

The Factor Influencing Customer Satisfaction in Health Insurance Companies

Alam Gumilang Ramadhan,
Departemen Manajemen
Universitas Komputer Indonesia
 Bandung, Indonesia
 alam.75218010@mahasiswa.unikom.ac.id

Dedi Sulitiyo Soegoto
Departemen Manajemen
Universitas Komputer Indonesia
 Bandung, Indonesia

Abstract—The aim of this research was to know the effect factor of participant satisfaction on health insurance companies. By using quantitative methods with descriptive and verification approaches. The test equipment used Structural Equation Modeling Partial Least Square (SEM-PLS) and questionnaire distributed to 100 respondents. The results obtained factors that affect participant satisfaction is the quality of service which is also influenced by tangibility, reliability, responsiveness, empathy, and assurances by testing the validity and reliability that meet the criteria. The results obtained are expected to be a reference in increasing participant satisfaction in health insurance companies.

Keywords—Consumer Satisfaction, Health Insurance Companies, Service Quality

I. INTRODUCTION

Public as service users health services expect optimal health services in this case the quality of service proper health and according to what which is expected. Customer satisfaction as a user services is one indicator in assessing the quality of service at hospital [1]. High satisfaction will show the success of the hospital in providing health services quality. Service delivery quality health affects patients in terms of receiving treatment. Customer will tend to obey advice, loyal, and obedient to the plan agreed maintenance [2].

Cardozo (1965) stated that participant satisfaction is a long-standing field in a study. Researchers have many versions in the results of their respective studies, but mostly it is about participant satisfaction. As a result, the literature is full of conceptual and operational definitions that differ from consumer satisfaction in an increasingly developed age. Peterson and Wilson (1992) suggest that The study of customer satisfaction is probably best characterized by a lack of standardization of definitions and methodologies [3].

Yi (1990) stated that the differences of opinion regarding definitions are the proven basis that there is still debate whether satisfaction is a process or an outcome. More precisely, the definition of customer satisfaction has emphasized the evaluation process (Fornell, 1992). There is also what is defined as a response to the evaluation process or results (Hartman, and Schmidt, 1994). From the perspective of the general definition, a process is problematic

because there is inconsistent quality services in the process of satisfaction. From an operational perspective, the definition of the process is disturbed by the former construct included in the conceptual definition. As such, there is an overlap between the domains of the determinative process construct and the construct of consumer satisfaction [4].

However, Lewis and Boom (1983) stated that service quality is a measure of how well service levels match participants' expectations. Gronroos (1984) stated that service quality is the result of what participants get and how their responses receive it. Whereas Webster (1989) states that service quality is a measure of how well service levels are received consistently by participants from service providers. Parasuraman (1985) stated service quality is perceived by customer and stems from a comparison of their expectation of the performances of the services provider [5].

Parasuraman et al. (1985) developed SERVQUAL to measure satisfaction in the aspect of service quality. This method is for measuring the problems that occur from comparison of the reality obtained with the expectations of participants more specifically. They are alternately asked to note perceptions about the company's performance on the same characteristics. When producers produce performance and products less than the consumer's expectations, then it is declared bad, vice versa. It was then conceptualized in the service literature as measured by SERVQUAL which involved the quality felt by consumers. Perceived quality is a general assessment related to service. In short, perceived quality involves subjective responses from participants and is therefore very relative or dependent on the participants' perceptions (Parasuraman et al, 1988). However, this is different from the quality measured objectively (Garvin, 1983) [6].

There are 3 serious problems in researching participant satisfaction, this is because there are differences of opinion in testing participant satisfaction namely how to choose an appropriate definition for the given study, operationalizing the definition, and interpret and compare empirical results. Basic structure and theory are influenced by these three problems. When discussing and testing theories, it is important to explain conceptual matters. Part of this process is defining an interesting construct and explaining why this

conceptualization is appropriate. However, if there are several theories that explain different definitions, the researcher takes an understanding that approaches the truth according to the field being discussed [7].

