



The effect of perceived value toward loyalty through patient satisfaction in Hasanuddin University Hospital[☆]



Dian Ayu Fitriani^{a,b,*}, Syahrir A. Pasinringi^a, Irwandy Irwandy^a, Hasnawati Amqam^c

^a Hospital Administration Department, Faculty of Public Health, Hasanuddin University, Indonesia

^b Faculty of Medicine and Health Science, Muhammadiyah University of Makassar, Indonesia

^c Health of Environment, Faculty of Public Health, Hasanuddin University, Indonesia

Received 29 May 2019; accepted 15 July 2019

KEYWORDS

Outpatient;
Perceived value;
Satisfaction;
Loyalty;
Hospital

Abstract

Objective: This study aimed to analyze the effect of perceived value on patient loyalty, both directly and indirectly through the patient satisfaction variable.

Methods: This research is analytic observational with a cross-sectional design. Among 187 patients at the outpatient installation's Hasanuddin University Hospital was selected through purposive sampling technique with the inclusion criteria such as non-insurance patient at least twice visits on their own, not because doctor's preference. Path analyses used to know the level of magnitude and significance of a causal relationship.

Results: The indirect path's coefficient value 0.348 is greater the direct path's coefficient which is only 0.041. It was determined that perceived value affected patient loyalty indirectly through patient satisfaction. Regression shows that the satisfaction variable 12.589 times more influential on loyalty than the perceived value which is only 2.344 times.

Conclusion: To increase loyalty, patient need to be satisfied firstly, especially those related to aspects of doctor services.

© 2019 Published by Elsevier España, S.L.U.

Introduction

Customer loyalty has a big positive impact on firms performance and is considered by many companies as the greatest source of competitive advantage.^{1,2} In recent years, studies of patient loyalty have shown a rapid progress. The consequences can be felt such as increased revenue, reduced customer acquisition costs, reduced the use of costs

[☆] Peer-review under responsibility of the scientific committee of the International Conference on Women and Societal Perspective on Quality of Life (WOSQUAL-2019). Full-text and the content of it is under responsibility of authors of the article.

* Corresponding author.

E-mail address: dianayufitriani@med.unismuh.ac.id (D.A. Fitriani).

against repeat buyers, and tendency to achieve greater profitability.^{1,3,4}

One of the most important things on choosing a hospital is a patient satisfaction. Satisfaction is considered a fairly complex cognitive and affective construct capable of mediating the influence of customer value perceptions of repeat buying behavior and other outcomes such as customer loyalty.^{3,5} Most empirical studies in market of hospitals indicate a related between customer value and satisfaction.^{1,3,6-9} Customer satisfaction will occur if the product's performance is felt to be equal to or greater than the customer's expectations.¹⁰ Furthermore, it was stated that the satisfy products which is can provide value to customers. A high value will have an influence on satisfaction and then increase patient loyalty.¹¹ There are many studies performed on the examination of the customer loyalty, based on model which is satisfaction is the only antecedent of loyalty.^{7,12,13} Therefore, the most important thing being a hospital's main goal is how to create superior customer value.^{8,11,14} By strengthening the relationship between patients and hospitals, customer satisfaction will naturally grow up and the value of the relationship between them will increase which ultimately impacts on loyalty.⁸ The value-satisfaction-loyalty's concept can be a clue for hospital management to planning and implementing the right marketing strategy.¹¹

Hasanuddin University Hospital is a public hospital-owned university located in Makassar City. Based on data about percentage of visits outpatients in Hasanuddin University Hospital in 2016-2018 which were relatively stable at around 4.2% and the number of general old patients as much as 77% tended to be loyalty patient, so it was interesting for researchers to examine the trend and analyze the effect of perceived value on patient loyalty, through patient satisfaction.

Method

Research location and design

This research is analytic observational with a cross-sectional design which located at the Hasanuddin University Hospital, Makassar.

