

## External Market and Internal Market Efficiency in Increasing Hospital Visit Numbers

Lailatul Kodriyah<sup>1\*</sup>

<sup>1</sup>Department of Hospital Administration, Sekolah Tinggi Ilmu Kesehatan Kepanjen, Indonesia

\*Corresponding Author: Lailatul Kodriyah

Department of Hospital Administration, Sekolah Tinggi Ilmu Kesehatan Kepanjen, Indonesia

### Article History

Received: 27.05.2024

Accepted: 02.07.2024

Published: 06.07.2024

**Abstract:** Hospital health institutions have experienced developments that have led to professional services, in line with improvements in various factors, both internal and external, including the increasing awareness of hospital managers implementing professional management and the increasing demands of the public for the quality of hospital services. This study aims to determine External Market and Internal Market Efficiency in Increasing Hospital Visit Numbers. This type of research is quantitative research. The population in this study was the entire community of Malang district. The sampling technique used purposive sampling technique. Determining the sample in this study used the Slovin formula. The research instrument uses a questionnaire and data analysis uses multiple linear regression. The results of the analysis show that the R value shows a close relationship between the independent variables (X1, X2) and the dependent variable (Y) of 0.823. The adjusted R square value is 0.467, meaning that 46.7% of the community's decision variables in returning visits can be explained by external marketing variables. This can be seen from the significance level being smaller than  $\alpha$  ( $0.000 < 0.05$ ), so that H0 is accepted and H1 is rejected. Conclusions in this research include external marketing variables, internal marketing have a significant effect on the variable intention to revisit at Hospital X in Malang district, both simultaneously and partially and the variable that more dominantly influences patient satisfaction is the internal marketing variable.

**Keywords:** Internal market, eksternal market, hospital, visit.

## INTRODUCTION

The free competition that occurs today means that organizations must be able to operate more effectively and efficiently in order to survive and develop. Currently, the service sector has the opportunity to develop more rapidly than other sectors due to the increase in human need for the type and number of services. One service sector that is developing quite rapidly is health services (Aydin, 2021). As a health institution, hospitals have experienced developments that have led to professional services, in line with the improvement of various factors, both internal and external, including the increasing awareness of hospital managers implementing professional management and the increasing demands of the public for the quality of hospital services (Chiu, 2021).

A hospital is an organization that falls into the business category whose aims are semi-commercial. The prospect of hospitals today is increasingly open in line with increasing needs and people's awareness of the importance of health for life (Mulyono, 2019). The development of hospitals in Indonesia is increasingly improving, marked by the increasing number of hospitals of increasing type, both government and private hospitals. The phenomenon that occurs is that many government hospitals are more appropriately classified as non-business, but there are still many that have low service quality and some are still very worrying (Pane, 2020).

Data on the development of hospitals in Malang Regency looks quite rapid, where in the past five years, namely in 2019, there were only 27 hospitals, while in 2024 there will be 42 hospitals. From the pre-survey conducted at Wawa Husada Kepanjen Hospital on internal marketing and external marketing variables, it indicated that in several dimensions it was still not optimal so that patient satisfaction was not optimal as a reason for returning to the hospital. Previous research

**Copyright © 2024 The Author(s):** This is an open-access article distributed under the terms of the Creative Commons Attribution **4.0 International License (CC BY-NC 4.0)** which permits unrestricted use, distribution, and reproduction in any medium for non-commercial use provided the original author and source are credited.

**CITATION:** Lailatul Kodriyah (2024). External Market and Internal Market Efficiency in Increasing Hospital Visit Numbers. *South Asian Res J Pharm Sci*, 6(4): 119-123.

on the influence of the marketing mix on satisfaction has been conducted, among others, by Suroto, B., & Hadiyati, H. (2018) and Dahmiri, Octavia, A., & Fatricia, R. S. (2017). The conclusion from several previous studies is that there is a significant influence of the marketing mix on intention to revisit. Research on the influence of internal marketing on consumer satisfaction was conducted by Ribhan, R. (2011) and Rismayanti, R., Kartasurya, M. I., & Kana, N. L. (2016), the results concluded that the marketing mix influences consumer satisfaction. Research on the influence of consumer orientation on satisfaction was conducted by Effed Darto (2010); Sari, Y. K. (2014); Hastuti, A. S. O. (2009). The results of the study concluded that consumer orientation influences the intention to visit again. This research is interesting because previous research only used marketing mix variables, internal marketing, and eksternal marketing, no one has combined these two variables together. Another interesting thing is that the research object at Hospital X in Malang district has never been conducted research related to these variables.

