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Development Of A Hospital Selection Model With Service Quality As An Intervening Variable In Medan City

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ABSTRACT

Hospitals, as one of the institutions that facilitate the scope of health, are critical. However, at this time, many hospitals that were initially service industries have changed into business industries. So there is competition in providing services for business purposes only. This study will test the hospital selection model with service quality as an intervening variable in Medan. Data collection uses a quantitative method with partial least squares (PLS). This study used a sample of 384 people. The study was conducted in several private hospitals in Medan. The study results showed that Market orientation, customer emotional response, and trust were proven to significantly influence the implementation of marketing strategies and service quality at Medan City Hospital.

Keyword : Model, Hospital Selection, Service Quality, Medan City

INTRODUCTION

Hospitals are highly interactive and customizable service organizations. Hospital services are developing into a service industry requiring efficient, efficient, and high-quality management (Boons et al., 2013). The main focus of policy should be on market orientation as a manifestation of the direction of strategic movement because health services are now a business (Hariyoko et al., 2021). Foreign investors have started operating in several cities in Indonesia, showing the growing trend in the health service industry (Megatsari et al., 2019). Therefore, the hospital industry has entered. Thus, hospital managers who previously focused on health services are now managed as a business.

This development is not only due to the development of existing services but also to the emergence of new services due to demands and technological developments. Therefore, every business must have the right approach to introduce its goods and services so that customers want to use the services offered by the company. The increasingly vital marketing of services requires organizations to have a strategic vision (Amaral et al., 2013). Changes in the external environment especially drive the importance of strategic thinking. Service companies must be able to create marketing programs that meet customer needs with a higher level of satisfaction than their competitors because hospitals are very interactive and individual service systems. Hospital services are developing into a service sector requiring effective management and quality (Tjiptono et al., 2014). The strategic orientation of the movement towards the concept of commodities as an expression of the market-oriented concept must be seen as the central axis of policy.

Medan has many private and government hospitals. It is known that many hospital businesses started in the Medan City area. This will undoubtedly create tight competition among hospitals with similar services. In addition, managers will need help in maintaining and developing their businesses. Market share, medical services, and other elements that support hospital performance are examples of such competition. There is no competition between government and private hospitals to get upper middle-class patients because most are not competitive (Trisnantoro, 2005). Government subsidies for hospitals are minimal and unable to bind hospital staff to work professionally. This condition results in low-quality health services, poor supporting technology, and medical facilities and hospitals that are only of interest to underprivileged patients. Wealthy patients choose private hospitals, while underprivileged

patients use government health services. As a result, management and consumers have different perceptions to provide a label that the services provided are of quality.

Quality drives patients to create strong relationships with hospitals. Long-term solid relationships allow hospitals to understand patient needs and strive to meet their expectations so that hospitals can increase patient satisfaction by maximizing comfortable patient experiences and reducing unpleasant experiences. According to research by Suhermin & Hermawati (2021), many patients claim that the hospital services they need are different from their needs. This shows how important it is to maintain or increase patient trust. Morrish et al. (2010) stated that customer trust in existence is the main factor determining customer commitment. Research by Alrubaiee and Alkaa'ida shows that patient satisfaction is essential in increasing the relationship between health service quality and patient trust (Suhermin & Hermawati, 2021; Ngo & Nguyen, 2016). This fact shows that many hospitals still have advantages and disadvantages. Therefore, it is necessary to test whether the Role of Market Orientation, Customer Emotional, Trust in the Implementation of Marketing Strategies, and Service Quality Influences Hospital Selection Decisions in the Medan City Area.

RESEARCH METHOD

This quantitative descriptive research uses partial least square (PLS) analysis tools. Descriptive research aims to obtain an overview and data on the Role of Market Orientation in Implementing Marketing Strategies and the Quality of Marketing Services and its Impact on Hospital Selection Decisions in the Medan City Area. Descriptive research emphasizes the meaning, reasoning, and definition of certain situations related to everyday life. Quantitative research processes and produces conclusions from quantitative data originating from its sources (Kuncoro, 2007). The Role of Market Orientation, Customer Feelings, and Trust are independent variables; patient satisfaction and desire to revisit are dependent variables. The research is divided into three stages, namely (1) research exploration, (2) research implementation, and (3) research report.The phenomenon will depict or identify the problems of Market Orientation Towards the Implementation of Marketing Strategy and Quality of Marketing Services Impact Hospital Selection Decisions in the Medan City Area. Types of data sources are secondary and primary. This study will use the analysis tools of exploratory factor analysis (AFE) and SEM (Structural Equation Modeling).

