UNIVERSITY OF EDUCATION, WINNEBA

COLLEGE OF TECHNOLOGY EDUCATION, KUMASI

ASSESSING CUSTOMER SATISFACTION AND PROFITABILITY IN HOSPITALITY INDUSTRY (HOSPITAL FACILITY) IN ACCRA- CASE OF KORLE BU TEACHING HOSPITAL IN THE GREATER ACCRA REGION

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OWUSU SARAFINA LASI

7161180027

A Dissertation in the Department of CATERING AND HOSPITALITY AND TOURISM EDUCATION, Faculty of VOCATIONAL EDUCATION, Submitted to the School of Graduate Studies, University of Education, Winneba in partial fulfillment of the requirements for the award of Master of Technology (Catering & Hospitality) degree.

OCTOBER, 2018

DECLARATION

STUDENT'S DECLARATION

I, OWUSU SARAFINA LASI, declare that this dissertation with the exception of quotations and references contained in published works which have all been identified and duly acknowledged, is entirely my own original work, and it has not been submitted, either in part or whole, for another degree elsewhere.
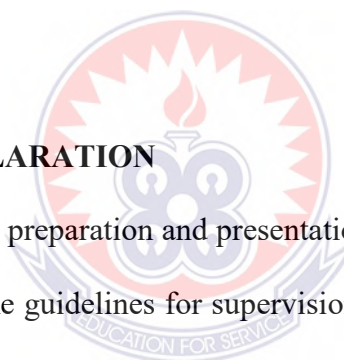
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SUPERVISOR'S DECLARATION

I hereby declared that the preparation and presentation of this work was supervised by me in accordance with the guidelines for supervision of dissertations as laid down by the University of Education, Winneba.

NAME: MR. MICHAEL TSORGALI

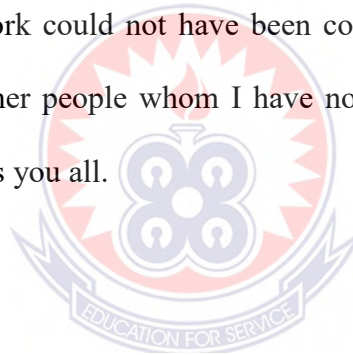SIGNATURE...

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ACKNOWLEDGEMENTS

DEDICATION

This work is dedicated to my lovely father Mr. Wisdom Owusu and my brother Manfred Quarshine.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

ABSTRACT

The purpose of the study was to assess customer satisfaction and profitability in hospitality industry (hospital facility) in Accra, case of Korle Bu Teaching Hospital in Greater Accra. The researcher used descriptive survey design for the study. Quantitative research approach was used. The total population of the respondents is one hundred and fifty (150). The purposive sampling technique will be used to select all the 150 respondents for the study (22 hospital staffs and 128 customers) drawn from the Korle-Bu Teaching Hospital in Accra. Questionnaire was the main instrument used to gather primary data. The Statistical Package for Social Sciences (S.P.S.S) Version 18 was used to analyse data. The study results concluded that customer satisfaction increased the profitability of the hospital. Also, good customer services improved repeat sales, customer satisfaction enhanced word of mouth advertising, satisfied customers promoted the hospital facility's services to others and their word of mouth advertising increased the sales of the organization. The customers perceived that the service quality in the medical tourism industry involved delivering products and customer services consistently and according to expected international standards. Furthermore, service quality was the key factor that affected and influenced customers' decision-making. Moreover, the medical administrative departments in the hospital focused on customer demands for consistency, meeting customer needs for clear policies on service quality, and for up-to-date medical treatment and service quality. Finally, the customers were satisfied with the services provided by the Korle Bu teaching hospital. The study recommended that the Management of the Korle Bu teaching hospital should organize periodic seminars, lectures, conferences and training programmes to educate staffs regarding the modern methods of creating customer satisfaction and promoting customer loyalty in the Korle Bu teaching hospital.

CHAPTER ONE

INTRODUCTION
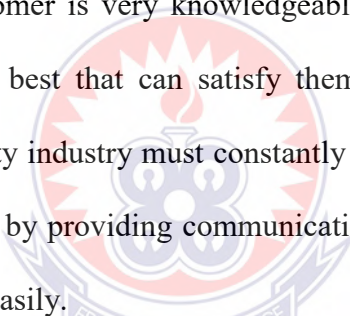
1.1 Background to the Study

Understanding consumer satisfaction is critical as it is believed that satisfaction leads to repeat purchases and favourable word of mouth promotion by clientele (Matilla & O'Neil, 2013). In the hospitality industry, customers tend to stay loyal to a brand when they are satisfied with the quality of the service that has been provided. As such, service quality has an important effect on the performance and competitiveness of the catering and hospitality business (Akbaba, 2006). Consumer (dis)satisfaction consists of the general feelings that a consumer has developed about a product or service after its purchase (Westbrook & Oliver, 2011).

In addition, this is influenced by items such as culture, social class, personal influence and family, and other individual differences (motivation and involvement, knowledge, attitude, lifestyle, personality, and demographics) (Engel, Blackwell, & Miniard, 2010). Numerous studies have linked satisfaction with product attributes (Choi & Chu, 2009), instead of the product themselves (Ratchford, 2015). Attributes are the underlying characteristics of the product or service. According to Ratchford (2015), product attributes may be measured either objectively (e.g., presence of facilities, number of rooms, etc.) or perceptually (e.g., cleanliness of hotel, staff's helpfulness and efficiency, etc.) (Dube, Enz, Renaghan, & Siguaw, 2009). In the world of today and tomorrow in the hospitality industry, service will be the difference between barely surviving and achieving success. Providing high quality services and improving customer satisfaction are widely recognized as fundamental factors boosting the performance of companies in the hospitality industry (Dominici, 2010). In their

1

contributions Onyango *et al.,* (2012) found out that the hospitality industry has experience enormous growth in business volume thereby making them larger and more complex to manage and meet challenges of customer demands.

According to Schultz (2012), for a hospitality business to lead in customer retention and loyalty, they have to offer superior quality service as compared to its competitors. Service quality leaders understand that the little things matter and that if left unattended will turn into larger more complex things that will negatively affect service quality (Zeithamal, Parasuraman, & Berry, 1990). There is emerging power shift in businesses and in the hospitality industry, the customers known they are in charge, the modern customer is very knowledgeable and has the power hence they demand nothing but the best that can satisfy them. To realize effective customer satisfaction, the hospitality industry must constantly gather more information on how to improve their services by providing communication channels for the customers to convey their complaints easily.

Critics argue that customer satisfaction is not enough anymore, and that customer loyalty is the key (Michael, 2013), yet without the right attitude of service, the customer will not feel valued nor welcomed. Customer satisfaction is the single most important issue affecting organizational survival. It has the most important effect on customer retention and in order to narrow it down, focus on customer service quality as one of the customer satisfaction factors. Despite this fact, most companies have no clue what their customers really think. They operate in a state of ignorant bliss, believing that if their customers were anything less than 100-percent satisfied they would hear about it. Then they are shocked when their customer base erodes and their

existence is threatened. The key to competitive advantage is pro-actively gauging customer perceptions and aggressively acting on the findings. Therefore, to understand the customers needs and to know the customers expectation, is the way to close up the gap. This study therefore assessed customer satisfaction and profitability in hospitality industry (hospital facility) in Accra, using Korle Bu Teaching Hospital in Greater Accra as case study.

1.2 Statement of Problem

Failing to meet customer expectations has two critical implications for the hospitality industry in Accra. The first is that if a hospitality firm operating in the hospital facility fails in the customer's perception, they are likely to lose that customer to the competition.

Secondly, recurrent complaints from customers, meaning the company failing to find a sufficient and lasting answer to complains may lead to loss of trust and interest in the company. In both cases, this means loss of business for the company. This study served to alleviate such a case in the hospital facilities in Accra, Ghana, as it showed how companies can adopt a working model and satisfy their customers, thus enable repeat service usage. A lot empirical research work have been conducted by Schultz (2012), and Zeithamal, Parasuraman, & Berry, (1990), in the United States of America to assess customer satisfaction and profitability in the hospitality industry. Their findings suggested that for a hospitality business to lead in customer retention and loyalty, they have to offer superior quality service as compared to its competitors. Adding that service quality leaders understand that the little things matter and that if left unattended will turn into larger more complex things that will negatively affect service quality. Relatively, little is known about customer satisfaction and profitability

3

in hospitality industry (hospital facility) in Accra. Therefore, the research gap is to evaluate customer satisfaction and profitability in hospitality industry (hospital facility) in the Greater Accra Region specifically Korle Bu Teaching Hospital.

1.3 Purpose of the Study

The purpose of the study is to improve the customer satisfaction and profitability in hospitality industry (hospital facility) in Accra, case of Korle Bu Teaching Hospital in Greater Accra.

1.4 Objectives of the Study

The specific objectives of the study include;

1. To explore the issues of customer satisfaction and profitability at the Korle Bu Teaching Hospital in Greater Accra.

2. To identify the factors that affect customer satisfaction and profitability at the hospitality industry.

3. To devise strategies to enhance the customer satisfaction and profitability at the Korle Bu Teaching Hospital.

1.5 Research Questions

The study would be guided by the following research questions;

1. What are the issues of customer satisfaction and profitability in the Korle Bu Teaching Hospital in Greater Accra?

2. What are the factors that affect customer satisfaction and profitability at the hospitality industry?

3. What are the strategies to enhance the customer satisfaction and profitability at the Korle Bu Teaching Hospital?

1.6 Significance of the Study

The following are the significance of the study;

This study contributed to the field of service marketing in academia by adding to the vast store of literature in the area of customer satisfaction.

The outcome of this study will also put emphasis on the need for hospital facilities in Accra to continuously improve the quality of their customer service delivery in terms of their products, technology, staff customer contacts, interest rates and speed of service.

The study would be of immense importance to hospitals in Ghana as it will give the desired brief picture of the quality of service and the level of satisfaction customers perceive they are receiving from the services provided by their hotels.

The findings of the study would serve as guidelines for the formulation of policies on the quality of services provided by the Korle-Bu Teaching Hospital.
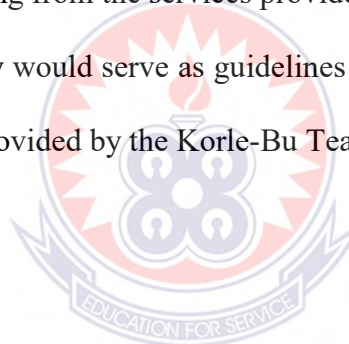
1.7 Scope of the Study

The study is geographically limited in scope to the Korle-Bu Teaching Hospital in Accra. The student used Korle-Bu Teaching Hospital in Accra because the hospital is financially sound, have good reputation for customer service and is legally recognized in Ghana.

Again, only the customers who patronize their services are used in this study for analysis.

Moreover, the study is conceptually limited in scope to customer satisfaction in the Hospital facility, Kano's Model of Customer Satisfaction, dimensions of service quality, Total Quality Management, the concept of medical tourism in the international perspectives, providing customer care in the local hospital facilities, The perception of

5

customers about the service quality of selected hospitals, customer expectations and perceived service quality, The benefits of customer satisfaction and profitability in hospitality facility, strategies for enhancing customer satisfaction in the hotel industry, and Expectation Confirmation Theory (ECT).

1.8 Organization of the Study

The study is organized into five chapters. The first chapter, which is the introduction, covers the background to the study, statement of the problem, objectives of the study, research questions, significance of the study, scope of the study and organisation of study. Chapter two is dedicated to the review of relevant literature. It will cover theoretical framework, related concepts, empirical literature and conceptual framework for the study. Chapter three covers the methodology for the study which comprises the research design, population, sample and sampling technique, research design, sources of data and data collection instruments, and method of data analysis. The data presentation and analysis is contained in Chapter four. The last chapter, which is Chapter five, is the summary, conclusion and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The chapter contains a comprehensive literature regarding customer satisfaction in the Hospital facility, Kano's Model of Customer Satisfaction, dimensions of service quality, Total Quality Management, the concept of medical tourism in the international perspectives, providing customer care in the local hospital facilities, The perception of customers about the service quality of selected hospitals, customer expectations and perceived service quality, The benefits of customer satisfaction and profitability in hospitality facility, strategies for enhancing customer satisfaction in the hotel industry, and Expectation Confirmation Theory (ECT)

2.1 Customer Satisfaction and Profitability

Ever since 1980s, there has been much criticism about traditional performance measurement system which is based on financial measures. Therefore, people have kept exploring appropriate multiple performance measures. Economic theories indicate that, performance measures should include not only financial measures, but also non-financial measures which reflect different aspects of the corporate management activities. According to the Agency Theory (Feltham and Xie. 2014), if non-financial measures can provide incremental information of managers' behavior apart from financial measures, they should be used as a basis for compensation decisions. Hence, whether or not the non-financial measures can provide incremental information has become a common concern among management accountants. An increasing number of articles are discussing about the adoption of a multiple performance measures system

7

with both non-financial and financial measures (Ittner and Larcker 2008, Amal, Hassan and Benson 2017).