## RESEARCH METHODS

The type of data in this research uses primary data. Primary data was obtained from the research object directly by distributing questionnaires to all Malang district residents who had used Hospital X facilities as respondents. This type of research is quantitative research. The population in this study was the entire community of Malang district. The sampling technique used purposive sampling technique. Determining the sample in this study used the Slovin formula. The sampling method uses techniques by calculating the Slovin formula, namely:  $N = 92,725 / \{1 + 92,725 \cdot (0.05)^2\} = 459$ . Assessment of the questionnaire with a 1-5 Likert scale, to test the level of validity and validity using validity and reliability tests. The independent variables are External Marketing (X1), Internal Marketing (X2), (Y).

Multiple linear regression equation to describe the characteristics of respondents without testing descriptive analysis by categorizing them into five categories based on the average score of each indicator. The quantitative analysis tool is multiple linear regression. Formula:  $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + e_i$

Y = Repeat Visit

$\beta$  = constant

X1 = External marketing

X2 = Internal Marketing

e = error

Hypothesis testing in this research is to see the relationship between all variables

Hypothesis:

a. H0:  $b = 0$ , External Marketing (X1), Internal Marketing (X2) have no effect either simultaneously or partially on Repeat Visits

b. Ha;  $b \neq 0$ , External Marketing (X1), Internal Marketing (X2) are affected either simultaneously or partially on Repeat Visits

Simultaneous Test (F)

The F test was carried out in order to determine the degree of significance of the influence of independent variables simultaneously on the dependent variable, using a significance level of 0.05. If the p-value is smaller than  $\alpha$  ( $\alpha < 0.05$ ), then the conclusion is that H0 is rejected or in other words Ha is accepted, meaning that simultaneously variables X1, X2 significantly influence variable Y.

Partial Test (t)

The t test is carried out in order to see the partial influence of the independent variable on the dependent variable with the assumption that the other variables are constant. The significance level used is the sig level  $\alpha = 0.05$ . If the significant value shows  $0.000 < 0.05$ , then it can be concluded that H0 is rejected or in other words Ha is accepted.

Coefficient of determination (R<sup>2</sup>)

The coefficient of determination (R<sup>2</sup>) test was carried out to see how far the ability of the model to explain variations in the dependent variable, thus will It is known that the best degree of accuracy is in multiple linear regression analysis, which shown by the magnitude of the coefficient of determination (R<sup>2</sup>) between the values 0 (zero) to 1 (one). The coefficient of determination value is shown by R Square in the Model Summary through the SPSS program. The regression model is considered to be better when the R<sup>2</sup> value increases approaching the number 1 (one).

## RESEARCH RESULT

From the validity test, the Pearson Correlation value is greater than 0.4, It can be concluded that all statement items in this study were declared valid and all items show a positive direction. Spearman Brown correlation values were obtained Croanbach's Alpha value results are all above 0.6. Multiple linear regression analysis with testing on the influence

of External Marketing (X1), internal marketing (X2) and Revisit (Y), multiple linear regression is used and also to test the hypothesis.

<b>Model Summary</b>				
<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std Error of Estimated</b>
1	.823	.443	.467	.43563

- a. Predictor Constans X1, X2
- b. Dependent Variabel Y

**Simultaneous Test**

From the results of multiple linear regression analysis, the value of R = 0.823 is obtained, which means that between external marketing, internal marketing and community revisits there is a relationship of 82.3%, which means the relationship is close. The adjusted R square value of 0.467 means that 46.7% of the repeat visit variable can be explained by external marketing and internal marketing, while 53.3% is explained by variables other than this research.

