

Loyalty in Hospital Patients

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Abstract: This study aims to analyze the effect of service quality and corporate image on loyalty mediated by trust. The subjects of this study were inpatients in hospitals in Yogyakarta, South Sumatra, and East Nusa Tenggara. This research includes a quantitative approach with survey methods. Retrieval of data in this study using a questionnaire with a five-point Likert scale. The number of respondents in this study was 300 hospital patients who were being a hospital undergoing treatment at the hospital. The data analysis method used is Partial Least Square. The results showed that the quality of service had a positive effect on inpatient loyalty. The image of the hospital has a positive effect on patient loyalty. The quality of service affects patient loyalty, which is mediated by trust. The image of the hospital has a significant positive effect on patient loyalty mediated by patient trust.

1 INTRODUCTION

Customer loyalty has become a central concept in marketing theory and practice and is one of the essential objectives for business activities. Customer satisfaction contributes to several crucial aspects, such as the creation of customer loyalty, increased company reputation, reduced price elasticity, reduced future transaction costs, and increased employee efficiency and productivity (Berry, 1995); Chao (2011). Hospitals need to make an effort to stay afloat and grow because of the high hospital operational costs accompanied by competition in hospital service quality. Therefore, hospitals need to maintain and increase patient visits by displaying quality health services. Hospitals must also have a better understanding of the importance of image,

Sulibhavi & Shivashankar (2017) suggest that the effect of service quality on customer loyalty reveals companies that do good service quality can increase customer loyalty. This means that customer loyalty is influenced by service quality. The quality of hospital services has a strong relationship with patient loyalty at the hospital. Whereas the influence of image on loyalty Marilees and Fry (2002); Mayer et al., (1995) says, the image has a direct effect on loyalty. However, the image can be seen clearly as a predictor of customer loyalty. A right image will form the

mindset of the community that if people have health problems, people do not need to think twice about where they will get health services, because based on the experience they have experienced themselves or based on the information they have obtained. This study aims to analyze the loyalty of inpatients at the hospital, because developing inpatient loyalty requires unlimited challenges, especially now that patients and families of patients are more critical in choosing a hospital as a treatment facility, which can compare one hospital's services with others, especially in the quality of service (Ghaliyah & Mubarak, 2017).

2 LITERATURE REVIEW

2.1 Loyalty

In general, loyal means loyal, or loyalty can be interpreted as loyalty. The loyalty that occurs without coercion, but arises from one's consciousness in the past. Efforts made to create customer satisfaction are more likely to influence customer attitudes (Moorman et al., 1992). Whereas the concept of customer loyalty explains more to the behavior of buyers or service users. According to Kotler and Keller (2016), Loyalty is a firm commitment to

repurchase and subscribe to preferred products or services in the future even though situational influences and marketing efforts have the potential to cause customers to switch to other products or services. The commitment that accompanies repeated purchases is a situation where the customer does not want to move even though the product or service is scarce in the market, and the customer voluntarily recommends the product or service to colleagues, family, or other customers.

There are two dimensions of loyalty, according to Kesuma et al. (2013) that will affect customers, namely: Behavioural dimensions and attitude. Behavioral dimensions are aspects of customer behavior (such as repurchase, purchase quantity, purchase quality, purchase intensity), which are indicated at a specified period. Although purchasing is a crucial thing for marketers, interpreting loyalty only to repurchase is not enough, because repeat customers do not necessarily have a positive attitude towards the goods or services purchased. Repurchases are made not because they are satisfied but because there are other factors. In other words, there is no guarantee that the customer will repurchase it from the relevant service provider if there are other choices, both in price and service. The attitude dimension is the intention and preference of customers to buy certain services or products. The intention to buy or recommend preferences for a company is an essential factor in determining business in the future. The higher the customer's intention to repurchase or the intention to recommend a service company indicates that the company has a future business. The existence of the attitude dimension given by Sulibhavi & Shivashankar (2017), namely: Talking positive things about the company; Willingness to repurchase; Willingness to recommend to others; Commitment to the company not to move to competitors; Encourage others to do business with the company.

2.2 Trust

According to Mowen & Minor (2002), Consumer belief is all knowledge possessed by consumers and all conclusions consumers make about objects, attributes, and benefits. Objects can be in the form of products, people, companies, and everything where a person has trust and attitude. Attributes are characteristics or features that objects or may not have. Attributes are divided into two, namely: first, intrinsic attributes are anything related to the actual nature of the product, while the second, extrinsic attributes are everything obtained from external

aspects of the product such as brand names, packaging, and labels. Finally, benefits are positive results that contribute to consumers. Consumers form three types of trust, namely: Trust attribute-object, Knowledge about an object has a particular attribute called object attribute trust. Trust attribute attributes an attribute with an object, such as a person, goods, or service. In the belief of attribute-objects, consumers state what they know about something in terms of variations in their attributes.

Trust attribute-benefits. Someone looking for products and services will solve their problems and meet their needs. In other words, they have attributes that will provide benefits that can be known. This relationship between attributes and benefits illustrates a second type of trust, called benefit-attribute trust. Benefit-attribute trust is a consumer's perception of how far specific attributes produce or provide certain benefits.

