

The Influence of Service Quality towards Revisit Intention to Private Hospitals in Indonesia

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Abstract

The fast-growing number of hospitals in Indonesia resulted in intense competition among hospitals. Hospital must be able to provide a quality health services for patients. Good quality service will establish a harmonious relationship between service providers and patients for the creation of patient satisfaction and profitable patient loyalty. This research was conducted to further examine influence of service quality towards patient's revisit intention to private hospitals in Indonesia. Quantitative method is used in this study by using 160 subjects gathered as primary data distributed through google forms over the period of January 2022-March 2022. Data collected will then be analyzed using PLS-SEM to evaluate correlation between factors observed. Revisit intention becomes the dependent variable influenced by the independent variable namely reliability, assurance, tangibles, empathy, and responsiveness which are known as service quality. The dependent gave an R square value of 0.676 to the overall rating of the hospital independent variable. Empathy showed to have the strongest influence towards hospital revisit intention with T statistic of 3.665. The service quality of empathy and assurance showed a significant positive effect on revisit intention.

Keywords

service quality; revisit intension;
private hospital; Indonesia



I. Introduction

Hospitals are one of the most competitive healthcare providers where they must be able to provide quality health services for patients. The number of hospitals in Indonesia in the year 2020 based on data from the Directorate General of Health Services, Ministry of Health of the Republic of Indonesia amounted to 2,925 hospitals. With increasing public awareness of the importance of health, excellent health services are needed by the community to meet their health needs. As mandated by Law No. 36 of 2009 on the National Health System that the implementation of health development by private and government parties synergistically, effectively, and efficiently, to realize the maximum level of public health.

Development is a systematic and continuous effort made to realize something that is aspired (Shah, M. et al. 2020). Everyone has the same right to access to resources in the health sector and health services that are safe, quality, and affordable. Presidential Regulation of the Republic of Indonesia year 2013 on Health Insurance, precisely in Chapter I of General Provisions Article 1 Number 14 mentioned that health care facilities are used to organize personal health service efforts carried out by the Government, Local Government, and / or community. Referring to the regulation of the President of the Republic of Indonesia, health services provided by hospitals must be able to provide the public with satisfactory health care services. Good quality service will ultimately provide several benefits, including the establishment of a harmonious relationship between service

providers and patients for the creation of profitable patient loyalty for service providers. The service quality has a close relationship with patient satisfaction and used as a measure of how well a certain level of service is able to meet patient expectations as well as. Service quality positively influences revisit intention in the context of healthcare as it will also have significant impact on revisit intention.

This research modifies the research from Pidada and Wandebori (2016) where they discuss the factors that influence revisit intention in one of the hospitals in Bali. Meanwhile, this research will broaden the hospital scope not just one private hospital but several private hospitals throughout Indonesia. This research will also focus on the effect of service quality provided in the outpatient service and its effect on intention to revisit. Several indicators of service quality are determined to evaluate revisit intention including responsiveness, assurance, tangible, empathy, and reliability. This research will be conducted using PLS-SEM method.

II. Review of Literature

Service quality is defined as a condition of when excellent service is provided by service providers and fulfil customer satisfaction (Kusumawardani, Elsyah, & Kumar, 2017). The goal of service quality in the healthcare industry is to provide a high standard of accommodation for patient by delivering high-quality services (Ali & Anwar, 2021). In most conditions, patients are more concerned with the quality of service than the price (Ali et al. 2021). There are various dimensions of measuring relationship between service quality and its impact in the health sector (Shabbir, Malik, & Malik, 2016). There are several questions that are commonly used to evaluate service quality, known as SERVQUAL. The components that we are going to use in this research to assess service quality (SERVQUAL) which includes reliability, assurance, tangibles, empathy, and responsiveness. This method has been proved a reliable indicator in measuring healthcare service quality (Al-Neyadi et al., 2016).

2.1 Responsiveness

Responsiveness is defined as the personnel's desire and willingness to assist customers and deliver a prompt service. Parasuraman et al. (1991) determined elements in responsiveness as willingness of assistance, being available and respond to customer request, telling the customer the exact time frame within which services will be performed, as well as promptness of service. Gupta (2016) mentioned the importance of responsiveness while being empathetic to ensure the comfort as well as providing the satisfaction to patients. It is significant to respond to all patients needs and expectation, otherwise the patients demand, and needs will become a complaint towards the hospital service quality.