The business environment in the era of globalization and liberalization, insurance sector faces fierce competition to meet consumer demand for the purpose of achieving optimal profits. This is reflected in the organizational culture in terms of financing, participant satisfaction in receiving services as well as the development and improvement of products and benefits. Quality of service is a driver or strength for the insurance business (Thompson et al. 1985). High satisfaction requested by consumers from the influence of service quality, this is a concern for the insurance industry (Kumar et al., 2008). Pricewaterhouse Coopers (2007) states that the healthcare industry is one of the largest sectors in India that affects income and employment. But in India, the assessment of the quality of health services in general has not been good enough, even the results in the health sector that are far from satisfactory (Bajpai and Goyel, 2004). As the target of participant satisfaction increases, the Indian government tries to improve the quality of health services and health facilities (John, 2010). In the health insurance industry, participant satisfaction is also an important issue (Shabbir et al. 2010). Health insurance companies can achieve good patient satisfaction if accompanied by providing quality services; bearing in mind that patient expectations are very high and are demanded to make continuous improvements in health services (Zineldin, 2006). Satisfaction is a psychological concept that is defined in various ways. Sometimes satisfaction is interpreted as an individual opinion about any object or event after gathering some experience from time to time. According to some theorists, participant satisfaction is a cognitive response while others regard participant satisfaction as an individual's emotional bond [8].

Many versions explain the concept of participant satisfaction. However, most researchers agree that measuring the satisfaction of participants is to assess the expectations of a participant compared to the quality of health services obtained by them. It is good to remember that the evaluation of participant satisfaction is in a very important domain because it can illustrate consumer loyalty and whether what the participant gets is what he promised. Hope is in the cognitive realm. This means that we have certain beliefs about the health system and health insurance, which is based on the relationship between certain attributes and aspects of health. Although it has been suggested that participant satisfaction is the sum of evaluations and expectations that we hold (also called the power of belief), this has not been demonstrated in empirical studies. It is emphasized that expectations must be better learned to gain more insight into participant satisfaction [9].

The dimensions of service quality are six dimensions namely tangibility, reliability, assurance, responsiveness, and empathy [4]. The quality of service has been a subject that is discussed quite often by practitioners and researchers in recent

years, and is also driven by the results of research from Parasuraman (1985). The main reason in conducting research on service quality by practitioners is the belief that service quality has a beneficial effect on a company's performance. However, practitioners tend to use the terms service quality and customer satisfaction interchangeably and even perceived many similarities. Academics claim that the satisfaction variable has been recognized as something that continues to be developed in harmony with service quality (Oliver, 1980). The definition of service quality is the result of a comparison between consumer expectations when making a transaction which is then compared with the reality obtained when the service is provided (Lewis, 1983).

Differences of opinion regarding SERVQUAL which can be applied to measure the service quality of each company, especially service companies (Dabholkar et al, 1996). The expectation paradigm in process theory (Mohr, 1982) provides the basis for most satisfaction studies and includes four constructs: expectations, performance, company disconciliation, and satisfaction [10].

Participant satisfaction is important for a health sector. This is a benchmark where the public is guaranteed good and quality health. The state is present in guaranteeing the health of its people by extending its hands through Health Insurances Companies, which is one of the largest health insurance companies in the world because it has so many participants that exceeds 200 million lives. The most important thing is the participant satisfaction factor that needs to be improved and improved, this is one of the goals of my research that took a survey on Health Insurances Companies. The method used is quantitative with SEM PLS test tool, using a questionnaire distributed to respondents namely health insurance participants.

II. METHODS

This research was conducted at the health company, BPJS Bandung by distributing questionnaires distributed to 100 participants as a sample of this study. Each statement was then given a score, which uses Likert scale [11]. In addition to the questionnaire, researchers also used secondary data obtained from company documents.

Using linear regression method and T test to analyze the questionnaire data that has been collected. The statements on each questionnaire are based on previous research [12]. Puay Cheng Lim provides a picture of participant satisfaction (Figure 1) which has been widely used by other researchers to measure the dimensions of service quality that affect participant satisfaction.

