## EFFECT OF SERVICE QUALITY ON PATIENT SATISFACTION AND LOYALTY AT HIDAYAH HOSPITAL, BOYOLALI, CENTRAL JAVA

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## **ABSTRACT**

**Background**: In health service industry, patients demand high-quality services. The health service provided by hospital staff can affect the perception of patients and family. Any misjudgement or error can have fatal consequence. High quality services can attract new customers, retain the current customers, preserve customer loyalty, and entice competitors' customers. This study aimed to investigate the effect of service quality on patient satisfaction and loyalty at hospital.

**Subjects and Method**: This was a cross sectional study conducted at Hidayah hospital, Boyolali, Central Java. A total of 100 patients were selected for this study. The dependent variables were patient satisfaction and loyalty. The independent variable was service quality. The data were collected by questionnaire and analyzed by structural equation modeling (SEM).

**Results**: Service quality directly and positively affected patient satisfaction. Service quality directly and positively affected patient loyalty. Patient satisfaction directly and positively affected patient loyalty. Quality of service indirectly and positively affected patient loyalty through patient satisfaction. All of these relationships were statistically significant.

**Conclusion**: Service quality positively affects both patient satisfaction and patient loyalty.

**Keywords**: service quality, patient satisfaction, patient loyalty.

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