# The Influence of Service Quality, Hospital Image, and Promotions to Patients' Trust and Loyalty

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**Abstract**
This research aimed to figure out the influence of service quality, hospital image, and promotion to patients' trust and loyalty in National Cardiovascular Centre (NCC) Harapan Kita. This research was designed in a descriptive and quantitative study using multivariate analysis methods. The sample amounted to 60 people. Data collection was using questionnaire as the instrument that was analyzed using the structural equation model. The results of this study concluded that; service quality, hospital image, and promotion influenced significantly to patients' trust, but only the promotions affected loyalty; the trust could not mediate the influence of service quality, hospital image, and promotion toward loyalty.
**Keywords:** image, trust, service quality, loyalty, promotions

## 1. Introduction

Article 28 H, Paragraph 1 of The 1945 Constitution of the Republic of Indonesia mentions every person holds the right to have a healthy life and health services. To achieve that goal, a hospital exists as a health care institution that conducts varying health services, including individual health services, inpatient, outpatient, and emergency services. The enactment of National Health Insurance by 2014 has attracted 127,763,851 people (105.1% of target) to join that correlates with the growth of hospitals in Indonesia. In 2012, the number of hospitals in Indonesia was only 1,721 (1,406 state-owned and 315 private-owned hospitals), while in 2013, they totaled 2,083 (1,540 were state-owned and 543 were private-owned). Furthermore, the hike was found in 2014, reaching up to 2,046 hospitals in totals (1,599 were state-owned and 807 were private-owned). Article 28 H, Paragraph 1 of The 1945 Constitution of the Republic of Indonesia mentions every person holds the right to have a healthy life and health services. To achieve that goal, a hospital exists as a health care institution that conducts varying health services, including individual health services, inpatient, outpatient, and emergency services. The enactment of National Health Insurance by 2014 has attracted 127,763,851 people (105.1% of target) to join that correlates with the growth of hospitals in Indonesia. In 2012, the number of hospitals in Indonesia was only 1,721 (1,406 state-owned and 315 private-owned hospitals), while in 2013, they totaled 2,083 (1,540 were state-owned and 543 were private-owned). Furthermore, the hike was found in 2014, reaching up to 2,046 hospitals in totals (1,599 were state-owned and 807 were private-owned).

The rising number of hospitals (followed with the higher number of doctors and medical officers) encourages competitions in the health care environment, increasing customer awareness, triggering to the more complex relationship of doctors and patients, and adding to legal matters (Chang, 2000 in Suriadi, 2014). This situation also demands the hospitals to become more responsive in their efforts to market their services to maintain competitiveness while keeping patients' loyalty. The good relation between the consumers and the services providers would bring satisfaction and significantly correlates with the establishment of customer loyalty (Bodet, 2008). Next, it could be ascertained that these patients will have repeated visits (consultancy) to the hospital they are attached with.

In measuring the quality of health services, customer satisfaction can be used as a reference. High satisfaction gained by consumers will be followed with a high loyalty towards the hospital (Finks, 1990). Full service, empathy, reliable, responsive, warranties, and supported by adequate facilities will foster customers' loyalty. The quality of hospital service in Indonesia is still considered less satisfactory. This is demonstrated by the tendency of patients to go abroad to seek for medical treatment for the reasons of better service quality, completeness of medical facilities, sophisticated infrastructure, and the quality of medical personnel. The data from Ministry of Tourism and Creative Economy, in 2012 Indonesian citizens seeking for medical treatment abroad totalled 600,000 people and the total cost spent was 1.4 billion USD or equivalent to Rp 13.5 trilion (Kompas, 7 March 2013). That number shows a considerable increase compared to 2006, i.e. 315,000 people with total spending 500 million USD or equivalent to Rp 4.8 trillion.

In this case, one of the important pillars in reaching success and building patients' loyalty is the hospital image. A good image of one aspect will be compensated with a positive image/response to all types of services by the hospital that would foster confidence and trust of the patients (Suriadi, 2014). However, due to negative experiences perceived by the patients, most hospitals in Indonesia still demonstrate less positive image. In

addition to quality and image, promotions are also significantly impactful toward patients' loyalty. As a form of marketing, the hospital could do promotions of their services, namely by always providing quality medical excellence to the patients for achieving satisfaction and meeting their needs (Chang, 1991). For the hospital, promotions are fruitful to attract customers and build positive image, while for the community, such promotions would initiate more concern toward health and help make medical decisions.

The shifting community perceptions and the establishment of MEA require hospitals in Indonesia to also change their paradigm. Hospitals are no longer viewed as a social institution, but also as an institution that is socio-economically and professionally managed. Referring to the statement, this research aims to know the influence of service quality, hospital image, and the promotions toward patients' trust and loyalty.

## 2. Literature Review

### 2.1 Service Quality

Service is attitude formed by long-term and thorough evaluation over the firms' performance (Bateson and Hoffnan, 2011). Quality is a model that describes the customers' condition in such a way to compare the services they expect and what they receive (Plunket and Attiner, 1993). In other words, the quality of service is achieved when products can meet the expectations and needs of employees as the internal customers and public as the external customers.