The questionnaire was designed to collect information from patients in Medan City hospitals. Before the instrument was used on selected respondents, its validity and reliability were tested. The questionnaire with closed-answer choices was tested statistically. Consultants who require answers based on a scale from 1 to 7 (Likert). Various questions were given to respondents to test the instrument. Invalid and credible statement items will be replaced or eliminated. Then, the statement items will be tested again until they become valid and credible. This study was conducted by giving questionnaires to patients in several hospitals in the Medan City area. This study involved patients who received treatment at several hospitals in Medan City. The number of samples was obtained using the Cochran formula, which was 384 patient samples spread across several hospitals in Medan City.

RESULT AND DISCUSSION

Result

Consumer Age

The age of consumers who seek treatment at hospitals in Medan City, there are five age groups (years), namely 30-35, 35-40, 41 - 45, 46 - 50, and ≥ 51, as in Table 1 below,

Table1. Consumers by Age

o.	ge Range (years)	Amount (Person)	ercentage
	5		
	0		

Source: Processed from Questionnaire Recap, 2024

The total number of consumers based on age is 200. The 30-35 age group is 23, and the 36-40 age group is 14. The 41-45 age group is 68 people, the 46-50 age group is 79, and the ≥ 51 age group is 28.

Frequency of Treatment

Consumers based on the distribution of frequency of visits to the hospital in 1 year can be seen in Table 2.

Table2. Consumers based on the distribution of frequency of visiting hospitals for treatment

No.	Frequency of Treatment	Amount (Person)	Percentage
1	2 times	43	14,2
2	3 times	48	15,8
3	4 times	126	41,6
4	5 times	86	28,4
Total		**303**	**100.0**

Source: Processed from Questionnaire Recap, 2024

The number of consumers who received treatment twice was 43 people, or 14.2%. The number of consumers who received treatment three times was 48 people, or 15.8%. The number of consumers who received treatment four times was 126, or 41.6%. The number of consumers who received treatment five times was 86, or 28.4%. The rank of Lecturer is the most held by consumers who received treatment four times.

Descriptive Analysis

Descriptive Statistics The raw data of respondents obtained will be processed using descriptive statistical techniques to check the distribution of the data so that it does not damage the analysis. According to Roever and Phakiti (2018), all mean (average) value results are defined as the total number of scale values divided by the number of sample sizes. All median results are the middle 76 numbers or values in the sample. The median is obtained from the numbers above and below, with the same data points. Standard deviation is usually reported for the average (mean). Standard deviation represents the average variability in a set of values or scores. Standard deviation is the average distance from the average (mean). The greater the standard deviation, the greater the average distance from each data point from the overall distribution because the more spread out or spread out the entire data. Average data if it produces values between ± 1 standard deviation from the average value (Roever & Phakiti, 2018). In addition, the skewness and kurtosis values can be considered as normality test data by producing average data at these values between ± 1 and if the skewness value <3 If the excess kurtosis value <10, then it can be acceptable. The following are the results of descriptive statistics that have been processed :

Table 3. Descriptive Statistics Results

Descriptive Statistics

	N Statistic	Minimum Statistic	Maximum Statistic	Mean Statistic	Median	Std. Deviation Statistic
Orientasi Pasar	200	83,00	152,00	120,3450	121,0000	13,87402
Customer Emotional	200	120,00	198,00	162,0350	161,0000	14,38361
Trust	200	243,00	357,00	303,6700	304,5000	22,48553
Quality of Health Services	200	373,00	529,00	448,5400	451,5000	28,46718
Hospital Selection Decision	200	137,00	196,00	168,0550	168,0000	11,42606
Valid N (listwise)	200					

Source: Data Processing Results, 2024

Table 3 shows the average (mean), middle value (median), minimum, and maximum values. The variable data obtained above has 7 statement items using 7 Likert scales as alternative answers. In the Market Orientation Variable, the Standard Deviation value is 13.87402 from the value above, which is by the assessment provisions, so it is declared acceptable. In the Customer Emotional Variable, the Standard Deviation value is 14.38361 from the value above, which is by the assessment provisions, so it is declared acceptable. In the Trust Variable, the Standard Deviation value is 22.48553; from the values above, it is declared acceptable by the assessment provisions. In the Health Service Quality Variable, the Standard Deviation value is 28.46718; from the values above, it is declared acceptable by the assessment provisions. The Hospital Selection Decision Variable is 11.42606; from the values above, it is in accordance with the assessment provisions so that it is declared acceptable. Assessment conditions so that it is declared acceptable.

