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The Influence of Satisfaction on Service Quality and Intention to Recommend Mediated by Patient Loyalty



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ABSTRACT: The purpose of this study is how the role of the Hospital as one of the health service facilities has a very strategic role in efforts to accelerate the improvement of the health of the Indonesian people. This strategic role is owned because the hospital is a technology-intensive health facility. This role is increasingly prominent considering the emergence of changes in disease epidemiology, changes in demographic structure, developments in science and technology, changes in the socio-economic structure of society, and services that are of better quality, friendly and able to meet the needs that demand changes in health service patterns in Indonesia. The analysis method is carried out through explanatory research, with the application of PLS / SEM. The concepts and problems studied look at the causal relationship, then explain the variables that cause the problems studied. The research sample was 384 respondents who had received services at a government tertiary hospital in Batam City. The findings of this study were patient satisfaction with the quality of service had a significant positive effect on patient loyalty. Patient satisfaction with the quality of service had a significant positive effect on the intention to recommend. Patient loyalty had a significant positive effect on the intention to recommend with the mediation of patient loyalty

KEYWORDS: Intention to recommend, Patient loyalty, Satisfaction on service quality, Tertiary government hospital

I. INTRODUCTION

Quality health services are one of the rights of every Indonesian citizen as regulated in Article 28 H and Article 34 paragraph (3) of the 1945 Constitution which states that every citizen has the right to receive health services, and the state is obliged to provide them. However, several studies have shown that there is still a lack of adequate health facilities, inadequate human resources and medical equipment, and limited access to health-related information is still experienced by Indonesian citizens (Karma et al., 2019)

The less-than-optimal quality of services owned by Indonesia can have an impact on the lack of interest of the people in choosing domestic hospitals over foreign hospitals for treatment. Research conducted by BBC Indonesia, Patients Beyond Borders (2019) shows that Indonesian people still like to seek treatment abroad. The three main destination countries for treatment for Indonesian citizens are Malaysia, Singapore and Thailand.

As in one of the provinces of Indonesia, namely the Riau Islands Province, which does have a strategic position because it is close to and borders other countries, residents can spend up to IDR 300 billion per year for treatment abroad (Antara News, 2023). In a study conducted by BBC Indonesia, Patients Beyond Borders (2019) also explained several reasons why Indonesian citizens choose to seek treatment abroad, including the lack of quality of health services and supervision in Indonesia, the lack of adequate technology and medicines, obstacles to communication between doctors or medical assistants, lack of accurate diagnosis, accommodation in foreign hospitals that are considered more pleasant, cheaper and the reputation of foreign hospitals that are more global (BBC, 2019).

In addition, Kompas data (2023) shows that as many as 2 million Indonesian citizens still choose hospitals abroad for treatment. This then has an impact on the country's economy where the country loses potential income of up to IDR 161 trillion (Kompas, 2023). This shows that there is still a need to improve health services in hospitals in Indonesia.

The quality of service itself has a positive relationship with patient loyalty as has been proven by several studies (Paolo Gomez Lacap, 2022). Home Services are important to pay attention to the quality of service with several indicators, namely, tangible, reliability, responsiveness, assurance and empathy so that patient satisfaction is formed which will lead to satisfaction with the

quality of service and trust, then patients will commit to using the hospital continuously (Fitriani, 2015) Therefore, this study focuses on the mediating role of patient loyalty in the relationship between patient satisfaction with service quality and intention to recommend, based on previous research that patient satisfaction with services has a significant effect on the intention to recommend (Meesala & Paul, 2018)

II. LITERATURE REVIEW

Intention to recommend, as a behavioral intention construct, refers to positive consumer behaviors such as saying positive things about a product or service (word of mouth) and favorable recommendations (Hosany et al., 2017)

In healthcare, loyalty is demonstrated by patients continuing to choose a healthcare provider, even when they have options. Patient loyalty is considered an information source because their previous experiences and the information they convey to others serve as important sources of information for others. (El Garem et al., 2024)

According to (El-Adly, 2019) customer satisfaction is a measure of how products and services provided by a company meet or exceed customer expectations. In the marketing literature, customer satisfaction is an important central concept because it means meeting customer demands and needs.

