

**THE EFFECTS OF SERVICE QUALITY,
COMPANION'S SATISFACTION AND DELIGHT
ON BEHAVIOURAL INTENTION IN PRIVATE
HOSPITALS FOR MEDICAL TOURISM**

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HOSPITALS FOR MEDICAL TOURISM**

by

WAN NORMILA MOHAMAD

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TABLE OF CONTENTS

	Page
Dedication	
Acknowledgement	ii
Table of Contents	v
List of Tables	xiv
List of Figures	xvi
List of Diagrams	xix
List of Appendices	xx
List of Abbreviations	xxi
List of Publications and Proceedings	xxiii
Abstrak	xxiv
Abstract	xxvi
 CHAPTER ONE -- INTRODUCTION	
1.0 Introduction	1
1.1 Background of the Study	1
1.2 Problem Statements	12
1.3 Research Questions	25
1.4 Research Objectives	25
1.5 Significance of the Study	27
1.5.1 Theoretical Contribution	27
1.5.2 Practical Contribution	29
1.6 Scope of the Study	30
1.7 Definitions of Key Terms	31
1.8 Organisation of the Remaining Chapters	32

CHAPTER TWO -- LITERATURE REVIEW

2.0	Introduction	33
2.1	Globalisation of Healthcare System	33
2.2	Tourism and Travel Motivations	35
2.3	Medical Tourism	39
2.3.1	Healthcare as Component of Medical Tourism	47
2.3.2	The Malaysian Healthcare System	49
2.3.3	Medical Tourism in Malaysia	51
2.4	Conceptualisation of Service Quality in Healthcare	56
2.4.1	Service Quality as an Antecedent of Customer Satisfaction in Healthcare	64
2.4.2	Embedding Service Quality Dimensions in Malaysian Medical Tourism	66
2.4.3	Variables Related to Service Quality	69
2.4.4	Communication	70
2.4.5	Courtesy	73
2.4.6	Emotional Support	76
2.4.7	Hospital Amenities/Infrastructure	79
2.4.8	Understanding the Companions' Needs	83
2.5	Conceptualisation of Customer Delight	86
2.6	Conceptualisation of Customer Tourism and Medical Tourism	92
2.7	Patient's Companion	95
2.7.1	Role and Experience	96
2.7.1.a	Role of Patient towards Companion	97
2.7.1.b	Role of Companion towards Patient	100
2.8	Importance of Companion Participation in Assessing the Quality of Care	102

2.9	Companion's Satisfaction	109
2.9.1	Measurement of Companion's Satisfaction	111
2.10	Medical Travel Facilitators	113
2.10.1	The Importance of Medical Travel Facilitators in Medical Tourism	116
2.10.2	The Relationship of Medical Travel Facilitators and Word-of-Mouth	123
2.11	Underlying Theories	125
2.11.1	Expectancy-disconfirmation Theory	126
2.11.2	Social Information Processing Theory	129
	2.11.2.a Relationship of Social Information Processing Theory in Study	130
2.11.3	Psychoevolutionary Theory of Emotions	132
	2.11.3.a Relationship of Psychoevolutionary Theory of Emotions in Study	136
2.12	Theoretical Framework	138
2.13	Research Hypotheses	140
2.13.1	Relationship between Healthcare Service Quality and Satisfaction	140
2.13.2	Relationship between Healthcare Service Quality and Delight	145
2.13.3	Relationship between Healthcare Service Quality and Behavioural Intention	148
2.13.4	Relationship between Healthcare Service Quality and Satisfaction towards Behavioural Intention	151
2.13.5	Relationship between Healthcare Service Quality and Delight towards Behavioural Intention	154
2.13.6	The Moderating Role of Medical Travel Facilitators	157
2.13.7	The Mediating Role of Satisfaction	164
2.13.8	The Mediating Role of Customer Delight	166
2.13.9	The Relationship of Satisfaction and Delight	168
2.14	Gaps in the Literature	171
2.15	Summary	175

CHAPTER THREE -- RESEARCH DESIGN AND METHODOLOGY

3.0	Introduction	177
3.1	Research Design	177
3.2	Population	180
3.3	Sampling Technique	182
3.4	Units of Analysis	184
3.5	The Pre-Testing	185
3.6	Research Instrument	186
3.6.1	Content Validity	187
3.6.2	Service Quality	189
3.6.2.a	Communication	189
3.6.2.b	Courtesy	190
3.6.2.c	Emotional Support	190
3.6.2.d	Hospital Amenities	191
3.6.2.e	Understanding the Needs	192
3.6.2.f	Satisfaction Measurement	193
3.6.2.g	Delight Measurement	194
3.6.2.h	Medical Travel Facilitators	195
3.6.2.i	Behavioural Intention	196
3.6.2.j	Background Information	196
3.7	Data Collection Procedure	197
3.8	Statistical Techniques	200
3.8.1	Justifications for using PLS-SEM Approach	202
3.8.2	Measurement Model	203
3.8.2.a	Validity	203
3.8.2.b	Reliability	204
3.8.3	Structural Model	204
3.8.3.a	Predictive Power (R^2)	205

3.8.3.b	Effect Size (f^2)	205
3.8.3.c	Bootstrap Procedure	205
3.8.3.d	Predictive Relevance (Q^2)	206
3.8.3.e	Goodness of Fit (GoF)	206
3.8.4	Descriptive Analysis	206
3.9	Summary	207

CHAPTER FOUR -- FINDINGS

4.0	Introduction	209
4.1	Response Rate	209
4.2	Profile of Companion Demographic Characteristics	211
4.3	Missing Value Imputation	221
4.4	Measures and Assessment of Goodness of Measures	221
4.5	Construct Validity	224
4.6	Convergent Validity	228
4.7	Discriminant Validity	231
4.8	Reliability Analysis	234
4.9	Common Method Variance	235
4.10	Structural Model Assessment	236
4.10.1	Mediating Effect	241
4.10.1.a	Mediating Effect of Companion's Satisfaction between Communication and Behavioural Intention	242
4.10.1.b	Mediating Effect of Companion's Satisfaction between Courtesy and Behavioural Intention	244
4.10.1.c	Mediating Effect of Companion's Satisfaction between Emotional Support and Behavioural Intention	245
4.10.1.d	Mediating Effect of Companion's Satisfaction between Hospital Amenities and Behavioural Intention	246

4.10.1.e	Mediating Effect of Companion’s Satisfaction between Understanding Companion’s Needs and Behavioural Intention	248
4.10.1.f	Mediating Effect of Companion’s Delight between Communication and Behavioural Intention	250
4.10.1.g	Mediating Effect of Companion’s Delight between Courtesy and Behavioural Intention	251
4.10.1.h	Mediating Effect of Companion’s Delight between Emotional Support and Behavioural Intention	252
4.10.1.i	Mediating Effect of Companion’s Delight between Hospital Amenities and Behavioural Intention	253
4.10.1.j	Mediating Effect of Companion’s Delight between Understanding Companion’s Needs and Behavioural Intention	255
4.10.2	Moderating Effect	257
4.10.2.a	Moderating Effect of Medical Travel Facilitators between Communication and Companion’s Satisfaction	259
4.10.2.b	Moderating Effect of Medical Travel Facilitators between Courtesy and Companion’s Satisfaction	261
4.10.2.c	Moderating Effect of Medical Travel Facilitators between Emotional Support and Companion’s Satisfaction	264
4.10.2.d	Moderating Effect of Medical Travel Facilitators between Hospital Amenities and Companion’s Satisfaction	267
4.10.2.e	Moderating Effect of Medical Travel Facilitators between Understanding Companion’s Needs and Companion’s Satisfaction	269
4.10.2.f	Moderating Effect of Medical Travel Facilitators between Communication and Companion’s Delight	272
4.10.2.g	Moderating Effect of Medical Travel Facilitators between Courtesy and Companion’s Delight	275
4.10.2.h	Moderating Effect of Medical Travel Facilitators between Emotional Support and Companion’s Delight	278

