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SECTION 3 || **General Issues in Management**

CUSTOMER PERCEIVED VALUE: THE DEVELOPMENT OF A MULTIPLE ITEM SCALE IN HOSPITALS

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Abstract

The purpose of this research is to analyse the dimensionality of the concept of perceived value in the health sector which incorporates valuations of functional aspects and of affective aspects, thus obtaining an overall quantification of the value perceived by the patient. A total of 701 customers of financial entities were surveyed, and structural equations models were used to verify the reliability and validity of the scale of perceived value. Perceived value is found to be a multi-dimensional construct composed of seven dimensions: Functional value (installation), functional value (service quality), functional value (price), functional value (professionalism), emotional value (novelty), emotional value (control), emotional value (hedonics), social value. A scale of overall perceived value in financial services was obtained, composed of seven dimensions and represented by 29 items that are significant for their measurement. Our results indicate that functional, social and affective factors except hedonic factor are important determinants of the perceived value of health services.

Key words: Customer perceived value, multi dimensionality, hospital.

Introduction

The number of private hospitals in health organization is enhancing. So competition has get difficult day by day. In a such condition, private hospitals have investigated new ways to sustain their clients and to amplify them. With the 90's, a new and usefull thought which called perceived value has attracted notice. After quality, customer satisfaction and customer loyalty, perceived value has gained great attention as a executive methods.

While perceived value that a strategic incumbency for services and production line in the 90s, will be of permanence significance into the 21th century (Vantrappen, 1992). According to Hartnett (1998), If a company contents its customers' wants, It can be said that this company is supplying value, that gets it in a much powerfull status in the long term. On the other hand, Burden (1998) asserted that thriving companies inclined their product or service towards two consumer forms: those with an stress on value and those for whom time urgency is the clue. So that, this approach becomes to value in all sector views to be a universal concept (Treadgold, 1999).

Because of the customers are value oriented, hospital executives have to figure out perceived value concept and have to learn where they should centered their interest to prosper this. Although value concept becomes an importance one, a few empirical survey to improve throughout knowledge of the perceived value. Especially, in hospital environment, there is no investigation about perceived

value. Soutar, and Johnson (1999), Sweeney and Soutar (2001) and Sa´nchez et al. (2006) consider perceived value as a collection of functional, social and emotional parts. On the other hand, Grönroos (1997) and Mattson (1991) separate perceived value into two sections: emotional and cognitive. All of mentioned researches consider emotional section as a single construct. In our investigation, we approached perceived value basely in three parts; functional value, emotional value and social value. Unlike from former surveys, we got emotional value as three divided constructs; emotional value (novelty), emotional value (control), emotional value (hedonic).

In this survey, Firstly, we clarified customer perceived value concept with a literature review. Secondly, perceived value is builded up as a multiple item scale and exemplified in the context of the hospital line. And then, we concluded the survey with a discussion.

A Conceptual Framework

It can be seen two important characteristics in customer value with the purpose of explaining the different points of view in connection with the perceived value by the customer and analysing the joint points of the definitions given in the literature. First, it is connatural to the use of the product that differentiates it from singular or organisational values. Second, it is sensed by customers and can not be stated fairly by the seller (Zeithaml, 1988). Only the customer is able to perceive whether or not a product or service propose value (Roig et al., 2006)

Even If perceived value has received growing interest, There is not clear and far-going accepted definition yet (McDougall and Levesque, 2000). Perceived value has been different conceptualized as consumer utility, perceived profit relating sacrifice, psychological price, worth and quality. This variability prevents unanimity on its definition. Beside this, perceived value varies linking on sorts of products or services, and personal characteristics of consumers (Lee et al, 2007, p.205)

Head conceptualizations of value in the marketing literature were price founded. Thaler (1985) stated that perception of customers' value follows comparison between different price, bearing advertise selling price, advertise reference price and internal reference price. The widely accepted conceptualization of value is 'give' versus 'get' model of Zeithaml (1988).

