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**DETERMINANTS OF CLIENT LOYALTY AMONGST OUTPATIENTS AT
THE MERIDIAN EQUATOR HOSPITAL**

BY

GURPREET KHOSLA

**A RESEARCH DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF
THE REQUIREMENTS FOR THE AWARD OF THE MASTER OF BUSINESS
ADMINISTRATION IN HEALTH CARE MANAGEMENT DEGREE**



STRATHMORE BUSINESS SCHOOL

STRATHMORE UNIVERSITY

NAIROBI, KENYA

APRIL, 2018

DECLARATION

I declare that this work has not been previously submitted and approved for the award of a degree by this or any other university. To the best of my knowledge and belief, the thesis contains no material previously published or written by another person except where due reference is made in the thesis itself.

GURPREET KAUR KHOSLA.

APRIL 2018

Approval

The thesis of Gurpreet Kaur Khosla was reviewed and approved by:

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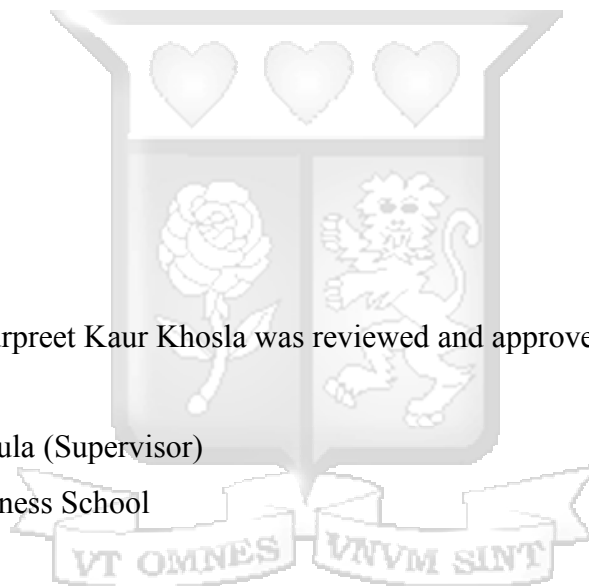
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ABSTRACT

The private health sector continues to grow exponentially across low- and middle-income countries such as Kenya, which has caused increased competition. This creates a strong need for understanding client preferences and drivers of loyalty. This study proposed to identify the determinants to outpatient client loyalty at a mid-sized private hospital in Kenya. The study measured loyalty among clients visiting the outpatient department of the Meridian Hospital and identified the factors that clients consider most important on where to seek services. The study further described the patterns of association between selected client and disease characteristics and factors identified by the clients as most important for loyalty.

A mixed methods cross-sectional study design was used to collect primary data from eligible outpatients attending the Hospital over a two week study period. An average of 13 outpatients were sampled each day using a systematic sampling approach. Data was collected through a self-administered questionnaire. Analysis was done and descriptive statistics presented. Inferential statistics were used to measure the strength of the association between the patient characteristics and the factors identified by clients as most important for loyalty. The results showed that the physical factor, location of facility was most important, followed by service factors and cost factors. Behavioural and cultural factors weighted the least in client considerations for loyalty. Most patients perceived the quality of the health care services to be high, with tangibles as the highest rated service dimension and empathy having the lowest rating. It was found that there is a positive association between perceived service quality and both customer satisfaction and customer loyalty. It was also found that customer satisfaction has a very strong association with customer loyalty.

The findings of this study will inform decision making by helping the management of Meridian Equator Hospital to prioritize for quality improvement the dimensions of quality with the greatest impact on customer attraction and retention. Study findings will also inform policy and practice on ways of attracting and retaining clients with different sociodemographic and disease characteristics.

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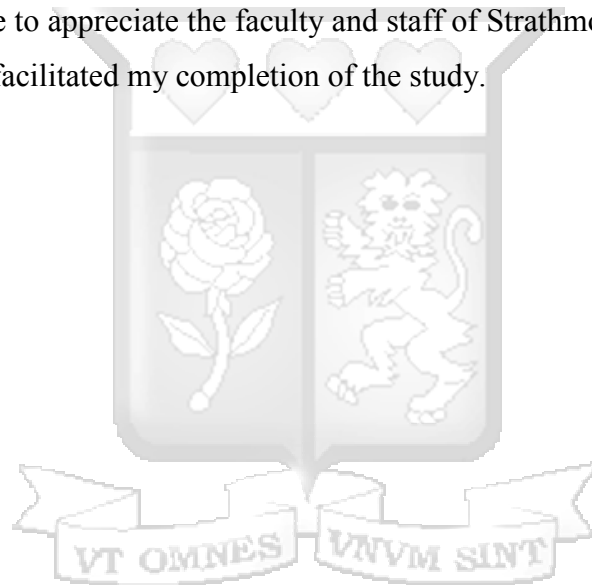
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DEDICATION

I dedicate this paper to the two most special people in my life. First my mother, the late Narinder Kaur Khosla who always taught me to look forward and aim higher in life, and without whose prayers and sacrifices I would not have reached this far. Second, my daughter Heer Khosla who has been my biggest motivation in preparing this research paper and completing my degree.



CHAPTER 1

1.1 BACKGROUND

The gap between priorities and the actual needs in our continent Africa is growing in the Health sector. There is a need to move from a problem-solving environment into a long-term positioning interaction between domestic and international relations in the health reform process. Many healthcare systems throughout the world are pivoting towards value-based healthcare. The aim is to move from volume-based to value-based care, promote patient-centric care, and reverse rising costs (Hurh, Ko, & Lee, 2017). Over recent times, several reforms have changed health care provision and opened up for provider competition along some dimensions. There has been an increased role of the private sector in health care service delivery. Investors and entrepreneurs are engaging through market-based solutions that can spur investments to advance health, the SDGs and the Universal Health Coverage agenda (National Academies of Sciences, Division, Health, & Safety, 2017).

Global competition and technological developments have dramatically increased product knowledge and available alternatives to customers (Wagner and Hansen, 2004). Patients as consumers of healthcare, are increasingly determining service quality. Thus, many health and medical organizations consider their service quality from the perspective of patients (Rahmani, Ranjbar, Gara, & Gorji, 2017). This is a critical issue in multicultural countries with a great deal of ethnic and socioeconomic variety in their populations (Gornick, 2000).

This has created increased competition in the health space. The large number of health services means there are many more choices. In the present competitive field, the organizations that make a greater effort to attract their customer satisfaction will be more successful and this has promoted increased responsiveness to patients' needs and not only to detect which aspects of service need to be changed, but also to become cognizant of potential discriminations in the delivery of health care to the diverse population. Opportunity to choose service provider is common in insurance-based health systems. In Kenya, the most recent changes in the sector involve the National Health Insurance Fund,

whose management removed restrictions to allow clients to access care with freedom of choice.

People are independent, ideally bounded, and often also strategically rational individuals. Patients' opportunities to make choices in healthcare has a value on its own. It empowers patients in managing their own health. The opportunity to choose the care provider is related to trust in patient-provider relationships and patient satisfaction and may promote commitment to care. From the societal and health system's point of view, choice of provider and competition among providers is expected to enhance quality and efficiency of services. The prerequisites for making choices among different providers in healthcare are that citizens are aware of the opportunity, they have genuine alternatives from which to choose and they have choice relevant information on the quality and the access to services. Patients seem to value the opportunity to choose their care provider but the share of those who have actively utilized the opportunity usually remains rather low (Aalto et al., 2017) . There is high pressure for medicine to become more personalized, using a relational understanding of people to shape policies and practices (Prainsack, 2017). Patient engagement is now a strategy to enable the provision of health care that is responsive to the patient's specific needs and situations. From the service provider perspective this puts client loyalty on the top of the agenda.

There is lack of a uniform definition of the concept of loyalty. It can be stated that customer loyalty is the strength of the relationship between an individual's relative attitude and repeat patronage (Dick & Basu, 1994). The relationship is mediated by social norms and situational factors.

However, there is little information available locally on drivers of loyalty to healthcare providers (Hansen et al., 2008). The private sector has both cash paying and insurance clients. While both types of clients have some similar attributes with regard to loyalty, they differ in the sense that those clients with private insurance are covered under a targeted group of service providers meaning their choices are somewhat limited. Some patients are restricted also in choice based on financial resources and location. Thus, it is important for organizations to strategize to attain and retain the patients who do have a choice (Marshall, 2005; Shiver & Ponton, 2005).

This study examined the physical, cost, service, behavioral and cultural factors affecting client loyalty to a specific provider and how client satisfaction with services related to changes in client loyalty.

1.2: PROBLEM STATEMENT

Healthcare organizations vary considerably in size, organizational structure and nature of services provided (Budin-Ljøsne & Harris, 2016). The more complex chronic diseases of the modern era and the rapidly aging population demand more resource-efficient healthcare systems.

With increased focus on patient centered-ness in health care, health institutions are putting more efforts towards providing equitable and universal patient access to care of the highest standard regardless of the patient's socio-economic status and geographical location (Budin-Ljøsne & Harris, 2016).

Increased competition coupled with more public awareness that comes from multiple channels for example social media has put the issues of client /patient satisfaction and loyalty higher up the agenda, with healthcare workers increasingly seeking ways to meet client expectations, with the belief that this would most likely result in clients returning at future dates.

However, returning of clients is a multidimensional concept, reliant on a variety of factors including, fixed factors such as location of the facility and the distance the client has to travel as well as empanelment of the facilities by health insurance providers; and variable factors such as client satisfaction, types of services provided, physician client relationship and socio cultural factors. The attitudes of customers toward healthcare providers and their services significantly affect the professional future of healthcare organizations.

Few studies have explored the interrelationships across these factors in the Kenyan context. There is, in particular, limited information on the link between factors such as client satisfaction and loyalty to a particular facility.

This study seeks to use Meridian Equator Hospital as a case study to examine the relationships between these factors.

1.3: RESEARCH OBJECTIVES

1.3.1 General Objective

To describe factors affecting client loyalty among clients visiting Meridian Equator Hospital in Nairobi and examine the relationship between the clients' level of satisfaction with services and future loyalty to the hospital.

1.3.2 Specific Objectives

- I. To assess client loyalty among clients at the outpatient department of the Meridian Hospital.
- ii. To identify the factors that clients consider most important on when deciding whether or not to return to the healthcare provider in the future.
- iii. To describe the patterns of association between the service factors identified by clients as most important for loyalty and client characteristics.

1.4: RESEARCH QUESTIONS

- i. What is the current loyalty rating among clients visiting the outpatient department of Meridian Hospital?
- ii. What are the factors that clients consider most important when making the decision on whether to return to the provider in the future?
- iii. What is the relationship between the service factors identified by clients as most important for loyalty and client characteristics?

1.5: SCOPE OF STUDY

The study aimed to understand factors that promote loyalty among clients and what can be done to improve this at the outpatient setting of the Meridian Equator Hospital.

Meridian Equator Hospital is a medium sized hospital that has been operational since October 2010. It is a well-equipped hospital with a capacity of 50+ beds, located in the middle class suburb Nairobi West area in Nairobi County. It offers a wide range of services including: outpatient, inpatient, renal services, pharmacy, laboratory, radiology, ambulance & emergency response, physiotherapy, counseling & VCT, nutritionist services and several specialty clinics. The hospital is on the panel of several medical insurance service providers and therefore both cash paying and insurance clients are seen at the outpatient department.

1.6: SIGNIFICANCE OF STUDY

The value of patient loyalty is through patient behavior. It reduces patient defection. It saves the cost of attracting new customers and promotes greater use of physician services (Jaiswal & Lemmink, 2017). Overall patient retention is a competitive advantage to any health care institution in the changing health sector environment. Patients with a choice are patients with the potential to become loyal.

The business implications are of huge potential for healthcare providers with this study. It will be useful as a management tool for private and public purchasers.

The findings will help the management of Meridian Equator Hospital to formulate effective strategies to ensure better quality of services. This study helps their management to build customer loyalty towards their healthcare services, thereby attracting and gaining more customers.

