The Factor Influencing Customer Satisfaction in Health Insurance Companies

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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 Goyal, 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 (Shabir 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 disconciation, 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 Heath 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.
The hypothesis ∑(x_1 - x)^2 = Total Variance

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 1. Reliability test results

<table>
<thead>
<tr>
<th>Description</th>
<th>Cronbach Alpha</th>
<th>Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible</td>
<td>0.780</td>
<td>Reliable</td>
</tr>
<tr>
<td>Reliability</td>
<td>0.660</td>
<td>Reliable</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>0.652</td>
<td>Reliable</td>
</tr>
<tr>
<td>Empathy</td>
<td>0.762</td>
<td>Reliable</td>
</tr>
<tr>
<td>Assurances</td>
<td>0.771</td>
<td>Reliable</td>
</tr>
<tr>
<td>Service Quality</td>
<td>0.720</td>
<td>Reliable</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>0.797</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

Table 2. T test results

<table>
<thead>
<tr>
<th>Variables</th>
<th>T Statistic</th>
<th>T table 95%</th>
<th>T table 99%</th>
<th>Observed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible on Service Quality</td>
<td>4.423</td>
<td>1.984</td>
<td>2.627</td>
<td>Significant</td>
</tr>
<tr>
<td>Tangible on Customer Satisfaction</td>
<td>3.782</td>
<td>1.984</td>
<td>2.627</td>
<td>Significant</td>
</tr>
</tbody>
</table>

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:

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

(1)

Information:

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

Cronbach Alpha is needed to measure reliability

\[ ri = \left( \frac{k}{k-1} \right) \left( 1 - \frac{\sum \sigma _p^2}{\sigma _t^2} \right) \]  

(2)

Information:

ri = Instrument reliability
k = Total Question
\( \sum \sigma _p^2 \) = Number of grain variants
\( \sigma _t^2 \) = Total Variance

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.
The Empathy has 29.1% influence and significant by
The Responsiveness has 27.2% influence and significant
The Reliability has 13.5% influence and significant by
The
The
The Empathy has 12.4% influence and significant by 4.272
The Reliability has 22.4% influence and significant by
The
The
The Tangible has 27.2%

In service companies, purchasing decisions are
Dependants, assurances, reliability, responsiveness,
-.

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].

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 of variable interaction in increase of Customer Satisfaction.

Table 3. The percentage of the influence of each indicator

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible to Customer Satisfaction</td>
<td>29.9%</td>
</tr>
<tr>
<td>Tangible to Customer Satisfaction</td>
<td>21.2%</td>
</tr>
<tr>
<td>Reliability to Service Quality</td>
<td>35.1%</td>
</tr>
<tr>
<td>Reliability to Customer Satisfaction</td>
<td>22.4%</td>
</tr>
<tr>
<td>Responsiveness to Service Quality</td>
<td>11.2%</td>
</tr>
<tr>
<td>Responsiveness to Customer Satisfaction</td>
<td>13.5%</td>
</tr>
<tr>
<td>Empathy to Service Quality</td>
<td>12.4%</td>
</tr>
<tr>
<td>Empathy to Customer Satisfaction</td>
<td>29.1%</td>
</tr>
<tr>
<td>Assurances to Service Quality</td>
<td>28.4%</td>
</tr>
<tr>
<td>Assurances to Customer Satisfaction</td>
<td>27.2%</td>
</tr>
</tbody>
</table>

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 Customer Satisfaction.
- The Empathy 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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REFERENCES