4.10.2.i	Moderating Effect of Medical Travel Facilitators between Hospital Amenities and Companion's Delight	281
4.10.2.j	Moderating Effect of Medical Travel Facilitators between Understanding Companion's Needs and Companion's Delight	284
4.11	Summary of Hypotheses Testing	288
4.12	Analysing Predictive Relevance (Q^2)	295
4.13	Summary	296

CHAPTER FIVE -- DISCUSSION AND CONCLUSION

5.0	Introduction	303
5.1	Recapitulation of Findings	303
5.2	Discussion of Findings	310
5.2.1	Demographic Profile of the Patient's Companion	311
5.2.2	The Relationship between Service Quality on Companion's Satisfaction towards Behavioural Intention	322
5.2.2.a	The Mediating Effect of Companion's Satisfaction between Communication and Behavioural Intention	324
5.2.2.b	The Mediating Effect of Companion's Satisfaction between Courtesy and Behavioural Intention	326
5.2.2.c	The Mediating Effect of Companion's Satisfaction between Emotional Support and Behavioural Intention	328
5.2.2.d	The Mediating Effect of Companion's Satisfaction between Hospital Amenities and Behavioural Intention	331
5.2.2.e	The Mediating Effect of Companion's Satisfaction between Understanding the Companions' Needs and Behavioural Intention	333
5.2.2.f	Communication towards Companion's Satisfaction	334
5.2.2.g	Courtesy towards Companion's Satisfaction	337
5.2.2.h	Emotional Support towards Companion's Satisfaction	339

5.2.2.i	Hospital Amenities towards Companion's Satisfaction	342
5.2.2.j	Understanding the Companions' Needs towards Companion's Satisfaction	344
5.2.3	The Relationship between Service Quality on Companion's Delight towards Behavioural Intention	346
5.2.3.a	The Mediating Effect of Companion's Delight between Communication and Behavioural Intention	350
5.2.3.b	The Mediating Effect of Companion's Delight between Courtesy and Behavioural Intention	352
5.2.3.c	The Mediating Effect of Companion's Delight between Emotional Support and Behavioural Intention	354
5.2.3.d	The Mediating Effect of Companion's Delight between Hospital Amenities and Behavioural Intention	355
5.2.3.e	The Mediating Effect of Companion's Delight between Understanding the Companions' Needs and Behavioural Intention	357
5.2.3.f	Communication towards Companion's Delight	359
5.2.3.g	Courtesy towards Companion's Delight	360
5.2.3.h	Emotional Support towards Companion's Delight	362
5.2.3.i	Hospital Amenities towards Companion's Delight	362
5.2.3.j	Understanding the Companions' Needs towards Companion's Delight	364
5.2.4	The Moderating Effect of Medical Travel Facilitators on Companion's Satisfaction and Delight towards Behavioural Intention	365
5.2.5	Implications on Companion's Expectation and Experience	368
5.3	Implications of the Research	369
5.3.1	Theoretical Contributions	369
5.3.2	Practical Contributions	372
5.3.3	Methodological Contributions	374

5.4	Generalisation of the Study	374
5.5	Limitations of the Study	375
5.6	Recommendations for Future Research	376
5.7	Conclusion	378
	REFERENCES	383
	APPENDICES	449

LIST OF TABLES

		Page
Table 1.1	Cost Comparison of Selected Medical Procedures (in USD)	5
Table 1.2	Growth of Medical Tourists and Revenues, 2004-2012	6
Table 1.3	Medical Tourists from Top 20 Countries of Origin, 2011	7
Table 1.4	Number of Foreign Patients, 2007-2011	13
Table 1.5	The definitions of variables used in this study	31
Table 2.1	Public and Private Healthcare Comparison	50
Table 2.2	Plutchik Psychoevolutionary of Basic Emotions – measurements	134
Table 3.1	Medical Tourist’s Population Seeking Treatment in Malaysian Private Hospitals, 2011	180
Table 3.2	Five Highest States Receiving Medical Tourists, 2011	184
Table 3.3	Research Instruments Table	186
Table 3.4	Content Validity Expert Biographical Note	188
Table 3.5	Sources and Measurement Items for Communication	189
Table 3.6	Sources and Measurement Items for Courtesy	190
Table 3.7	Sources and Measurement Items for Emotional Support	191
Table 3.8	Sources and Measurement Items for Hospital Amenities	192
Table 3.9	Sources and Measurement Items for Understanding the Companion’s Needs	193
Table 3.10	Sources and Measurement Items for Satisfaction	193
Table 3.11	Sources and Measurement Items for Delight Measurement	194
Table 3.12	Sources and Measurement Items for Medical Travel Facilitators	195
Table 3.13	Sources and Measurement Items for Behavioural Intention	196
Table 3.14	Appointed Medical Tourism Hospitals in Malaysia	198
Table 4.1	Response Rate	210
Table 4.2	Respondent’s Demographic Profile	211

Table 4.3	Descriptive of Visitation Experience	213
Table 4.4	Type of Patients Medical Treatment	216
Table 4.5	Sources of Medical Services offering	217
Table 4.6	Types of Tourism Activities	218
Table 4.7	Medical Expenses and Payment Method	220
Table 4.8	Loadings and Cross Loadings	225
Table 4.9	Results of the Measurement Model	229
Table 4.10	Discriminant Validity of Constructs – Fornell-Larcker Criterion	232
Table 4.11	Results of Reliability Analysis	234
Table 4.12	Variance Explained	236
Table 4.13	Path Coefficients and Hypotheses Testing for Direct Effects Results	238
Table 4.14	Mediation Effect Results	257
Table 4.15	Moderation Effect Results	287
Table 4.16	Summary of hypotheses testing	290
Table 4.17	Blindfolding Results: CV-Communality and CV-Redundancy	296
Table 4.18	Summary of Research Questions, Research Objectives, Hypotheses and Results	297
Table 5.1	Summary of Hypotheses	308
Table 5.2	Respondent’s Demographic Profile	314
Table 5.3	Descriptive of Visitation Experience	316
Table 5.4	Sources of Medical Services Offering	317
Table 5.5	Types of Tourism Activities	318
Table 5.6	Medical Expenses and Payment Method	321

LIST OF FIGURES

		Page
Figure 2.1	Visitors and Other Travellers	36
Figure 2.2	Factors considered before choosing a destination outside the US	61
Figure 2.3	UK site: Playroom/Family Lounge	81
Figure 2.4	US site: Floor plan of Pediatric inpatient services	81
Figure 2.5	Model of Customer Delight and Satisfaction	87
Figure 2.6	Guest Perception of a Service	89
Figure 2.7	Conceptual Framework	143
Figure 2.8	Comprehensive Model of Medical Tourism	159
Figure 3.1	Customer Delight Barometer (CDB) Model	179
Figure 4.1	Types of Companion's Participation in Tourism	219
Figure 4.2	Research Model (inner and outer models)	223
Figure 4.3	The Measurement Model after Adjustment	233
Figure 4.4	Structural Model	237
Figure 4.5	Statistical Significant Path Coefficients	240
Figure 4.6	Illustration of a mediation design, X is hypothesised to exert an indirect effect on Y through M	241
Figure 4.7	Mediating Model of Companion's Satisfaction on the relationship between Communication and Behavioural Intention	244
Figure 4.8	Mediating Model of Companion's Satisfaction on the relationship between Courtesy and Behavioural Intention	245
Figure 4.9	Mediating Model of Companion's Satisfaction on the relationship between Courtesy and Behavioural Intention	246
Figure 4.10	Mediating Model of Companion's Satisfaction on the relationship between Hospital Amenities and Behavioural Intention	248
Figure 4.11	Mediating Model of Companion's Satisfaction on the relationship between Hospital Amenities and Behavioural Intention	250
Figure 4.12	Mediating Model of Companion's Delight on the relationship	251