It can be used as a model for other private health facilities as well to obtain a clearer perspective towards client loyalty. Through patient loyalty, hospitals improve their success potential (Studer, 2003).

CHAPTER 2: LITERATURE REVIEW

2.1 INTRODUCTION

This chapter discusses at length different researches and theories on client satisfaction, patient satisfaction and patient loyalty. There is an introduction into the topic which then delve into empirical review talking broadly about studies done on client satisfaction and loyalty and on factors affecting loyalty, then going into theoretical aspects of satisfaction/loyalty, and weaving these discussions into a conceptual framework, which is presented at the end of the chapter.

Customer loyalty can be described by three characteristics (Gambarov, Sarno, Hysa, Calabrese, & Bilotta, 2017) :

- (1) Propensity of individuals to be loyal (Bennett and Rundle-Thiele, 2002), defined as attitudinal loyalty. Some of the most usual subjects on attitudinal loyalty relate to satisfaction, repurchase intention, and customer perceived value (Bowen and Chen, 2001; Gupta et al., 2007; Hanaia et al., 2008; Scogland and Siguaw, 2004).
- (2) Degree of repeated purchase behavior, defined as behavioral loyalty. Generally, behavioral loyalty investigates subjects related to the successes of loyalty action plan and rewards programs (Lucas and Bowen, 2002; Taylor and Long-Tolbert, 2002).
- (3) Degree of attitudinal perspective defined as composite loyalty (Baloglu, 2002; Jang and Mattila, 2005). Studies on composite loyalty explored the aspects of commitment satisfaction relationship and how they influence customer retention (Gustaffsson et al., 2006).

2.2 THEORETICAL REVIEW

This section explores some of the broader theories around client satisfaction and loyalty. The concepts have been discussed across disciplines over the years, with different ideologies presenting varying viewpoints.

2.2.1 *Theories on satisfaction*

Many theories have been used to understand the process through which customers form satisfaction judgments. One of the major classified theories, is the Expectancy Disconfirmation

Theory, which suggests that consumers form satisfaction judgments by evaluating actual product/service.

A number of authors have however criticized the Expectancy-Disconfirmation theory (EDP) on the grounds that this approach posits that the primary determinant of customer satisfaction is the predictive expectations created by manufacturers, company reports, or unspecified sources (Yi, 1990).

La Tour & Peat in 1979 argued that the EDP ignores other sources of expectations, such as the consumer's past experience and other consumer's experience with similar constructs.

They proposed a modification; the Comparison Level Theory of Thibaut & Kelley of 1959. In contrast to the Expectancy-Disconfirmation paradigm which uses predictive or situationally-produced expectations as the comparison standard, the Theory argues that there are more than one basic determinants of comparison level for a product:

(1) Consumers' prior experiences with similar products; (2) Situationally produced expectations (created through advertising and promotional efforts) and; (3) The experience of other consumers who serve as referent persons.

Applying the Comparison Level Theory to the confirmation/disconfirmation process, LaTour & Peat found that experience based standards or norms play a role as a baseline for comparisons in consumer's satisfaction judgments. They found that situationally induced expectations had little effect on the customer satisfaction, while expectations based on prior experiences were the major determinant of customer satisfaction. This finding suggests that consumers may give less weight to manufacturer-provided

information, when they have personal experience and relevant information about other consumer experiences (Yi, 1990).

There is, however, inadequate information concerning what standards that consumers bring into the consumption experience are being confirmed and disconfirmed. Theoretical discussions aside, the use of past experience suggested by the Comparison Level Theory as the comparison standard in customer satisfaction investigations may serve managers to compare their performance with their rivals, and undertake required actions to catch-up or for product differentiation.

While several comparison standards have been proposed in the literature, no consensus exists concerning which standard might be the most appropriate or which standard best predicts customer satisfaction (Cote, Foxman & Cutler, 1989; Erevelles & Leavitt, 1992) (Yuksel, 2008).

Adapting from the customer satisfaction theories, the major patient satisfaction theories were published in the 1980s with more recent theories being an edited version of those theories (Hawthorne, 2006). The conceptual model will be adapted from two of the most relevant theories to the study (Gill & White, 2009) :

-*Healthcare quality theory of Donabedian (1980)*; proposed that satisfaction was the principal outcome of the interpersonal process of care. He argued that the expression of satisfaction or dissatisfaction is the patient's judgement on the quality of care in all its aspects, but particularly in relation to the interpersonal component of care.

-*Discrepancy and transgression theories of Fox and Storms (1981)*; which advocated that as patients' healthcare orientations differed and provider conditions of care differed, that if orientations and conditions were congruent then patients were satisfied, if not, then they were dissatisfied.

2.2.2 Theories on loyalty

MacStravic described loyalty through the concept of a Loyalty Marketing Wheel. He explained loyalty as two parts that together form a circle, similar to a wheel. The first part addresses loyalty-focused approaches to learning about consumers, linking the five steps of delivering value to consumers (learn, manage, promise, track, and remind). The second

part relates to securing return value contributions from consumers (share, recognize, monitor, promote, and evaluate).

The loyalty marketing chains have been represented using a wheel metaphor because service providers are expected to rotate through the same steps repeatedly, moving the wheel forward. The wheel reflects the new challenge that loyalty marketing presents to health plans and providers: to be loyal to consumers to achieve and retain their loyalty.

The Customer Relationship Theory revealed by several expertise, Temporal and Trott (2001); Kalakot and Robinson (2001); Bergeron(2002); Zikmund (2003); Anderson et al.(2004);Turban (2004);and Buttle (2004) show implementation of customer relationship management (CRM) aims to maintain and sustain customers for the sake of loyalty profitable for the company. The implementation will not be successful without being constituted by Service Quality offered by the company. It means good service quality makes implementation of CRM easier to perform. If service quality provided by the company is good, the company can improve/strengthen implementation of CRM (Kandampully, Mok, & Sparks, 2013). CRM influence on Customer Loyalty gives positive impact on customer loyalty (Agrawal, 2003). This finding is supported by Ndubisi (2007), Haq et al. (2010), Tseng (2010)Reijonen and Laukkanen (2010).

Theoretically, the relationship between satisfaction and loyalty stems from the **Theory of Planned Behavior (TPB)** (Lai and Chen, 2011; Revels et al., 2010). According to TPB, loyalty is influenced not only by satisfaction but also by subjective norm and perceived behavioral control (Ajzen, 1991; Mouakket and Al-Hawari, 2012). Thus, it may be argued that subjective norm and perceived behavioral control may influence patient loyalty. Another factor that may affect patient loyalty is trust. Relationship marketing literature has revealed that trust is the key factor in building customer loyalty (Morgan and Hunt, 1994; Palmatier et al., 2006). In the context of health-care service, the role of trust in explaining patient loyalty becomes more important because health-care service can be categorized as credence service (Zeithaml et al., 2008; Chang et al., 2013; Moliner.

2.3 EMPIRICAL REVIEW

2.3.1 Patient satisfaction studies in healthcare

Literature tells us that the concept of satisfaction is complicated (Heidegger *et al.*, 2006), irrespective of the area in which it is studied. It is a multidimensional concept; not yet tightly defined and part of an apparently yet to be determined complex model. (Hawthorne, 2006).

Donabedian in 1980 identified the importance of patient satisfaction as well as providing much of the basis for research in the area of quality assurance in healthcare. The importance of measuring patient satisfaction is well articulated in the health sector (Lin and Kelly, 1995) with patient satisfaction having been studied and measured extensively as the main construct and as a component of outcome quality (Heidegger *et al.*, 2006) especially in quality care assessment studies (Sofaer & Firminger, 2005).

Verbeek in 2004 discussed whether patient satisfaction is the evaluation of the outcome of care or the treatment of the patient. While the process of care and the outcome of care are related, the process precedes the outcome. Process of care refers to the interaction of components that are necessary for medical treatment such as medical procedures, therapy, and patient care interactions. In contrast, the outcome of care has a specific focus on the patient's quality of life, disease resolution, and survival. He concluded that patient satisfaction is determined by interpersonal factors, medical outcome, ethical and moral treatment of the patient (Verbeek, 2004).

A study by Hawthorne in 2014 stated patient satisfaction relates to previous health-care experiences, health outcomes, expectations, and dynamics of the interpersonal relationship between the patient and the medical team. He also stated that patients may have a different expectation of their care outcome based upon their perceived severity of illness (Hawthorne, Sansoni, Hayes, Marosszeky, & Sansoni, 2014).

In a similar study, Berkowitz linked patient satisfaction to patient experience stipulating that patient satisfaction scores are related to the care environment and the patient experience before, during, and after an episode of care.

A study by Kuper discussed the relationship of patient satisfaction to patient expectations. He states that high patient satisfaction is a good indicator of quality of service; however, perceived quality (from the patient's point of view) is based upon expectations, care environment, cultural influences, and care outcome.

A study by Jenkinson et al reported the level of satisfaction' patient with their hospital care by willingness to recommend the hospital. However, many patients who reported satisfaction with the care they received also indicated a problem with their inpatient treatment. Each time a customer/patient comes into contact with any aspect of the service system, a service encounter, they are presented with the opportunity to evaluate the services and quality of service providers to form an opinion.

Studies show that patient satisfaction has also always been influential in how healthcare practitioners practice medicine and that patients with higher satisfaction are more likely to abide by instructions, take prescribed treatment, and return for follow-up visits. This translates into effective care, higher patient volume, reduced adverse events, and improved patient outcomes (Baummer - Carr & Nicolau, 2017).

According to a study by Newsome and Wright, followed by many subsequent researchers, patient satisfaction and customer satisfaction are not the same thing. The separation was necessary because the marketing-oriented conceptual model was not easy to apply, or was simply inappropriate for many common medical scenarios. Health is not homogeneous; it is a complex blend of emotions, and the consumption of health cannot be seen. Patients may be using different criteria to assess the management of life-threatening emergencies compared with routine health checks. Evaluation may differ depending on whether it was the patient or the health care professional that identified the problem in the first place.

Therefore, patient satisfaction is a complicated phenomenon that is linked to multiple factors. Some of the subjective factors are patient expectations, attitudes, their experiences, personal preferences. Other patient factors are the patients' health status and knowledge level. Some of the health system characteristics linked to satisfaction are the patient provider relationships and cultural competency which is the ability of providers and organizations to effectively deliver health-care services that meet the social, cultural, and linguistic needs of patients. While it is universally applied, it is a phenomenon with

no collective definition, is not specific or discriminatory to disease states, and ultimately is a subjective concept dependent upon the individual.

2.3.2 Patient loyalty studies in healthcare

Loyalty is a customer emotion that brings the person to you, in spite of other more financially lucrative service providers on the market. It differs from satisfaction in that it is not necessarily a rational evaluation, but rather, the result of unconsciously perceived factors.

Dick and Basu define loyalty as a combination of relative attitude and repeat patronage. The combination resulted in four levels of loyalty—true loyalty, latent loyalty, spurious loyalty, and no loyalty. Gremler and Brown concluded from the results of their literature review that the construct of service loyalty consists of three separate dimensions, namely behavioral loyalty, attitudinal loyalty, and cognitive loyalty. The constructs would return, trust, and reputation measure the patient loyalty criterion variables. The authors concluded that loyalty is the extent to which customers engage in repeat purchase behavior, have a positive attitude towards service providers, and use only the provider when a need for the service arises.

According to Vargo et al. (2008), all the research conducted so far confirms that customer participation in the process of value creation is vital to the development of an innovative service that would satisfy customer needs. Engaged customers become partners who cooperate with the organization in the process of value creation in order to satisfy their and other clients' needs, which is how customers become value co-creators and create loyalty (Sashi, 2012).

Most patient loyalty studies have focused on the hospital and patient loyalty for example the Jefferson approach to patient loyalty developed during the 1980s. In this approach, two components defined patient loyalty: intent to reuse and willingness to recommend. Whereas administration of patient satisfaction and other topical questions occurred during the hospital stay, administration of the loyalty questions occurred several months later.