In healthcare, loyalty is demonstrated by patients continuing to choose a healthcare provider, even when they have options. Patient loyalty is considered an information source because their previous experiences and the information they convey to others serve as important sources of information for others. As a result, customers are now less dependent on physicians to choose the hospital that is considered the "right" and are more open to the opinions of others. (El Garem et al., 2024) Patient loyalty is greatly influenced by the quality of service provided because by increasing patient satisfaction, patients will increase loyalty to hospital services. (Abekah-Nkrumah et al., 2020)

Research conducted by Anggraini & Budiarti (2020) shows that there is a significant relationship between service quality and customer satisfaction. Furthermore, it is explained that good service quality can create satisfaction for consumers so that they continue to use the services provided by the company. Patient satisfaction greatly influences patient loyalty as shown in a study conducted in Afyonkarahisar, Turkey (Gül et al., 2023). The results show that patient satisfaction has a significant effect on patient loyalty; this supports the hypothesis that there is a significant relationship between the two (El Garem et al., 2024) The two main factors that influence patient satisfaction and loyalty in the healthcare industry are reliability and responsiveness. These factors influence patient satisfaction, which in turn is directly related to patient loyalty to the hospital. (Meesala & Paul, 2018) by being a determining factor in customer satisfaction, retention, and loyalty, service quality influences satisfaction. Many studies have shown that service providers have a significant influence on service quality characteristics. In addition, patient satisfaction is usually measured to assist in performance evaluation and resource allocation, and it has been recognized that service providers have a significant influence on service quality characteristics (El Garem et al., 2024) First, high service quality is related to factors such as patient satisfaction, desire to return to use the service (Zarei, 2015) Intention to recommend or also known as a construct that refers to positive behavior shown by consumers such as saying pleasant things (word of mouth) and giving positive recommendations (favorable). In line with research (Fatima et al., 2018) which shows that good service quality from health services can build patient satisfaction where satisfied patients tend to provide more positive word of mouth (positive recommendations). And other studies say that consumers who get the best quality of service will consider and recommend to their friends (Stefanie, 2023) If a customer is satisfied with a product or service, they will recommend the product or service indirectly. Customer satisfaction can have a positive impact on their recommendations to others. (Merniawanda, 2023). In healthcare, loyalty is shown by patients who continue to choose a healthcare provider, even when they have choices. Patient loyalty is considered a source of information because their previous experiences and the information they convey to others are important sources of information for others. As a result, customers are now less dependent on physicians to choose the hospital that is considered the "right" and are more open to the opinions of others. (El Garem et al., 2024) Patient loyalty is greatly influenced by the quality of service provided because by increasing patient satisfaction, patients will increase loyalty to hospital services. (Abekah-Nkrumah et al.,

Research by Agnes (2022) explains that patients who are loyal to a hospital will have the intention to recommend the hospital to their family, so the term "legacy customers" is known. Patients who are satisfied with the service and loyal tend to provide recommendations to friends or family in the form of word-of-mouth recommendations and this is in accordance with research that the WoM effect will affect revisit intention and loyalty (Dayan et al., 2022). Patient satisfaction with the physical environment of the hospital significantly and positively affects patient loyalty and the intention to recommend the hospital. The relationship between patient satisfaction with the physical environment and the intention to recommend indicates that hospitals should consider the physical environment to meet patient expectations and turn them into satisfied customers. In addition, patient loyalty indirectly affects the relationship between patient satisfaction with the physical environment and the intention to recommend,