	between Communication and Behavioural Intention	
Figure 4.13	Mediating Model of Companion’s Delight on the relationship between Communication and Behavioural Intention	252
Figure 4.14	Mediating Model of Companion’s Delight on the relationship between Communication and Behavioural Intention	253
Figure 4.15	Mediating Model of Companion’s Delight on the relationship between Communication and Behavioural Intention	255
Figure 4.16	Mediating Model of Companion’s Delight on the relationship between Communication and Behavioural Intention	256
Figure 4.17	Statistical Significant Path Coefficients	256
Figure 4.18	Moderator Model	258
Figure 4.19	Results of the moderation effect of Medical Travel Facilitator on the relationship between Communication and Companion’s Satisfaction	260
Figure 4.20	Moderation effect of Medical Travel Facilitator between Communication and Companion’s Satisfaction	261
Figure 4.21	Results of the moderation effect of Medical Travel Facilitator on the relationship between Courtesy and Companion’s Satisfaction	263
Figure 4.22	Moderation effect of Medical Travel Facilitator between Courtesy and Companion’s Satisfaction	264
Figure 4.23	Results of the moderation effect of Medical Travel Facilitator on the relationship between Emotional Support and Companion’s Satisfaction	265
Figure 4.24	Moderation effect of Medical Travel Facilitator between Emotional Support and Companion’s Satisfaction	266
Figure 4.25	Results of the moderation effect of Medical Travel Facilitator on the relationship between Hospital Amenities and Companion’s Satisfaction	268
Figure 4.26	Moderation effect of Medical Travel Facilitator between Hospital Amenities and Companion’s Satisfaction	269
Figure 4.27	Results of the moderation effect of Medical Travel Facilitator on the relationship between Understanding Companion’s Needs and Companion’s Satisfaction	271
Figure 4.28	Moderation effect of Medical Travel Facilitator between	272

	Understanding Companion's Needs and Companion's Satisfaction	
Figure 4.29	Results of the moderation effect of Medical Travel Facilitators on the relationship between Communication and Companion's Delight	274
Figure 4.30	Moderation effect of Medical Travel Facilitator between Communication and Companion's Delight	275
Figure 4.31	Results of the moderation effect of Medical Travel Facilitator on the relationship between Courtesy and Companion's Delight	277
Figure 4.32	Moderation effect of Medical Travel Facilitator between Courtesy and Companion's Delight	278
Figure 4.33	Results of the moderation effect of Medical Travel Facilitator on the relationship between Emotional Support and Companion's Delight	280
Figure 4.34	Moderation effect of Medical Travel Facilitator between Emotional Support and Companion's Delight	281
Figure 4.35	Results of the moderation effect of Medical Travel Facilitator on the relationship between Hospital Amenities and Companion's Delight	283
Figure 4.36	Moderation effect of Medical Travel Facilitator between Hospital Amenities and Companion's Delight	284
Figure 4.37	Results of the moderation effect of Medical Travel Facilitator on the relationship between Understanding Companion's Needs and Companion's Delight	286
Figure 4.38	Moderation effect of Medical Travel Facilitator between Understanding Companion's Needs and Companion's Delight	287
Figure 4.39	Theoretical Framework	294
Figure 5.1	Types of Companion's Participation in Tourism	319

LIST OF DIAGRAMS

	Page
Diagram 2.1 Demand and Supply for Medical Tourism	43
Diagram 2.2 Medical Tourism Process	46
Diagram 2.3 Players in the Healthcare System	107
Diagram 2.4 Model of Medical Travel Facilitator in Medical Tourism	119
Diagram 2.5 Integrated Medical Tourism Model	120
Diagram 2.6 Why Consumers Use Medical Travel Facilitator	121
Diagram 2.7 Plutchik Psychoevolutionary Theory of Basic Emotions	133
Diagram 2.8 Sources to Seek Medical Advice	161
Diagram 3.1 Data Collection Flowchart	179
Diagram 4.1 Companion's Participation in Tourism	219

LIST OF APPENDICES

	Page
Appendix A Survey Questionnaire	448
Appendix B Letter of Consent & Acceptance Letter	461
Appendix C Frequency Table	462
Appendix D Measurement Model Analysis	475
Appendix E Common Method Variance	479
Appendix F Award and Recognition	488

LIST OF ABBREVIATIONS

APHM	Association of Private Hospitals Malaysia
AVE	Average Variance Extracted
CAGR	Compound Annual Growth Rate
CHHT	Country Heights Health Tourism
CMV	Common Method Variance
CR	Composite Reliability
DMTF	Domestic Medical Travel Facilitator
DV	Dependent Variable
EDT	Expectancy Disconfirmation Theory
EM	Estimation Maximisation
EPP	Entry-Point Projects
FHP	Foreign Healthcare Provider
GATS	General Agreement on Trade in Services
GNI	Gross National Income
GoF	Goodness-of-Fit
GP	General Practitioners
ICP	Invasive Cardiac Procedures
ICU	Intensive Care Unit
IV	Independent Variable
IVF	In-Vitro Fertilization
JCI	Joint Commission International
KTO	Korea Tourism Organisation
LV	Latent Variable
MATRADE	Malaysia External Trade Development Association
MDV	Moderating Variable

MHTC	Malaysia Healthcare Travel Council
MOH	Ministry of Health
MSQH	Malaysia Society for Quality of Health
MTCS	Medical Tourism Climate Survey
MTF	Medical Travel Facilitators
MTP	Medical Travel Partners
MV	Mediating Variable/Manifest Variable
NKEA	National Key Economic Areas
PLS	Partial Least Squares
PLS-SEM	Partial Least Squares-Structural Equation Modelling
PsyT	Psycho-evolutionary Theory
SERVQUAL	Service Quality
SIPT	Social Information Processing Theory
SPSS	Statistical Package for Social Science
TMP	Tenth Malaysia Plan
VAF	Variance Accounted For
VBSEM	Variance Based Structural Equation Modelling
WHO	World Health Organisation
WOM	Word-of-Mouth
WTO	World Tourism Organisation

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DALAM PELANCONGAN PERUBATAN**

ABSTRAK

Kajian ini mengkaji perkaitan kualiti perkhidmatan dalam konteks pelancongan perubatan di hospital-hospital swasta di Malaysia. Ia merangkumi dimensi kualiti perkhidmatan komunikasi, budi bahasa, sokongan emosi, kemudahan hospital dan keperluan pendamping yang boleh meningkatkan niat tingkah laku melalui kepuasan dan kegembiraan berdasarkan pengalaman pendamping ini. Kajian ini juga menyiasat kesan yang sederhana daripada fasilitator pelancongan perubatan antara kualiti perkhidmatan dan niat tingkah laku dalam industri pelancongan perubatan. Model ini menggabungkan tiga teori; teori jangkaan “disconfirmation”, teori pemprosesan sosial dan teori psiko-evolusi emosi. Seramai 438 responden pendamping pesakit mengambil bahagian dalam kajian ini dari empat buah hospital swasta yang diluluskan di Pulau Pinang, Melaka dan Kuala Lumpur melalui kajian soal selidik yang dibangunkan daripada sastera yang berkaitan. Data dikumpulkan dengan menggunakan soal selidik yang dibangunkan daripada kajian sastera yang berkaitan dan kemudian dianalisis menggunakan pemodelan persamaan struktur melalui Smart PLS. Dapatan kajian menunjukkan kesan positif yang ketara antara perantara kepuasan pendamping terhadap komunikasi, kemudahan hospital dan memahami keperluan pendamping pada tindakan untuk kembali dengan kesan negatif terhadap budi bahasa dan sokongan emosi. Kegembiraan pendamping didapati mempunyai kesan positif perantara yang signifikan antara kemudahan hospital ke arah niat tingkah laku manakala dimensi lain didapati mempunyai kesan negatif. Fasilitator pelancongan perubatan telah didapati mempunyai kesan sederhana

yang positif kepada semua dimensi (komunikasi, budi bahasa, sokongan emosi, kemudahan hospital dan memahami keperluan pendamping) mengikut keperluan pendamping dan juga kegembiraan pendamping ini. Sumbangan terhadap teori dan praktikal hasil penyelidikan juga telah dibincangkan. Hasil kajian telah diperjelaskan dan cadangan untuk kajian akan datang juga telah dibentangkan.