A study by Fisk et al. in 1990 noted patient loyalty was an element of qualitative and quantitative components. The qualitative aspects, indicated if a patient had a choice of a

hospital, then the patient was more likely to be loyal to the choice he or she made and reuse the hospital facility. Second, a patient who actively recommended the hospital to others while talking positively about his or her service appeared more loyal.

Atkins, Marshall, and Javalgi in 1996 supported Fisk et al.'s 1990 findings of positive financial impact where employee satisfaction led to higher patient loyalty. The two patient loyalty measurement constructs were intent to recommend and intent to return. Whereas Fisk et al. focused on patient loyalty, Atkins et al. enabled hospital leaders to have a second measurement for patient loyalty, the satisfaction of employees. Hospital leaders now had information to make strategic decisions about how to increase patient loyalty and what endeavors they would create, approve, and participate in so employee satisfaction was high, knowing very satisfied employees correlated with very high patient loyalty. Al-Mailam discussed the potential role of transformational leadership and the potential for the patient to return to the provider. This required a leadership style to support an open and interactive organization to further the loyalty of patients (Kaleba, 2006; Kerfoot, 2006)

Rounding out the early studies on patient loyalty, a third perspective occurred through the patient-provider relationship. Whereas Atkins et al. in 1996 discussed the positive correlation of employee satisfaction and patient loyalty, Peltier, Schibrowsky, and Cochran in 2002 studied a select population of obstetrical patients. Overall loyalty was a construct of three questions:

a) Likelihood of providing referral; b) Likelihood of using the clinic again; and c) Likelihood of using the clinic for other services (Peltier et al.).

As with earlier patient loyalty research results, overall loyalty was multidimensional. No one or two aspects of the nurse-patient or physician-patient care relationship drove the loyalty score. Aspects of the patient care relationship included willingness of the physician to listen to the patient during labor and nurse-patient interactions post-delivery. The service performance perspective indicated patient loyalty was mainly a function of the amount of decision-making control that physicians allotted. The more decision-making control a woman experienced before, during, and after giving birth correlated with a higher loyalty to the clinic. Based on the patient care relationship and the service

performance findings, they reported the hospital leadership supported a nurse–physician relationship of teamwork to provide the patient with an experience leading to loyalty from patients.

Studies by Garman et al. in 2004, Mac Stravic in 2005 and O’Malley also in 2004 provided further examples of relationships among patient loyalty, employee loyalty, and service excellence. They suggested strengthening patient–caregiver relationships during the hospital stay and strengthen employee loyalty will reflect in patient loyalty. Al-Mailam in 2005 presented a study in which patient loyalty, intent to return, and would recommend the hospital to others related strongly to satisfaction with nursing care.

It is becoming more evident that healthcare service providers must endeavor to create and maintain patient loyalty in order to both increase their market share and promote health in society. Thus, in this study, the importance of patient loyalty in hospitals is examined. Relationships among various factors and value creation to patient loyalty in healthcare as well as the mediating role of satisfaction are investigated.

2.3.3 Studies on factors linked to loyalty

Most research to date has proposed that patient satisfaction is the main determinant of patient loyalty (Chang et al., 2013). The research performed by Chang et al showed that satisfaction is not enough to explain patient loyalty. Their study showed that there is a weak relationship between patient satisfaction and patient loyalty. Furthermore, in the context of health-care service in Indonesia, Patayawati et al. in 2013 found that satisfaction does not influence patient loyalty. Thus, it is important to perform another study on patient loyalty. Marketing literature has identified that loyalty is affected by some variables.

2.3.3.1 Cultural Factors

There is inadequate information about people’s perceptions of providers’ attitudes, service preferences and satisfaction with care. Unfortunately, in multicultural countries, ethnic people are often excluded in health care inquiries owing to the challenges and investment required to ensure their participation (Betancourt, Green, & Carrillo, 2002)

and (Procter, 2006). While, one of the health care sector's objectives in the fight against poverty and social exclusion is providing equal access to high-quality services to all patients, this issue impedes realizing this goal. A study done in Australia aimed to compare the factors important in evaluating the service quality, as well as the influence of perceived quality on patient satisfaction between ethnic minority and the majority group. The result of the study was no difference found between the level of overall service quality and satisfaction between the two groups (Alizadeh, Chavan, & Hamin, 2016).

A study by Mead et al in the UK did provide evidence of inequality in delivery of care and patient satisfaction between the ethnic minorities and majority (Mead & Roland, 2009). However, ethnicity is a constantly evolving sociopolitical construct relating to issues of race, geographical or tribal origin, national identity, migratory status, culture, traditions, language, and religion. As such, it is difficult to define and measure. Studies have shown that customer behavior varies from one culture to another (Grier & Brumbaugh, 1999), and that the ways in which customers interact with service providers are influenced by various cultural factors (Ogden & Jain, 2005). The significance of the ability/inability to speak a particular language and its effect on patient loyalty has not been examined as a specific issue of research interest in itself. Apart from its role in communication, language has emotional connotations for individuals as a conveyor of personal identity and loyalty as stated by Spolsky and Cooper in 1991 (Gorter, 2013). One study done in Canada and Finland examined the impact of language in service encounters in two bilingual countries and the findings revealed that language was considered to be important. The implication was that consumers are prepared to pay more in all service encounters to interact with a service provider who uses the customer's first language, rather than one who does not (Holmqvist, 2011). Another study done by Freeman et al of patients who speak languages other than English at home suggests that both process and outcome measures of quality of interpersonal care may be culture specific. Judgements of quality need to be benchmarked accordingly. The study confirms the added benefit to patients from different cultures of being able to consult in their own language (Freeman et al., 2002).

2.3.3.2 Behavioural Factors

Customer engagement

Studies show that the impact of customer engagement and perceived value significantly affects satisfaction, which affects behavioral reaction indirectly which results in loyalty (Banyte & Dovaliene, 2014).

Auh et al. in 2007 emphasized the direct influence that customer engagement into value creation has on customers' attitudinal loyalty but the study denied its impact on behavioral loyalty. Rajah et al. in 2008 noted the indirect influence that customer engagement into value creation has and distinguished intermediate factors such as satisfaction, trust, and strength of relationship.

A recent study by Brodie et al. suggested that within interactive, dynamic business environments, customer engagement today represents a strategic imperative for generating enhanced corporate performance, including sales growth, superior competitive advantage, profitability and loyalty (Brodie, R. J., Hollebeek, L. D., Juric, B., & Ilic, A. 2011).

Another research that confirmed the assumptions that the degree of customer engagement into value creation has influence on their satisfaction with the company, loyalty, and expenses, and that customer satisfaction with the company affects their loyalty is Grisseman & Stokburger-Sauer, 2012 (Greve, 2014).

In 2011, Gaur et al did a research in Mumbai, India and found that patient loyalty is influenced by relationship satisfaction and patients' confidence to the doctor.

Customer Switching

In the health care organization context, patients switch from one health care provider to another. Uturantix et al. noted that consumer dissatisfaction was a positive influence on brand switching decisions. In other words, satisfaction was inversely proportional to switching. The consumer who was not satisfied would attempt to find information on other products that they deemed to have added value and that were in line with their expectations, and they may stop buying products or influence others not to buy. A

research by Halstead noted that the consumers with unsatisfactory experiences will communicate more negatively to others than those who are satisfied.

A study by Singh adopted the theory of Hirschman (1970), a conceptual framework of exit, voice and loyalty in his research on Industry Characteristics and Consumer Dissatisfaction. In research investigating respondents who experienced dissatisfaction in the three categories of services (grocery, auto-repair, and medical care). He found that over 63% of dissatisfied patients had changed physicians. (Astuti & Nagase, 2016).

A study by McDougall and Levesque concluded that brand switching was inversely related to satisfaction, in other words satisfaction negatively affected brand switching. The cause of switching to another provider is variation. For example, customer switching in service industries is caused by pricing, inconvenience, core service failures, service encounter failures, employee responses to service failures, attraction by competitors or ethical problems.

The conclusion from the research on search behavior variations was that someone who has the need to seek higher variation is more likely to engage in variety-seeking behavior than in repeat purchases. A patient who has not received satisfactory service can switch to another physician. In other words, the patient is no longer loyal because he or she did not receive satisfactory service and is able to switch to another service provider.

2.3.3.3 Service Factors

Employee engagement

Customers are astute and may often recognize employees who care. Including employees in the process of sustaining and building loyalty is beneficial. Employees make a positive difference in customers' loyalty (Skabelund, 2005). It has been highlighted that hospital leaders must engage employees by including them in the plans, sharing the vision, and investing in the employees' education and training to engage employees and positively influence patient loyalty (Gallup Organization, 2000). Engaged employees translate into improved customer service and in turn brand loyalty as a product of this (Armstrong, 2004; Gallup Organization, 2000; Toma, Dubrow, & Hartley, 2005).

Hospital leaders and cross-functional teams must identify centers of excellence within the business, additional opportunities for customer-centered activities, and programs focused

on strengthening customer loyalty (Rapanotti & Hall, 2005; Seiler, 2006). Seiler provided guidance to increase customer loyalty through transforming business activities. In another study, Lara (2005) contended centering the company toward customer interests and needs is effective as well.

Perceived service quality

Numerous elements of a hospital's culture strongly support reputation and would return to the same hospital, such as annual customer service assessment; classes for staff, managers, and leaders; and senior leader presence in the patient care areas and ancillary departments through rounding. Leadership's willingness to change policies, administration's awareness of the patients' strongest value drivers, and the facility's commitment to creating a culture where patient loyalty is most important are additional examples of positive influences on hospital culture (Brond, 2006; Crosby & Johnson, 2005; Leggitt et al., 2003; Pan & Chen, 2004; Studer, 2004).

Parasuraman et al. in 1988 also revealed a company performing good service quality can increase customer loyalty. It means customer loyalty is affected by service quality. A study by Atkins et al in 1996 also found service quality of hospital nurses has a strong relationship to patient loyalty at Midwest Hospital. Gremler and Brown in 1996 stated that service quality is a determinant factor of loyalty and showed the positive relation between the two variables (Mosahab et al., 2010), identifying in empathy, reliability, and responsiveness the specific dimensions that impact customer loyalty (Al-Rousan et al., 2010). Other studies reported that trust and satisfaction serve as mediators between service quality and loyalty (Ou et al., 2011). Moreover, the better the service quality is perceived, the higher is the customer's intention to be part of a membership program of the provider (Baker and Crompton, 2000).

Patients return to hospitals because the experience was personal, the staff was engaged, the food was good, and the cost was reasonable, according to Boshoff and Gray in 2004. Research conducted in South Africa compared private and public hospitals and studied the construct of patient loyalty. Engaged staff provided a climate of respect, concern, empathy, and courtesy toward patients (Boshoff & Gray; Gombeski, 2006). Positive patient experiences with empathetic, courteous, and concerned staff have a positive influence on intent to return to the hospital (Al-Mailam, 2005; Boshoff & Gray). The

relevant aspects include time spent with patient, explaining medical information, and engaging in dialogue with the family of the patient (Garman et al., 2004). As patients consider their personal experiences in a hospital or quality-related information they acquired, the knowledge influences the patients' perception of the hospital's reputation (Studer, 2003).

2.3.3.4 Physical Factors

Berry et al. (2002) conceptualized five dimensions of service convenience: decision convenience, access convenience, transaction convenience, benefit convenience and post-benefit convenience. This study investigates the role of access convenience as one of the determinants towards customer loyalty. Service facility location, operating hours, parking availability, and remote contact options are prominent in the access convenience of health service provision since they rely on consumers' physical presence (Berry, Seiders, & Grewal, 2002).

There is limited research conducted in the health sector which has studied the impact of service convenience on customer loyalty however the studies done indicate that convenience influences a variety of consequences like behavioral intentions (Andaleeb and Basu, 1994; Szymanski and Hise, 2000) and switching service providers (Keaveney, 1995) (Kaura, Prasad, & Sharma, 2015).