According to Zeithaml (1988), perceived value is consumer's overall assessment of the utility of a product (or service) founded on perceptions of what is received and what is given. The well known this kind of conceptualization of value is trade off between quality and price (Chain Store Age, 1985; Cravens et al., 1988), that named money conceptualization. So, these two constituents have various influences on perceived value for money. Zeithaml (1988) stated that some customers sense value If price is low, others perceive value If a balance is exist between quality and price. In other words, the factors of perceived value can be variously weighted for diverse consumers. Schechter (1984), Bolton and Drew (1991) have affirmed that seeing value as a trade off between quality and price is too basic. According to Porter (1990), perceived value might be thought as superior value to the buyer with the view of product quality and particular specialities. These argument means that substantial value conceptualization are constricted and that extention other than price and quality increases the practicability of construct. (Sweeney and Soutar, 2001, p. 204)

Woodruff (1997) stated that customer value is a customer's perceived choice for and assesment of those product characteristics, attribute performances, and ensue of arising from use that simplify realizing the consumers' goals in use conditions. Some researchers consider the thought of customer value as a sort of further advance of the quality concept. According to Bieger et al. (2007), quality comprises advantages in form of consumation of expectations, the customer value construct goes beyond by including costs and being wider in the construct of benefits.

Value is integration of what is received and what is sacrificed. In other words, when a condition that prefering in a given situation exist, we have to select a condition between alternatives Rust and Oliver (1994). Zeithaml (1988) proposed a model of customer value joining intrinsic, extrinsic, and price attributes. Intrinsic attributes can be product specific involving the physical composition. Extrinsic attributes are related to the product or service but not ingredient of the product or service itself. Zeithaml specified price, brand name, and level of advertising as three extrinsic

cues for perceived value. On the other hand, extrinsic cues are used in place of intrinsic cues if customer chooses without efficient knowledge about intrinsic cues. (Ralston, 2003, p.202)

When looking at the literature, it can be seen that customer investigation started with cognitive direction of decision making. In other words, researches have been focused on object or experience which might be seen to be valued for its own sake. Holbrook and Hirschman (1982) specified an experiential view with the inclusion of the symbolic, hedonic and esthetic parts of consumption cycle. Holbrook and Hirschman (1982) asserted that products were generally judged through utilitarian criteria which grounded on how a product or service tends its planned aims or accomplish its suitable function. On the other hand, an experiential view sights the products or services owing to hedonic criteria. (Sweeney and Soutar, 2001, p.205).

According to Grewal et al. (1998) perceived value might be separated into two parts: acquisition and transaction value. Grewal et al. (1998) specified that acquisition value is the net benefits which obtaining from the products or services, transaction value is the perceived psychological content obtained from a good treatment. In their study, acquisition value measured with three items and the transaction value with nine items. In other research, Woodruff (1997) proposed that customers may want a specific value (desired value) and may appreciate a product or service when trying it (received value). So customers may comprehend value differently at the cycle of buying a product or service and during or after its use. Woodruff's model is named value hierarchy model (Lee et al., 2007, p.205)

Another approach asserted by some researchers (for example Woodruff, 1997; De Ruyter et al., 1997; Sweeney and Soutar, 2001; Sa'nchez et al., 2006) is grounded on the multidimensional aspect of perceived value. Roig et al. (2006, p.270) stated that this view of value which examining more closely subjects relating to the customers' selling treatment takes this concept as composition of some dimensions as functional dimension, affective dimension. The functional value can be specified as the rational and economic evaluations of people. The quality of the product and the quality of service are fragment of this dimension. The affective dimension is separated into an emotional dimension and a social dimension.

