

Research Article

COMPLAINTS: A FACTOR OF THE LOYALTY

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ABSTRACT

The present paper investigates the impact of perceived service quality (PSQ) and patient complaint (PC) on patient loyalty (PL). A survey was carried out at the highest level of hospital in Vietnam during April 2018 through a self-administered questionnaire was given to inpatients who were used in healthcare. The data set was calculated by the SPSS software 25.0 and Amos 25.0 for structural equation modelling. Findings supported the PSQ influences PC and PL; PC influences PL. This suggested that PSQ and PC directly affect loyalty, which has implications for providers when considering PC as a mediator of PSQ and loyalty.

Keywords: Perceived service quality, complaint, loyalty.

INTRODUCTION

Service quality has become the strong competitive element that most service firms strive to possess (Purcarea, 2016). The service firms have formulated various strategies to retain the customer that the key to it is to enhance the service quality (Bobocea *et al.*, 2016). Service quality focuses on attention because of its obvious relationship with satisfaction, trust and loyalty (Anuwichanont & Mechinda, 2009; Rahmatulloh *et al.*, 2019; Loureiro, 2013). Customer satisfaction on perceived quality becomes a key to competitive advantage (Shahsavari & Sudzina, 2017). Previous research suggests that high service quality can improve customer satisfaction (Birhanu *et al.*, 2010) and willingness to re-buy (Lis *et al.*, 2011). In addition, the satisfaction of the consumer on service quality and are positive determinants of loyalty (Darsono & Junaedi, 2006; Souki & Filho, 2008). Today, service quality is crucial to client satisfaction, customer retention, and increase profitability (Souki & Filho, 2008). Every client has insight and prospects concerning service delivery (Bobocea *et al.*, 2016). Therefore, improving service quality was measured by customers (Manulik *et al.*, 2016; Stefano *et al.*, 2015). However, not all companies manage to deliver services of high quality and to the satisfaction of its customers (Karatepe & Ekiz, 2004). Satisfaction with service quality may be a strong incentive for customers to maintain or increase repurchase, while dissatisfaction with service quality may be a strong incentive to exit from the service providers (Tolba *et al.*, 2015). Previous research supported that the organizational response to complaint behaviors of customers affecting satisfaction and loyalty (Karatepe & Ekiz, 2004). Client loyalty is the core topic that is discussed in the service providers (Berezan *et al.*, 2013). Developing close relationships with consumers that building and remain loyal (Unal *et al.*, 2018). Clients give a commitment to the firm and were not attracted by other competitive organizations (Huang *et al.*, 2019). In addition, they are willing to attend more, focus on higher buying intentions, and stop buying from another provider (Kandampully *et al.*, 2014). Thus, firms should have loyal customers, and customer loyalty is a determining factor to survive of the service firm (Huang *et al.*, 2019; Unal *et al.*, 2018).

Therefore, nurture loyalty by increasing service quality (Lis *et al.*, 2011; Rather & Camilleri, 2019). Our paper aims to investigate the impact of perceived service quality and patient complaints on patient loyalty. Especially, perceived service quality factors focus on tangibility, reliability, and responsiveness. The factor of complaints and loyalty were measured in service quality. These factors were increasing knowledge when considering factors that affect to retain the customer.

LITERATURE REVIEW

In this section, the author discusses the references to regard to the present paper, including perceived service quality, complaints, and loyalty.

Perceived service quality (PSQ)

PSQ is the outcome of a process where consumer compares between expectations and PSQ (Vafaei-Najar *et al.*, 2014). PSQ was considered the antecedent of satisfaction and loyalty (Darsono & Junaedi, 2006; Anuwichanont & Mechinda, 2009). Thereby, customer loyalty stems primarily from PSQ (Markovic *et al.*, 2015). PSQ influences client loyalty and satisfaction (Markovic *et al.*, 2015; Lin *et al.*, 2020). Thus, customer satisfaction plays a mediate the quality-loyalty relationship (Lin *et al.*, 2020; Shahsavari & Sudzina, 2017). PSQ was used to measure consumer satisfaction (Stefano *et al.*, 2015; Bobocea *et al.*, 2016). Maintaining a close relationship between service firm and consumer by full of client needs (Aman & Abbas, 2016). Expectation refers to satisfaction (Wartiniingsih *et al.*, 2020). Therefore, measuring and assessing service quality focus on users' satisfaction (Birhanu *et al.*, 2010). Building and remain customer loyalty by improve PSQ and therefore increase satisfaction (Souki & Filho, 2008). Tangibility, reliability, responsiveness, assurance, and empathy are aspects of PSQ that measure the service quality by providers (Stefano *et al.*, 2015; Manulik *et al.*, 2016). Which, tangibility refers to the infrastructure, professional of staffs, equipment, and products from service organization; The ability to provide safe service of the employees of the service organization was answered to Reliability; Willingness to cooperate and customer support answered for Responsiveness; The staff's focus on understanding the customer's moods and feelings described to

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Empathy, and Assurance mentions to the service provider's ability to give confidence to their customers. Our current paper focuses on three aspects as tangibility, reliability, and responsiveness of PSQ.