Population and sample

187 samples were selected through purposive sampling technique that was in accordance with the inclusion criteria of the study such us non insurance outpatient at least visit's twice, patients made visits on their own desires, not based on preferences of doctors and willing to be interviewed.

Data collection technique

Data collection is carried out by researchers using instruments that have been tested for validity and reliability. Primary data were taken from the results of questionnaires to get information about the effect of perceived value on patient loyalty. The questionnaire used to measure perceived value was adapted from the PERVAL scale and then

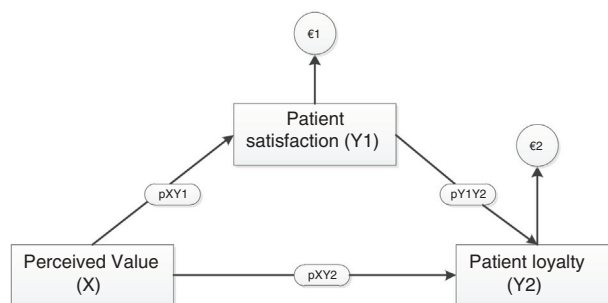


Figure 1 Path diagram model between perceived value, satisfaction and loyalty.

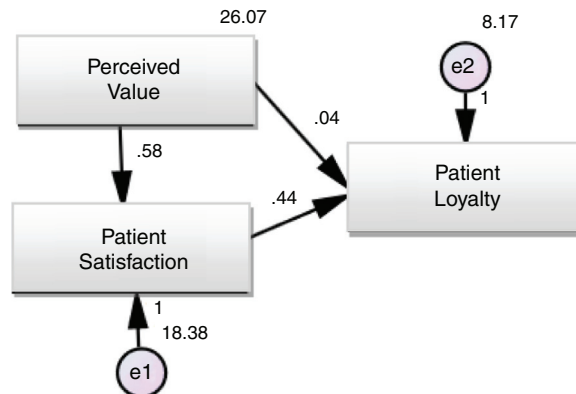


Figure 2 Path analysis diagram between perceived value, satisfaction, and loyalty.

adjusted to the research conditions, namely in the field of health services industry which consisted of 23 question items. Some journals that also use these instruments.^{3,11} Patient satisfaction was measured based on seven dimensions adopted from the Short-Form Patient Satisfaction Questionnaire (PSQ-18).¹⁵ And the last, patient loyalty variable uses a questionnaire.¹² While secondary data in the form of reports and medical record documents related to research such as general profiles of hospitals, patient satisfaction survey reports and the number of outpatient visits over the past three years.

Data analyses

Multivariate analysis used is a path test to determine the effect of perceived value variables on loyalty both directly and indirectly mediated by patient satisfaction. The path diagram model includes two structural equations namely X is an exogenous variable, while Y1 and Y2 are endogenous variables, as shown in Fig. 1.

Results

Table 1 shows the path analysis between perceived value and loyalty through satisfaction. The indirect path coefficient (0.348) is greater than the direct path coefficient value (0.041).

The results of the path analysis diagram can also be seen in Fig. 2. The significance value of perceived value on loyalty in Table 1 (p value 0.416) shows that there is no effect

Table 1 Path analysis results between perceived value, satisfaction, and patient loyalty.

Variable	Coefficient	p value	Gloss
Perceived value → Loyalty	0.041	0.416	Direct
Perceived value → satisfaction	0.583	0.000	Direct
Satisfaction → loyalty	0.436	0.000	Direct
Perceived value → patient satisfaction → patient loyalty	0.348		Indirect

Table 2 The effect of perceived value and patient satisfaction toward patient loyalty.

	Variable	p value	Exp (B)
Step 1 ^a	Perceived value	0.050	2.344
	Patient satisfaction	0.000	12.598
	Constant	0.000	0.031

between perceived value and loyalty directly. On the effect of perceived value to satisfaction, p value 0.000 is obtained, meaning that if the perceived value rises by 1 point, satisfaction will increase by 0.583 points. While, the influence of satisfaction with loyalty obtained p value 0.000, meaning that if satisfaction rises 1 point then loyalty will increase by 0.436 points.

