Perceived Service Quality and Behavioural Intention: A Survey of Corporate Hospital's Patients

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Abstract –

Purpose – The purpose of this paper is to investigate the relation between perceived service quality and Behavioural intention in corporate hospitals in Delhi-NCR.

Methodology– We adopted the three items scale developed by Choi et al. (2004) to measure the behavioural intention. Additionally, we measured the perceived service quality (tangibility, reliability, responsiveness, assurance, and empathy), using the items from Babakus and Mangold (1992) research. We framed a modified structured questionnaire to collect responses on perceived service quality and behavioural intention. We used the structural equation modeling technique to investigate the impact of perceived service quality dimension on behavioural intention in corporate hospital in Delhi-NCR.

Findings – The findings suggest that perceived tangibility, responsiveness, assurance and empathy positive significantly influence the behavioural intention of patients in corporate hospitals but reliability does not significantly influence the behavioural intention.

Keywords: Healthcare Services, Perceived Service Quality, Behavioural Intentions, Corporate Hospitals

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1. INTRODUCTION

The healthcare industry is the backbone of any nation's well-being, and the major part of the healthcare industry is hospitals. The Indian health care sector is getting tremendous success worldwide with some special medical treatments offered. India is now recognized as a health destination attracting medical tourism due to the cost advantage derived from the available large pool of well-trained medical professionals at a low cost (Ali et al., 2018). In recent years, there has been increasing interest in hospital services, as standards of living have changed and there is a demand for better medical care to improve lifestyles (Amin and Nasharuddin, 2013). However, hospitals that fail to understand the importance of delivering service quality and customer satisfaction may be inviting a possible loss of patients (Andaleeb, 1998). In other words, the more satisfied the customers are, the greater the customer retention (Anderson and Sullivan, 1993) and willingness to recommend (Zeithaml and Bitner, 1996). Thus, enhancing behavioural intention should be a key driver for hospitals in maintaining a long-term

relationship with their patients (Jandavath and Byram, 2016).

Behavioural Intention

Zeithaml et al. (1996) defined behavioural intention as a signal of whether customers will remain or exit the relationship with the service provider. Additionally, Zeithaml et al. (1996) identified two dimensions to measure behavioural intention – favourable and unfavourable. Thus, enhancing behavioural intention should be a key driver for hospitals in maintaining a long-term relationship with their patients. Excellent service is a profitable strategy because it results in more new customers, more business with existing customers, fewer lost customers, more insulation from price competition and fewer mistakes requiring the re-performance of service (Parasuraman et al., 1985). Therefore, in this research, we try to investigate effect of service quality in health services on behavioural intention.

2. HYPOTHESIS DEVELOPMENT

H1: Perceived tangibility significantly influence the behavioural intention.

H2: Perceived reliability significantly influence the behavioural intention.

H3: Perceived responsiveness significantly influence the behavioural intention.

H4: Perceived assurance significantly influence the behavioural intention.

H5: Perceived empathy significantly influence the behavioural intention.

3. METHODOLOGY

We adopted the three items scale developed by Choi et al. (2004) to measure the behavioural intention. Additionally, we measured the perceived service quality (tangibility, reliability, responsiveness, assurance, and empathy), using the items from Babakus and Mangold (1992) research. We framed a modified structured questionnaire to collect responses on perceived service quality and behavioural intention. We distributed 310 questionnaires to patient after they diagnosed and received 300 questionnaires. Out of 300, 280 questionnaire found suitable and filled in all respect and used to find desired relationship. We used the structural equation modeling technique to investigate the impact of perceived service quality dimension on behavioural intention in corporate hospital in Delhi-NCR.

4. RESULTS AND DISCUSSION

This research represents the 53.57% female (*n=150*) and 46.43% male customers (*n=130*) along with majority of respondents are married (71.43) (*see table 1*). 46.43% of respondents are show the 35-50 age group. Further, this research shows the 10.71% respondents are follow the less than 35 years age group. 89% of total patients have health insurance and only 11% of respondents do not have health insurance. 46% sampled patients engaged in non-government profession. Additionally, 46 % respondents work in government sector.

Table 1: Demographic profile of sample

Variables	Dimension	Frequency	(%)
Gender	Male	130	46.43
	Female	150	53.57
Marital status	Married	200	71.43
	Unmarried	80	28.57
Age (years)	<35	30	10.71
	35-50	130	46.43
	50-70	67	23.93
	>70	53	18.93
Have health insurance?	Yes	250	89.29
	No	30	10.71
Occupation	Government	130	46.43
	Non-government	150	53.57

We checked the internal quality of latent variables and observed variables (*see table 2*). Latent variables Tangibles, Reliability, Responsiveness, Assurance, Empathy and Behavioural Intentions show the reliability more the 0.60 (recommended). All the latent variables have more than .80 threshold limit of cronbach's alpha that indicate high reliability of variables. Observed statement shows the high factor loadings. Observed variables show the more than .68 standard factor loadings.