Measurement Model Testing

OuterLoading Factor

The loading factor value of 0.50 or more is considered strong enough validation to explain the latent construct (Hair et al., 2010). The initial outer loading value on the variables Market Orientation (X1), Customer Emotional (X2), and Trust (X3) where the intervening variable is the Quality of Health Services (Y) and the endogenous variable is the Hospital Selection Decision (Y) can be seen in Table 4. According to Yamin and Kurniawan (2011), indicators that have a loading factor value between 0.5 - 0.7 are acceptable.

Table 4. OuterLoading Factor

	Customer-Emotional	Decision On Selecting A Housekit	Quality Of Health Services	Market Orientation	Trust
CRo557	,883				
CRo558	,893				
KPRS8		1,000			
KPl66			,883		
KPl67			,906		
OP521				,908	
OP522				,842	
OP526				,873	
TRu522					,834
TRu526					,955

Source: Primary Data Processing Results, 2024

The eliminated indicators in this model are in the Market Orientation Variable; 3 are removed. Furthermore, in the Customer Emotional Variable, six indicators are removed, and then in the Trust variable, five indicators are removed. Five indicators are removed in the Health Service Quality Variable, and seven are removed in the Hospital Selection Decision Variable. All indicators that are removed have a loading factor value below 0.70. When these eight indicators are removed, the AVE value After removing the invalid variable indicators in the model, the model is then recalculated to produce a new outer loading value, and can be seen in the final path diagram image below:

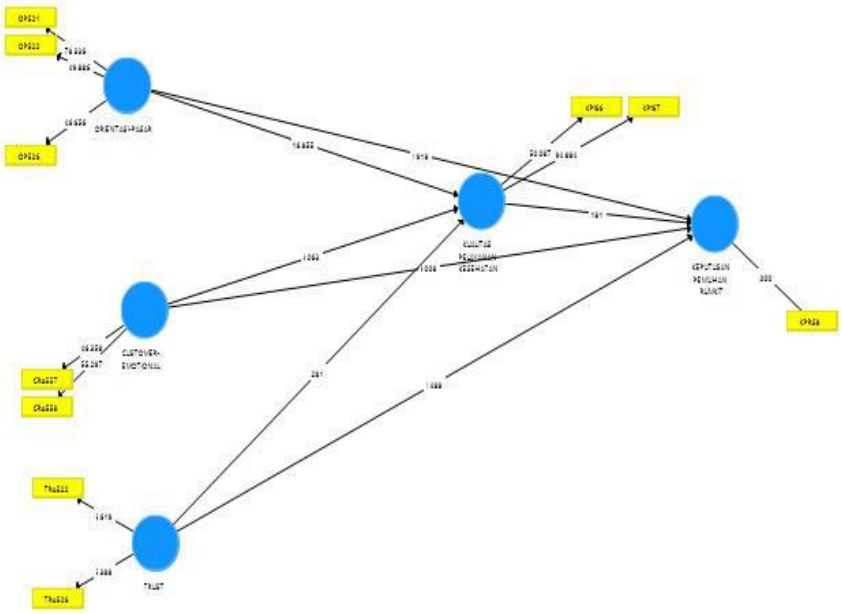

Figure 1. Final Path Diagram
Source: Research results, processed with Smart PLS 3.0, 2024

Reliability and Validity Test

The reliability instrument in this study was measured by two criteria, namely the composite reliability value and Cronbach's alpha. The use of Cronbach's alpha tends to underestimate the reliability of variables compared to composite reliability, so it is recommended to use composite reliability. A construct can be said to be reliable if Cronbach's alpha value is more significant than 0.70, a variable is said to be trustworthy if the composite reliability value is above 0.70.