<b>Annova</b>					
<b>Model</b>	<b>Sum Of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig</b>
Regression	76.546	3	26.342	125.435	0.000
Residual	82.334	392	.203		
Total	158.88	396	26.585		

- a. Predictor Constans X1, X2
- b. Dependent Variabel Y

The calculated F value is 125.435 with an F significance value of 0.000. When compared with the significance level value  $\alpha = 0.05$ , the p-value is (0.000) has a value smaller than  $\alpha$  ( $0.000 < 0.05$ ), so H0 is accepted and Ha is rejected, in Another understanding is that there is a significant influence simultaneously X1 = external marketing, X2 = internal marketing on Y = repeat visits to Hospital X.

**Partial Test**

<b>Model</b>	<b>Unstandarized Coefficients</b>		<b>Standarized Coefficients</b>	<b>t</b>	<b>Sig</b>
	<b>B</b>	<b>Std. Error</b>	<b>Beta</b>		
(Constant)	.624	.176		3.987	.000
X1	.245	.043	.245	7.540	.000
X2	.210	.056	.367	5.432	.000

**Dependent Variabel Y**

- a. The marketing mix variable (X1) has a positive and significant influence on the repeat visit variable (Y), by looking at the significance value of  $0.000 < 0.05$ , then H0 is rejected and receives Ha, thus the independent variable (X1) partially has significant influence on the dependent variable (Y).
- b. The internal marketing variable (X2) has a positive and significant influence on repeat visits (Y), this can be seen from the significance value of  $0.000 < 0.05$ , so H0 is rejected and accept Ha, in other words that the independent variable (X1) is partial significant effect on the dependent variable (Y).
- c. Based on the output results, the regression equation formula is:  
 $Y = \beta_0 + \beta_1 x_1 + \beta_2 X_2 + \beta_3 X_3 + e_i$   
 $Y = 0.624 + 0.245$

**DISCUSSION**

The aim of the research is to analyze the influence of external marketing and internal marketing on intention to revisit at Hospital X in Malang district. The results of the analysis show that the R value shows a close relationship between the independent variables (X1, X2) and the dependent variable (Y) of 0.823. The closeness of this relationship can be seen from the R value which is close to 1 and the positive sign of the R value, this means that the R value of the independent variable has a unidirectional relationship with the dependent variable. If the independent variable is increased, it automatically means that the dependent variable will also increase, and likewise if done vice versa. The adjusted R square value of 0.467 means that 46.7% of the community's decision variables in returning visits can be explained by external marketing and internal marketing variables, while 53.3% can be explained by variables other than those in this research. External marketing and internal marketing variables simultaneously have a significant effect on the patient satisfaction variable (Y).

This can be seen from the significance level being smaller than  $\alpha$  ( $0.000 < 0.05$ ), so that  $H_0$  is accepted and  $H_1$  is rejected, namely that there is a significant influence simultaneously  $X_1$  = external marketing,  $X_2$  = internal marketing and  $Y$  = repeat visits to Hospital in Malang district. Partial testing shows positive numbers on the external marketing, internal marketing and consumer orientation variables, so it can be said that partially all independent variables have a significant effect on patient satisfaction. If external marketing variables and internal marketing can be partially increased, then the intention to revisit will also increase. The variable that has a dominant influence on intention to revisit is the internal marketing variable with a regression coefficient ( $\beta$ ) of 0.210 while external marketing is 0.245.

The results of this research support several previous studies that have been conducted which concluded that external marketing variables have an influence on intention to revisit, such as research conducted by Wahab, N. A., Hassan, L. F. A., Shahid, S. A. M., & Maon, S. N. (2020); Ahmed, S., & Rahman, M. (2019); Putra, A. L., & Sulistyawati, E. (2019); Suroto, B., & Hadiyati, H. (2019); Dahmiri, Octavia, A., & Patricia, R. S. (2021). The research results are in line with this research regarding the influence of internal marketing on satisfaction includes research by Huang, Y. T., & Rundle-Thiele, S. (2020); Ribhan, R. (2019); Rismayanti, R., Kartasurya, M. I., & Kana, N. L. (2021). The similarities in this research when compared with previous research include, among other things, in terms of research variables, where partially external marketing variables and internal marketing have been carried out a lot. The differences from previous research include aspects of location and variables, where research that focuses on aspects of hospital services has been carried out both in Indonesia and abroad with various variables, but specifically research on repeat visits at Hospital X in Malang district with the variables of external marketing, internal marketing and repeat visits together have never been done.

