The Role of Patient Satisfaction as Mediation of Emotional Branding and Service Quality to Build Hospital Customer Loyalty

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Abstract: *This study examines four variables, namely emotional branding, service quality, customer satisfaction and loyalty. The purpose of this study is to analyze and explain the effect of emotional branding and service quality on loyalty with customer satisfaction as a service strategy in hospitals. The research respondents were all patients who were being treated at the Aisyiyah Hospital in Malang, Indonesia. The research sample was 158 patients who according to the hospital database were classified as loyal patients. The analysis technique is descriptive and Structural Equation Modeling is solved by linear regression technique. A quantitative approach was chosen to explain the influence between research variables. Collecting data using a questionnaire. The results of this study found that emotional branding has led to customer loyalty which in turn has a positive impact on customer satisfaction. Service Quality has a positive impact on customer satisfaction and loyalty. The ability of hospital management to satisfy customers can be the main strategy to maintain the continuity of the business entity.*

Keywords*: emotional branding, Service Quality, Satisfaction, Customer Loyalty*

I. Introduction

Hospital is a health facility that operates to provide health services to the community. Concerning global competition, hospitals are one of the service providers that are required to be able to win the competition. For this reason, hospitals must be able to build good relationships with patients for satisfaction and make them loyal. Service recipient satisfaction is achieved when service recipients receive services following what is needed and expected (Wigati, 2008).

Islamic Hospital "Aisiyah Malang" is one of the Type C private hospitals located in Malang, Indonesia. This hospital has a vision that is to become a health service center with a heart and professionalism, prioritize quality and patient safety in 2022, and has the motto "My service is my worship". Management at "RSI Aisyiyah Malang" continues to strive to complete facilities and infrastructure to support the treatment process to healing, as well as improve patient health services. RSI Aisiyah Malang generally serves outpatient general practitioners, dentists, specialists, and sub-specialists. Emergency Services (IGD) and the Intensive Care Unit (ICU) are open 24 hours. Also, other medical support services such as laboratories, pharmacies, nutrition, laboratories, radiology, cardiac catheterization, operating rooms, and inpatient services.

Inpatient care is a form of service in a hospital to treat patients due to certain diseases that are handled by professional health workers. Inpatient services at RSI Aisyiyah Malang with a capacity of 186 beds. Inpatient services can be said to be successful if the hospital's performance efficiency indicator, namely the bed occupancy rate (BOR) meets the standard. The ideal hospital BOR (2017) is 60-80% (Ministry of Health, 2005). The annual report of RSI Aisyiyah Malang is known that the BOR value for inpatient services at RSI Aisyiyah Malang has increased.

Table 1. Information on the BOR of the hospital under study

No	Year	BOR
1.	2016	69,81 %
2.	2017	65,08 %
3.	2018	69,03%

The BOR in 2017 decreased to 65.08% but was still within the ideal BOR range, while the BOR in 2018 rose by 3.95%. The increase in BOR was influenced by the increase in visits by emergency room patients and specialist outpatients. The number of patients who visited RSI Aisyiyah Malang also increased, this information is presented in the table below:

Table 2. Information on hospital visits under study

Servicing	Visiting Patient		
	2016	2017	2018
Emergency Services	12.443	14.018	22.064
Normal Care	113.198	135.073	184.445
Inpatient care	11.143	13.632	13.803

The description of patients in the hospital shows that there is an increase in the number of visits to all types of services, both in the emergency room, normal care, and inpatient care. The facts presented in these two tables show that hospital management must pay attention to loyal patients. Therefore, the researcher wants to explain what factors influence patient loyalty and what strategies are appropriate to maintain patient loyalty based on theoretical thinking and the results of previous studies.

The results of previous research studies show that service quality has a significant effect on increasing satisfaction (Sritharan and Velnampy, 2011) and finally on an impact on patient loyalty (Sutrisno et al., 2016). Service quality is centered on efforts to meet customer needs and desires as well as the accuracy to meet customer expectations (Tjiptono, 2004). The results of research at other hospital locations prove that Service Quality affects customer loyalty (Sibrani and Riani, 2007). Service Quality affects patient satisfaction (Sritharan and Velnampy, 20011). Also, patient satisfaction affects patient loyalty (Meesala and Paul, 2016). Customer satisfaction always is the key success to solving every strategic issue (Respati et al., 2013 Sopalatu et al., 2021).