Tabel5.ConstructReliabilityand Validity

	Cronbach's Alpha	Rho_A	Composite Reliability	Average Variance Extracted (AVE)
Customer-Emotional	**0,733**	**0,734**	**0,882**	**0,789**
Hospital Selection Decision	**1,000**	**1,000**	**1,000**	**1,000**
Quality of Health Services	**0,751**	**0,757**	**0,889**	**0,800**
Market Orientation	**0,847**	**0,854**	**0,907**	**0,765**
Trust	**0,776**	**0,998**	**0,891**	**0,804**

Source: Data Processing Results, 2024

Based on Table 5, all research variables have composite reliability, and Cronbach's alpha values are above 0.70. Therefore, the indicators used in this research variable are said to be reliable. Meanwhile, the validity was tested using the average variance extracted (AVE) value with a limit above 0.50. In Table 5, it can be seen that all variables have AVE values above 0.50. This can be interpreted that all indicators and variables are declared valid.

Discriminant Correlation Test

The discriminant correlation test is conducted to see the correlation between constructs with other constructs. Suppose the square root of each construct's average (AVE) value is greater than the correlation value between the construct and other constructs in the model. In that case, it can be concluded that the construct has good validity.

Table 6. Discriminant Validity Values

	Customer-Emotional	Hospital Selection Decision	Quality of Health Services	Market Orientation	Trust
Customer-Emotional	,888				
Hospital Selection Decision	,552	1,000			
Health Service Quality	,700	,308	,895		
Market-Orientation	,720	,292	,887	,875	
Trust	,150	,177	,076	,082	,897

Source: Data Processing Results, 2024

In table 6, the comparison of the AVE root values shows that each value is greater than the correlation between other variables, so it can be concluded that all latent variables in the study have good construct validity and discriminant validity.

Structural Model Testing

Structural model testing is conducted to see the relationship between constructs, significance values , and the R square of the research model. The R-square value can be used to assess the influence of certain independent variables on the dependent variable. The estimated R-square value can be seen in

Table 7 below.

Table 7.NilaiR-square

	R Square	R Square Adjusted
Hospital Selection Decision	,326	,316
Health Service Quality	,794	,791

Source: Data Processing Results, 2024

Based on Table 7, it is known that the R-square value for the Hospital Selection Decision variable is 0.326, which can be interpreted as the magnitude of the influence of the Hospital Selection Decision variable is 67.4%, while other variables outside this study explain the remaining 11%. The R-square value for the Health Service Quality variable is 0.794, which can be interpreted as the magnitude of the influence of the Health Service Quality variable is 79.4%, while other variables outside this study explain the remaining 20.6%.

Direct and Indirect Influence Analysis

Direct Influence Analysis

Whether or not a hypothesis is accepted, hypothesis testing must be conducted using the Bootstrapping function in SmartPLS 3.0. The hypothesis is accepted when the significance level is less than 0.05 or the t-value exceeds its critical value (Hair et al., 2014). The t statistics value for a significance level of 5% is 1.96.

Table 8. Path Coefficient Results

	Original Sample (O)	*Sample Mean (M)*	*Standard Deviation (STDEV)*	*T Statistics (|O/STDEV|)*	*P Values*
Customer-Emotional -> Hospital Selection Decision	***,692***	***,691***	***,077***	***9,008***	***,000***
Customer-Emotional -> Health Service Quality	***,125***	***,131***	***,041***	***3,063***	***,002***
Health Service Quality -> Hospital Selection Decision	***,026***	***,027***	***,143***	***,181***	***,857***
Market-Orientation -> Hospital Selection Decision	***-,237***	***-,231***	***,123***	***1,918***	***,057***
Market-Orientation -> Health Service Quality	***,797***	***,792***	***,047***	***16,855***	***,000***
Trust -> Hospital Selection Decision	***,092***	***,094***	***,062***	***1,488***	***,138***
Trust -> Health Service Quality	***-,009***	***-,006***	***,033***	***,281***	***,779***

Source: Data Processing Results, 2024

From the path coefficient above, we can see the original sample value, p-value, or t-statistics used as a reference for deciding whether the hypothesis is accepted or rejected. The hypothesis can be accepted if the t statistics value > t table or p-value < 0.05. Based on the test results in Table 8 above, it shows that:

The first hypothesis is that the Market Orientation Variable has a direct and significant effect on the quality of service with a t-value> 1.96, which is 16.855, and a p-value <0.05, which is 0.000. The original sample value is 0.797, which indicates that the Market Orientation variable has a direct and significant effect on the quality of service is positive. Thus, the first hypothesis is accepted.

The second hypothesis is that market orientation does not directly and significantly affect the decision to choose a hospital with a t value <1.96, 1.918, and a p value> 0.05, 0.057. The original sample value is -0.237, which indicates that the Market Orientation variable directly affects the Decision to Choose a Hospital, which is harmful. Thus, the second hypothesis is rejected.