**Table 2: Inter quality of variables**

Latent Variable	Code	Items	Cronbach's α	SFL
Tangibles (Tan)	Tan1	This hospital has up-to-date equipments		0.74
	Tan2	The hospital's physical facilities create visual appeals	0.89	0.77
	Tan3	The overall environment of this hospital is neat and clean		0.71
Reliability (Rel)	Rel1	The hospital maintains timely services		0.83
	Rel2	The hospital's personnel are inhibited with sympathy	0.83	0.88
	Rel3	The hospital's personnel are inhibited with reassurance		0.78
Responsiveness (Res)	Res1	Inquiries about my medical services were spontaneously notified to me with approximate time frames		0.78
	Res2	I received prompt services from the hospital's personnel	0.91	0.84
	Res3	The hospital's personnel are always willing to help		0.68
Assurance (Ass)	Ass1	I felt safe and secure after interacting with the hospital's personnel		0.77
	Ass2	I felt that the hospital's personnel are highly qualified and experienced	0.90	0.76
	Ass3	The hospital's personnel are polite and courteous		0.74
Empathy (Emp)	Emp1	The personnel of the hospital gave me personal attention		0.78
	Emp2	The personnel of the hospital understood my specific needs	0.87	0.69
	Emp3	The hospital's authority looks for the best interest of their patients		0.72
Behavioural Intention (BI)	BI1	I will recommend this hospital's services to others		0.87
	BI2	Intention I would consider this hospital as my first choice	0.92	0.78
	BI3	I will tell others good things about this hospital		0.81

We analyzed the proposed relation among service quality dimensions and behavioural intention of customer using the structural equation modeling (SEM) with help of the IBM Amos software. The authors used the χ^2 statistic (χ^2 (280) = 404.45, *p<* .000) indices to confirm the fitness of hypothesized research model. We observed that model fit indices χ^2 statistic (divided the value of χ^2 by its degree of freedom) is 3.01 (it should be 1.00 > and <3.00) that is near to 3.00. The research hypothesized model is strongly fitted to behavioural intention. The value of goodness of fit index (GFI=0.93), comparative fit index (CFI=.92) and root mean square error of approximation (RMSEA=0.04). We find significant correlation among latent variables.

Perceived service tangibility (β =.64, p<0.001), responsiveness (β =.56, p<0.000), assurance (β =.67, p<0.001) and empathy (β =71, p<0.000) except reliability (β =.03, p>0.16) of corporate hospitals significantly positively impacted the behavioural intentions of patients (see figure I). The dimensions of perceived service quality in corporate hospitals (tangibility, responsiveness, assurance and empathy) explained the 62% variation in behavioural intention and residual value is .38 (see figure I). Additionally, perceived reliability (β =.03, p>0.16) failed to explain variation in customer satisfaction.

Table 3: Results of hypotheses testing

Path relation	Hypotheses	Path coefficient	Hypothesis supported
Tan → BI	H1	0.64	Yes
Rel → BI	H2	0.03	No
Res → BI	H3	0.56	Yes
Ass → BI	H4	0.67	Yes
Emp → BI	H5	0.71	Yes
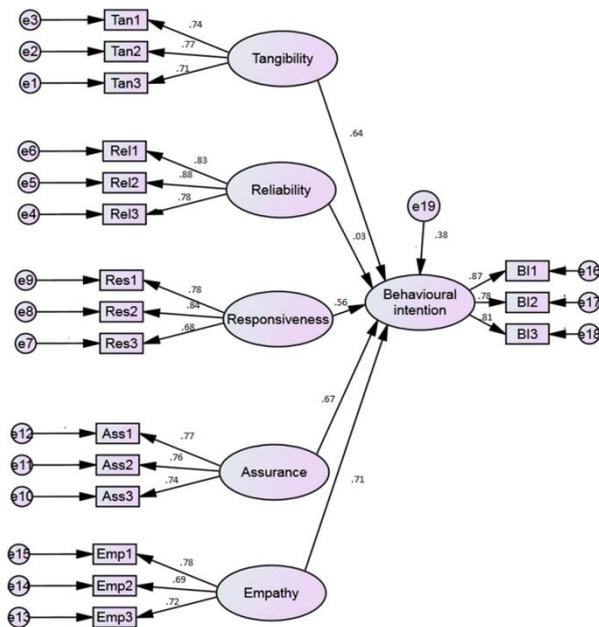
Figure 1: Structural relationship between perceived service quality of corporate hospitals and customer's Behavioural intention with path coefficients.

5. CONCLUSION

The purpose of this research is to investigate the relation between service quality in corporate hospitals in Delhi-NCR and behavioural intention of patients. Perceived service tangibility, responsiveness, assurance and empathy except reliability of corporate hospitals significantly positively impacted the behavioural intentions of patients. This research supports the *H1, H3, H4 and H5* hypotheses. Further, this research reveals that patients visited in corporate hospitals posses the health insurance. Additionally, perceived reliability of corporate hospitals does not show the significant relation with behavioural intention of customers.

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