The notions of quality service above reflect back to the firms' attempts to meet customer expectations (Kotler and Keller, 2012) that include: (1) Will expectation or the service expected; (2) Should expectation, all reasonable expectations obtained and (3) Ideal expectation, the ideal service obtained. Indeed, the quality of service is the attitude formed after the thorough evaluation against the service performance of the firm in the long term (Zethaml and Berry, 1988).

There are five dimensions of service quality (Parasuraman et al, 1988), namely: (1) Reliability (2) Responsiveness; (3) Assurance; (4) Empathy; and (5) Tangibles, the availability of physical facilities. Gronroos (1990) set three dimensions of service quality, that is: (1) Technical or outcome dimension; (2) Functional or process related dimension; and (3) Corporate image in the eyes of consumers. Meanwhile, Fitzsimons and Fitzsimons (2011) in Pradiono (2014) put forward four dimensions of service quality, namely: (1) Care and concern; (2) Spontaneity; (3) Problem solving; and (4) Recovery.

### 2.2 Corporate Image

Image and identity for the firms are two different things, although both are closely related (Selame and Selame, 2000 in Suriadi, 2014). Corporate identity depicts the real condition of the firms or the identity displayed, while corporate image suggests the public perception towards the firms' identity. Corporate identity has two principal elements, namely the name and logo or brand (Gregory and Wiechmann, 1999). The identity can be used in a relatively short term, while the image must be built and take a relatively long time to realize. The image formed through advertisements must reflect the true corporate identity. These advertisements are to make consumers familiar with the products that are recently updated or a new product they are going to market (Gregory et al., 1999). Image also needs to be developed among the employees so that they have a positive perception toward the firm (Gray, 2005). Philosophically, the image is the beliefs, ideas, and the impression of a person (Kotler and Keller (2013). There are two main components in image (LeBlanc and Nguyen., 1996), namely: (1) Functional component, related to the tangible characteristics which are easily measured; and (2) Emotional concept, related to psychological dimensions that manifest in feelings and attitudes.

Corporate image is determined by the perception of each group of people and the forms of experiences and contacts with the firm (LeBlanc and Nguyen, 1996). There are four reasons that corporate image is important for the company (Gronroos, 1990), namely: (1) raising hope along with the external marketing campaigns; (2) as a filter that affects the perception of an event; (3) as a function that accomodates experiences and expectations of consumers on the quality of service; and (4) having an influence on the internal management. For the firm, the image also has some benefits that are: (1) building the competitiveness in medium and long run; (2) giving protection during crisis; (3) giving appeals for talented executives; (4) increasing the effectiveness of marketing strategies; and (5) cost savings.

In regards to Chattananon and Lawley (2007), corporate image is dynamic and complex. In business services, there are five factors that influence the perception of customers over the image, namely: corporate identity, reputation, level of services, tangible cues, and contact person. Tang (2007) in his research found evidence of positive influence of corporate image, corporate reputation, corporate interactions, and consumer satisfaction against the loyalty of consumers. The corporate image over quality, customer satisfaction, and loyalty has different degrees based on different services, too (Anderson and Lindestad, 2004).

The good achievement in crafting corporate image is determined by several factors (Peters, 2007), namely: (1) good leadership; (2) policies and strategies focusing on the customer; (3) human resources policies; (4) asset management; (5) process management; (6) consumer satisfaction; (7) employee satisfaction; (8) social

responsibility; and (9) earnings.      The company able to build a good image will possess certain characteristics (Peters, 2007): (1) good management quality; (2) the high profits gained; (3) big concern toward the environment, quality of raw materials, and security level; (4) good perception from the employees; (5) continuously making innovation; (6) oriented to consumer demands; (7) significantly contribute to the economy; (8) able to improve; (9) excellent quality of goods and services; and (10) active communication with the public.

*2.3 Promotion*
The promotion is a means utilized by an organization to inform, persuade, and remind the consumers either directly or indirectly to the product and its brand (Kotler and Keller, 2012). The main activities in promotion include: (1) Sales promotion, generally aimed at improving demand, performance of the intermediate marketers/middlemen, supporting, and coordinating the personal sales and advertising; (2) advertising, providing information, persuasion, reinforcement, reminder, and reassuring the customers that they made right decision; (3) Personal selling, the process of persuading consumers to purchase a product through personal communication; (4) Public relation, widely related to the whole stakeholders; and (5) Direct marketing, direct marketing communication to individual consumers so that such messages are responded straight away. The direct marketing is a system of interactive marketing that uses one or more advertising media to generate responses and/or do transaction that can be measured at any given location.

In order to be able to contribute optimally to meet the firms' goals, any promotion methods should formulate a mix strategy by considering these following factors (Kotler and Keller, 2012): (1) product, considering the characters, how the product is purchased, consumed, and perceived; (2) the market, paying attention to the age of the product cycle (PLC); (3) customers, the existing promotion adjusts to the attitude and behavior of individual customers and organizations; (4) budget, following the available budget; and (5) marketing mix, following other marketing mix factors.

*2.4 Promotion*
Trust is a positive expectation that other parties will not (using statements, actions or decisions) take a chance on hurting others (Robbins and Judge, 2009). Meanwhile, Colquitt, LePine, and Wesson (2009) argue that trust is the desire to depend on the authorities based on the positive expectation over actions and attentions from the authorities in question. These two definitions suggest that trust is the positive expectation of a person or the belief that other people, groups, or the authorities would meet their expectation with such dependency.

