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PRIVATE HEALTHCARE QUALITY AND LOYALTY IN KOLAR DISTRICT

K. R. Manjula* **Dr. B. Balaji****
**Research Scholar, Dravidian University & Assistant Professor, Department of Commerce & Management, Government College for Women, Karnataka.*
***Professor, Shree Gurukripa Institute of Finance and Management, Chennai.*

Abstract
Healthcare in India is poised for growth in many aspects but what still ails the system is the quality of healthcare delivery. Private healthcare providers have been gaining importance and patients prefer their services. The research aimed to assess the level of medical and hospitality service quality in Private Hospitals at Kolar district of Karnataka in order to analyse whether patients were satisfied with services, especially in the context of huge expenses incurred. The impact of patient satisfaction and service quality on patient loyalty was also assessed.

Key Words:Healthcare, Service Quality, Private Hospitals, Kolar District.

1. Introduction

Healthcare system in India has come a long way and has been witnessing revolutionary growth (IBEF, 2016), especially, in the last decade. Citizens today live in a high-tech environment with a gruelling work life and hardly any tome for physical recreation. The impact has been disastrous. Lifestyle diseases dominate the population rather than communicable diseases. Cholesterol and blood pressure levels are found to be high along with obesity and alcohol problems.

Hospital chains are now looking beyond Tier-1 cities to spread their reach. Vaatsalya Healthcare is one such chain which is focusing on Tier-II and Tier-III cities. Government has been found to levy less tax for establishing hospitals in semi-urban and rural places.

Manipal and Fortis Groups, for example, have contract with Management of Multi-national and National Firms and offer a service package based on requirements.

Telemedicineis gaining popularity as seen as a relief to solve the urban-rural divide. It fosters inexpensive consultation and diagnosis in remote locations using state-of-the-art telecom.Mobile health services are gaining momentum with specialized services for women (CycleTel Humsafar).Technology is being leveraged to offer a gamut of services like PRACTO, Electronic Medical Records, Electronic Health Records, Hospital Information System and Digital Health Knowledge Resources. These help to facilitate better service delivery and patient engagement.

Hospitals have commenced mimicking Hotels and Tourism by providing helicopter services for patient pick-up and drop. Hospital rooms now have executive-style suites, dedicated personnel and security and a 5-star ambience.The urge to indulge in life insurance has seen a boom in the country.

The components of the Healthcare system are summarized in Table 1.

Table 1: Segments under Healthcare

S. No	Healthcare Segment	Description
1	Hospitals	2 broad categories: Private hospitals (Nursing homes, and Multi-specialty); and Government hospitals (District and General inclusive of small centres).
2	Pharmaceutical	Chemical used as ingredients for Medication (Manufacturing, Processing, and Packaging).
3	Diagnostics	Analytical or diagnostic services (Laboratories).
4	Medical equipment and supplies	Businesses manufacturing medical supplies and equipment.
5	Medical insurance	Insurance and reimbursement facilities (Hospitalisation).
6	Telemedicine	Delivery to rural and remote areas. Also, applications in healthcare management, and education.

Source: IBEF (2016)

The highlights of the Healthcare scenario in India at the beginning of the year 2016 is shown in Table 2.

Table 2: Healthcare Highlights (January 2016)

Size of the Healthcare Market	100 billion US Dollars
Hospital Beds (as of 2015)	1 Bed: 1,050 patients
Registered Eye Banks (as of 2015)	515
Sub-Centres	1,56,926
Nation-wide Hospitals	1,96,312
AYUSH Hospitals	3,601
Blood Banks (as of February2015)	2,760
Medical Colleges offering MBBS degrees (as of 2015)	404
Government medical colleges (as of 2015)	189
Private medical colleges (as of 2015)	215
Yearly Post-graduate students (as of 2015)	25,346

Source: IBEF (2016).

The key players in Indian Healthcare Private sector is presented in Table 3. These service providers have a national presence and some of them have hospitals (branches) in foreign countries too. Only Narayana Health has a hospital in Kolar amongst these players.

Table 3: Main Healthcare Service Providers

Service Provider	Beds	Indian Branches	Abroad Branches
Fortis Healthcare Ltd.	10,000	12	4
Apollo Hospitals Enterprise Ltd.	9,215	30	2
Narayana Health	7,452	19	Nil
Manipal Group of Hospitals	4,500	10	Nil
Aravind Eye Hospitals	3,649	12	Nil
Max Hospitals	2,016	4	Nil
CARE Hospitals	2.100	10	Nil

Source: IBEF (2016).