2.3.3.5 Cost Factors

A study done by Singh and Sirdeshmukh (2000) revealed that price significantly influences customer satisfaction in service industries. The empirical result of Jiang and Rosenbloom (2005) has also shown that price perception has a positive impact on customer satisfaction and behavioral intention. According to Yieh et al. (2007) when a customer perceives the fairness of the price given by the service provider, positive feelings towards the service provider will gradually develop; these feelings will in turn evolve into behavioral intention. They found that price has impact on customer satisfaction and loyalty (Kaura et al., 2015).

2.3.4 Client satisfaction as an intermediate link to loyalty

Studies show that product quality, customer satisfaction and customer loyalty are related (Olsen, 2002). Moliner in 2009 studied users of both private and public facilities in Spain. He found that patient loyalty is influenced by trust and satisfaction (Haeba Ramli & Sjahrudin, 2015). The Mortazavi et al. 2009 study in Iran also showed that patient overall satisfaction affects loyalty. Furthermore, patient overall satisfaction is influenced by the nursing care, meal, patient room and admission and administrative services.

A study by Lee and Lee identified the difference between intentions and behaviors related to loyalty. Their results showed a strong relationship between satisfaction and brand loyalty, confirmed through logistics regression analysis of average, and differentiation. (Mollen, A. & Wilson, H. 2010).

Kessler and Mylod in 2011 studied the relationship between satisfaction and loyalty by using data from many hospitals in USA. They found significant relationship between the two constructs. The Suki and Suki 2011 study in Labuan, Malaysia found that loyalty is influenced by commitment directly. Furthermore, they found that satisfaction, trust and doctor reputation affect loyalty indirectly. The Ndubisi study in Malaysia in 2012 confirmed that patient loyalty is affected by satisfaction. Tam in 2012 researched health-care consumers in Hong Kong and he found that perceived value and satisfaction affect loyalty. However, the effect is moderated by perceived risk.

Amin and Nasharuddin in 2013 studied patients in public and private hospitals in Malaysia. They found that satisfaction affects behavioral intention, which is another name of loyalty. Furthermore, Qin and Prybutok, also in 2013, investigated college students who received urgent care at least one time, and found that behavioral intention is influenced by image, service quality, perceived value and patient satisfaction.

In a study conducted in the outpatient sector in Turkey, Kitapci et al in 2014, it established that there is a positive linear relationship between service quality, patients' satisfaction and behavioral intentions of outpatients. For outpatient services, empathy and assurance influenced patients' satisfaction more than tangibles and reliability. The authors also concluded that patients' satisfaction had greater influence on positive word of mouth than on repurchase intention.

Wambua et al, (2015) in a survey to determine the patients' satisfaction determinants in Kenyan slums found that there was high patients' satisfaction with the quality of health care services. Patients' satisfaction was higher in private facilities than in public facilities. The main determinants of patients' satisfaction were waiting time and friendliness of the health provider while socio-demographic factors such as gender, age and marital status were not associated with patient satisfaction. The research also found that satisfied patients were more likely to return and to recommend the facility to their friends and family.

All the research concludes that customer satisfaction is not enough to ensure loyalty. In a competitive business, it needs more than customer satisfaction to build customer loyalty (Aurier and N Goala, 2010; Bruhn, 2002; Chang et al., 2013). Furthermore, relationship marketing researchers have agreed that customer satisfaction is not the central construct in establishing customer loyalty (Morgan and Hunt, 1994; Palmatier et al., 2006). In the context of health-care service, researchers also began recognizing a similar condition. Chang et al. (2013) argued that customer satisfaction is not enough to explain patient loyalty. The study revealed a weak relationship between patient satisfaction and patient loyalty. In Indonesia, Patayawati et al. (2013) found that satisfaction does not influence patient loyalty. Given this, it is important to study the other factors that influence patient loyalty.

This section has therefore reflected on the study objectives in that there are several factors affecting patient loyalty in different contexts. Within the context of the Kenyan private health sector, research into this area is to date very limited and this study will be beneficial to all stakeholders involved. The vast number of research studies to date have been done with a basis of known theoretical models which guide the researcher to adapt a conceptual framework from the theories to analyze further research. The following section discusses models and theories of client and patient satisfaction and patient loyalty.

2.4 CONCEPTUAL FRAMEWORK

Customer loyalty as an outcome of different variables into value creation important for company's activity has been analyzed however this construct was treated differently by the authors. Grissemann and Stokburger-Sauer (2012) considered loyalty to be a uni-dimensional construct integrating word-of-mouth recommendations and customer intentions.

On the other hand, others like Auh et al., 2007 and Rajah et al., 2008 viewed it as a two-dimensional construct, entailing attitudinal and behavioral loyalty.

Independent variables of the model are identified with the most common factors affecting customer loyalty apart from the intermediate variables.

Intermediate variables of the model are identified with reference to the model proposed by Rajah et al. (2008), also having in mind the main principles of relationship marketing theory, which considers customer satisfaction and trust as the main antecedents of long-term relationships.

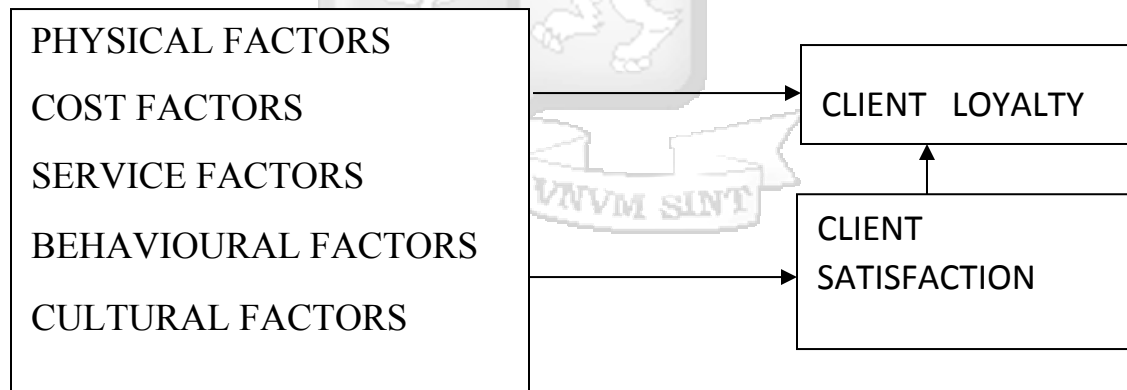


Figure 2. 1: CONCEPTUAL FRAMEWORK

CHAPTER 3: METHODOLOGY

This chapter describes the research methodology used to answer the research questions. It describes the research design, population, sample design as well as data collection processes. The approach used in data analysis is explained along with key limitations explained. Finally the chapter gives an overview of the ethical considerations.

3.1 RESEARCH DESIGN

A cross sectional survey design seeking to measure client satisfaction and loyalty across a sample of clients was used to assess the objectives of the study over a two week period.

A survey is defined by Malhotra and Birks in 2007; as a method of collecting data from people about who they are, how they think meaning their motivations and beliefs and what they do ; their behavior. Further, Denscombe in 1998 reports that the survey approach has such attributes as: (1) wide and inclusive coverage as it takes a panoramic view of the population being studied and characteristics associated with the subject population; (2) it is time specific and provides an image of how things are at that specific time in which the data is being collected; and (3) it tends to focus more on data rather than theory by getting information directly from the source. It is more purposeful and structured. It is relatively cheaper, less time consuming and a lot of data can be collected at any one point. The design was preferred as the most practical approach given time and resource considerations.

3.2 STUDY SETTING

The study was carried out at the Meridian Equator Hospital, a medium sized private hospital located in Nairobi West area of Nairobi County. It is a well-equipped hospital with a capacity of 50 beds. The hospital was selected because it provides services to clients insured by several medical insurance service providers and to cash paying clients.

3.3 POPULATION AND SAMPLING

Bless, Higson-Smith and Kagee in 2006 defined a target population as a set of elements that the researcher focuses upon and to which the results obtained by testing the sample should be generalized. The target population was the outpatients who were seeking

outpatient services at the Meridian Equator Hospital over a two week period. The study focused on the service users because they experience the services and are in a good position to comment on its quality. The client views were helpful in understanding linkage between customer satisfaction and loyalty, and how the hospital can create satisfaction measures to promote loyalty.

3.3.1 Sampling frame

The hospital's information system, Syhos, provided information about the number of inpatient and outpatient clients seen at the facility. The information system therefore provided the sampling frame which was the full list of clients visiting the outpatient department over the two-week period of the first half of February 2018. The facility sees roughly 30 outpatients a day. Over a two week (15 day) period the study population thus was approximately 450 patients.

3.3.2 Sample size & technique

According to Denscombe in 1998 in order to generalize research findings, the sample must be carefully selected to be representative of the population and that the absolute size of the sample will depend on the complexity of the population and the research questions being investigated. The sample size is a smaller set of the larger population (Cooper and Schindler, 2006). The sample size was computed for the primary outcome measure, which is the proportion of clients who report willingness to return to the hospital (proxy measure for loyalty).

By the time this proposal was being developed, there were no published estimates for loyalty across clients visiting private hospitals in Kenya. For that reason, a small pilot study was done to gauge the level of satisfaction and loyalty at the study Hospital. For this study, a small sample of 20 questionnaires was used. From the pilot, 75% of clients reported being satisfied with the services at the Hospital and would return in the future. This was a convenient sample for piloting purposes to obtain the estimate of population parameters for sample size determination, and may carry some bias, but it helped generate a value that could be used as P' in calculating the sample size for this study. Convenience sampling also helped to validate and test the integrity of the data collection tool

instrument. The value of 0.75 was there hence taken as P in the computation of sample size as shown below.

An error limit of 5% and confidence interval level of 95% can be regarded as acceptable as a lower confidence interval of 90% will be difficult to attain and a higher level of 99% will allow too many errors. The sample size was calculated using *Cochran's formula*:

$$n_0 = \frac{Z^2 pq}{e^2}$$
 and since this is a finite population correction for proportions will be done as below:

$$n = \frac{n_0}{1 + \frac{(n_0 - 1)}{N}}$$

Where n is the sample size; N is the population size; n₀ is calculated sample size for infinite population

N (population size) =450, Confidence interval =95%, P (computed percentage of satisfied clients willing to return) = 75% (0.75), Margin of Error= 5% (0.05)

Applying the formula: The calculated sample size was 175. Therefore 175 questionnaires were administered.

Systematic sampling technique was used to administer the questionnaires to every 3rd patient who fits the inclusion criteria, starting from a random number generated in between 1-10. Informed consent procedures were then administered before collecting any information on the patients. Systematic sampling has been selected as it reduces bias (Le May & Holmes, 2012).

3.4 INCLUSION AND EXCLUSION CRITERIA

3.4.1 Inclusion criteria

Only consenting adult patients (over 18 years) were included in the study.

Patients accessing the facility in the time period of 9am to 6pm

3.4.2 Exclusion criteria

Inpatient clients.

3.5 STUDY ASSUMPTIONS

The study is set at a hospital set up and it assumed that clinicians are the main care givers and that patients are considered customers of healthcare. Previous unfavorable hospital experiences by patients were also not factored in as responses to the current study design. The study also assumed that it is possible to measure patient satisfaction. Lastly, the study assumed that participants will respond honestly to the research instrument.

3.6 DATA COLLECTION METHODS

Quantitative data was collected by use of a self- administered structured questionnaire in order to eliminate interviewer bias. As a data collection tool, the questionnaire enabled the researcher to collect a large amount of quantitative data in a short time. By Self-administering, it made it a cost efficient tool (Cooper & Schindler, 2014).

Part of the questionnaire was adopted somewhat from the SERVPERF quality model of Parasuraman et al, (1988) and adapted to measure service quality through assessment of the facility's performance. The model covers 5 dimensions: Tangibles; which includes the physical attributes associated with the service such as the physical settings and appearance of the facility, employees and the available medical equipment. Reliability; the ability of the health care service provider to perform the promised service dependably and accurately. Responsiveness; a measure of the willingness of service provider to help the patient and provide prompt service. Assurance; was measured by assessing the ability by the health care service provider to inspire trust and confidence. Empathy; measured the ability of the health care provider to be caring and to provide individualized attention to the patient. The overall patient satisfaction section assessed how well their expectations were met during the entire process of care rather than discrete actions in the process of care.

