

The impact of service quality on customer loyalty: A study of dental clinics in Jordan

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Abstract

The present paper aimed at measuring the quality level of Jordanian dental clinics services from their customers' perspective. It also aimed at identifying the impact of this quality level on customer loyalty. The present study was conducted through adopting a quantitative approach. In order to achieve the study's objectives, the researchers of the present study implemented the SERVPERF scale. The latter scale consists of five service quality dimensions; (tangibility, reliability, responsiveness, assurance, and empathy). The questionnaire forms were distributed to (250) dental clinics' customers in Jordan. However, the researchers collected (194) questionnaire forms (i.e. the response rate is 77.6 %). The collected data was analyzed statistically through using the (SPSS) program. It was concluded that customers believe that the quality level of Jordanian dental clinics services is medium measured by the SERVPERF dimensions jointly and separately. It was also concluded that the quality level of Jordanian dental clinics services has a statistically significant positive impact on customer loyalty. In the light of such results, the researchers recommend improving the quality level of dental care services through providing services that meet or exceed the customers' expectations.

Keywords: service quality, customer loyalty, customer satisfaction, SERVPERF scale

Introduction

Quality has attracted the attention of many researchers due to its significance. It has attracted the attention of many customers as well. For instance, there are many customers who seek services of high quality level and are very willing to pay much money to receive such services. Providing services of high quality shall enable the service provider to dominate the market and achieve a competitive advantage even if the services are very expensive (Cachon, & Olivares, 2010) ^[9]. There are also customers who are not willing to pay much money. Thus, they search for services of less quality. In the market place, there are always companies competing with one another in terms of quality, price and many other standards. However, quality is the most significant standard that affects companies' competitiveness (Gibbons, & Henderson, 2012; Erel, 2009; Cachon, & Olivares, 2010) ^[14]. ^{9]}. It should be noted that services differ from one to another in term of price, quality, sales volume and delivery time. Each customer is concerned with one of those standards. Hence, the market place includes a variety of services to fulfill the needs of all customers and several studies were conducted in order to evaluate the service quality in different service sectors (Ahmad, & Sungip, 2008; Upadhyaya, & Badlani, 2011; Bala *et al.*, 2011; Sandhu & Bala, 2011) ^[1, 31, 5].

Significance of the study

The importance of this study lies in the importance of the quality of service provided, as it contributes to the increase of previous studies related to the subject of the study. The study also helps to provide the theoretical literature with the latest information on the quality of health service using the SERVPERF scale, Reliability, responsiveness, security, and empathy) to achieve customer loyalty in dental clinics in Amman.

Literature Review

Service Quality

Due to the significance of quality, each entity must identify the quality level of its services and products from their customers' perspective. It must also identify its customers' satisfaction and loyalty levels. It must also identify the type of its customers. That shall enable the entity to achieve a competitive advantage, develop its business and expand. However, measuring such levels is not something easy to do. (Tsay, & Agarwal, 2000) ^[30].

When an entity expands its business or enters a new market, it acquires various categories of customers whose standards and interests differ from one another. It may also attract the customers of its competitors. In order for the entity to succeed in attracting customers, and achieve a sense of loyalty among them, it must provide services of different characteristics, quality levels and prices (Tirole, 1990) ^[29].

Researchers have developed several scales and models to measure the service quality level. One of these scales is called the Servqual scale which consists of forty (44) items. There is another scale called the "Servperf" scale, which consists of twenty-two (22) items. The present study implemented the SERVPERF scale to measure the quality level of dental clinics services in Jordan. It should be noted that measuring such quality is highly significant because that shall participate in raising the quality level of such services leading to improve Jordanians' dental health level. In addition, identifying the satisfaction and loyalty levels among customers shall participate in increasing these levels. That shall enable dental clinics to attract more Jordanian and foreign customers (Ajarmah, *et al.*, 2017; Ajarmah, & Hashem, 2015; Zareiet *et al.*, 2015; Peprah, 2014 and Zineldin, 2006) ^[3, 22, 35].

Both Servqual and Servperf scales cover five service quality dimensions; (tangibility, reliability, responsiveness, assurance, and empathy). However, the SERVPERF scale seeks to explore customer perceptions about the service without comparing them to their expectations. (Hashem & Hamdan, 2017; Phan, and Nham, & Gronroos, 2007) ^[3,23]. As for the present study, it adopts the SERVPERF scale.

