6. Hypotheses Development

As measured, market orientation has two dimensions (customer focuses and needs assessment) and service quality has eight dimensions (Infrastructure, Personnel quality, Process of clinical care, Administrative procedures, Safety indicators, Hospital Image, Social responsibility; and Trustworthiness of the hospital.)

The combinations of the market orientation and service quality variables give rise to sixteen hypotheses.

6.1 Market Orientation and Infrastructure

Tangibles dimension of service quality is associated with the service provider’s physical facilities, physical environment; accommodation aspect Service providers need to have up-to-date equipment, visually appealing facilities and well-dressed and neat employees. (Parasuraman et al. (1985); Sureshchandar et al. (2002a); Olorunniwo et al. (2006); Reidenbach and Smallwood (1990) and Otani and Kurz (2004).) The customer-focus dimension of market orientation includes the ability of the service provider to show that it exists primarily to serve customers (Green and Inman, 2006). A service provider can therefore display its customer-driven focus explicitly by making sure that the tangibles such as facilities and appearance of personnel are of high quality. Hence, we expect customer-focus dimension K.W. Green, S. Chakrabarty and D. Whitten of market orientation to be positively associated with the exhibition of high-quality tangibles by the service provider. The needs assessment dimension of market orientation includes the extent to which the service provider assesses the needs of the customer such that it can satisfy the customer (Green and Inman, 2006). Hence, when a service provider is doing a good job of assessing customer needs, it will be able to perform better on the infrastructure Tangibles dimension of service quality by providing facilities, equipment and personnel, in accordance with the assessed need of the customers. Specifically, we hypothesize the following:

Hypothesis 1a. Customer focus positively impacts the Infrastructure Tangibles dimension of service quality.

Hypothesis 1b. Needs assessment positively impacts the Infrastructure Tangibles dimension of service quality.
6.2 Market Orientation and Personnel Quality

With help of Parasuraman et al. (1985); Sohail and Shaik (2004); Issac et al. (2003); Andaleeb (1998) and Hasin et al. (2001) The dimension of service quality Personnel quality Empathy; assurance; responsiveness; courtesy; human element of service delivery; interpersonal care deals with the ability to dependably and accurately provide the promised services. Courtesy shown by the hospital administrative staff, care and responsiveness for you, Punctuality of doctors, Competency and skill of doctors and other staff, Teamwork demonstrated by doctors and nursing staff, Doctors’ friendly and caring attitude. When a service provider has a high customer focus, then its objectives would be driven towards high customer satisfaction (Green and Inman, 2006), which would then entail the delivery of services in a proper manner. Delivering and developing personnel quality would also require constantly monitoring customers needs. Hence, both the customer-focus and needs assessment dimensions of market orientation would be positively associated with the personnel quality dimension of service quality.

Hypothesis 2a. Customer focus positively impacts the personnel quality dimension of service quality.

Hypothesis 2b. Needs assessment positively impacts the personnel quality dimension of service quality.

6.3 Market Orientation and Process of Clinical Care

As discussed earlier, Process of clinical care Primary quality; developed from (Gronroos (1982); Baldwin and Sohal (2003) and Rohini and Mahadevappa (2006) Hofstede (1998, pp.8–10) included technical quality; treatment process and its outcome; reliability; understanding of illness. A service provider with high customer focus would pursue the goal of high customer satisfaction, and this can be possible only when the employees of the service provider behave in a manner that makes the customers feel reliability and satisfied. Moreover, effective needs assessment strategy that systematically measures the quality of services provided would allow organizations to provide services in a manner that would increase the trust and confidence of customers in the service provider (Green and Inman, 2006). Hence, both customer focus and needs-assessment dimensions of market orientation would be positively associated with the Process of clinical care dimension of service quality.
Hypothesis


6.4 Market Orientation and Administrative Procedures

Administrative procedures contains Process of service delivery; non-human element of service delivery; punctuality; waiting time all variables are developed from (Sureshchandar et al. (2002a); Boshoff and Gray (2004) and Duggirala et al. (2008). Here through fair administrative procedures service provider are willing to help customers and provide prompt service. A service provider that is more customer-focused than competitors will attempt to provide more prompt service in administrative procedures and more willingly help customers to capture a larger market share through goodwill among customers. Such prompt service can be better provided when customer needs are frequently and routinely assessed and understood (Green and Inman, 2006). Hence, both customer-focus and needs-assessment dimensions of market orientation would be positively associated with the Administrative procedures dimension of service quality.