**THE EFFECTS OF SERVICE QUALITY, COMPANION'S SATISFACTION
AND DELIGHT ON BEHAVIOURAL INTENTION IN PRIVATE
HOSPITALS FOR MEDICAL TOURISM**

ABSTRACT

This research examined the relevance of service quality in the context of medical tourism of the private hospitals in Malaysia. It encompasses the service quality dimensions of communication, courtesy, emotional support, hospital amenities and the companion's need that can influence intention of returning for retreatment, accompanying and promoting Malaysia private hospitals through satisfaction and delight based on the companion's experience. This research also investigates the moderating effect of medical travel facilitators between service quality and behavioural intention in the medical tourism industry. The model incorporates three theories; the expectancy-disconfirmation theory, the social information processing theory and the psycho-evolutionary theory of emotions. A total of 438 respondents of patient's companions participated in this study from four approved private hospitals in Penang, Malacca and Kuala Lumpur via survey questionnaire developed from related literature. Data was collected by using self-administered questionnaire developed from related literature and then analysed by using structural equation modeling via Smart PLS. Companion's satisfaction mediate the relationships between communication, hospital amenities and understanding the companion's needs on behavioural intention with no effect for courtesy and emotional support. Companion's delight was found to have mediating effect between hospital amenities towards behavioural intention with no effect for the remaining dimensions. Medical travel facilitators were found to have a positive

moderating effect to all the dimensions (communication, courtesy, emotional support, hospital amenities and the companion's need) towards companion's satisfaction as well as companion's delight. Theoretical and practical contributions of the research findings were discussed. Limitations of the research were explained and suggestions for future research were also presented.

CHAPTER 1

INTRODUCTION

1.0 Introduction

This chapter provides background to the research proposed in this study. This chapter depicts the background of the study, problem statements, research questions and objectives of the study. It also highlights the scope of the study, and the importance of the study to the body of knowledge and managerial implications.

1.1 Background of the Study

In this 21st century, medical tourism could be seen as one of the fastest growing “new” businesses in the world , facilitated by medical technology advancements, more affordable travel, the availability of information to potential patients through the Internet and a rapidly growing medical tourism brokerage industry. The projection growth of the medical tourism industry is expected to grow from three quarter million medical travellers in 2007 to 23 million by 2017, where spending pattern is expected to reach USD79.5 billion per year (Keckley, 2008). In terms of global market shares, Asia countries have become among the most preferred destinations for medical tourism and are receiving about 1.3 million foreign patients annually with a high growth rate of 20-30% per annum (Liow Tiong Lai, 2009). Many nations around the world see the international medical tourism is an emerging phenomenon and a promising and fast-growing industry (Han & Hwang, 2013).

Health tourism also known as “medical tourism” or “medical travel” is a rapidly growing industry catering to patients who travel to another country to receive medical treatment (Yap, Chen, & Nones, 2008). Carrera and Bridges (2006a), define health tourism as “the organised travel outside one’s natural healthcare jurisdiction for the enhancement or restoration of the individual’s health through medical intervention”, using but not limited to invasive technology (p. 447). In Southeast Asia, medical tourism has become a common phenomenon with the established hospitals such as Apollo Group of Hospitals (India), Fortis-Escorts Heart Institute (India), Bumrungrad Hospital (Thailand), Prince Court Medical Centre (Malaysia), Sunway Medical Centre (Malaysia) and the Raffles Hospital (Singapore) (Gopal, 2008). Patients who visit these hospitals receive elective procedures such as cosmetic surgery and specialist treatments, medical treatment such as major and minor surgeries, chemotherapy for cancer, dental care, or routine health checks. In addition, leisure activities are integrated into a package for the patient and their companion, hence making the phrase of “health tourism”.

The global growth of medical treatment together with the advancement of medical technology, expertise and medical travel facilitators has given a wider selection of choice on the place and type of healthcare that suits the medical tourists and their families. In fact, medical tourists spend longer time and money than the traditional tourists when they seek medical treatment in other country (Bennett, King, & Milner, 2004). As a result, a thorough research and analysis is required in choosing the best healthcare provider and healthcare treatment (Liwen, 2011). In summation, as the medical services are costly in nature combine with the fear of receiving medical treatment in foreign countries had made the consumers to be highly involved in selecting and purchasing the service of medical travel services (Gruber & Frugone, 2011).

Medical Retreat Abroad, Malaysian MediTravel and Medical Tourism Co., for example, play an important role as moderators in connecting a potential customer or patients with a Foreign Healthcare Provider (FHP) for the purpose of arranging a medical, surgery or a cosmetic treatment outside the customer's or patient's home country. In addition to matching a patient with an appropriate FHP, the Medical Travel Facilitators (MTF) integrate their services by arranging the entire process of pre- and post-care treatments, the transfer of medical records, travel arrangements. In fact, in some cases the MTF arrange for a personal assistance or a translator, or even scheduling tours in the destination country for the patients. These MTFs are the "pull factors" that drive the medical tourism industry (Crooks, Paul, Jeremy, & Rory, 2010).

The Malaysian government has identified healthcare industry, in particular extensive treatment as one of the promising businesses to generate national economic growth due to its fast gaining recognition as a popular destination for healthcare travellers. In addition, Dato Seri Liow Tiong Lai, the Minister of Health Malaysia stated in the *Malaysian Tourism Report* for the First Quarter of 2010 that Malaysian medical tourism generated about US\$85 million (RM280.5 million) revenue in 2008 and treated 375,000 medical tourists. In line with the greater focus on healthcare development, under the *Tenth Malaysia Plan* (2011-2015), a total of RM20 billion has been allocated to boost private sector investment in strategic priority areas including infrastructure, education and healthcare. Specifically, healthcare has been declared as one of the 12 National Key Economic Areas (NKEAs) priority sector investment as it has the potential to drive the economic growth of Malaysia (Lai, 2011). Due to this, Malaysia aims to become the regional hub for medical tourism in Southeast Asia. In Asia, Thailand,

Malaysia, Singapore and India are the major ‘hubs’ of the trade. (Smith, Chanda, & Tangcharoensathien, 2009).

The expansion of the travel industry and budget airlines has also facilitated this medical tourism industry by making travelling easier and cheaper within the region. This is supported by numerous studies (Kher, 2006; MacReady, 2007b) stating that countries such as Thailand, Malaysia, Singapore, and India are well-established destinations for medical tourists seeking cardiac surgery and orthopaedic surgery. In addition, under the *Tenth Malaysian Plan (10MP)*, the Malaysian Government has targeted revenue from the healthcare travel to increase by 10% a year thus making Malaysia a preferred healthcare destination in the region (The Economic Planning Unit, 2010). Various factors that also contribute to this phenomenon are cheaper cost of treatment as compared to Europe, US and Singapore, the advanced technology, experts and the quality of medical care. For example, the *New Straits Times* reported that Malaysia is one of the world's top five medical tourism destinations for tourists and foreign investors with patients choosing Malaysia because they could get the best medical treatment at a lower cost (Rosnah, 2011). Table 1.1 shows the cost comparison of selected procedures from five countries with that of Malaysia. This clearly indicates that the cost of treatment in Malaysia is far less than the US, Korea, Thailand and Singapore which in turn leads to further attraction of medical tourists to choose Malaysia on their source of treatment.

