THE EFFECT OF SERVICE QUALITY ON PATIENT LOYALTY MEDIATED BY PATIENT SATISFACTION IN BALI SILOAM HOSPITAL

I Made Adhi Mahendrayana Putu*, Ngurah Suyatna, Yasa Luh Putu Indiani
Faculty of Economics of Management, Postgraduate Program, Warmadewa University, Denpasar, Bali
E-mail: mahendrayana07@gmail.com

Abstrak

Favorable Service Quality is one of the objectives in the implementation of health service at Bali Siloam Hospital synergizing with patient satisfaction to provide customer loyalty. This study aims at determining the effect of Service Quality on Patient Loyalty with Patient Satisfaction Mediation at Bali Siloam Hospital. The research method used was quantitative descriptive. Data analysis techniques used was multivariate statistical techniques of Partial Least Squares (PLS) method. The sample of this research was inpatient at Bali Siloam Hospital consisting of 100 respondents. The results of the study showed that Service Quality has a positive and significant effect on Patient Satisfaction with a significance value of 0.29. Service Quality positively and significantly influencing to Patient Loyalty with significance value equal to 0.39. Patient Satisfaction has a positive and significant influence in mediating the influence of Service Quality on Patient Loyalty with significance value of 0.469. Bali Siloam Hospital is advised to provide better supporting facilities, to improve the empathy of nurses while providing services to inpatients, and to provide certainty of information provided services, to create patient satisfaction, which would ultimately impact on increasing patient loyalty.

Keywords: Service Quality, Patient Loyalty, Patient Satisfaction

I. INTRODUCTION

A. Background of Problem

Hospital is one of the health facilities in which to conduct health efforts by empowering various trained and educated personnel in dealing with and handling medical problems for the recovery and maintenance of good health. User of hospital services in this case require quality services not only concerning the recovery of the disease physically or improving the degree of health, but also relating to the satisfaction of the attitude, always the availability of adequate facilities, infrastructure and physical environment that can provide comfort. Due to the increasing of Service Quality, hospital service function needs to be improved to be more effective and efficient and satisfaction providing to patient, family and society (Jacobis, 2013).

Hamidiyah (2016) said that there is a significant relationship between patient perceptions about Service Quality and patient loyalty. Belaid, et al. (2015) stated that there is a positive and significant impact of Service Quality on patient satisfaction at Bechar Public Hospital Institution. Al-Abri and Al-Balushi (2014) in his research indicated that Service Quality significantly affects patient satisfaction. Siska (2016) in his research proved that dimensions of Service Quality are formed through tangibility, reliability, responsiveness, assurance, empathy and trust influence, simultaneously and significantly to satisfaction patient. Zarei et al. (2015) who conducted research in private hospitals in Iran found that the five dimensions of service quality had a significant effect on patient satisfaction.

Based on the interview with a customer service unit and suggestion boxes, it was noticed that there are still many complaints such as lack of nurses' hospitality, lack of speed in providing administrative services and uncomfortable medical service attitudes to make various evaluations continue to be done. If evaluated, this is certainly very disturbing and detrimental to Bali Siloam Hospital, started from the process of effectiveness of employees' performance which is less efficient, unflexible and less timely, lack of accurate, actual and express information for patients, employees and management Bali Siloam Hospital, and to the decline Service Quality in patient (customer).

Based on the background elaborated above, main problems in this research can be formulated as in the following description. Main problems in this research that will be explained in the discussion below are the service quality impact on patient loyalty, the influence of service quality on patient satisfaction, the effect of patient satisfaction on patient loyalty and the role of patient satisfaction in mediating the influence of service quality on patient loyalty at Bali Siloam Hospital.

Regarding the problem formulation above, the purposes of this research are to identify and analyze the influence of service quality on patient loyalty, the effect of service quality on
patient satisfaction, the effect of patient satisfaction on patient loyalty and the role of patient satisfaction in mediating service quality to loyalty at Bali Siloam Hospital.

II. LITERATURE REVIEW

A. Service Quality

Parasuraman et al. (1994) stated that service quality is a concept consisting of five dimensions, namely tangible, reliability, responsiveness, assurance and empathy. These five dimensions are instrumental in shaping customer loyalty levels.