The questions were specifically set for the health care setting in two parts with the second half having close ended questions on perceptions of loyalty. The questionnaires were completed by the patients at the end of their outpatient visit. The reception staff were taught how to guide the patients and administer the questionnaire.

All information collected was documented and prior to the client leaving they were requested to sign-off use of their responses for the study purpose. All documents were filed and kept out of the facility by the researcher to avoid document tampering

3.7 DATA ANALYSIS TECHNIQUES

For objectives 1 and 2, the data was analyzed and descriptive statistics reported. These were presented as tables, bar graphs and pie charts.

In objective 3, non-parametric statistical analysis was applied. Chi square tests were done to describe the relationships between the factors identified in the study and the key socio-demographic characteristics of the client.

3.8 RESEARCH QUALITY

3.8.1 Reliability:

Reliability is the extent to which the research instrument will produce similar results in different circumstances and by different raters (Bolanirwa, 2015). Cronbach's alpha analysis was conducted to check the reliability of the instrument. The instrument is said to be reliable if it has alpha coefficient value above or equal to 0.6 (Hair et al., 2006; Lai and Chen, 2011; Malhotra, 2007). In research, a reliability coefficient alpha of at least 0.7 is considered acceptable. In order to avoid a test-retest effect, each patient participant filled only one instrument during the study.

To protect the integrity of the study, the patients who participate in the study were asked not to discuss their responses on the instrument with one another.

3.8.2 Validity:

Content validity is the degree to which the instrument fully measures what it is supposed to measure (Bolanirwa, 2015). This was achieved through extensive review of literature to ensure that the test items on the questionnaire fully captured the dimensions of the study topic.

Also the questionnaire was pre-tested through a pilot study with 20 respondents in order to eliminate ambiguity, to ensure systematic flow and also to ascertain that the data that was collected was sufficient to answer the research questions.

3.9 STUDY LIMITATIONS AND BIAS

The survey was only conducted at one health-care service institution in Nairobi, Kenya. It may cause that the research results cannot be generalized to the other contexts. Therefore, replication research is needed to test the stability of the findings in the other contexts. In addition, data was collected over a two-week period, which may create some temporal bias. It is possible that clients who come to the facility earlier in the month differ systematically from those who visit the facility later in the month.

3.10 ETHICAL ISSUES

Ethical approval to conduct the study was obtained from the Strathmore University Institutional Review Board. With the ethical approval letter from Strathmore University, permission to conduct the research within Meridian Equator Hospital was sought from the General Manager of Meridian Health Group.

The purpose of the study was explained to the respondents before they were recruited for the study. The respondents were made aware that their participation is anonymous and voluntary and that they were free to withdraw from the exercise at any time. Informed consent was obtained from individual respondents before participation. Confidentiality in handling the information was also guaranteed. The respondents were assured that they will not face discrimination for participating in the research. Patients needing urgent medical attention were not recruited to participate in the study.

CHAPTER 4: RESULTS

4.1 INTRODUCTION

This chapter presents the research findings following data collection and analysis. The first section gives an overview of the participant characteristics. The following sections are in line with the research objectives.

The second section discusses the perceptions of client loyalty amongst patients at the hospital. The third section discusses factors the clients consider most important towards loyalty. The final section provides data on the level of satisfaction with service factors and the relationship between the service quality, customer satisfaction and customer loyalty.

4.2 CLIENT CHARACTERISTICS

A total of 175 patients were included in the study. The distribution of respondents by gender was higher for women with 97 (55%) respondents being women and 78(45%) being men, as illustrated in figure 4.1 below.

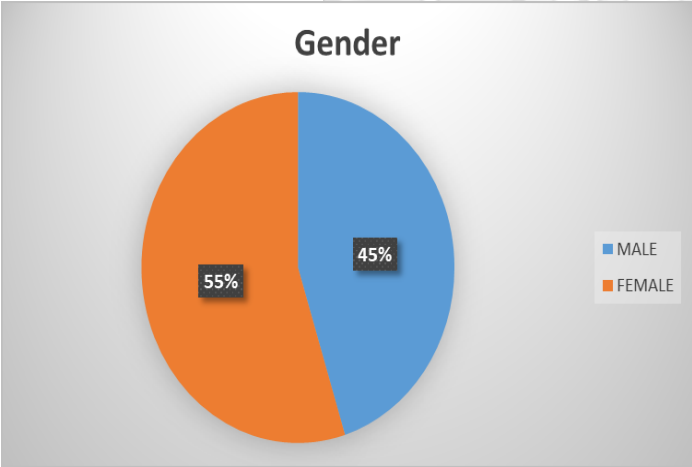


FIGURE 4. 1: GENDER RESPONSES (%)

39% respondents fell in the age group of 31-40 years followed by 21-30 years (35%), 41-50 years (15%), 51-50 years (6%) and under 20years (5%). There were no respondents above 60 years during the time period of the study. This is illustrated in figure 4.2 below.

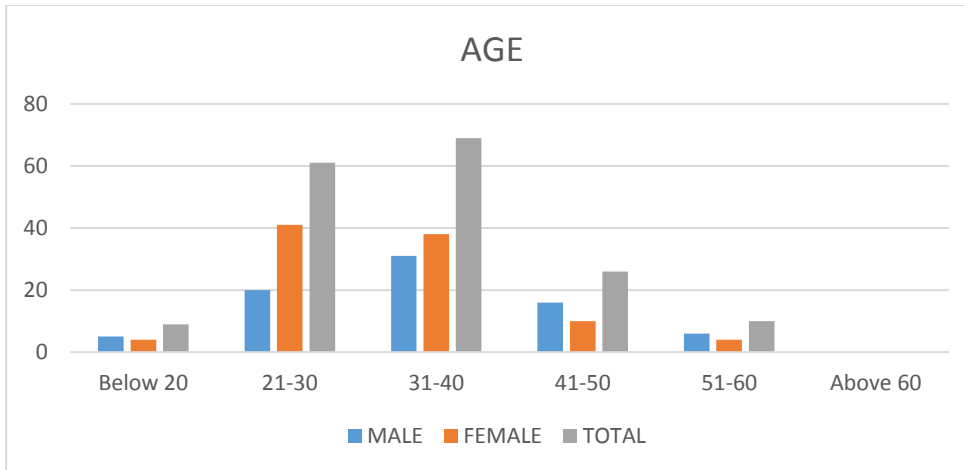


FIGURE 4. 2: RESPONDANTS AGE DISTRIBUTION

33% of the respondents earn between 25,000 to 50,000 Kshs. Those earning between 50,000-100,000 Kshs were 27% followed by 21% earning above 100,000 Kshs. Only 19% respondents earn below 25,000 Kshs. This is illustrated in figure 4.3 below:

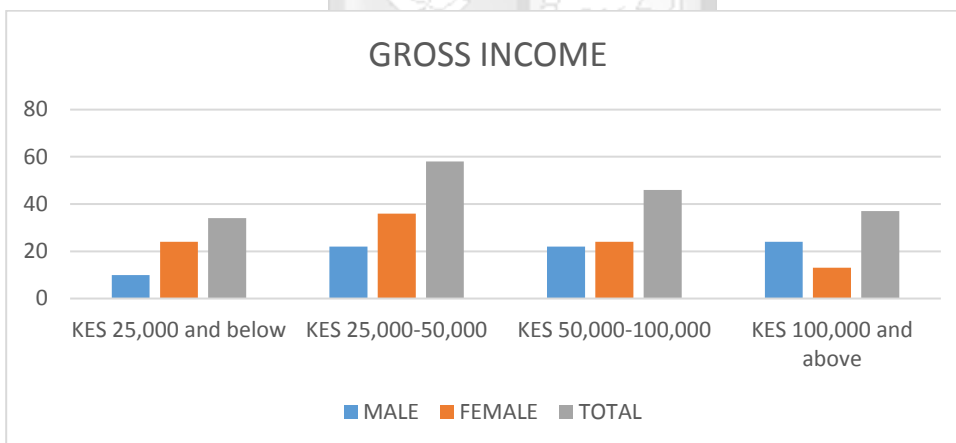


FIGURE 4. 3: GROSS INCOME VARIATION

Table 4.4 below illustrates majority of the respondents (55%) paid for the service via insurance with 25% paying out of pocket and 20% percent of the respondents being employees or family members paid for by respective employers.

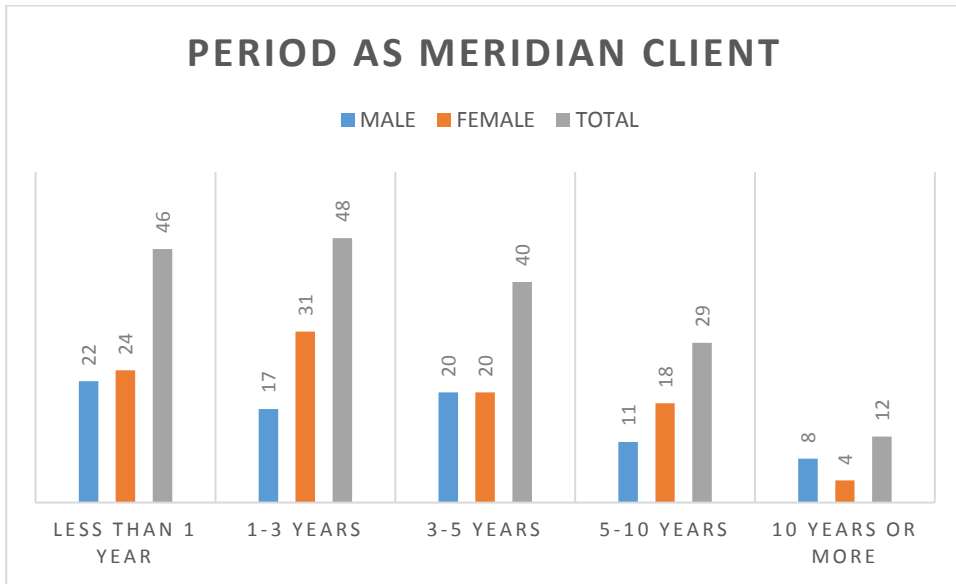


FIGURE 4. 4: NUMBER OF YEARS AS CLIENTS

Table 4.5 below illustrates 27% percent of respondents were either first time clients or had been clients for less than one year, with 26%, 23% and 24% having been clients for 1-3years, 3-5years and over 5years respectively.

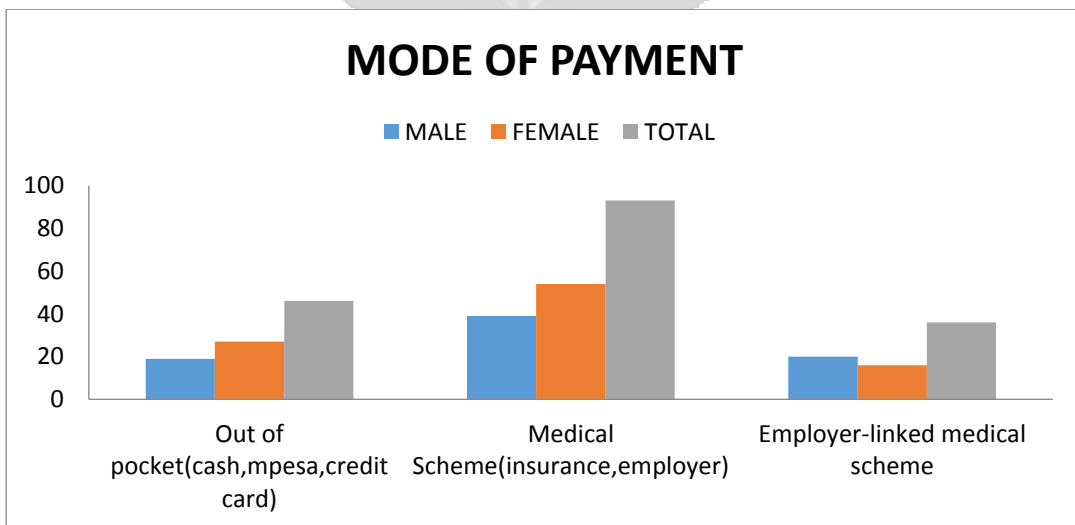


FIGURE 4. 5: CLIENTS MODE OF PAYMENT

4.3 OBJECTIVE 1: CLIENT PERCEPTIONS OF LOYALTY

Two questions were asked to assess customer loyalty. These were whether the patients intended to return to the facility and whether they were willing to recommend the facility to others. Table 4.1 below illustrates that the patients' responses for intentions to return to the facility and their willingness to recommend the facility to others were similar. A favorable score (agree or strongly agree) was given by 80.6% and 84% of respondents respectively.