Hospital management, apart from focusing on service quality, also communicates to build good relationships with patients. The emotional branding aspect chosen by hospital management is to build good communication with loyal patients to create service satisfaction. Emotional Branding is a memory placement method that can regulate a person's unconscious relationship and always remembers the company or company's products emotionally (Marc Globe,2005 Utami et al.,2020). Emotional branding has become a way/method for business actors to build sensitive and humane relationships with clients to touch one's level of satisfaction and emotion deeply and long-lastingly (Gobe, 2005 Aurelia et al.,2009). The results of Hariyanti and Susanto's research (2018) prove that emotional branding has a positive impact on patient loyalty. And there is also an influence between emotional branding and customer satisfaction (Wijanarko et al., 2014).

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II.   Critical Theorists

Customer loyalty is the willingness of customers to buy the same product on an ongoing basis and suggest to relatives and family to buy the product (Khan, 2012). According to Griffin (2002), customer loyalty is beneficial for companies to reduce marketing costs to get customers. There are four activities to retain customers such as interaction, work programs for loyalty, personalization with customers, and creating institutional bonds with customers (Kotler and Keller, 2009). There are four types of loyalty categories, namely no loyalty, weak, hidden and strong loyalty (Griffin, 2005). Loyalty can be used as a tool to predict sales growth and buyer behavior (Griffin, 2005). Loyalty measurement can be observed from repeated purchasing activities, making purchases outside the product line, and recommending to other parties and there is immunity from customers to refuse purchases from other products (Griffin, 2005). The stages of loyalty formation occur at the level of product awareness, making initial purchases, and repeat purchases.

Customer satisfaction is the feeling of someone who is satisfied after comparing the reality and expectations of a product after being consumed (Kotler, 2000). According to Kotler and Keller (2009) satisfaction reflects a person's assessment of product performance or results, concerning the assumption that customers can judge satisfied and dissatisfied or disappointed. If the performance of the product matches the expectations, the customer is satisfied, if the product performance exceeds the expectations, it is better according to the customer and they feel happy. The factor of customer satisfaction is much influenced by the perception of product quality, service quality, and personal factors that are temporary situations. Attributes forming satisfaction consist of conformity with expectations, interest in revisiting, and willingness to make positive recommendations (Hakwins and Lonney, 2004).

Marketing research on service quality mostly refers to the Service Quality model thought developed by Parasuraman et al. (1988), which explains that Service Quality is the level of closeness between reality and customer expectations for the services received by users. Users' expectations are based on word-of-mouth information, personal needs, past experiences, and external communications such as advertisements and various forms of company promotions. There are five dimensions to measure services, namely tangibles, reliability, responsiveness, empathy, and assurance. Tangibles are related to facilities, equipment, and personal physical appearance. Reliability is related to the ability to serve the company. Responsiveness is related to the ability of company management to help customers agilely. Assurance is related to the company's ability to guarantee that everything offered to users is at least as expected. Empathy is related to the company's ability to pay attention and understand the needs and desires of customers.

Emotional branding is a brand creation concept that aims to establish an emotional connection between brands and customers through creative and innovative approaches (Gobe, 2010). Emotional branding is a new inspiration to recreate and maintain the emotional connection between products and consumers in the long term. Emotional branding is also a tool for creating a "personal dialogue" with consumers. According to (Gobe, 2010) the basic concept of the emotional branding process consists of four important variables, namely: relationship, sensory experience, imagination, and vision.

Hospital management uses five SERVQUAL measures to determine customer needs and customer perceptions (Kotler, 2005). Services that meet expectations, and provide satisfaction for customers. Customer satisfaction can lead to customer loyalty (Lupiyoadi, 2006:87). The results of the research Sibrani and Riani (2007) show the effect of service quality on patient loyalty in hospitals.