Meanwhile, lots of accounting literature is elaborating on the potential advantages of non-financial measures (Kaplan and Norton 2012; Kaplan and Atkinson 2009). Researchers universally believe that non-financial measures are more future-oriented thus can yield better performance. In an increasing number of companies, the traditional financial measure has been transformed from the unique performance measurement to a part of multiple performance measurement system. Overseas researches on non-financial measures and financial performance are mainly based on customer satisfaction measures, which attract significant attention from top management in many companies (Bernhardt, Donthu & Kennett, 2010). This sentiment has been echoed in some surveys of upper-level management (Band, 2008; Quinlan, Zemke, Snider, Reinemunde, Ayling, Singh, Perkins, Antonini, and Loeb, 2011). In a survey of 700 top executives, 64% of them expressed that customer satisfaction was their first priority, and the rest said it was among their top priorities (Shoultz, 2009).

The majority of these studies have examined the association between customer satisfaction measures and financial or stock returns. Studies investigating the link between non-financial measures and future financial performance showed mixed results. From economists' perspective, customer satisfaction is a reflection of products and services inputs (Lancaster, (2009) and Bowbrick (2012), but these inputs may not certainly improve a company_s performance. To achieve high customer satisfaction, a company always needs heavy investments, which probably lower its profits. For instance, Tornow and Wiley (2011) found a negative correlation between customer

8

satisfaction and gross profits. The study by Foster and Gupta (2017) of the association between satisfaction measures for individual customers of a beverage wholesale distributor and its current or future customer profitability also found positive, negative, or insignificant relations depending upon the questions included in the satisfaction measures or model specification (levels or percentage changes).

However, most research results actually showed that customer satisfaction is significantly associated with current and future financial performance. Such researchers as Nelson, Rust, Zahorik, Rose, Batalden, and Siemanski (2012) have found that this positive relationship exists and it is applied to all profitability measures—earnings, net revenues, and return on assets. Plenty of empirical research in the last decade showed that customer satisfaction was positively relevant to corporate performance. Anderson et al. (2014) studied the relationships between customer satisfaction and the profitability of Swiss companies. They found that customer satisfaction and ROA (return on assets) are of significantly positive correlation.

With the research on customers, operating entities and companies, Ittner and Larcker, (2008) discovered that customer satisfaction and future financial performance are highly positively correlated, and that there is evidence showing that the publication of customer satisfaction measure will yield incremental information on stock market. Banker et al. (2010), found the positive correlation between customer satisfaction and financial performance in 18 hotels run by a company. They also discovered that, when non-financial measures were included in the payment contracts, managers would attempt to keep in accordance with these non-financial measures and finally improve the corporate performance. In the analysis by Bernhardt, Donthu and Kennett (2010)

9
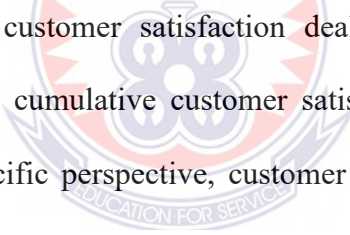
of a restaurant's 342,308 consumer responses, 3,009 employee responses, and its 12-month performance measures, no significant relationship between customer satisfaction and financial performance was found. But the analysis of time-series data revealed that a positive and significant relationship exists between changes in customer satisfaction and those in the performance of the company. This may show that the impact of an increase in customer satisfaction on profits, although obscured in the short run, is significantly positive in the long run.

2.1.1 Concept of Customer satisfaction

One of the famous comments on satisfaction is from the researcher, Oliver (2017): ―Everyone knows what satisfaction is, until asked to give a definition. Then, it seems, nobody knows." Building from previous definition, Oliver offers his own formal definition. Satisfaction is the consumer's fulfillment response. It is a judgment that a product or service feature, or the product or service itself, provides a pleasurable level of consumption –related fulfillment.

Another definition of satisfaction is that it is a customer's overall evaluation of the purchase & consumption experience with a product or service or service provider (Johnson and Gustafsson, 2010). One of the evaluation processes of a customer, examining alternative service options looks at three levels of quality: search quality, experience quality and credence quality search qualities are known to customer prior to purchase, while experience qualities are felt after purchase and consumption. Credence quality are those that cannot appreciated or understood even after use. In most cases, services are associated with experience or credence qualities. Other authors, Parasuram et al, (2011), have indicated that customer satisfaction is a

10

function of the customer's assessment of service and product quality and price. There are two main theories in the ways in which customer satisfaction is examined in the literature: the expectancy-disconfirmation theory and comparison–level theory. The expectancy-disconfirmation theory (Oliver 2010) postulates that consumers judge satisfaction with a product by comparing previously held expectations with perceived product performance. Here, customer satisfaction is a function is a function of expectations and disconfirmation, and predictive expectations are used as the standard of comparison. According to the comparison -level paradigm, the key to determining the level of satisfaction with and motivation to remain in a relationship is the concept of comparison levels, of which two standards are employed: the comparison level and the comparison level of alternatives.

Another perspective of customer satisfaction deals with the difference between transaction –specific and cumulative customer satisfaction (Boulding et al., 2013). From a transaction –specific perspective, customer satisfaction is viewed as a post choice evaluative judgment of a specific purchase occasion (Hunt, 2017). Cumulative customer satisfaction is an overall evaluation based on the total purchase & consumption experience with goods or service over time (Formell, 2012). Cumulative satisfaction is a more fundamental indicator of the firm's past, current and future performance and it is cumulative satisfaction that motivates a firm's investment in customer satisfaction.

Zeithaml (1988) noted that since satisfaction customer are more likely to repurchase the service and tell others about it, service providers must carefully design and deliver services that match or exceed customer requirements. According to Mittal and

11

Kamakura (2011), customer satisfaction leads to customer retention and other favorable post-consumption behavior. A research finding shows the following characteristics in customer behavior when buying services: greater risk perceived when buying services, use of information prior to buying services and price and physical facilities are seen as major indicators of service quality the following generic dimensions used by customers to evaluate service quality credibility, security, access, communication, understanding customer, tangibles, reliability, Responsiveness, competence and courtesy.

2.1.2 Factors that contribute to effective customer satisfaction

Consumer behavior refers to the selection, purchase, and consumption of goods and services for the fulfillment of their basic and the fundamental needs. There are different phases involved in consumer behavior. Initially, the consumer finds the needs and then goes for the selection and budgets the commodities and take the decision to consume. Product quality, price, service, consumer emotion, personal factors, situational factors, a perception of equity or fairness, product features are some of the factors that influence the customer satisfaction. On the other hand, several factors like mentioned in the figure influence the purchasing behavior of the consumer (Cook, 2008).

Cultural factors: Culture is crucial when it comes to understanding the needs and behavior of an individual. The values, perceptions, behaviors and preferences are the factors basically learned at the very early stage of childhood from the people and the common behaviors of the culture. Norms and values are carried forward by generation from one entity to the other. Cultural factors represent the learned values and perceptions that define consumer wants and behaviors. Consumers are first influenced

12

by the groups they belong to but also by the groups (aspirational groups) they wish to belong to (Hong and Goo, 2014).

Social factors: Human beings live in an environment surrounded by several people who have different buying behavior. A person's behavior is influenced by many small groups like family, friends, social networks, and surrounding who have different buying behaviors. These groups form an environment in which an individual evolves and shape the personality. Hence, the social factor influences the buying behavior of an individual to a great extent.

Personal factors: This consumer behavior includes personal factors such as age, occupation, economic situation, and lifestyle. Consumer changes the purchase of goods and services with the passage of time. Occupation and the economic situation also have a significant impact on buying behavior. On the other hand, a person with low income chooses to purchase inexpensive services. The lifestyle of customers is another crucial factor affecting the consumer buying behavior. Lifestyle refers to the way a person lives in a society and is expressed by the things in the surroundings (Hong and Goo, 2014).

Psychological factor: Many psychological factors like motivation, perception, learning, and attitudes and beliefs play a crucial role in purchasing a particular product and services. To increase sales and encourage the consumer to purchase the service organization should try to create a conscious need in the consumer's mind which develops an interest in buying the service. Similarly, depending on the experiences of the costumer's experiences, beliefs, and personal characteristics, an individual has a

13

different perception of another. Attitudes allow the individual to develop a coherent behavior against the class of their personality. Through the experiences that the consumers acquire, the customer develops beliefs which will influence the buying behavior. The factors that influence customer vary from people to people and by the culture of the people. Hence, for a successful consumer oriented market service provider should work as a psychologist to procure consumers. By keeping in mind that affecting factors can be made favorable and goal of consumer satisfaction can be achieved. The study of consumer buying behavior is gateway to success in the market. Overall the result shows that brand image, and perceive value, price, health concern and quality influences customer satisfaction.

2.1.3 Challenges of customer satisfaction

Customer service in today's world is an essential part of a company. With the increasing competition among all industries, the challenge is to deliver high-quality products accompanied by great customer service.

Understanding customer expectations

The first, and probably the biggest, challenge is understanding diverse and constantly changing customer expectations. Most companies target specific customers - by gender, race, age, generation, etc. While these customer classifications may share similar basic requirements of a certain product, they do have varied desires that they take into account when purchasing a product. This is the reason why talking to customers is the best strategy. It is important for a business to get to know its clients, customers, and consumers. Find out their expectations, their needs, their preferences, their non-negotiables, their opinions on the product and their suggestions for improvement.

14

Reaching out to customers

Doing research and gathering data on customer expectations bring us to the task of reaching out to customers. There are plenty of ways to advertise and get through the customers. We have print media, radios, televisions, phones, emails, social media and of course, face-to-face campaign. The primary challenge, though, is to get the message across. With telephones, the challenge is to understand just by listening. The challenge in emails and chats is to understand emotions by reading through the opinions that have no tone. In social media, the challenge is to present everything with the pressure of doing it in public. Implementing a customer feedback service and having a systematic approach to gathering data from customers will help the company understand and work for a better customer experience.

Exceeding customer expectations

In businesses, it is not just enough to meet the customer's expectations. The fact that these expectations are constantly changing, companies must then be always a step ahead. It is also noteworthy to know that often times, the expectations of customers are set by the competitors. Stay ahead of the competition by being updated with new initiatives and suggestions based on customer feedbacks and current industry trends.

Consistency

Consistency is probably the most difficult challenge to achieve. Great customer service must be delivered to all customers, across all business channels, 24/7. Each and every experience of each and every customer must be equally good. In a research conducted by Rawson, Duncan, and Jones, they found out that customers do not care much about singular touchpoints. What affects customer satisfaction are

15

cumulative experiences across multiple touchpoints and in multiple channels over time. Consistency can be achieved by having clear-cut policies on delivering great customer service. All employees must be made aware of these policies and strict implementation of these policies must be adhered to.

Employing skilled customer service professionals

As more businesses focus on customer service, the demand for skilled customer service professionals is on the rise. Hiring such employees is one thing, retaining them is another. Companies must have structured programs to teach and train new hires about company policies, values, culture and practices in dealing with customers. Additionally, considering that customer service is one of the most stressful jobs, companies must also provide benefits that offer work-life balance and support lifestyle activities that can reduce stress and boost productivity.

Creating a customer-first culture

The long-term solution to achieving consistency across all business channels is to instill a customer-first company culture. A customer-driven company culture can be described as having a distinct appreciation for customer service, understanding the impact of their service and are willing to go out of their way to meet customer needs. In order to cultivate this culture, it must be emphasized during the hiring and training process. The employees must be able to see the company vision, fit into the culture and work with the company to achieving the company's goals. Employee retention is also a key factor to success. Staff turnover not only affects the internal aspects of the business, it is also not good for the customers. Dealing with the same person develops trust and is a good way to build long lasting relationships. It is difficult to thrive,

16

much less stay ahead of the competition, in today's market. But having exceptional customer service makes this possible. The good starting point is to focus first on the employees. Satisfied employees mean satisfied customers.