2.2 Assurance

Assurance defined as employees' knowledge and courteous that inspires confidence and trust from their customers which later established sense of assurance (Al-Neyadi et al., 2016). This aspect is critical for services that patients see as high hazard or for the services where the outcome seems uncertain for the patient. The actions of hospital employees such as always giving courteous behavior with confidence and knowledge are prime elements of assurance (Parasuraman et al., 1991). Training and evaluations are required to make sure healthcare workers are skilled in this area.

2.3 Tangible

Tangible is defined as the appearance of the personnel, exterior of the equipment, the look of building and renovation (Kangogo, et al., 2013). According to Tripathi and Siddiqui, 2018, Tangible is an important aspect for medical provider to measure the readiness of certain services in comparison if there are no sufficient tangibles that could be offered. It is crucial for these tangibles to be maintained by the provider to bring the best services as perceived by the patient. (Al-Damen, 2017)

2.4 Empathy

Empathy is ability to good communication, patients understanding, and individualized attention given to a customer by the employee (Anwar & Surarchith, 2015). It is very important that the hospital understand the needs of their patient and visitors. The degree to which the customer feels the empathy will cause the customer to either accept or reject the service encounter. A study by Gupta (2016) and Tripathi and Siddiqui (2018) highlighted the importance of increasing empathy in patient care to their intention to revisit. The entity of empathy is imparting through customized service that shows that clients are unique and uncommon and that their need are caught on. For example, patient will feel appreciated if staff remember their name, or offer them a seat in a crowded and hectic polyclinic situation.

2.5 Revisit Intention

Revisit intention is defined as the likelihood of visiting the same place again and sustaining the relationship with a service provider (Jones and Taylor, 2007). Meanwhile, the intention to recommend that place to others is the definition of referral intentions. Revisit intention can be measured using multiple variables, including destination image, hospital service quality, and patient satisfaction (Shahijan, Rezaei, Preece, and Ismail, 2015). According to Huei C. T., Mee, Chiek, and Meng (2016), health service providers are obliged to improve the quality of their services because the better the quality of the service will have a significant effect on customer loyalty. This statement, also supported by research conducted by Shahijan, Rezaei, Preece, & Ismail (2015), shows that service quality positively influences revisit intention in the context of healthcare. In another research also found that service quality significantly gives an impact to revisit intention (Wu C.-c., 2011).

This study focuses on the influence of service quality on patient's revisit intention to private hospital in Indonesia. The following hypothesis and research framework shown in figure 1, was based on literature review provide the scope and depth of the study.

H₁: Responsiveness has a positive effect on Revisit Intention

H₂: Assurance has a positive effect on Revisit Intention

H₃: Tangible has a positive effect on Revisit Intention

H₄: Empathy has a positive effect on Revisit Intention

H₅: Reliability has a positive effect on Revisit Intention

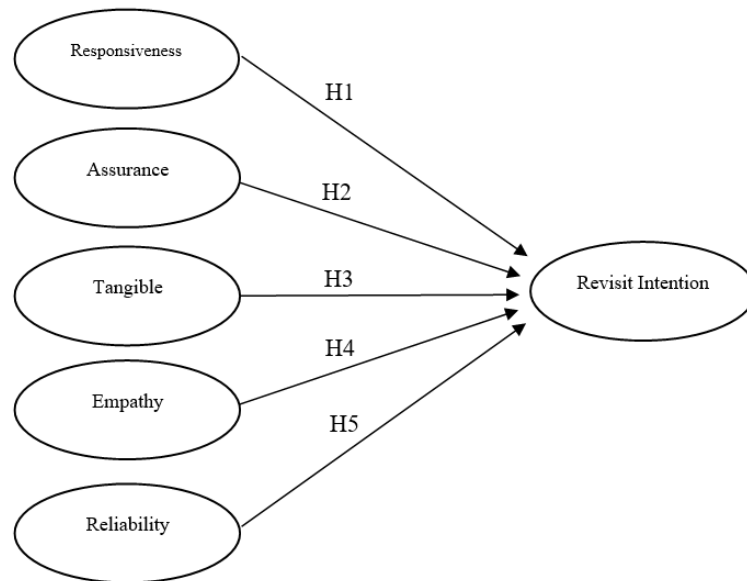


Figure 1. Research Framework

III. Research Method

3.1 Research Object

The object of this study is the hospital revisit intention. Within the conceptual framework of that predicts hospital revisit intension, there are several other influencing variables, including responsiveness, assurance, tangible, empathy, and reliability. The minimum sample size required is 160 respondents when using the inverse square root method, thus, will provide optimal results in calculations with PLS-SEM.