Table 2 shows the effect of perceived value and satisfaction on patient loyalty. Logistic regression results obtained that the satisfaction variable is very influential on loyalty (p value 0.000, $Exp(B)$ 12.598), while the perceived value variable has a lower influence than satisfaction with patient loyalty (p value 0.050, $Exp(B)$ 2.344).

Discussion

In this study it can be seen that there is an indirect effect between perceived value and loyalty, through the variable patient satisfaction. Through the logistic regression equation test it is also strengthened that the satisfaction variable 12.589 times more influences loyalty, compared to the perceived value variable which is only 2.344 times. This shows that in building a loyalty, patients must go through a satisfied phase first. Most researchers agree that satisfaction is the basis for shaping loyalty.^{3,12} The effect on value is if the perceived value is good, it will increase satisfaction then patient loyalty can be formed.

Theoretically, perceived value can be considered as a cognition-based construct that is able to capture every difference between benefits and sacrifices, while customer satisfaction is oriented toward an affective and evaluative response. Social science literature shows that cognitive thinking processes are capable of triggering affective responses, where the assessment of perceived value can influence perceptions of satisfaction. Although neuroscience shows that in sensory information processing, the cognitive functions of the brain and feelings (emotional) can influence each other, the evidence regarding the reciprocal relationship cannot be collected in marketing research.

The dimensions of the satisfaction variable which are the focus of attention in this study are related to communication aspects, interpersonal manner, and time spent with

doctor. The attitudes and behavior of doctors in particular tend to be felt by patients too rigid (less integrated with patients), sometimes too rushed in examining, and ignoring what was said by the patient. Research studies that support these results are also carried out at the Tengku Ampuan Rahimah Hospital which is a hospital with the best outpatient facilities in Malaysia indicating that the lowest dimensions of satisfaction variables focus on physician services such as time spent with doctor, interpersonal manner, and communication during the process consultation.¹⁶

Other research explores the extent to which physician communication of patients can reduce inefficiencies in service delivery. The results show that the patient's communication is highly correlated with better care which leads to patient satisfaction. The old assumption states that patient care is often seen as purely a technical problem, while the study proves that patient communication is very capable of predicting better clinical outcomes and improving hospital ratings in general.¹⁷

The relationship between perceived value, satisfaction, and loyalty was proposed in accordance with the theory of Cognition-Affect-Behavior (CAB) showing satisfaction has a significant effect as a mediating variable between perceived value and loyalty.² In addition, satisfaction and loyalty show reciprocal relationships with each other. Other studies with different designs showed the same results that perceived value indirectly affects loyalty through patient satisfaction. Another variable found, perceived quality has a stronger influence on loyalty (either direct or indirect through satisfaction) when compared to perceived value.¹⁸ Other studies that perceived value and loyalty have an influence both directly and indirectly through patient satisfaction.^{4,11} Value and satisfaction were very significant predictors of loyalty.¹⁹

Basically, value is a form of subjective evaluation.^{6,20} Therefore, the superiority of the service of a hospital is very dependent on the suitability of the offer with preferences, expectations, and desires rooted in the patient as standard criteria. The importance of value, customer satisfaction and loyalty as a factor that influences the success of an organization becomes a strategy for hospitals to achieve the next competitive advantage that is easily able to maintain and even increase patient loyalty.

Conclusions

We conclude that perceived value can influence loyalty through patient satisfaction. The managerial implication is that in increasing patient loyalty, not only is perceived value good, but patients need to be satisfied first. Satisfaction variables have an effect of five times greater than perceived value. Dimensional focus in the variable satisfaction, can be

improved through aspects of physician services, such as attitudes and interpersonal communication and time spent with doctors during the examination process.

Conflict of interest

The authors declare no conflict of interest.

