# ANALYSIS OF THE EFFECT OF PRICE, FACILITIES, AND SERVICE QUALITY ON PATIENT SATISFACTION IN INPATIENT HOSPITAL ROYAL PRIMA MEDAN

Zhou Yufei

*Master of Management, Faculty of Economics, Universitas Prima Indonesia*

## ABSTRACT

*Higher public education has made people more aware of the importance of quality. As a result, people tend to demand better and faster health services. This has led to increasingly fierce competition among hospitals and health centers, and health clinics in cities and regions that are increasingly numerous. This study analyzes the Effect of Price, Facilities, and Service Quality on Pa-tient Satisfaction in Hospitalization at Royal Prima Medan Hospital. This study's quantitative research approach was conducted at Royal Prima Medan Hospital in November 2022. The study population was all inpatients, with a monthly average of 4,199 pa-tients. Determination of the number of samples using Structural Equation Modeling (SEM), suggestions from Hair et al. state that the number of samples in SEM analysis is 100-200, so the number of samples taken in this study was determined to be 100 people. The sampling technique used is the non-probability sampling method. The data analysis model used in this research is the multiple regression analysis model, t-test, and f-test. From the results of the t-test above, it can be concluded that for the Price variable, obtained t-count (4,234)> t-table (1.66) and the probability value (0.002) <0.05, then H1 is accepted, meaning that there is an effect of Price on Patient Satisfaction. Service Quality variable, obtained t-count (5.233) > t-table (1.66) and probability value (0.001) <0.05, then H2 is accepted, which means that there is an effect of Service Quality on Patient Satisfaction. For the Facility variable, the t-count (5,209) > t-table (1.66) and the probability value (0.000) <0.05 are obtained, so H3 is accepted, meaning that there is an effect of Service Quality on Patient Satisfaction. The f test F-count (78.224) > F-table (2.70), then H4 is accepted, which means that the variables of Price, Service Quality, and Facilities affect the Satisfaction of Royal Prima Hospital inpatients. Summary partial and simultaneous test variables Price, Service Quality, and Facilities affect Patient Satisfaction inpa-tient Royal Prima Hospital.*

**Keywords:** *Price, Facilities, Service Quality, Satisfaction, Patient*

## 1. INTRODUCTION

Higher public education has made people more aware of the importance of quality. As a result, people tend to demand better and faster health services. This has led to increasingly fierce competition among hospitals and health centers, and health clinics in cities and regions that are increasingly numerous. Nowadays, people are starting to include new needs as essential requirements for service quality. The increasing socio-economic conditions of the community also affect the mindset of people who are increasingly critical of vital matters, especially health. The district also began to realize that health is essential because humans or societies cannot live correctly if their health needs are unmet.

Facilities are everything deliberately provided by service providers for use and enjoyment by consumers, aiming to provide a maximum level of satisfaction. Home Population growth and increased concern for health drive demand for community services (1). Therefore, the healthcare field is now transforming itself towards customer orientation (2). Hospitals are trying to build marketing strategies that raise facilities in the community to improve patient satisfaction, loyalty, and performance. The 1945 Constitution explains that the state must serve every citizen and resident to fulfill their basic needs to improve public welfare. All public interests must be carried out by the government as state administrators, namely in various service sectors, especially regarding the fulfillment of civil rights and basic needs of the community (3). In other words, all interests that concern many people's lives must or

need a service. Furthermore, Law No.25 of 2009 concerning Public Services explains that organizers are obliged to provide quality services by the principles of public service delivery.

Quality health services are health services that can satisfy every user of health services by the average level of satisfaction of the population and whose implementation is by established professional standards and codes of ethics (4). People today have begun to realize the importance of health for their lives, knowing how unaffordable the cost of health care often is (5). With the increasing public awareness of the importance of health, services are in high demand. The rising public awareness of the importance of health is a reason the need for health infrastructure is also increasing; besides that, people will be more innovative in choosing the best health service provider according to their wants and needs.

Therefore, currently, health service facilities such as hospitals, health centers, and clinics must be able to meet the satisfaction of patients with the service strategies offered; this can make considerations for patients, the better the price provided, the better the assessment will be (6). The healthcare industry is not only about curing diseases, but also focuses on disease prevention and preventive measures (4). Customer satisfaction is a significant element for a service user to create and retain customers successfully. The satisfaction felt by patients depends on their perception of the expectations and prices provided by the hospital (7). If customer expectations are greater than the price received, consumers are not satisfied. Likewise vice versa, if expectations are equal to or smaller than the price received, the patient is less satisfied (1); (3). Price is a measurement of the level of service provided or delivered in accordance with customer expectations (8).