The third hypothesis is that the Customer Emotional Variable has a direct and significant effect on the quality of service with a t-value> 1.96, which is 3.063, and a p-value <0.05, which is 0.002. The original sample value is positive at 0.125, indicating that the direction of customer emotion significantly affects the quality of service. Thus, the third hypothesis is accepted.

The fourth hypothesis is that the customer emotional variable has a direct effect and produces a significant variable on the Hospital Selection Decision with a t-value> 1.96, 9.008, and a p-value <0.05, 0.000. The original sample value is positive at 0.692, indicating that the direction of the customer's emotional variable has a direct effect on the Hospital Selection Decision is positive. Thus, the fourth

hypothesis is accepted.

The fifth hypothesis is that the trust variable produces a variable that is not significant on the quality of service with a t value <1.96, namely 0.281, and a p value> 0.05, namely 0.779. The original sample value is negative at -0.009, indicating that the direction of the trust variable does not directly affect the quality of service is negative. Thus, the fifth hypothesis is rejected.

The sixth hypothesis is that the Trust variable produces a significant variable in choosing a hospital with a t value <1.96, 0.138, and a p value> 0.05, 0.138. The original sample value is positive at 0.092, which indicates that the direction of the Trust variable does not directly affect the decision to choose a hospital is positive. Thus, the sixth hypothesis is rejected.

The seventh hypothesis is that the Service Quality variable does not directly and significantly affect the decision to choose a hospital with a t value <1.96, 0.181, and a p value> 0.05, .857. The original sample value is positive at 0.026, which indicates that the direction of the Service Quality variable does not have a direct and significant effect on the decision to choose a hospital is positive. Thus, the seventh hypothesis is rejected.

Indirect Effect Analysis (Mediation)

To see whether the influence of exogenous variables on endogenous variables through mediating variables in this study can be seen in Table 9 below.

Table9.Specific Indirect Effects Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Customer-Emotional -> Quality of Health Services -> Hospital Selection Decision	-,020	-,021	,015	1,296	**,196**
Market-Orientation -> Quality of Health Services -> Hospital Selection Decision	-,120	-,119	,071	1,692	**,092**
Trust -> Quality of Health Services -> Hospital Selection Decision	,001	,001	,006	,225	**,822**

Source: Data Processing Results, 2024

Based on the test results in Table 9 above, it shows that :

The eighth hypothesis, namely Indirect mediation between Market orientation variables on hospital selection decisions through service quality, has no effect and is significant with a t value <1.96, 1.692, and a p value> 0.05, 0.092. The original sample value of -0.120 indicates that the market orientation variable indirectly and significantly affects hospital selection decisions through service quality, which is harmful. Thus, the eighth hypothesis is rejected.

The ninth hypothesis, namely Indirect mediation between customer emotions on hospital selection decisions through service quality, has no effect and is significant with a t value <1.96, 1.692, and a p value> 0.05, 0.196. The original sample value of -0.020 indicates that the customer emotional variable does not have an indirect and significant effect on hospital selection decisions through service quality is negative. Thus, the ninth hypothesis is rejected.

The tenth hypothesis, namely Indirect mediation between trust and hospital selection decisions through service quality, has no effect and is significant with a t value <1.96, 0.225, and a p value> 0.05, 0.001. The original sample value of -0.020 indicates that the customer emotional variable does not have an indirect and significant effect on hospital selection decisions through service quality is negative. Thus, the ninth hypothesis is rejected.

DISCUSSION

Market Orientation Has a Direct and Significant Influence on Service Quality

With a t value > 1.96 (16.855) and a p value < 0.05 (0.000), the Smart-SEM PLS statistical analysis shows that the market orientation variable has a direct and significant effect on service quality. The original sample value of 0.797 indicates that market orientation positively impacts service quality. Companies with strong market orientation will improve their performance through better service (Narver and Slater, 1990). Patient satisfaction is a significant factor in hospital success (Zeithaml et al., 1996). Technical service and interaction quality are critical to overall quality perceptions (Grönroos,

1984). Studies show that hospitals with good market orientation have more efficient strategies to improve service quality. One such strategy is spending money on employee training (Berry, 1983; Donabedian, 1988).