In personal trust, there have been three elements (Lane, 2001 in Suriadi, 2014), namely: (1) the level of interdependence between the giver and recipient of the trust; (2) the trust would tackle risk or uncertainty in exchange; and (3) a belief or expectation that other parties would not take benefit from the unsatisfying results of accepting risks in their relationship. Seko (1997) classifies trust into three groups, namely: (1) Contractual trust, the trust based on sharing the moral and norms of honesty and keeping promises; (2) Competence trust, the trust based on understanding each other's professional conduct and managerial standards; and (3) Goodwill trust, the trust based on commitment and honest attitude.

Hurley (2006) develops a model on how a person makes a decision to trust using three factors, namely: (1) Risk tolerance, the level of tolerance of a person against the risk of trusting; (2) Level of adjustment, the well-adjustment people would feel comfortable with themselves and see the world as a convenient place; and (3) Relative power, the trust giver who is in a higher position / holds authority would tend to easily trust others, as the giver will be able to sanction people who betray him.

Hurley also adds seven factors associated to the situation and the relation between the two parties, namely: (1) Security, this is required in trust; (2) Number of similarities, a person will more readily trust anyone if they have something in common; (3) Alignment of interest, common interest would encourage trust; (4) Benevolent concern, trust brings problems as it is selfish; (5) Capability, a Manager will assess the ability of his employee before trusting or delegating the trust to him; (6) Predictability and integrity, trust will be easily given if the recipient has predictable attitude; and (7) Level of communication, trust is a concept of relationship so that it must be good in practice.

There are four key dimensions to build trust (Robbins and Judge, 2009), namely: (1) Integrity, referring to honesty and truth; (2) Competence, related to the knowledge and personal hardskills; (3) Consistency, reliability, predictability, and individual assessment in handling a situation; and (4) Openess, being honest to other's messages, showing emphaty and thinking. Trust from customers (Casalo, Flavin, dan Guinaliu (2007) needs to be developed from three aspects, that are: (1) *Competence*, consumers' perception over others' competence to improve relationship and meet the needs; (2) Honesty, the belief that the other party would sincerely keep their words and promises; (3) Kindness, showing the belief that one is interested in other's welfare.

*2.5 Loyalty*
Loyalty is essentially an affection that is inherent in a person to a product, service, and the people in it (Kotler

and Keller 2012). According to Gremler (1999), customer loyalty is indicated by repeated purchase, positive attitude towards the service provider, and tendency to only using a service from the same company if they need for such service. The loyalty is associated with purchasing behavior shown over time by some decision making units with one or more alternatives over the brand and is a psychological functioning (Rundle, Thiele and Bennett, 2001). Loyalty suggests to what extent customers have purchase behavior, positive attitude towards the service provider, and the tendency to only use the services from the same company.

Loyalty is built on the long-term relationship between people, between individuals and firm, and between the firms (Lacobucci and Ostrom, 1996). Loyalty in service transactions depends very much on interpersonal relationships (Bloemer and Ruyter, 1999). In building customer loyalty, there are two main factors, namely the attention to the value of the yielded products or services and the development of relationship with customers (Griffin, 1997). With behavioral approach, customer loyalty is built by the customers to the firm and the quality of customer relationships with employees or members of the firm (Foster and Gadogan, 2000). Trust, therefore, has a direct influence to the behavior and customer loyalty.

Maintaining customer loyalty is the most important factor in improving the firm profit, thereby getting loyal customers is the goal of nearly all companies (Walker, 2007). To achieve such goal, customer loyalty programs should focus on: (1) greater volume of purchases yet low cost of sales and distribution; (2) building the positive image conveyed by word of mouth to the other party; and (3) improving the willingness of customers to pay higher that is equivalent with the value acquired. Gremler (1999)'s study concludes four benefits for the company if the customers recommend the product to other parties, namely: (1) increased number of new customers who respond favorably about the firm; (2) new customers with positive recommendations tend to be loyal; (3) a large number of loyal customers may raise revenue; and (4) decreased costs of promotion and advertisement.

Positive impacts of loyal customers to the firm (Herryanto,2011) include: (1) persistently coming to the company to meet their needs; (2) buying more; (3) trying new products; (4) giving recommendations of the company's products to others; and (5) buying only from the company. In line with Herryanto, Fornell (2002)'s study reveals that increased loyalty can save some costs, among others: (1) reduced marketing costs; (2) lower transaction costs; (3) reduced customer turnover costs (4) increased cross-selling success and the larger market share; (5) positive words of mouth; and (6) decreased cost of failure. As a reference to assess customer loyalty, there are four dimensions to use (Mowen and Minor, 2007), namely: (1) measuring the behavior that has already become a habit; (2) measuring the cost to switch brands; (3) measuring consumer satisfaction and dissatisfaction over the brand; (4) creating the feelings of affection in the brand and company; and (5) the commitment from the parties involved over a product.

*2.6 Hypotheses and Research Model*

One of the factors that influence customer trust is the quality of services, as pointed out by Zeithhaml, Bitner and Gremler (2010) as well as Kotler and Keller (2012). This finding is also supported by the results of the study of Aydin and Ozwe (2005), Suriadi (2014), Talib (2015) and Rahayu (2015). Based upon the ideas and research results, the first hypothesis could be formulated as follows:

Hypothesis 1: Service quality significantly affects patients' trust.