Table 4. 1: CUSTOMER LOYALTY RATINGS (%)

	Most likely	Likely	Least likely	Not at all	No answer
WILLING TO RECOMMEND	50.3	30.3	6.3	6.3	6.8
WOULD RETURN	56	28	8.6	7.1	0.7

4.4 OBJECTIVE 2: FACTORS IDENTIFIED BY CLIENTS AS IMPORTANT FOR LOYALTY

Most clients mentioned convenience as the most important factor when considering Meridian as the facility of choice. 23% of the respondents said they come to the facility by virtue of it being on their insurance panel whilst 15% mentioned affordable cost as an important factor. Figure 4.6 below displays in percentage, the responses given by patients on the factors they consider most important when choosing to visit the facility.

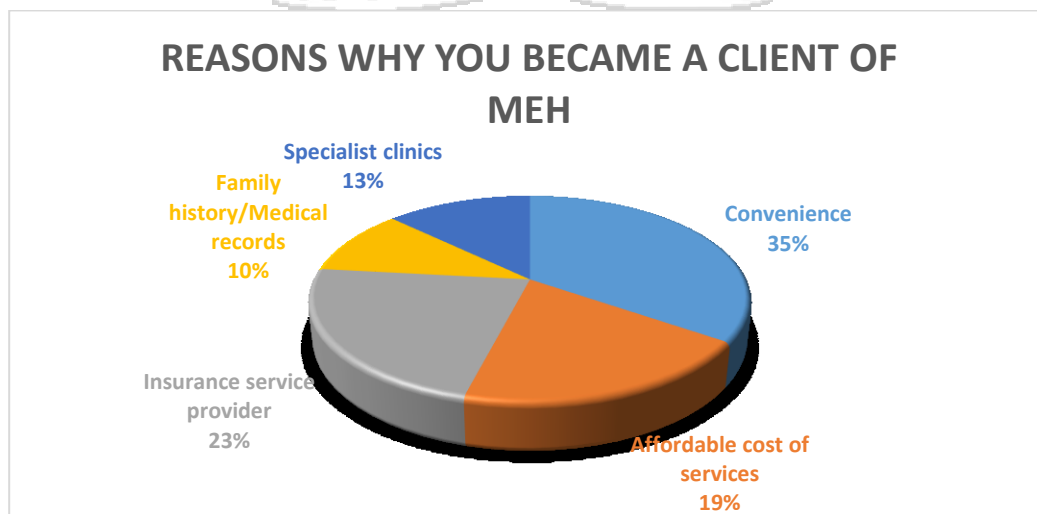


FIGURE 4. 6: DISTRIBUTION OF REASONS FOR CLIENT CHOICE

Figure 4.7 below displays all the reasons clients chose to return to the facility. 17% respondents stated convenience was the most important factor they considered with 14% stating service efficiency. The third most frequent response choice was the friendly behavior of staff.

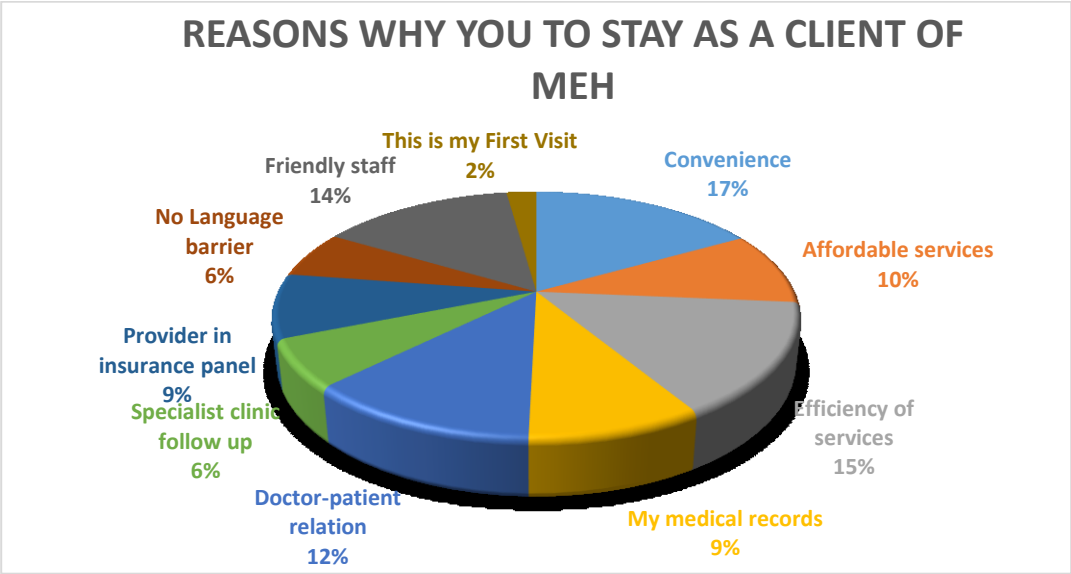


FIGURE 4. 7: DISTRIBUTION OF REASONS FOR CLIENT LOYALTY

SATISFACTION AS AN INTERMEDIATE FACTOR

Patients were asked to rate their overall satisfaction at the end of the visit. The results show that 21.6% of respondents were extremely satisfied with the services while 50.3% were satisfied with the statement. Cumulatively a favorable satisfaction score was given by 71.9% of respondents. On the other hand, only 14.9% cumulatively disagreed that they were satisfied with the services rendered at the facility. This is summarized in table 4.2 below.

Table 4. 2: SATISFACTION RATINGS GENDER-WISE (NUMBERS, %)

	Extremely satisfied	Satisfied	Dissatisfied	Extremely dissatisfied	No answer
MALE	14 (8)	53 (30.3)	5 (2.9)	8 (4.6)	6 (3.2)
FEMALE	26 (13.6)	40 (20)	7 (4)	6 (3.4)	10 (6)
TOTAL	40 (21.6)	93 (50.3)	12 (6.9)	14 (8)	16 (9.2)

4.5 OBJECTIVE 3: PATTERNS OF ASSOCIATION BETWEEN FACTORS AND CLIENT CHARACTERISTICS

This section focuses in depth on service factors. It presents results on patient's perceptions of the quality of health care services on a Likert scale. For each of the dimensions, the percentage of responses are presented in a table. Cross tables are used to analyze the perception of quality across the different patient characteristics.

4.5.1 Client perceptions of service factors

A cumulative score for the Likert scale number 3 and 4 responses, agree and strongly agree, was calculated. Average percentage of responses then calculated per dimension of service quality and discussed below.

80.75% respondents agreed that the facility tangibles were of high quality followed by 79.8% of the respondents agreeing that the competence and knowledge of the doctors was high and that the staff were responsive.

77% of respondents agreed with all most of statements assessing the reliability of health care services.

76.9% percent of the respondents agreed to that the general waiting time was acceptable and the registration process was relatively simple.

67.2% respondents agreed to all most statements regarding assurance. However, 37.6% of the respondents on average indicated that they disagreed with the statement of being able to see the same doctor at every visit and that this, continuity of care is one major factor towards considering loyalty to the facility.

Of the patients who responded to the questions regarding empathy, 65.4% agreed to the statements.

On average, 12% of the respondents chose “rather not say” to the queries on service factors.

Table 4.3 below illustrates, in percentage, the satisfaction levels of clients with service quality factors of the facility.

Table 4. 3: SERVICE QUALITY RATING (%)

KEY 1.STRONGLY DISAGREE; 2.DISAGREE; 3. AGREE; 4. STRONGLY AGREE; 5.RATHER NOT SAY

KEY 2. BLUE HIGHLIGHT INDICATES HIGHEST PERCENTAGE OF RESPONSE RATE PER STATEMENT

<u>TANGIBLES</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
The hospital has the essential equipment in working condition	3.4	8.3	45	37	6.3
The hospital has visually appealing facilities	2.3	8.6	40.5	39.4	9.2
The hospital staff are neat and professional	2.9	2.3	19.4	62.3	13.1
The hospital has correct and clear direction signs	4	8.6	34.3	45.1	8
<u>RELIABILITY</u>					
The hospital provides services as promised	4.6	5.7	33	46.9	9.7
Hospital staff show sincere interest to solve patients' problems	4	4	26.2	55.4	15.4
The hospital performs the service right the first time	4	5.1	44	34.9	12
The hospital provides services in a timely way	4	12	37.1	36.6	11.3
The hospital maintains my medical records	5.5	4.6	30.9	40	19
<u>TIMELINES</u>					
The General waiting time is acceptable	7.4	10.3	42.9	32	7.4
Registration procedure is simple and easy	6.9	5.1	32.6	46.3	9.1
<u>RESPONSIVENESS</u>					
The hospital staff inform me when the services are ready	4.6	4	34.3	44.6	12.6
The hospital staff provide prompt services to their patients'	4.6	4	32.6	48	10.8
The hospital staffs are willing to help the patients'	4	2.3	24	56	13.7
<u>ASSURANCE</u>					
The hospital handled my medical problems competently	4	3.4	28.6	50.3	13.7
The doctors assured me regarding the better treatment	3.4	2.3	8	54.3	13
The doctors are well-manner and courteous	5.1	2.3	21.1	57.1	14.4
The doctors are knowledgeable to answer questions	5.2	1.1	21.7	57.7	14.3
I am attended to by the same doctor at every visit	18.3	33.7	19.4	18.3	13.3
<u>EMPATHY</u>					
The hospital gives individual attention to the patient	5.7	5.1	29.7	44.6	14.9
The doctors deal with patients in a caring fashion	4.6	3	12.6	47.4	15.4
The hospital staff have a patient's best interest at heart	3.4	2.5	2.7	49.7	17.7
The hospital staff understand patients' specific needs	6.3	6.9	33.7	41.1	12

4.5.2 Relationship between client characteristics and service factors affecting loyalty

56.6% of the older aged clients reported higher satisfaction levels with services. Those with a lower earning power of under 50,000 Kshs reported higher satisfaction levels with services (53.7%), however a lower satisfaction score was reported due to being seen by a different doctor at every visit.

Insurance clients reported an almost double satisfaction level (66%) with all service factors compared to OOP clients, who found the services very expensive for the level of the facility.

56.7% of clients who have been coming to the hospital for under 3 years reported a higher satisfaction with services as compared to clients who have been returning for over 3 years (43.3%).

Table 4.4 below illustrates, in numbers of responses and percentages, the satisfaction levels reported for some of the dimensions of service quality, overall satisfaction and constructs of loyalty in relation to different client characteristics.