3.2 Unit Analysis

The unit analysis in this study is individual undergoing outpatient service in a private hospital in Indonesia over the period of January 2022-March 2022. Data from each individual is taken and collected in a data source. The data collection will be apply using google form and the data processing using PLS-SEM tools.

3.3 Research Type

This research is quantitative research of the population to test hypothesis and its correlations. The data is collected using cross sectional method during one period of time. Data collection is completed once sample size are achieved using non-probability sampling. There is no intervention done during the compilation of research data.

3.4 Conceptual Definition and Operationalization of Variables

The main variable that measured in this study is the dependent variable, namely revisit intention, which is predicted at the end of the modelling process, with independent variables, namely reliability, assurance, tangibles, empathy, and responsiveness. The measurement of variables in this study uses a five points Likert scale: (1) Strongly disagree, (2) disagree, (3) neutral, (4) agree, and (5) strongly agree (Sekaran & Bougie., 2017). Respondent are expected to choose one of the five points provided for every question given. Below are the conceptual definition and variable operationalization that will be used in the study:

Table 1. Conceptual Definition and Operationalization of Variables

Variable	Conceptual Definition	Symbol	Operationalization of Variable	Scale
Assurance	The employee's knowledge and courteous that inspires confidence and trust from their customers which later established sense of assurance (Al-Neyadi et al., 2016)	AS1	Customer Service is able to answer patient complaints well	5 point Likert scale
		AS 2	The doctor is able to convince the patient to do health care will be undertaken	
		AS 3	The patient feels comfortable receiving the health care provided	
		AS4	Nurses provide patient-friendly service	
Empathy	The ability to good communication, patients understanding, and individualized attention given to a customer by the employee (Anwar & Surarchith, 2015).	EM1	Customer service cares about patient complaints	5 point Likert scale
		EM2	Customer service pays attention to the patient's health needs well	
		EM3	The doctor serves regardless of the patient's guarantee status	
		EM4	The doctor knows the patient by remembering the complaints suffered by the patient	
Reliability	Reliability is the ability to provide service to the customer responsibly and accurately (Al-Neyadi et al., 2016),	RE1	Administrative requirements that must be met in the management of services (outpatient / inpatient) easily	5 point Likert scale
		RE2	The doctor can diagnose the patient appropriately	
		RE3	The doctor arrives on time according to the practice schedule	
		RE4	The doctor is able to provide an explanation related to the disease suffered completely	
Revisit Intention	The likelihood of visiting the same place again and sustaining the relationship with a service provider (Jones and Taylor, 2007)	RI1	I will return to the Hospital of my choice to get the next health care	5 point Likert scale
		RI2	I will recommend the Hospital of my choice to the family as a health care choice	
		RI3	I will recommend the Hospital of my choice to friends and colleagues as a choice of health	

			care places	
		RI4	I will recommend the Hospital of my choice through the social media I have	
Responsive ness	The personnel's desire and willingness to assist customers and deliver a prompt service (Parasuraman et al., 1991)	RV1	Nurses are easy to find	5 point Likert scale
		RV2	Nurses are quick in handling patient complaints	
		RV3	Customer service is able to provide clear and easy-to-understand information	
		RV4	Customer service can respond well to patient requests	
Tangible	The appearance of the personnel, exterior of the equipment, the look of building and renovation (Kangogo, et al., 2013)	TA1	Outpatient polyclinic room clean, neat, comfortable	5 point Likert scale
		TA2	Medical devices in the hospital are complete and of good quality	
		TA3	The physical appearance of the Hospital building looks well maintained	
		TA4	Doctor's Appearance is neat	

Source: Results of research data processing (2022)

IV. Results and Discussion

4.1 Results

This quantitative study examined the service quality in terms of willingness to revisit private hospital in Indonesia. This study received 160 respondents in the period of January-March 2022. The outer loading value is the required value as the limit for each indicator so that it can be said to be reliable. In PLS-SEM, an indicator can be reliable if the outer loading value is more than 0.708. (Hair et al., 2018). All the indicators in this survey have a significant value where the value of the outer loading indicator is >0.708 (table 2), hence it can be said that all the indicators are reliable to measure the construct.