Table 1.1*Cost Comparison of Selected Medical Procedures (in USD)*

Procedure	U.S.	Korea	Thailand	Singapore	Malaysia
Medical Procedures					
Heart-valve replacement	170,000	43,500	21,212	12,500	10,580
Heart bypass	144,000	28,900	15,121	18,500	11,430
Spinal fusion	100,000	15,400	9,091	15,000	6,000
Angioplasty	57,000	15,200	3,788	13,000	5,430
Hip replacement	50,000	14,120	7,879	12,000	7,500
Knee replacement	50,000	19,800	12,297	13,000	7,000

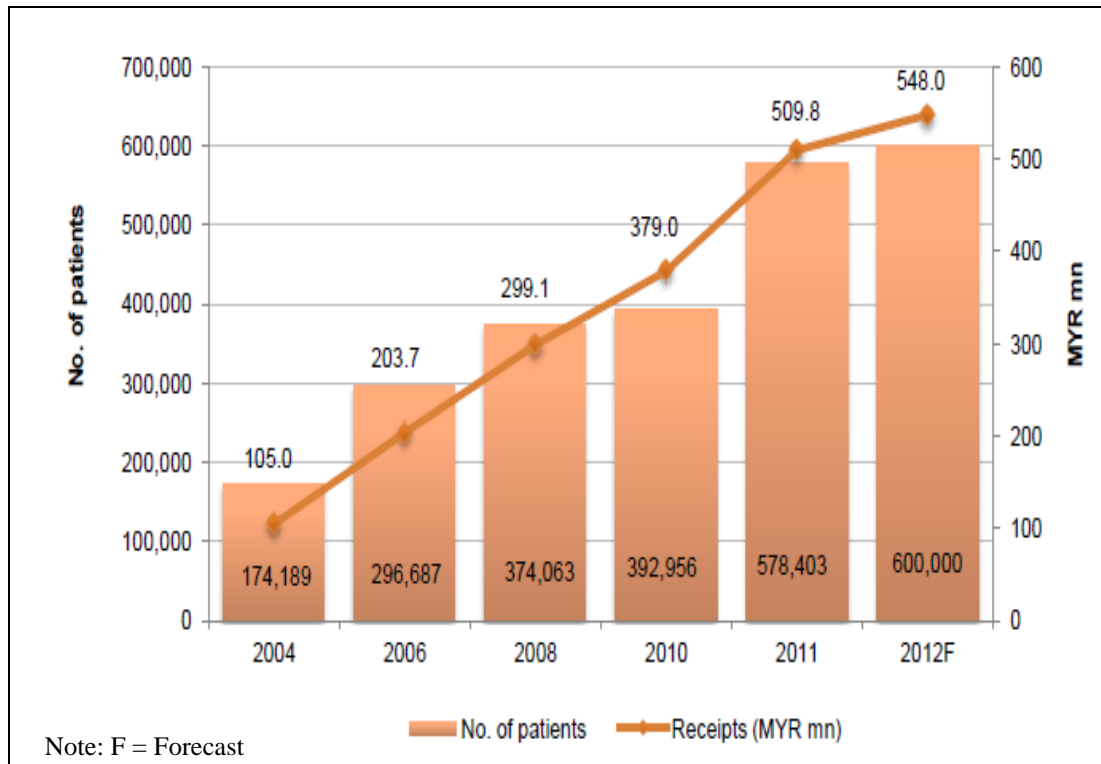
Notes. Adapted from Medical Tourism Association 2010.

Source: Medical Tourism Association (2010); Patients Beyond Borders (2010).

From 2007 to 2011, the number of medical tourists coming to Malaysia has tripled to 600,000 with revenue generated about RM511.2 million in 2011 (MHTC, 2011). In fact, the pool of medical tourists seeking treatment overseas expands and drives growth of the medical tourism market in Malaysia to include patients from countries as far as German, Ukraine, and the Middle East (MHTC, 2011). The Malaysia Healthcare Travel Council who is the governing body projected that the number of medical tourists will continue to grow by 30 percent yearly until 2020. Table 1.2 shows the comparison of patients and revenues from 2004 to 2012, giving the evidence of the growth.

Table 1.2

Growth of Medical Tourists and Revenues, 2004-2012



Notes. Adapted from Emerging Market Directs Reports (2nd half, 2011).
Source: Malaysia Healthcare Travel Council (MHTC, 2011); Association of Private Hospitals of Malaysia (APHM) (2010).

Data from the Malaysia Healthcare Travel Council (MHTC) in Table 1.3 shows that in 2011, Malaysia has subsequently received 578,403 foreign patients from over 20 countries in the world. Indonesia is the biggest contributor with the highest percentage with 335,150 patients (69%) (Table 1.3) receiving medical treatments for the total medical tourists.

Table 1.3*Medical Tourists from Top 20 Countries of Origin, 2011*

No.	Country of Origin	Total Patients	Percentage (%)
1.	Indonesia	335,150	69
2.	India	18,604	4
3.	Japan	16,111	3
4.	United Kingdom	12,704	3
5.	China	11,029	2
6.	United States	10,584	2
7.	Australia	9,678	2
8.	Iran	8,836	2
9.	Libyan Arab Jamahiriya	7,225	1
10.	Nepal	6,727	1
11.	Saudi Arabia	6,580	1
12.	Myanmar	5,885	1
13.	Singapore	5,879	1
14.	Philippines	5,602	1
15.	Virgin Islands, British	5,479	1
16.	Others	5,367	1
17.	Bangladesh	5,071	1
18.	Germany	3,991	1
19.	Korea, Republic Of	3,521	1
20.	France	3,394	1

Notes. Taken from Malaysia Healthcare Travel Council (2012).

Originally, the development of medical tourism in Malaysia evolved due to a paradigm shift in the awareness and provision of health care services towards patients and their companions. This has also been highlighted by the Malaysian Deputy Health Minister, Datuk Rosnah Abdul Rashid Shirlin in the Asia Healthcare Operations Summit 2011 in which the government wishes to spur the growth of the healthcare transformation as well as the industry under the *Tenth Malaysia Plan* (TMP). The accessibility, coverage and quality of healthcare are the main focus of the transformation with continuous improvement in delivery healthcare services to all the patients and other

stakeholders. Hence, the needs of both entities of the medical tourists and their companions should become the highest priority for any healthcare providers in order to retain their customers.

According to Parasuraman, Zeithaml, and Berry (1988), service quality became a crucial management issue as it is pivotal to private sector competitiveness. Indeed, the strategic importance of service quality in healthcare has become widely recognised (Smith, 2000) due to the fact that delivering quality service is paramount to determine patient's and companion's satisfaction (Padma, Rajendran, & Lokachari, 2010). In medical tourism, private hospitals play the role in catering the medical needs of medical tourists. The involvement of 41 private healthcare sectors and the rapid uptake of accreditation activities by the hospitals will continue to lead the development of medical tourism, in order to make Malaysia a favourite choice in the region for health treatment. According to Lynch and Schuler (1990) quality has proven to be an essential component in the consumer's choice of hospitals. Jagyasi (2010b) in his survey and research in medical tourism reported that the quality of healthcare service acts as an essential role in the decision making process. In fact, he also stressed that in certain destinations, consumers are drawn to the respected medical centres due to its highly credible and respected rankings as well as medical professionals in their respective fields. Several researchers have also found that service quality not only influences the satisfaction of patients and companions but also their purchase intentions (Padma, 2010). Therefore, as the key service providers in medical tourism, private hospitals in Malaysia play a vital part in making sure the quality of medical care provided is as beneficial as expected by the patients and their companions.