Mattson (1991) asserted that perceived value concept is multidimensional and might be divided into two part cognitive and affective aspects. Similar way Sheth et al. (1991) describe perceived value as multidimensional route and specified five dimensions; social, emotional, functional, conditional and epistemic. Sheth et al. (1991) described functional value as a perceived benefit of the properties of the products and services. Social value is the admissibility or benefit at the grade of the personal relationships with his/her social environment. Emotional value subsist of the feelings or the affective states created by the experience of consumption. Conditional value means conjunctural or conditional agent such as illness or particular social cases. Epistemic value is the ability of the product or service to surprise, arouse concern or satisfy the wants for knowledge (Roig et al., 2006, p. 270)

De Ruyter et al. (1997) offered a comprehensive approach which separate perceived value into two components; cognitive response and affective components. De Ruyter et al. Stated that perceived value is created with three dimensions: emotional, functional and logical. The emotional dimension means the customer's emotional assesment of the service, the functional dimension mirrors applied feature of the service, and the logical dimension is consisted of the quality of service and the price (Roig et al., 2006, p. 270).

Sweeney and Soutar (2001) did not give importance to the epistemic and conditional dimensions. They stated that three dimenions of the perceived value create the five initial dimensions. These are functional value, social value and emotional value. Sweeney and Soutar (2001) offered PERVAL which is a scale of measurement of value. Their construct includea factors like price, quality and versatility. The social and emotional dimensions are symbolized by the set of intangibles.

Beside this, Sa'nchez et al. (2006) developed a scale named GLOVAL that is measurement of post-purchase perceived value. They found six dimensions of perceived value. Four dimesnion

that found suit to dimensions of functional value: installations, professionalism, quality and price. The other dimensions that they found mean to affective dimension which reflect emotional value and social value.

Above researchers all search the multidimensional approach of perceived value. Although, the constructs that investigating comparison between advantages and devotions is extremely cognitive, the multidimensional construct searches to clarify the concept by regarding both the cognitive and the affective elements. It can be seen in Table 1 that all the authors stated the two main dimensions of perceived value: functional and affective. The functional dimension means to the rational and economic appraisal made by people. The fragment of the functional value dimension is quality of the product and of the service. On the other hand, the affective dimension of perceived value reflects the feelings or emotions created by the products or services. Generally, the affective dimension is divided into two parts: an emotional dimension and a social dimension (Sanchez et al, 2006, p.396)

Table 1. Multidimensional approaches about perceived value (Sanchez et al, 2006, p.396)

<p>Sheth et al. (1991)</p> <ul style="list-style-type: none"> • Social value • Emotional value • Functional value • Epistemic value • Conditional value 	<p>Grönroos (1997)</p> <ul style="list-style-type: none"> • Cognitive • Emotional(psychological) <p>Mattson (1991)</p> <ul style="list-style-type: none"> • Cognitive • Affective
<p>Sánchez et al. (2006)</p> <ul style="list-style-type: none"> • Functional value of the establishment (installations), • Functional value of the contact personnel (professionalism), • Functional value of the service purchased (quality) • Functional value price • Emotional value • Social value 	<p>deRuyter, Wetzels, Lemmink, and Mattson (1997)</p> <ul style="list-style-type: none"> • Emotional dimension or intrinsic value • Functional dimension or extrinsic value • Logical dimension <p>Sweeney, Soutar, and Johnson (1999)</p> <ul style="list-style-type: none"> • Social value (acceptability) • Emotional value • Functional value (price/value for money) • Functional value (performance/quality) • Functional value (versatility)
<p>Groth (1995)</p> <ul style="list-style-type: none"> • Cognitive:perceived utility • Psychological • Internal • External 	<p>Sweeney and Soutar (2001)</p> <ul style="list-style-type: none"> • Functional dimension (economic and quality) • Social dimension • Emotional dimension

Beside above dimensions, It have not been mentioned yet that emotional dimension could be divided into three part: hedonics perceptions, novelty perception and control perception The hedonic consumption conception means that in many conditions customers want fun, amusement, fantasy, arousal, sensory stimulation and enjoyment. Novelty is one of the fundamental motivations driving services customers trying to find for new and various experiences as change from routine, escape, thrill, adventure, surprise and boredom alleviation. The control construct is an integral fraction of human motivations. Averill's (1973) framework recognizes between three forms of control: behavioral, cognitive and decisional. Behavioral control means to actual rather than perceived control, while cognitive control means the way a potentially detrimental case is interpreted (Duman et al, 2005, p. 313).

