

Post Behavioral Perceptions of the Service Quality in a Service Setting; Private Hospitals in México

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Abstract

Gaining loyalty is an important goal of service providers, due to the fact that this usually small number of loyal customers provides a disproportionate share of a firm's sales and profits that repeatedly purchase the hospital services. Research on service quality in healthcare services suggests that not only do we have to take into account service quality to measure behavioral intentions, but also consider the role that perceived risk, the degree of control that customer's perceived, and the impact of physical environment has in behavioral post-purchase intentions. This paper analyzes the impact of perceived risk, perceived control and physical environment has on the evaluation of quality service and the implications that these variables have on postpurchase intentions. Results from our study suggest that, there is evidence for the Mexican market that perceived control and perceived risk enhances service quality and behavioral intentions; our results provide confirmation that the favorable physical environment of the service setting increases positive perceptions of service quality. This paper concludes with recommendations for hospitals managers.

Keywords: Service quality, repurchase intentions, perceived risk, healthcare services

1. Introduction

Satisfaction is one of the most important components for customers to develop loyalty towards services companies; therefore, customer retention strategies in services are one of the main objectives for the services industry (e.g., health care, financial services). Due to the fact, that the cost of getting new customers is very high and the profit per customer increases with repeated customer patronage; to understand the factors that determines how customers evaluates services and develops perceptions on them, which ultimately, influence their future purchase intentions are the key elements to customer life time value (Bolton et al., 2000; Bolton et al., 2004; Reicheld, 1996). Researches and services providers know that a mayor proportion of the total revenue comes from loyal customers that repeatedly purchase services from the company; for this reason, it is very important to identify the variables used by the customers to establish positive perceptions related to the services provider.

The study was conducted in Colima city, state capital of Colima state in Mexico; geographically is located on the west coast of Mexico on the Pacific Rim. Colima state has a GDP annual growth of 2.5 %, a GDP per capita of 4,700 US dollars and its economy is based on primary and tertiary sectors (source: Secretaria de Desarrollo Economico del Estado de Colima, 2013). Colima is recognized for the quality of the health care services. The total population of Colima has access to public health services, at a low cost base; for this reason private health care providers have to deliver a much better quality experience to their customers than the one provided by the public sector, to ensure customer satisfaction and repeated purchase.

2. Purpose

The purpose of this paper is to understand if the physical environment of the purchase, perceived control over the service, perceived risk; have influence over the post behavioral perceptions of the service quality and which of them is a better predictor of the repeated purchase. This research will try to determine the importance of each variable and the impact on customer quality service evaluation.

3. Literature Review

Quality of service is a factor that contributes to customer loyalty. Researchers have developed different models to examine, define, and understand the factors associated to the creation of favorable perceptions on the delivery of health care services (Sitzia and Wood, 1997). The model developed by (John, 1992) established the importance of previous experiences on the hospital and its relations with the evaluations on the services, and the repeated purchase. However, he failed to establish a distinction that could explain how the perceptions on the first experience were developed. In the context of health care, consumers are active participants, not only, as recipients but, also as designers of the service; elevating the patient from being a “party” to a “partner” of the service delivery (Gummesson, 2004). The greater the customer interactions with the services provider, the greater the consumer perceived that they have control of the service delivery. When consumers have a desire level of control on the service, they are more likely to evaluate the quality of the service highly. So if the consumer perception of control is high, it contributes to a positive evaluation.

The physical environment is define as everything that is visible or touchable (Baker, et al., 2002). The physical environment is regarded as one of the most important background factors that affect the perception of service (Bitner, 1990). Consumers evaluations of the quality of the service provided are develop through clues of the physical environment; these clues contribute to the favorable evaluation of the service provider (Gotlieb, et al., 1994). Therefore, the physical environment constitutes one of the most important characteristics of the services encounter, as consumer perceptions of the physical environment become more favorable consumers will perceive the quality of the service higher (Wilson, et al., 2012).

Perceived risk is the consumer’s belief about the probability that he or she might suffer negative consequences from purchasing a good or service (Bauer, 1960). This concept was introduced by Bauer forty years ago. Post purchase perceived risk is strongly related to the behavioral intentions of future purchases (Wilson, et al., 2012). Therefore, post purchases perceived risk is a judgment make by the costumers that affects decisions; is likely to have a negative impact on repeat behavioral intentions (Wilson, et al., 2012).