2.2 Customer Satisfaction in the Hospital Facility

Hong and Goo (2014) noted that service quality is more difficult for consumers to evaluate than product quality. This is due to a lack of tangible evidence associated with services. The difficulty in evaluating service quality is particularly evident for healthcare services because they are very customer-oriented, and this increases the level of variability of the service quality. Their study was further elaborated by Eskildsen and Kristensen (2007), who noted that, although service quality has a significant impact on customer satisfaction and customer loyalty across all industries, it is even more important for healthcare industry services.

According to Cook (2008), unless perceived expectations are met with actual performance, customers will become indifferent or be in a neutral mode. In general, increased customer satisfaction will lead to a higher customer retention rate, increased customer repurchase practice, and will eventually lead the firm to higher profitability. In principle, there are two ways that customers evaluate their satisfaction: transaction specific satisfaction and cumulative satisfaction. These are explained by Jones and Suh (2010), and supported by a study by Yi and La (2014). *Transaction-specific satisfaction* is a customer's evaluation of personal experience and reaction to a particular or a specific service encounter (Boshoff & Gray 2014). *Cumulative satisfaction* refers to the customer's overall evaluation of the consumer experience to the present time (Cook 2008). However, for more than two decades, customer

satisfaction has been an intensively debated subject in the areas of consumer and marketing research. In recent times, customer satisfaction has attracted new attention owing to the shift from transactional marketing to relationship marketing (Gronroos 1990). Relationship marketing refers to all marketing activities directed towards establishing, developing, and constantly maintaining successful relational exchanges (Yi & La 2015). Customer satisfaction depends on the perceived performance of the product relative to the buyers' expectations. If product performance falls short of expectations, the customer will be dissatisfied. If performance matches expectations, the customer will be satisfied. And if performance exceeds expectations, the customer will be highly satisfied or delighted (Kotler & Armstrong 2016).

Customer satisfaction can be defined as the customer getting more benefit from the product or service than it has cost (Liu & Yen 2010). Outstanding marketing companies try to keep their important customers satisfied all the time. These highly satisfied customers will make repeat purchases and recommend to others by word of mouth the good experience and good service received with the product. The marketing companies' strategy is to match customer expectations with company performance. Resourceful companies aim to meet their customers' expectations by promising not only what they can deliver, but also delivering more than they have promised or have committed to (Gronroos, 2011).

Oliver (2017) defined *satisfaction* simply as a consumer-fulfilled response. It is up to the customer to judge whether a product or a service provides a ‗pleasurable level of consumption-related fulfilment‗, including levels of under- or over-fulfilment. Satisfaction is a short-term feeling that can change quickly with changing

18

circumstances. Satisfaction is in the user's mind and is different to observable behaviours such as choosing a product, complaining, or repeating a purchase (Oh, 2009). According to Zeithaml, Rust and Lemon (2011), statistics show that dissatisfied customers complain about their negative experience of poor service to between seven and twenty people, while satisfied customers only tell three to five people about their positive experience.

2.3 Kano's Model of Customer Satisfaction

In his model Kano et al (2014) gave an insight into a quality management and marketing technique that is used to measure clients' happiness. Kano's model of customer satisfaction distinguishes three categories of attributes which actually influence customer satisfaction. These are basic factors, excitement factors and performance factors.

(i) **Basic factors** (dissatisfiers – must have) which are the minimum requirements which will cause dissatisfaction if they are not fulfill, but do not cause customers satisfaction if they are fulfilled (or are exceeded.) The customer regards these as prerequisites and takes them for granted. For instance, a clean environment at a hospital can stimulate customer satisfaction.

(ii) **Excitement factors** (satisfiers- attractive) these are the factors that increase customer satisfaction if delivered but do not cause dissatisfaction if they are not delivered. These factors surprise the customer and generate ―delight". Using these factors, a company can really distinguish itself from its competitors in a positive way. For instance, provision of health related documentary films at a hospital whiles waiting to be attended to by the doctor.

(iii) **Performance factors:** These are the factors that cause satisfaction if the performance is high and they cause dissatisfaction if performance is low. Here, the attribute performance – overall satisfaction is linear and symmetric. Typically, these factors are directly connected to customers.

2.4 Dimensions of Service Quality

Parasuraman, Zeithaml and Berry (1985) have identified five (5) dimensions customers use when evaluating service quality. They named their findings SERQUAL (service quality). The five dimensions are:

1. **Tangibility** that is appearance of physical facilities, equipment, personnel and communication materials;

2. **Reliability** that is ability to perform promised service dependably and accurately;

3. **Responsiveness** that is willingness to help customers to provide prompt services

4. **Assurance** that is knowledge and courtesy of employees and their ability to convey trust and confidence

5. **Empathy** that is caring, individualized attention the facility provides to its customers.

Finn & Lamb (2011) agree that the aforementioned constructs are important aspects of service quality, but Cronin & Taylor (2012) have been skeptical about whether these dimensions are applicable when evaluating service quality in other service industries. On the basis of their review of service quality literature, McDougall and Levesque (2015), argue that there are two overriding dimensions to service quality. The first one being the core or outcome aspects (contractual) of the service, and the second being the relational or process aspects (customer-employee relationship) of the service.

20

Other dimensions that have been widely accepted by scholars as constituents of service quality dimensions are:

i. **competence** talks about knowledge and skill to perform the service at any point in time;

ii. **access**, this is the approachability and ease of contact of service personnel;

iii. **courtesy** is the politeness, consideration, and friendliness of service personnel;

iv. **communication** is about keeping customers informed; listening to customers demands and complaints;

v. **credibility** has to do with trustworthy, believable, honest sales force personnel

vi. **security** that is freedom from danger, risk, or doubt (Levesque and McDougall 2015).

2.4.1 Total Quality Management

Total Quality Management (TQM) is an integrated approach that seeks to improve quality and performance which will meet or exceed customer expectations. TQM requires that all staff put quality needs of the consumers at the top of what they do. Ensuring consumer care and satisfaction therefore is a collective responsibility of the board, management and all the staff of the organization. This can be achieved by integrating all quality-related functions and process throughout the company. It is an integrated organizational effort designed to improve quality at every level. TQM is about meeting quality expectations as defined by the customer. This is called customer-defined quality. The basic principles for the TQM philosophy of doing business are:

i. the consumer likes quality;

ii. the organisation has the responsibility to ensure quality needs of the consumer;

iii.   the board, management and the staff have responsibility to ensure that whatever duties they perform are geared towards achieving quality which the consumer needs or desires.

The first and overriding feature of TQM is the company's focus on its customers. Another concept that is relevant to this study and closely related to TQM is Quality Function Deployment (QFD). This is a systematic approach that integrates customers' voices and preferences into the product development process. Bossert (1991) considered that product quality can transform patient's requirements into techniques to meet customers' expectation. Chen and Weng (2016) mention that QFD is relevant in achieving high customers" satisfaction when consumers and customers voices and preferences into product planning, engineering, and manufacturing to arrive the final the product.
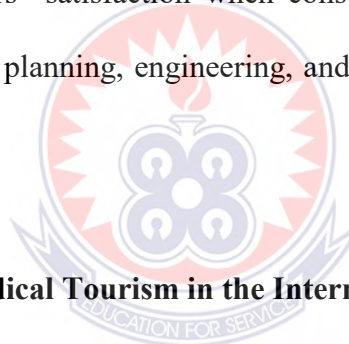
2.5 The Concept of Medical Tourism in the International Perspectives

Medical tourism today is generally understood as foreign travel for the purpose of seeking medical treatment, and may also include a holiday or other tourism services (Connell 2006). Medical tourism is a set of activities in which people travel long distances or across borders to avail themselves of medical services, with direct or indirect engagement in leisure, business, or other purposes (Prem, 2009). Many countries have now become involved in medical tourism. Owing to critical differences in the prices and ready accessibility of medical services in the West and the Middle East today, there has been a rapid rise in foreign demand for medical treatment in Thailand (Huang, 2012). Thailand was particularly well suited to become a major destination of medical tourism, especially once the traditional restraints on the commodification of

medicine were removed. Thailand continue to attract medical tourists because it offers high quality and readily accessible medical services at affordable rates, while enabling patients to combine treatment with vacationing. Reportedly, the number of tourists who availed themselves of medical services increased rapidly throughout the 2000s, and more than doubled between 2012 and 2017.

The reasons for this increase include: the continuing privatization of medical care; growing discontent with public health care; greater availability of cosmetic procedures; greater volumes of tourism; the aging baby boom generation, and greater availability of disposable capital (Connell, 2013). A study conducted by the Confederation of Indian Industry (CII) and Mckinsey Consultants stated that in 2012 around 250,000 foreigners visited India for medical treatment, with that number rising by 15% every year. CII highlighted that India has the potential to attract 1 million medical tourists per annum and this could contribute around US$5 billion to the economy. Globalisation has accelerated considerably and, as a result, has led to the rise of healthcare companies seeking to maximise profits (Satpal & Sahil, 2013).

Basanth and Kuriachan (2008) argue that India is unique as it offers holistic healthcare that address the mind, body and spirit, with yoga, meditation and other Indian systems of medicine. In addition, India offers a vast array of services combined with a cultural warmth that is difficult to find in other countries. Medical tourism has also flourished in South East Asia, especially in the case of Singapore where there has been a constant inflow of patients from less-developed countries seeking better medical facilities and services. Caballeron and Mugomba (2007) defined medical tourism as _an activity involving people who travel to another country to receive medical treatment with the

23

objective of seeking lower-cost, higher-quality services, and more differentiated care than they could receive in their home countries'. The hospitals at the core of medical tourism have transformed themselves from the functional and clinical public hospitals that preceded them and have not taken on elements of elite hotels, IT offices and shopping malls. Some hospitals and hospital chains have become functionally integrated into the tourist industry.

For instance, Bumrungrad, a Thai hospital group currently owns 74 serviced apartments (Sankrusme, 2012). Hospitals have also become linked to airlines. Bangkok Hospital is linked with Air Asia, while Bumrungra has an agreement with Flight Centre for North American patients. The principal hospital group in Singapore, Raffles, arranges airport transfers, books airport transfers, books relatives into hotels and arranges local tours (Connell, 2013). In 2012, those who came to Singapore for medical treatment were mostly from neighbouring countries, especially Indonesia (52%) and Malaysia (11%) (Connell, 2013). Singapore has, however, seen a shift of its market from Indonesia to the Gulf States, alongside greater numbers of ethnic Chinese from a diversity of sources'.

Keckley and Underwood (2008) noted that medical tourism is the process of leaving home for medical treatment and care abroad, and pursuing a range of services that are not available in the home country. It is one of the emerging phenomena of the healthcare industry around the world whereby the more developed countries seek to exploit their advantages of a better healthcare infrastructure to cater for patients from less-developed countries. Carrera and Bridges (2016) concluded that medical tourism has developed into an international business and is growing rapidly owing to the ease of

24

international travel, the accessibility of many destinations, as well as the cheaper cost of providing medical services and treatments in certain countries. Singapore, with its inherently strategic geographical location, has become one of the world's transportation hubs, with frequent flights from almost any country, thus making it a top medical destination (Lee & Hung, 2010). The medical tourism industry has also created opportunities for other sectors of the economy, such as hotels, food and beverage (F&B), and the retail sector, which capitalise on the families who accompany patients seeking treatment in the host country. In view of these advantages, some governments have been actively promoting medical tourism to boost their domestic economies (Caballeron & Mugomba, 2007).

Another factor that has contributed to the growth of medical tourism is the growth of incomes in developing countries. For example, Vietnam, China, and India are rapidly growing economies with higher disposable incomes among middle-income families (Mohandas, 2011). Thus, it is within the reach of many families to send their loved ones overseas for better medical attention. Developing countries often lack high-end medical infrastructure to cater for those seeking specialized treatments such as for certain types of cancer, and aesthetic and eye surgery (Gray & Poland 2008). Pocock and Phua (2011) posit that medical tourism can bring economic benefits to countries, including additional resources for investment in healthcare. In addition, growing demand for health services is a global phenomenon and is linked to economic development that generates rising incomes and education (Vincent et al., 2010).