Based on the background description above, the authors are interested in conducting research titled "Analysis of the Effect of Price, Facilities, and Service Quality on Patient Satisfaction in Hospitalization at Royal Prima Medan Hospital".

## 2. RESEARCH METHODS

The research approach used in this study is a quantitative research method. This research was conducted at Royal Prima Marelan Hospital in November 2022. The population is all inpatients of Royal Prima Marelan. From the data for the last three months, patient data was obtained as many as 12,596 patients, with a monthly average of 4,199 patients. Sample determination with Structural Equation Modeling (SEM) by Hair et al. states that the number of samples in SEM analysis is 100-200, so the number of samples taken in this study was determined to be 100 people. The technique of determining the model with a non-probability sampling method purposive sampling approach with the criteria used as samples in this study are as follows.:

1. Patients who receive outpatient/inpatient treatment at Royal Prima Hospital.
2. Willing to be a respondent and can read and write.
3. Cooperative patient.

The research data analysis model used in this study is a multiple regression analysis model; the coefficient of determination (R2) aims to measure how far the model's ability to explain variations in the dependent variable is. Furthermore, the F statistical test shows whether all independent or free variables included in the model jointly influence the dependent variable. Finally, the t-statistical test shows how far the influence or independent variables individually explain the variation in the dependent variable.

## 3. RESULTS AND DISCUSSION

Hypothesis testing used in research is to use multiple linear regression analysis. The meaning of the multiple linear regression equation from Table 1 is:

The constant of 6,447 states that if Price, Service Quality, and Facilities do not exist or are constant, the Satisfaction of Royal Prima Hospital inpatients is 6,447 units. The price regression coefficient is 0.644 and has a positive value; this states that every 1 unit increase in price will increase the Satisfaction of Royal Prima Hospital inpatients. The Service Quality regression coefficient is 0.677 and has a positive value; this states that every 1 unit increase in Service Quality will increase Patient Satisfaction at Royal Prima Hospital.

The Facility regression coefficient is 0.542 and has a positive value; any increase in Facility 1 unit will increase Patient Satisfaction of inpatients of Royal Prima Hospital.

**Table 1 Multiple Linear Analysis**

| | Coefficients[a] | | | | |
|---|---|---|---|---|---|
| **Model** | **Unstandardized Coefficients** | | **Standardized Coefficients** | **t** | **Sig.** |
| | **B** | **Std. Error** | **Beta** | | |
| 1 (Constant) | 6.447 | 2.784 | | 2.712 | .021 |
| Price | .644 | .454 | .589 | 5.245 | .002 |
| Service Quality | .677 | .285 | .345 | 4.242 | .001 |
| Facilities | .542 | .306 | .411 | 4.487 | .000 |

Source: Research Results, 2022 (Data processed)

**Table 2 Determination Coefficient Test**

| | | Model Summary | | |
|---|---|---|---|---|
| **Model** | **R** | **R Square** | **Adjusted R Square** | **Std. Error of the Estimate** |
| | .852[a] | .842 | . 842 | 5.24765 |

Source: Research Results, 2022 (Data processed)

The results of the Determination Coefficient Test obtained an Adjusted R square value of 0.842; this means that 84.2% of the variation in the dependent variable inpatient patient satisfaction at Royal Prima Hospital can be explained by the variation in the independent variables Price, Service Quality and Facilities, the remaining 15.8% (100%-83.3%) is defined by other variables not examined in this study, such as price, environment, distance, and others.

**Table 3 Simultaneous Test (F Test)**

| | | ANOVA | | | |
|---|---|---|---|---|---|
| **Model** | **Sum of Squares** | **df** | **Mean Square** | **F** | **Sig.** |
| Regression | 2443.141 | 2 | 1208.514 | 76,227 | .000[b] |
| Residual | 2256.126 | 100 | .644 | | |
| | 2078.544 | 100 | | | |
| Total | 2445.233 | 100 | | | |

Source: Research Results, 2022 (Data processed)

The f table value is obtained from:

df1 = k-1 = 4-1 = 3, where k is: the number of dependent and independent variables

df2 = n-k = 100-3 = 97, where n is: the number of samples from row 97, column 3. F table, according to the F table, is 2.70. From the table above, it can be seen that the calculated F value is 76.224 with a probability of 0.000; because the likelihood is smaller than 0.05, the regression model can be used to predict Patient Satisfaction. This can also be seen from the F-count (78,224) > F-table (2.70), then H4 is accepted, which means that the variables of Price, Service Quality, and Facilities affect Patient Satisfaction of Royal Prima Hospital inpatients.

