35

eISSN: 2408-1906© 2020 AU eJIR. http://www.assumptionjournal.au.edu/index.php/eJIR/index

Is Sorry Enough? The Role of Brand Recovery in Brand Forgiveness and Re-engagement after a Brand Hate Incident: The Case Study of Dolce & Gabbana

Siriya Tipjariyaudom*, Chompu Nuangjamnong

Received: December 4, 2023. Revised: December 24, 2023. Accepted: December 25, 2023.

Abstract

This study explores the interplay and mutual influence among brand hate, brand recovery, brand forgiveness, repurchase intention, and brand re-engagement in the context of the Dolce & Gabbana brand hate crisis. The research objectives were threefold: firstly, to elucidate the significant impact of brand hate on the process of brand recovery specific to Dolce & Gabbana; secondly, to delineate the noteworthy influence of brand recovery on subsequent brand forgiveness within the case study framework; and thirdly, to expound upon the substantial effect of brand forgiveness on both repurchase intention and brand re-engagement as evidenced in the context of Dolce & Gabbana. Data for this investigation was gathered from 390 Chinese luxury product consumers residing in China through online questionnaires. Employing descriptive data analysis techniques to summarize variable characteristics and inferential analysis techniques, specifically simple linear regression, to test hypotheses, this research reveals compelling findings. It highlights that brand hate exerts a negative impact on brand recovery, while brand recovery significantly fosters brand forgiveness. Furthermore, brand forgiveness exhibits a substantial positive effect on repurchase intention, and there exists a significant positive relationship between brand forgiveness and brand re-engagement. These results underscore the pivotal role of brand recovery in mitigating brand hate, facilitating the restoration of customer trust, and fostering sustained customer engagement.

Keywords: Brand hate; Brand recovery; Brand forgiveness; Repurchase intention; Brand re-engagement

JEL Classification Code: L21, L81, M14, M31

1. Introduction

In 2018, the esteemed global luxury fashion brand Dolce & Gabbana faced a significant brand crisis in China. This crisis was triggered by a series of controversial advertisements and social media posts that were deemed racially insensitive and offensive by Chinese consumers, resulting in a severe backlash. Consequently, the brand witnessed a boycott of its products and services, the cancellation of its Shanghai fashion show, and a substantial decline in reputation and sales within the Chinese market.

Brand hate incidents represent scenarios where consumers express intense negative emotions and behaviors towards a brand, often due to perceived ethical, social, or

^{1*} Siriya Tipjariyaudom. Master of Business Administration, Graduate School of Business and Advanced Technology Management, Assumption University of Thailand. Email: winvirungrong@gmail.com

² Chompu Nuangjamnong, Graduate School of Business and Advanced Technology Management, Assumption University of Thailand. Email: chompunng@au.edu

[©] Copyright: The Author(s)

This is an Open Access article distributed under the terms of the Creative Commons Attribution Non-Commercial License (http://Creativecommons.org/licenses/by-nc/4.0/) which permits unrestricted noncommercial use, distribution, and reproduction in any medium, provided the original work is properly cited.

environmental transgressions committed by the brand. These incidents have become more frequent and detrimental to businesses as social media, social and environmental concerns, and consumer expectations and choices continue to evolve. Consequently, businesses must be prepared to manage brand hate incidents by developing strategies for detecting and responding to such incidents while also working on rebuilding trust with consumers.

According to Bloomberg (n.d.), Dolce & Gabbana expects its sales to return to pre-pandemic levels in the current fiscal year, but it has yet to fully recover from the repercussions of its 2018 brand crisis in China. This crisis was triggered by offensive advertisements featuring a Chinese model eating Italian food with chopsticks. Despite the brand's efforts to collaborate with two international crisis management firms to restore its image and reputation in China, some pockets of animosity persist on the country's social networks. Sales in China have rebounded by 20% compared to the previous year but remain below preincident levels.

A report from Jing Daily (n.d.) revealed that Dolce & Gabbana has been striving to regain its foothold in China by opening new stores, introducing new collections, and collaborating with local celebrities and influencers. The report also references a data firm's estimate that Chinese customers in lower-tier cities spent approximately 393,900 yuan on luxury goods in 2020, signaling a potential market for the brand. Nevertheless, the article underscores the intense competition faced by Dolce & Gabbana from other luxury brands that have been more successful in engaging with Chinese consumers.

The case study of Dolce & Gabbana serves as an instructive example of how businesses should address brand hate incidents. One crucial takeaway is the need for businesses to respond swiftly and decisively. Dolce & Gabbana's delayed response exacerbated the situation. Additionally, authenticity and sincerity in the response are paramount. Dolce & Gabbana's initial apology lacked genuineness, damaging the brand's credibility. Lastly, the case study underscores the arduous process of brand recovery. Rebuilding consumer trust after a brand hate incident is a challenging endeavor, as evidenced by Dolce & Gabbana's ongoing struggles to restore its reputation. In summary, this study aims to explore the impact of Dolce & Gabbana's brand recovery strategies on Chinese consumers' brand forgiveness, reduction of brand hate, and re-

engagement intention following the brand hate incident. For research objectives, the study aims:

1. To elucidate the significant influence of brand hate on brand recovery within the context of Dolce & Gabbana.

2. To delineate the significant influence of brand recovery on brand forgiveness within the case study of Dolce & Gabbana.

3. To expound upon the significant influence of brand forgiveness on repurchase intention as observed in the case of Dolce & Gabbana.

4. To clarify the significant influence of brand forgiveness on brand re-engagement within the context of Dolce & Gabbana.

2. Literature Review and Hypotheses Development

2.1 Brand hate and brand recovery

Brand recovery acts as a moderating force on brand hate, serving to navigate negative consumer experiences and fostering a desire for reconciliation. The interconnectedness of brand hate and brand recovery is apparent, with brand hate denoting consumers' intense negative sentiments toward a brand, often stemming from perceived unacceptable behaviors or unmet expectations (Hashim & Ahmed, 2018). Conversely, Roy et al. (2022) posit that brand recovery functions as a strategic approach to managing brand hate and restoring consumer relationships following adverse experiences, ultimately aiming to cultivate a desire for reconciliation (Fetscherin et al., 2023).