The concept of customer trust is influenced by corporate image as expressed by Spentor in Picton and Brodenrich (2000), Wchweiger (2004), Gray (2005), Gregory et al (1999), as well as Kotler and Keller (2012). This concept is also supported by the research findings of Flavian, Guinahu and Torres (2005), Ball, Coelho and Valares (2006), Suriadi (2014), and Rahayu (2015). Based on the concepts and results of the previous studies, the second hypothesis could be formulated as follows:

Hypothesis 2: The hospital image significantly affects patient's trust.

In theory, the customer trust is affected by the promotional activities as revealed by Levelock and Wright (2005and Kotler and Keller (2012). The theory is strengthened by the results of the study of Ball, Coelho and Machas (2004), Wang (2012), Suriadi (2014), and Talib (2014). According to the results of the studies and theories, the third hypothesis could be formulated as follows:

Hypothesis 3: Promotion affects significantly to patient's trust.

The findings of research of Ruyter and Bloemer (1999), Yu, Chang, and Huang (2006), Suriadi (2014), and Rahayu (2015) reveal that service quality is significantly influential to customer loyalty. Hence, the fourth hypothesis is formulated as follows:

Hypothesis 4: Service quality affects significantly to patients' loyalty.

The results of the study by Cengiz, Ayyidiz and Buyamin (2007), Stocklin and Opwis (2008), Souiden and the Pons (2009), Suriad (2014), Rahayu (2015) and the results of other research denote a significant influence of corporate image to customer loyalty. Therefore, the fifth hypothesis can be formulated as follows:

Hypothesis 5: Corporate image of the hospital influences significantly to patient loyalty.

The study findings of Ha, *et al*. (2011), Haryanto (2011), Suriadi (2014), and Talib (2014) and others suggest

that promotions have a significant influence to patient loyalty. Thus, it can be formulated as follows:
Hypothesis 6: Promotions significantly influence patients' loyalty.
Study results of Flavian and Guinahu (2006), Ndubisi (2009), Dagger and O'Brien (2010), Suki and Suki (2011), Ya'qub Alrubaiee and Feras Alkaa'ida (2011), Arat et al (2012), Suriadi (2014), Talib (2015), and Rahayu (2015) denote that trust is significantly influential towards customer loyalty. As the study results suggest, the seventh hypothesis is formulated as follows:
Hypothesis 7: Trust has a significant effect to patients' loyalty.
The eighth, nineth, and tenth hypotheses of this research can be proposed as follows:
Hypothesis 8: Service quality affects significantly to patient loyalty that is mediated by trust.
Hypothesis 9: Hospital image significantly influences patient loyalty that is mediated by trust.
Hypothesis 10: Promotions affect significantly to patient loyalty that is mediated by trust.
The explanations of the theories as well as the results of previous relevant studies as formulated in the hypotheses can be simplified in a research model diagram as follows:
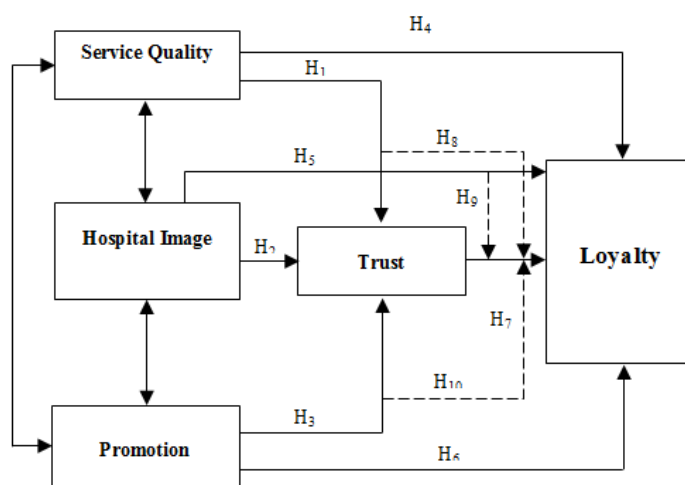


Figure 1
Diagram of Research Model

## 3. Methodology

As the hospital could only accommodate 38 beds for the impatiens, the sample in this study was 60 patients or their representative. This study utilized statistical analysis of structural equation modeling (SEM) based on the method of partial least square (PLS). SEM-PLS method is used for a limited data sample and loose assumptions (Hair, et al, 1998). Because the SEM-PLS did not directly perform the significance test, the significance level was calculated using bootstrapping

## 4. Result and Discussion

### 4.1 Measurement Model

Measurement models describe the relationship between indicators and the created constructs. There are two important aspects to evaluate model measurement with reflective indicators i.e. convergent validity and discriminant validity (Gefen et al., 2000). Convergent validity can be attained using the test on indicators of reliability, composite reliability (CR), and average variance extracted (Fornell, 1982). Moreover, Fornel and Larcker (1981) argue that good indicators must have loading above 0.7

The test on reliability indicators is carried out by identifying the loadings. In this case, using a threshold value of 0.7, the items of image1, image6, image7, image8, image9, quality01, quality02, quality03, quality04, quality05, quality14, loyalty1, loyalty2, loyalty3, loyalty4, and trust12 were removed from the model. Therefore, there would be re-processing of all items that have been excluded from the model. Then, after re-processing was done, Table 2 shows the loading value above 0.7 with the significance level 0.05. Likewise, the composite reliability of all valid constructs has a value above 0.7.