Patient complaint (PC)

A customer complaint is the reflection of their dissatisfaction with the quality of a product or service through word of mouth, written or electronic communication (Karatepe & Ekiz, 2004; Duydun & Mentas, 2015). Handling customer complaints for the purpose of resolving failures, learning lessons for future failures and regaining customer trust (Nagel & Santos, 2017). In addition, it found an opportunity for the firm to learn about its deficiencies and its customer retaining (Santos & Fernandes, 2008). Complaint management is a tool that improves product and service quality (Nagel & Santos, 2017), to enhance satisfaction and remain loyalty (Tolba *et al.*, 2015). Customer complaints influence satisfaction and loyalty (Tolba *et al.*, 2015), and complaint handling helps firms avoid losing dissatisfied customers to competitors and the spread of negative word of mouth (Santos & Fernandes, 2008; Duydun & Mentas, 2015).

Patient loyalty (PL)

Customer loyalty has caused people to share good experiences (Unal *et al.*, 2018; Purcarea, 2016). It considered a trust, commitment to repurchase products, or services (Huang *et al.*, 2019; Duygun & Mentas, 2015). PSQ influences satisfaction and loyalty (Rahmatulloh *et al.*, 2019). Customer satisfaction related to loyalty (Darsono & Junaedi, 2006). Loyal customers had increased perceived value (Shahsavari & Sudzina, 2017; Loureiro, 2013). Customer gratitude focuses on loyalty (Huang *et al.*, 2019). PSQ is a predictor of loyalty (Rather & Camilleri, 2019). Therefore, improving perceived quality leads to a willingness to revisit providers (Lis *et al.*, 2011). There is a close relationship between word of mouth and loyalty (Markovic *et al.*, 2015).

Research hypotheses

Perceived quality was measured client satisfaction and loyalty (Purcarea, 2016, Manulik *et al.*, 2016. Stefano *et al.*, 2015). Studies supported that meeting client expectation is an essential element to maintain a client-firm relationship (Vafae-Najar *et al.*, 2014; Birhanu *et al.*, 2010). Assessing the relationship of PSQ and expectation were measured service quality (Vafae-Najar *et al.*, 2014; Wartintingsih *et al.*, 2020). PSQ is a mediator of the satisfaction and loyalty (Wartintingsih *et al.*, 2020). However, customer satisfaction is mediating of PSQ and loyalty (Souki & Filho, 2008; Darsono & Junaedi, 2006). Moreover, PSQ is the close relationship with loyalty, it is an antecedent of loyalty (Rather & Camilleri, 2019). Thus, the hypothesis was proposed:

H1: Perceived service quality (PSQ) influences Patient loyalty (PL).

PSQ and expectation influence complaint satisfaction that are antecedent factors of repurchase intention (Duydun & Mentas, 2015). Complaint satisfaction plays as a mediator of the PSQ and loyalty (Tolba *et al.*, 2015). In addition, PSQ influences directly satisfaction and indirect influence on loyalty through mediating is satisfaction with the handling of complaints/trust of the provider (Santos & Fernandes, 2015). Thus, we proposed:

H2: Perceived service quality (PSQ) influences Patient complaint (PC).

Satisfaction with complaint handling influences customer loyalty (Tolba *et al.*, 2015). Therefore, complaint handling is thus the necessary element of the firm's customer retention strategy (Nagel & Santos, 2017). Satisfaction with the handling of the complaint is the antecedent of loyalty intention through trust in the service firm

(Santos & Fernandes, 2008). Complaints satisfaction affects directly or indirectly to repurchase intention through a mediating factor is corporate reputation/communication intention (Duydun & Mentas, 2015). Based on these observations, we proposed:

H3: Patient complaint (PC) influences Patient loyalty (PL).