Customer Loyalty

Customer loyalty occurs when customers feel satisfied about a specific product or service. Loyal customers keep purchasing the company's products constantly. They also provide the company with high ratings, and positive reviews. They also spread a positive word of mouth about the service and the service provider (Kumar, & Advani, 2005) ^[22]. According to Iddrisu (2011) ^[18], loyal customers are more likely to recommend purchasing the service in front of their friends and their family members. Iddrisu (2011) ^[18] and Teich (1997) suggest that customer loyalty is achieved when the company meets and exceeds customer expectations in a constant manner. Iddrisu (2011) ^[18] indicates that customer loyalty can be realized by offering a product of high quality along with providing customers with coupons, free offers, extended warranties, and low interest rates. The company should offer these incentives to make their customers feel pleased and happy. Such feelings shall participate in developing a sense of loyalty within customers and make them keep purchasing the service. Loyal customers shall convince others to purchase the concerned service (Kotler & Gertner, 2002) ^[9]. According to Kotler, and Gertner (2002) ^[9], loyal customers participate in increasing the company's profitability, sales volume and cost savings. It also participates in increasing customer retention rate and raising stakeholders' earnings.

Customer Satisfaction and Loyalty

Customers feel satisfied when they have positive feelings towards the concerned service or product. Such positive feelings are derived from meeting or exceeding their wants, demands and expectations. In other words, such positive feelings are based on the gap between their expectations with their perceptions after receiving the service or using the product. This gap shall affect one's purchasing decision (Wiele, Boselie, & Hesselink, 2002; Akbar, & Parvez, 2009) ^[32,4].

Choi & Chou (2001) ^[10] and Ehigie (2006) ^[12] concluded that there is a statistically significant positive relationship between customer loyalty and customer satisfaction. Others researchers (i.e. Oliver, Rust, & Varki, 1997; Lam, Shankar, & Murthy, 2009) ^[10, 21] concluded that customer satisfaction shall lead to achieving a sense of loyalty. As for Clarke (2001) ^[11] and Wong (2005) ^[33], they concluded that that customer satisfaction is the first building block for achieving a strong sense of loyalty among them. Clarke (2001) ^[11] believes that making the customer feel satisfied shall not necessarily lead to turning him into a loyal customer. Bowen, and Brown (2001) suggest that companies should make sure that their customers feel satisfied about the service or product delivered to them.

However, customers may stop dealing with a certain service provider and start dealing with another one. That is because the latter one offers better things, such as: better prices, and more incentives (Storbacka, & Lehtinen, 2001) ^[28]. According to Bansal, and Gupta (2001) ^[6], satisfaction can be

effective only when it creates a sense of loyalty within customers and enables the company to create a sustainable competitive advantage. However, Akbar, and Parvez (2009) ^[4] argue that not all the loyal customers feel satisfied.

According to Hu *et al.* (2009) ^[17], the service quality level is highly significant and influential. For instance, high service quality level can attract customers (Hu *et al.*, 2009) ^[17]. Other researchers (i.e. Dominici & Guzzo, 2010; Ryu & Han, 2010; Amin *et al.*, 2013; Kim & Lee, 2010; Amin *et al.*, 2013) ^[25] state that satisfied customers benefit the service provider through spreading a positive word-of-mouth. Hu *et al.* (2009) ^[17] argue that satisfaction is based on the customers' emotional attitudes towards a specific product or service after using it or receiving it. The formation of these attitudes is attributed to the gap between the customer's expectations and perceptions about the service performance. Hue *et al.* (2009) ^[17] state that customer satisfaction refers to customer's affective and cognitive attitudes that are formed towards a specific product or service after using or receiving it. Other researchers (i.e. McDougall, & Levesque, 2000) ^[13] suggest that customer satisfaction is the customer's overall assessment for a specific company or service provider. Other researchers (i.e. Ryu *et al.*, 2012) ^[25] believe that customer satisfaction may be formed through receiving a certain service for several time.

There are many multi-dimensional scales used for measuring customer satisfaction level. For instance, Bitner and Hubbert (1994) ^[8] measured customer satisfaction using a four dimensional scale. Barsky and Labagh (1992) ^[7] identify nine (9) factors that affect customer satisfaction, such as: room, employee attitudes, price, services, reception, food and beverage, and parking. Suresh hander *et al.* (2002) identify five criteria used for measuring customer satisfaction. Such criteria involve service delivery, core service, systematization of service delivery, social responsibility, and the tangibility of the service. Most researchers believe that the complex nature of customer satisfaction requires using a multi-dimensional scale for measuring it.

In the light of the aforementioned studies, the current study seeks to test the following hypothesis.