Benefit-object trust connecting objects and their benefits form the third type of trust. Benefit-object trust is the perception of consumers about how far certain products, people or services will provide specific benefits

2.3 Service Quality

According to Parasuraman (1998), Service quality is a reflection of consumers' evaluative perceptions of services received at a particular time. Meanwhile, according to Sulibhavi & Shivashankar (2017), one of the factors that determine the level of success and quality of the company is the company's ability to provide services to customers. The success of a company in providing quality services to its customers, achieving a high market share, and increasing the company's profits is primarily determined by the approach used. Quality of service is how far the difference between the expectations and reality of the customers for the services they receive. Service quality can be known by comparing customer perceptions of the services they receive with the actual service they expect. Service plays a vital role because it is a supporting actor in marketing activities. Service quality is the difference between reality and customer expectations for the service they receive. Parasuraman (1988) argues that the service quality variable is measured by using the five dimensions of Servqual consisting of Physical evidence (Tangible), namely the company's ability to demonstrate its existence to external parties. The capability in question is the ability of the company's physical facilities and infrastructure, and the state of the surrounding environment is tangible evidence and

services provided. Physical evidence is measured using 5 items, namely: physical facilities, access to locations, staff/employee appearances, as well as cleanliness and the environment.

Reliability is the company's ability to provide services following what was promised accurately and reliably. Reliability is measured using five items, namely: timely service, patient acceptance procedures, staff/employee availability, availability in hearing patient complaints. Responsiveness ie, a willingness to help and provide fast and accurate service to customers, with precise information delivery. Responsiveness was measured using four items, namely: sympathetic staff/employee attitudes, fast service to patients, responsiveness to patient needs, and willingness to help patients.

Assurance is knowledge, politeness, and the ability of company employees to grow customer trust in the company. Dimensions of certainty or assurance is a combination of dimensions: a) Competence, meaning that the skills and knowledge possessed by the employees to perform services. b) Courtesy, which includes the friendliness, attention, and attitude of the employees. c) Credibility (Credibility), including matters relating to confidence in the company, such as reputation, accomplishments, and so on. Assurance is measured by using five items, namely: staff/employee behavior, confidence and trust in the care provided, proper service from the beginning of treatment, security in interacting with staff/employees, and polite/friendly attitude towards staff/employees towards patients.

Empathy is giving sincere and individual or personal attention given to customers. Empathy was measured using four items: awareness of the patient's interests, understanding of the patient's specific needs, willingness to respond to patient requests, and individual attention to patients.

2.4 Image

Kotler and Keller (2016) define an image as a set of beliefs, ideas, and impressions held by someone regarding an object. The image includes the company's right name, reputation, or expertise of the company. According to Chao (2011). Five factors can affect the image of a company in a service company, namely: Corporate Identity. Company identity is what is displayed by the company. Identity is a company statement to the public about what and who they are. A company's identity can differentiate one company from another.

Reputation is something that has been done by the company and is believed to be the target public based

on the experience of itself or other parties, such as the performance of a bank's transactions. Service Offering when the company determines the services to be provided to customers, the company must ensure that services are provided on time so that customers do not wait long to get these services. Long waiting times can harm the company's image, especially in situations where service providers have control over waiting times, such as in financial institutions.

The physical environment is a service that is produced and is assumed to affect customer perception of the company's image significantly. Contact Personnel. Employee performance and employee interaction through their attitude that takes place at the time the service is given influences the results of evaluating employees' service and interactions to be one of the crucial things in the company's image.

2.5 Research Hypothesis

Based on the discussion in the background, theoretical basis, and frame of mind, the formulation of hypotheses formulated to test its validity in research carried out in hospitals is as follows:

- H1: Service quality has a positive and significant effect on loyalty in hospitalized patients.
- H2: Hospital image has a positive and significant effect on loyalty in hospitalized patients.
- H3: Quality of service has a positive and significant effect on patient loyalty, which is mediated by trust in inpatients.
- H4: Hospital image has a positive and significant effect on patient loyalty which is mediated by trust in hospitalized patients

3 RESEARCH METHOD

The research design is a plan of activities made by researchers to solve problems so that that data will be obtained following the research objectives. This research method is a type of survey research. Based on the hypothesis in the design of this study determined the research variables that will be used in research. The four variables in this study are loyalty, trust, service quality, and company image. Next determination of the sample from the study population. Data collection in using interviews and questionnaires. The collected data will be processed using descriptive and quantitative analysis tools. The analysis technique used for data analysis is Partial Least Square (PLS). This study aims to determine the

effect of service quality and hospital image on loyalty through trust.

The population in this study were all inpatients in hospitals in Yogyakarta, South Sumatra, and East Nusa Tenggara. Researchers chose to study inpatients because it can facilitate researchers to retrieve data and can be interviewed directly at the hospital. The sampling technique in this study is convenience sampling. The number of respondents in this study was 300 people, divided into each province by 100 people. The analytical method used is Partial Least Square (PLS) - SEM. PLS is a Structural Equation Modeling (SEM) technique that can analyze latent variables, indicator variables, and measurement errors directly. PLS can be used with a small number of samples and can be applied at all data scales.