Acknowledgments

The researchers would like to thank all people who have helped them in the research process. This gratitude especially goes to outpatient who have participated as respondents of this study and Directors and Staff of the Hospital Hasanuddin University who have been very supportive during data collection and last but not least the lecturers who contributed a lot of ideas to the development of this research.

References

1. Abdelfattah FA, Rahman MS, Osman M. Assessing the antecedents of customer loyalty on healthcare insurance products: service quality; perceived value embedded model. *J Ind Eng Manag.* 2015;8:1639–60.
2. Lam SY, Shankar V, Erramilli MK, Murthy B. Customer value, satisfaction, loyalty, and switching costs: an illustration from a business-to-business service context. *JAMS.* 2004;32:293–311.
3. Moliner MA. Loyalty, perceived value and relationship quality in healthcare services. *J Serv Manag.* 2009;20:76–97.
4. Caruana A, Fenech N. The effect of perceived value and overall satisfaction on loyalty: a study among dental patients. *J Med Mark.* 2005;5:245–55.
5. Ratnam E. Determinants of patient satisfaction in hospital. *South Asian J Mark Manag Res.* 2017;7:41.
6. Choi KS, Cho WH, Lee S, Lee H, Kim C. The relationships among quality, value, satisfaction and behavioral intention in health care provider choice: a South Korean study. *J Bus Res.* 2004;57:913–21.
7. Chahal H, Kumari N. Consumer perceived value and consumer loyalty in the healthcare sector. *J Relatsh Mark.* 2011;10:88–112.
8. Rahmani Z, Ranjbar M, Nadi Gara AA, Heidari gorji MA. The study of the relationship between value creation and customer loyalty with the role of trust moderation and customer satisfaction in Sari hospitals. *Electron Physician.* 2017;9:4474–8.
9. Alimudin A. Model of customer value approach for improving satisfaction of the hospital patients. *Sinergi J Ilm Ilmu Manaj.* 2017;7:30–40.
10. Kotler P, Robert J, Stevens JS. *Strategic marketing for health care.* John Wiley & Sons Inc.; 2008.
11. Özer L, Başgöze P, Karahan A. The association between perceived value and patient loyalty in public university hospitals in Turkey. *Total Qual Manag Bus Excell.* 2017;28:782–800.
12. Baloglu S. Dimensions of customer loyalty: separating friends from well wishers. *Cornell Hotel Restaur Adm Q.* 2002;43:47–59.
13. Kessler DP, Mylod D. Does patient satisfaction affect patient loyalty? *Int J Health Care Qual Assur.* 2011;24:266–73.
14. Flint DJ, Blocker CP, Boutin PJ. Customer value anticipation, customer satisfaction and loyalty: an empirical examination. *Ind Mark Manag.* 2011;40:219–30.
15. Marshall GN, Hays RD, Sherbourne CD, Wells KB. The structure of patient satisfaction with outpatient medical care. *Psychol Assess.* 1993;5:477–83.
16. Ganasegeran K, Perianayagam W, Manaf RA, Jadoo SA, Al-Dubai SA. Patient satisfaction in Malaysia's busiest outpatient medical care. *ScientificWorldJournal.* 2015;2015:714754.
17. Belasen AR, Belasen AT. Dual effects of improving doctor-patient communication: patient satisfaction and hospital ratings; 2018. Available at SSRN: <https://ssrn.com/abstract=3096056>
18. Hallak R, Assaker G, El-Haddad R. Re-examining the relationships among perceived quality, value, satisfaction, and destination loyalty: a higher-order structural model. *J Vacat Mark.* 2018;24:118–35.
19. Gumussoy CA, Koseoglu B. The effects of service quality, perceived value and price fairness on hotel customers' satisfaction and loyalty. *J Econ Bus Manag.* 2016;4:9.
20. Sánchez J, Callarisa L, Rodríguez RM, Moliner MA. Perceived value of the purchase of a tourism product. *Tour Manag.* 2006;27:394–409.