

Service Quality and Stakeholder Decision-Making in Elderly Care

Lapr , F.

President, European Association of Homes and Services for the Ageing (EAHSA) P.O. Box 41, 4273 ZG Hank, The Netherlands

***Wright, G.**

Manchester Met Business School, Aytoun Street, Manchester, M1 3GH, UK

*Corresponding author E-mail: g.wright@mmu.ac.uk

Abstract: *The imperative of the age demographic makes services for the elderly a key contemporary marketing issue and challenge in the coming years. We consider this demographic dynamic in detail, highlighting the magnitude of the challenge of the older segment in real terms. Building on this, we address the nature service quality and satisfaction applying this to the nursing home sector. Building on the extant service quality literature, we undertook nine semi-structured interviews amongst residents, families and managers of nursing homes in order to understand the nature of the decision and the elements of quality that are considered during this process. Our results highlight the unique features of nursing home expectations and decisions. There are few expectations of service, home is the preferred option, though not available and so this is a negative choice. It is usually a choice that is permanent, though a key feature of the decision stage is the hope of returning home. This service is characterised by high complexity and multiple stakeholders along with a gap between users and service delivers perceptions of what is important. Conceptually, the importance of attributes replaces expectation in the consideration of service quality, and we highlight an important gap between management understanding and the reality of stakeholder experiences.*

Keywords: *service quality, nursing homes, aging, consumer behaviour, stakeholders*

1 INTRODUCTION: THE IMPERATIVE OF AGING

Worldwide, societies are ageing and this is leading to an increasing need for long-term care. In 2000, ten per cent of the world population of 6bn was over 60 years old. By 2050, this will have more than doubled to 22%. In real terms, with a projected population of 9bn, there will be 2.01bn people in this age group, an increase of 1.40bn over 50 years (United Nations, 2010). In Western Europe the proportion of over-sixties will rise to 35% of the population by 2050 – from less than 22% in 2000, an increase of 64% or over 25 million people. In this paper, we take the Netherlands as an example of a Western European country in which an aging trend is evident and reflected in a parallel increase in demand for long-term care, manifested in predictions for annual growth in nursing home residents of 1.4% between 2005 and 2030 (Woittiez, Eggink, Jonker, & Sadiraj, 2009).

Table 1 Aging Populations

Source: (Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat, 2008)

	Worldwide		Western Europe		The Netherlands	
	2000	2050	2000	2050	2000	2050
Population (000s)	6 115 367	9 149 984	183 001	184 908	15 915	17 399
Life expectancy	68.6	77.9	82	87.7	78.7	84.2
Over 60%	9.9	21.9	21.7	35.2	18.2	31.3
Over 60 (000s)	603 538	2 008 244	39 622	65 048	2 896	5 445

It is acknowledged that public services have imported management approaches developed in the private sector to good effect (Wright, Chew, & Hines, 2012) and specifically that the nursing home sector looks to the commercial service sector as a learning field to develop concepts of service quality (Kennedie, 2005; Van-Leeuwen, 2006). The overall aim of this study is to understand the decision making process and the elements of service quality embedded in this in the context of nursing home care. We have formulated two research questions in order to address this aim:

- What are the expectations that underpin the decision making in nursing homes?
- What are the characteristics of the nursing home decision?

2 EVALUATING SERVICES

Satisfaction with services, as the ‘post-consumption evaluation of experienced service quality’ (Grönroos, 1984) can be considered to be a result of the perceived quality of service relative to initial expectation of it (Douglas & Connor, 2003; Grönroos, 1984; Santos & Boots, 2003). In the context of nursing homes, it is established as important that providers define adequately what service will be delivered so that users can develop realistic expectations about the nature of their experience (Bebko, 2000). Furthermore, the nursing home sector has a specific challenge because, unlike other services, there is an element of permanency associated with the residential nature of the experience (Leventhal, 2008).

2.1 Expectations of service

Customer expectations can be a predictor of customer satisfaction, forming the reference point from which to judge the quality of delivered services. In services related to the nursing home context, the importance of expectation in quality is supported by studies of hospital care (Conway & Wilcocks, 1997; Gilbert, 1992) and aged care (Leventhal, 2008).