4 RESULTS

4.1 Quantitative Analysis

Data processing techniques using the SEM method based on Partial Least Square (PLS) requires two stages. According to Chin, 1998 (in Ghozali, 2015), reporting the results of PLS analysis uses a two-step approach or also called a two-step approach. The first is focused on the results of the measurement model (Outer model), and the second is focused on the results of the structural model (Inner Model).

4.2 Outer Model

The Outer Model focuses on testing the validity and reliability of each indicator on its latent variable. Indicators formed from the results of the Outer Model are reflective indicators. Reflective indicators place that changes in latent variables will affect changes in indicators. Outer models with reflective indicators are evaluated through:

Convergent Validity, which is the value of factor loading on latent variables with the indicator. Value loading factor > 0.7. Nevertheless, according to Chin, 1998 (in Ghozali, 2015), for the initial stage of research, the development of a measurement scale of loading values of 0.5 - 0.6 is considered sufficient. In this research, a loading factor limit of 0.5 will be used. In this testing phase, all indicators of the research variables are valid and have met the convergent validity or are declared valid because all indicators have a loading value above 0.5.

Discriminant Validity, namely the cross-loading correlation value with the latent variable, must be greater 0.70. However, according to Ghozali (2015)

0.5 - 0.7 can still be said to be valid. All indicators that pass the Cross loadings (Discriminant Validity) test are all valid.

Average Variance Extracted (AVE). Expected AVE value > 0.5 to be said to be valid. For all latent variables having the value AVE > 0.5, for that, all latent variables are said to be valid. Composite Reliability is an excellent Composite Reliability value if it has a value of ≥ 0.70 . All latent variables in this study have value. Composite Reliability ≥ 0.70 , for that, all latent variables are said to be Reliable.

4.3 Inner Model (Structural Model) or also Called the Influence Test/Hypothesis Test

The following is a table of the results of the structural test /output inner model (influence test/hypothesis test) after the indicator test.

Table 1. Reporting on Results of Inner Models / Influence Tests / Hypothesis Tests

	Original Sample (O)	P-Values
Image → Loyalty	0.169	0.030
Image → Trust	0.516	0.000
Service Quality → Loyalty	0.144	0.028
Service Quality → Trust	0.427	0.000
Trust → Loyalty	0.605	0.000

The loyalty model developed in this study can be seen in Figure 1.

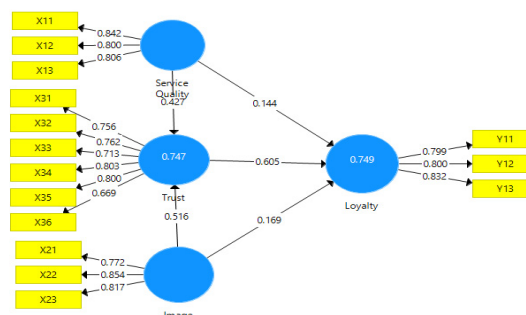


Figure 1: PLS Algorithm Loyalty from patients

5 DISCUSSION

5.1 The Coefficient of Determination (R^2)

This indicates that the Trust is affected by the quality of service and the image of the remaining 74.7% by 25.3% influenced by other factors that are not included in the model. While patient loyalty is influenced by the quality of services and the image of the hospital by 74.9%, the remaining 25.1% is influenced by other factors that are not in the model.

5.2 Q-square Predictive Relevance (Q^2)

Service Quality, Hospital Image, and Trust have an influence on patient loyalty of 80.64%, and the model in this study cannot detect the remaining 19.36%.

5.2.1 P-value

A variable hospital image of trust has a p-value of 0,000, and trust to loyalty has a p-value of 0,000. Also, the influence of exogenous and endogenous variables on other endogenous variables was stated to be significant because the P-value was less than 0.05 (significance of 5%).

5.2.2 Parameter Coefficient

The magnitude of the parameter coefficient influences the quality of service on trust by 42.7%. The magnitude of the parameter coefficient influences the quality of service on loyalty by 14.4%. The magnitude of the parameter coefficient influences the image of the hospital on trust by 51.6%. The magnitude of the parameter coefficient effect of hospital image on loyalty is 16.9%. The magnitude of the parameter coefficient influence of trust on loyalty by 60.5%.

5.2.3 Path Analysis

For path, analysis can be seen in the table below. Smart PLS directly produces output Path Coefficient (Indirect Effect).

Table 2. Indirect effects

Variable	Original Sample
Image → Trust → Loyalty	0.441
Service Quality → Trust → Loyalty	0.365

5.2.4 Hypothesis Test Results

Based on the results of the data analysis presented in this study, it shows that all hypotheses submitted in this study can all be supported.

6 CONCLUSIONS

The quality of service has a positive effect on inpatient loyalty at Image Hospital. The hospital has a positive effect on patient loyalty at the hospital. The quality of service has a significant positive effect on patient loyalty that is mediated by the patient's trust. The image of the hospital has a significant positive effect on patient loyalty, which is mediated by the patient's trust in the hospital.

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