Farhat and Chaney (2021) further elaborate that diverse interventions, including apology, compensation, and explanation, can be employed in brand recovery initiatives. Apology involves a sincere expression of regret or remorse, acknowledging responsibility and the harm caused to promising future customers. and improvements. Compensation encompasses tangible or intangible rewards, such as refunds, vouchers, discounts, free products or services, or other benefits, offered to customers to make amends. Explanation entails a rational account of the causes and reasons for the failure, providing transparent information to customers, and showcasing efforts to prevent or resolve future failures.

Research indicates that the amalgamation of these interventions is most effective in mitigating brand hate and fostering reconciliation (Husnain et al., 2021). Consequently, brand recovery assumes a pivotal role in addressing brand hate and reconstructing positive relationships with consumers. Hence, the research hypothesis has been formulated:

 H_1 : There is no significant influence of brand hate on brand recovery within the context of Dolce & Gabbana.

2.2 Brand recovery and brand forgiveness

As per the findings of Lee and Kim (2023), the research underscores the substantial role of forgiveness in comprehending how consumers respond to a brand's recovery endeavors during a crisis. The manner in which a brand navigates through a crisis can significantly influence the degree of forgiveness it garners from consumers. Various factors come into play in determining the effectiveness of brand recovery strategies. For instance, the type of apology employed by the brand can yield diverse effects contingent on the nature of the consumer-brand relationship. In an exchange-norm relationship, an informational apology proves more efficacious, while in a communal relationship, an emotional apology is deemed more impactful.

Building on this, Tan et al. (2021) propose that brand recovery, particularly through the implementation of an exclusive brand offering, can positively influence brand forgiveness among customers who perceive a sense of betrayal. Consequently, individuals with heightened brand involvement are more inclined to forgive a brand and exhibit trust in repurchasing the brand (Bisen & Nuangjamnong, 2021). In contrast, those with lower brand involvement are predisposed to harboring brand hate (Steiniger, 2016). Therefore, the research hypothesis has been formulated:

H2: There is no significant influence of brand recovery on brand forgiveness within the case study of Dolce & Gabbana.

2.3 Brand forgiveness and repurchase intention

Contrary to the proposed hypothesis, substantial evidence suggests a noteworthy and positive influence of brand forgiveness on repurchase intention. Allatas et al. (2023) affirm this perspective, underscoring the significant positive effect that brand forgiveness exerts on the intention to repurchase. Building on this, Jaroenwanit and Chueabunko (2015) emphasize that users who undergo robust brand recovery efforts and actively participate in an online brand community are more prone to forgiving the brand, consequently harboring a heightened intention to repurchase (Xu & Nuangjamnong, 2022; Zhang & Nuangjamnong, 2022).

Moreover, the mediating role of forgiveness between customer satisfaction and repurchase intention is elucidated by Hasani-Nasab (2019). Forgiveness, in this context, acts as a coping strategy to alleviate negative emotions, fostering positive behaviors such as the inclination to repurchase. These findings collectively underscore the pivotal role of brand forgiveness in influencing repurchase intention, particularly in the challenging contexts of brand crises and service failures.

In light of this comprehensive body of evidence, the research hypothesis is reformulated as follows:

H₃: There is no significant influence of brand forgiveness on repurchase intention as observed in the case of Dolce & Gabbana.

2.4 Brand forgiveness and brand re-engagement

Conflicting to the stated hypothesis, emerging insights emphasize the undeniable and significant impact of brand forgiveness on brand re-engagement. Siamagka's (2023) research underscores this, indicating that when consumers extend forgiveness to a brand for transgressions, they exhibit a heightened likelihood to re-engage with the brand, perpetuating their ongoing relationship with it (Hassey, 2019).

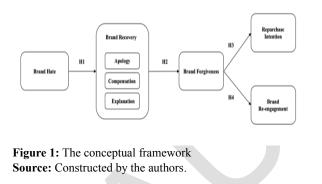
The intricacies of forgiveness are shaped by multifaceted factors, including brand personality, consumer attitudes, subjective norms, and brand anthropomorphization (Gürce et al., 2022; Ledin et al., 2016). Notably, brand personality assumes a pivotal role in influencing forgiveness intentions and shaping consumer perceptions of brands post-failure (Rasouli et al., 2022). Furthermore, the type of narcissism exhibited by a consumer can also exert an impact on forgiveness levels. The establishment of a close brand-consumer relationship emerges as a key factor, intensifying the need for brand forgiveness and positively influencing forgiveness strategies implemented by companies.

In the broader context, forgiveness emerges as a transformative force, alleviating negative emotions and

behaviors directed towards the brand and ultimately fostering brand re-engagement. Given this comprehensive understanding, the research hypothesis is revised as follows: H_4 : There is no significant influence of brand forgiveness on brand re-engagement within the context of Dolce & Gabbana.

2.5 Conceptual Framework

The conceptual framework for this study was derived from two foundational theoretical frameworks. The initial theoretical framework, as presented in "Roles of Brand Forgiveness towards Brand Re-Engagement: Case of Domestic Airlines" by Hongthonga and Jaroenwanit (2020), was employed to integrate the concepts of brand hate and brand recovery. The second theoretical framework, proposed by Hashim and Ahmed (2018), contributed to the inclusion of brand recovery, brand forgiveness, repurchase intention, and brand re-engagement. The synthesis of these frameworks is visually represented in Figure 1.



3. Research Methods and Materials

This study employed a quantitative research approach, integrating various analytical techniques such as Cronbach's alpha, simple linear regression, and descriptive data research. The research instrument, a questionnaire, comprises three distinct sections, totaling 33 items. These sections are structured as follows: three items for screening questions, 23 items designed to measure variables, and seven items dedicated to collecting demographic information. A five-point Likert scale was utilized to assess respondents' attitudes and agreement levels for each variable, ranging from "1" denoting "strongly disagree" to "5" indicating "strongly agree." The researcher determined the sample size using the table developed by Krejcie and Morgan (1970), with 390 Chinese luxury product consumers selected based on the estimated population of 320 million Chinese luxury consumers in China (Bain & Company, n.d.). A pilot test involving 30 participants was conducted to identify any discrepancies or flaws in the questionnaire's variables, utilizing the Cronbach's alpha test as a measure of consistency and reliability. Following Cronbach's Alpha and Internal Consistency's Rules, where $\alpha > 0.9$ denotes excellent, $0.8 < \alpha < 0.9$ is considered good, $0.7 < \alpha < 0.8$ is acceptable, $0.6 < \alpha < 0.7$ is questionable, $0.5 < \alpha < 0.6$ is poor, and $\alpha < 0.5$ is unacceptable (Cronbach, 1951), the results are presented in Table 1 below.