Today, cross-border medical services are cheaper than those available in the medical tourism generating country, and are available in a more timely manner. This has

certainly been a major factor behind the growth of medial tourism (Michael 2011). Medical services can be consumed in a relatively exotic location in conjunction with a holiday. Michael (2011) highlights that, as a result of migration and the demands of a global labour market, expatriates and migrants may return to their country of origin for medical treatment for cultural, family and language reasons. In addition, the regulatory structures that restrict availability of a medical service in the generating country do not exist in the destination country.

According to Phua (2007), medical tourists are a special group of people because they are foreigners from another country who have high expectations of customer satisfaction. If one factors in airfares, hotel, food, and other expenses, the amount they spend abroad would be much more than if they had stayed in their home country to seek medical treatment. Naturally, these additional expenses accord them the expectation of better services and treatment, and this gives rise to higher expectations of customer satisfaction. Medical tourism is a niche industry in which people often travel long distances to overseas countries to obtain medical, dental, and surgical care, while simultaneously being more conventional holidaymakers (Connell, 2016).

Furthermore, it is imperative to find out what makes medical tourists decide to come to Singapore for medical attention. This has to be factored into the research to identify a formula for measuring customer satisfaction and determining how to improve service levels in the quest for better customer satisfaction. Thus, the focus of this research is to evaluate the existing medical services and find ways to improve customer expectations and satisfaction so that medical tourists will select Singapore as a preferred destination. Medical tourism is an emerging industry in which countries with well-developed

medical infrastructures and other inherent advantages such as transportation and communication seek to attract medical patients from less-developed countries (Carrera & Lunt, 2010).

2.6 Providing Customer care in the Local Hospital Facilities

According to the Ghana Health Service, customer care in healthcare should seek to provide higher or superior customer satisfaction, build customer loyalty and acquire new customers. Further to that, the service should uphold mutual respect and collaboration between the patient or client and the staff (GHS Handbook on Customer Care, 2009). Sharma and Chahal (2013) state that due to increased awareness among the people, patient satisfaction has become very important for all hospitals. The two authors examined the factors that relate to patient's satisfaction in government outpatient services in India. They state that there are some basic factors which impact on patient satisfaction namely, behavior of doctors, behavior of medical assistants, quality of atmosphere and quality of administration. They also provide strategic actions necessary for meeting the needs of the patients of the government healthcare sector in developing countries.

Folkes and Patrick (2013) in their study show converging evidence of a positivity effect in customers" perceptions about service providers. According to them when the customer has little experience with the service, positive information about a single employee leads to the perception that the firm's other service providers are positive. To greater extent negative information leads to the perception that the firm's other service providers are similarly negative. Taylor et al (2014) mention that customer satisfaction is widely recognized as a key influence in the formation of consumers' future purchase

27

intentions. File and Prince (2012) also say that satisfied customers are also likely to tell others of their favourable experiences and thus engage in positive word of mouth advertising. Hofstede (1980) states that positive word of mouth advertising is particularly useful in collectivist Asian cultures like that of Pakistan where social life is structured in a way to improve social relationships with others in the society. Hall and Hall, (2007) reaffirm the assertion that dissatisfied customers, on the other hand, are likely to switch brands and engage in negative word of mouth advertising. Levesque and McDougall (2016) confirm and reinforce the idea that unsatisfactory customer service could lead to a drop in customer satisfaction and willingness to recommend the service to a friend. This leads to increase in switching by customers.

Customer satisfaction can be considered as the essence of success in today's highly competitive world of business. Customer satisfaction is increasingly becoming a corporate goal as more and more companies strive for quality in their products and services (Bitner and Hubbert, 2014). In this context Levesque and McDougall (2015), say that an understanding of ―determinants of customer satisfaction‖ is of great significance to marketers. Corrin and Taylor (2011) have realised the interrelated values of service quality and customer satisfaction and concluded that service quality and customer satisfaction ―share a close relationship‖. This make Pitt et al (2015) add that service quality is the key to measure user satisfaction. Taylor and Baker (2014) as well as Rust and Oliver (2014) identify several factors that precede customer satisfaction. They argue that there are five (5) antecedents that contribute to satisfaction. These are:

1. clear understanding of customer needs and expectations;

2. perceived value of the product;

3. service quality;

4. internal satisfaction;

5. Customers complaints management.

This research shows that service quality is one major attribute of consumer satisfaction. This makes Oliver (2013) to say that service quality is a casual antecedent of customer satisfaction, due to the fact that service quality is viewed at transactional level and satisfaction is viewed as an attitude. Fornell et al., (2016) reaffirmed that consumer satisfaction is a consequence of service quality. A major aspect of treating a client with dignity is to respect the patient's right to privacy. The Ghana Health Service cautions that a health worker should always ensure confidentiality of patient's information, because divulging clients" information to unauthorized third persons is unethical. The cumulative effect of all these is that it makes the patient lose confidence in the care provider (Ghana Health Service Code of Ethics). Customer satisfaction should be considered by healthcare providers as a key component of strategy and a significant determinant of a long term viability and success under competitive situation (Andaleep, 2008).

2.7 The Perception of Customers about the Service Quality of Selected Hospitals

Service quality is a vital antecedent of customer satisfaction (Jabnoun & Al-Tamimi, 2003). In turn, customer satisfaction leads to developing and maintaining loyal customers who may become advocates for a firm and promote the organization further by making positive referrals through credible word-of-mouth communication (Zeithaml et al., 2009). In a health care environment, patients tend to rely on the functional aspects of the service delivery process (e.g. doctors' and nurses' attitudes

29

towards patients and length of time waiting for a procedure) when evaluating service quality (Guiry & Vequist, 2011). Zeithaml et al., (2009) suggest that consumers do not perceive service quality as a one dimensional concept. Instead, their assessment of service quality includes their expectations and perceptions. Service organizations must fully understand the service factors that contribute to customer value and lead to customer satisfaction and loyalty (Evans & Lindsay, 2010). Service quality is a key factor that affects and influences customers' decision-making (Schmeida, McNeal & Mossberger, 2007).

Today, with the competitive global market, more than half of all corporate training dollars are spent on service quality issues (Babakus, Bienstock & Van Scotter, 2014). Delivering quality service is one of the major challenges that hospitality managers will face in the coming years as high quality is essential for the success of the emerging and very competitive global hospitality markets (Sutrisno & Lee, 2011). Service quality in the medical tourism industry involves delivering products and customer services consistently and according to expected standards (Jayaraman, Shankar & Hor, 2010).

Patient satisfaction depends mainly on three issues of the healthcare quality system: the quality of the healthcare service, the quality of the healthcare service providers, and the quality of the healthcare organisations (Safavi, 2016). Medical administrative departments in hospitals must focus on customer demands for consistency, meeting customer needs for clear policies on service quality, and for up-to-date medical treatment and service quality (Harris & Ralph, 2009). Furthermore, all of the above can help to improve and increase the loyalty of both customers and hospital staff members.

2.8 Professionalism and Customer Satisfaction

According to Safavi (2016), a focus group interview was undertaken in 2004 to 2005 by the Agency of Health Care Research and Quality and Centres for Medicare and Medical Services to ascertain patients' perceptions of the quality of healthcare. The findings revealed that patients valued four qualities of healthcare services: responsiveness of hospital staff, cleanliness of the hospital environment, the care shown by nursing staff, and the communication skills of the doctors (Safavi, 2016).

In service organizations, human resources not only represent the organization providing the service (Zeithaml & Bitner 1996), but also reflect their organization's image by creating a satisfying service experience for the customer (Bowen & Lawler, 2012). For example, Professionalism in Singapore is based on a foundation of clinical competence, communication skills, and ethical and legal understanding. Using this foundation, Singapore has aspired to apply the main principles of professionalism: excellence, humanism, accountability, and altruism (Stern, 2015).

Moreover, Singapore's medical expertise is recognised throughout the world for its high standards and its medical advances. Its doctors and surgeons study and train at established medical institutions, and continually upgrade their knowledge and skills to be able to deliver the highest quality medical services to patients (Singapore Medical Tourism, 2011). For example, Singapore has sought to compete in the medical tourism market on quality rather than price, putting an emphasis on its superior technology. For instance, Singapore doctors carried out the first separation of conjoined twins in Asia, and the first South East Asian heart transplant (Connell, 2016).

31

In addition, although medical tourists seek highly trained doctors and surgeons, their need for qualified nurses, clinicians, and other healthcare professionals is just as important. The success of the supplier base in Singapore depends largely on the country's large pool of well-educated workers (Ministry of Education, 2010).

In terms of quality, Singapore's universities and academic institutions are among the best in the world. In addition to the universities, vocational institutions in Singapore offer medical technology training (Medtech): specialised training aimed at developing skilled operators to manufacture medical devices. In industry, the Singapore Economic Development Board's (EDB) Biomedical Sciences Group offers financial incentives for sharing the cost of medical technology companies' training programs when they set up research and development or manufacturing facilities in Singapore (Yeoh, 2008).

2.9 Prompt Services

Customers' waiting time for a service typically represents the first interaction between customers and most service delivery processes. Therefore, the importance of well-managed waiting time is of great interest to most service-oriented businesses (Batalden & Davidoff, 2007). The way to improve service quality is to examine and reduce customer waiting times by improving the processes or by adopting prompt service methods. Milstein and Smith (2007) stated that customers' reactions to waiting in a line affected their perception of the service. For example, customers sitting in a clinic who are unhappy about the long waiting time may complain about the quality of the staff or the doctor, even if the service itself is acceptable.

2.10 Customer Expectations and Perceived Service Quality

Customers' expectations reflect their needs, wants, and any preconceived ideas they might have about the products or services (Kim, Lee & Yun, 2014). These expectations are influenced by the customers' perceptions of the products or services which can be based on previous experiences from advertising, hearsay, an awareness of competitors, and brand image (Andraski, 2010). The level of customer service is a critical factor in determining customer satisfaction. Customers may expect quality service from service staff, including efficiency, helpfulness, reliability and confidence, and may see this quality service as the service staff taking a personal interest in the business the customer is bringing in. If customer expectations are met the result will be customer satisfaction (Yap & Sweeney, 2007).

Perception determines whether customers choose a particular service or product, and whether they would recommend the supply company to others (Lasser, Manolis & Winsor 2010). The more a company knows about its customers' perceptions and how they make their purchasing and business decisions, the more successful the company will be. Perception of service quality is defined in several ways. Zeithaml (1988), Edvardsson (2015), and Lee, Lee and Yoo (2010) stated that perceived service quality is the consumer's judgement about the overall excellence or superiority of a service. Strydom, Jooste and Cant (2010) defined customer perception as _the process of receiving, organising, and assigning meaning to information or to stimuli detected by the five senses, and believing that it gives meaning to the world that surrounds the customer'. Customers always compare their perceptions of performance with their expectations when they assess service quality (Jiang & Rosebloom, 2015). Therefore, knowing what the customer expects is the first and possibly the most critical step in

33

delivering good quality service. Bebko (2010) state that customer expectations are ‗beliefs about service delivery that serve as standards or reference points against which performance is judged'. Not fulfilling what customers want can mean losing business when another hospital facility is able to fill the gap.

Customer service has never been as exciting as it is today because customers are more connected and knowledgeable than ever before, the social media, online customer reviews, messages forums and the power of internet search are tipping and shifting the balance of power in their favour. Kevin et al (2011) observed that hotel websites provides the type of information that customers would like to have, this has been seen to increase in use of internet services and that global hotel reservations rising from $ 5 billion in 2001 to $14.8 billion in 2010. Effective modes of communications have shaped the marketplace enabling consumers to present their preferences and standards to organizations that are poised to listen and respond (Adele, 2013). As contributed by Schultz (2012), that as competition in the hotel industry intensifies, hoteliers have learnt to shift their strategies from customer acquisition to customer retention and loyalty, which is only possible with effective customer satisfaction. A research done by Kenexa Institute found out that there was a strong positive relationship between employee and customer satisfaction (Wiley, 2012), and this is because employee behaviour is defined as consequences of their actions in delivering hotel services. Knowing what the customer expects is the first and possibly most critical step in delivering good quality service, but being wrong about what customers wants can mean losing a customer's business when another company hits the target exactly.