H1. Perceived value is a multidimensional formative construct made up of eight dimensions:

- Functional value (installation)
- Functional value (service quality)
- Functional value (price)
- Functional value (professionalism)
- Emotional value (novelty)
- Emotional value (control)
- Emotional value (hedonics)
- Social value

Methodology

Data collection

A Face to face survey was conducted among Farabi Hospital customers (patients) aged over 18 in the Trabzon in Turkey. Respondent were selected with random sample technic. Respondents were asked to think of services that took form Farabi Hospital and were requested to reply questionnaires regarding to this hospital. A total of 765 respondents were approached, 43 of these refused to participate, resulting in an effective response rate of 82%. Of the remaining 722, 21 questionnaires were removed because they were incomplete and missing important data. After elimination, 701 questionnaires were coded for data analysis. The sample size was determined by general guidelines for structural equation modeling (SEM). Tabachnick and Fidell (1996) stated that when estimated from small samples correlation coefficients may be less reliable. Other researchers as Comrey and Lee (1992) stated that samples with less than 200 observations show to result in untrustable parameter. Beside this, Tabachnick and Fidel (1996), and Kline (1998) specified that if the measured variables are normally distributed, ten subjects per estimated free parameter should be competent. Therefore, a sample size of 701 was deemed sufficient for a robust analysis of the proposed model.

The questionnaires were carried out between 10 January 2007 and 21 February 2007. A structured questionnaire was used, with closed questions and 5-point Likert type response scale (strongly disagree : 1 strongly agree: 5). Respondents were asked to rate how much they agreed with each item on the scale. The initial questionnaire was pre-tested with a convenience sample of 30 patient to further refine the list of items and as a result of this refinement, questionnaire has been changed.

Measurement Constructs

All constructs included in Appendix A were measured using multi-item scales adapted from previous research. Emotional value (hedonics), emotional value (control), emotional value (novelty) constructs were measured via scales developed by Otto (1997) and Otto and Ritchie (1996). Functional value (professionalism) and social value were measured via a five-item scale and three items scale (Sa'nchez et al, 2006), while functional value (price) measures were adapted from Ralston (1999). Functioanal value (service quality) was measured via a seven items scale adapted from Gallarza-Saura (2006). Lastly, Functional value (installation) was adapted from Sa'nchez et al (2006).

Measurement and analysis procedure

The proposed hypotheses were then tested via structural equation modelling using AMOS 5.0 the method used was the maximum likelihood estimation procedure on the variance–covariance matrix with the raw data as input. It is known that when assessing SEM fit, two possibilities emerge: the evaluation of both the measurement and the structural model can be done either simultaneously or sequentially (Diamantopoulos, 1994). We decided to follow the sequential approach recommended by Anderson and Gerbing (1982) because a two-step methodology is more consistent with the dual purpose of this paper.

Analysis and results

The results of descriptive analysis for demographic information indicated that among the analyzed samples (N =701), 51.6% of the respondents were male, 43.4% were married and 59.2% had at least a 4 years university education. In terms of age group, 25.4% were 20–29, followed by 30–39 yr old (23.5%) and 40–49 yr old (17.5%). Many of the respondents considered themselves to be middle annual income level (47.2%) and middle–high annual income level (23.4%).

To purify the data and to drop systematic errors, missing data, outliers, normality and multicollinearity should be done. In our research, there is not certain outliers were found when viewing standard deviation, Cook's distance, and residuals. When studied for skewedness and kurtosis, all of the 41 items were found to be normally distributed. Firstly, value construct was tested and resulted in a Cronbach alpha coefficient of 0.87. This result indicates that the measurement scale used in this study was acceptable and reliable, based on Nunnally (1978).