The underpinning notion of the emphasis on expectations is the paradigm of disconfirmation (Bolton & Drew, 1991; Churchill & Surprenant, 1982) premised on high evaluations of service quality occurring when consumers perceive the delivered service as better than they expected. Conversely, when delivered service is as worse than expected the evaluation of the quality of the services is correspondingly low (Hamer, 2006). Disconfirmation is tacitly accepted in much contemporary research (Grönroos, 2007), though the role of expectations is demonstrably complex. Expectations can be predictive, normative or comparative (Prakash, 1984). Predictive expectations refer to how a service is likely to perform on their attributes, normative expectations concern performance that can completely satisfy clients whilst comparative expectations evaluate an offering relative to its alternatives. It is predictive expectations that are most closely correlated with post-purchase evaluation (Prakash, 1984) and these have been confirmed as the most reliable predictor of perceived service quality (Hamer, 2006). However, there is evidence that the judgement of delivered service is not always based on clear disconfirmation (Cronin & Taylor, 1992; Kopalle & Lehmann, 2001), but rather on normative expectations and so the weighting of the importance of service attributes is central to a positive quality evaluation. Thus experience is the key influence on the judgement of quality (Boulding, Kalra, Staelin, & Zeithaml, 1993; Lee, Lee, & Yoo, 2000).

2.2 Understanding expectations, experience and satisfaction

Previous research highlights the need to understand the validity of the disconfirmation paradigm on which many service quality ideas are based. This is especially true about the import of predictive, normative and comparative expectations relative to satisfaction. Likewise, the relationship between satisfaction and quality warrants further exploration. As a comprehensive tool to consider the delivery of service quality, SERVQUAL is a useful model to structure service quality research as it incorporates dimensions and delivery and is conceived as an approach intended for adaptation to context, though this contextualisation in the care sectors is as yet very limited. Though there has been some use of the ideas embedded in expectations, experience and satisfaction, there is room to extend this to include the challenging issues of the nature of the customer (consumer plus other involved customer stakeholders) and the specific long-term nature of nursing home services. Thus using the established generic elements of service quality and satisfaction, there is scope to explore the nursing home context to contribute to decision and service theory and the effective delivery of service in the nursing home sector.

3 RESEARCH METHOD AND RESULTS

The research questions concern understanding the perceptions of service dimensions and the process of making provider decision and so this context lends itself to the use of semi-structured interviews. A total of nine interviews were conducted, representing six residents with a range of residency experience and three Executive Directors. Data coding led to the identification of 8 initial themes relating to elements of service quality and decision-making issues at the pre-experience stage. The words of respondents are in *italics*.

Figure 1 Context specific expectations and experiences of nursing homes; thematic analysis

SERVICE ELEMENTS	DECISION-MAKING	
Care comparable to home	Negative choice	Location
Promises about the room	Not an instant decision	Accommodation
Going home	Others make the choice	

3.1 Expectations of Service Elements

The themes that emerged here were focused on concerns about the responsiveness of care and outcomes. Responsiveness to individual needs was expressed as the hope that institutional **care comparable to home** would mirror previous comfort levels. Linked to this was the nature of the tangible personal living space and whether **promises about the room** were likely to be met. The issue underpinning both of these themes was the difference that could be expected on leaving their own home and the veracity of the promises made by service providers. The difficulties of evaluating promises about the room and the impact of this on service evaluation is demonstrated in the experience of being promised a 'private room' *they showed us the most beautiful room, though consequently, he got his private room, but had to move five times, because it was the death room. The most beautiful room is still in the brochures, they should have to put the four person room into that brochure. I would rather put him into a jail.* The final theme in this category, 'going home', reveals the complex nature of the nursing home context. There was a thread of narrative that was based on the hope that nursing home care was a temporary need and the potential resident always felt hopeful that the outcome of their engagement with nursing home service would be that they would be **going home** after rehabilitation.

Care comparable to home is an expectation about service delivery, **promises about the room** form the basis of expectations of the tangible, physical accommodation in the nursing home, whilst **going home** is the expectation of the result of the service *I said – don't give dad away to others, after 30 admissions to hospital, the nursing home was the final reality - then you realise that he is not coming back.*

3.2 Decision-making

The decision-making activity was a theme that provided a connection between expectations and service experience and was based on a period of actions. The **location** of the nursing home was important to respondents and family so that both parties could feel that a normal relationship could be maintained easily. The **accommodation** is important to the residents and their family: a private room was seen as crucial in their decision along with location. Managers saw the rooms as the most important factor in differentiating their service from competitors.

Central to decision making in this context it was clear that to take up residency in a nursing home was not a choice that people wanted to make and in this sense, it was a **negative choice**, based on a (usually progressive degenerating) home situation in which it was untenable for the resident to care for themselves or be adequately provided for *in situ*. Families accepting the need to hand over care to a nursing home were troubled with feelings of failure and guilt. The decision to move to a nursing home was a progressive move, **not an instant decision** rather it emerged in all cases that it was a journey from hospital, to a rehabilitation unit and finally to the nursing home. In all cases, residents felt that **others make the decision** for them: family or professionals in conjunction with the family. The **negative choice** was seen as a reference point, that leads to a long decision process which is in the main enacted by others.

The **location** and **accommodation** themes are associated with the physical attributes of a nursing home whilst the three other themes are concerned with making the decision.