indicating that loyalty affects the intention to recommend (Paolo Gomez Lacap, 2022). Service quality affects loyalty by impacting customer satisfaction. Research has shown that reliability and responsiveness are key dimensions of service quality that directly impact patient satisfaction, which in turn leads to loyalty to the hospital. (Meesala & Paul, 2018) (Luthfi et al., 2022) examined the factors that can influence consumer purchase interest and satisfaction. In this study, the dependent variable is customer satisfaction with the mediating variable being purchase interest. In this study, the independent variables tested were product quality and price. This study was located at Krisnadwipayana University, Unkris Jatiwaringin Campus, Jakarta, Indonesia. In this study, there were 100 samples tested with the analysis methods used, namely descriptive and path analysis

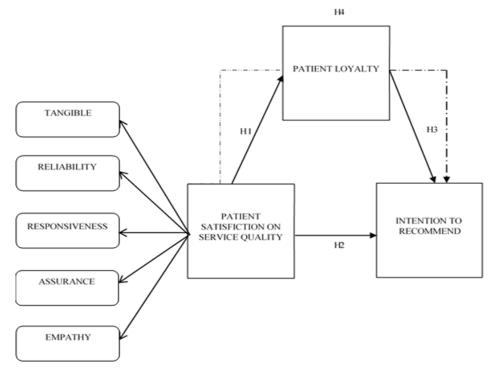


Figure 1. Research FrameWork

From the research model above, the researcher developed the following hypotheses:

- H1. Patient satisfaction with service quality has a significant positive effect on patient loyalty
- H2. Patient satisfaction with service quality has a significant positive effect on the intention to recommend
- H3. Patient loyalty has a significant positive effect on the intention to recommend
- H4. Patient satisfaction with service quality has a significant positive effect on the intention to recommend with mediation of patient loyalty

III. RESEARCH METHODOLOGY

Participants in this study were users of government tertiary hospital services in Batam City, Indonesia. Participants were selected using the non-probably purposive sampling method. Non-probably purposive sampling is a sampling method where researchers determine research samples with certain considerations (Sugiyono, 2020). There are several criteria that participants must meet, including having received health services at a government tertiary hospital in Batam and being over 18 years old. The number of samples was determined based on Krecjie and Morgan (1970) and it was found that the minimum sample needed in this study was 384 respondents according to patient visit data at the hospital in 2023 of 239,000. Data was obtained using a questionnaire as a research instrument. The questionnaire is divided into four parts. The first part the questionnaire aims to obtain information related to the characteristics and demographics of participants such as age, gender, education level, income and frequency of participant visits. The second part of the questionnaire contains questions about participant satisfaction with service quality based on five dimensions, namely tangible, reliability, responsiveness, assurance, and empathy. The third part aims to measure patient loyalty, and the last part aims to measure the intention to recommend patients. In the questionnaire, each variable consists of measurement items that are scored on a Likert scale of 1 (strongly disagree) to 5 (strongly agree). The collected data will be analyzed using smartPLS.

Table 1: Research Variables and Indicators

Variabel	Dimension	
Service Quality	Tangible	Complete and modern health equipment
Chakravarty		Adequate physical facilities
(2011)		Clean and comfortable supporting facilities
		Neatly dressed staff
	Relialibilty	
		Sympathetic staff attention
		 Time required for inpatient or outpatient care is not too long
		• Location is easy to reach
		Accurate outpatient / inpatient medical records
	Responsivne	SS
		• Easy appointment / attendance
		• Fast service
		Staff always willing to help
		 Medical staff who are quick to handle emergency patients
		Prioritize patients who need help
	Assurance	
		 Services provided are of good quality
		Complete and modern treatment
		Polite outpatient/inpatient staff
		Service according to price
		 Feel safe during inpatient/outpatient services
	Emphaty	
		 Staff listens carefully when there is a complaint
		Staff gives their full attention
		 Outpatient / inpatient staff understands patient complaints
		Staff provides good information
Loyalty Lacap n		I will continue to visit this hospital in the next three years
alfonso		• If I am given the choice to choose another hospital, I will still choose this
(2022)		hospital
		I consider myself loyal to this hospital
		• In my opinion, this hospital is better than other hospitals
		• I will continue to stay at this hospital even if the price increases slightly
Intention to		• I will not switch to another hospital if another hospital offers a better price
Recommend		I will recommend this hospital if someone asks for my advice
		I will say positive things about this hospital to others
		I will encourage my friends and family to choose this hospital