Based on data analysis, it can be concluded that there was no issue with the convergent validity on the constructs tested. Therefore, discriminant validity test could be undertaken further from the constructs examined using cross-loadings (Vinzi et al., 2010). The cross loadings suggested the correlation between each valid construct with items from other valid construct. The loadings were obtained by measuring the correlation between the components of the score of each latent variable with each indicator blocks and all the items in the model.

The correlation between a valid construct and the items was compared to the items from another valid

construct. If correlation indicator has a higher value than the indicator of correlation with other valid constructs, it could be concluded that the valid construct has high discriminant validity. Data analysis indicates that the loading of each item against the construct is greater than the cross loading with the other valid construct. From the analysis on cross loadings, it seems there isn't any issue in discriminant validity. Discriminant validity can be tested by comparing the square root of AVE and the correlation between valid constructs (Ghozali, 2008). The results of the calculation are shown in Table 1, which the square root of AVE (the main diagonal) is larger than the correlation of each valid construct. Hence, there is no problem concerning the discriminant validity.

Table 1: Correlation of latent variables and AVE square root

| Variables | Image | Quality | Loyalty | Trust | Promotion |
|---|---|---|---|---|---|
| Image | **0.8281** | | | | |
| Quality | 0.6818 | **0.7889** | | | |
| Loyalty | 0.3927 | 0.5251 | **0.8586** | | |
| Trust | 0.7072 | 0.6616 | 0.3789 | **0.7635** | |
| Promotion | 0.7245 | 0.7465 | 0.5578 | 0.6861 | **0.830** |

*4.2 Structural Model*

The structural model describes the relationship between valid constructs that have been hypothesized in the research model. On SEM-PLS, no established criteria exist for the fit model. The path coefficient and determination coefficients indicate how good the models are resulted.

In accordance with the proposed hypotheses, this study tested as many as 10 hypotheses. Table 2 shows the correlation among constructs from the respective hypotheses. To see whether a hypothesis is statistically significant or not, it has to compare the the t-statistics and the t-table. If the t-statistics is greater than the t-table, the hypothesis is statistically significant. With the significance level at 5%, the t-table is 1.96. As seen from the t-statistics in Table 2, there are only two values for the t-statistics greater than 1.96; in other words, there are only two significant relationships, i.e. the hospital image against the patient trust, and patient loyalty against promotions.

If the significance level is made 10%, it needs to compare t-statistics and the t-table of 1.645. It indicates, if the significance level is at 10 percent, there are 2 (two) other statistically significant relationships, namely the service quality against the patient trust, and the patient trust against promotion

Table 2: Structural Results for Full Model

| | Path Coefficients | Standard Error | T Statistics | Conclusion |
|---|---|---|---|---|
| **Loyalty R2 = 0.3440** | | | | |
| Image | -0.086 | 0.1486 | 0.5788 | Insignificant |
| Quality | 0.2916 | 0.1869 | 1.5596 | Insignificant |
| Trust | -0.0554 | 0.1508 | 0.3677 | Insignificant |
| Promotion | 0.4405 | 0.1585 | **2.7792** | Significant at α=0.05 |
| **Trust R2 = 0.5826** | | | | |
| Image | 0.3779 | 0.0841 | **4.4952** | Significant at α=0.05 |
| Quality | 0.2172 | 0.1164 | 1.8649 | Significant at α=0.10 |
| Promotion | 0.2502 | 0.1361 | 1.8381 | Significant at α=0.10 |

4.2.1 The Influence of Quality of Service towards Trust

The test on the influence of quality of service against trust suggests that the t-statistics at 1.8649 (Table 5), is greater than the t-table with 10% significance level (1.645). The result shows that the previous theories and research findings as the foundation in formulating the hypothesis that service quality influences patient trust, is proven. That is, the service quality of the hospital can grow patients' trust with the estimated parameter of 0.2172. Then, the better service quality will be reflected in the improved trust of the patients to the hospital.

Quality of service is proven as a significantly influential factor against the patients' trust. In hospital industry, the service quality is being at the top requirement to satisfy the expectations of patients and their families. This is in line with the previous study of Aydin and Ozer (2005) that suggests the perceived quality of service by customers have a significant impact towards trust. Therefore, the result of this research confirms the importance of service quality in increasing the trust of patients.

4.2.2 The Influence of Service Quality towards Loyalty

The test against the influence of service quality towards loyalty shows the t-statistics of 1.5596 (Table 2) is lower

than the t-table with 10% significance level (1.645). This suggests that previous theories and study findings as the basis to build the hypothesis that the service quality influences the loyalty, is not proven. In this research, the service quality is proven to have an effect on trust, but no proven effect appears on loyalty. That is, the loyalty towards a certain hospital is not simply built with excellent services to patients. This is contrary to the results of the studies conducted by Yu, Chang, and Huang (2006) as well as Bloemer and de Ruyter (1998) that service quality affects loyalty. This study finding study indicates that service quality has no significant effect to loyalty, thus rejecting the previous study results.