For hospitals, patient's satisfaction of the services provided has never been more important (Robinson, 2012). A hospital could have the best engineering in the universe, but would not be able to satisfy their patients and companions if they delivered a negative experience during the journey of their treatment and rest. In recent years, due to the increasing emphasis on patients and companions as consumers, patient satisfaction has emerged as a critical outcome of medical care services (Davies & Ware, 1988). Furthermore, satisfied patients are more likely to comply with medical treatment regimens (Ahorny & Strasser, 1993; Gombeski & William, 1994), they heal faster (Kincey, Bradshaw, & Ley, 1975), and they are more likely to utilize services in the future (Baker, 1990). It is therefore an important business success strategy (Anderson, Fornell, & Mazvancheryl, 2004; Yoon & Uysal, 2005) and possible destruction may happen to hospitals that fail to recognise the significance of delivering customer satisfaction (Andaleeb, 1998b). Thus, it is suggested that service quality not only will give effect towards satisfaction, but also repurchase intention if patients and companions are not satisfied with the services provided to them.

Impressive evidence has been found on the favourable effects of customer's satisfaction on various behavioural intention indicators in services settings, such as repeat purchase (Szymanski & Henard, 2001), willingness to recommend to others (Homburg, Koschate, & Hoyer, 2005), loyalty (Anderson & Sullivan, 1993), and profitability (Anderson, Fornell, & Lehmann, 1994; Bernhardt, Donthu, & Kennett, 2000). In healthcare settings, evidence has been depicted to induce a direct impact on service quality towards behavioural intention existed (Gooding, 1995; O'Connor, Trinh, & Shewchuk, 2000; Wu, Liu, & Hsu, 2008a). However, there are some arguments on the importance of behavioural intention, in which satisfaction alone does not lead to future

behaviour, but the emotional response to the experience should be considered (Schlossberg, 1993). Although meeting expectations produce satisfaction, it is the emotional response of surprise whether delight or outrage that has a real impact on customer loyalty (Schneider & Bowen, 1999a). Nevertheless, research on customer delight is still lacking (Arnold, Reynolds, Ponder, & Lueg, 2005c), especially research in line with medical tourism industry. In general, customer delight has the most potential to influence future customer behaviour (Berman, 2005; Finn, 2005; McNeilly & Barr, 2006; Oliver, Rust, & Varki, 1997) with desirable satisfaction and delightful experience towards foreign patients and their companions.

In a hospital environment, patients are in a state of discomfort physiologically or psychologically (Duggirala, Rajendran, & Anantharaman, 2008). Thus, this requires the companion's assistance in order to interact with the service providers. This attention and the perception of the patient's companion towards the healthcare provider is paramount for medical tourism industry. In the quest of searching for medical treatment in foreign countries that have a different environment, culture and language, patients are frequently accompanied by friends or family members. For example, in Malaysia, foreign patients will normally be accompanied by their companions such as parents, sister or brother, friends and immediate families. These companions not only will judge the care and services provided to their immediate families but also will experience the service provided to them. As SFU (2014) stressed that the role of companion role is important in providing the medical tourists support emotionally and physically leading up to, during, and following the procedure as well as monitoring symptoms and aftercare.

With the current scenario on the increase number of foreign patients in Malaysia, there will be another focus that the service provider needs to take into consideration. The service provider should also focus on providing a delightful experience to the accompanying companions as these people will also experience the service provided.

Due to dearth of data and empirical analysis on the current medical tourism phenomena, the impact of medical tourism on the companion is limited (Pocock & Phua, 2011). Hence, this study is undertaken to explore the need to conceptualise service quality and examine closely the aspects of satisfaction and experience from the perspective of the companions. There has been a number of published papers analysing the travel motivations of tourists to Malaysia, which focuses on tourism. However, companion's satisfaction and delight in private hospitals in Malaysia have not been adequately measured. Several studies conducted by Yeoh, Othman, and Ahmad (2012) focused upon understanding medical tourists and Musa, Thirumoorthi, and Doshi (2011) looked upon domestic medical tourists in Kuala Lumpur. Whilst, medical tourist satisfaction in a localised setting at Island Hospital, Penang was investigated by Oon (2006) and Navid, Ahmad, and Yuserrie (2010) on patient's satisfaction in private healthcare in Penang. Despite this, there were hardly any literature on companions' satisfaction and delight experience in the Malaysian medical tourism industry that could be found through the review process undertaken for this study.

This study intends to measure satisfaction of patients' companion and delight experience based on the dimensions of service quality. Patient's companion satisfaction is critically important to be measured as they are also involved in the patient's physical and mental health, medical decision-making, satisfaction with physician care, treatment adherence and the quality of healthcare processes. Thus, identifying factors that

influence patients' companion satisfaction of medical tourists in Malaysia will allow the healthcare service provider to capture their area of strength and weaknesses. Current healthcare services may need to improve to reduce medical tourist's dissatisfaction (service recovery) and this is believed to be the key influence in patients' companion satisfaction. This study will also examine the moderating effect of medical tourism facilitator on the word-of-mouth communications (WOM) of Malaysia private hospitals as they also play a key and essential role in facilitating the growth of medical tourism industry in Malaysia. As the Malaysian Government is working actively towards promoting and fostering medical tourism in the country, this study hopes to benefit the medical tourism industry in shaping the future of healthcare services in Malaysia.

1.2 Problem Statements

In 1997, the Asian fiscal crisis has severely affected the Malaysia private healthcare sector. During this crisis, there has been an 18% increase in healthcare consumers returning to the public healthcare facilities with a decrease in the percentage of consumers visiting the private healthcare (Wong, 2008). Due to this, private hospitals promote their facilities and services abroad in order to expand the market. As a result, a national committee was being set up by the government to look into ways to expedite the medical tourism industry (Ministry of Health Malaysia, 2002). Statistics by the Association of Private Hospitals Malaysia (APHM) showed that the number of medical tourist coming to Malaysia grew from 39,114 in 1998 to 374,063 in 2008, with an average annual growth rate of 21.4%. In 2008, the estimated revenue was RM299m (USD90.5m) with an average grow of 30.3% per year from 2004 to 2008. These medical tourists, included those who reside in the country and foreign visitors who

needed the medical care while visiting the country (Chee, 2010). Recently, data compiled by MHTC (2012) in 2011 (Table 1.4) shows that the number of foreign patients visiting Malaysia for medical tourism has quadrupled since 2007 to 578,403 in 2011. The majority of the patients come from Indonesia (69%), India (4%), Japan (3%) and UK (3%). In 2009, the economic slowdown has somewhat affected the performance of the country's hospital providing medical services to foreigners. In Table 1.4, it shows that in 2009, there is a decrease of 10.1% of foreign patients visiting Malaysia receiving medical treatments with a 3.6% reduction in revenue.

Table 1.4

Number of Foreign Patients, 2007-2011

Year	No. of foreign patients	Increment from previous year (%)
2007	341,288	15.0
2008	374,063	9.6
2009	336,225	-10.1
2010	392,956	16.9
2011	578,403	48.4

Notes. Data taken from MHTC (2012).

Nevertheless, in the last five years the comparison shows a faster growth rate with the number of medical tourists entering Malaysia almost reaching the number of patients entering Singapore (Chee, 2010). However, revenue from the medical tourists entering Malaysia is still lower than that of Singapore such as in 2008 Malaysia earned USD90.5m, which was about one-eighth of what Singapore earned. In Malaysia, during 2006 to 2008, 76.7% of the medical tourists came from Indonesia, a smaller rate of 3.4% came from Japan, 2.7% medical tourists hailed from Europe, and 1.8% from India.

Nevertheless, there was an increase from 1.3% to 1.8% of medical tourists from China, and 0.5% to 1.0% from the Middle East, while medical tourists from Singapore stayed at around the 1.1% level for the three-year period (Malaysian Tourism Promotion Board, 2006-2008). During this period, there was also an increase in the diversity of medical tourists who came from different countries and regions of the world such as Britain, Japan, North America, South Asia, Australia, and New Zealand (Khoo, 2003). The expansion of the medical tourism industry have tremendously expanded the private healthcare sectors in Malaysia and Singapore (Chee, 2008). Reflection in the percentage of medical tourist in Malaysia and Singapore has highlighted the significant development of medical tourism industry with 30% in Parkway Hospitals, 30% to 40% in Raffles Medical Hospital, both in Singapore, and 20% in the Pantai Hospitals in Malaysia (Nomura Asia Healthcare Research Team, 2009).