IV. RESULT AND DISCUSSION

Based on data collection that has been carried out using a questionnaire to 384 respondents who have received services at a government tertiary hospital in Batam City, the data obtained shows that most respondents are female (68.75%), while the largest age group of respondents is in the 18-30 year age group (31.77%), while the level of education shows that most respondents have a D4/S1 education (61.72%) and the majority of respondents' jobs are private employees (127.34%) and for the income of the respondents, most are in the range of 4,601,000 - 6,000,000 (36.72%)

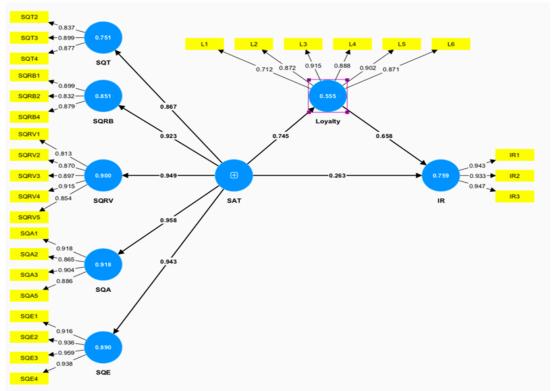


Figure 2. PLS Calculate Result

Figure 2 shows that the reliability values for each construct range from 0.840-0.954, indicating that each scale has acceptable internal reliability. This is in accordance with Hair et al. (2019) who stated that the CA and CR values should be more than >0.70 while the AVE value of each scale should be more than >0.50.

Based on the results of the outer loading test, each indicator has a value greater than 0.7. This shows that all indicators tested in this study are reliable indicators, and the research data can be used for additional testing.

Average Variance Extracted (AVE) is the value required for each variable. The value that must be obtained so that the data tested passes this test is to have an AVE value > 0.5. The following are the results of the AVE test used in this study:

Table 2: AVE Test Result

Variabel	AVE Value	Result
IR	0.885	Valid
Loyalty	0.744	Valid
SAT	0.690	Valid

Source: Processed Primary Data (2024)

Looking at the AVE test results above; all variables have an AVE value > 0.5. This shows that all variables are valid variables.

To find out and assess the consistency of the questionnaire being tested, a reliability test was conducted. Reliability testing is an index test that determines the extent to which a measure can be trusted. The reliability of a survey is determined by how consistently or steadily the results change over time. A variable is considered reliable if the Cronbach's alpha value is better than 0.7. The findings of the reliability test conducted for this study are as follows:

Table 3: Cronbach's Alpha Test Result

Variable	Cronbach's Alpha	Result
IR	0.936	Reliable
Loyalty	0.930	Reliable
SAT	0.975	Reliable

Source: Processed Primary Data (2024)

Based on the test results of this study, the Cronbach's alpha value for each variable is more than 0.7. This shows that each variable to be studied in this study is reliable and worthy of further study. The inner model specifies how latent variables relate to each other and defines how variables relate to each other. The inner model test is used in this study to assess the level of interdependence and importance between variables. The results of the inner model test conducted in this study are as follows:

Table 4 Test of Direct Effect (Hypothesis Test)

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Loyalty -> IR	0.658	0.655	0.042	15.623	0,000
SAT -> IR	0.753	0.754	0.03	25.466	0,000
SAT -> Loyalty	0.745	0.746	0.029	25.902	0,000

Source: Processed Primary Data (2024)

The results of the direct influence test without the role of the mediating variable show the calculation of the significance test between the independent variables of Patient Satisfaction with the quality of service on patient loyalty, the variable of Patient Satisfaction with the quality of service on the intention to recommend, the variable of Patient Loyalty on the intention to recommend, Based on the table above there are 3 direct hypotheses that can be stated as significant. This can be seen based on the t-statistics value> 1.96 and p-values <0.05.