The possible factor causing insignificant relationship of service quality to loyalty is that most respondents come from the middle-low income society. As seen from the job description colomn on the questionnaire, they are mostly jobless (38.33%), thus are sensitive to price changes. The variable on loyalty with the indicator of willingness to pay higher indicates that they tend to be uncertain with it; even some choose to disagree or strongly disagree. This is contrary to the promotion indicator; on the indicator of sales promotion in the form of discounts, respondents tend to agree or strongly agree with it.

Another factor that becomes limitation in this study is that majority respondents are BPJS (National Health Insurance) holders. The higher ratio of patients using BPJS than private patients appears due to the responsibility of National Cardiovascular Centre (NCC) Harapan Kita as the referral hospital to serve all people from all over Indonesia including those underpriviledged. These patients are BPJS holders, meaning that all health costs are covered by the Government. It is clear that they tend to be hesitated or even disagree when asked regarding the willingness to pay more. From the observations, the factors above are likely in line with the opinion of Mamun et al (2014) that price sensitivity is affecting customer loyalty. In addition to price sensitivity, satisfaction against price also affects loyalty (Hortamani et al., 2013).

4.2.3 The Influence of Hospital Image towards Trust

The test on the influence of hospital image against trust results in the t-statistics of 4.4952 (Table 2) which is greater than the t-table of 10% significance level (1.645). The result shows that the previous theories and research findings as the basis of the hypothesis that the crafted image of hospital affects trust, is proven. In addition, the hospital image can grow trust of patients and their family towards the hospital. In this study, the influence of hospital image to patients' trust is shown with the path coefficient of 0.3779. It is therefore a positive relationship between the image of the hospital and the patient trust cannot be argued. The better image of the hospital correlates with the higher trust of patients.

In theory, the image is embedded in the minds of an individual. For hospital, the image shows the impression of a patient or a visitor toward the hospital. The image is instrumental in building trust, because the image reflects how good or poor a hospital is. Through a positive image, the hospital will be easily recognized and win the trust of the community, as they believe the hospital is able to provide excellent services. A number of earlier studies prove that the image is significantly influential to trust, as shown by Flavian, Guinahu, and Torres (2005) and then supported by a study from Ball, Coelho and Vilares (2006). That is why this study finding could reinforce the previous study findings proving the image has a relation to trust.

4.2.4 The Influence of Hospital Image to Loyalty

The test on the influence of hospital image to loyalty produces the t-statistics of 0.5788 (Table 2), lower than the t-table with 10% significance level (1.645). The theories and the results of previous research as the basis of the hypothesis that hospital image affects loyalty, is not proven. That means, in an attempt to build loyalty, a positive hospital image is not enough. Positive image of the hospital could not encourage patients to stay loyal. The finding is not in line with the result of study conducted by Souiden and Pons (2009), Brunner, Stocklin, and Opwis (2008), as well as Ayyildiz and Bunyamin (2007) that the corporate image has an impact on loyalty. Therefore, the result has rejected previous study results.

The factor causing no influence of the hospital image to loyalty is probably due to the low income of the respondents who mostly come from middle-low society. It can be seen from the job description that most respondents are jobless (38.33%), so be sensitive to price changes. The indicator of loyalty on the willingness to pay more indicates that respondents tend to be hesitated, even choose to disagree or strongly disagree with it.

Another factor is likely that respondents are BPJS holders. The higher ratio of BPJS patients compared to the private patients appears as the responsibility of NCC Harapan Kita as the referral hospital to serve the patients from all over Indonesia, including the underprivileged. The cost for health service of BPJS holders are paid out by the Government, so they will be hesitated or disagree to pay higher. This statement is in line with the opinion of Mamun et al. (2014) that price sensitivity is affecting customer loyalty. Hortamani et al. (2013) adds, in addition to the price sensitivity, satisfaction against price also affects loyalty.

4.2.5 The Influence of Promotion towards Trust

The test on the influence of promotion to trust suggests the t-statistics of 1.8381 (Table 2) is greater than the t-table of 1.645 with 10% significance level. It reveals the theories and previous study findings as the basis to build the hypothesis that promotion affects trust, is proven. The promotion done by the hospital through advertising, sales promotion, and publicity can foster trust of patients against the hospital. The level of influence

of promotion against trust is at the coefficient of 0.2502. More intense promotion would be followed with higher patient trust.

The promotion is a means of communication between the hospital and the community to inform the excellent services they offer. Through active promotion, the public can learn more about the range of services in the hospital. Therefore, in establishing patients' trust, the hospital is required to present promotional activities in such a way that draws the interest of public so as to foster a sense of trust. The results of the previous studies as Wang (2010), Ball and Coelho (2006), and Machas (2004) explain that the advertising and communication as part of the promotion give a significant effect against trust. These three research prove that promotion through advertising or other communication media could affect trust. Thus, the finding of this study supports previous research on the influence of promotions against trust.