Malaysian government supports medical tourism through organising and conducting road shows and merchandising promotions such as the three specialised healthcare missions overseas in order to promote health tourism in 2000 to 2001 which included the Middle East, Myanmar, Vietnam, Jakarta, and Surabaya by the Malaysia External Trade Development Association (MATRADE) (Ministry of Health Malaysia, 2002). Healthcare marketing missions were later extended to Oman, Jordan, Muscat and Amman to further promote the medical tourism in 2007 (APHM, 2010). Despite all these measures, the perception of private hospital executives indicates the government's effort to boost the medical tourism industry is still inadequate as compared to Singapore's effort (Socioeconomic and Environmental Research Institute, 2009). These executives have expressed concerned with only the Indonesian being the majority seeking treatment in Malaysia private hospitals. Hence, government should also

targeted by putting aggressive efforts to other surrounding countries. In fact, the development of the Dubai Healthcare City will also hinder the medical tourism industry in Malaysia (Chee, 2010). Furthermore, the private healthcare sector in Malaysia feels that Malaysia has failed to use its advantage in its Muslim credentials in attracting medical tourists from the Middle East, and they have lost out to Singapore and Thailand in this market sector (Chee, 2010). Undoubtedly, Middle East medical tourists normally travel with companions. Hence, this will definitely generate revenue to the country because their experience in Malaysia private hospitals can further lead to repeat purchase. In addition, these companions are also prospective patients in the future.

In 2009, following a proposal by the business sector, the Malaysia Healthcare Travel Council, comprising representatives from government and private sector, was established as the primary agency to promote and develop the industry as well as to position Malaysia as a healthcare hub in the region (Malaysia Healthcare Travel Council, 2010). A logo and Malaysia Healthcare website was launched by the Health Minister in the new branding effort to further promote and position Malaysia (Malaysia Healthcare Travel Council, 2010). With this new branding initiative, Malaysia aims to market high quality medical services at competitive and affordable prices for medical tourists who are supported by a favourable exchange rate as well as medical doctor's highly specialised skills.

In enhancing the ability of private hospitals to attract medical tourists is the shorter waiting time for surgery. Horizontal integration from medical travel facilitators facilitates patients with the booking of hotels, tourism arrangement and logistic preparations. In addition, medical healthcare centres through their medical travel facilitators offer medical holiday schemes or health check packages combined with

accommodation and full health screening package with wellness programs. These medical travel facilitators have tailored their surgical packages based on individual requirements such as flight bookings, medical treatment, hotel bookings for accommodation and recuperation (Cormany & Baloglu, 2011; Lunt & Carrera, 2011; Reddy & Qadeer, 2010; Whittaker, 2008).

Although relocation and reproductive tourism have been rationally studied due to the strong ethical and even legal concerns being raised, there is little empirical data on the overall numbers of medical tourists and their companions, key source and destination countries, types of services being sought and patients' perceptions of their out of country or medical tourist experiences (Hopkins, Labonté, Runnels, & Packer, 2010; Leahy, 2008). Therefore, there is indeed a dire need to investigate on medical tourists and companions experience due to the rising numbers of medical tourists and accompanied members to Malaysia. Moreover, data on the number of medical tourists seeking medical health services in Asia are limited and it is anticipated that the industry will continue to grow exponentially to USD4.4 billion by 2012 (Smith et al., 2009).

Malaysia private hospitals on the other hand is the engine that drives medical tourism to improve customer service and governed by healthcare management experts. Medical tourists will experience and utilise medical services in the 41 private hospitals in Malaysia. As such, private hospitals in Malaysia are under extreme pressure to improve continuousness of care, to expand primary care capacity, and to fill a host of managed care and budgetary constraints. In terms of the quality of care, all private hospitals are approved and licensed by the Ministry of Health (MOH) Malaysia, and most of them have achieved certification for internationally recognised quality standards. Medical specialists in the country are extremely modified and being backed

by well-trained paramedical staff and advanced medical equipment. On the other hand, limited academic research has been carried out on medical tourism in Asia although the medical tourism industry is growing speedily and has captured global attention due to its seemingly high profit potential (Heung, Kucukusta, & Song, 2010).

In 2009, there is a decrease of 10.1% in the number of foreign patients to Malaysia due to the worldwide recession as well as uncertainties by the influenza outbreak regionally and globally. Nonetheless, in the *Tenth Malaysia Plan* (TMP), medical tourism has been considered by the Malaysian government to be the country economic key growth factor as well as for attracting the local and foreign investment and also in promoting Malaysia globally as a medical tourism destination. Hence, the current increasing number of medical tourists flooding the private hospitals in Malaysia and the resulting revenues showed that the effort have been rewarding. In fact, the new phenomenon and optimistic future prospects for this sector can be regarded as an opportunity for economic growth of the nation. Thus, this study is conducted in view of the Malaysian government identification of medical tourism as one of the potential and promising subsector services industry to generate national economic growth, as Malaysia is becoming a preferred destination for healthcare travellers.

A patient's companion is an integral part of the care of the patient. The companions are the supporting strength for the patients and they become an instrumental part in the patients' recovery. For example, in critical care case Harvey (2004) identified companion satisfaction as a substitute for patient satisfaction as the crisis of a critical illness not only affects the patient but also the companion. Most of the marketing research studies conducted on the quality of healthcare have considered patient's perceptions, patient's satisfaction, patient's trust, and patient's expectations.

This study will be a new contribution as it will focus on companions' satisfaction as they are also consumers who experience the service while accompanying their family members in the Malaysia private healthcare.

According to Ekwall, Gerdtz, and Manias (2008b), it has been suggested that patients' companions should also be regarded as clients. In addition, preferences on admission to specific hospitals as well as recommendations of the hospital to others will be based on companion' satisfaction with the service provided to the patients and the companion (Vom Eigen, Edgman-Levitan, Cleary, & Delbanco, 1999). Therefore, family members or so called "patients companions" are also potential clients, and their satisfaction and experience with hospital care may influence patients' healthcare issues as good as their own future health maintenance demands.

Understanding the patient's companion experience can provide valuable insight for improving its standards (Ekwall et al., 2008b). While nursing care has been established as an important issue in patient's satisfaction (Wagner & Bear, 2009b), there has been limited research into the patient's companion experience in healthcare settings (Vom Eigen et al., 1999). According to Susan and Joyce (2010), patient's satisfaction survey seems inadequate and vague due to the severity of patient's illness and level of consciousness while in the nursing case of the hospitals. As a result, patients' companions are often the ones who can determine the satisfaction level with care provided by the hospitals as well as with the overall critical care experience (Susan & Joyce, 2010) as they care for the patient in the hospital. As the companion accompanied the patient in the nursing case, satisfaction and experience can also be assessed from the perception of the companion who can determine if the patient received good-quality care despite the cases of medical discourse.

In healthcare systems, the customers are highly involved, thus, the evaluation of the quality of service may encounter some problems and difficulties. Patients and companions will have a very close bond with their provider as their hospital stay expands over long period of time (McAlexander, Kaldenberg, & Koenig, 1994). As highlighted by Yasin and Green (1995), patients and companions input and assessment of the care system are very invaluable for the healthcare providers although patients and companions have limited medical knowledge in assessing particular aspects of the system. In view of this, the challenge lies with the healthcare providers to provide good and quality services towards patient's companion throughout their experience in the hospitals which could lead to companion's satisfaction with the overall care and service.

Since 2001, limited studies have investigated companion's satisfaction in hospital care which only focuses specifically on the companions' needs while the patient is being cared in the critical care unit (Susan & Joyce, 2010). To date, studies in hospitals have focused on patients' rather than on the companions' assessment of healthcare quality (Vom Eigen et al., 1999), while studies on the role of companions in healthcare have tended to concentrate on care at home (Åstedt-Kurki, Paunonen, & Lehti, 1997). So far, most studies often concern families of patients hospitalised in specific departments (e.g., paediatric) or with specific medical conditions (e.g., intensive care) but studies regarding companion's satisfaction and delight experience in the area of medical tourism are scarce or has been neglected.