Ho: Service quality doesn't have any statistically significant impact on customer loyalty

Methodology

The present study adopted a quantitative approach. The researchers designed the study's instrument, where it was designed by the researchers and then tested the Face Validity through its presentation to a number of specialists, where it was modified and exit in its final form to achieve the objectives of the study. Then, it was applied to the sample which was selected from Jordanian dental clinics patients. The questionnaire forms were distributed to the sampled customers. The collected data was analyzed through using the SPSS program.

The questionnaire adopts the five point Likert scale. Thus, each item is provided with 5 multiple choice answers, (strongly agree 5 – agree 4 – neutral 3 – disagree 2 – strongly disagree 1). The study's population consists of the customers of Jordanian dental clinics. A convenience sample was selected from the population and consists from (250) customers. However, the researchers collected (194) questionnaire forms (i.e. the response rate is 77.6 %).

Demographic Characteristics of the Respondents:

It is concluded that 58.2 % of the respondents are males (i.e. 113 customers). 41.8 % of the respondents are females (81 customers). 41.2 % of the sample holds a secondary school certificate (i.e. Tawjihi certificate). In addition, 62% of the respondents' is less than 35 years old.

Reliability Test

The researchers calculated the Cronbach's' alpha coefficient value of the study's instrument. The latter value is 0.917. Thus, the instrument is highly reliable because the latter value is greater than the accepted value (0.60).

Hypotheses Testing

Ho: Service quality doesn't have any statistically significant impact on customer loyalty

Table 1: hypothesis testing

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.432	.187	.165	.68780

Multiple Regressions is used to test the above hypothesis. It is found that R (0.432) is the correlation of the independent variables and the customer loyalty. Also it is found that R Square (0.187), which is the explained variance, is actually the square of the multiple R (0.432)². What the results mean is that (18.7%) of the variance (R-Square) in the customer loyalty variable has been significantly explained by the independent variables

ANOVA

Table 2

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	20.409	5	4.082	8.628	.000
	Residual	88.938	188	.473		
	Total	109.347	193			

The Anova table shows that the F value of (8.628) is significant at (0.05) level. Thus, Service quality has a significant impact on customer loyalty

Table 3

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
		1	(Constant)	2.749		
	tangible	.038	.133	.036	.284	.777
	reliability	.142	.190	.146	.751	.454
	responsiveness	-.223	.172	-.207	-1.300	.195
	assurance	.195	.188	.218	1.040	.300
	empathy	.226	.182	.235	1.238	.217

Table 4

		Tang.	rel.	Respons.	Assur.	EMP.	loyalty
loyalty	Pearson Correlation	.364**	.410**	.344**	.413**	.404**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	194	194	194	194	194	194

** . Correlation is significant at the 0.01 level (2-tailed)

Also, Pearson correlation was used to test the relationship between each dimension of service quality and customer

loyalty. It is found that there is a moderate relationship between them as shown in the following matrix

Conclusion

The researcher concluded that customers believe that the quality level of Jordanian dental clinics services is medium measured by the SERVPERF dimensions jointly and separately. It was also concluded that the quality level of Jordanian dental clinics services has a statistically significant positive impact on customer loyalty. The latter result is in agreement with several studies, such as: the studies conducted by (Ajarmah, *et al.*, 2017; Ajarmah, & Hashem, 2015; Zarei *et al.*, 2015; Peprah, 2014 and Zineldin, 2006) [3, 22, 25].

To illustrate more, it was concluded that the customer's decision to keep receiving the dental care services of the same clinic is based on the quality level of such services. Thus, it is necessary to keep enhancing the quality level of such services to retain customers. It is necessary to keep investigating the attitudes of dental clinics' customer constantly.

The responsibility of raising the quality level of dental clinics services is assigned to the dental clinic management. Such level can be raised through meeting or exceeding the patients' expectations. It can be also raised through providing patients with support and care, facilitating procedures and paper works, and treating them nicely.

This study demonstrates the importance of the quality of service provided in dental clinics, as it contributes to enhancing the loyalty of the customer and pushing him to continue dealing with the clinic to obtain the desired service. In order to raise the quality level of dental clinics services, advanced technological instruments and machines must be available at these clinics. In addition, the researchers recommend conducting more studies about the study's subject in other healthcare sectors and clinics in order to improve Jordanians health. Such healthcare sectors and clinics may include hospitals and ophthalmology clinic (i.e. eye clinic).

Limitations of the study

This study is limited to a sample of dental clinics in Jordan and therefore this study can be developed and applied to other health services

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