H1: Service quality affects patient loyalty
H2: Patient satisfaction mediates Service quality and patient loyalty

Emotional branding is part of hospital management to retain loyal customers. Hariyanti and Susanto found a direct impact of emotional branding on patient loyalty in Indonesian hospitals. Furthermore, Wijanarka et al. (2014) proved that there is a strong influence between emotional branding on patient satisfaction. Many previous studies have tested satisfaction and loyalty with the results that there is a significant effect.

H3: Emotional branding affects patient loyalty
H4: Patient satisfaction mediates emotional branding and patient loyalty

The explanation of the four research hypotheses is presented in Figure 1 of the structural equation model as follows.

Figure 1. Structural Equation Model as a proposed model
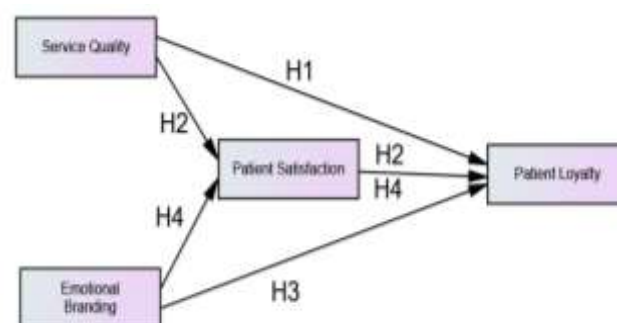
Explanations of research variables and instrument items are presented in Table 3.

Table 3. Research variables and instrument items.

Research variables	Instruments item	Resource
SQ- Service Quality	SQ1-Tangible SQ2-Reliability SQ3-Responsiveness SQ4-Assurance SQ5-Empathy	Parasuraman et al (1990)
EB- Emotional branding	EB1- Relationship EB1- Sensorial experience EB1- Imagination EB1- Visi	Gobe (2010)
PS- Patient satisfaction	PS1- Conformity with expectations PS2- Interested to visit again PS3-Willingness to recommend	Tjiptono (2004)
PL- Patient Loyalty	PL1- Repeat purchase PL2- Buy other than line products PL- Immune to competitor products	Griffin (2005)

III. Research Methodology

Research design

This research design is quantitative, testing four research hypotheses. Descriptive analysis is used to explain the description for each research variable and structural equation model analysis is used to determine the accuracy of the model with the conditions under study. The analysis of the Structural Equation Model in this study was solved by linear regression technique using the SPSS program. T-statistical and path analysis were used to prove the research hypothesis. The data collection tool uses a Likert scale questionnaire (choice 1 indicates the perception of strongly disagree, up to option 5 which is strongly agreed while option 3 is neutral). The SPSS program is suitable to calculate r Validity, CFA, and description analysis (Respati, 2010).

Population and Sample

The research respondents were all patients who received inpatient services at RSI Aisyiyah Malang with criteria > 17 years of age and were able to communicate well. Researchers gave questionnaires to patients who were doing routine check-ups after being hospitalized a few days or months ago. During a period of one month, according to the database of inpatients at the hospital, there were 950 inpatients. The Slovin formula is used to determine the number of samples by considering an error of 5% so that the number of samples is 158 respondents. Sampling using a simple random sampling technique by considering that every patient encountered has the same opportunity to answer the research questionnaire.

Research result

RSI Aisyiyah Malang, located in Malang City, Indonesia, is a healthcare institution that can provide excellent services, which include preventive, promotive, curative, and rehabilitative services with an Islamic touch and feel that is the hallmark of this hospital. Respondents of this study were patients who received inpatient services as many as 158 patients. Researchers have collected primary data, namely respondents' answers to questionnaires, and have tabulated them.