The dimension of the physical appearance (tangible) that the company provides to customers such as physical facilities, equipment, employee friendliness will affect the level of customer loyalty. The more the customer feels the tangible value that the company provides the more the customer loyalty increases.

The reliability dimensions (reliability) of the services provided by the company in the form of speed, accuracy and satisfaction will have an impact on the high level of their loyalty to the company's products.

The responsiveness dimension of the company's employees in serving the customers. When good service is provided by the employees, kinship relationship will be formed. This will affect the level of customer loyalty to the company. The results of Hadioetomo (2009) concluded that the dimensions of responsiveness affect the level of patient loyalty.

Assurance dimension includes knowledge, ability, courtesy and trustworthiness of employee to consumer. The value derived will shape customer loyalty. The results of Cronin et al. (2000) which concluded that assurance dimension has relationship and influence to loyalty.

The dimension of empathy (empathy) includes communication, attention and understanding of consumer needs. If consumers feel that employees of the company can provide empathy to consumers then they no longer feel hesitant to continue to consume services provided. This will shape the level of customer loyalty. The results of Gunawan et al. (2011) concluded there is a direct relationship between the empathy dimension to patient loyalty.

B. Customer’s Satisfaction

Customer satisfaction is the value that customers get by comparing the expectations of the product or service and the perception of the product or service it receives. If they get fit or even more than expected, then they can be said to be satisfied, and if not then it can be said not satisfied (Gill and White, 2009). According to Kotler and Keller (2012), customer satisfaction is a pleasant or unpleasant feeling experienced by customers based on the results of his evaluation of the expectation and reality of product/service obtained. Furthermore, Gill and White (2009) stated the existence of a gap theory in the healthcare industry. They explain that basically the patient's orientation and service provider is different, and if the condition is appropriate, the patient will feel satisfied. Therefore, patient satisfaction plays an important role in assessing service quality and continued service in the next period (Grogan et al., 2000).

C. Customer’s Loyalty

Having a loyal customer is the ultimate goal of all companies. But most of the companies do not know that customer loyalty is formed through several stages, starting from looking for potential customers up to the formation of advocate customers that will bring benefits to the company. Hurriyati (2005: 35) stated that customer loyalty plays an important role in a company, maintaining them means improving financial performance and maintaining the company's survival, this is the main reason for a company to attract and retain customers. Efforts of making loyal customers cannot be done directly, but through several stages, ranging from looking for potential customers to obtain partners.

Understanding on the customer loyalty is actually not only seen from the transaction alone or repeat purchase (repeat customer). There are several characteristics or characteristics of a customer can be considered loyal Griffin (2005), namely:

1) Customers who repurchase regularly (makes regular repeat purchases)

2) Customers who purchase for other products/services in the same place (purchases across product and services
line)
3) Customers who refer to others (refers other)
4) Customers who can not be influenced by competitors to move (demonstrates an immunity to be the full of the competition).

C. Hypothesis
Based on the formulation of the problem that has been described in the concept of thinking, the hypothesis of this study are as follows:

H1 : Service Quality has a direct and positive direct effect on patient satisfaction
H2 : Patient satisfaction has a direct and positive direct effect on patient loyalty
H3 : Service Quality positively and significantly influences patient loyalty.
H4 : Patient satisfaction mediating the influence of Service Quality on patient loyalty.

D. METHOD
This research designed with quantitative research approach. The research was conducted at Bali Siloam Hospital, Jalan Sunset Road 818, Badung - Bali. Bali Siloam Hospital is one of the private hospital units operating in Bali. Data collection techniques in the form of distributing questionnaires on inpatients who are in hospital siloam bali minimal patient has visited 1x24 hours except pediatric patients/HCU and ICU was not given the questionnaire.

This study uses the population of inpatients in Siloam Bali hospital who had made a minimum of 1x24 hours visit by using Nonprobability Sampling with Purposive Sampling method and accidental method. The size of the sample in accordance with the analysis model used was Partial Least Square (PLS). The number of samples taken in this study was 100 respondents.

