

BUILDING CUSTOMER TRUST THROUGH EXPERIENCE ON HEALTHCARE INDUSTRY

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BUILDING CUSTOMER TRUST THROUGH EXPERIENCE ON HEALTHCARE INDUSTRY

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The purpose of this paper is to examine customer experience in relation to trust in the healthcare industry. A survey was designed and administered in Tasikmalaya to a sample of 185 respondents. Data collection is done through the questionnaire, the customers in C-class hospitals, using judgment sampling techniques. The analytical tool used in this study is the analysis of Structural Equation Model (SEM) where testing on the model of service quality as the construct of an exogenous variable (customer experience) and endogenous variable in this study is customer trust. SEM analysis is used to test the causal relationship between experience and trust, as well as to test the significance of service quality as a construct of experience with the model of second order. The results indicate that experience created by the service quality dimensions that cover physical, reliability, encounter, process, and policy has a significant effect on customer trust. Therefore, the better the experience on the treatment they take, the higher their trust to the hospital will be. In addition, the five dimensions of service quality also reflect experiences. In other words, the dimensions of service quality should always be taken to conduct regular evaluations by the managers because it will shape the experiences of patients to determine their trust to the hospital that will be the main reference in choosing healthcare service. The originality of this study rests on a measurement experience using service quality dimensions to determine trust in the healthcare industry. Further, the findings may assist practitioners to address drivers of their patient's experience based on service quality dimensions.

Keywords: Service quality, customer experience, customer trust.

1. INTRODUCTION

The quality of service is one factor that helps to build customer trust.^{1,2} The service provider should be able to provide good quality service according to the customer needs.³ Customers having good perception will trust in the services and the service providers.^{1,2} To be able to build customer trust in the hospital through the quality of the service, first, we need to examine the factors that build the quality of hospital services. Model measuring the quality of service at the hospital has been developed by⁴ in which the model of service quality can be divided into five dimensions of the physical aspect, reliability, encounter, process, and policy. The model developed based on customer perception of the original dimensions of service quality of tangible, empathy, responsiveness, reliability, and assurance.⁵ Experience interacting with perceptions can affect a person's level of trust.^{6,7,8} Based on experience, the initial assessment of a person against an object can be forwarded or changed.⁶ Therefore, to determine the level of trust of a person against an object, it should be based on experience. The concept of experience in the formation of individual trust is expected to apply in the healthcare industry. When a hospital can provide a good experience, it is expected the hospital could build customer trust. Based on research by^{1,2,9} the quality of service refers to the factors forming the basis of the customer trust. The quality of service can influence directly in building trust. The research conducted by^{6,7,8} explains that the factors

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underlying the formation of an individual trust to others are an experience.

The afore-mentioned studies actually discuss the formation of trust from the point of view of marketing. This study is done to accommodate several separate concepts into a concept in the process of building trust in the hospital, by also considering marketing theory. This study discusses the establishment of trust based on perceptions that arise from the customer experience in assessing the quality of service as long as they are in the hospital (with a minimum classification of C-class, in Tasikmalaya i.e. Tasikmalaya Regional Public Hospital, Jasa Kartini Hospital and MC hospital). Therefore, it is necessary to study the topic of Building Customer Trust Through Experience on Healthcare Industry in Tasikmalaya.

2. EXPERIMENTAL DETAILS

The population in this study is the customer of minimum C-class hospitals in Tasikmalaya. The sampling technique used is purposive sampling where the sampling is based on personal considerations the researchers concerned.¹⁰ In this sampling, researchers ensure themselves in advance that the individual selected as the sample is one that has been a patient at the C-class hospitals more than once. The questionnaire is the primary mean of data collection.

The sample size is done by using interval estimate means as the population is very big and the number is not known exactly. The determination of sample size is also based on the opinion

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of¹¹ that is a minimum size of 100 people in a survey method. Therefore, to improve the accuracy of the results of the research, the sample size taken is between 100 to 200 respondents. The object of research is based on the experience of service quality and customer trust in the minimum C-class hospital in Tasikmalaya. There are three hospitals in Tasikmalaya, Tasikmalaya General Hospital, Jasa Kartini Hospital, and TMC Hospital. The method used in this research surveys. Data processing technique to determine the weighting of respondents' answers is done by using a Likert scale with five (5) scale, both positive and negative. Meanwhile, to determine the effect of experience that is based on the quality of service to customer trust, SEM analysis is used. SEM analysis aims to explain the direct and indirect result of a set of variables, as causes, against a set of other variables, as effects.¹² SEM is a combination of two separate statistical methods namely factor analysis developed in psychology and psychometrics as well as simultaneous equations models in econometrics developed into comprehensive statistical methods.