 Table 1: The Value of Reliability Analysis of Each Item and

 Variable in this Study (n=30)

Variables	es Cronbach's Number		Strength of	
	Alpha	of items	Association	
Brand Hate	0.992	5	Excellent	
Brand Recovery	0.977	5	Excellent	
Brand Forgiveness	0.988	4	Excellent	
Repurchase Intention	0.962	4	Excellent	
Brand Re-Engagement	0.989	5	Excellent	

4. Results and Discussion

4.1 Descriptive analysis of demographics

The demographic information included gender, age, income per month, luxury products purchase frequency, average spend for purchasing, preferred types of luxury fashion products, and the reasons for buying the fashion luxury products. A total of 390 questionnaires were filled and shown through the frequency distribution as follows.

Gender: From 390 respondents, the male respondents' number is 201 people with 51.54%. While the female respondents' number is 189 people with 48.46% respectively.

Age (year): The 390 respondents were mostly aged between 35 and 44 years, with 152 people (38.97%) in this group. The second largest group was 25-34 years, with 98 people (25.13%). The smallest groups were 55 and above, and 18-19 years, with 10 (2.56%) and 11 (2.82%) people respectively. The other groups were 20-24 years and 45-54 years, with 62 (15.90%) and 57 (14.62%) people respectively.

Income per month: The income distribution of 390 respondents showed that most of respondents earned between 10,000 and 13,999 RMB per month (35.13%), followed by those who earned between 6,001 and 9,999 RMB (25.90%). The least common income groups were those who earned less than 6,000 RMB (22.31%), between 14,000 and 19,999 RMB (13.85%), and more than 20,000 RMB (2.82%) per month.

Luxury products purchase frequency: The purchase frequency of the respondents in this research varied from less than 2 times to more than 6 times per month. The most common frequency was 2-3 times per month, with 166 respondents (42.56%), followed by 4-5 times per month, with 114 respondents (29.23%). The least common frequency was more than 6 times per month, with 29 respondents (7.44%). The remaining 81 respondents (20.77%) purchased less than 2 times per month.

Average spend for purchasing: The respondents in this research spent different amounts of money, ranging from less than 1,000 RMB to more than 20,000 RMB. The most common spending range was 1,001-5,999 RMB, with 166 respondents (42.56%). The second most common range was 6,000-13,999 RMB, with 111 respondents (28.46%). The least common range was more than 20,000 RMB, with 8 respondents (2.05%). The other ranges were less than 1,000 RMB, with 78 respondents (20%), and 14,000-19,999 RMB, with 27 respondents (6.93%).

Preferred types of luxury fashion products: From 390 respondents, the most preferred product was handbags, with 121 respondents (31.02%). The second most preferred product was jewelry and watches, with 87 respondents (22.31%). The least preferred product was beauty and fragrance, with 47 respondents (12.05%). The other products were fashion and apparel, with 76 respondents (19.49%), and accessories, with 59 respondents (15.13%).

Main reasons for buying luxury fashion products: Among 390 respondents, the most common reason was selfexpression, with 99 respondents (25.38%). Followed by 76 respondents who bought luxury fashion products for the emotional satisfaction which accounted for 19.49%. The least common reason was investment, with 33 respondents (8.46%). The other reasons had varying numbers and percentages of respondents, 72 respondents who considered the price which is around 18.46%. Next is the quality which has 62 respondents with a percentage of 15.90%, and 48 respondents (12.31%) valued the social influence.

Table 2 : Demographics of the Respondents
--

Table 2: Demographics of the Respondents				
Demographic Factors	Frequency	Percentage		
Gender				
Male	201	51.54%		
Female	189	48.46%		
Total	390	100%		
Age				
18-19	11	2.82%		
22-24	62	15.90%		
25-34	98	25.13%		
35-44	152	38.97%		
45-54	57	14.62%		
55 and above	10	2.56%		
Total	390	100%		
Income (per month RMB)				
Less than 6,000				
6,001-9,999	87	22.31%		
10,000-13,999	101	25.90%		
14,000-19,999	137	35.13%		
More than 20,000	54	13.85%		
	11	2.82%		
Total	390	100%		
Frequency of purchasing luxury				
product				
Less than 2 times				
2-3 times	81	20.77%		
4-5 times	166	42.56%		
More than 6 times	114	29.23%		
	29	7.44%		
Total	390	100%		
Cost of purchasing luxury product				
(RMB)	-	20.000/		
Less than 1,000	78	20.00%		
1,001-5,999	166	42.56%		
6,000-13,999	111	28.46%		
14,000-19,999	27	6.93%		
More than 20,000	8	2.05%		
Total	390	100%		
Preferred type of luxury fashion				
product Fashion/Apparel	76	19.49%		
Handbags	121	31.02%		
Jewelry/Watches	87	22.31%		
Accessories	59	15.13%		
Beauty/Fragrance	39 47	12.05%		
Total	390	12.0370		
Main reasons for buying luxury		100/0		
fashion product				
Quality	62	15.90%		
Price	72	18.46%		
Self-expression	99	25.38%		
Emotional- satisfaction	76	19.49%		
Social influence				
Investment	48	12.31%		
	33	8.46%		
Total	390	100%		
iotai	070	10070		

4.2 Descriptive analysis with Mean and Standard Deviation

Brand Hate: The statement with the highest mean for Brand Hate was "I strongly dislike this fashion brand," scoring 4.22. In contrast, the lowest mean was "I am likely to avoid buying or using this fashion brand," which scored 3.94. Additionally, the highest standard deviation was observed in the statement "I am likely to support or participate in a boycott campaign against this fashion brand," with a value of 1.11. Conversely, the lowest standard deviation was found in the statement "I feel that this fashion brand violates my moral values," with a value of 1.02.

Brand Recovery: The statement with the highest mean for Brand Recovery was "This fashion brand apologized sincerely for the negative event," scoring 3.81. Conversely, the lowest mean was "This fashion brand provided adequate compensation to customers affected by the negative event," which scored 3.55. Furthermore, the highest standard deviation was noted in the statement "This fashion brand provided adequate compensation to customers affected by the negative event," with a value of 1.22. In contrast, the lowest standard deviation was observed in the statement "This fashion brand responded to customer feedback on social media and addressed their issues during the recovery period," with a value of 1.16.