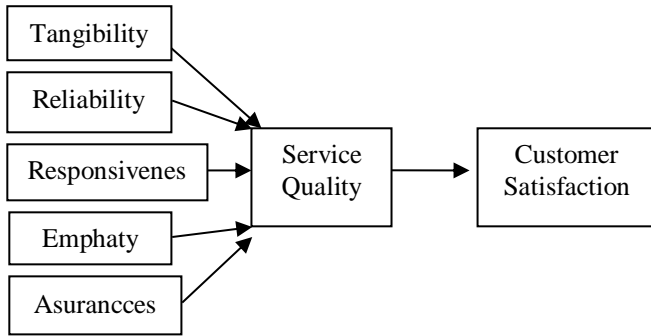


Figure 1. Model of Customer Satisfaction

Initial hypothesis can be created from model as follows:

- H1a. Service quality is positively influenced by tangible
- H1b. Customer satisfaction is positively influenced by tangible
- H2a. Service quality is positively influenced by reliability
- H2b. Customer satisfaction is positively influenced by reliability
- H3a. Service quality is positively influenced by responsiveness
- H3b. Customer satisfaction is positively influenced by responsiveness
- H4a. Service quality is positively influenced by empathy
- H4b. Customer satisfaction is positively influenced by empathy
- H5a. Service quality is positively influenced by assurances
- H5b. Customer satisfaction is positively influenced by assurances

Pearson correlation to test validity:

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[n\sum x^2 - (\sum x)^2][n\sum y^2 - (\sum y)^2]}} \quad (1)$$

Information:

- r xy = Pearson correlation coefficient
- x = Variable x
- y = Variable y
- n = Number of samples

Cronbach Alpha is needed to measure reliability

$$ri = \left(\frac{k}{k-1}\right) \left(1 - \frac{\sum \sigma_b^2}{\sigma_t^2}\right) \quad (2)$$

Information:

- ri = Instrument reliability
- k = Total Question
- $\sum \sigma_b^2$ = Number of grain variants
- σ_t^2 = Total Varian

III. RESULTS

The results showed that all data were declared valid (formula 1). Then based on the reliability test (formula 2) states the results of this study are reliable.

Table 1. Reliability test results

Description	Cronbach Alpha	Analysis
Tangible	0.780	Reliable
Reliability	0.660	Reliable
Responsiveness	0.652	Reliable
Empathy	0.762	Reliable
Assurances	0.771	Reliable
Service Quality	0.720	Reliable
Customer Satisfaction	0.797	Reliable

Then the results of testing the hypothesis can be shown in table 2 below:

- 1) The hypothesis H1a can be accepted because t statistics > t table (4.423 > 2.627) using df (n-k) = 90 - 6. Tangible influenced service quality.
- 2) The hypothesis H1b can be accepted because t statistics > t table (4.123 > 2.627) using df (n-k) = 90 - 6. Tangible influenced customer satisfaction.
- 3) The hypothesis H2a can be accepted because t statistics > t table (3.213 > 2.627) using df (n-k) = 90 - 6. Reliability influenced service quality.
- 4) The hypothesis H2b can be accepted because t statistics > t table (3.785 > 2.627) using df (n-k) = 90 - 6. Reliability influenced customer satisfaction.
- 5) The hypothesis H3a can be accepted because t statistics > t table (3.245 > 2.627) using df (n-k) = 90 - 6. Responsiveness influenced service quality.
- 6) The hypothesis H3b can be accepted because t statistics > t table (4.007 > 2.627) using df (n-k) = 90 - 6. Responsiveness influenced customer satisfaction.
- 7) The hypothesis H4a can be accepted because t statistics > t table (3.212 > 2.627) using df (n-k) = 90 - 6. Empathy influenced service quality.
- 8) The hypothesis H4b can be accepted because t statistics > t table (3.896 > 2.627) using df (n-k) = 90 - 6. Empathy influenced customer satisfaction.
- 9) The hypothesis H5a can be accepted because t statistics > t table (4.976 > 2.627) using df (n-k) = 90 - 6. Assurances quality influenced service quality.
- 10) The hypothesis H5b can be accepted because t statistics > t table (4.721 > 2.627) using df (n-k) = 90 - 6. Assurances influenced customer satisfaction.