**Table 4 Partial Test (t Test)**

| | Coefficients | | | | |
|---|---|---|---|---|---|
| **Model** | **Unstandardized Coefficients** | | **Standardized Coefficients** | **t** | **Sig.** |
| | **B** | **Std. Error** | **Beta** | | |
| (Constant) | 7.2023 | 2.089 | | 3.208 | .021 |
| Price | .623 | .083 | .501 | 4.234 | .001 |
| Service Quality | .556 | .086 | .445 | 5.233 | .001 |
| Facilities | 588 | .074 | .422 | 5.209 | .000 |

Source: Research Results, 2022 (Data processed)

The t value is significant at 5% and the degree of freedom: df = n-k (df = several samples and k = several overall variables), namely df = 100-3 = 97. Therefore, the t-count test performed is:

Two-way test, the t-table used is t 5% or t 0.05 (97) = 1.66. From the t-test results above, it can be concluded that for the Price variable, obtained t-count (4,234)> t-table (1.66) and the probability value (0.002) <0.05, then H1 is accepted, meaning that there is an effect of Price on Patient Satisfaction. Service Quality variable, obtained t-count (5.233) > t-table (1.66) and probability value (0.001) <0.05, then H2 is accepted, which means that there is an effect of Service Quality on Patient Satisfaction. For the Facility variable, the t-count (5,209) > t-table (1.66) and the probability value (0.000) <0.05 are obtained, so H3 is accepted, meaning that there is an effect of Service Quality on Patient Satisfaction.

### *The Effect of Price on Patient Satisfaction.*

The results of research conducted by researchers prove that there is an effect of price on the Satisfaction of inpatients at Royal Prima Hospital, in line with the first hypothesis (H1). This can be seen from the partial test results (t-test) where the t-count> t-table value (4.234> 1.66) and a significance value of 0.001 < 0.05, so the research results reject H0 and accept Ha. The results of this study are supported by Setyawati (2018), who states that Service Quality, Facilities, Price, and Institutional Image simultaneously affect Patient Satisfaction. And of the four variables, the most dominant is the Institution Image variable because it has the highest t-table value. The price regression coefficient is 0.181, and the positive regression coefficient explains that if the price increases (improves) by one unit, patient satisfaction will increase by 0.181, provided that other variables are constant (4). Price is the amount of money charged for a product or service or the value consumers exchange for the benefits received from using the product or service. Value can be defined as the ratio of perceived benefits to price. If the value perceived by customers is higher, it will create maximum customer satisfaction (9).

### *The Effect of Service Quality on Patient Satisfaction.*

The research results prove that Service Quality affects the Satisfaction of Royal Prima Hospital inpatients, in line with the first hypothesis (H2). This can be seen from the partial test results (t-test) where the t-count> t-table value (5.233> 1.66) and a significance value of 0.001 <0.05, so the research results reject H0 accept Ha.

According to Mongkaren (2013), good service quality will undoubtedly create satisfaction with service users. Hospitals must always try to focus on customer satisfaction and be responsive to every patient who comes and provides health services using skilled and professional persons so that the quality of service provided can meet patients' expectations. Good service quality can ultimately offer several benefits, including establishing a harmonious relationship between providers of goods and services and customers (10). Service quality is a measuring tool used for hospital performance assessment. Therefore the hospital is said to have good performance if the hospital can provide quality service. Hospitals, in improving service quality, also need to build customer trust in the hospital and increase patient satisfaction (11). The satisfaction felt by patients depends on their perceptions of expectations and the quality of service provided by the hospital. Consumers are unsatisfied if customer expectations are more significant than the quality of service received. Vice versa, if expectations are equal to or smaller than the quality of service received, the patient is less comfortable. Service quality is a measurement of the level of service provided or delivered by customer expectations (3).