Table 2. Outer Loading

	Outer Loading
AS1	0.810
AS2	0.879
AS3	0.918
AS4	0.861
EM1	0.881
EM2	0.878
EM3	0.802
EM4	0.823
RE1	0.913

RE2	0.914
RE3	0.891
RE4	0.885
RI1	0.942
RI2	0.955
RI3	0.940
RI4	0.769
RV2	0.878
RV3	0.775
RV4	0.840
TA1	0.847
TA2	0.913
TA3	0.912
TA4	0.853
RV1	0.835

Source: PLS-SEM Research Data Processing Results (2021)

In analyzing the outer model, a reliability test was performed on the composite reliability value. The values required to assess composite reliability are expected to be between 0.7 and 0.95. The composite reliability score of 0.95 is the upper limit; if it is greater than this value, the indicator can be considered redundant. When testing construct validity or reflex models, this is called convergent validity. The value used as a reference is the mean variance or extracted mean variance (AVE). If the AVE value is greater than 0.50, the variable can be validated. (Hair, Howard & Nietzl, 2020). Based on the results shown in table 3, composite reliability for all of the constructs are above 0.7 and the value of AVE for each construct are all above 0.5 hence it can be concluded that the indicators in the model of this study are considered valid and can measure their respective structures together.

Table 3. Construct Reliability

	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)
Assurance	0.890	0.924	0.754
Empathy	0.868	0.910	0.717
Reliability	0.923	0.945	0.811
Responsiveness	0.852	0.900	0.694
Revisit Intention	0.924	0.947	0.818
Tangible	0.904	0.933	0.777

Source: PLS-SEM Research Data Processing Results (2021)

Cronbach's alpha criteria is usually used for reliability tests, where the value must be greater than 0.7. However, currently, Cronbach's alpha is considered as a lower bound on true reliability. Thus, more studies are switching to Composite Reliability (CR) as the criteria for testing internal consistency. With the condition that the CR value must be greater than 0.7, CR can be used as an alternative if the value of CR is greater than Cronbach's alpha. In this study, as shown in table 3, both Cronbach's alpha and CR values

are greater than 0.7. Moreover, the CR value exceeded the Cronbach's Alpha values, which both criteria can still be used (Peterson & Kim, 2013).

Discriminant validity refers to a measure of the extent to which constructs different from one another. Several test can measure the discriminant validity including the cross-loading indicator, Fornell & Larcker, and Heterotrait-monotrait (HTMT) criterion (Ab Hamid, Sami, & Mohmad Sidek, 2017). This study analyzed using the Fornell-Larcker criterion where, the square root value of AVE in every latent variable should be greater than the other correlation values among the latent variables. Based on the results shown in table 4, all criteria have met the recommendation.

Table 4. Discriminant Validity

	Assurance	Empathy	Reliability	Responsiveness	Revisit Intention	Tangible
Assurance	0.868					
Empathy	0.855	0.897				
Reliability	0.839	0.832	0.901			
Responsiveness	0.803	0.761	0.777	0.833		
Revisit Intention	0.770	0.791	0.722	0.718	0.905	
Tangible	0.795	0.752	0.770	0.766	0.710	0.882

Source: PLS-SEM Research Data Processing Results (2021)

R square is the model prediction of the accuracy of the combined effect of exogenous variables on endogenous variables (Hair, Sarstedt, Hopkins, & Kuppelwieser, 2014). The value of R square ranges from 0 – 1, where the greater the value, the more accurate the prediction is. R square value can be classified into strong, medium, and weak with the value of >0.75, 0.50-0.75, <0.25 respectively (Hair, Ringle, & Sarstedt, 2011). In table 5, the R squared result shows that the value is 0.676, which means that exogenous variables have a moderate effect on endogenous variables.