Brand Forgiveness: The statement with the highest mean for brand forgiveness was "I am willing to forgive this fashion brand," scoring 4.02. Conversely, the lowest mean was "I am likely to give this fashion brand a second chance," which scored 3.67. Moreover, the highest standard deviation was observed in the statement "I am likely to give this fashion brand a second chance," with a value of 1.15. On the other hand, the lowest standard deviation was found in the statement "I am willing to forgive this fashion brand," with a value of 1.02.

Repurchase Intention: The statement with the highest mean for Repurchase Intention was "I am likely to repurchase from this fashion brand in the future," scoring 3.96. In contrast, the lowest mean was "My negative feelings towards this fashion brand do not affect my intention to repurchase their products," which scored 3.58. Furthermore, the highest standard deviation was noted in the statement "My negative feelings towards this fashion brand do not affect my intention to repurchase their products," with a value of 1.11. Conversely, the lowest standard deviation was observed in the statement "I am open to the idea of repurchasing this fashion brand if they address the issues that led to my brand hate," with a value of 1.06.

Brand Re-Engagement: The statement with the highest mean for Brand Re-Engagement was "I would be interested in hearing about efforts by this fashion brand to change and improve their image," scoring 4.17. Conversely, the lowest mean was "Despite my previous dislike for this fashion brand, I am willing to re-engage with their marketing and promotions," which scored 3.72. Additionally, the highest standard deviation was noted in the statement "I feel more positive about this fashion brand after seeing their response to the negative event," with a value of 1.103. In contrast, the lowest standard deviation was found in the statement "I would be interested in hearing about efforts by this fashion brand to change and improve their image," with a value of 0.981.

Table 9. Wean and Standard Deviation of	Mean	Std. Dev.
Brand Hate	4.08	1.060
BH1: I strongly dislike this fashion brand.	4.22	1.010
BH2: I am likely to avoid buying or using	3.94	1.090
this fashion brand.	3.94	1.090
BH3: I decided to spread negative word-of-	4.08	1.070
mouth about this fashion to others.	4.00	1.070
BH4: I am likely to support or participate		
in a boycott campaign against this fashion	4.01	1.110
brand.		
BH5: I feel that this fashion brand violates	4.15	1.020
my moral values.	4.15	1.020
Brand Recovery	3.69	1.188
BR1: This fashion brand apologized	3.81	1.170
sincerely for the negative event.	5.61	1.170
BR2: This fashion brand provided adequate		
compensation to customers affected by the	3.55	1.220
negative event.		
BR3: This fashion brand explained clearly	3.69	1.210
why the negative event happened.	3.09	1.210
BR4: This fashion brand prioritized the		
negative event and took steps to mitigate its	3.63	1.180
impact.		
BR5: This fashion brand responded to		
customer feedback on social media and	3.75	1.160
addressed their issues during the recovery	5.75	1.100
period.		
Brand Forgiveness	3.83	1.098
BF1: I am willing to forgive this fashion	4.02	1.020
brand.	4.02	1.020
BF2: I am likely to give this fashion brand	3.67	1.150
a second chance.	5.07	1.150
BF3: I believed that this fashion brand	3.86	1.100
deserves forgiveness for its past actions or	5.00	1.100

	Mean	Std. Dev.
mistakes.		
BF4: I no longer have negative feelings		
towards this fashion brand for negative	3.77	1.120
event.		
Repurchase Intention	3.83	1.085
RI1: I am likely to repurchase from this	3.96	1.090
fashion brand in the future.	5.90	1.090
RI2: I am willing to switch from other	3.93	1.080
fashion brands to this brand again.	5.95	1.080
RI3: My negative feelings towards this		
fashion brand do not affect my intention to	3.58	1.110
repurchase their products.		
RI4: I am open to the idea of repurchasing		
this fashion brand if they address the issues	3.83	1.060
that led to my brand hate.		
Brand Re-Engagement	3.95	1.043
BRE1: Despite my previous dislike for this		
fashion brand, I am willing to re-engage	3.72	1.091
with their marketing and promotions.		
BRE2: I would be interested in hearing		
about efforts by this fashion brand to	4.17	0.981
change and improve their image.		
BRE3: I feel more positive about this		
fashion brand after seeing their response to	3.83	1.103
the negative event.		
BRE4: I am open to re-engaging with this		
fashion brand to see if they can rekindle my	4.08	1.002
interest in their products or services.		
BRE5: The way this fashion brand genuine		
efforts to address their past negative event	3.96	1.037
motivated me to re-engage.		

4.3 Hypothesis Testing

Simple Linear Regression of H1

The simple linear regression was used to predict the influence level between brand hate and brand recovery. The details of the results are presented in Table 4 below.

Statistical Hypothesis

Ho: Brand hate has no significant influence on brand recovery within the context of Dolce & Gabbana. Ha: Brand hate has significant influence on brand recovery within the context of Dolce & Gabbana.

	~					
Table 4:	Simple	Linear I	<i>cegression</i>	for h	ivnothesis	1

Tuble to Simple Entern Hegression for hypothesis f							
Variable	В	SE B	β	р			
Brand Hate	0.308	0.041	0.351	<.001*			
Note: $R^2 = 0.423$, Adjusted $R^2 = 0.421$,							

*p < 0.05. Dependent Variable = Brand Recovery

The result from Table 4 shows that the significant level was 0.000, which was less than 0.05. The null hypothesis was rejected. Thus, the result can be concluded that Brand Recovery is affected by Brand Hate. The result of regression showed that the model explained 42.3% of the variance and that the model was significant, p < 0.05. The R-square was 0.423 at 95% confidence level, which indicated that Brand Hate has (B = 0.308, p<0.05) a significant impact on Brand Recovery.

Simple Linear Regression of H2

The simple linear regression was used to predict the influence level between brand recovery and brand forgiveness. The details of the results are presented in Table 5 below.

Statistical Hypothesis

Ho: Brand recovery has no significant influence on brand forgiveness within the context of Dolce & Gabbana. Ha: Brand recovery has significant influence on brand forgiveness within the context of Dolce & Gabbana.

