CHAPTER 6 SUMMARY OF FINDINGS AND IMPLICATIONS

6.1 INTRODUCTION

This chapter presents a summary of the study stemming from the objectives. It deals with the testing of hypothesis identified in the research and presents the practical and managerial implications of the study. The limitation and directions for further research are also discussed.

The study was organized so as way to serve all the specific objectives set for the study. The objectives were:

(i) To present a theoretical framework for establishing a research model in regard to customer trust, customer satisfaction and customer commitment as the predictors of customer retention;

(ii) To evaluate the empirical validation of proposed model for OHCS in India;

(iii) To identify the factors influencing Customer retention;

(iv) To assess the impact of identified predictors on Customer retention;

(v) To examine the impact of select demographic variables on each of the customer retention dimensions.

Customer retention in online environment has been studied by many researchers in the developed countries. In India, there is a scant empirical evidence regarding customer retention in online health care services. Hence the results obtained in this study pertaining to the model developed per se will find a footing in
developing countries in different contexts as well, after the deployment of well tested validation procedures.

6.2 SUMMARY OF OBJECTIVES AND ANALYSIS

The study analyzed the predictors of customer retention in Online Health Care Services in Indian context. It discussed existing literature and presented a new model in customer retention.

The first objective was accomplished through the retrospection of extant literature on the different models developed by various researchers around the world. Based on the review of literature the customer retention model was developed by adopting the factors like, customer trust, customer satisfaction and customer commitment. The predictors of customer trust and customer satisfaction were identified.

The second objective set for establishing empirical evidence of the proposed customer retention model was accomplished through the deployment of advanced statistical tools namely, Exploratory Factor Analysis, Confirmatory Factor Analysis and Structural Equation Modeling.

The third objective of this study was to find out the factors influencing customer retention in OHCS. This was carried out by applying Structural Equation Modeling (SEM). It was found that Customer trust, customer satisfaction and customer commitment were the factors affecting customer retention in OHCS in India.

The fourth objective was analyzing the impact of the identified predictors on customer retention. It was carried out by the application SEM. The impact of the factors affecting customer trust and customer satisfaction were also analyzed using Multiple Regression Analysis.

The final and fifth objective was about assessing the difference in perception of predictors of customers by select demographic factors, namely,
Gender, Age, Educational Qualification, Family income, Marital status, Location and Number of Consultation taken by the customers was accomplished by applying ANOVA and Independent Sample t-test.

6.2.1 Summary of Hypotheses Testing Results

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6.3 FINDINGS
The findings were classified and reported in the following list:

(i) Customer satisfaction had positive impact on customer commitment in OHCS.
(ii) Customer trust had significant influence on customer commitment.
(iii) Customer trust, customer satisfaction and customer commitment had positive relationship with customer retention in OHCS and hence these three constructs were being considered as predictors of customer retention.
(iv) In the research model studied, Customer trust had positive relationship with customer satisfaction which confirmed that customer trust was a predictor for customer satisfaction.
(v) Customer trust and customer satisfaction had a direct impact on customer retention in OHCS in India.
(vi) Customer commitment had a positive relationship with customer retention in OHCS.
(vii) The factors namely, responsiveness, information quality, security, user interface and perceived usefulness were the predictors of customer trust and customer satisfaction.
(viii) Responsiveness had more impact on customer trust and customer satisfaction than information quality, security, user interface and perceived usefulness.
(ix) The perception of customer retention by the demographic variables of the sample namely, Age, Educational Qualification, Location, Marital status and Income did significantly vary on OHCS.
(x) The perception in terms of perceived usefulness, information quality and security by educational qualification were significantly different in OHCS.
(xi) The perception of perceived usefulness, user interface by Age of the respondents significantly varied in OHCS.
(xii) Perception about perceived usefulness significantly varied in terms of Gender and Location of the customers.
(xiii) Perception regarding responsiveness significantly differed in respect to Family income.

(xiv) Marital Status of the customers had no influence on security and perceived usefulness which were the factors of customer trust and customer satisfaction.

(xv) There was no significant difference in the perception of customer retention by demographic factors like, gender and number of consultations taken by the customers in OHCS.

6.4 IMPLICATIONS

1. Selection of advanced statistical techniques like Structural Equation Modeling, Multiple Regression Analysis, ANOVA and independent sample t-test in assessing the research model rendered this study results to be far reaching.