Table 2. T test results

Variables	T Statistic	T table 95%	T table 99%	Observed
Tangible on Service Quality	4.423	1.984	2.627	Significant
Tangible on Customer Satisfaction	3.782	1.984	2.627	Significant

Variables	T Statistic	T table 95%	T table 99%	Observed
Reliability on Service Quality	4.321	1.984	2.627	Significant
Reliability on Customer Satisfaction	3.213	1.984	2.627	Significant
Responsiveness on Service Quality	4.324	1.984	2.627	Significant
Responsiveness on Customer Satisfaction	4.762	1.984	2.627	Significant
Empathy on Service Quality	4.272	1.984	2.627	Significant
Empathy on Customer Satisfaction	3.272	1.984	2.627	Significant
Assurances on Service Quality	4.827	1.984	2.627	Significant
Assurances on Customer Satisfaction	4.822	1.984	2.627	Significant

Table 3 showed the percentage of influence of one indicator to another indicator according to Puay Cheng Lim, Nelson K.H. The percentage numbers were obtained through regression linear analysis. The percentage number indicates how extent variable interaction in increase of Customer Satisfaction.

Table 3. The percentage of the influence of each indicator

Indicator	Percentage
Tangible to Customer Satisfaction	29.9 %
Reliability to Service Quality	35.1 %
Reliability to Customer Satisfaction	22.4 %
Responsiveness to Service Quality	11.2 %
Responsiveness to Customer Satisfaction	13.5 %
Empathy to Service Quality	12.4 %
Empathy to Customer Satisfaction	29.1 %
Assurances to Service Quality	28.4 %
Assurances to Customer Satisfaction	27.2 %

IV. DISCUSSION

To measure customer satisfaction with various service quality perspectives, a survey research instrument (questionnaire) was developed called SERVQUAL, Parasuraman et al. (1985) stated that with this questionnaire, we can find out how big the gap is between consumer perceptions and customer expectations of a service company. SERVQUAL questionnaires can be adjusted to suit the relevant service industries, and then they are asked to record perceptions of company performance on the same characteristics [13].

The result depicted in Table 2 and 3 compared the previous researches that service quality to customer satisfaction. From the result on Table 2 and 3 in which all measured variables influenced each other significantly, it can be concluded that comprehensive and well-good service quality was needed to make increase customer satisfaction. From table 2, it can be described each result of measured variable:

- The Tangible has 29.9% influence and significant by 4.423 toward Service Quality.
- The Tangible has 21.2% influence and significant by 3.782 toward Customer Satisfaction.
- The Reliability has 13.5% influence and significant by 4.321 toward Service Quality.
- The Reliability has 22.4% influence and significant by 3.213 toward Customer Satisfaction.
- The Responsiveness has 11.2% influence and significant by 4.324 toward Service Quality.
- The Responsiveness has 27.2% influence and significant by 4.762 toward Customer Satisfaction.
- The Empathy has 12.4% influence and significant by 4.272 toward Service Quality.
- The Empathy has 29.1% influence and significant by 4.827 toward Customer Satisfaction.
- The Assurances has 28.4% influence and significant by 4.822 toward Service Quality.
- The Assurances has 27.2% influence and significant by 4.822 toward Customer Satisfaction.

From the table 3 we can conclude that:

- The results are in accordance with previous research which states that quality of service is very important for make people believe in health insurance. To make customer satisfaction more successful, it is necessary to make major changes in the service process, price, and human resources [14].
- In service companies, purchasing decisions are influenced by service quality and participant satisfaction (Bitner and Hubbert, 1994) [15].
- Tangible, assurances, reliability, responsiveness, empathy give effect for service quality and implication of the customer satisfaction with positive number, or its positive effect [16].

V. CONCLUSION

From the result of this research, it can be concluded that tangibility, assurance, reliability, responsiveness, and empathy influenced the success of customer satisfaction in health insurances companies. Service Quality can be utilized to make customer satisfaction better, which is the basic of actualization. The finding of the research contribute reference for shifting conventional customer satisfaction in health insurances companies.

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