Table 4. 4: CLIENT SATISFACTION LEVELS (NUMBER, %)

SERVICE QUALITY FACTOR	AGE GRP (yrs)		INCOME (kshs)		PAYMENT MODE		DURATION (yrs)	
	<i>18-30</i>	<i>31-50</i>	<i>0-50,000</i>	<i>51-100,000</i>	<i>OOP</i>	<i>INSURANCE</i>	<i>UNDER 3</i>	<i>ABOVE 3</i>
Working Equip	58(41.1)	83(58.9)	78(52.3)	71(47.7)	40(33.6)	79(66.4)	83(59.7)	56(40.3)
Record Maintain	51(40.5)	75(59.5)	70(52.2)	64(47.8)	34(33)	59(67)	73(59.8)	49(40.2)
Waiting time	53(42)	73(58)	71(53.8)	61(46.2)	31(31)	69(69)	72(58.1)	52(49.9)
Prompt Service	58(42.9)	77(57.1)	75(52.8)	67(47.2)	38(33.9)	74(66.1)	77(58.3)	55(41.7)
Same Doctor	33(42.9)	44(57.1)	35(43.8)	45(56.2)	21(33.9)	41(66.1)	41(55.4)	33(44.6)
Best Interest	54(40.6)	79(59.4)	73(51.8)	68(48.2)	34(31.2)	75(68.8)	75(58.6)	53(41.4)
OVERALL SATISFACTION	56(43.4)	73(56.6)	73(53.7)	63(46.3)	36(34)	70(66)	72(56.7)	55(43.3)
LOYALTY								
Recommendation	61(45.5)	73(54.5)	76(53.5)	66(46.5)	36(32.7)	74(67.3)	78(58.2)	56(41.8)
Would Return	61(46.6)	70(53.4)	77(55.4)	62(44.6)	35(32.4)	73(67.6)	76(58.5)	54(41.5)

To analyze the association of variables to client characteristics, Pearson's chi 2 method was used. The chi-square table value at 5% significance level with 1 degree of freedom was 3.841. Any value of the test statistic below 3.841 would verify that there is no association between a variable with respect to a client characteristic. Any value above 3.841 would indicate that there is an association between the respective variables and client characteristics.

P-values (lowest value at which a test may be rejected) of the various test statistics were obtained as shown in table 4.5 below. $P < 0.05$ was taken as the cut-off however, as is now standard practice in health research, p-values > 0.05 , but less than 0.09, were also highlighted and identified as suggestive of some weak association.

Table 4.5 presents results from the test of association across the variables. None of the associations met the $p < 0.05$ threshold. However, there were some associations that were suggestive of weak relationships.

There was evidence suggestive of a weak association between income and loyalty. Clients who earn higher incomes appeared to have a higher likelihood of preferring the same doctor during subsequent visits (P value of 0.07).

A p-value of 0.054 was suggestive of a relationship between clients paying with insurance and their believing that the staff at the facility had their best interest at heart and were empathetic. There was also a weak association between age and loyalty; the p value of 0.065 was suggestive of a weak association between being an older client, and willingness to return to the facility. All other variables had considerably large p-values, suggesting very low probabilities of association.

Table 4.5 below displays, in general, the association of some service factors, satisfaction and loyalty to different client characteristics.

Table 4. 5: ASSOCIATION BETWEEN VARIABLES AND CLIENT CHARACTERISTICS

SERVICE QUALITY FACTOR	<i>P VALUE</i>			
	AGE GRP (yrs)	INCOME (kshs)	PAYMENT MODE	DURATION (yrs)
Working Equip	0.496	0.383	0.442	0.592
Record Maintain	0.231	0.936	0.695	0.990
Waiting time	0.543	0.387	0.561	0.693
Prompt Service	0.824	0.840	0.745	0.755
Same Doctor	0.870	0.072	0.499	0.545
Best Interest	0.145	0.160	0.054	0.681
OVERALL SATISFACTION	0.289	0.380	0.846	0.499
LOYALTY				
Recommendation	0.177	0.486	0.616	0.463
Would Return	0.065	0.296	0.930	0.712

4.5.3 Relationship between satisfaction as an intermediate variable and loyalty

The result of the chi 2 testing revealed a value of 70.5 and a p value of zero. This means there was a very strong association between satisfaction and loyalty.

CHAPTER 5: DISCUSSION OF THE RESEARCH FINDINGS

5.1 INTRODUCTION

This chapter presents the discussion of the key research findings, in the context of the research objectives and the conclusion of the study.

5.2 KEY RESEARCH FINDINGS

This study sought to assess the determinants of client loyalty in the outpatient setting of Meridian, a medium sized private hospital in Nairobi. This was to be achieved through assessing customer loyalty at the outpatient setting, identifying the factors that clients considered most important when deciding whether to visit or to return to the facility and describing the patterns of association between the service factors identified as most important for loyalty and client characteristics.

The study found that over three quarters of clients were willing to recommend the facility and/or return in the future. Convenient access to the facility, facility being on the insurance panel, cost of services and efficiency of services were identified as the top reasons for selecting the facility and/or choosing to return in future. This meant that physical factors, cost and service factors had a higher significance on patients' choice. The study also found behavioral factors and cultural factors to have much lower significance on the patients' choice on whether to visit or return to the hospital.

Of the dimensions of service quality evaluated, tangibles was rated highest. This was followed by responsiveness, reliability of services, timeliness, assurance and empathy in that order respectively. Over two thirds of the patients reported being satisfied with the services of the facility. Clients whose payments were made by insurance firms were generally more satisfied compared to other clients. Older clients and those who had been patients for less than 3 years reported a higher willingness to recommend the facility to others. The study also reported a strong association between client satisfaction and loyalty (willingness to return at a future date).

5.3 DISCUSSION OF KEY FINDINGS

5.3.1 Objective 1: Client perceptions on loyalty

This study found that the patients were equally likely to return to the facility as to recommend the services to others. The current loyalty ratings were 80.6% and 84% respectively. These results were much higher than the ratings observed in a similar study done at the Gertrude's children's Hospital, which revealed at 55.5% score of patients willing to recommend the facility (Nyarango, 2015).

5.3.2. Objective 2: Factors identified by clients as important and client loyalty

5.3.2.1 Socio-demographic independent factors

Location of a facility in relation to clients' residence appeared to be an important determinant of patient satisfaction and loyalty. This mirrors results of another study done in Tanzania. The Tanzanian study found that patients generally expressed a strong preference for facilities that are located closer to their residence. It also found that patients perceive more distant facilities to be of lower quality than closer facilities (Ga, Ib, & Rn, 2016). This was similar with findings from the study conducted in Ethiopia (Assefa, Mosse, & Hailemichael, 2011).

Cost of services appeared to be another important determinant to loyalty. Similar findings were noted in a study done in private hospitals in San'a Yemen where the cost domain is revealed as one of the key determinants for potential patients' loyalty (Anbori, Ghani, Yadav, Daher, & Su, 2010). Evidence showed that price of the health care was a major deterrent to many people who would like to use healthcare services.

Several studies have found that the behavior of health personnel is associated with client perceived quality. It is well documented that patients who perceive lack of confidentiality on their medical information tend to seek care somewhere else (Leonard, 2008). One study noted that this behavior is more commonly linked to interpersonal or relational aspects rather than technical aspects of care defined in clinical terms (Myburgh et al.,

2005). This study confirms that patients who rated personnel service quality highly also showed loyalty to the facility.

Previous studies have found that presence of qualified personnel at the facility is associated with client perceptions of quality, but existing literature contains little evidence on the relationship between the type of health worker providing care and the client's perceptions of service quality. Given that this study emphasizes the preference for doctors and consistency with the doctor at every visit, patients may bypass facilities without doctors/ with high turnover of doctors when they have a choice to go to facilities with resident doctors. This may hinder efforts to extend health services (Wanjau, N, Muiruri, & Ayodo, 2012). Long-term relationships lead to additional benefits for patients such as increased confidence and social engagement. Patients get to know the physician on a personal level, have less anxiety about treatment performance and come to expect preferential treatment from the incumbent hospital. In effect, these relationships become a barrier to switching care providers (Wang, Huang, & Howng, 2011).

Also consistent with results from previous studies, this study shows that client perceptions of quality are sensitive to the amount of time clients are kept waiting before being seen by the provider (Juliet Nabbuye-Sekandi et al., 2011). This may suggest the need to identify inefficiencies in the process of service delivery.

The physical condition of the facility, service capacity and the presence of equipment or drugs were also associated with variations in clients' perception of quality. Overall, availability of essential drugs is an important factor influencing patients' level of satisfaction and in the choice to return to the facility again. This agrees with results from studies conducted in other settings that have found lack of drugs, availability of a larger variety of services and type of facility to be associated with a perception of higher quality of care by patients (Jackson, Chamberlin, & Kroenke, 2001).

5.3.2.2 Satisfaction as the intermediate variable and loyalty

The perceived level of patient satisfaction with outpatient services in the health facility was measured as an intermediate variable. The study assumed that the expected level of satisfaction with outpatient services was at 75% in the study population with a pilot test. Further analysis indicated that there was no much significant difference between the expected level of satisfaction and the observed level of satisfaction of 72%. This is in agreement with several studies where most patient report high satisfaction with care at private facilities (Baba, 2004) (Wambua et al., 2015) .

The study revealed that customer satisfaction had a direct and positive effect on customer loyalty, while service quality did not, but rather exerted a positive, indirect effect through perceived value with customer satisfaction. The findings are similar to another study (Clemes, Gan, & Ren, 2011). Another study done in Ahmedabad, India he found no significant difference in the patients 'perceptions with respect to patient loyalty and quality however, the more satisfied the patients were with the quality of their interactions with staff, the more likely they were going to take treatments for similar and different medical problems and would recommend the provider to their relatives and friends (Chahal, 2008).

Customers who are very satisfied with the services of firm are much more loyal than dissatisfied customers. This study shows a very high association of satisfaction and loyalty and confirms the above relationship. A study by Ware and Hays demonstrated that satisfaction predicted patient's intention to return for the same service in future. Also, returning patients have presumably had some experience with the health system enabling them to navigate inherent barriers such as locating the different service points (Ware & Hays, 1988).

5.3.3 Relationship between client characteristics, service factors, satisfaction and client loyalty

Past research has found that there are few consistent relations between socio-demographic characteristics and patient satisfaction and loyalty levels (Hansen et al., 2008). However, results of this study suggest there may be associations between patient satisfaction, loyalty and certain socio-demographic factors.

Study findings suggested that older clients were more satisfied with the services provided by Meridian, and were more willing to return at a later date. A similar pattern was observed in another study done at the Busia County Hospital in Kenya where older patients report higher satisfaction compared to younger patients (Kimani, Okeyo, & Sang, 2016). Similar findings were also reported in a separate study carried out in Tanzania and Ethiopia (Juma & Manongi, 2010). The reason remains unclear. It may be that older patients have lower expectations, or that younger clients, who tend to be more exposed, expect a lot more overall.

This study revealed that insurance clients were more satisfied with the services than cash paying clients. The latter complained of excessively high charges for certain services, including laboratory and pharmacy, which may explain their dissatisfaction. It is also possible that insured clients were the wealthier ones and therefore better able to pay for any additional services that may be required. Similar findings were reported in South Africa where more than half of respondents from high socioeconomic (SES) groups felt that they received excellent services compared to a quarter and third of low and middle SES respondents (Myburgh, Solanki, Smith, & Lalloo, 2005). Another possible explanation for the differences in client satisfaction and loyalty across SES groups may be variations in client values, and expectations on what they are entitled to when visiting hospital (J. Nabbuye-Sekandi et al., 2011).

There was a significant positive relationship between service quality and patient satisfaction. This is in sync with the argument proposed by Parasuraman et al in 1985 that higher service quality results in higher customer satisfaction and loyalty. There is a positive relationship between the quality of services and customer loyalty. It was found that tangibles and responsiveness had the greatest impact on customer loyalty. In a study assessing the outpatient services in a Tanzanian hospital assurance was ranked highest by patients followed by reliability and empathy (Khamis & Njau, 2014). A study in Turkey found that responsiveness, reliability, empathy and tangibles had a significant influence on customer loyalty (Turan & Bozaykut-Bük, 2016). Another study in India's private facilities, results showed that empathy had the greatest impact on customer loyalty followed by assurance and responsiveness (Krishna, 2016).

The findings differ from one study to another meaning that patient expectations differ for different cultural backgrounds and patient characteristics along with variations in the study area, sample size, and hospital managements.

5.4 CONCLUSION

The personal expense of health-care may encourage some patients with commercial insurance to shop around before making a decision about a hospital where the patients will receive care. When patients have the option to select health-care insurance, a question is whether the patients will select based on previous experience with a hospital or based on a perception that the highest quality for receiving health-care is at a particular facility. To capture more commercial insurance patients, Meridian Equator Hospital must create a culture in which patients perceive high-quality care, believe the hospital is best at providing medical care, and want to return to the hospital if inpatient care is required to strengthen the patient base through increasing patient loyalty.