The combined bed capacity of all such hospitals inclusive of foreign branches stands at 36,834 (IBEF, 2016).

2. Need for the Research

In spite of the trends and growth in healthcare, there are problems galore. The issues (web 1, web 2, web 3, web 4, web 5, web 6) include unnecessary diagnostics and tests, expensive medicine, incompetent service delivery, unqualified or ill-trained human capital, malfunctioning or obsolete equipment, escalating health expenses, debate about private versus public healthcare, lack of leadership (Management); ignoring obligation to provide free care to a sector of poor patients; non-compliance with regulations.

Hence, need for research exists in several areas. One important area is the quality of healthcare services, especially when patients are coughing up large amounts (expenses) at the cost of ignoring healthcare provided by Government hospitals. Research has focused mainly on metropolitan cities and popular Brand names in the Private healthcare sector. This research alleviates gaps by:

(a) Focusing on Kolar district (non-urban/metro) in Karnataka.
(b) Fostering a holistic view as it comprises analysis of medical service quality as well as hospitality service quality.
(c) Causal research which aids in studying relationships with patient satisfaction and loyalty.

3. Review of Literature

Huei et al. (2015) examined the magnitude of brand image, and its impact on hospital service quality as professed by the medical tourists. Furthermore, this study also appraised the interrelationships among professed service quality, patient happiness, and behavioural intention. The findings of this study designated that brand image has an important positive manipulate on perceived service quality; and brand image is considerably and completely connected to medical tourists' behavioural intent. The findings also confirmed that level of satisfaction partly mediates the connection between service quality and behavioural intention amongst medical tourists. This study suggested that hospitals need to capture a tactical marketing approach to attract and maintain medical tourists in this worldwide aggressive backdrop.

Yeboah et al. (2014) identified the key traits in the healthcare as an important subject for the reason of patient satisfaction development. This study examined two methods of service quality viewpoint and the Kano model for patient satisfaction development. This study also made an input to patient understanding of the difficulty of the healthcare service. This study exposed shifts in categories eventually and with patient and administration experience. As aggressive forces persist to pressure imitation and innovation, both in the ways a specific interactive attribute is performed in addition to in the adding of new characteristics, the hospital management must constantly observe their service and patient satisfaction connection so as to realize changes that will reinforce the relationship and develop the loyalty. The study concluded that the hospital management must constantly observe their service and patient satisfaction association so as to realize changes that will support the affiliation with hospital employees.

Farley et al. (2014) revealed that physician healthcare service should be protected, efficient, patient-centric, timely, competent, and reasonable. It was found that the study did not comprise patient satisfaction as one of its aspects of quality and exclusively noted that the decision to skip satisfaction ratings was persistent because they did not believe it as a sufficient measure. In spite of this, patient satisfaction survey tools are growingly used by patients and hospitals to assess value in the health care system. The study supposed that the insertion of a separate domain for the patient experience in payment programs, like that of the value based modifier, and is a valuable measure of patient-centric treatment. Satisfaction of patients is vital in any service industry but should be employed as a prudent outcome measure, a valuable aspiration in and of itself. In conclusion, this study strained that clinical quality and the patient experience are interdependent distinct realms, requiring separate quantity, monitoring, and inducement initiatives.

Chandrasekar (2015) investigated the patient's satisfaction in the direction of service quality of government hospitals. The government hospitals have played extraordinary task in India predominantly in rural areas. In addition to inexpensively and financially low level people depends on government hospitals owing to their minor and major health setback and their excellence of treatment. It was found in the study; most of the patients were satisfied concerning free medical treatment, cost and free tablets, quality of service. Since, at present medical environment looking forward best price, good infrastructure amenities, technological development and accessibility, best payment alternatives and good worth of service. It was also found that some of the patients were disgruntled in government hospitals concerning inadequate doctors, infrastructure and lack of technological developments. It was concluded that most of the patients were pleased with good quality of service accessible in government hospitals.

Wesso (2014) analysed all features of service quality and a diversity of performance measures to certify desires and goals are being met. In South Africa, healthcare needs more than just expansions in infrastructure. This study was found that certain qualities such as, compassion, patient centric and technical capability, reassurance, waiting time, infrastructure and emergency of care. This study indicated that in relation to other dimensions, patients are satisfied with the environmental features in addition to the medical service they are receiving. This study provided insight into the discernments of the public health system and also provided understanding into how to recover it. It was concluded that substantial resources and infrastructure is significant, intangible factors renders a major role in ensuring service satisfaction.

