Male	316	71.5
	Female	126	28.5
Age	Below 20 years	52	11.8
	21 years-25 years	106	24
	26 years-30 years	129	29.2
	31 years-35 years	87	19.7
Address	36 years above	68	15.4
	Kathmandu	200	45.2
	Bhaktapur	142	32.2
Academics	Lalitpur	100	22.6
	SLC and below	23	5.2
	Plus Two	118	26.7
Duration of being a WorldLink customer	Bachelor and above	301	68.1
	Less than a year	33	7.5
	1 year-2 years	86	19.5
	2 years-4 years	120	27.1
Internet Bandwidth	More than 4 years	203	45.9
	Less than 150 mbps	43	9.7
	150 mbps-200 mbps	81	18.3
	200 mbps-250 mbps	116	26.2
Per day use of internet	250 mbps-300 mbps	137	31.0
	300 mbps-1000 mbps	65	14.8
	1 – 2 hours	51	11.5
	2 – 4 hours	115	26.1
Main purpose to use internet	More than 4 hours	276	62.4
	Study	122	27.6
	Work/Business	203	45.9
	Entertainment	117	26.5

Table 1, reflects a predominantly male customer base (71.5%), with female respondents accounting for 28.5%. The age distribution indicates a concentration of respondents in their early working years, with the largest proportion aged 26–30 years (29.2%), followed by 21–25 years (24.0%). This demographic structure is consistent with the profile of active internet users in urban service markets.

Geographically, respondents were primarily drawn from Kathmandu (45.2%), followed by Bhaktapur (32.2%) and Lalitpur (22.6%), ensuring balanced representation across the Kathmandu Valley. In terms of education, the sample was highly educated, with 68.1% holding a bachelor’s degree or higher, suggesting a customer segment with informed service expectations.

The assessment of the measurement model in PLS-SEM evaluates how well observed indicators represent latent variables. The measurement model with spath coefficient and outer loadings is shown in the figure below:

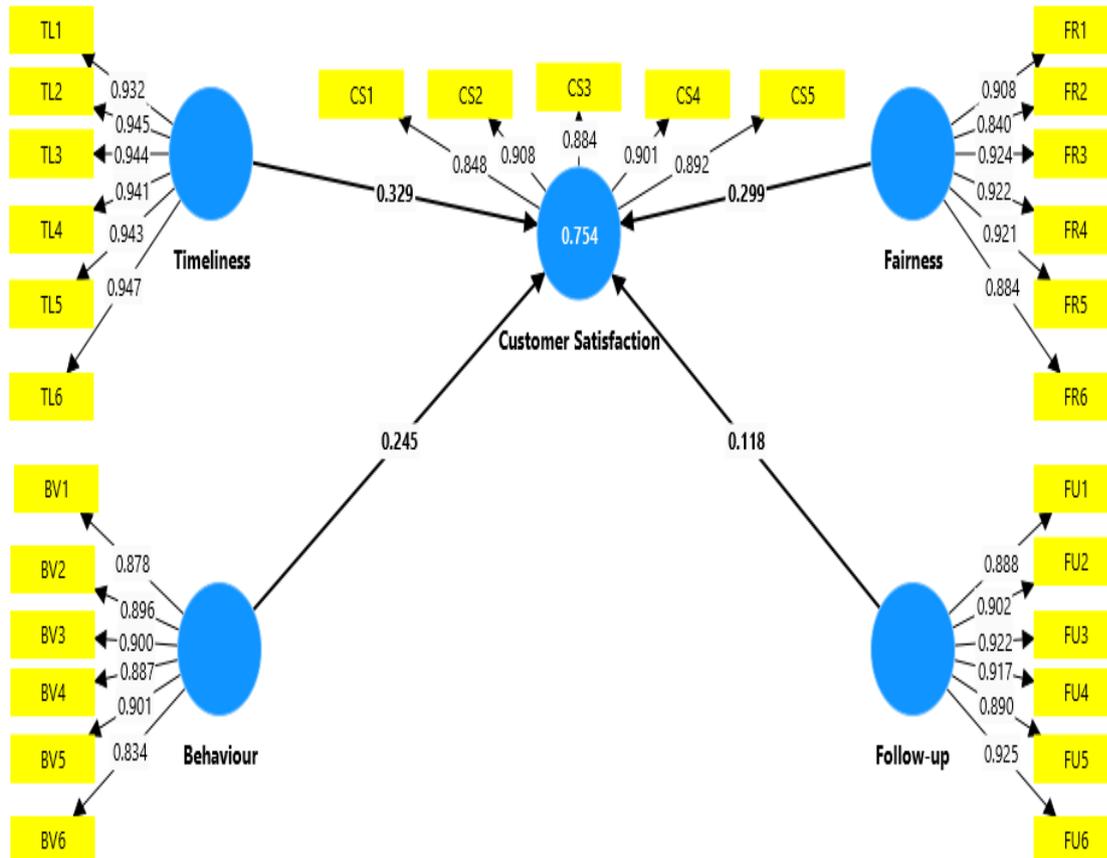


Fig 1. Measurement Model

The measurement model was evaluated using a reflective construct specification, consistent with prior service recovery research. Indicator reliability was established as all outer loadings exceeded the recommended threshold of 0.70, ranging from 0.834 to 0.947, demonstrating strong associations between indicators and their respective latent constructs (Hair et al., 2020). The R-squared value of 0.754 for Customer Satisfaction implies that 75.4% of the variance in customer satisfaction is explained by the combined effects of Timeliness, Behaviour, Fairness, and Follow-up, demonstrating the model's strong explanatory power

Reliability Analysis

Internal consistency reliability was confirmed, as Cronbach’s alpha (CA) and Composite Reliability (CR) values for all constructs exceeded 0.70, satisfying accepted reliability criteria (Fornell & Larcker, 1981).

Validity Analysis

Convergent validity was also supported, with Average Variance Extracted (AVE) values ranging from 0.779 to 0.887, well above the minimum threshold of 0.50 (Hult et al., 2018).

Table 1: Reliability and Convergent Validity

Constructs and Items	Loadings	CA	CR	AVE
Timeliness		0.975	0.979	0.887
TL1	0.932			
TL2	0.945			
TL3	0.944			
TL4	0.941			
TL5	0.943			
TL6	0.947			
Behaviour		0.943	0.955	0.779
BV1	0.878			
BV2	0.896			
BV3	0.900			
BV4	0.887			
BV5	0.901			
BV6	0.834			
Fairness		0.953	0.962	0.810
FR1	0.908			
FR2	0.840			
FR3	0.924			
FR4	0.922			
FR5	0.921			
FR6	0.884			
Follow-up		0.957	0.966	0.824
FU1	0.888			
FU2	0.902			
FU3	0.922			
FU4	0.917			
FU5	0.890			
FU6	0.925			
Customer Satisfaction		0.932	0.948	0.786
CS1	0.848			
CS2	0.908			
CS3	0.884			
CS4	0.901			
CS5	0.892			

Discriminant Validity Analysis

Discriminant validity was verified using both the Fornell–Larcker criterion and the Heterotrait–Monotrait (HTMT) ratio. In all cases, the square root of AVE exceeded inter-construct correlations, and HTMT values remained below the conservative threshold of 0.85, indicating adequate construct distinctiveness (Fornell & Larcker, 1981; Voorhees et al., 2015).

Table 3: Fornell and Larcker Criterion

	Behaviour	Customer Satisfaction	Fairness	Follow-up	Timeliness
Behaviour	0.883				
Customer Satisfaction	0.775	0.887			
Fairness	0.757	0.795	0.900		
Follow-up	0.416	0.501	0.424	0.908	
Timeliness	0.770	0.810	0.788	0.466	0.942

Prior to hypothesis testing, collinearity diagnostics were conducted using Variance Inflation Factor (VIF) values. All constructs reported VIF values below 5, confirming the absence of multicollinearity concerns (Hair et al., 2013). Hypotheses were tested using the bootstrapping procedure in PLS-SEM.

Table 4: Hypothesis Testing

	Beta	Sample Mean	T Statistics	P Values
Timeliness-> Customer Satisfaction	0.329	0.331	6.284	0.000
Behaviour>Customer Satisfaction	0.245	0.244	4.210	0.000
Fairness -> Customer Satisfaction	0.299	0.300	6.014	0.000
Follow-up-> Customer Satisfaction	0.118	0.117	4.398	0.000

The results demonstrate that all four service recovery dimensions exert a positive and statistically significant influence on customer satisfaction. Timeliness emerged as the strongest predictor ($\beta = 0.329$, $p < 0.001$), followed by fairness ($\beta = 0.299$, $p < 0.001$) and employee behaviour ($\beta = 0.245$, $p < 0.001$). Follow-up also showed a significant, though comparatively weaker, effect on customer satisfaction ($\beta = 0.118$, $p < 0.001$).

Hair et al. (2020) recommended that an SRMR (Standardized Root Mean Square Residual) value below 0.08 indicates a good model fit. As the SRMR value obtained was 0.027, below the threshold, it signifies that the proposed model is well-suited for the research study.