RESEARCH METHOD

A survey was conducted at the National Cancer hospital Vietnam in April 2018. At least 500 cases of the sample size were assessed for the SEM model by Wolf *et al.*, (2013). A simple random sampling method selected 22% from inpatient lists of 39 clinical departments where has been delivering 2,500 inpatients per day. Therefore, a total of 550 members were recruited for this study. A set of self-completed questionnaires was distributed to study participants. A total of 516 documents were used for analysis stages of our study, after screening the completed questionnaires. The self-completed questionnaire consists of 25 questions divided into 2 main parts: The first part is demographic, including 6 questions such as age, sex, marital status, educational level, occupation, and method of paying hospital fees. The second part consists of 19 questions for factors such as Perceive service quality (PSQ), Patient complaints (PC), and Patient loyalty (PL). In which, 14 questions represent PSQ including 5 questions by tangibility (PSQ1-PSQ5), 5 questions by reliability (PSQ6-PSQ10), and 4 questions by responsiveness (PSQ11-PSQ14). The content of this element is based on the work of Aman and Abbas (2016) and has been modified to the situation of the study hospital. Next is the PC factor composed of 2 questions (PC15-PC16). Finally, there are 3 questions of the PL factor (PL17-PL19). The Likert scale measuring from 1 to 5 is evaluated for questions of factors. First, SPSS (version 25.0) software was used to enter the data and then analyzed the CFA exploratory factor. Finally, the Amos software (version 25.0) was used to test the proposed hypotheses using the SEM causal model.

RESULTS AND DISCUSSION

The reliability statistics

Our study was used Cronbach's alpha coefficient of the scales [cut-off=0.70] that measures the reliability of scales. The results are presented in Table 1. In Table 1, the PSQ's Cronbach's alpha value was 0.845 to 0.873, the PC factor was 0.807, and PL was 0.800. All of these values were over 0.70, showing our scales were accepted.

The confirmatory factor analysis (CFA)

Structural equation modeling (SEM) was tested from the CFA model which examining the construct and the correct assignment of variables (Hair Jr *et al.*, 2014, p. 602). It showed by measures that are useful for establishing validity and reliability: Composite Reliability (CR), Average Variance Extracted (AVE), and standardized regression weights (Hair Jr *et al.*, 2014, p. 605), illustrated in Table 2. In Table 2, the value of standardized coefficient was from 0.62 to 0.86 [cut-off=0.5]. The AVE values of factors were around 0.51 and 0.68 [cut-off= 0.5], which showed the discriminate validity was high (Hair Jr *et al.*, 2014, p. 605). The CR values of factors ranged 0.80 to 0.94 [cut-off= 0.7], indicated adequate internal consistency. Therefore, our research model was accepted.

Model Goodness-of-fit

Model Goodness-of-fit of research model was supported by the χ^2 test was known to be sensitive to sample size, and several widely

used goodness-of-fit (GFI) indices demonstrated that the confirmatory factor model was a good fit to the data. In detail, [GFI] = [cut-off = 0.80], normalized fit index [NFI] = [requirement = value of 0–1], root mean squared error of approximation [RMSEA] = [requirement = value from 0.05–0.08], comparative fit index [CFI], Tucker-Lewis index [TLI] = [cut-off = 0.9] (Hair Jr *et al.*, 2014, p. 630), illustrating in Table 2. As Table 2, the ratio of χ^2 to the degrees of freedom was 3.070 ($P=0.000$), which is sensitive to sample size, indicating that the confirmatory factor model was a good fit to the data. Specially, [GFI]= 0.925, [NFI]= 0.933, [RMSEA] = 0.063, [CFI] = 0.953, [TLI] = 0.943. These findings are clear that our overall model was supported.

Hypotheses testing

Hypotheses were represented by the path coefficients path of influence on factors at a significant value less than 0.05 (sig.), showing in Table 3. Hypothesis H1 was supported by the coefficient of the path (PSQ→ PL) was statistically significant at 0.223 ($p = 0.002$), indicating that PSQ directs influence to PL. In accordance with the previous studies (Loureiro,2013; Rahmatulloh *et al.*, 2019). It showed PSQ is a predictive factor of loyalty (Rather & Camilleri,2019). In addition, perceived quality influences loyalty by a mediator is client satisfaction (Shahsavari & Sudzina, 2017; Darsono & Junaedi, 2006). Thus, measuring client satisfaction and loyalty by the service quality of provides (Boboccea *et al.*, 2016). Besides, consumers assessed dimensions of service by comparing a gap of the service quality and expectation (Vafaei-Najar *et al.*, 2014; Wartintingsih *et al.*, 2020). Hypothesis H2 was accepted by the path (PSQ→PC) was statistically significant at 0.722 ($p < 0.001$), showing that the hypothesis H2 was supported, which PSQ influences PC. Similarly, Duygun and Mentis (2015) revealed that perceived quality affects complaint satisfaction and loyalty (Karatepe & Ekiz, 2004). Satisfaction is a mediator of the service quality and loyalty (Tolba *et al.*, 2015). Hypothesis H3 was presented by the coefficient of the path (PC→ PL) at 0.535 statistical significance ($p < 0.001$), showing PC affect direct PL. Finding consistent with the work of Tolba *et al.*, (2015), the complaint influences loyalty, and, thereby, complaint handling is the key factor of aiming strategy plan customer retention (Santos & Fernandes, 2008). Satisfaction with complaint handling was predicted of repurchase intention (Nagel & Santos, 2017).