Table 5:	Simple	Linear	Regression	for l	hypot	hesis 2	2

Variables	В	SE B	β	р				
Brand Recovery	0.392	0.051	0.356	<.001*				
Note: $R^2 = 0.327$, Adjusted $R^2 = 0.325$,								

*p < 0.05. Dependent Variable = Brand Forgiveness

The result from Table 5 shows that the significant level was 0.000, which was less than 0.05. The null hypothesis was rejected. Thus, the result can be concluded that Brand Forgiveness is affected by Brand Recovery. The result of regression showed that the model explained 32.7% of the variance and that the model was significant, p<0.05. The R-square was 0.327 at 95% confidence level, which indicated that Brand Recovery has (B = 0.392, p<0.05) a significant impact on Brand Forgiveness.

Simple Linear Regression of H3

The simple linear regression was used to predict the influence level between brand forgiveness and repurchase intention. The details of the results are presented in Table 6 below.

Statistical Hypothesis

 H_o : Brand Forgiveness has no significant influence on repurchase intention within the context of Dolce & Gabbana.

 H_a : Brand forgiveness has significant influence on repurchase intention within the context of Dolce & Gabbana.

Table 6: Simple Linear Regression for hypothesis 3

	Variables	В	SE B	β	р	
	Brand Forgiveness	0.607	0.048	0.538	<.001*	
Note: $R^2 = 0.589$, Adjusted $R^2 = 0.588$,						

*p < 0.05. Dependent Variable = Repurchase Intention

The result from Table 6 shows that the significant level was 0.000, which was less than 0.05. The null hypothesis was rejected. Thus, the result can be concluded that Repurchase Intention is affected by Brand Forgiveness. The result of regression showed that the model explained 58.9% of the variance and that the model was significant, p<0.05. The R-square was 0.589 at 95% confidence level, which indicated that Brand Forgiveness has (B = 0.607, p<0.05) a significant impact on Repurchase Intention.

Simple Linear Regression of H4

The simple linear regression was used to predict the influence level between brand forgiveness and brand reengagement. The details of the results are presented in Table 7 below.

Statistical Hypothesis

H_o: Brand forgiveness has no significant influence on brand re-engagement within the context of Dolce & Gabbana.

H_a: Brand forgiveness has significant influence on brand re-engagement within the context of Dolce & Gabbana.

Table 7: Simple Linear Regression for hypothesis 4

	Variables	В	SE B	β	р			
	Brand Forgiveness	0.606	0.049	0.525	<.001*			
Note: $R^2 = 0.275$, Adjusted $R^2 = 0.273$,								
	* .005 D 1		D 1D	Б				

*p < 0.05. Dependent Variable = Brand Re-Engagement

The result from Table 7 shows that the significant level was 0.000, which was less than 0.05. The null hypothesis was rejected. Thus, the result can be concluded that Brand Re-Engagement is affected by Brand Forgiveness. The result of regression showed that the model explained 27.5% of the variance and that the model was significant, p<0.05. The R-square was 0.275 at 95% confidence level, which indicated that Brand Forgiveness has (B = 0.606, p<0.05) a significant impact on Brand Re-Engagement.

5. Discussion and Conclusion

The outcomes of the hypothesis testing reveal that brand hatred indeed has an impact on brand recovery, and reciprocally, brand recovery exerts influence on brand forgiveness. Moreover, brand forgiveness demonstrates a positive effect on repurchase intention. Furthermore, a positive correlation exists between brand forgiveness and brand re-engagement.

5.1 Brand Hate and Brand Recovery

The findings of this study unequivocally demonstrate a highly significant influence and positive correlation between brand hate and brand recovery. The statistical significance, reflected in a p-value of 0.000 (which is less than the conventional threshold of 0.05), underscores the robust impact of brand hatred on the process of Brand Recovery. This aligns with the observations of Roy et al. (2022), asserting that brand recovery serves as a crucial mechanism for addressing brand hate and repairing the consumer-brand relationship following negative incidents.

Moreover, the study emphasizes that a judicious combination of apology, compensation, and explanation emerges as the most effective approach to managing brand hate, corroborating the findings of Husnain et al. (2021). To proactively address brand hate, brands are advised to vigilantly monitor and assess its prevalence among consumers, identifying and mitigating its underlying sources and triggers. Tailoring brand recovery strategies to cater to the unique needs and expectations of diverse consumer segments is also crucial.

By acknowledging and proactively addressing instances of brand hate, brands can transform these challenges into opportunities for performance improvement and reputation enhancement. Effectively implemented brand recovery not only helps mitigate the impact of brand hate but also facilitates the establishment of positive and enduring relationships with consumers.

5.2 Brand Recovery and Brand Forgiveness

The outcomes of this study robustly indicate a highly significant influence and positive correlation between brand recovery and brand forgiveness. The statistical significance, evidenced by a p-value of 0.000 (falling below the conventional threshold of 0.05), underscores the substantial impact of brand recovery on the dynamics of brand forgiveness. This substantiates the findings in line with Lee and Kim (2023), highlighting that the manner in which a brand navigates through a crisis significantly shapes the extent of forgiveness it garners from consumers.

The study further emphasizes the role of customer brand involvement in the forgiveness process. Customers with heightened brand involvement are predisposed to forgive a brand, while those with lower brand involvement are more likely to harbor brand hatred (Steiniger, 2016). Recognizing this, brands are advised to tailor their recovery strategies according to the nature of their customer relationships. In instances of exchange norm relationships, an informational apology proves suitable, whereas communal relationships necessitate an emotional response.

Moreover, the study underscores that offering exclusive products can serve as a catalyst for forgiveness and loyalty. Targeting customers with high brand involvement emerges as a strategic approach to enhancing forgiveness levels. By adapting their recovery strategies based on the type of customer relationship and leveraging exclusive offerings for increased forgiveness and loyalty, brands can effectively navigate the intricacies of brand recovery and forgiveness dynamics.

5.3 Brand Forgiveness and Repurchase Intention

The findings of this study robustly indicate a highly significant influence and positive correlation between brand forgiveness and repurchase intention, as evidenced by a significant p-value of 0.000, falling below the conventional threshold of 0.05. This underscores the substantial impact of brand forgiveness on the likelihood of repurchase intention, indicating that customers who forgive a brand are significantly more inclined to repurchase from it.

These results align seamlessly with previous studies, including those by Allatas et al. (n.d.), Cuong (2021), and Hasani-Nasab (2019), all highlighting the significant positive effect of brand forgiveness on repurchase intention. In essence, customers who extend forgiveness to a brand exhibit a heightened propensity to repurchase compared to those who do not forgive.