Attention to the patient's companion should be considered as an important part in patient management (Leon & Knapp, 2008b) as services targeted towards the patient's companion needs should help to reduce their stress and improve satisfaction. In addition, patients and their companions become more vulnerable as they are in another

country that has different culture, language and environment. As the patients are facing experiences in terms of illness, complex treatment, adoption of different technologies and different equipment, investigating the patient's companion experience can provide fruitful information to the service provider. According to Sole, Klein, and Moseley (2009), how patient's companion deal with mental stress is an important components where attention to the companion's needs of the hospitalised patients could increase satisfaction in order to reduce stress disorders. In fact, companion do have important role in the recovery process of the patient as well (Yousefi, Karami, Moeini, & Ganji, 2012).

In contrast to the findings related to satisfaction, delight has been acknowledged to have powerful effects on both psychological and behavioural customer variables (Barnes, Beauchamp, & Webster, 2010). For example, firms that delight their customers are able to create emotional bonds, stronger memories, higher levels of loyalty, commitment, willingness to pay, and word of mouth (Arnold et al., 2005c; Barnes et al., 2010; Berman, 2005; Keiningham, Timothy, & Vavra, 2001). Blackwell, Miniard, and Engel (2006), stated that satisfying customers is inadequate in which businesses should strive to delight the customer in which customers are more than satisfied. Nevertheless, up to now, service practitioners believe that they must go beyond satisfaction to delight customers and in order to retain them. "Customer delight" or delighting customer goes a step further to provide customers through better service and quality (Willis, 1996). Whereas "quality" and "satisfaction" resulted when a firm meet customer's expectations, thus "delight" requires a firm to provide customers with more than what they have expected or beyond expectation (Schneider & Bowen, 1999a). Datuk Seri Dr. Maximus Johnity Ongkili, Minister of Science Technology and Innovation, in his opening speech

at the Summit Convention, stressed that management of patient care and comfort by hospitals determines the patient experience (whether good or bad) and also affects the facilities and needs which would provide comfort to accompanying family members. In the field of medical tourism, such factors are highly relevant in attracting tourists to Malaysia (Opening Speech, Summit 2010).

Customer delight is going beyond the customer's expectation. For example, patients and companions may expect the receptionist to be soft-spoken, efficient and well informed. Indeed, meeting all these expectations will result in a satisfied customer. However, to create customer's delight, the service provider will not only have to meet all the expectations, but will also have to provide at least one additional pleasant surprise. This additional pleasant surprise can happen at various points of contact during the patients and companions experience in the hospital. An exemplary case study is GNRC Hospital in Guwahati, India (Shukla, 2007). An additional pleasant surprise was created through each touch point with the customers. For example the revelation of the surprise element was done through the cleaning, wiping, shining and spotless windshield of the customer's car once they returned to get their car back at the parking place in the hospitals car park (Shukla, 2007). Customers surely will not expect that their automobile will be cleaned or freely wiped when parked in the parking facilities. Thus in this case it has created the elements of surprise or delight to the customer.

Satisfaction, acting in parallel with delight, affects behavioural intention. Support for the relationship between delight and behaviour intention has been demonstrated in a variety of subsequent research, in relation to website users (Finn, 2005), rural lodging guests (Loureiro & Kastenholtz, 2010) and hotel guests (Torres & Kline, 2006). Research on delight has addressed a variety of perspectives across different industries,

such as: core services versus noncore services among restaurant patrons (Wang, 2011) and lifestyle clusters among ski resort patrons (Fuller & Matzler, 2008a). In addition, there has been six extensive qualitative research in which respondents describe attributes of “delightful” service encounters within various settings, such as hotel encounters (Magnini, Crotts, & Zehrer, 2011), retail services (Arnold et al., 2005c), and accounting services (McNeilly & Barr, 2006). The researcher located only one study that focused on delight, satisfaction and behavioural intention in a hospital setting which was by Robinson (2012) in the USA but not in medical tourism industry. Therefore, investigating satisfaction, delight and behavioural intention in medical tourism field are highly relevant and important to the body of knowledge as well as to the service provider.

Customer delight can often be stimulated when the service is extremely individualised. For example, the staff or personnel are not only quick to respond to customers’ needs, but also anticipate and count ahead to provide them. The quality or *luxuriousness* of a facility provided to customers is well beyond their expectation. According to Torres and Kline (2006), past studies have shown that delight and satisfaction are inter-related but practically separated and is more associated with positive word-of-mouth, loyal customers, and profitable businesses. Customer delight convincingly have more potential in influencing customer repeat purchases as well as recommending the product or service to others as compared to customer satisfaction (Berman, 2005; Finn, 2005; McNeilly & Barr, 2006; Oliver, 1997a). However, very limited studies have measured the actual delight experience and satisfaction in the view of patient’s companion in medical tourism industry. Hence, this study is critical, in

order to garner robust evidence to support our medical tourism industry to become competitive in Asia as well as globally.

In a separate vein, another key influencer in medical tourism is the role of medical travel facilitators. Medical travel facilitators act as a consultant in researching and connecting potential patients to suitable medical provider. In fact, they recommend and influence the choice of medical centres for treatment and accommodation for patient's companion. They are an important gatekeeper especially to the first time medical tourists and companions, thus, also to the repeat purchasers. They ensure medical tourist gets a first class facility of travel, medical, concierge and insurance-facilitation services as well as high quality experience.

Bitner and Booms (1982), forecasted that over the time travel agents will not only become an important gatekeeper for information, but, also an important influencer through their opinions and advices on travel alternatives and choice criteria. Therefore, the role of medical travel facilitator deemed to be very crucial in medical tourism due to the complexity decision making in choosing the best medical service provider. A survey done by Jagyasi (2010b), identified that medical travel facilitator plays a central and vital role in attracting medical tourists. In fact, 61% of the respondents stated that their role in medical tourism to be significantly important (Jagyasi, 2010b). Therefore, the development of medical tourism industry will largely be influenced by this key player. Indeed, identifying the medical travel facilitator's influence on the healthcare services will be an important contribution to the Malaysia private hospitals as well.

Research regarding satisfaction of companions towards private hospital service quality with regard to delight experience and intention with the moderating influence of medical travel facilitators in medical tourism is severely lacking in the literature. In

addition, there are no strong empirical studies done on Malaysian medical tourism industry focusing on these pertinent variables. Therefore, based on a comprehensive review of the literature and consideration on the importance of providing prominent quality of service in medical tourism industry, the study finds the need to investigate companion's viewpoints on the quality of service of Malaysia private hospitals. In fact, with the recent development in the increasing number of foreign patients to Malaysia has heightened the needs to investigate the companions' experience, the influencing role of medical travel facilitators and its impact upon the medical tourism industry in Malaysia.

Scholarly publications examining the medical tourism phenomenon have addressed various issues with regard to ethical, legal, economic, and social related to this practice. Current research in health and wellness services is hindered by limited empirical analysis of the issue of a global market of medical tourism (Crooks, Turner, Snyder, Johnston, & Kingsbury, 2011; Hopkins et al., 2010; Lunt & Carrera, 2010). In addition, studies on patient's companion experience have been neglected with most studies focusing on patients instead of companion. Yeoh et al., (2013) clearly indicated that 70% of medical tourists come to Malaysia with at least one guest and most of them stayed for 7 days (22.2%). Thus, by focusing on the delivery of quality of service provided by the private hospitals in Malaysia towards patient's companion experience will realise a meaningful contribution to the medical tourism industry, the institution of a global marketplace for health services, and the rise of Malaysia as a leading destination for international medical care regionally as well as globally.