Hypothesis 4a. Customer focus positively impacts the Administrative procedures dimension of service quality.

Hypothesis 4b. Needs assessment positively impacts the Administrative procedures dimension of service quality.

6.5 Market Orientation and Safety Indicators

Safety indicators consist Adequacy of hygienic care and procedures (e.g. wearing gloves) followed by the hospital personnel developed from (Poon and Low (2005); Duggirala et al. (2008) Firms have to make their employees and customers feel safe and secure, because if either of these is threatened, it exerts a tremendous psychological impact on both. The safety is critical as it relates to the survival concerns, which are basic needs of individuals.

A hospital has to address safety critical issues in order to provide a good service because patients visit hospitals to improve their health status and thereby the quality of their life.
Hypothesis

Provision of ramps and elevators, checking for drugs causing allergic reaction in patients are some of the precautions to be taken by the hospital to avoid any crisis and enable a comfortable stay for patients. Further, the safety of customers who have special needs (e.g. use of ramps, elevators, etc.) has also to be considered. Older people (both patients and their attendants) and physically challenged people are in need of special facilities to take care of their needs. This is particularly important in healthcare services, as it deals with the survival of patients. So far only Duggirala et al. (2008) seemed to have used “safety indicators” as a dimension of service quality.

It is important for the customer to gain help from service providers. They are willingly identified customer needs and provide prompt services to the customer.

Hypothesis 5a. Customer focus positively impacts the Safety indicators dimension of service quality.


6.6 Market Orientation and Hospital image

Hospital Image consist that delivering core service is a necessary but not sufficient condition for customer satisfaction. Groˇnroos (1990) realized the role of “image” in the conceptualization of service quality, and emphasized it as a filter in the perception of service quality in addition to the technical and functional quality dimensions. Caruana (2002) and Hong and Goo (2004) found that “corporate image” enjoyed by a service firm influenced its customer satisfaction. The image a firm enjoys also plays a pivotal role of conveying to a customer what the firm has to offer in terms of technical and functional qualities. The image affects the expectations of the customers and hence it is important in making the customers have realistic expectations. So, even in healthcare services, the reputation of hospital has to be considered as an element of service quality.

This is practiced by giving personal attention to the customers, attempting to know what the customer’s needs are, keeping the best interests of the customer in heart. This can be achieved by a greater customer focus that keeps the customers concerns in mind, and by the needs assessment that is committed and strongly orientated towards monitoring customer requirements and convenience (Green and Inman, 2006). Hence, both customer-focus and
Hypothesis

needs-assessment dimensions of market orientation would be positively associated with the Hospital image dimension of service quality.

**Hypothesis 6 a.** Customer focus positively impacts the Hospital Image dimension of service quality.

**Hypothesis 6 b.** Needs assessment positively impacts the Hospital Image dimension of service quality.

### 6.7 Market Orientation and Social responsibilities

Social responsibilities are an inseparable aspect of services, although ignored by several studies. Customers not only solicit good service but also fair service from the service providers. Chiu and Lin (2004) observed that customers might perceive higher service quality if the business satisfied their self-actualization needs, e.g. a customer might be willing to patronize a firm when he realizes that it is involved in a social cause such as charity work, promoting environmental awareness, etc. Suresh Chandar et al. (2002a) took a similar view and asserted that an organization which displayed social responsibility would be revered and valued by customers. MBNQA (2007) emphasizes that social responsibility is a vital indicator of quality of service. A service firm cannot be concerned only about its profitability but also about the society, as a whole. For example, if a hospital provides free treatment to economically downtrodden people, it certainly would boost the hospital’s image and thereby improve patients’ perceptions of service quality. Duggirala et al. (2008), in their study on Indian healthcare service, also emphasized on “Social Responsibility”.