In light of these findings, managers and marketers are encouraged to prioritize initiatives that foster brand forgiveness as a key strategy for maintaining customer loyalty and retention. This involves proactively preventing or minimizing brand transgressions, responding promptly to restore trust, and cultivating a sense of belonging through the establishment of online brand communities. Such efforts can substantially elevate the likelihood of customers forgiving the brand and, consequently, enhance the prospects of repurchasing it in the future.

5.4 Brand Forgiveness and Brand Re-Engagement

The outcomes of this study robustly affirm a highly significant influence and positive correlation between brand forgiveness and brand re-engagement, evident in the noteworthy p-value of 0.000, falling below the conventional

threshold of 0.05. This unequivocally establishes that brand forgiveness holds a substantial impact on the phenomenon of brand re-engagement.

This finding resonates with the perspectives presented by Siamagka (2023), Gürce et al. (2022), Ledin et al. (2016), and Rasouli et al. (2022), collectively suggesting that brand forgiveness and re-engagement are intricate processes influenced by factors such as transgression severity, recovery strategy, brand personality, consumer values, and social and cultural norms. These factors play a pivotal role in shaping the levels of forgiveness and re-engagement.

Recognizing the pivotal role of positive customer relationships in achieving long-term profitability and sustainability, brands are encouraged to comprehend customer needs, preferences, and values. This involves consistently delivering high-quality products and services, maintaining effective communication channels, adhering to ethical practices, and implementing robust recovery strategies in the face of service failures.

By actively fostering brand forgiveness and promoting re-engagement, brands can effectively cultivate enduring customer loyalty and fortify their competitive position in the market. This strategic approach acknowledges the intricate interplay of psychological and sociocultural factors, providing a foundation for sustainable customer relationships and business success.

6. Recommendations

6.1 Recommendations between Brand Hate and Brand Recovery

Brand hate can arise from consumer dislike, moral violations, and unethical brand practices. Addressing these issues is paramount for brands, necessitating a commitment to transparency and accountability, the avoidance of unethical behaviors, and efforts to minimize the likelihood of consumer avoidance, boycotts, or negative word-of-mouth. To effectively manage instances of brand hate, brands are advised to implement the following recommendations:

Transparent and Accountable Practices: Prioritize transparency in brand actions and decision-making processes. Also, demonstrate accountability for any perceived moral violations or unethical practices.

Ethical Behavior and Conduct: Uphold ethical standards in all aspects of brand operations and interactions. Strive to eliminate practices that may contribute to brand hate, fostering a positive reputation.

Mitigate Avoidance and Boycotts: Work proactively to reduce the likelihood of consumers avoiding, boycotting, or spreading negative word-of-mouth. Address customer concerns promptly and transparently to prevent escalation.

Compensation and Explanation: Provide compensation or a thorough explanation to individuals who have experienced brand hate. Clearly communicate the steps taken to rectify the situation and rebuild trust.

Restoring Trust and Satisfaction: Take decisive actions to restore trust and satisfaction among affected consumers. Implement strategies that go beyond a mere apology, demonstrating a commitment to positive change.

Encouraging Positive Word-of-Mouth: Encourage positive word-of-mouth and referrals from customers who have reconciled with the brand. Leverage satisfied customers as advocates to amplify positive narratives.

Rewarding Loyalty and Advocacy: Recognize and reward loyalty and advocacy through loyalty programs, exclusive offers, or other incentives. Cultivate a community of brand advocates who contribute to positive brand sentiment.

Monitoring and Measuring Effectiveness: Regularly monitor and measure the effectiveness of brand recovery efforts. Seek feedback from consumers to gain insights into the perceived impact of recovery strategies.

Continuous Improvement: Implement necessary changes and improvements based on feedback and performance metrics. Demonstrate a commitment to continuous improvement in brand practices and customer relations.

By adhering to these recommendations, brands can not only effectively manage instances of brand hate but also establish a foundation for sustained positive brand image, loyalty, and advocacy.

6.2 Recommendations between Brand Recovery and Brand Forgiveness

To enhance customer forgiveness, brands should prioritize three key factors in their recovery efforts: sincere apologies, social media responses, and clear explanations. These elements significantly influence how customers assess a brand's recovery initiatives.

A sincere apology is pivotal, conveying honesty, remorse, and a sense of responsibility for the negative event. This not only mitigates anger and dissatisfaction but also elevates the brand's credibility, reliability, and overall satisfaction. Similarly, a strategic social media response serves as a vital communication tool, enabling the brand to address customer concerns, provide updates on the recovery process, and foster a sense of community and engagement. This, in turn, shapes customer perceptions and attitudes toward the brand.

Additionally, offering a clear explanation that discloses the cause and consequences of the negative event is crucial. Such transparency reduces uncertainty and anxiety, showcasing the brand's accountability and transparency. This transparency, in turn, bolsters customer confidence and trust in the brand.

On the other hand, prioritization and mitigation involve the brand's urgency and efficiency in handling the negative event and minimizing its impact. Swift and effective responses underscore the brand's commitment to resolving issues promptly.

Furthermore, providing adequate compensation, whether monetary or non-monetary, to customers affected by the negative event demonstrates the brand's professionalism and commitment to restoring service quality. These gestures not only address immediate concerns but also contribute to rebuilding trust and goodwill.

While emotional and informational support from the brand is effective in enhancing customer satisfaction and loyalty, it may not always directly correlate with customer forgiveness. Therefore, a multifaceted approach that encompasses sincere apologies, strategic social media responses, clear explanations, prioritization, mitigation, and adequate compensation is essential for fostering forgiveness and rebuilding positive customer-brand relationships.

6.3 Recommendations between Brand Forgiveness and Repurchase Intention

To instill a culture of brand forgiveness, Dolce & Gabbana must prioritize sincere remorse, swiftly acknowledging and genuinely apologizing for its transgressions. This should be complemented by transparent communication and active engagement with customers, fostering mutual understanding and trust. The brand's commitment to ethical practices and core values should be

emphatically emphasized and demonstrated to rebuild customer confidence. To establish a foundation for forgiveness, Dolce & Gabbana should prioritize the consistent delivery of high-quality products and services that consistently meet or surpass customer expectations. Addressing and resolving customer concerns promptly, coupled with a display of empathy, is crucial to nurturing customer satisfaction. Active solicitation and integration of customer feedback into product development and service enhancement processes will further contribute to fostering forgiveness.