## CONCLUSION

Conclusions in this research include external marketing variables, internal marketing have a significant effect on the variable intention to revisit at Hospital X in Malang district, both simultaneously and partially and the variable that more dominantly influences patient satisfaction is the internal marketing variable.

## SUGGESTION

Researchers recommend that hospital management make improvements to the external marketing and internal marketing that has been implemented in order to further increase people's return visits to the hospital. This research only concentrates on internal marketing variables, external marketing, the researcher recommends further research to examine other variables and service objects in order to produce better research. After knowing that the variable that is more dominant in influencing return visits is the internal marketing variable, the management as a responsible implementer and policy maker can improve external marketing and internal marketing in hospitals.

## REFERENCES

- Alshura, M. S. K., Nusair, W. K. I., & Aldaihani, F. M. F. (2016). Impact of Internal Marketing Practices on the Organizational Commitment of the employees of the Insurance Companies in Jordan. *International Journal of Academic Research in Economics and Management Sciences*, 5(4), 168-187.
- Aydin, A., Sarier, Y., & Uysal, S. (2011). The Effect of Gender on Organizational Commitment of Teachers: A Meta Analytic Analysis. *Educational Sciences: Theory and Practice*, 11(2), 628-632.
- Berry, L. L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of retailing*, 64(1), 12-40.
- Caruana, A., & Calleya, P. (1998). The effect of internal marketing on organisational commitment among retail bank managers. *International Journal of bank marketing*, 16(3), 108-116.
- Chiu, W., Won, D., & Bae, J. S. (2020). Internal marketing, organizational commitment, and job performance in sport and leisure services. *Sport, Business and Management: An International Journal*, 10(2), 105-123.
- Meyer, S. M., & Collier, D. A. (2001). An empirical test of the causal relationships in the Baldrige Health Care Pilot Criteria. *Journal of operations management*, 19(4), 403-426.
- Ikhsania, Z. (2015). Pengaruh implementasi internal marketing terhadap kinerja melalui kepuasan tenaga kependidikan di fakultas ekonomi dan bisnis universitas brawijaya malang. *Jurnal Ilmiah Administrasi Publik*, 1(2), 59-69.
- Jaros, S. (2007). Meyer and Allen model of organizational commitment: Measurement issues. *The Icfai Journal of Organizational Behavior*, 6(4), 7-25.
- Joung, H. W., Goh, B. K., Huffman, L., Yuan, J. J., & Surles, J. (2015). Investigating relationships between internal marketing practices and employee organizational commitment in the foodservice industry. *International journal of contemporary hospitality management*, 27(7), 1618-1640.
- Kaurav, R. P. S., Prakash, M., Chowdhary, N., & Verma, J. P. (2015). Does internal marketing influences organizational commitment? Empirical evidences from hotels in Gwalior. *Current Issues of Tourism Research*, 4(2), 19-26.

- Kristian, B., & Ferijani, A. (2020). The effect of job satisfaction and organizational commitment on employee performance with OCB as the intervening variables. *Journal of Management and Business Environment (JMBE)*, 2(1), 1-21.
- Magatef, S. G., & Momani, R. A. (2016). The impact of internal marketing on employees' performance in private Jordanian hospitals sector. *International Journal of Business and Management*, 11(3), 129-148.
- Mulyono, A. E. (2016). *Perbedaan komitmen organisasi para anggota lembaga kemahasiswaan universitas (lku) di universitas kristen satya wacana (uksw) ditinjau dari jenis kelamin* (Doctoral dissertation, Program Studi Psikologi FPSI-UKSW).
- Pane, S. G., & Fatmawati, F. (2017). Pengaruh Komitmen Organisasi Terhadap Kinerja Pegawai Pada Badan Pertanahan Nasional Kota Medan. *JRMB (Jurnal Riset Manajemen & Bisnis)*, 2(3).