4.2.6 The Influence of Promotion towards Loyalty

The test on the influence of promotion towards loyalty gives the t-statistics of 2.7792 (Table 2), greater than the t-table of 1.645 at 10% significance level. It indicates that the theories and previous studies which become the foundation in building the hypothesis that promotions affect loyalty, is proven. Promotions conducted adequately can cultivate the loyalty of patients against the hospital. The level of influence of the promotion to loyalty has estimated parameter score of 0.4405. This means a positive influence is given by promotions to loyalty of the patients. The higher promotion will be compensated with increasingly higher patient loyalty.

In this study, in addition to affecting trust, promotions also affect loyalty. The result of the tests has supported this, that the patients' loyalty can be built through effective promotions. At the hospital, promotions are important in creating patients' loyalty. Aside from being a medium of communication to the public, promotions suggest the existence and competitiveness of the hospital to the competitors, and establish its position in the eyes of the public. Research by Heriyanto (2011) concludes that promotion is affecting loyalty. This is as supported by several other studies that promotions in marketing strategy give influence to loyalty. Ha et al. (2011) in his research suggests that advertisements as part of promotional efforts significantly affects loyalty. Hence, the result of this study reinforces the other initial studies concerning the influence of promotions to loyalty.

4.2.7 The Influence of Trust to Loyalty

The test on the influence of trust to loyalty produces the t-statistics of 0.3677 (Table 2), lower than the t-table at 10% significance level (1.645). It explains that the theories and the results of previous studies that underlie the hypothesis development in this study that trust affects loyalty, is not proven. No influence of trust against loyalty indicates that to cultivate patients' loyalty, some experiences including good services of the nurse, nice administration officers, or the competent doctors are not enough to encourage patients to stay loyal. The result of this research is not in line with the study by Dagger and O'Brien (2010), Ndubisi (2009), Flavia and Guinalu (2006) that trust is significantly influential to loyalty. Therefore, the result of this research rejects the previous research results.

The possible cause is the low respondents' income as the majority of them come from the middle low income society. It is seen from the job description that the majority of respondents are jobless (38.33%), so are sensitive to price changes. In the questionnaire, particularly in the indicator of loyalty variable, on the willingness to pay more, respondents tend to be hesitated and some disagree or strongly disagree with it. Another likely factor is that the majority of respondents are BPJS holders. The high ratio of BPJS patients compared to private patients appears as the responsibility of NCC Harapan Kita to serve patients from all over Indonesia, including those underprivileged. The costs for health services of BPJS holders are covered by the Government; hence, they tend to be uncertain or even disagree if asked to pay more. The finding is in line with the opinion of Mamun et al (2014) who figure out that price sensitivity is affecting customer loyalty. According to Hortamani et al (2013), in addition to the price sensitivity, satisfaction against price also gives an effect to loyalty.

4.2.8 The Influence of Service Quality against Loyalty as mediated by Trust

The trust would mediate the influence of service quality to patient's loyalty if both the influence of service quality against the trust, and the influence of trust against patients' loyalty, are significant. The estimation result of mediation test shows that the trust cannot mediate the influence of the service quality to patients' loyalty. Since the t-statistics is lower than the t-table (1.645 at 10% significance,), namely 0.3826 (Table 3), the influence of trust to the patient' loyalty is not significant.

The results of this study show that the service quality has no effect to patients' loyalty when mediated by trust. That is, the trust has no effect upon either the weak or strong influence of the service quality towards loyalty. This condition is not caused by trust, so that the level of trust does not affect the level of influence of service quality to loyalty. In other words, the trust cannot significantly intervene in the relationship between services to the loyalty of the patientsQuality of service is proven as a significantly influential factor against the patients' trust. In hospital industry, the service quality is being at the top requirement to satisfy the expectations of patients and their families. This is in line with the previous study of Aydin and Ozer (2005) that suggests the perceived quality of service by customers have a significant impact towards trust. Therefore, the result of this

research confirms the importance of service quality in increasing the trust of patients.

Table 3: Path Coefficients of Quality-Loyalty as Mediated by Trust

|  | Original Sample (O) | Sample Mean (M) | Standard Error (STERR) | T Statistics (|O/STERR|) | Conclusion |
|---|---|---|---|---|---|
| Without Mediator | | | | | |
| Quality -> Loyalty | 0.55 | 0.5625 | 0.0669 | 8.2165 | Significant |
| With Mediator | | | | | |
| Quality -> Loyalty | 0.4958 | 0.4999 | 0.1479 | 3.3511 | Significant |
| Quality -> Loyalty | 0.6648 | 0.6746 | 0.0638 | 10.4241 | Significant |
| Quality -> Loyalty | 0.0593 | 0.0661 | 0.155 | 0.3826 | Insignificant |

4.2.9 The Influence of Hospital Image to Loyalty as Mediated by Trust

The trust could mediate the influence between the hospital image and patients' loyalty if both the influence of hospital image to patients' trust, and the influence of the trust to the loyalty, are significant. The estimation result of test on mediation shows that patients' trust cannot mediate the influence of image to patients' loyalty. This is because the t-statistics is lower than the t-table (at 10% significance, 1.645), namely 1.4594 (Table 4). It could be said the influence of the trust to the loyalty of patients is not significant.

The results of this research show that the hospital image has no effect to patients' loyalty when mediated by trust. That means the trust does not give a significant influence to the relationship between the hospital image and patients' loyalty. This condition could occur in the aspect of trust, so that the level of the trust does not affect the hospital image against the patients' loyalty. Thus, the trust cannot significantly intervene in the relationship between hospital image and the patient's loyalty.