Hospitals with a strong market orientation may have more effective strategies to improve their service quality (Berry et al., 2006). A strong market orientation can build an environment that focuses on patient needs. According to research, hospitals must continuously monitor and adjust their services to adapt to market changes (Kohli & Jaworski, 1990). Hospitals that incorporate service quality elements into their marketing strategies will attract and retain patients more successfully (Rust & Oliver, 1994). According to Anderson (2004), superior service quality is the main factor influencing customer loyalty. The study results are relevant in Medan, which has increasingly tight hospital competition. Hospitals that can implement market orientation well and improve their service quality will be better able to compete and attract more patient (Kaplan & Norton, 1992).

Market Orientation Has a Direct and Significant Influence on Hospital Selection Decisions

Using the Smart-PLS SEM model, this study investigates how service quality and market orientation affect patients' decision to choose a Medan City hospital. The statistical analysis results show that market orientation does not significantly affect patients' decisions to choose a hospital. This is indicated by the t-value of 1.918 and the p-value of 0.057, both outside the standard significance limit. In addition, the original sample value of -0.237 indicates that market orientation hurts hospital selection decisions. Therefore, the second hypothesis proposed by this investigation is rejected. Market orientation is essential for consumer decision-making, but its impact can vary depending on the industry (Narver and Slater, 1990). Market orientation can vary by industry and the operational environment in the healthcare sector; however, in this context, market orientation may not be strong enough to directly influence patient decisions because other factors, such as service quality, tend to be more dominant (Jaworski dan Kohli, 1993).

According to research conducted by Kotler and Keller (2012), there are several internal and external variables that often influence consumer decisions. Although market orientation is essential, the primary focus should be improving service quality. Furthermore, market orientation should be seen as a complement, not a substitute, to efforts to enhance the quality of service. Hospitals must understand market trends and patient needs to survive in the competitive healthcare industry.

Customer Emotional Has a Direct Significant Influence on Service Quality

The results of the study indicate that customer emotional factors affect service quality. This influence is statistically significant, with a t-value of 3.063, greater than 1.96, and a p-value of 0.002, lower than 0.05. Client emotions positively impact the quality of service provided, according to the original positive sample value of 0.125. Customer emotions significantly affect their perceptions of service quality (Lee et al., 2016). Therefore, the third hypothesis of this investigation is accepted. The study strengthens the idea that customer emotions are an essential part of the service received by customers. In the context of hospitals in Medan, positive emotions from patients, such as satisfaction and comfort, can improve their perceptions of the quality of service provided. In addition, patients' emotions can affect how they assess the services they receive (Zeithaml et al, 2006).

In addition, this study shows that customer emotions are essential in the healthcare industry. The emotional aspect of service interactions may significantly determine customer satisfaction (Grönroos, 1984). To improve the quality of service perceived by patients, hospitals in Medan should focus more on the emotional aspect of service. In addition, this study found that employee training and development can result in better emotional experiences for clients. Employees who can show empathy and genuine concern for patients have the potential to produce better emotional experiences for their clients. In addition, this study found that emotional and functional factors not only affect the perception of service quality. Customers may be more satisfied with a combination of emotional and functional qualities (Brady and Cronin, 2001). Service providers can be competitive if they manage customer emotions well (Wirtz & Lovelock, 2016). Therefore, improving customer satisfaction should be part of a service quality improvement strategy. Overall, the findings of this study indicate that customer feelings significantly and positively impact the quality of service provided.

Customer Emotional Has a Direct and Significant Influence on Hospital Selection Decisions

According to the results of the analysis conducted using the Smart-SEM PLS method, customer emotional factors significantly impact hospital selection decisions. With a positive original sample value of 0.692, it can be concluded that emotional customers significantly positively influence hospital selection decisions. The t value of 9.008 is more significant than 1.96, and the p value of 0.000 is lower than 0.05. This aligns with previous studies that found that emotional factors influence consumer decisions to use health services (Jones & Sasser, 1995; Reichheld & Schefter, 2000).

Emotions greatly influence patient behavior in health services (Kotler & Keller, 2016). Emotional clients in hospitals can include patients' comfort, trust, and security about the services provided. Emotional satisfaction strongly signals that customers will remain loyal to the company (Anderson, 1998). Patient loyalty can mean continuing to use the same hospital services. Emotional empathy and attention from hospital staff can increase patient loyalty (Zeithaml et al., 1996). In addition, this study found that customers' emotional factors do not only directly impact patients' decisions to choose a hospital. Good service will lead to good emotional experiences, influencing decisions (Brady & Cronin, 2001; Parasuraman et al., 1988; Rust & Oliver, 1994). Therefore, higher satisfaction and loyalty can be achieved by enhancing the service's emotional elements (Heskett, 1994). Consequently, hospital management should integrate emotional elements into their marketing and service strategies.