2.11 The Benefits of Customer Satisfaction and Profitability in Hospitality Facility

Customer loyalty is the degree to which customers experience positive feelings for and exhibit positive behaviour towards a company or brand. According to Kotler and Armstrong (2006), loyalty is won through delivery of consistent superior customer service, it means providing them with services that are so good such that there is little chance of not meeting up to their expectations and requirements. Retaining loyal customers for hoteliers is essential and a core factor in keeping the industry in shape and competitive enough to measure itself up to the changing trends of the industry (Schulz, 2012). Achieving the desired results of customer loyalty is frequently a customer action, and that loyal customers don't leave for any attractive offer elsewhere, but rather gives the organization a chance to beat the other offer.

Kotler and Armstrong (2016) saw loyalty as a factor of consistent superior customer service, they found out that five percent increase in customer retention yielded seventy-five percent increases in the net present value of a firm. In research contributions, Cvent (2013) found that in today's era of customer-oriented business strategy, the 80/20 rule has proved to be one of the fundamental business effects; this is where 80 percent of profitable revenues come from just the 20 percent of the organizations' clients. Findings from Carson Research Consulting (2013) indicate that loyal customers are those who purchase from an organization repeatedly, will do so even in the face of certain challenges, that they are twenty-six to fifty-four percent more likely to positively refer the organization to others. Rousan et al., (2010) also found out that loyal customers don't get swayed by price inducement from the competitors, but will continue as loyal customers, a research in South Africa fast foods industry showed

35

that customers retention tend to focus on evaluation of customers management relationships as the major strategy for retaining customers. Kohlmayr (2012) concludes that to inspire long term loyalty among guests, hoteliers must not only identify who their most valuable guest is, but also put strategies in place to make them feel welcome and most valued.

2.12 Repeat Sales and Word of Mouth

Dominici (2010) pointed out that the search for a new location is certainly the most important factor for many tourists, that the choice of repeat holiday destination defends on their loyalty which is guided by; desire to reduce risk of making a mistake, chance to meet the same people again, emotional affection to a specific place and to explore the place better. Kapiki (2012) observed that excellent services quality by hoteliers' results in to better customer satisfaction and loyalty.

Word of mouth according to Cvent, (2013) is non-official way of communication between people regarding a product of service, findings by Natuhwera (2011) showed that a satisfied customer is the one whose expectations are met, and that the benefits from positive word of mouth is an important factor in the hotel industry because with excellent customer satisfaction, customers are more likely to recommend such high services to their friends, relatives and colleagues and this will consequently make the hotel business thrive on credible and positive image. However, according to Litrin (2006), negative word of mouth can have an overwhelming impact upon a hotel image, since dissatisfied visitors spread unflattering comments related to their experience, hence negative sales and performance of the hotel.

36

2.13 Word of Mouth (WOM) Advertising

Word of mouth advertising according to Cvent, (2013) is an official way of communication between people regarding a product of service, and it is among the first three sources of information through experiences of friends and relatives. It is a powerful tool that provides inquirer with an indirect experience about the product or service through friends and relatives; it is tailored to people that have same interests and is not limited by money or any other constraints as social, time, family or physical features. Little (2011) contributed that the social network offers an appealing context to study word of mouth because it provides easy tools for current users to invite others to join the network and build relationships online.

In the hotel industry, the best word of mouth comes from high service quality and good customer experience; this will make the customer talk about the hotel services in a positive way. However, according to Litrin (2006), negative word of mouth can have an overwhelming impact upon a hotel image, because dissatisfied visitors spread unflattering comments related to their experience, but positive recommendation boosts sales and hence good performance for the hotel.

Natuhwera (2011) found out that in a service setting like the hotel industry, steps must be taken urgently to pacify dissatisfied customers, failure to which the customers will exit or engage in negative word of mouth (WOM) to the detriment of the service provider and the result will not be positive; lost sales and profits. In the findings of Little (2011), failing to create fabulous word of mouth is more expensive, and that customers who experience poor services not only cease to use your services, but also deters up to fifty people in your network, and this can cause real decline in the hotels'

performance and growth. According to Abdullah et al., (2012) satisfied customer, either foreign or local may lead to favorable words of mouth which have been proven as the best advertisement money can buy.

2.14 Effective Handling of Customer Complaints and Customer Satisfaction

According to Nathuwera (2011), customer complaints reflect customer dissatisfaction and service deficiencies and this require great attention and care. Carson Research Consulting (2013) found out that customers are twice as likely to speak to others when things go wrong (bad experience) than when things are right. This require that the hotel employees attend to problems immediately, not to leave issues and problems unresolved because solving them at the earliest time creates good impression to the customer about the type of establishment they are in. An unresolved issue encourages negative talks and a bad impression of management inability to manage the organization. It is not in order to disappoint a golden customer because it is them that they bring in more customers by their word of mouth, the earlier their issues are solved and satisfied, the more they advertise the organization. Satisfied customers will talk about the hotel service to others and their word of mouth can act as magic to increasing the sales of the organization.

Yeji (2012) posits that service attitude of the employee's plays a critical role in maximizing customer satisfaction; therefore, employee's ability to solve problems efficiently and accurately is the most important factor in maintaining customer satisfaction level. Carson Research Consulting (2013) suggested that companies including hotel establishments need to provide customers with the tools to be heard, because their concerns will be used to avoid recurrence of similar experience to another

client. The hotel employees need to accept, apologize to the client then attend to the faults at the earliest time possible but not to argue with the customer, in doing this; hotels can stimulate word of mouth through addressing complaints effectively hence can turn a client into a supporter who will tell others the good experience offered.

2.15 Strategies for enhancing customer satisfaction in the hotel industry

In the world of today and tomorrow in the hotel industry, service will be the difference between barely surviving and achieving success. Providing high quality services and improving customer satisfaction are widely recognized as fundamental factors boosting the performance of companies in the hotel and tourism industry (Dominici, 2010). In their contributions Onyango et al., (2012) found out that the hotel industry has experience enormous growth in business volume thereby making them larger and more complex to manage and meet challenges of customer demands.

This is further aggravated by the modern communications technology (email, telemarketing, television advertising) which has simply created too much ―white noise‖ in the marketing airwaves. With the increased bargaining power consumers are obtaining, hotel corporations are realizing that the key to their success will be to foster strategic relationship marketing efforts, particularly through the usage of loyalty measures (Gordon, 2016). Research findings by Yun (2000) indicated to secure the continual growth of the business and market share, international hotel companies are increasingly entering into strategic alliances and tie-up relationships with other companies including, but not limited to, airline companies and travel companies in the form of short-term opportunistic relationships, medium-term tactical relationships, or long-term strategic relationships. An educated, sophisticated customer base is placing

increasing emphasis on the value of goods and services received in relation to the price paid in the market place. With an intensely competitive industry vying to serve them, customers are in a position to demand good value for their money. According to Schultz (2012), for a hotel to lead in customer retention and loyalty, they have to offer superior quality service as compared to its competitors. Service quality leaders understand that the little things matter and that if left unattended will turn into larger more complex things that will negatively affect service quality (Zeithamal, Parasuraman, & Berry, 1990).

2.16 Conceptual Framework

2.16.1 Expectation Confirmation Theory (ECT)

The conceptual model of the study was based on the Expectation Confirmation Theory. Expectation Confirmation Theory was first proposed by Oliver (2007). The result of this effect is channeled through the positive or negative confirmation between expectation and actual performance. If a product outperforms expectations, ‗positive confirmation' results in post-purchase satisfaction. If a product does not live up to expectations, the term ‗negative confirmation' is used and the customer is likely to be dissatisfied (Spreng, MacKenzie & Olshavsky, 2016). Refer to Figure 2.1 Expectation Confirmation Theory.

Figure 2.1 Expectation Confirmation Theory (ECT)
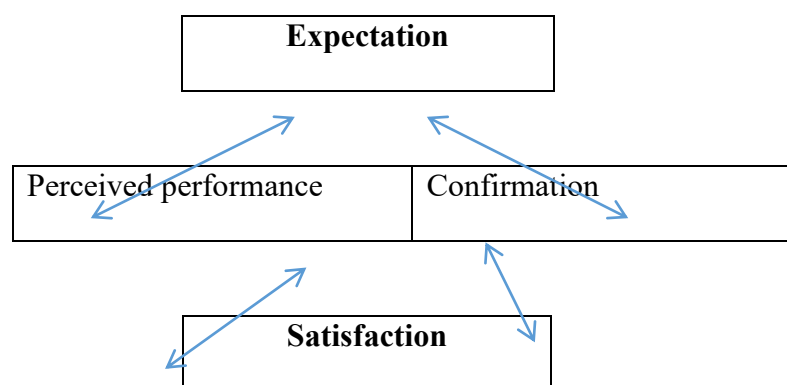
Source: Expectation Confirmation Theory model (Oliver 1980)

There are four elements in the model: expectations, perceived performance, confirmation, and satisfaction. Positive confirmation leads to satisfaction, while negative confirmation leads to dissatisfaction (Reimer & Kuehn, 2015).

2.17 Customers Expectations and Satisfaction

Customers expect a good quality product based on the price they are willing to pay. Their product expectations are clear. However, when it comes to product service their expectations may not match the product expectations. When customers start a relationship with any organization they will have a specific set of expectations (Fornell, 2012). These expectations are based on their perceptions of the service personnel, the company, and the industry (Ojo, 2010). These expectations are formed through past personal experience and the experience of others the customer interacts with (Negi, 2009). Therefore, customers have already set out their expectations before they come to hospital facility for medical treatment.

2.17.1 Perceived performance

According to Oliver (2007), perceived performance often differs from objective or technical performance, especially when the medical service is complex and intangible, and particularly when foreign customers are unfamiliar with international medical services. Customers may perceive the performance of medical services to be of very high quality on account of the quality brand in the country. Perceived service quality is one of the important concepts in the quality management literature. At the beginning, perceived service quality was often equated to customer satisfaction, until Parasuraman et al. (1994) identified a clear distinction between those two. Parasuraman et al. (1994) described customer satisfaction as consisting of perceived service quality, product quality, and price. Ismail et al. (2009) on the other hand, argued that perceived service quality is a general overall appraisal of service. In this context, perceived service quality is students' overall appraisal of the services offered by tertiary institutions. Moreover, perceived service quality is also defined as the difference between customer expectation and customer perception of service performance obtained. If customer satisfaction is higher than customer expectation, then customers will have higher perceived quality, and vice versa (Parasuraman et al., 1988).

Cronin and Taylor (1992) posited that perceived service quality should be conceptualized as ―similar to an attitude‖ approach. Based on these considerations, the author defined student perceived quality as the customers emotional evaluation of the educational institution's service performance level that they received compared with their expectation level. Inferring from the above, students perceived service

42

quality is seen as an abstract concept. Several authors have tried to identify and proposed dimensions to measure this concept.

2.17.2 Confirmation

Confirmation is the evaluation of perceived performance according to one or more comparisons of quality standards. Confirmation can have a positive effect, which usually results in satisfaction, or a negative effect, which usually results in dissatisfaction or with a zero effect result (Oliver, 2010). Parasuraman et al. (1994) also described service quality as a comparison of a consumer's general expectations with their actual perceptions of a firm. As a result, Lovelock and Wirtz, (2011) indicated that the level of service quality can be measured by how much the service provided to consumers exceeds their expectations. Inferring from the definitions so far, the concept of service quality could be linked to the concepts of perception and expectations. Therefore, service quality perceived by customers is the result of comparing the expectations about the service to be received and the customers' perceptions of the service provider's actions.

2.17.3 Customer Satisfaction

Customer satisfaction is defined within Expectation Confirmation Theory as the result of a cognitive and affective evaluation. If the perceived performance exceeds expectations, customers will be satisfied. Yet if the perceived performance is less than expected, customers will be dissatisfied (Oliver, 2007).

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter involved: research design, population, sample and sampling technique, the research instruments, the procedures of the data collection and the procedures of data analysis.

3.1 Research Design

The researcher adopted a mixed method of descriptive survey design in which both qualitative and quantitative data collection and analysis were used to carry out the study. Descriptive design specifies the nature of a given phenomenon and its specification can be simple or complicated. This research design is usually in the form of statistics such as frequencies or percentages, average and sometimes variability. The design enables variables and procedures to be described as accurately as possible so that the study can be replicated by other researchers. In a descriptive research, data may be obtained through a variety of techniques. Some of the techniques used by the researcher to collect data were questionnaire and interviews. The reason for using descriptive research design was to observe, describe and document aspect of situations which will contribute to the customer satisfaction and profitability at the Korle-Bu Teaching Hospital in Accra.