3.3 Conceptualising nursing home care

From the context-specific expectations and experiences, a conceptual framework was developed as a summary vehicle to encapsulate the detail of the sector. Mindful of the need for the final coding to represent themes that form the measurable construct of quality evaluation of nursing homes, consideration of these final labels took into account: name, definition, content, the nature of evidence of how the theme occurs, qualifications/exclusions, valence sensitive examples (Boyatzis, 1998). To this end, themes were considered individually and jointly leading to the relabeling or combining of some themes (figure 2), the 22 initial ideas were compressed into 12 codes covering expectations about services in a nursing home, the decision making process of going to a nursing home and experiences in the nursing home.

Figure 2 Conceptualising Nursing Home Choice: understanding expectations and decisions			
EXPECTATIONS (hopes and fears)		DECISION-MAKING (Choosing)	
Care Delivery	Tangibles	Choice	Tangibles
Care comparable to home	Promises about the room	Negative choice	Location
Outcome/result		Not an instant decision	Accommodation
Going home		Others make the choice	

The expectation of being "cared for like it was home" can be characterised as the "software" of a nursing home: the **care delivery** process. At the expectation stage, **tangibles** are promises made in the publicity material proved by the facility and there is a specific notion of an **outcome** or result of the service which is that it will not be a permanent arrangement. Unique

to the decision-making stage is the nature of the **choice**, that nursing home care is not a service that is desirable - it is a need rather than a want and is experienced negatively. In this stage, **tangibles** are concerned with location, especially ease of access for family visits and the features of the accommodation.

4 DISCUSSION

The use of the extant thinking on service quality in the nursing home context has allowed for the consideration of the validity of the construct and also to insight into customer behaviour in the sector.

4.1 The nature of pre-decision expectations

The first research question concerned the nature of expectations that are the input into the evaluation of service quality during decision making in nursing care. The results indicate the importance of tangibles at the pre-experience stage and that there is a general lack of pre-established expectations about the service. There are three outcomes that form a distinct difference to the existing SERVQUAL framework. First, the emergence of themes specific to this context: outcome/result at the expectation stage; the nature of the decision in the decision-making stage; system orientation during the experience of service. Second, is the clear identification of the decision-making period as a distinct element in the process of opinion formation and appraisal of the service. Third, the nursing home context appears to encompass complexity as a dominant feature of perceptions throughout, exacerbated by the emotional nature of the situation. Complexity is further highlighted by the development of expectations as a dynamic process in which expectations shift. The decision phase, was characterised more by hopes and fears than by what could be labelled expectations and the (negative) emotional nature of the decision implies a different way of thinking about this stage for potential residents as service users. Initially, residential care is a vehicle to facilitating returning home and when this becomes accepted as infeasible, they hope that care will be equivalent to being at home and secondly specifically that they will have their own room. Potential service users find themselves in an unpleasant situation but accept that they cannot change it which leads to an adaptation and consideration of their needs.

4.2 The characteristics of the service decision

Though residents held firm views, it was the family stakeholders who exhibited the more consumerist sentiments to service delivery. Families are the most engaged with the decision to move to a nursing home referring repeatedly to the home situation as a key issue, they made it clear that this continuity would make them feel better about the imposition of the move. This is a clear indication that messages need to be targeted differently and specifically to residents and families in the different stages of the process.

In the decision making stage, managers place more emphasis on the importance of tangibles than do potential residents, while the decision making process is of much higher importance to the residents and their family than is appreciated by managers. The expectations of residents and/or their family focus about returning home and the way services are provided differ in their dominance. Returning home is dominant when it is seen as rehabilitation accompanied by the hope that it is necessary but temporary. Expectations about the room and service provision become dominant when the resident and family realise a home return is not feasible.

The decision-making prior to committing to a nursing home is a long process that can be seen as a traumatic event (Butcher, Holkup, Park, & Maas, 2001). It is based on a negative choice, without an instant decision and the decision is made by those others than the resident – the service consumer. Families, in conjunction with professionals, tend to be the central decision-making unit regarding choice of residence and hence the customer roles of information seeker, decision-maker and consumer are separated. Thus a major difference between groups is that families and residents see this stage quite differently. This study also confirms the importance of the gap between user expectations and management perceptions of need (Parasuraman, Zeithaml, & Berry, 1988).

4.3 Implications for service delivery

Understanding expectations in the nursing home context is complex, the decision making process is long and involves a process of acceptance in which expectations become limited or aligned to the actual situation. It often starts with an incident such as a stroke and hospital admission followed by a rehabilitation centre or nursing home. Only when the prospect of permanent residency in care becomes clear, do expectations begin to form *I had no expectations at all. I did not know what was going to happen*. This confirms previous work (Fitzpatrick & Hopkins, 1983) in which patients were non-committal in their reports of expectations prior to a hospital visit - they had not thought about expectations before being confronted with the need for medical opinion. So expectations are not developed beforehand, but evolve in the stage that the need for care becomes clear. Often the potential resident is unaware or uninvolved in elements of the decision process and develop expectations only after their move into care when their expectations develop with reference to the system orientation of their surroundings.