Implications for practice

The present paper offers implications findings to managers when considered that perceived quality and customer complaint handling has a significant influence on loyalty. Therefore, management of the consumer complaint aim increase service quality the possibilities of repurchase intention in the future. Our study has implications for managers, policymakers when consider factors affecting on loyalty including perceived quality and customer complaints. Findings contribute to developing plan in complain management and the consequent trust created maintaining solid in customer-firm relationship aim to enhance service quality and maintain loyalty.

CONCLUSION AND RECOMMENDATION

The present paper aimed to examine factor affecting on loyalty including perceived service quality (PSQ) and patient complaint (PC). The instrument of study was a self-administration questionnaire that shared inpatient who used health service at National Cancer hospital, Vietnam in April 2018. There were total of 516 documents were analyzed for this study, among 550 documents was gave out. Our study was used a scale categorized from strongly agree (5) to strongly disagree (1) was measured to answers which were tested for internal consistency in the reliability of the variables. Followed by, a confirmatory factor analysis measurement model has supported the

issues of convergent validity. Finally, the structural equation modelling was assessed to check the proposed hypotheses. Results disclosed that PSQ and PC related positive to PL; PSQ on PL. In addition, PC plays as a mediator role in PSQ-PL relationship. Thus, providers should consider on PS and PC to cultivate loyalty. Besides, service organization focus on complaint handling aim to improve PSQ and remain PL. Policymakers maybe consider factors including PSQ and PC in their strategic planning with the purpose of building loyalty. Indubitably, our study supported novel data that increasing knowledge to the service industry. Moreover, our paper suggested the core factors when considering increased service quality of providers by the aspect of tangibility, reliability, and responsiveness. In addition, service companies should handle complaints to enhance perceived quality and maintain loyalty.

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Disclosure statement

The author declares that there is no conflict of interest

Author Information

Thi Le Ha Nguyen has been a medical doctor in Vietnam for 20 years. She graduated from Mahidol University, Thailand, and was awarded the Master of Primary Healthcare Management. She graduated from the Graduate School of Medical Sciences, Kanazawa University, Japan, and completed a doctoral program in Healthcare Management.

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APPENDIX

QUESTIONNAIRE

Complaints: A factor of the loyalty

Your responses will be used solely for research purposes. The information that you provide will help to improve the quality of healthcare services.

Serial No:

Date of completion.....

Please write your response in the blank column or mark the box provided.

1. What is your age?years

2. What is your sex?

1. Male 2. Female

3. What is your marital status?

1. Single 2. Married
3. Divorced 4. Widowed

4. What is your educational level?

1. No school 2. Primary school
3. Secondary school 4. High school
5. Bachelor's degree 6. Postgraduate degree

5. What is your occupation?

1. Govt. employee 2. Non-govt. employee
3. Unemployed 4. Agriculture
5. General labour 6. Retired

6. Method of paying hospital fees

1. Insurance 2. Personal payment

Please place a cross in the box corresponding to the level of your agreement/disagreement with each of the following statements.

1. Very strongly disagree, 2. Strongly disagree, 3. Agree, 4. Strongly agree, 5. Very strongly agree.

Perceived service quality (PSQ)

Statement/Item	1	2	3	4	5
Tangibility					
PSQ1 Hospital was conveniently located					
PSQ2 Direction signs were clear					
PSQ3 Wards were designed with easy access and were comfortable					
PSQ4 Staff were professional					
PSQ5 Free medicine was available					
Reliability					
PSQ6 The admission process was fast and straightforward					
PSQ7 Staff responded immediately when called					
PSQ8 Staff showed genuine interest in attending to my problems					
PSQ9 Staff were reliable in handling my problems					
PSQ10 Hospital treatment was error-free					
Responsiveness					
PSQ11 Admissions staff were friendly and courteous					
PSQ12 Staff responded promptly to my requests					
PSQ13 I was provided with adequate information about my health condition					
PSQ14 I was prescribed affordable medicines					

Patient Complaint (PC)

Statement/Item	1	2	3	4	5
PC15 The time taken to respond to my complaint was satisfactory					
PC16 The feedback provided met my expectations					

Patient Loyalty (PL)

Statement/Item	1	2	3	4	5
PL17 I would return to this hospital if I required healthcare in the future					
PL18 I would recommend this hospital to others					
PL19 I do not want to use other healthcare service providers					