This is practiced by giving personal attention to the customers, attempting to know what the customer’s needs are, keeping the best interests of the customer in heart. This can be achieved by a greater customer focus that keeps the customers concerns in mind, and by the needs assessment that is committed and strongly orientated towards monitoring customer requirements and convenience (Green and Inman, 2006). Hence, both customer-focus and needs-assessment dimensions of market orientation would be positively associated with the Social responsibilities dimension of service quality.

**Hypothesis 7a.** Customer focus positively impacts the Social responsibilities dimension of service quality.
Hypothesis

**Hypothesis 7b.** Needs assessment positively impacts the Social responsibilities dimension of service quality.

### 6.8 Market Orientation and Trustworthiness of the hospital

The trustworthiness of hospital measured by the sense of well-being he feels in the hospital, security, etc. does influence the confidence the patient has on the hospital. This will in turn play a role in the overall evaluation of service provided. Balasubramanian et al. (2003) considered “perceived trustworthiness” as a component of online service which could be a determinant of customer satisfaction. Ability to provide service as promised is considered to be a necessary aspect of service delivery by Parasuraman et al. (1985) and Sureshchandar et al. (2002a). Iyer and Muncy (2004) considered that level of trust patients had varied across patient categories and segmented the patients based on the level of the trust they had on the service provider.

This is practiced by giving personal attention to the customers, attempting to know what the customer’s needs are, keeping the best interests of the customer in heart. This can be achieved by a greater customer focus that keeps the customers concerns in mind, and by the needs assessment that is committed and strongly orientated towards monitoring customer requirements and convenience (Green and Inman, 2006). Hence, both customer-focus and needs-assessment dimensions of market orientation would be positively associated with the Trustworthiness of the hospital dimension of service quality.

**Hypothesis 8 a.** Customer focus positively impacts the trustworthiness of hospital dimension of service quality.

**Hypothesis 8 b.** Needs assessment positively impacts the trustworthiness of hospital dimension of service quality.
6.9 Analysis of Demographic and Other Variables on Perception of Quality of Services.

Researchers have always been interested in knowing the effect of demographic variables on patient satisfaction. Social psychological theories propose that patients’ evaluations are moderated, or mediated, by personal feelings of equity in the exchange, disconfirmation between desires and outcomes, individual preferences, social comparisons and other complex phenomena (Williams et al., 1998). These theories suggest that behavioural differences among patients can influence their attitudes (Reidenbach and Smallwood, 1990; Brennan, 1995). In healthcare industry particularly, patients’ needs differ based on age, gender, etc. and the health care seeking behaviors of different patient segments could produce experiences which influence different quality judgments, and hence influence satisfaction positively or negatively. Tucker and Adams (2001) determined that provider performance and access both affected the satisfaction. But, the demographic variables such as age, gender, education, race, marital status and number of visits did not have any moderating effect on satisfaction. Braunsberger and Gates (2002) reported that healthier patients, older patients, males, those with a lower level of education, those who perceived higher system performance and those with lower levels of system usage were more satisfied with their healthcare plan than their counterparts. Baldwin and Sohal (2003) attempted to include age, gender and location as moderating variables between quality and satisfaction. But the effect was not significant. Yavas et al. (2004) declared that different aspects of service quality and different consumer characteristics seemed to be associated with different behavioural outcomes. While tangible elements of service quality were closely associated with positive word of mouth and commitment for female customers, timeliness aspect of service was related to complaint and switching behaviours. Thus, it is evident that demographic variables have an effect on patient perceived service quality. Venn and Fone (2005) reported that patient satisfaction varied with age, gender, employment status and marital status. They also stated that satisfaction scores could not be benchmarked until the differences in socio-demographic composition were taken into account.

**Hypothesis 9.** Demographic and other factors affecting on perception of quality of services in multi specialty hospitals.