Trust Has a Direct and Significant Influence on the Quality of Service

The test results show that trust does not significantly affect service quality, with a t-value <1.96, which is 0.281, and a p-value> 0.05, which is 0.779. The initial negative sample value of -0.009 indicates that trust does not have a direct positive effect on service quality. Trust is essential for building long-term customer relationships (Morgan and Hunt, 1994). However, when combined with consistent and satisfying service experiences, the relationship will produce good results (Sirdeshmukh et al., 2002). Strong trust can increase customer loyalty and trust (Fombrun and Van Riel, 1997). Good interaction between hospital staff and patients can increase patient satisfaction and trust in service providers, significantly affecting customer satisfaction (Bitner, 1990). Therefore, hospitals should improve the quality of interaction between employees and patients. This study helps us understand how patients choose hospitals and can help managers create good marketing and service strategies.

Trust Has a Direct and Significant Influence on Hospital Selection Decisions

The variables that influence the decision to choose a hospital in Medan City have been shown in a statistical analysis conducted using the Smart-PLS method. The analysis results show that the trust variable does not significantly influence the decision to choose a hospital, with a t-value <1.96, or 0.138, and a p-value greater than 0.05, or 0.138. The positive original sample value of 0.092 indicates that although the direction of the influence of the trust variable is positive, the influence is not large enough to be considered significant. These results refute the sixth hypothesis that trust significantly influences the decision made about which hospital to choose. According to previous research by Mayer et al. (1995), trust is crucial in various business and service contexts; trust can affect patient satisfaction and long-term patient retention but may not be the main reason for choosing a hospital in the first place (Thom et al., 2004).

According to Sweeney and Swait (2008), trust is essential in building loyalty and a perception of service quality. However, it is not the only factor that influences the initial decision. In addition, this study's small effect on the trust variable can be explained by considering the local context. This suggests that trust may not always be a significant factor in the regional context. Although trust was insignificant in this study, the researchers still recommend that hospitals consider this (Gilson, 2003). Thus, the researchers concluded that although trust was not affected in this study, improving patient trust is still essential in the long run.

Service Quality Has a Direct and Significant Influence on Hospital Selection Decisions

According to the data analysis conducted with Smart-PLS, this study shows that service quality does not have a direct and significant influence on patients' decisions to choose a hospital. The initial sample value of 0.026, which is positive, indicates that the direction of the influence is positive but not significant because the t value <1.96, or 0.181, and the p value> 0.05, or 0.857. This study's results are consistent with previous studies' findings, which show that service quality is often not a significant factor in consumer decisions in the healthcare industry (Kotler & Keller, 2016).

Cost and distance often influence perceptions of service quality (Zeithaml et al., 1996). Researchers found that recommendations from relatives and information from social media were more influential in patients' choice of hospitals in Medan (Smith, 1956). Therefore, an emphasis on service quality should be included in a more comprehensive marketing strategy to attract more clients. The convenience and accessibility of services are more important than the quality of the service itself. This may be because patients often look for practical and quick solutions when choosing a hospital, especially in emergencies (Andaleeb, 2001). Therefore, hospitals in the regions should consider improving the service quality elements.Perception of quality is often subjective and influenced by the patient's initial expectations, according to Grönroos (1984). Researchers emphasize that, in some situations, realistic expectations and effective communication about the service provided can reduce dissatisfaction, even though the service may not be perfect. Because service quality can help patients stay loyal (Caruana, 2002).

Market Orientation Has Indirect and Significant Influence on Hospital Selection Decisions Through Service Quality

The results of the Smart-PLS statistical analysis show that service quality does not directly impact the decision to choose a market-oriented hospital. According to the data, the eighth hypothesis is rejected, with a t-value of 1.692 (t <1.96), a p-value of 0.092 (p more than 0.05), and an initial sample value of -0.120. These findings indicate that market orientation indirectly and significantly influences hospital service quality. Previous research has shown that market orientation is not always related to consumers' choice of health services (Jaworski & Kohli, 1993). In addition, this analysis suggests that factors besides market orientation may be more dominant in determining which hospital will be chosen. Service aspects such as consistency, responsiveness, and empathy influence perceptions of health service quality more than market orientation (Zeithaml et al., 1996). This suggests that hospitals should improve these aspects to improve patient satisfaction and their ability to make better decisions.