Indirect Effects Test (Indirect Influence)

To ensure the mediation impact studied in this study, indirect effects tests and indirect tests were also used to evaluate the internal model. The findings of the indirect effects test of this study are as follows:

Table 5 Test of Indirect Effect (Hypothesis Test)

Hypothesis	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values	Conclusion
SAT -> Loyalty-> IR	0.490	0.488	0.032	15.382	0.000	Significant

Source: Processed Primary Data (2024)

The results of the indirect influence test show the role of the mediating variable, showing the calculation of the significance test between the variable Patient Loyalty towards the intention to recommend, the variable Patient Satisfaction towards the quality of service towards the intention to recommend which is mediated by the intention to recommend.

Goodness of Fit Model

R Square (Coefficient of Determination Test)

Table 6 R Square Test Result

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
IR	0.759	0.760	0.024	31.834	0.000
Loyalty	0.555	0.557	0.043	12.990	0.000

Source: Processed Primary Data (2024)

GOF Index

Gof
$$= \sqrt{\overline{AVE} \times \overline{R^2}}$$
$$= \sqrt{\overline{0,773} \times \overline{0,657}}$$
$$= 0.713$$

The results of the GoF value calculation above show that the value obtained is 0.713 > 0.36. This proves the validity of all large structural models.

V. CONCLUSION

Hypothesis 1 shows that patient satisfaction with service quality has a significant impact on patient loyalty. The t-statistics value of 15.623 which is greater than the set standard of 1.96 and the p-value of 0.000 which is lower than the set standard of 0.05 shows this. Another study (Gultom et al., 2022) found that patient satisfaction with service quality is very important for patient loyalty. Increasing patient satisfaction with service quality can have a positive impact on patient loyalty variables, this can be an important implication for hospitals in designing marketing strategies that can improve service quality.

Hypothesis 2 shows that patient satisfaction has a significant impact on the intention to recommend. As indicated by the t-statistics value of 25.466, which is higher than the set standard of 1.96 and the p-value of 0.000, which is lower than the set standard of 0.05. Studies conducted by (Handoko et al., 2020) and (Dash et al., 2021) found that when customers are satisfied with the services provided, they tend to be more confident in making subsequent recommendations. This shows the importance of hospitals prioritizing customer satisfaction and improving service quality in order to increase the interest in recommending

Hypothesis 3 shows that patient loyalty significantly affects the intention to recommend. This can be proven from the t-statistics value of 25.902 above the predetermined standard of 1.96 and the p-value of 0.000 below the predetermined standard of 0.05. This finding is in accordance with research from (Susanto et al., 2021) and (Rahman et al., 2019) Affordable patient loyalty and in accordance with the perception of the intention to recommend can increase customer satisfaction. Hospitals need to pay attention to the right service determination strategy to optimize patient loyalty.

Hypothesis 4 shows that patient satisfaction has a significant impact on the intention to recommend, which is mediated by customer loyalty. As indicated by the t-statistics value of 15,382, which is higher than the set standard of 1.96 and the p-value of 0.000, which is lower than the set standard of 0.05. This finding is in accordance with research from (Khoirudin & Giyartiningrum, 2021) and (Lee et al., 2019) When customers are satisfied with the services provided, they tend to be more confident in making subsequent recommendations. With the mediation of customer loyalty. This shows the importance of hospitals prioritizing customer satisfaction and improving service quality in order to increase the intention to recommend through customer loyalty as a mediator.

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