2. The implication for online health care service was that they could identify the profitable customers in their database and actively developed appropriate strategies to retain them (Shapiro et al. 1987; Shapiro and Slywotzky 1993; Jones and Sasser 1995) to enjoy cost saving and increased efficiency in transaction and delivery (Peterson et al. 1997; Furash 1999), and more importantly, profitability (Fornell and Wernerfelt 1987; Anderson and Sullivan 1993).

3. The study on customer retention and its impact had been analyzed by many researchers in the last decade in services. But it was largely unobserved in India. The factors of customer retention were not much focused in service industry like Online Health Care Services. Based on these research gaps, this study concentrated on the predictors of customer retention and their relationships.

4. The research model was validated and the purification process of the scale was developed and corrected with the reliable measures. Academic
researchers in developing countries like India could gain further by using the model developed in this study in their service sectors study and more specifically in OHCS.

5. The finding of this study indicated that customer retention was an important ingredient in services sector. The health care service providers have been spending huge amount on competitive operations strategy and strategic planning for retaining the customer, rather they could focus on the factors which were suggested in the model to attain personal, professional and profitable relationship with customers.

6. This study suggested that customer retention model in OHCS would be adopted by the Government which might offer a critical avenue for affordable health to the rapidly growing populations.

7. The major implication of the study was the clear determination of dimensions namely customer trust, customer satisfaction and customer commitment as predictors or antecedents of customer retention in OHCS.

8. The result through this research would help to understand the perception of the customer towards OHCS which led the health service providers to improvise the quality and reliability.

9. The result of this study shows that responsiveness, security, user interface, information quality and perceived usefulness had positive impact on customer trust and customer satisfaction in OHCS in India. All these factors should be considered by the health service providers while developing OHCS.

10. The constructs of customer retention would help the top management in accurate assessment of customer retention and consequently the management be benefited in the following aspects

   a. Mapping the relationship marketing strategies;
b. Strategic considerations for developing customer retention;
c. Providing framework for developing customer retention;
d. Acting as a check list for marketers.

11. Based on the framework developed through this study, the tasks of managing customer retention in health care were evolved in the following sequences:
   a. Identifying the relevant contents of customer retention.
   b. Retaining the target group in terms of strength for relationship and accompanying it with competing offerings.
   c. Identifying the causal variables on which the retention was under performing compared to competitions and deluging suitable strategic interventions to increase customer retention.
   d. Determining the impact of various determinants of customer retention and effecting specific changes in communication strategies.

12. If an organization to be successful, they should treat the customers’ requirements equally or identically. The findings of the study suggested that the organization needed to understand the elements of retention at customized level.

13. Customer perceptions and behaviours were the valuable sources for the health care service providers to evaluate and improve the service quality. It became important to study the factors influencing customer retention which had helped to make transformational change to health care delivery. It also increases the market share of service provider.

14. This study focused on the perceptions and behaviours of OHCS customers. This helped not only to improve the organizational performance of the health care service providers, but also lead to positive attitude which helped the customers to recover from illness. It acted as a guide to their increased contentment.
15. This study helped both customers and service providers of health care services, especially it helped to service providers develop their resources more effectively. This enhances the decision making and focus towards the strategies that guided to enhanced the care for the customers by humanizing the stability of care and increase customer retention. The health care society could be benefitted by this way of enhanced health care delivery.

16. In Indian health care services competition has been very high, when competition increases and costs of marketing rises (Hoffman and Bateson 1997). It is important for service provider and the administrators to determine the actual factors that influence customer retention.

17. The retained customers are to behave in positive manner which helps in good promotion through word of mouth.

6.5 LIMITATIONS AND FUTURE DIRECTIONS

1. The study response was limited to customers of OHCS in Coimbatore district and for generalization wider population should be covered. Also the study developed a scale and validated in one district in India. Hence further research would be required to validate the scale in different country and in different economy.

2. The number of observations was limited to 461 respondents. So revalidation of the constructs was not carried out for other data sets. Hence the instrument used in this research had to be revalidated in further studies in other industries as well.

3. No specific criteria used in choosing sample of OHCS centers excepting that hospitals that these centers are rated top centers by the hospitals.

4. The research focused the customer perception of customer retention of OHCS and not considered the employees perception. Further research can
concentrate on employees perception along with the customers to further substantiate the results of the study.