Table 4. Profile of respondents

Year	%	Level of Education	%
21-30 years old	17,7	Master	1,27
31-40 years old	24,7	Bachelor	31,0
41-50 years old	20,9	Diploma	5,1
> 51 years old	36,7	High School	38,6
Gender	%	Middle School	13,3
Male	38,6	Basic School	10,8

Female	62,4		
Occupation	%	**Long treated**	%
Private sector	45,6	2 – 4 days	77,2
Housewife	33,5	5– 7 days	19,6
Government employees	15,2	8– 10 days	2,5
Retired	5,7	≥ 11 days	0,6
Type of payment	%		
BPJS Health (government)	81,6		
Non Government	10,1		
Personal payment	8,2		

Most of the respondents are women, in the age range > 51 years, education level is high school graduates, private jobs, with an average length of stay of 2 to 4 days and they are mostly financed by state insurance. Analysis of data processing using the SPSS (Statistical Package for Social Science) program. There are four research variables and 15 indicators. Researchers have tested the validity and reliability of the indicator instruments. The test results show that it is valid and reliable. The test results are presented in Table 5.

Table 5. Statistical test results of research variables

| Research variables	Instruments	r validity	CA	mean
SQ- Service Quality	SQ1-Tangible SQ2-Reliability SQ3-Responsiveness SQ4-Assurance SQ5-Empathy	0.678 0.785 0.587 0.783 0.721	0.874	4.163 4.221 4.349 4.373 4.348
EB- Emotional branding	EB1- Relationship EB1- Sensorial experience EB1- Imagination EB1- Visi	0.781 0.594 0.573 0.489	0.923	4.401 4.110 4.362 4.284
PS- Patient satisfactio n	PS1- Conformity with expectations PS2- Interested to visit again PS3-Willingness to recommend	0.659 0.638 0.721	0.947	4.394 4.322 4.305
PL- Patient Loyalty	PL1- Repeat purchase PL2- Buy other than line products PL- Immune to competitor products	0.763 0.635 0.723	0.943	4.217 4.085 4.185
CA is Chronbach's Alpha value * is level sig. lowest than 0,05				

Table 5 presents information that the implementation of service quality in hospitals is more emphasized on assurance, patient emotionality in hospital management is shown by the relationship aspect, patient satisfaction is shown in the suitability of expectations and patient loyalty is shown by the behavior of patients who are willing to make repeat purchases.

To build a structural equation model, regression was carried out twice. The results of the regression model equation are as follows:

First multiple linear regression model: PS= 0,556SQ +0,257EB +e1
Second multiple linear regression model: PL= 0,240SQ +0,240EB +0,281PS +e2

Figure 2. Full Structural Equation Model
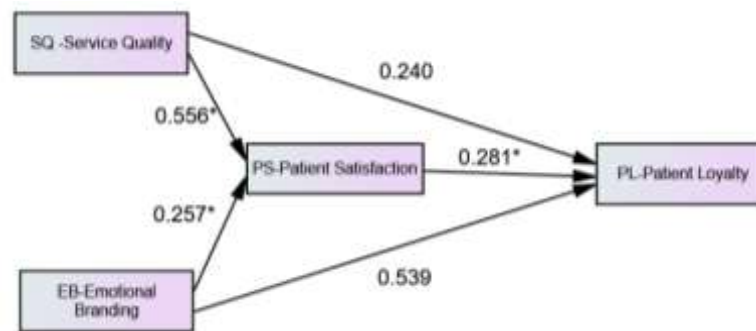
Note: * is level sig. lowest than 0,05

Table 6. The results of the path analysis evaluation

Variables			Direct Effect	Indirect Effect	Result
Independent	Mediation	Dependent			
SQ	-	PL	0,240	-	H1 is rejected
SQ	PS	PL	-	0.556*X 0.281 =**0.156**	H2 is accepted
EB	-	PL	0,039	-	H3 is rejected
EB	PS	PL	-	0.257* X 0.281* = 0.072	H4 is accepted
* is level sig. lowest than 0,05					

Figure 2 explains that service quality (SQ) has no direct effect on patient loyalty (PL). Also, emotional branding (EB) does not directly affect patient loyalty (PL). Service quality (SQ) has a significant effect on patient satisfaction (PS) and in the end, has a direct effect on patient loyalty (PL), the indirect effect is 0.156). Emotional Branding (EB) has a significant effect on patient satisfaction (PS) and in the end, has a direct effect on patient loyalty (PL), the indirect effect is 0.072. The comparison of an indirect effect of 0.156 is higher than 0.071 which means that service quality (SQ) has a stronger influence on patient satisfaction which in turn has an impact on patient loyalty (PL).