3. RESULTS AND DISCUSSION

Characteristics or the identity of respondents in this study can be grouped²⁷ based on age, occupation, hospital, and length of stay. The number of respondents in this study is 185 respondents. Characteristics of respondents by age is dominated by the age of 21-30 years old and 31-40 years old as many as 52 and 56 or 28.11% and 30.27%. The majority of respondents in this study are an entrepreneur as many as 41 people or 23.24%, followed by students, employees, and civil servants nearly at the same percentage. The majority of survey respondents are patients of Tasikmalaya General Hospital as many as 83 people or 44.86%, followed by TMC Hospital, and Jasa Kartini Hospital as many as 59 and 43 people or by 31.89% and 23.24%. Most respondents receive treatment for 3 days until one week as many as 121 people or 65.41%.

Description of the variables is done to explain the scores on the questionnaire used to assess the significance of research variables in terms of respondents' answers. The method used in obtaining the degree to which respondents concern about the quality of service is interval level. The experience of patients in this study is in the form of the construct of quality of hospital services consisting of the physical aspect, reliability, encounter, process, and policy. The value obtained from the analysis of respondents' answers on the physical aspect is 3603, reliability is 2948, the encounter is 2874, the process is 3037, and policy is 1519 and as a whole, it is in a good classification. As for the variables of trust produces a value of 4750 which in total is in good classification.

To know the effect of Experiences (X) toward Trust (Y), as well as to test the physical aspects, reliability, encounter, process, and policy as construct variables from experience, Structural Equation Modeling (SEM) is used. The results of data processing using SEM on experience and trust through computation employing M-Plus 7.0 program Figure 1 Univariate and bivariate normality of the data used in this study is tested using the criteria of the critical ratio or CR + 2.58 at the 0.01 level (1%). These results indicate that the greatest value of CR is ± 2.51 ; in other words, the data used in this study can be said to be normally distributed. The results of the analysis in this study produce the smallest z-score of -2.903 and the biggest z-score of 1.985. Thus, the data used in this study are free of univariate outliers. Additionally, the biggest Mahalanobis distance is 53.269 smaller than X^2 (26; 0.001 = 54.051), so there are no symptoms of multivariate

outliers. Overall, the fit test of the model is shown in the Table 1. The above table shows that the criteria used have marginal value or close to fit index; therefore the model is still acceptable. Thus, it can be stated that the correspondence between the model and the data in this study resulted in confirmation that marginal or close to fit the dimensions of the factors and causal relationships between factors.

With a level of significance of 5% (0.05) and a cut-off value of 2.58, the following table presents the regression coefficient values and C.R (Critical Ratio) as the basis for acceptance of the research hypothesis. The results of the analysis in this study can be seen in Table 2.

Hypothesis 1, which states the positive effect of the experience on trust, is accepted. This is indicated by the value of CR of 5.227 and p of 0.000, or at the level of significance of 0.05, and the estimated value of 0.369. Thus, the variable experience shaped by the physical aspects, reliability, encounter, process, and policies can significantly affect trust. Therefore, patients' experience shaped by the quality of hospital services can increase their trust.

Hypothesis 1a, which states that physical aspect is a reflection of experience, is accepted. This is indicated by the value of p of 0.000, or at the level of significance of 0.05 and the estimated value of 0.877. Thus, the variable of physical aspects can be one of the constructs forming experience. Therefore, the experience of hospital patients in Tasikmalaya can be formed by physical aspects of the hospitals.

Hypothesis 1b, which states that reliability is a reflection of experience, is accepted. This is indicated by the value of p of 0.000, or at the level of significance of 0.05 and the estimated value of 0.943. Thus, the variable of reliability can be one of the constructs forming experience. Therefore, the experience of hospital patients in Tasikmalaya can be formed by the reliability of the hospitals.

Hypothesis 1c, which states that encounter is a reflection of experience, is accepted. This is indicated by the value of p of 0.000, or at the level of significance of 0.05 and the estimated value of 1.037. Thus, the variable of encounter can be one of the constructs forming experience. Therefore, the experience of hospital patients in Tasikmalaya can be formed by the encounter they have at the hospitals.