3.2 Population

Polit and Hungler (2009) refer to the population as an aggregate or totality of all the objects, subjects and members that conform to a set of specifications. The population for the study comprised of all employees working in the hospitality industry of the

selected hospital facilities in Accra. Target population refers to the entire group of individual or objects to which researchers are interested in generalizing the conclusions. The hospital staff and customers in the selected hospital facilities in Accra will constitute the target population for the study. Accessible population is the population in research to which the researcher can apply their conclusions. This population is a subset of the target population and is also known as the study population. The accessible population the researcher will use will be hospital staffs and customers from the Korle-Bu Teaching Hospital in Accra. The total population of the respondents is one hundred and fifty (150). The purposive sampling technique will be used to select all the 150 respondents for the study.

3.3 Sampling Technique

Purposive sampling (also known as judgment, selective or subjective sampling) is a sampling technique in which researcher relies on his or her own judgment when choosing members of population to participate in the study. Purposive sampling is a sampling method and it occurs when ̶elements selected for the sample are chosen by the judgment of the researcher. Researchers often believe that they can obtain a representative sample by using a sound judgment, which will result in saving time and money". Alternatively, purposive sampling method may prove to be effective when only limited numbers of people can serve as primary data sources due to the nature of research design and aims and objectives. In purposive sampling personal judgment needs to be used to choose cases that help answer research questions or achieve research objectives.

Accordingly, in purposive sampling the investigator himself purposively chooses certain items which to his judgment are best representatives of the universe. Here the selection is deliberate and based on own idea of the investigator about the sample units. As such under this method, the chance of inclusion of some items in the sample is very high while that of others is very low. However, for better selection of the items under this method certain criteria of selection is first laid down and then the investigator is allowed to make the selection of the items of his own accord within the orbit of those criteria. The relative merits and demerits of this method are outlined below;

3.4 Sample

A sample is a subset of population selected to participate in the study, it is a fraction of the whole, selected to participate in the research project (Brink 2016:133; Polit & Hungler 2009:227). The sample size for the study consisted of one hundred and fifty (150) respondents (22 hospital staffs and 128 customers) drawn from the the Korle-Bu Teaching Hospital in Accra.

3.5 Research Instruments

The data gathering instrument designed for the study were questionnaire and interview guide. The items the researcher used for the questionnaire were both closed and open ended, structured to elicit self – expressions from respondents to clarify reasons for particular response. The questionnaire used were mainly close ended type and respondents were either to tick ―Yes‖ or ―No‖ and choose from given alternatives, and likert scale type responses ranging from Agree, Not sure and disagree by ticking the boxes appropriate to the response. There were few open ended questions designed

46

to encourage respondents to come out with important information not covered by closed – ended items.

Structured questionnaire will be used and the importance of it was to make discussion and analysis of the information given by the respondents more easy. The structured questionnaires will be put into four main sections. The section ‗A‘ of the questions centered on the background information of respondents. Some of the items included age, sex and educational level among others. Section 2 of the questionnaire will evaluate the benefits of customer satisfaction and profitability in the Korle Bu Teaching Hospital in Greater Accra. Section 3 will find out the perception of customers about the service quality of Korle Bu Teaching Hospital. Section 4 determined the level of customer satisfaction of customers of the Korle Bu Teaching Hospital. The analysis of the study will be based on the above mentioned issues. Questionnaire will be used for data collection because it is not affected by problems of no-contacts and its uniformity in questions as well as greater assurance of it anonymity.

3.6 Interview Guide

The researcher will also use structured interview guide for the data collection during the study. A special interview guide consisting of 3 items will be prepared. The interview will focus on how the 22 selected hospital staffs satisfy customers‘ needs for profits at the Korle-Bu Teaching hospitals.

47

3.7 Data Collection Procedures

Initial visits will be paid to the Korle-Bu Teaching hospitals in order to inform the hospital authorities about the intention of the researcher to carry out the research in these health facilities. Certain clarifications will be done on what the questionnaire sought to do and the need for the respondents to be objective in responding to the questions to enable the researcher to ensure the confidential nature of the responses. The respondents will be advised not to write their names on the questionnaire since it will be collected afterwards. Responses were collected after three days due to time factor.

Furthermore, the interviewing of the hospital staff will be conducted when they are free to respond, in order not to interrupt the daily busy schedules. Tape recorder will be used to record the proceedings and later the researcher will transcribe the interviewing proceedings into thematic analysis. At the end of the data collection, it is anticipated that all the one hundred and fifty (150) respondents will respond to the questionnaire and the interview items. It is hoped that the return will be encouraging to allow for generalization to be made for the target population.

3.8 Data Analysis

Results of the research will be represented in frequency tables to make 'complex information gathered appeared more simple and straightforward' (Koul, 2001). For clarity and easy understanding and interpretation of figures, the Statistical Package for Social Sciences (S.P.S.S) Version 18 will be used. Data collected from the questionnaires will be coded, and keyed into the SPSS version 18 software for processing. The data will then be presented in the form of table for easy interpretation.

The main statistical technique employed will be percentages; tables will be used to explain certain findings. Percentages of the participants and their respective views on some important issues on the questionnaire would be found. This will be used to discuss the collected data.

3.9 Ethical Considerations

For ethical reasons the researcher negotiated with participants for their voluntary participation. In particular, the researcher will assure them that:

1. All information collected will be purely for study purposes and would be strictly confidential;

2. All information used in the dissertation would be checked for accuracy;

3. All audiotapes and notes of interviews would be destroyed at the end of the research;

4. Names of the respondents in the selected hospitals Matrons, Caterers and Customers will not be revealed; and

5. Pseudonyms would be used to conceal the identities of participants.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.0 Introduction

The chapter presented the results of the study and discussed based on the research objectives guiding the study. The chapter presents demographic information of the respondents. In addition, the chapter discusses results of the questionnaire from the customers of Korle Bu Teaching Hospital. Also, the results of the interview from the hospital staffs were discussed.

4.1 Response Rate of the Questionnaires

The analysis of the study was based on these research objectives of the study. The researcher sent 128 questionnaires to the field to gather primary data. Out of 128 questionnaires sent out for primary data, 126 questionnaires were received while 2 questionnaires were not received. Therefore, the analysis of the study was based on 98% response rate.
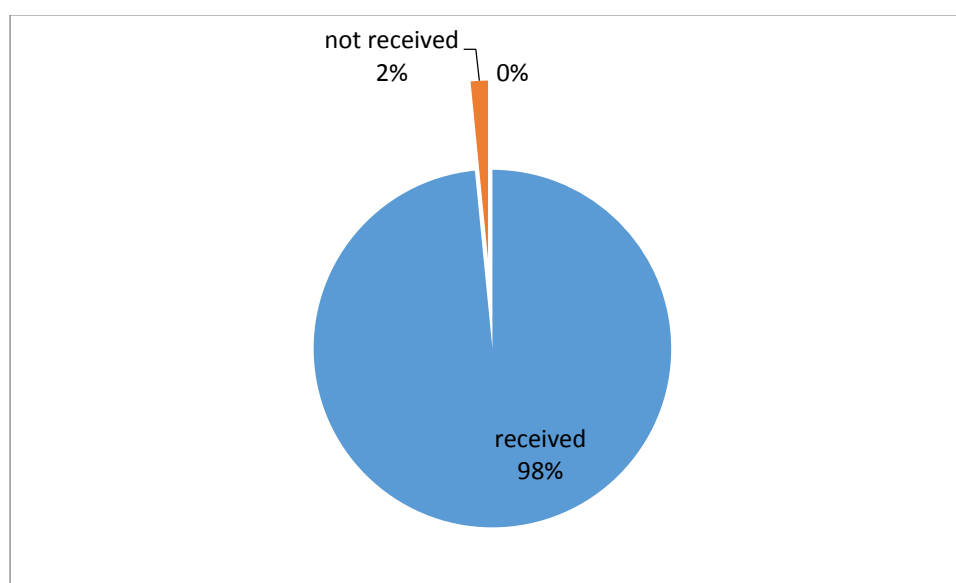
Figure 4.1: Response rate of the questionnaires

50

4.2 Results of the Questionnaire

This section analyzed the results of the questionnaire obtained from the hospital staffs of the Korle Bu Teaching Hospital.

4.2.1 Results of the Questionnaire from the Customers

Table 4.1 showed the demographic information of the customers.

Table 4.1: Demographic Information of the Customers

Gender	Frequency	Percent
Male	82	65.1
Female	44	34.9
Total	**126**	**100.0**
Age category		
19-25 years	24	19.0
26-35 years	44	34.9
36-40 years	30	23.8
41-45 years	16	12.7
Above 46 years	12	9.5
Total	**126**	**100.0**
Highest academic background		
Certificate	11	8.7
Diploma	21	16.7
Bachelors' Degree	37	29.4
Master's degree	41	32.5
PhD	16	12.7
Total	**126**	**100.0**

N=126, Source: Field survey, 2018

Table 4.1 shows that 82 customers representing 65.1% were males while 44 customers representing 34.9% were females. Furthermore, 44 customers representing 34.9% were between the age ranges 26-35 years, 30 customers representing 23.8% were between the age ranges 36-40 years, 24 customers representing 19% were between the age categories 19-25 years, 16 customers representing 12.7% were between the age ranges 41-45 years, while 12 customers representing 9.5% were above 46 years. To add more, 41 customers representing 32.5% were holding masters' degrees as their highest academic qualification, 37 customers representing 29.4% were possessing bachelor's

51

degrees as their highest academic qualification, 21 customers representing 16.7% were holding diploma, 16 customers representing 12.7% were doctorate degree holders, while 11 customers representing 8.7% were holding certificates.

4.3 The issues of customer satisfaction and profitability at the Korle Bu Teaching Hospital in Greater Accra.

Table 4.2 assessed the issues of customer satisfaction and profitability at the Korle Bu Teaching Hospital in Greater Accra.

Table 4.2: The issues of customer satisfaction and profitability at the Korle Bu Teaching Hospital in Greater Accra.

Statement(s)	SD	D	N f(%)	A f(%)	SA f(%)	Total f(%)
Customer loyalty is the degree to which customers experience positive feelings for and exhibit positive behaviour towards a company or brand.	-	-	5 (4)	78 (61.9)	43 (34.1)	126 (100)
Customer satisfaction increases the profitability of the hospital	-	-	7 (5.6)	87 (69)	32 (25.4)	126 (100)
Good customer services improves repeat sales	-	-	11 (8.7)	70 (55.6)	45 (35.7)	126 (100)
Customer satisfaction enhances word of mouth advertising	-	-	5 (4)	70 (55.6)	51 (40.5)	126 (100)
Satisfied customers will talk about the hospital facility's services to others and their word of mouth can act as magic to increasing the sales of the organization.	-	-	6 (4.8)	73 (57.9)	47 (37.3)	126 (100)
Providing high quality services and improving customer satisfaction are widely recognized as fundamental factors boosting the performance of companies in the hotel and tourism industry.	-	-	3 (2.4)	81 (64.3)	42 (33.3)	126 (100)
Customer satisfaction leads to developing and maintaining loyal customers who may become advocates for a firm and promote the organization further by making positive referrals through credible word-of-mouth communication	-	-	5 (4)	77 (61.1)	44 (34.9)	126 (100)

SD-Strongly disagree, D-Disagree, N-Neutral, A-Agree, SA-Strongly agree

N=126, Source: Field survey, 2018

Table 4.2 indicates that 78 customers representing 61.9% agreed that customer loyalty is the degree to which customers experience positive feelings for and exhibit positive behaviour towards a company or brand, 43 customers representing 34.1% strongly agreed, while 5 customers representing 4% were neutral. Also, 87 customers representing 69% agreed that customer satisfaction increases the profitability of the hospital, 32 customers representing 25.4% strongly agreed, while 7 customers representing 5.6% were neutral. Furthermore, 70 customers representing 55.6% agreed that good customer services improves repeat sales, 45 customers representing 35.7% strongly agreed, while 11 customers representing 8.7% were neutral.

Also, 70 customers representing 55.6% agreed that customer satisfaction enhances word of mouth advertising, 51 respondents representing 40.5% strongly agreed, while 5 customers representing 4% were neutral. The study results revealed that 73 respondents representing 57.9% agreed that satisfied customers will talk about the hospital facility's services to others and their word of mouth can act as magic to increasing the sales of the organization, 47 customers representing 37.3% strongly agreed, while 6 customers representing 4.8% were neutral.