Monitoring current customers' loyalty attributes will provide the management with guidance regarding current and future desires pertaining to customer interests.

This study concludes that the interaction of the various facets of services have differing impacts on the perception of satisfaction across various customer markets. Given the findings of the study, Meridian Equator Hospital and other Hospitals can draw upon the findings and develop appropriate customer service management policies, customer relationship management strategies and marketing plans.

5.5 RECOMMENDATIONS

Based on the findings of this study the following are recommendations:

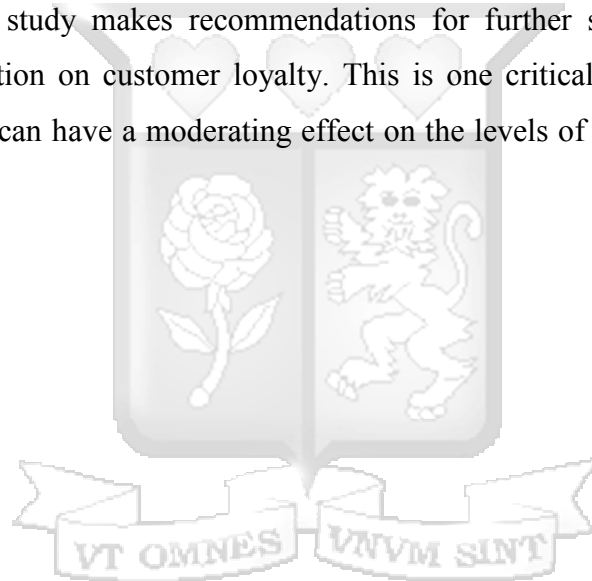
1. Meridian Equator Hospital should use the findings of this study as a baseline for quality assurance and continuous quality improvement.
2. This study should be replicated in other private health institutions for comparison of the findings. This study should also be replicated in public health institutions. This will

be instrumental for other stakeholders especially the government in comparison of findings.

3. The organization should engage the employees by sharing with them the findings of this study and defining their roles in the quality improvement programs since their interactions with the patients determine patients' perceptions and attitudes towards the organization.

4. Further analysis on the impact of customer loyalty on organization financial performance using a health institution as the case of the study. The findings of the study will be instrumental in forming opinion on whether health institutions should pursue customer satisfaction and loyalty at the expense of financial performance.

5. Finally, this study makes recommendations for further studies on the impact of management action on customer loyalty. This is one critical factor that has not been analyzed and it can have a moderating effect on the levels of customer satisfaction and loyalty.



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APPENDICES

APPENDIX I: INFORMED CONSENT SHEET

Title: DETERMINANTS OF CUSTOMER SATISFACTION AND LOYALTY AMONGST OUTPATIENTS IN PRIVATE HOSPITALS

This is an academic research by Gurpreet Khosla in partial fulfillment of requirements for a Masters' in Business Administration at Strathmore University. The objective is to study factors affecting client satisfaction among clients visiting the Meridian Equator Hospital and examine the relationship between the clients' level of satisfaction with services and future loyalty to the hospital

You will be required to fill a questionnaire at the end of your visit. The time for this exercise will be approximately ten (10) minutes.

Your identity will remain anonymous as you are not expected to provide your name or any information that may be used to identify you. The information you provide will be handled with utmost privacy. It will not be divulged to anyone not directly involved in this research.

There will be no compensation in money or in kind for your participation. While you may not benefit directly, the findings of this research will inform quality improvement in the organization that will benefit all patients. Your participation is voluntary and you are free to decline participation at any point. There will be no discrimination whatsoever against you.

In case of any questions regarding this research and your rights as a participant, you may contact me Gurpreet Khosla on telephone number+254 705409405 or by email at info@drghosla.com.

You may also contact my supervisor Dr. Frank Wafula on telephone number +254 722679467 or by email fwafula@strathmore.edu. If you want to ask someone independent anything about this research please contact: The Secretary, Strathmore University Institutional Ethics Review Board, P. O. BOX 59857, 00200, Nairobi, or on email ethicsreview@strathmore.edu. Telephone number: +254 703 034375.

I, _____, have had the study explained to me. I have understood all that I have read and have had explained to me and had my questions answered satisfactorily. I understand that I can change my mind at any stage.

I AGREE to take part in this research and to have my completed questionnaire stored for future data analysis.

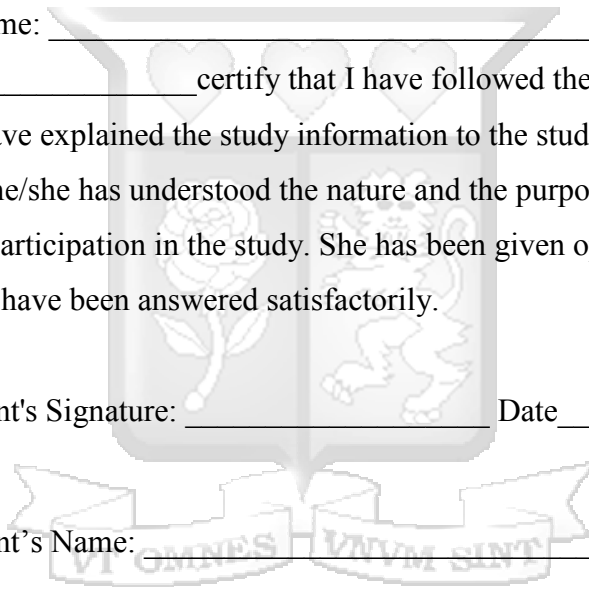
Participant's Signature: _____ Date: _____

Participant's Name: _____ Time: _____

I, _____ certify that I have followed the Standard procedure for this study and have explained the study information to the study participant named above, and that he/she has understood the nature and the purpose of the study and consents to the participation in the study. She has been given opportunity to ask questions which have been answered satisfactorily.

Research assistant's Signature: _____ Date _____

Research assistant's Name: _____



APPENDIX 2: QUESTIONNAIRE

DATE: _____	
QUESTIONNAIRE CODE: _____	
PATIENT DEMOGRAPHIC PROFILE Tick the most appropriate option. Tick only one.	
Gender	<input type="checkbox"/> Male <input type="checkbox"/> Female
Age group	<input type="checkbox"/> Below 20 <input type="checkbox"/> 21 – 30 <input type="checkbox"/> 31 - 40 <input type="checkbox"/> 41 - 50 <input type="checkbox"/> 51 - 60 <input type="checkbox"/> Above 60
Level of gross income	<input type="checkbox"/> KES 25,000 and below <input type="checkbox"/> KES 25,000 to 50,000 <input type="checkbox"/> KES 50,000 to 100,000 <input type="checkbox"/> KES 100,000 and above
How will you pay for the service?	<input type="checkbox"/> Out of pocket (cash, Mpesa, credit card) <input type="checkbox"/> Medical scheme (insurance, employer) <input type="checkbox"/> Employer-linked medical scheme
In total, how long have you been a client of Meridian Equator Hospital?	<input type="checkbox"/> Less than 1 year <input type="checkbox"/> 1-3 years <input type="checkbox"/> 3-5 years <input type="checkbox"/> 5-10 years <input type="checkbox"/> Ten years or more

SERVICE QUALITY FACTORS

On a scale of 1-4 how would you rate our Service Quality factors:

1. STRONGLY DISAGREE 2. DISAGREE 3. AGREE 4. STRONGLY AGREE 5. RATHER NOT SAY

Tangibles

1. The hospital has the essential equipment in working condition	1	2	3	4	5
2. The hospital has visually appealing facilities	1	2	3	4	5
3. The hospital staff are neat and professional	1	2	3	4	5
4. The hospital has correct and clear direction signs	1	2	3	4	5

Reliability

1. The hospital provides services as promised	1	2	3	4	5
2. The hospital staff show sincere interest to solve patients' problems	1	2	3	4	5
3. The hospital performs the service right the first time	1	2	3	4	5
4. The hospital provides services in a timely way	1	2	3	4	5
5. The hospital maintains my medical records	1	2	3	4	5

Timelines

1. The General waiting time is acceptable	1	2	3	4	5
2. Registration procedure is simple and easy	1	2	3	4	5

Responsiveness

1. The hospital staff inform me when the services are ready	1	2	3	4	5
2. The hospital staff provide prompt services to their patients'	1	2	3	4	5
3. The hospital staffs are willing to help the patients'	1	2	3	4	5

Assurance

1. The hospital handled my medical problems competently	1	2	3	4	5
2. The doctors assured me regarding the better treatment	1	2	3	4	5
3. The doctors are well-manner and courteous	1	2	3	4	5
4. The doctors are knowledgeable to answer questions	1	2	3	4	5
5. I am attended to by the same doctor at every visit	1	2	3	4	5

Empathy

1. The hospital gives individual attention to the patient	1	2	3	4	5
2. The doctors deal with patients in a caring fashion	1	2	3	4	5
3. The hospital staff have a patient's best interest at heart	1	2	3	4	5
4. The hospital staff understand patients' specific needs	1	2	3	4	5

OVERALL SATISFACTION

On a scale of 1-4:

1. EXTREMELY SATISFIED 2.SATISFIED 3.DISSATISFIED 4.EXTREMELY DISSATISFIED 5. RATHER NOT SAY

How would you rate your level of overall satisfaction with Meridian Equator Hospital?

1	2	3	4	5
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CUSTOMER LOYALTY

On a scale of 1-4:

1. MOST LIKELY 2.LIKELY 3.LEAST LIKELY 4. NOT AT ALL 5. RATHER NOT SAY

What are the chances that you would recommend Meridian Equator Hospital to a friend or relative?

1	2	3	4	5
---	---	---	---	---

What are the chances you would return for services to Meridian Equator Hospital?

1	2	3	4	5
---	---	---	---	---

Please select one or more of the reasons below why you became a client of Meridian Equator Hospital. (Put X in the box that you agree with)

<i>Convenience</i>	<input type="checkbox"/>
<i>Affordable cost of services</i>	<input type="checkbox"/>
<i>Insurance service provider</i>	<input type="checkbox"/>
<i>Family history/Medical records</i>	<input type="checkbox"/>
<i>Specialist clinics</i>	<input type="checkbox"/>

Please select the reasons below why you choose to stay as a client of Meridian Equator Hospital. (Put X in the box that you agree with)

<i>Convenience</i>	<input type="checkbox"/>
<i>Affordable services</i>	<input type="checkbox"/>
<i>Efficiency of services</i>	<input type="checkbox"/>
<i>My medical records</i>	<input type="checkbox"/>
<i>Doctor-patient relation</i>	<input type="checkbox"/>
<i>Specialist clinic follow up</i>	<input type="checkbox"/>
<i>Provider in insurance panel</i>	<input type="checkbox"/>
<i>No Language barrier</i>	<input type="checkbox"/>
<i>Friendly staff</i>	<input type="checkbox"/>
<i>This is my First Visit</i>	<input type="checkbox"/>

Please indicate below any other reasons you might have for choosing to return to Meridian Equator Hospital

Please indicate below any reasons you might have for NOT choosing to return to Meridian Equator Hospital

Please rate your level of agreement with the following statements:

On a scale of 1-4:

1. STRONGLY DISAGREE

2. DISAGREE

3. AGREE STRONGLY

4. AGREE

5. RATHER NOT SAY

I believe this Hospital deserves my loyalty	1	2	3	4	5
Over the past year, my loyalty to the Hospital has grown stronger	1	2	3	4	5
Meridian Equator Hospital values people and relationships	1	2	3	4	5



APPENDIX 3: TIMELINE OF ACTIVITIES

Activity	Oct 2017	Nov2 017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	April 2018
Area of interest identified	x						
Topic refined to develop study proposal		x					
Write, submit and defend Proposal			x	X			
Collection of data and information					x		
Analysis and interpretation of collected data/information						X	
Final draft prepared— submission of study report							X