Building robust customer relationships and valuing loyalty while expressing gratitude will fortify the groundwork for forgiveness. Acknowledging the mediating role of forgiveness in repurchasing, Dolce & Gabbana should recognize that forgiveness enables customers to move beyond negative experiences and embrace positive behaviors such as repurchasing. Encouraging positive customer interactions through brand events, social media engagement, and personalized communication is pivotal. The brand should actively address and learn from negative feedback, continually monitoring and responding to customer sentiments to showcase a commitment to ongoing improvement.

Celebrating and reinforcing customer forgiveness and repurchase not only encourages sustained patronage but also serves as a powerful testament to the brand's resilience, recovery, and growth from past mistakes. Dolce & Gabbana's concerted efforts in these areas will contribute to a renewed brand image, fostering enduring customer loyalty and positive brand perceptions.

6.4 Recommendations between Brand Forgiveness and Brand Re-Engagement

To restore its brand image and performance, Dolce & Gabbana should undertake a comprehensive strategy involving learning from past mistakes, showcasing achievements through various channels like social media, testimonials, and endorsements. The brand's response to transgressions should be swift, accompanied by a sincere apology, fair compensation, or credible solutions. Injecting elements of humor, empathy, and gratitude can evoke positive emotions and contribute to diminishing negative sentiments.

Incentivizing re-engagement becomes crucial with offerings such as discounts, coupons, loyalty programs, or the introduction of new products. Personalized messages, recommendations, and reminders can further attract and retain consumers. Transparent communication of the brand's vision, mission, values, ethical practices, and quality standards is vital, utilizing stories and testimonials to build trust. However, caution must be exercised to avoid aggressive marketing, and consumer privacy should be rigorously respected. Providing options for opt-in or opt-out, feedback mechanisms, and interactive content allows consumers greater control over their engagement with the brand. These initiatives collectively contribute to a more positive and respectful relationship between Dolce & Gabbana and its consumers.

7. Implications

Brand managers must be vigilant about the potential triggers and ramifications of Brand Hate, recognizing its capacity to inflict harm on a brand's reputation, customer loyalty, and overall profitability. To preempt or alleviate the occurrence of Brand Hate, proactive measures should be taken, encompassing the monitoring and management of its sources and levels among customers. This involves a commitment to delivering consistent, high-quality products and services, accompanied by a steadfast adherence to transparency and ethical business practices.

The significance of brand Recovery cannot be overstated for brand managers, as it serves as a pivotal tool in mitigating the adverse effects of brand hate and facilitating the subsequent stages of brand forgiveness and reengagement. Investment in effective and timely strategies becomes imperative, addressing the root causes of the brand hate incident while demonstrably showcasing the brand's unwavering commitment to improvement and rectification.

To attain and sustain a heightened level of brand forgiveness and re-engagement from customers, fostering a culture of forgiveness is paramount. This involves a multifaceted approach, including the acknowledgment of mistakes, sincere apologies, equitable compensation or remedies, and the active encouragement of re-engagement through the provision of pertinent information, incentives, and opportunities for customer interaction. Through these concerted efforts, global brand managers can not only restore but also enhance their relationships with customers, thereby increasing repurchase intention and fostering longterm loyalty. The effective management of Brand Hate incidents and the subsequent focus on recovery strategies contribute significantly to the overall health and resilience of a brand in the global market.

8. Further Study

Building upon the insights gained from the study, there are several avenues for further research that can contribute to the understanding and enhancement of brand management strategies in the context of Brand Hate incidents:

Exploration of Industry-Specific Dynamics: Investigate how the dynamics of Brand Hate vary across different industries. Analyze the unique challenges and opportunities faced by brands in specific sectors and how industryspecific factors influence the effectiveness of recovery strategies.

Consumer Behavior in the Age of Social Media: Examine the role of social media in influencing and amplifying Brand Hate incidents. Explore how consumer behavior on social platforms contributes to the escalation or resolution of brand-related crises and the subsequent impact on recovery efforts.

Cross-Cultural Perspectives on Brand Hate: Conduct cross-cultural studies to understand how Brand Hate is perceived and expressed in diverse cultural contexts. Explore the cultural nuances that shape consumer responses to brand transgressions and the effectiveness of recovery strategies.

Long-Term Effects of Brand Recovery: Investigate the sustained effects of brand recovery efforts over the long term. Assess how successful recovery strategies contribute to ongoing brand loyalty, repurchase intention, and positive consumer perceptions beyond the immediate aftermath of a Brand Hate incident.

Role of Influencers in Brand Recovery: Explore the influence of social media influencers in the process of brand recovery. Analyze how collaborations with influencers can impact the speed and effectiveness of recovery strategies and the overall re-engagement of consumers.

Technology-Driven Approaches to Brand Management: Investigate the role of technology, such as artificial intelligence and sentiment analysis, in predicting and managing Brand Hate incidents. Explore how brands can leverage advanced technologies to proactively detect and address potential issues.

Comparative Analysis of Recovery Strategies: Conduct a comparative analysis of brand recovery strategies employed by different brands in response to similar Brand Hate incidents. Identify best practices and lessons learned to provide practical insights for brand managers.

Employee Advocacy in Brand Recovery: Examine the role of internal stakeholders, including employees, in brand recovery. Assess how employee advocacy and alignment with brand values contribute to the overall success of recovery strategies.

Measurement Metrics for Brand Forgiveness: Develop standardized metrics for measuring the level of brand forgiveness and re-engagement. Explore quantitative and qualitative indicators that can provide a comprehensive understanding of the effectiveness of recovery efforts.

Integration of Sustainability Practices: Investigate how sustainability practices and corporate social responsibility initiatives influence Brand Hate incidents and subsequent recovery efforts. Assess the impact of a brand's commitment to ethical and sustainable practices on consumer forgiveness and loyalty.

By delving into these areas, researchers can contribute to the ongoing evolution of brand management strategies, providing actionable insights for brand managers to navigate and recover from Brand Hate incidents effectively.