Also, 81 customers representing 64.3% agreed that providing high quality services and improving customer satisfaction are widely recognized as fundamental factors boosting the performance of companies in the hotel and tourism industry, 42 customers representing 33.3% strongly agreed, while 3 respondents representing 2.4% were neutral. Moreover, 77 customers representing 61.1% agreed that customer satisfaction leads to developing and maintaining loyal customers who may become advocates for a firm and promote the organization further by making positive referrals

through credible word-of-mouth communication, 44 customers representing 34.9% strongly agreed, while 5 customers representing 4% were neutral.

4.4 Discussion of the issues of customer satisfaction and profitability at the Korle Bu Teaching Hospital in Greater Accra.

These findings are in agreement with Kotler and Armstrong (2006), they indicated that customer loyalty is the degree to which customers experience positive feelings for and exhibit positive behaviour towards a company or brand. According to Kotler and Armstrong (2006), loyalty is won through delivery of consistent superior customer service, it means providing them with services that are so good such that there is little chance of not meeting up to their expectations and requirements. Retaining loyal customers for hoteliers is essential and a core factor in keeping the industry in shape and competitive enough to measure itself up to the changing trends of the industry (Schulz, 2012). Achieving the desired results of customer loyalty is frequently a customer action, and that loyal customers don't leave for any attractive offer elsewhere, but rather gives the organization a chance to beat the other offer.

Word of mouth according to Cvent, (2013) is non-official way of communication between people regarding a product of service, findings by Natuhwera (2011) showed that a satisfied customer is the one whose expectations are met, and that the benefits from positive word of mouth is an important factor in the hotel industry because with excellent customer satisfaction, customers are more likely to recommend such high services to their friends, relatives and colleagues and this will consequently make the hotel business thrive on credible and positive image.

54

4.5 The factors that affect customer satisfaction and profitability in the hospitality industry.

Table 4.3 identifies the factors that affect customer satisfaction and profitability in the hospitality industry.

Table 4.3: The factors that affect customer satisfaction and profitability in the hospitality industry.

Statement(s)	SD	D	N f(%)	A f(%)	SA f(%)	Total f(%)
Service quality in the medical tourism industry involves delivering products and customer services consistently and according to expected standards.	-	-	3 (2.4)	82 (65.1)	41 (32.5)	126 (100)
Service quality is a key factor that affects and influences customers' decision-making.	-	-	4 (3.2)	67 (53.2)	55 (43.7)	126 (100)
Delivering quality service is one of the major challenges that hospitality managers will face in the coming years as high quality is essential for the success of the emerging and very competitive global hospitality markets.	-	-	6 (4.8)	62 (49.2)	58 (46)	126 (100)
Service organisations must fully understand the service factors that contribute to customer value and lead to customer satisfaction and loyalty.	-	-	7 (5.6)	60 (47.6)	59 (46.8)	126 (100)
Patient satisfaction depends mainly on three issues of the healthcare quality system: the quality of the healthcare service, the quality of the healthcare service providers, and the quality of the healthcare organisations.	-	-	2 (1.6)	38 (30.2)	86 (68.3)	126 (100)
Medical administrative departments in hospitals must focus on customer demands for consistency, meeting customer needs for clear policies on service quality, and for up-to-date medical treatment and service quality.	-	-	4 (3.2)	65 (51.6)	57 (45.2)	126 (100)
Patients valued four qualities of healthcare services: responsiveness of hospital staff, cleanliness of the hospital environment, the care shown by nursing staff, and the communication skills of the doctors.	-	-	2 (1.6)	58 (46)	66 (52.4)	126 (100)
Medical tourists seek highly trained doctors and surgeons, their need for qualified nurses, clinicians, and other healthcare professionals are just as important.	-	-	2 (1.6)	77 (61.1)	47 (37.3)	126 (100)
The way to improve service quality is to examine and reduce customer waiting times by improving the processes or by adopting prompt service methods.	-	-	4 (3.2)	72 (57.1)	50 (39.7)	126 (100)

SD-Strongly disagree, D-Disagree, N-Neutral, A-Agree, SA-Strongly agree

N=126, Source: Field survey, 2018

Table 4.3 indicates that 82 customers representing 65.1% agreed that service quality in the medical tourism industry involves delivering products and customer services consistently and according to expected standards, 41 customers representing 32.5% strongly agreed, 3 customers representing 2.4% were neutral. Moreover, 67 customers representing 53.2% agreed that service quality is a key factor that affects and influences customers' decision-making, 55 customers representing 43.7% strongly agreed, while 4 customers representing 3.2% were neutral.

Furthermore, 62 customers representing 49.2% agreed that delivering quality service is one of the major challenges that hospitality managers will face in the coming years as high quality is essential for the success of the emerging and very competitive global hospitality markets, 58 customers representing 46% strongly agreed, were 6 customers representing 4.8% were neutral. The study results revealed that 60 customers representing 47.6% agreed that service organizations must fully understand the service factors that contribute to customer value and lead to customer satisfaction and loyalty, 59 customers representing 46.8% strongly agreed, while 7 customers representing 5.6% were neutral. The study results held that 86 customers representing 68.3% strongly agreed that patient satisfaction depends mainly on three issues of the healthcare quality system: the quality of the healthcare service, the quality of the healthcare service providers, and the quality of the healthcare organizations, 38 customers representing 30.2% agreed, while 2 respondents representing 1.6% were neutral.

Moreover, 65 customers representing 51.6% agreed that medical administrative departments in hospitals must focus on customer demands for consistency, meeting

56

customer needs for clear policies on service quality, and for up-to-date medical treatment and service quality, 57 customers representing 45.2% strongly agreed, while 4 customers representing 3.2% were neutral. To add more, 66 customers representing 52.4% strongly agreed that patients valued four qualities of healthcare services: responsiveness of hospital staff, cleanliness of the hospital environment, the care shown by nursing staff, and the communication skills of the doctors, 58 customers representing 46% agreed, while 2 customers representing 1.6% were neutral.

Also, 77 customers representing 61.1% agreed that medical tourists seek highly trained doctors and surgeons, their need for qualified nurses, clinicians, and other healthcare professionals is just as important, 47 customers representing 37.3% strongly agreed, while 2 respondents representing 1.6% were neutral. Moreover, 72 customers representing 57.1% agreed that the way to improve service quality is to examine and reduce customer waiting times by improving the processes or by adopting prompt service methods, 50 customers representing 39.7% strongly agree, while 4 customers representing 3.2% were neutral.

4.6 Discussion of the factors that affect customer satisfaction and profitability at the hospitality industry.

These results are in agreement with Kim, Lee & Yun, (2014), they asserted that customers' expectations reflect their needs, wants, and any preconceived ideas they might have about the products or services. These expectations are influenced by the customers' perceptions of the products or services which can be based on previous experiences from advertising, hearsay, an awareness of competitors, and brand image

57

(Andraski, 2010). The level of customer service is a critical factor in determining customer satisfaction. Customers may expect quality service from service staff, including efficiency, helpfulness, reliability and confidence, and may see this quality service as the service staff taking a personal interest in the business the customer is bringing in. If customer expectations are met the result will be customer satisfaction (Yap & Sweeney, 2007).

Perception determines whether customers choose a particular service or product, and whether they would recommend the supply company to others (Lasser, Manolis & Winsor 2010). The more a company knows about its customers' perceptions and how they make their purchasing and business decisions, the more successful the company will be. Perception of service quality is defined in several ways. Zeithaml (1988), Edvardsson (2015), and Lee, Lee and Yoo (2010) stated that perceived service quality is the consumer's judgement about the overall excellence or superiority of a service. Strydom, Jooste and Cant (2010) defined customer perception as ‗the process of receiving, organizing, and assigning meaning to information or to stimuli detected by the five senses, and believing that it gives meaning to the world that surrounds the customer'. Customers always compare their perceptions of performance with their expectations when they assess service quality (Jiang & Rosebloom, 2015). Therefore, knowing what the customer expects is the first and possibly the most critical step in delivering good quality service. Bebko (2010) state that customer expectations are ‗beliefs about service delivery that serve as standards or reference points against which performance is judged'. Not fulfilling what customers want can mean losing business when another hospital facility is able to fill the gap.

Table 4.4: Strategies to enhance the customer satisfaction and profitability at the Korle Bu Teaching Hospital.

Strategies	Frequency	Percent
Making customer service practice look and feel engaging	15	11.9
Honoring patients with respect and attention	35	27.8
Prompt and accuracy in treatments	8	6.3
Improving communication at every step of the patient visit	23	18.3
Reducing turn around time	13	10.3
The hospital should use modern equipment and machines to treat patients.	32	25.4
Total	**126**	**100.0**

N=126, Source: Field survey, 2018

Table 4.4 indicates that 35 customers representing 27.8% agreed that honoring patients with respect and attention can enhance the customer satisfaction and profitability at the Korle Bu Teaching Hospital, 32 customers representing 25.4% affirmed that the hospital should use modern equipment and machines to treat patients, 23 customers representing 18.3% said that there is the need to improve communication at every step of the patient visit, 15 customers representing 11.9% revealed that making customer service practice look and feel engaging can improve customer service and profitability, 13 customers representing 10.3% indicated that reducing turn around time can enhance customer satisfaction, while 8 customers representing 6.3% revealed that prompt and accuracy in treatments can enhance customer satisfaction and profitability of the hospital.

Table 4.5: The Level of Customer Satisfaction

Item	Frequency	Percent
Highly satisfied	17	13.5
Satisfied	58	46.0
Somewhat satisfied	4	3.2
Not satisfied	47	37.3
Total	126	100.0

N=126, Source: Field survey, 2018

Table 4.5 reveals that 58 respondents representing 46% were satisfied with the services provided by the Korle bu teaching hospital, 47 respondents representing 37.3% were not satisfied, 17 respondents representing 13.5% were highly satisfied, while 4 respondents representing 3.2% were somewhat satisfied. These findings are in agreement with Dominici, (2010), he indicated that providing high quality services and improving customer satisfaction are widely recognized as fundamental factors boosting the performance of companies in the hotel and tourism industry. In their contributions Onyango et al., (2012) found out that the hotel industry has experience enormous growth in business volume thereby making them larger and more complex to manage and meet challenges of customer demands. This is further aggravated by the modern communications technology (email, telemarketing, television advertising) which has simply created too much ―white noise‖ in the marketing airwaves. With the increased bargaining power consumers are obtaining, hotel corporations are realizing that the key to their success will be to foster strategic relationship marketing efforts, particularly through the usage of loyalty measures (Gordon, 2016).

Research findings by Yun (2000) indicated to secure the continual growth of the business and market share, international hotel companies are increasingly entering into strategic alliances and tie-up relationships with other companies including, but not limited to, airline companies and travel companies in the form of short-term opportunistic relationships, medium-term tactical relationships, or long-term strategic relationships. An educated, sophisticated customer base is placing increasing emphasis on the value of goods and services received in relation to the price paid in the market place. With an intensely competitive industry vying to serve them, customers are in a position to demand good value for their money. According to Schultz (2012), for a

hotel to lead in customer retention and loyalty, they have to offer superior quality service as compared to its competitors.