Dave and Dave (2014) conducted to discover the outcome of service quality on patients' satisfaction and patient loyalty in private hospitals. It was found that patients had provided more fondness to doctors' qualification and familiarity of doctors. It was also found that status of hospitals is influencing factor together with extra amenities, existing in the hospital. Patients assumed that hospitals should be located in nearby area. Healthcare service suppliers should distribute correct information now and then as more quality information directs to patient attentiveness and satisfaction. The hospitals should have suitable operating hours and nurses should provide personal attention to patients. Particularly this difficulty was found in private and trust-run based hospitals. The study revealed that to develop patient satisfaction, healthcare service contributors must focus on quality enhancement strategies.

Iyengar and Dholakia (2015) examined the task of physician specialist services in rural public health structure of India in the areas of maternal and child healthcare. The study examined the aspects of infrastructure, manpower and functioning challenges faced in the efficient offering of physician specialist services, clinic care through the rural health facilities. The findings of the study revealed that major dearth of specialist doctors with their focus at the district level. Moreover, there are stern misallocations of the expert doctors and, absence of manpower support, equipment and essential infrastructure within the public health system causing severe challenges in efficient provisioning of specialist facilities for maternal and child healthcare. It was suggested that the specialists also reported inadequate support employees, apparatus and other infrastructure for providing sufficient services in the area of their specialty.

Ross and Venkatesh (2015) attempted to afford people, particularly the patients and healthcare professionals with enough information to comprehend the fundamentals of quality development, and to offer a starting point for enhancement in quality

that has better influence on patient satisfaction. The study stressed that physical amenities is the most vital factor on healthcare quality, followed by food and behaviour of personnel and admission process from patient standpoint. Based on the years of experience of employees the level of perceptive on healthcare quality fluctuates extensively with high experienced staff and more acquaintance on healthcare quality. This study concluded that quality development initiatives like quality mission declaration of the organization, redesigning and reengineering in hospital frequently, bench marking within the hospital and management walk around to recognize problems and issues on superiority assists the administrators to work towards excellence.

Maina (2014) observed that high quality services comprise the hospital being consistent, safe keeping of patient records, provision of sufficient information about health circumstance, existence of up to date apparatus and technology in the hospital and performance of professionalism. Results of the study designated that client discernment towards hospital costs was not a significant predictor of hospital performance. It was found that customer insight towards hospital employees and their insight towards quality of service had important persuasion on hospital performance. From the study findings, the following suggestions are offered. First, it is suggested that pricing for any hospital facility should be based on value and what opposition presents. Secondly, the hospital should put determines in place to certify that the workforce they already have are well qualified or the hospital engages more employees to make sure that their valued customers are served professionally.

Mahakalkar et al. (2015) revealed that the extent of satisfaction was gentle to reasonable with reference to housekeeping, waiting time and availability of specialist service in the hospital, which need to be further investigated and corrected. The factors that satisfied the patients in this study were sanitation in the wards, connected amenities for physical rest, drinking water, and, the most significant, the physician services and openness to their troubles and the uncomplicated managerial procedures. To conclude, estimations of patient satisfaction and assessment of the factors for dissatisfaction are pertinent to toughen the bonding between health-care service and the faith of a society. The cost efficiency of the services afforded would also go a long way to preserve the connection between the doctors and the patient for the attainment of the optimal level of health of the individuals.

Harnagle et al. (2014) provided an insight about different troubles faced by patients and their relations, concerning diverse aspects of hospital services. This study stressed that satisfaction is attained when patient awareness of quality of treatment and services that they obtain in health care settings has been constructive, satisfactory and meets their anticipation. It was found that in the study; most of the patients have disclosed that maintenance and sanitation in the hospital is reduced. The hospital being situated in old buildings and in large are, is complicated to be preserved completely by employees of the hospital, owing to diverse professional duties. Maintaining neat housekeeping is even more appropriate to a hospital, where resistance is already negotiated because of their illness making them more prone to diseases.

Dheepa et al. (2015) identified patient's satisfaction in the direction of different dimensions that influence the value of service in the government hospitals. This study was found that the government hospital is doing good but still it want to spotlight on certain areas which augments satisfaction level of patients and maintaining good association with the patients at all levels. The study pressured that the anticipations of the patients are found to be superior in all aspects. It is more significant for the superintendent to believe the fact and take essential actions to develop the overall service to obtain satisfied patients. Because, approximately all the hospitals are under government rule, the government has to make an idea in achieving the patient's satisfaction. Since hygienic is the main concern in hospitals, the government could take more project by appointing an executive for premises preservation. The result also concluded that there is a considerable divergence between patients' satisfaction and the service quality magnitudes.