Discussion and Findings

This study examined the effect of service recovery dimensions, timeliness, employee behavior, fairness in pricing, and follow-up on customer satisfaction among WorldLink Internet users. The findings empirically confirm that all four dimensions exert a significant and positive influence on customer satisfaction, reinforcing the relevance of service recovery theory within the ISP context of Nepal. Timeliness emerged as a strong predictor of customer satisfaction, indicating that rapid resolution of service disruptions significantly mitigates dissatisfaction. This finding aligns with prior studies emphasizing speed as a critical component of effective service recovery (Boshoff, 1997; Smith et al., 1999). In technology-intensive services such as

internet provision, delays amplify customer frustration; therefore, WorldLink's strong performance in timely recovery enhances perceived reliability and competence.

Employee behavior demonstrated the highest mean score among all variables, underscoring the centrality of interactional justice in service recovery. Courteous, empathetic, and professional conduct by service staff substantially improved customer satisfaction, consistent with the findings of Maxham and Netemeyer (2002) and Wirtz and Mattila (2004). This suggests that even when technical failures occur, positive interpersonal interactions can effectively restore customer confidence.

Fairness in pricing also significantly influenced customer satisfaction, supporting distributive justice theory. Customers who perceived compensation or pricing adjustments as fair were more likely to evaluate the recovery experience positively. This result corroborates earlier research asserting that equitable outcomes help rebuild trust following service failures (Smith et al., 1999). In the ISP sector, where billing disputes are common, transparent and fair pricing mechanisms are particularly critical.

Although follow-up recorded the lowest mean score, it remained a statistically significant predictor of satisfaction. This finding supports studies highlighting the role of post recovery communication in reinforcing customer trust (Holloway & Beatty, 2003; Johnston & Michel, 2008). While some scholars argue that follow-up alone may be insufficient to enhance recovery satisfaction (Sciarelli et al., 2017), the present study, consistent with Luitel (2023), demonstrates its contextual importance in Nepal's service environment.

Overall, the findings validate justice theory as an effective explanatory framework for understanding service recovery outcomes in ISP services. A balanced integration of procedural, interactional, and distributive justice dimensions appears essential for enhancing customer satisfaction following service failures.

Conclusion

The study concludes that effective service recovery significantly enhances customer satisfaction in the ISP sector. Specifically, timeliness, employee behavior, fairness in pricing, and follow-up were all found to positively influence customer satisfaction among WorldLink users within Kathmandu Valley. Among these, behavior and timeliness were identified as WorldLink's strongest service recovery dimensions, while follow-up emerged as a relatively weaker yet meaningful area requiring improvement.

These findings suggest that service recovery should not be treated as a purely technical response to service failure but as a holistic customer experience strategy. By addressing both functional and relational aspects of recovery, ISPs can not only rectify failures but also strengthen customer trust and long-term satisfaction.

Implications

For practitioners, particularly ISPs in Nepal, the findings offer several actionable insights. First, investments in rapid response systems such as automated fault reporting and real-time service tracking can substantially enhance customer satisfaction through improved timeliness. Second, continuous training programs focused on empathy, communication, and problem-solving skills are essential to sustain high-quality employee behavior during service recovery interactions.

Third, transparent billing systems and fair compensation policies should be institutionalized to address customer concerns related to pricing and service disruptions. Lastly, structured follow-up mechanisms such as post-resolution calls or feedback messages can reinforce customer confidence and provide valuable insights for service improvement. Integrating these dimensions into a unified service recovery framework can enhance customer loyalty and competitive positioning.

The study contributes to the service recovery literature by empirically validating justice theory within the Nepalese ISP context. Interactional justice is reinforced through the strong impact of employee behavior, procedural justice through timeliness and follow-up, and distributive justice through fairness in pricing. By demonstrating the simultaneous relevance of all three justice dimensions, the study extends the applicability of justice theory to technology-driven service industries in developing economies.

Limitations and Future Research Directions

Despite its contributions, the study has limitations. The sample was confined to WorldLink users within Kathmandu Valley, which may limit generalizability to other regions or ISPs. Additionally, the cross-sectional design captures immediate satisfaction responses but does not assess long-term loyalty outcomes. Future research could adopt longitudinal designs to examine the sustained effects of service recovery on customer retention. Comparative studies across different ISPs or regions would further enhance external validity. Moreover, future studies may explore the role of digital service recovery tools, such as AI-driven support systems, and examine moderating variables such as customer expectations or prior service experiences.

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