This research designed using data analysis method of SmartPLS software version 2.0.m3 which was run with computer media. According to Jogiyanto and Abdillah (2009) PLS (Partial Least Square) are: structural equation analysis based on variant which can simultaneously perform testing of measurement model as well as testing of structural model. The measurement model was used for validity and reliability test, while the structural model was used for causality test (hypothesis testing with prediction model).

III. RESEARCH FINDINGS AND DISCUSSION
RESEARCH FINDINGS
A. Testing Research Instrument Validity
Validity testing was processed by using 100 respondents, showing show all correlation between each item/indicator with a valid total construct score of Because correlation value is positive> 0.30 and significant at level 0.05.

B. Testing Research Instrument Reliability
This study used reliability test of 100 respondents. Reliability test results showed that all indicators are reliable with the value of Cronbach's Alpha above 0.70.

C. Description of Research Variable
The average score for the Service Quality variable in the tangible dimension is 3.16, which means that the respondents assessed the Service Quality aspect of Siloam Bali Hospital is quite good because the average score is above 3. The average score for patient satisfaction variables is 3.11, which means that satisfaction received by patient to service of Bali Siloam Hospital quite good. The average value of score for variable of patient loyalty is equal to 3.13, which means that the patients of Siloam Bali Hospital are loyal enough.

D. Evaluation of Measurement Model (Outer Model)
The result of data analysis using PLS 2.0 software showed all the indicators reflecting each construct/variable is valid with outer loading value> 0.50. The Discriminant Validity Test results showed that the entire AVE value of the construct is> 0.50, and the average of all AVE Root values between 0.69 to 0.82 is greater than the average correlation between constructs that is between 0.09 to 0.85, so it is eligible valid based on Discriminant Validity criteria. Composite Reliability and Cronbach Alpha test results showed that the value of Composite Reliability and Cronbach Alpha throughout the construct showed a value greater than 0.70 so that it meets the reliable requirements based on the Composite Reliability criteria.

E. Evaluation of Structural Model (Inner Model)
Evaluation Result of Inner Structure Model showed that the effect of quality and service
variable on customer satisfaction variable is strong. It can be seen from R-Square, which is equal to 0.08 whereas influence of variable of service quality and fairness of price to consumer loyalty variable is strong enough with a R-Square score of 0.72.

F. Evaluation of Structural Model through Q-Square Predictive Relevance (Q2)

The value of Q-Square is 1 - (1 - R12) (1 - R22) = 1 - (1 - 0.73) (1 - 0.65) = 1 - 0.09 = 0.91, so the global model of estimation result is included in strong criteria. It means that 91 percent of endogenous constructing variations can be predicted by exogenous constructing variations.

G. Evaluation of Structural Model through Goodness of Fit (GoF)

The calculation by GoF showed a value of $\sqrt{AR^2 \times A.Com} = \sqrt{0.69 \times 0.83} = 0.76$. This means that the global model is predictive in the criterion of the strong model (large).

H. Path Analysis and Testing Hypothesis

The result of statistical analysis showed that Service Quality has a positive and significant effect on patient satisfaction and it has a positive effect of 0.29 and the relationship is significant at the 0.05 level because t-statistic is greater than 1.96 i.e., 2.61. Service Quality is reflected by the tangible dimension, the relationship is significant at the 0.05 level because the t-statistic is greater than 1.96, which is 20.18. Service Quality is reflected by the reliability dimension having a positive effect of 0.74 and the relationship is significant at the 0.05 level because the t-statistic is greater than 1.96, which is 10.11. Service Quality is reflected by the responsiveness dimension having a positive effect of 0.45 and the relationship is significant at the 0.05 level because the t-statistic is greater than 1.96 ie 5.36.

Service Quality is reflected by the assurance dimension having a positive effect of 0.43 and the relationship is significant at the 0.05 level because the t-statistic is greater than 1.96, which is 4.38 and the Service Quality is reflected by the empathy dimension having a positive effect of 0.85 and the relationship is significant at level 0.05 because the t-statistic is greater than 1.95, which is 20.10

I. Influence of Consumer Satisfaction Mediation

Based on Hair criteria, patient satisfaction mediate partial mediation between Service Quality to Patient Loyalty. Coefficient of direct effect of service quality construct to patient loyalty is equal to 0.668, while indirect effect from Service Quality to satisfaction is equal to 0.290 and from satisfaction to loyalty is equal to 0.647.