We conclude that the existing marketing approaches to services provide a helpful starting point for understanding the consumer experience of deciding on a nursing home. The structure gives us insight into the effective management of the

context. Conversely, the specific nature of the nursing home service, requires a reconsideration of the current assumptions around the nature of decisions, the role of stakeholders and the development and impact of service expectations.

References

- Bebko, C. (2000). Service intangibility and its impact on consumer expectations on quality. *Journal of Services Marketing*, 14(1), 9-26.
- Bolton, R. N., & Drew, J. H. (1991). A multistage model of customers assessments of service quality and value. *Journal of Consumer Research*, 17(4), 375-384.
- Boulding, W., Kalra, A., Staelin, R., & Zeithaml, V. A. (1993). A dynamic process model of service quality - from expectations to behavioral intentions. *Journal of Marketing Research*, 30(1), 7-27.
- Boyatzis, R. E. (1998). *Transforming Qualitative Information*. Thousand Oaks: Sage Publications Inc.
- Butcher, H. K., Holkup, P. A., Park, M., & Maas, M. (2001). Thematic analysis of the experience of making a decision to place a family member with Alzheimer's disease in a special care unit. *Research in Nursing & Health*, 24(6), 470-480.
- Churchill, G. A., & Surprenant, C. (1982). An Investigation into the Determinants of Customer Satisfaction. *Journal of Marketing Research*, 19(4), 491-504.
- Conway, T., & Wilcocks, S. (1997). The role of expectations in the perception of health care quality: developing a conceptual model. *International Journal of Health Care Quality Assurance*, 10(3), 131-140.
- Cronin, J. J., & Taylor, S. A. (1992). Measuring Service Quality: A Reexamination and Extension. *Journal of Marketing*, 56 (July), 55-68.
- Douglas, L., & Connor, R. (2003). Attitudes to Service Quality - the expectation gap. *Nutrition & Food Science*, 33(4), 165-172.
- Fitzpatrick, R., & Hopkins, A. (1983). Problems in the conceptual framework of patient satisfaction research: an empirical exploration. *Sociology of Health and Illness*, 5(3), 297-311.
- Gilbert, F. W. (1992). Adaptation and customer expectations of health care options. *Journal of Health Care Marketing*, 12(3), 46-55.
- Grönroos, C. (1984). A Service Quality Model and its Marketing Implications *European Journal of Marketing*, 18(4), 36-44.
- Grönroos, C. (2007). *Service management and marketing customer management in service competition*. Chichester: John Wiley and Sons Ltd.
- Hamer, L. (2006). A confirmation perspective on perceived service quality. *Journal of Services Marketing*, 20(4), 219-232.
- Kennedie, H. (2005). *Waarde, waardering, waardigheid, Hospitality Care en de toekomst van de Nederlandse Verpleeghuiszorg*: Golden Tulip Hotels, Inns and Resorts.
- Kopalle, P. K., & Lehmann, D. R. (2001). Strategic management of expectations: The role of disconfirmation sensitivity and perfectionism. *Journal of Marketing Research*, 38(3), 386-394.
- Lee, H., Lee, Y., & Yoo, D. (2000). The determinants of perceived service quality and its relation with satisfaction. *Journal of Services Marketing*, 14(3), 217-231.
- Leventhal, L. (2008). The role of understanding customer expectations in aged care. *International Journal of Health Care Quality Assurance*, 21 (1), 50-59.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A Multiple-Item Scale for Measuring Consumer Perceptions of Service Quality. *Journal of Retailing*, 64(1), 12-40.
- Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat, World Population Prospects: The 2008 Revision, United Nations (2008).
- Prakash, V. (1984). Validity and Reliability of the Confirmation of Expectations Paradigm As a Determinant of Consumer Satisfaction. *Journal of the Academy of Marketing Science*, 12(4), 63-76.
- Santos, J., & Boots, J. (2003). A theoretical explanation and model of consumer expectations, post-purchase affective states and affective behavior. *Journal of Consumer Behaviour*, 3(2), 142-146.
- Van-Leeuwen, S. (2006). Sterk merk succesfactor voor zorgaanbieders! *ZM Magazine*, 4(2), 2-5.
- Woittiez, I., Eggink, E., Jonker, J.-J., & Sadiraj, K. (2009). Vergrijzing, Verpleging en Verzorging Ramingen, profielen en scenario's 2005-2030 (pp. 114). Den Haag: Sociaal en Cultureel Planbureau.
- Wright, G., Chew, C., & Hines, A. (2012). The efficacy of marketing in public and not-for profit services. *Public Management Review*, 14.