In this study, service quality, an intervening variable, has a complex relationship with patients' decisions to choose a hospital. This study found that service quality is essential in making decisions, although market orientation does not significantly affect the decision. It is necessary to provide high-quality services in the service industry, including in the health sector (Parasuraman et al., 1988). The results of this study also indicate that the lack of effective marketing strategies in hospitals can lead to insignificant market orientation. Hospitals should develop an efficient system for collecting and analyzing patient comments because this can help them find areas that need improvement and make necessary changes to improve patient satisfaction (Reichheld & Sasser, 1990).

Customer Emotional Influence Indirectly and Significantly on Hospital Selection Decisions Through Service Quality

According to the results of this study, market orientation does not significantly influence patients' decisions to choose a hospital. With an initial sample value of -0.237, the SEM PLS analysis shows that the t value <1.96 (1.918) and the p value> 0.05 (0.057). The influence of market orientation on business performance does not always have a direct impact (Slater and Narver, 1994). It varies depending on the industry context and organizational characteristics (Kohli and Jaworski, 1990). The results of this study indicate that market orientation is one of many factors influencing patient choice for hospitals in Medan. Furthermore, this study also found that service quality does not mediate the relationship between customer emotions and hospital selection decisions. The results of the mediation test show that the t value is less than 1.96 (1.692), and the p value is more than 0.05 (0.196), with an initial sample value of -0.020. This shows that the influence of customer emotions on hospital selection decisions through service quality is negative and insignificant.

In various service industries, service quality is not always a mediator (Parasuraman et al., 1988). The results indicate that emotional factors more directly influence patient decisions without considering the quality of service in the hospital. The results show the importance of understanding additional variability, such as communication, that can influence decisions about which hospital to choose (Kotler and Keller, 2016). Therefore, to improve patient satisfaction and patient loyalty, hospital marketing strategies must consider these elements (Wirtz & Lovelock, 2016). Unpleasant emotional experiences can affect patients' perceptions of the services they receive (Wirtz & Lovelock, 2016). Therefore, hospitals should strive to make the patient environment comfortable and provide services responsive to patients' emotional needs. However, research shows that market orientation and service quality do not influence patient decisions.

Trust Has an Indirect and Significant Influence on Hospital Selection Decisions Through Service Quality

This study uses SEM-PLS analysis to evaluate the effect of market orientation on choosing a hospital with service quality as an intervening variable. The analysis results show that market orientation does not significantly affect selecting a hospital, with a t value <1.96, or 1.918, and a p value> 0.05, or 0.057. The effect of market orientation varies depending on the industry (Kohli and Jaworski, 1990). Market orientation has a direct negative impact on the decision to choose a hospital, according to the original sample value of -0.237. Therefore, the second hypothesis discussed in this study is not accepted. Furthermore, the results of the ninth hypothesis test show that the indirect mediation between service quality and customer emotions on their decision to go to the hospital is also not significant; the t-value is less than 1.96, which is 1.692, and the p-value is more than 0.05, which is 0.196.

In addition to good service, many other factors can affect customer emotions (Zeithaml et al., 1996). The ninth hypothesis was rejected because the original sample value of -0.020 indicated that service quality indirectly negatively impacts customer emotions towards their decision to choose a hospital. The results significantly affect hospital management, especially in making effective marketing strategies. One of the critical factors in selecting a healthcare provider is the quality of service provided (Parasuraman et al., 1988). However, research shows that market orientation and consumer emotions toward choosing a hospital because of service quality are only sometimes significant. This suggests that hospitals should consider other aspects. Although service quality is essential, hospital management

should know that different elements, such as customer trust and emotions, are also necessary (Rust and Oliver, 1994).

CONCLUSION

This study successfully developed a hospital selection model with service quality as an intervening variable based on the results. The results showed that of the five variables tested, only market orientation and customer feelings variables influenced their decision to choose a hospital in Medan City. A hospital in Medan City should concentrate on developing a market-oriented marketing strategy, considering customer emotional responses, and building trust to improve customer and patient satisfaction. This is because market orientation, customer emotional responses, and trust significantly influence the implementation of marketing strategies and service quality.

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