4. Methodology and Sample

All constructs in the study were measure using multi items scales, the questionnaire used scales from previous studies. To measure the physical environment a two item scale was used (Gotlieb, et al., 1994), a three item scale was used to measure control (Netemeyer, et al., 1991). To measure perceived quality of the services provided an eight item scale was used (Parasuraman, et al., 1991). A three item scale was used to measure perceived risk (Slovic, et al., 1989). Finally, a two item behavior intention scale was used to measure it (Fishbein, and Ajzen, 1975).

Data for this study was collected via a telephone questionnaire administered to 250 patients recently discharge from the two main private hospitals in Colima; these individuals were contacted by telephone and asked to participate in the study. Depending on their readiness to participate the interviews were carried out either immediately or at a later time. This process yielded 129 usable questionnaires, representing a response rate of 51 %. The sample consists of 52 % female respondents, 48 % male respondents, with a mean age of 46 years old. Other demographic information was not collected due to privacy restrictions imposed by the hospitals.

5. Research Results

The scale items were checked for internal consistency using Cronbach’s Alpha (all the Alpha estimates were above 0.81).

Table 1: Patients Perceived Quality of Service

Perceived quality of service variables	<i>M</i>	<i>SD</i>
Difficult to contact – Easy to contact	7.45	1.37
Not credible – Very credible	7.32	1.57
Not courteous – Very courteous	7.17	1.82
Not responsive to my needs – Very responsive to my needs	7.12	1.57
Very unreliable – Very reliable	7.09	1.76
Not understanding of patient needs – Understanding of patient needs.	7.06	1.93
Very incompetent – Very competent	6.95	1.98
Communicates poorly with me – Communicates very well with me.	6.83	1.99

Note: Scale ranges from 1 to 8; the higher the mean score, the more positive the quality perceived.

Table 1 shows the mean (*M*) ratings of the items that measured the perceived quality of service provided (Parasuraman, et. al., 1991). The items that were perceived as most positive are contact ($M = 7.45$; $SD = 1.37$), and credibility ($M = 7.32$; $SD = 1.57$), the items with the lowest scores are communication ($M = 6.83$; $SD = 1.99$), and competence ($M = 6.95$; $SD = 1.98$). The quality of service perceived by the patients was very high with a mean of 7.10. All of the patients from the sample answered that they have repurchase intentions.

A collinearity diagnostic was performed on the variables as part of the multiple regression procedure; the results indicated the absence of multicollinearity. Standard multiple regression was used to assess the ability of three independent measures (physical environment, perceived risk, and perceived control) to predict the quality of service. Preliminary analyses were conducted to ensure no violation of the assumptions of normality, linearity, multicollinearity, and homoscedasticity.

Table 2: Individual Item Predictors of the Post Behavioral Perceptions of the Service Quality

Variables	Standardized Beta Co-efficient	T – statistics	P value
Physical environment	.381	4.06	.000
perceived risk	-.342	-3.55	.001
perceived control	.277	3.13	.003

R^2 0.596
Adjusted R^2 0.577
F 30.055 ($p < .000$)

The total variance explained by the model as a whole was 59.6 %, R square = .596, the three measures of the model were statistically significant with physical environment recording the highest Beta value (beta = .381, $p < .001$), then perceived risk recording a Beta value (beta = -.342, $p < .001$), and finally perceived control recording a Beta value (beta = .277, $p < .001$). Physical environment has the highest contribution as a predictor of the post behavioral perceptions of the service quality.

6. Discussion

Multiple regression confirms that the Physical environment has the strongest influence on the overall service quality of the hospitals, therefore, it is important for the hospitals managers to focus on the improvement of the physical environment. In order to improve the level of patient's quality satisfaction with the hospital, management should consider an upgrading plan for their facilities in such a manner that perceptions will keep improving. Services providers need to acknowledge the importance of controlling perceived risk, due to the fact that as less risk is perceived by the patient, a higher quality of the service is perceived. In the case of control, allowing patients to develop, and participate in the decision making process of the service delivery will strengthen positive perception of control.

7. References

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