DISCUSSION

A. Service Quality Dimension

1) Service quality is a multidimensional construct that is construct reflected by several dimensions. This is demonstrated in the second-degree confirmatory analysis of service quality variables, in which tangible, reliability, responsiveness, empathy, and assurance constructs are significant factors of service quality variables. This means that service quality is reflected by the five dimensions of tangible, reliability, responsiveness, empathy, and assurance. Service quality is reflected highest by tangible dimension and empathy dimension.

2) Service quality of service has a positive and significant impact on customer satisfaction. This means the higher service quality provided by Bali Siloam Hospital to the consumer, the consumer satisfaction will increase.

3) Patient loyalty Bali Siloam Hospital show patient satisfaction have positive and significant effect to patient loyalty. This means that the higher the patient satisfaction given by Bali Siloam Hospital to the consumer, the loyalty will increase.

4) Service Quality has a positive and significant effect on patient loyalty. This means that the higher service quality provided by Siloam Bali Hospital to the patient, the patient's loyalty will increase.

5) Satisfaction mediates partially. service quality to patient loyalty of Bali Siloam Hospital. This result means Satisfaction explains why service quality affects Patient loyalty. Service quality is higher will increase patient satisfaction, furthermore patient satisfaction is higher able to meciptakan loyalty patient Bali Siloam Hospital

B. Research Implication

Service Quality and patient satisfaction that studied the effect on patient loyalty. Holding a very important role in improving patient
loyalty hospital siloam bali. So should the hospital management siloam bali pay attention to indicators associated with variable service quality and patient satisfaction to improve patient loyalty.

Limitation of Research

1) The object of research is only Bali Siloam Hospital, Denpasar. The results of this study cannot be generalized to cases outside the object of research because each research object has characteristics that are different from one another. Future research is expected to expand the scope of the object, unlimited to one type of hospital alone but includes other health institutions.

2) There are a number of variables that affect patient satisfaction and loyalty in addition to service quality. Future research is expected to increase the number of research variables used to predict patient satisfaction, such as: trust, image, strategy, costumer value, and product superiority.

IV. CONCLUSION AND SUGGESTION

Conclusion

Based on the formulation of the problem, objectives, theoretical basis, hypothesis, and test results conducted, conclusion can be drawn on as follows:

1) Service Quality positively and significantly influence to Patient Satisfaction. It means the higher Service Quality owned Bali Siloam Hospital, will be accompanied by high satisfaction Patients.

2) Patient Satisfaction has positive and significant effect on Patient Loyalty. This means that the higher patient satisfaction of Siloam Bali Hospital will be accompanied by high Patient Loyalty.

3) Service Quality has a positive and significant influence on Patient Loyalty, which means the more service quality owned by Bali Siloam Hospital, will be accompanied by high Patient Loyalty.

4) Satisfaction mediates partially the influence of Service Quality on patient loyalty of Bali Siloam Hospital. This result means Satisfaction explains why service quality affects Patient loyalty. Increasingly higher Service quality will increase patient satisfaction and higher patient satisfaction is able to create patient loyalty to Bali Siloam Hospital.

Suggestion

Bali Siloam Hospital Management is expected to improve service quality in tangible aspects, especially on facilities and performance of employees. In the aspect of reliability, Bali Siloam Hospital management is expected to keep promises that have been communicated before and employees are expected to quickly solve the problem. In the aspect of responsiveness of Bali Siloam Hospital management is expected to improve the speed of service provided by staff and improve the patient's sense of assistance when needed. On the assurance aspect of the management of Bali Siloam Hospital is expected to increase the sense of security and confidence in the medicine given. In the aspect of empathy, Bali Siloam Hospital management is expected to improve immediately apologize when there is complaint from patient and improve understanding of patient requirement.

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