Hypothesis 1d, which states that process is a reflection of experience, is accepted. This is indicated by the value of p of 0.000, or at the level of significance of 0.05 and the estimated value of 0.930. Thus, the variable of the process can be one of the constructs forming experience. Therefore, the experience of hospital patients in Tasikmalaya can be formed by the process at the hospitals.

Hypothesis 1e, which states that policy is a reflection of experience, is accepted. This is indicated by the value of p of 0.000, or at the level of significance of 0.05 and the estimated value of 0.809. Thus, the variable of policy can be one of the constructs forming experience. Therefore, the experience of hospital patients in Tasikmalaya can be formed by the policy of the hospitals.

4. CONCLUSION

Experience has a significant influence on patients' trust in C-class hospitals in Tasikmalaya. This is evidenced by the results of this study in which customer trust, in this case, the patients, will be determined by their experience when they are getting a treatment in the hospitals. Therefore, good experience during the treatment will increase their reliance on the hospital concerned.

Physical aspects, reliability, encounter, process, and policy that are elements of the quality of hospital services have been proven to reflect the patient experience. Therefore, the five factors will be important in forming patients' experience during treatment. Patients' experience formed by the dimensions of quality of hospital services can determine the level of their trust. Indirectly, physical aspects, reliability, encounter, process, and policy owned by a hospital will determine the trust of patients. Therefore, the managers should always regularly evaluate the dimensions of service quality because it will shape the experience of patients as the basis of forming a trust to the hospital to finally become the main reference in choosing a hospital.

For academics that will or are doing research on hospital marketing, this study has limitations as trust is simply based on experience alone. Thus, further research is advised to include other variables such as hospital image as a variable to determine trust. In addition, it should also examine the impact or influence patients' experience not only against trust but also against word of mouth as a promotional tool for the hospital.

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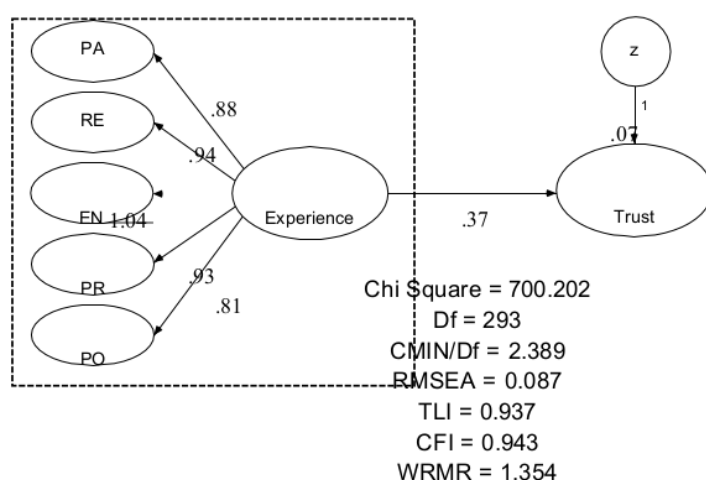


Fig.1. Path Diagram Structural Modeling

Table 1. Goodness of Fit Index

| Goodness of fit index | Cut off value | Results of Analysis | Evaluation Model |
|-----------------------|----------------|---------------------|------------------|
| χ^2 Chi-Square | Expected small | 700.202 | |
| 17 DF | | 293 | |
| CMIN/DF | $\leq 2,00$ | 2.389 | Marginal |
| TLI | $\geq 0,95$ | 0.937 | Marginal |
| CFI | $\geq 0,95$ | 0.943 | Marginal |
| RMSEA | $\leq 0,08$ | 0.087 | Marginal |

Source: data from questionnaire processed using M-plus 7.0

Table 2. Standardized Regression Weight for Hypothesis Testing

| Variable | | | CR | <i>p</i> -value | 12 Note (Ha) |
|------------|----|-----------------|--------|-----------------|--------------|
| Experience | → | Trust | 5,227 | 0.000 | Significant |
| Experience | By | Physical Aspect | 41.679 | 0.000 | Significant |
| Experience | By | Reliability | 38.612 | 0.000 | Significant |
| Experience | By | Encounter | 60.259 | 0.000 | Significant |
| Experience | By | Process | 52.788 | 0.000 | Significant |
| Experience | By | Policy | 22.346 | 0.000 | Significant |

Source: data from questionnaire processed using M-plus 7.0

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