Table 5. R Squared

	R Square	R Square Adjusted
Revisit Intention	0.676	0.664

Source: PLS-SEM Research Data Processing Results (2021)

4.2 Discussion

This research model has six variables with five paths marked as arrows to describe the research hypothesis. The picture of the research model and the hypothesis is shown in Figure 2. This research model was adopted from previous research by Pidada and Wandebori (2016). Revisit intention becomes the dependent variable influenced by the independent variable namely reliability, assurance, tangibles, empathy, and responsiveness which are known as service quality.

The dependent gave an R square value of 0.676 to the overall rating of the hospital independent variable. This finding showed higher results on how the service quality influence revisit intention compared to previous research by Pidada and Wandebori (2016) which showed R square of 0.449.

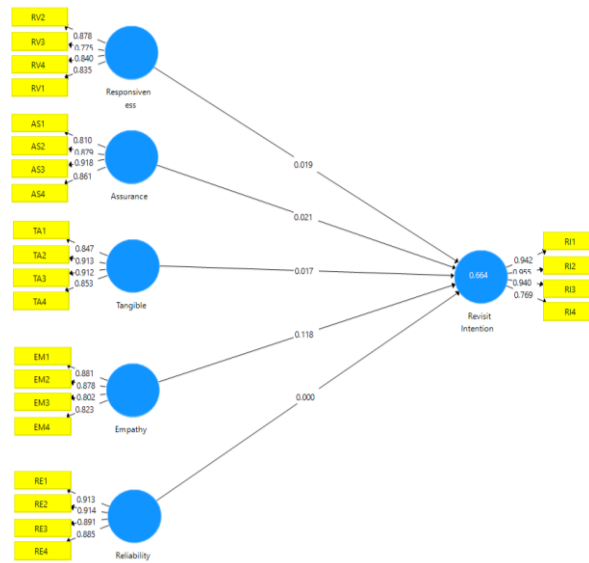


Figure 2. Research Model

Table 6. Bootstrapping

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Assurance -> Revisit Intention	0.193	0.191	0.104	1.845	0.033
Empathy -> Revisit Intention	0.418	0.410	0.114	3.665	0.000
Reliability -> Revisit Intention	-0.002	0.005	0.125	0.016	0.494
Responsiveness -> Revisit Intention	0.145	0.148	0.115	1.261	0.104
Tangible -> Revisit Intention	0.133	0.138	0.107	1.243	0.107

Source: PLS-SEM Research Data Processing Results (2021)

It can be seen from table 6, related to the results of the hypothesis that of the five hypotheses in the research model tested, it was found that only two had significant values although four hypotheses has positive coefficient following the direction of the proposed hypothesis. The findings from this study shows that the effect was all positive except for reliability. Meanwhile the variables that contribute significantly to revisit intention were empathy (p value 0.000), followed by assurance (p value 0.033).

Empathy showed to have the strongest influence towards hospital revisit intention with T statistic of 3.665 and p value of 0.000. This result is in line with the research by Pidada and Wandebori (2016) which also had T statistic of 3.837 and p value of 0.000 for empathy related to revisit intention.

The correlation of responsiveness (p value 0.104), tangible (0.107), and reliability (0.494) towards revisit intention shown not to be statistically significant and indicates strong evidence for null hypothesis. This may indicate that responsiveness, tangible and reliability did not play a big role in getting patients to return to the hospital. Other reason that may cause high p value in this study is that the effect size is too small, the sample size

is too small, or there is too much variability for the hypothesis test to detect it. Therefore, this will be an important aspect to note in the improvements for our next research.

V. Conclusion

This study found that the empathy and assurance had a significant positive effect on patient revisit intention. However, other variable namely responsiveness, tangible, and reliability did not shown any significant effect. This finding is slightly differed from previous research and may be influence by small effect size, small number of sample or variability for the hypothesis test to detect. Therefore, further research is needed to see whether the aspect above may alter the outcome. Moreover, additional mediating variable such as patient satisfaction may also be added to see its correlation between service quality with patient satisfaction and towards revisit intention to the hospital.

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