References

- Allatas, H., Karyatun, S., & Digdowiseiso, K. (2023). The Influence of Product Quality, Price Perception, and Promotion on The Purchase Decision of Aqua Brand Drinking Water in The Jakarta Area Final Project. *Journal Syntax Admiration*, 4(4), 517-530.
- Allatas, V., Chandrasekhar, A. G., Mobius, M., Olken, B. A., & Paladines, C. (n.d.). Designing Effective Celebrity Messaging: Results from a Nationwide Twitter Experiment Promoting Vaccination in Indonesia.

https://web.stanford.edu/~arungc/ACMOP.pdf

Bain & Company. (n.d.). Growth in uncertain times: China's share of global luxury market reaches new high despite COVID-19.

https://www.bain.com/about/media-center/press-

releases/2020/growth_in_uncertain_times_chinas_share_of_g lobal_luxury_market_reaches_new_high_despite_covid/

Bisen, A., & Nuangjamnong, C. (2021). An Investigation on the Influence of Advertising on Consumer Based Brand Loyalty. A Case Study on Sport Shoe Business. *AU-GSB e-Journal*, 14(1), 26-36. https://doi.org/10.14456/augsbejr.2021.3 Bloomberg. (n.d.). Dolce & Gabbana Bets on an Independent Future After China Stumbles. https://www.bloomberg.com/news/articles/2021-10-10/dolcegabbana-still-haunted-by-china-debacle-wants-to-stayindependent

Cronbach, L. J. (1951). Coefficient alpha and the internal structure of tests. *Psychometrika*, *16*(3), 297-334. https://doi.org/10.1007/BF02310555.

Cuong, T. D. (2021). The Effect of Brand Image on Client Loyalty: Mediating the Impact of Client Satisfaction at Footwear Stores. In Proceedings of the 3rd International Electronics Communication Conference 2021, 63-67.

https://dl.acm.org/doi/abs/10.1145/3475971.3475982.

Farhat, Z., & Chaney, D. (2021). Introducing destination brand hate: an exploratory study. *Current Issues in Tourism*, 24(17), 2472-2488. doi: 10.1080/13683500.2020.1844160.

Fetscherin, M., Konecnik Ruzzier, M., Ivanov, S., & Ruzzier, M. (2023). Brand hate internationally: a validation study from Slovenia. *Journal of international consumer marketing*, 35(4), 436-447. doi: 10.1080/08961530.2022.2122102.

Gürce, M. Y., Tosun, P., & Pektaş, G. Ö. E. (2022). Brand love and brand forgiveness: An empirical study in Turkey. *Journal of Marketing and Consumer Behaviour in Emerging Markets*, 1(14), 22-39. doi: 10.7172/2449-6634.jmcbem.2022.1.2.

Hasani-Nasab, M. (2019). Investigation of the effect of the brand equity on the repurchase intention by mediation of the brand attractiveness and brand trust. *ECORFAN Journal Mexico*, 10(23), 19-33. doi: 10.35429/EJM.2019.23.10.19.33.

Hashim, S., & Ahmed, S. (2018). The moderating effect of brand recovery on brand hate and desire for reconciliation: A PLS-MGA approach. *International Journal of Business and Society*, 19, 833-850.

Hassey, R. V. (2019). How brand personality and failure type shape consumer forgiveness. *Journal of Product & Brand Management*, 28(2), 300-315. doi: 10.1108/JPBM-09-2017-1563.

Hongthonga, P., & Jaroenwanit, B. (2020). Roles of Brand Forgiveness towards Brand Re-Engagement: The Case of Domestic Airlines. *Athens Journal of Business and Economics*, 1(3), 221-234.

https://doi.org/10.30958/ajbe.1-3-4 doi=10.30958/ajbe.1-3-4.

- Husnain, M., Wang, Z., Poulova, P., Syed, F., Akbar, A., Akhtar, M. W., Akbar, M., & Usman, M. (2021). Exploring brand hate and the association between similar competitor offer and brand equity: a moderated-mediation model. *Frontiers in Psychology*, 11, 533216. doi: 10.3389/FPSYG.2020.533216.
- Jaroenwanit, P., & Chueabunko, A. (2015). The power of forgiveness toward repurchases intention. BU Academic Review, 14(2), 118-134.
- Jing Daily. (n.d.). *Is China Finally Done with Dolce & Gabbana?*. https://jingdaily.com/posts/dolce-and-gabbana-couturechina-irrelevance

- Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and psychological measurement*, 30(3), 607-610.
- Ledin, A., Norell, L., & Thorell, J. (2016). *How brand* relationships affect brand forgiveness: A qualitative study within the retail industry in a Swedish cultural setting. https://www.diva-portal.org/smash/get/diva2:933003/FULL TEXT01.pdf
- Lee, S., & Kim, T. (2023). Brand recovery after crisis: The interplay of relationship norms and types of brand apology in consumer responses to recovery efforts. *Journal of Marketing Communications*, 1-23.

doi: 10.1080/13527266.2023.2172601.

- Rasouli, N., Rasoolimanesh, S. M., Rahmani, A. K., Momayez, A., & Torabi, M. A. (2022). Effects of customer forgiveness on brand betrayal and brand hate in restaurant service failures: does apology letter matter?. *Journal of Hospitality Marketing & Management, 31*(6), 662-687. doi: 10.1080/19368623.2022.2043800.
- Roy, S. K., Sharma, A., Bose, S., & Singh, G. (2022). Consumerbrand relationship: A brand hate perspective. *Journal of Business Research*, 144, 1293-1304. doi: 10.1016/j.jbusres.2022.02.065.
- Siamagka, N. T. (2023). Explaining consumer-brand forgiveness through the lens of narcissism. *Marketing Intelligence & Planning*, 41(3), 360-374. doi: 10.1108/mip-03-2022-0110.
- Steiniger, L. (2016). *Hate or forgiveness: how do online firestorms impact brand attitude?* [Master's thesis]. University of Twente.
- Tan, T. M., Balaji, M. S., Oikarinen, E. L., Alatalo, S., & Salo, J. (2021). Recover from a service failure: The differential effects of brand betrayal and brand disappointment on an exclusive brand offering. *Journal of Business Research*, *123*, 126-139. doi: 10.1016/J.JBUSRES.2020.09.056.
- Xu, M., & Nuangjamnong, C. (2022). Determinant Factors Influence the Purchase Intention through Balenciaga Handbags in the Luxury Product in China. *International Research E-Journal on Business and Economics*, 7(1), 30-43.

Zhang, Z., & Nuangjamnong, C. (2022). The Impact Factors Toward Online Repurchase Intention: A case study of Taobao e-Commerce platform in China. International Research E-*Journal on Business and Economics*, 7(2), 35-56. http://www.assumptionjournal.au.edu/index.php/aumitjourna l/article/view/6780.