### *The Effect of Facilities on Patient Satisfaction*

The research results prove that Service Quality affects the Satisfaction of Royal Prima Hospital inpatients, in line with the first hypothesis (H2). This can be seen from the partial test results (t-test) where the t-count> t-table value (5,209> 1.66) and a significance value of 0.000 <0.05 so that the research results reject H0 accept Ha.

The results of this study are supported by Supriyanto (2012); the results of the regression coefficient of the facility variable 0.370 means that if the facility variable (X3) increases by 1, customer satisfaction will increase by 0.370. The results of the t-test, the facility variable has a significant effect on patient satisfaction because it has a significance level smaller than 0.05, namely 0.000 (0.000 <0.05). The simultaneous hypothesis test (F-test) results in a calculated f-value of 168.803 with a significant figure of 0.000. Because the significance value is <0.05, it can be concluded that Ho is rejected and Ha is accepted, which means that there is a positive influence between the independent variables, namely service quality, price, and facilities together on the variable customer satisfaction (8). Facilities are everything that service providers deliberately provide for use and enjoyment by consumers, which aims to provide a maximum level of satisfaction (10). The design and layout of service facilities are closely related to the formation of customer perceptions. Several types of services and perceptions formed from interactions between customers and facilities affect the quality of these services in the eyes of customers (3).

## 4. CONCLUSIONS

Based on the research and discussion described in the previous chapter, partial testing of the results shows that Price partially has a positive and significant effect on Patient Satisfaction of Royal Prima Hospital inpatients. Partial testing of the results indicates that Service Quality partially has a positive and significant impact on Patient Satisfaction at Royal Prima Hospital. Partial testing of the results suggests that the Facility partially has a positive and significant effect on Patient Satisfaction of inpatients of Royal Prima Hospital. Simultaneous testing of the results shows that Price, Service Quality, and Facilities simultaneously have a positive and significant effect on Patient Satisfaction of medical personnel in the Emergency Room of Royal Prima Hospital Medan.

## 5. REFERENCES

1.    Aswara AD. Pengaruh Motivasi Intrinsik, Motivasi Ekstrinsik, dan Gaya Kepemimpinan Transformasional terhadap Kepuasan Kerja Pegawai Satuan Polisi Pamong Praja Kabupaten Gunungkidul. Reslaj Relig Educ Soc Laa Roiba J. 2023;5:709–25.
2.    Vuong BN, Tung DD, Tushar H, Quan TN, Giao HNK. Determinates of factors influencing job satisfaction and organizational loyalty. Manag Sci Lett. 2021;11:203–12.
3.    Jufrizen. Efek mediasi kepuasan kerja pada pengaruh kompensasi terhadap kinerja karyawan jufrizen. 2013;
4.    Fauzi U. PENGARUH KOMPENSASI TERHADAP KINERJA KARYAWAN PADA PT. TRAKINDO UTAMA SAMARINDA Usman Fauzi 1. J Ilmu Adm Bisnis. 2014;2(3):172–85.
5.    Ngnintsa CKM, Wamba H. Hospital Governance and Appropriation of user Services by Medical and Social Staff: The Case of the Douala-Cameroon Hospitals. Glob J Manag Bus Res. 2022;22(6):63–71.
6.    Sofyan M, Aulia D, Siregar FA. Pengaruh Kompetensi Supervisor dan Penghargaan Terhadap Motivasi Kerja Perawat di Ruang Rawat Inap Rumah Sakit Permata Bunda Tahun 2018. J Kesmas Jambi. 2020;4(1):10–6.
7.    Tjibrata FR, Lumanaw B, Dotulang O.H L. The Influence Of Workload And Workplace Of The Perfomance Of An Employee Of PT. Sabar Ganda Manado. J EMBA [Internet]. 2017;5 No.2(Juni):1570–80. Available from: https://ejournal.unsrat.ac.id/index.php/emba/article/F.R.Tjiabrat
8.    Adityawarman Y. Pengaruh Beban Kerja terhadap Kinerja Karyawan PT. Bank Rakyat Indonesia (persero) Tbk Cabang Krekot. J Manaj dan Organ. 2015;VI(1).
9.    Nugraha A, Tjahjawati SS. Pengaruh Kompensasi Terhadap Kinerja Karyawan. J Ris Bisnis dan Investasi. 2018;3(3):24.
10.   Supatmi ME. Pengaruh Pelatihan, Kompensasi terhadap Kepuasan Kerja Karyawan dan Kinerja Karyawan. J Profit. 2012;7(1):25–37.