5. The researcher has restricted the number of research work reviewed in literature review chapter to a select few, which are found to have direct relevance only.

6. The study focused only on the direct effect of the predictor of customer retention. It is therefore not concentrating on the indirect and mediating effecting of the factors.

7. The study has not considered the demographic factors as control variable in the research model.

8. Most of the respondents were from rural and suburban. And they are not familiar with online environment. So a detailed explanation of each section of the questionnaire was needed before obtaining responses from them. Any lack of understanding on part of the respondents could have led to imprecise responses from them, affecting the results propounded in this study.

9. Because of scope limitation, this study did not consider other dimensions affecting the customer retention in OHCS. These dimensions are left for future research by other researchers.

10. Due to limited time and tedious data collection needed for each questionnaire the respondents were asked to rate their perception at a single point of time. A longitudinal design might have yielded vastly different results.

11. This non-experimental study might be considered weaker than an experimental design.

12. The applicability of the proposed model to each of the hospitals was not investigated in this study, though the respondents were drawn from these hospitals. The scope of the study is only restricted to analyzing the fit of the
model to overall OHCS only. However the future researchers can make an attempt to this end for analyzing the model fit according to the hospitals.

13. Impact of customer retention on organizational performance was not assessed as such move makes the scope of the study more unwieldy. However an attempt in this direction is welcome as it would directly benefit the organization.

In summary, addressing these areas for future research will extend this study's current findings and enable a more comprehensive understanding of the customer retention constructs in OHCS. These suggestions also help the service providers to maintain long term relationship with the customers, which lead to organizational performance in terms of profitability.

6.6 CONCLUSION

The aim of the study was to identify the factors affecting customer retention online health care service. To identify the factors, this study revisited the theories of the predictors of customer retention in online environment. It was found that customer trust, customer satisfaction and customer commitment were the predictors of customer retention in OHCS. To test the relationship the researcher planned to propose a model consisting of these factors. The proposed model was validated and examined using SEM analysis with the use of AMOS software. It showed that customer trust, customer satisfaction, customer commitment have direct relationship with customer retention in OHCS. It was proved inevitable situation for service providers and the society to adopt this service elaborately. Customer retention lead to organizational performance and financial gains. However the mission of the any health service providers was not to gain profit but to provide most effective and efficient service to the health needs of the population. To satisfy the mission of the health service provider goes beyond financial returns.
It was explained by the researcher that OHCS would be a substitute of for traditional health care services and it was proved through analyzing the factors affecting customer retention. So it was suggested that the service providers who were not able to concentrate on the entire geographical area and segments to provide OHCS to fill the demand and supply gap. Overall 32% of the respondents were old people using OHCS, It shows that old age group are willing to take this kind of services due to their inability to travel far away to get treatment. On the other part, the service providers need to be concentrated on the uncovered area and deliver knowledge about security, information quality, user interface and responsiveness of the unavoidable service.

The main problem of implementing this service in India is lack of technical skills acquired by the people. Hence there is retention for OHCS it will be a most important delivery system of healthcare services. Sale of Medicines can be possible using online health by way of uploading electronic medical prescription. Cloud technology helps to store the patients information successfully. The smart phone can guide the society to provide help for medical facilities via mobile phones. A recent study on online health care services explains 55 per cent of people were willing to get medical consultation and treatment via the mobile phone (Khan and Kemkar 2012). In rural villages 17 percent of the people are using these facilities. It gives a note for the service providers about the acceptance of the new technology in India.

The implications of the study for service provider include the identification of the factors affecting customer trust and customer satisfaction. The survey conducted for this study is useful to detect switching intention of the customer as well.
In relationship marketing customer retention is the main goal for any organization. When, a customer gets high level gain and low level negative outcomes leads to uphold the relationship for longtime. Customer service is the key to hospital’s success in long term organizational success. Retained customers reduce the advertising cost for the service provider to build a competitive advantage (Rapert and Wren 1998). Most of the customer’s health care decisions are dependent on the initial service provided by their health service provider. This study shows the importance of antecedents of customer retention. The service providers must be able to influence these factors in the right place at the right time. This allows for a customer to have smooth transition from one stage to another, culminating in a repeated use of the facility and, hence, retention flow will happen to the service provider.

Customer retention is an important aspect in health and it increases the development of new health services through online. Concentrating on these factors not only contributing the retention of OHCS, it also helps to achieve the vision of a service provider and the society through connected community of health.