Table 4: Path Coefficients of Quality-Loyalty as Mediated by Trust

|  | Original Sample (O) | Sample Mean (M) | Standard Error (STERR) | T Statistics (|O/STERR|) | Conclusion |
|---|---|---|---|---|---|
| Without Mediator | | | | | |
| Image -> Loyalty | 0.4108 | 0.4305 | 0.0771 | 5.3247 | Significant |
| With Mediator | | | | | |
| Image -> Loyalty | 0.2616 | 0.2741 | 0.123 | 2.1262 | Significant |
| Image -> Trust | 0.7083 | 0.7118 | 0.0499 | 14.1998 | Significant |
| Trust -> Loyalty | 0.1945 | 0.1887 | 0.1333 | 1.4594 | Insignificant |

4.2.10 The Influence of Promotions toward Loyalty as mediated by Trust

The patients' trust mediates the relationship between promotions and patients' loyalty if both the influence of patient's trust to the promotions, and the influence of the trust to the loyalty are significant. The estimation result of the mediation tests shows that trust cannot mediate the influence between promotions and patients' loyalty. It is because the t-statistics is lower than the t-table (10% significance, 1.645), namely 0.1151 (Table 4). Therefore, the influence of patients' trust to their loyalty is insignificant.

This result describes that the promotions have no effect to patients' loyalty when mediated by trust. That is, the trust has no effect upon the significant influence of promotions against the loyalty. This condition might occur in the aspect of trust, so that the trust does not affect the relationship between promotions and patients' loyalty. It could be said that the trust could not significantly intervene in the relationship between promotions and patients' loyalty.

## 5. Conclusion

Referring to the research purpose i.e. to test the influence of the service quality, the hospital image, and the promotions against the trust as well as the impact to patient's loyalty, the findings of this study can be made into conclusions as follows

1. The service quality significantly influences the patients' trust. The better quality of the services provided will be compensated with the increased trust of the patients to the hospital.
2. The service quality does not significantly influence patient's loyalty. The quality of the services provided is not able to cultivate the loyalty among patients to the hospital.
3. The hospital image significantly influences the patients' trust. The built image can grow and increase the patients' trust against the hospital.
4. The hospital image does not significantly influence patients' loyalty. That is, the built image cannot cultivate patients' loyalty towards the hospital.
5. Promotions have a significant effect to the patients' trust. That is, the existing promotions can grow and

improve the trust of patients against the hospital.

6. Promotions have a significant effect to patients' loyalty. That means the existing promotions can grow and enhance patients' loyalty towards the hospital.

7. The trust does not significantly affect patients' loyalty. This shows that the patients' trust to the hospitals is not able to encourage their loyalty.

In addition to the conclusions over the test on the hypotheses, this research has also assessed all aspects in a descriptive-quantitative methodology. In the inpatient care facility for children at NCC Harapan Kita, overall the service quality, the hospital image, promotions, and patients' trust are assessed as positive (good), while the level of patients' loyalty tends be average (uncertain). Although these aspects are rated good, the hospital still needs to improve their performance especially on the aspect of loyalty through constructing the strategic plans and programs. The results of this study reveal that the service quality, promotions, and the hospital image provide a significant influence to the patients' trust. In addition, the promotion and the trust also produce a significant influence towards loyalty. Therefore, the results of this research can provide a number of managerial implications in the hospital management practice, namely:

1. The service quality is a key factor for the hospital success, thus giving positive implications for building trust. The programs for excellent services determine the success of the hospital. Therefore, each unit must participate and contribute actively to achieve it. In carrying out these programs, education can be done through training for doctors, nurses, as well as non medical officers. Improvements to the quality of the services shall be performed on an ongoing basis. In this case, the concept of integrated quality management is apt to be implemented to fine-tune each process in the hospital. Everyone involved in the hospital should have a high awareness and commitment to do the improvement towards his job persistently.

2. The image of the hospital also becomes a decisive factor in building the trust of patients. The efforts to build a positive image can be by improving the implementation of corporate social responsibility activities, such as free medical treatment, health counseling, or sending a medical team in response to disasters. In addition, balancing business and social orientation in operational hospital could also add to the effort of building a positive image. The hospital should be able to demonstrate a strong social soul and treat patients in a fair and professional way although they come from different social statutes. The hospital should not be discriminatory.

3. Promotion to determine trust and loyalty, so the hospital must be able to initiate programs for effective and efficient promotions. Selecting the right media, the corresponding figure, honest message content, and the interesting display is essential. Any message, product, or information contained in the promotional programs shall be based on facts.

4. Though in this study the trust does not affect significantly to loyalty, the hospital should develop the commitment and responsibility as a health care center so that their patients can put trust on them. The hospital should keep every promise given, for the fulfillment of the promise becomes the benchmark for the patients to trust the hospital. Breaking the promises would bear the risk, i.e. the loss of trust from the patients. The trust always affects two factors, namely the speed and the cost. When the trust increases, the speed will increase and costs will decrease. Conversely, when the trust decreases, the speed will be decreased and the costs will increase. All the parties included must be informed to not easily make promises they could not meet.

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