4. Methodology

4.1 Objective of the Research

To propose a conceptual framework and test the causal relations between perceived medical service quality, perceived hospitality service quality, patient satisfaction and patient loyalty.

4.2 Research Design

Causal research design was employed for the research. Causal research design is '*research that focuses on collecting either secondary or primary data and using an unstructured format, or informal procedures to interpret them*' (Malhotra and Birks, 2006).

4.3Sampling and Data Collection

Patients who had undergone treatment or were undergoing treatment at Private Hospitals in Kolar district of Karnataka were surveyed with the help of a structured questionnaire. Proportionate Stratified Sampling (Malhotra and Birks, 2006) was employed for the study wherein strata comprised two categories: Private General Hospitals / Nursing Homes and Private

Multi-Speciality Hospitals. Among the stratum, patients were chosen at random. The estimated and actual sample sizes were 380 and 471 patients respectively.

4.4 Research Framework

The research framework was compiled based on exhaustive review of literature and research gaps. The endogenous variables were retention loyalty; advocacy loyalty; consumption loyalty; perceived service quality; perceived hospitality service quality; patient satisfaction; and patient loyalty. The exogenous variables were doctor / physician; diagnostics; nursing staff; premises and employees; discharge; admissions; meals; and housekeeping.

All the mentioned antecedents were measured with help of 4-point scale (Table 4). The rating scale options comprised 1 = Never, 2 = Sometimes, 3 = Often, and 4 = Always.

Table 4:Research Instrument

Constructs	No. of Items	Sample Item
Doctors / Physicians	11	Doctors' listening to your problems
Nursing Staff	7	Nurses' personal hygiene
Diagnostics	2	Lab/X-ray Technicians' skills
Premises and Employees	5	Physical facilities
Admissions	2	Admission personnel's courtesy
Meals	1	Quality of Meals
Housekeeping	3	Rooms and baths' cleanliness
Discharge	2	Billing process (bills, insurance)
Patient satisfaction	1	Regulations, diagnosis, treatment, billing and other services
Patient Loyalty	3	Utilise the same services again

Source: Compiled by Researcher

5. Analysis and Results

The output of Structural Equation Modelling (SEM) path analysis is summarised in Table 5.

Table 5: SEM Path Analysis

Null Hypothesis	SC	p value	Result
H_{01}: Doctor / Physician has no effect on PMSQ	0.379	***	Rejected at 0.1%
H_{02}: Nursinghas no effect on PMSQ	0.247	***	Rejected at 0.1%
H_{03}: Diagnostichas no effect on PMSQ	0.213	***	Rejected at 0.1%
H_{04}: Premises and Employeeshas no effect on PHSQ	0.121	0.028*	Rejected at 5%
H_{05}: Admissionshas no effect on PHSQ	0.124	0.009**	Rejected at 1%
H_{06}: Mealshas no effect on PHSQ	0.355	***	Rejected at 0.1%
H_{07}: Housekeepinghas no effect on PHSQ	0.166	***	Rejected at 0.1%
H_{08}: Dischargehas no effect on PHSQ	0.314	***	Rejected at 0.1%
H_{08}: PMSQhas no effect on Patient Satisfaction	0.364	***	Rejected at 0.1%
H_{09}: PHSQ has no effect onPatient Satisfaction	0.427	***	Rejected at 0.1%
H_{010}: Patient Satisfactionhas no effect onPatient Loyalty	0.402	***	Rejected at 0.1%
H_{011}: PHSQ has no effect onPatient Loyalty	0.142	***	Rejected at 0.1%
H_{012}: PMSQ has no effect on Patient Loyalty	0.640	***	Rejected at 0.1%
H_{013}: Retention Loyaltyhas no effect on Patient Loyalty	0.859	**	Rejected at 1%
H_{014}: Advocacy Loyaltyhas no effect on Patient Loyalty	0.841	***	Rejected at 0.1%
H_{015}: Consumption Loyaltyhas no effect on Patient Loyalty	0.902	***	Rejected at 0.1%

PMSQ - Perceived Medical Service Quality; PHSQ - Perceived Hospitality Service Quality; SC – Standardised Coefficient; p – Significance.
Source: Primary Data and SPSS AMOS Output.

6. Conclusion

Doctors/Physicians, nursing staff and diagnostics have a positive impact on Perceived medical service quality. Premises and employees, admissions, meals, housekeeping and discharge have a positive impact on Perceived hospitality service quality. Perceived medical and hospitality service quality have a positive impact on patient satisfaction and loyalty. Patient loyalty is positively influenced by retention, advocacy and consumption loyalty.

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