4.7 Results of the Interview

The researcher interviewed the hospital staff at the Korle Bu Teaching Hospital. The outcome of the hospital staff interview guide is analyzed below;

4.7.1 Results of the interview from Hospital Staff

The selected hospital staff at the Korle-Bu teaching hospital were asked regarding the issues of customer satisfaction and profitability at the hospital facility. Most of the hospital staff said that *"Patient satisfaction is a highly desirable outcome of clinical care in the hospital and may even be an element of health status itself. A patient"s expression of satisfaction or dissatisfaction is a judgment on the quality of hospital care in all of its aspects. Whatever its strengths and limitations, patient satisfaction is an indicator that should be indispensable to the assessment of the quality of care in hospitals and patients satisfaction increased profitability".* Furthermore, most respondents indicated that *"treating customers with respect and dignity and involvement in treatment decisions are intangible issues of patient satisfaction that are paramount issues for patients".*

Moreover, the hospital staff were asked regarding the factors that contribute customer satisfaction and profitability at the hospitality industry. The hospital staff revealed that *"product quality, price, service, consumer emotion, personal factors, situational factors, a perception of equity or fairness, product features are some of the factors that influence the customer satisfaction".* Most of the hospital staff also said that *"cultural*

factors, including the values, perceptions, behaviors and preferences of the patients also influence customer satisfaction". Adding that *"social factors, like family, friends, and social networks also affect customer satisfaction. Moreover, personal factors such as age, occupation, economic situation, and lifestyle also influence patients satisfaction".* Furthermore, they added that ―*psychological factors like motivation, perception, learning, and attitudes and beliefs play a crucial role in purchasing a particular product and services".* Also, they indicated that *"overall the result shows that brand image, and perceive value, price, health concern and quality influences customer satisfaction".*

Finally, the hospital staff recommended that the strategies that could enhance the customer satisfaction and profitability at the Korle Bu Teaching Hospital were *"honoring patients with respect and attention, the hospital should use modern equipment and machines to treat patients, improving communication at every step of the patient visit, making customer service practice look and feel engaging can improve customer service and profitability, reducing turn around time and prompt and accuracy in treatments can enhance customer satisfaction and profitability of the hospital".*

4.8 Results of Observation

This section demonstrated the results of the observations at the selected areas of the study such as emergency accident center, maternity block and OPD and labour ward and the main OPD in Korle-Bu Teaching Hospital where the researcher observed the nurses, basic health care nurses, patients relative, senior hospital orderlies attitude towards the patient.

62

4.6.1 Results of Observation at Korle-Bu Teaching Hospital Emergency Accident Center.

Figure 4.1-4.4 illustrates the observations at Korle-Bu Teaching Hospital.

Figure 4.2: An ambulance driver at the Korle- Bu Teaching assisting a patient to the ward for treatment.

At the emergency accident center, the researcher observed that both the health care assistant nurse and the senior hospital orderlies are cold towards patients when ambulance arrived at the unit. The picture in figure 4.1 shows how an ambulance driver at the Korle Bu Teaching Hospital assisting a patient to the ward for treatment. Meanwhile, it is the duty of the health care assistant nurse who always appear in blue uniform within the facility and some senior hospital orderly to ensure that stretchers are available at vantage point to convey patients to ward for treatment.

Figure 4.3: Patients at the Main OPD awaiting treatments

At Out Patient Department (OPD). The researcher observed that patients are in long queue some seated and other standing due to shortage of chairs available at the unit. The queue was moving very slowly because Doctors and nurses were few to attend to them. It was observed that due to fewness of Doctors and nurses, patients were kept in waiting for long period of time before attended to which inconvenienced the patients and their relatives a lot. Figure 4.2 gives picture about patients at the OPD awaiting treatments.

64

Figure 4.4: Nurses checking patient's blood pressure at the Maternity OPD

At the maternity block OPD. The researcher observed that though expectant mothers were seated, they were fed up with the long awaited period of time before treatment which resulted in dissatisfactory of the service provided for them. These are shown in Figure 4.3. It was also observed that most of the patients wish to leave the facility but because it was referral cases, they have no choice but to wait until they see specialist to treat their cases.

Figure 4.5: A Senior midwife examining a pregnant woman in the Maternity ward.

Also at the same maternity block, the researcher observed that it was more comfortable for expectant mother to be examined while lying on the bed as shown in figure 4.4, but due to shortage of beds at the ward, they were compelled to sit in a chair for examinations as shown in figure 4.5.

Figure 4.6: A nurse checking the blood pressure of a pregnant woman at Maternity ward.

66

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND

RECOMMENDATIONS

5.0 Introduction

This chapter contains the summary of findings, conclusions, and recommendations.

5.1 Summary of Findings

- The study revealed that most Health care Assistance and Senior Hospital Orderlies have abundant their roles and usually left their duty post which does not enhance customer satisfaction within the Korle Bu Teaching Hospital facility. For instance ambulance driver coming out to assist patients to the ward.

- The study shows that patients spend too much time waiting to see a doctor, tests or investigation to be performed in the laboratory or for scan to be performed and waiting for tests results to be given out for treatments to continue. It was revealed that making patients wait and failing to clearly communicate with them causes frustration for patients

- The study revealed that some clients of the Korle Bu Teaching Hospital complained about lack of post signs for direction to the various units. Most of them are not able to locate the specific units of the Hospital.

- The study showed that patients and their relatives were not happy about how some nurses received, and communicate with them which usually make them dissatisfied the services of the Hospital.

- The study indicates that customer loyalty is the degree to which customers experience positive feelings for and exhibit positive behaviour towards a

67

company or brand. Also, customer satisfaction increases the profitability of the hospital. Furthermore, a good customer service improves repeat sales. Also, customer satisfaction enhances word of mouth advertising.

- Moreover, the study revealed that customer satisfaction leads to developing and maintaining loyal customers who may become advocates for a firm and promote the organization further by making positive referrals through credible word-of-mouth communication.

5.2 Conclusion

The study concluded that customer satisfaction increased the profitability of the hospital. Also, good customer services improved repeat sales, customer satisfaction enhanced word of mouth advertising, satisfied customers promoted the hospital facility's services to others and their word of mouth advertising increased the sales of the organization, providing high quality services and improving customer satisfaction are the fundamental factors that boosted the performance of companies in the hotel and tourism industry.

The customers perceived that the service quality in the medical tourism industry involved delivering products and customer services consistently and according to expected international standards. Furthermore, service quality is the key factor that affected and influenced customers' decision-making, patient satisfaction depended mainly on three issues of the healthcare quality system: the quality of the healthcare service, the quality of the healthcare service providers, and the quality of the healthcare organizations. Moreover, the medical administrative departments in the hospital focused on customer demands for consistency, meeting customer needs for

68

clear policies on service quality, and for up-to-date medical treatment and service quality. To add more, the patients valued four qualities of healthcare services: responsiveness of hospital staff, cleanliness of the hospital environment, the care shown by nursing staff, and the communication skills of the doctors. Finally, the customers were satisfied with the services provided by the Korle Bu teaching hospital.

5.3 Recommendations

According to the major findings and conclusion remarks stated above, the researcher recommended that;

1. The Management of the Korle Bu teaching hospital should organize periodic seminars, lectures, conferences and training programmes to educate staffs regarding the modern methods of creating customer satisfaction and promoting loyal customers in the hospital.

2. To enhance customer satisfaction and turnaround time, management of the hospital should be ensure *that* officers show swift level of willingness in addressing customer's issues.

3. To create customer satisfaction, hospital management should ensure that all officers demonstrate professionalism in their work.

4. The study results revealed that service organizations should fully understand the service factors that contribute to customer value and lead to customer satisfaction and loyalty. Moreover, medical administrative departments in hospitals should focus on customer demands for consistency, meeting customer needs for clear policies on service quality, and for up-to-date medical treatment and service quality.

5. The management of Korle Bu Teaching Hospital should train its staff to see healthcare delivery as a calling. Staff should be trained and monitored to ensure that they don't show indifference to patients. Attitude of respect and courteousness must be instilled in the staff.

5.4 Suggestions for Further Research

Based on the recommendations of the study, the researcher suggested that a similar research should be conducted to investigate the impact of organizing staff training and development programmes on customer satisfaction using the entire Korle Bu teaching hospitals in Ghana as a case study.

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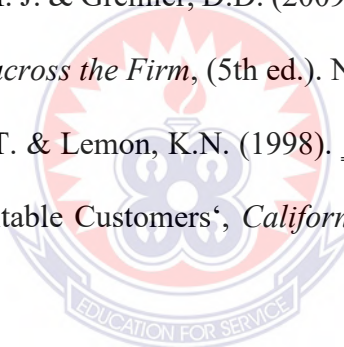
APPENDIX A

QUESTIONNAIRE FOR THE RESPONDENTS

Dear Respondents,

This questionnaire is intended to collect data from participants to assist in gathering primary data to investigate customer satisfaction and profitability at the Korle-Bu Teaching Hospital in Accra. You are requested to be honest in giving your responses, which will be handled with secrecy. Thanks in advance for your co-operation.

Section A: Demographic Information of the respondents

1. What is your gender?

Male [ ] Female [ ]

2. What is your age range?

Below 18 years [ ] 19-25 years [ ] 26-35 years [ ] 36-40 years [ ] 41-45 years [ ]

Above 46 years [ ]

3. What is your highest academic background?

Certificate [ ] Diploma [ ] Bachelors' Degree [ ] Master's degree [ ] PhD [ ]

Section B: The The issues of customer satisfaction and profitability at the Korle Bu Teaching Hospital in Greater Accra.

Please use the following Likert scale to explore the issues of customer satisfaction and profitability at the Korle Bu Teaching Hospital in Greater Accra.

Statement(s)	SD	D	N	A	SA
4. Customer loyalty is the degree to which customers experience positive feelings for and exhibit positive behaviour towards a company or brand.					
5. Customer satisfaction increases the profitability of the hospital					

84

6. Good customer services improves repeat sales					
7. Customer satisfaction enhances word of mouth advertising					
8. Satisfied customers will talk about the hospital facility's services to others and their word of mouth can act as magic to increasing the sales of the organization.					
9. Providing high quality services and improving customer satisfaction are widely recognized as fundamental factors boosting the performance of companies in the hotel and tourism industry.					
10. Customer satisfaction leads to developing and maintaining loyal customers who may become advocates for a firm and promote the organization further by making positive referrals through credible word-of-mouth communication					

SD-Strongly disagree, D-Disagree, N-Neutral, A-Agree, SA-Strongly agree

Section C: The to identify the factors that affect customer satisfaction and profitability in the hospitality industry.

Please use the following Likert scale to evaluate the factors that affect customer satisfaction and profitability in the hospitality industry.

Statement(s)	SD	D	N	A	SA
11. Service quality in the medical tourism industry involves delivering products and customer services consistently and according to expected standards.					
12. Service quality is a key factor that affects and influences customers' decision-making.					
13. Delivering quality service is one of the major challenges that hospitality managers will face in the coming years as high quality is essential for the success of the emerging and very competitive global hospitality markets.					

85

14. Service organisations must fully understand the service factors that contribute to customer value and lead to customer satisfaction and loyalty.					
15. Patient satisfaction depends mainly on three issues of the healthcare quality system: the quality of the healthcare service, the quality of the healthcare service providers, and the quality of the healthcare organisations.					
16. Medical administrative departments in hospitals must focus on customer demands for consistency, meeting customer needs for clear policies on service quality, and for up-to-date medical treatment and service quality.					
17. Patients valued four qualities of healthcare services: responsiveness of hospital staff, cleanliness of the hospital environment, the care shown by nursing staff, and the communication skills of the doctors.					
18. Medical tourists seek highly trained doctors and surgeons, their need for qualified nurses, clinicians, and other healthcare professionals is just as important.					
19. The way to improve service quality is to examine and reduce customer waiting times by improving the processes or by adopting prompt service methods.					

SD-Strongly disagree, D-Disagree, N-Neutral, A-Agree, SA-Strongly agree

Section D: Strategies to enhance the customer satisfaction and profitability at the Korle Bu Teaching Hospital.

[ ] Making customer service practice look and feel engaging

[ ] Honoring patients with respect and attention

[ ] Prompt and accuracy in treatments

[ ] Improving communication at every step of the patient visit

[ ] Reducing trun around time

[ ] Commit to timeliness

[ ] The hospital should use Modern equipment and machines to treat patients.

20. What is the level of customer satisfaction of customers of the selected hospitals in Accra?

Highly satisfied [ ] Satisfied [ ] Somewhat satisfied [ ] Not satisfied [ ]

Thanks for your cooperation.

APPENDIX B

INTERVIEW GUIDE FOR THE HOSPITAL STAFFS (OPTIONAL)

What are the issues of customer satisfaction and profitability in the Korle Bu Teaching Hospital in Greater Accra?
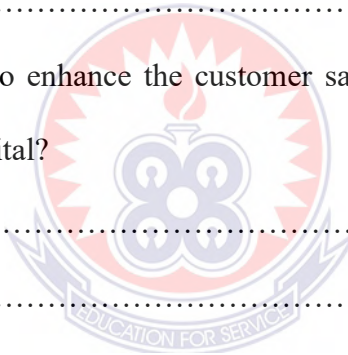
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What are the factors that affect customer satisfaction and profitability at the hospitality industry?

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What are the strategies to enhance the customer satisfaction and profitability at the Korle Bu Teaching Hospital?

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Thanks for your cooperation.