IV.   Discussion

Service quality discusses the difference between expectations and reality related to services (Parasuraman et al, 1988). According to the patient's perception, from the assurance, tangible, and responsiveness measurements, reliability was found that the assurance aspect was the most preferred by the patient. Patients feel the service that the hospital can serve well, especially with privacy guarantees and guarantees for explanations from doctors on how to deal with patients' health problems based on complaints. The results of this study are relevant to the statement of Parasuraman et al. (1988) that privacy assurance is part of service quality.

The positive image attached to the customer's mind is part of the implementation of emotional branding (Gobe, 2010). The results of the emotional branding measurement show that the hospital has a positive emotional relationship with the patients. The friendly attitude of employees such as doctors, nurses, and administrative officers creates a positive positioning. Officers in the emergency department, according to the patient's perception, received the most positive response. The results of this study were able to develop Gobe's (2000) thought that a friendly attitude has a great opportunity to stick in the minds of consumers.

Buyer satisfaction discusses individual feelings about the comparison between service performance and spending money after consuming the service (Kotler, 2000). The results of this comparison can be concluded as satisfied or dissatisfied. According to the perception of the patients, after consuming hospital services they feel satisfied. They feel good service, communication between patients, doctors, and nurses is very friendly, and also

the available facilities are very adequate. The results of this study agree with the statement of Kotler (2000) that the comparison between service performance that exceeds the expenditure of money is called buyer satisfaction.

Increasing loyal customers is part of the performance (Grifin, 2005), especially marketing performance. Loyalty is a form of commitment to remain a customer (Oliver, 2005). The test results found that the patients behaved loyally in making repeated purchases. According to the perception of the patients, they make repeated purchases for laboratory services, and individual health control and if there are complaints, they always visit this hospital. The results of this study can confirm Oliver's (2005) statement that the behavior of surviving as a customer by making repeated purchases is part of loyal behavior.

Sibrani and Riani (2017) researching patients in Indonesian hospitals have proven that there is an effect of service quality on patient loyalty. Similarly, Sibarani and Rianai (2017) prove that there is an effect of service quality on patient satisfaction and ultimately has an impact on loyalty. Sriharan and Velnampy (2011) prove that there is an effect of service quality on patient satisfaction in Sri Lanka hospitals. The results of this study are different from those of Sriharan and Velnampy (2011). This study has proven that there is no influence between service quality on patient loyalty. However, the implementation of service quality can create patient satisfaction which in turn has an impact on loyalty. The results of this study are relevant to the results of Sibrani and Riani's research (2017). The relationship between service quality, patient satisfaction, and loyalty in this study proves that satisfaction is the main goal of implementing service quality to get loyal behavior. Communication between hospital employees to patients and the availability of facilities are the focus of patients, so this aspect is very important for the type of business in the sector of hope.

Wijarnarko et al. (2014) examined the effect of emotional branding and loyalty. The results of the study proved that there was a significant effect. Sibarani and Riani (2017) also prove that there is influence of emotional branding on satisfaction. Meesala and Paul (2006) prove the effect of satisfaction on loyalty. The results of this study are different from the findings of Wijarnako et al. (2014). This study shows that emotional branding does not affect loyalty. However, emotional branding has created satisfaction for patients which in turn has an impact on loyal behavior.

V.   Conclusion and recommendation for future research

RSI Aisyiyah Malang has carried out the service well. Likewise, hospitals have positive emotional relationships with patients. Both the implementation of service quality and emotional branding at RSI Aisyiyah Malang can create a high sense of satisfaction for patients so that they behave loyally. On the other hand, it was also found that the implementation of service quality at RSI Aisyiyah Malang did not have a direct impact on loyalty, nor did emotional branding have a direct effect on loyalty. This is because the hospital is a sector of hope. So, to achieve loyal behavior, other aspects are needed such as satisfaction, trust, and understanding. For future research, there are other determinants of loyalty behavior that are more appropriate to be studied for business sector expectations such as hospitals and universities. Future researchers can examine the relationship between trust and understanding of loyalty in the type of business sector that gives hope to stakeholders.

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