To determine underlying dimensions of the perceived value construct, exploratory factor analysis (EFA) with varimax rotation was done. The deducted factors from the result of EFA were used as exogenous constructs in the structural equation modeling. A factor loading of .40 was treated as the check to contain items in each factor, the latent root criterion of 1.0 was treated for factor inclusion. The appropriateness of factor analysis was decided by the Kaiser–Meyer–Olkin (KMO=0.791) measure of sampling adequacy and Bartlett's test of sphericity ($p<.000$).

As a result, eight factors were derived from the perceived value items, explaining 85.63 % of the variance (Table 2). Some of the items (Q4, Q7, N4, N6, C1, C4, C7, H3) of perceived value construct were removed, because of low loading ($<.40$). Factors that a result of exploratory factor analysis are; functional value (installation), functional value (service quality), functional value (price), functional value (professionalism), emotional value (novelty), emotional value (control), social value, emotional value (hedonics). These eight constructs that constitute perceived value construct were employed as exogenous constructs in the structural equation modeling (SEM) procedures.

Table 2. Explanatory Factor Analysis Results

Factors	Factor Loading	Eigenvalue	Explained Variance	Factors	Factor Loading	Eigenvalue	Explained Variance
A		4.41	7.94	B		4.97	8.95
I1	.876			Q1	.867		
I2	.791			Q2	.893		
I3	.723			Q3	.715		
I4	.798			Q5	.796		
				Q6	.847		
C		6.12	11.02	D		5.54	9.97
P1	.899			Pr1	.705		
P2	.856			Pr2	.779		
P3	.902			Pr3	.891		
P4	.938			Pr4	.816		
				Pr5	.954		
E		4.03	7.25	F		2.15	3.87
N1	.793			C2	.681		
N2	.777			C3	.779		
N3	.889			C5	.720		
N5	.771			C6	.745		
G		8.54	15.38	H		11.98	21.25
H1	.803			S1	.912		
H2	.912			S2	.936		
H4	.931			S3	.995		
H5	.942						

Bartlett's test of sphericity ($p < .000$), Kaiser–Meyer–Olkin (KMO=0.791), Cronbach' Alpha=.878

In our research, the discriminant validity of constructs was determined in two ways. First, the correlation between scales should be less than one (Bagozzi & Heatherton, 1994). The highest correlation between dimensions was 0.88 [between the functional value (installation) and functional value (price)]. The associated confidence interval was 0.52 to 0.85. Hence discriminant validity was supported for all pairs of dimensions. Second, Fornell and Larcker's (1981) discriminant validity test was used. According to this analysis, when taking any pair of constructs, the average variance founded for each construct should be greater than the squared structural path coefficient between the two constructs. In our research, these demands were executed for all pairs of constructs, with the average variance extracted ranging from 0.79 to 0.88. This exceeded the squared path coefficient in all cases, since the maximum value of the squared path was 0.46. These results encourage the distinction of the constructs included in the model, even when measurement error is considered. Beside this, high levels of reliability were succeeded, the reliability of the individual scales (all eight scales) ranging from 0.86 to 0.98.

Collinearity should not come into exit to supply the external validity (Chin, 1998). In our research, It was chosen overall perceived value as the dependent variable which was inside of and evaluated as an item in the questionnaire for the aim of resolving collinearity and external validity. As can be seen in Table 3 non-collinearity is reflected in the Variance Inflation Factor (VIF) with values less than 5.

Table 3. Test of collinearity

Dimension	Variance Inflation Factor
Functional value (installation)	3.123
Functional value (service quality)	4.231
Functional value (price)	2.659
Functional value (professionalism)	2.849
Emotional value (novelty)	3.511
Emotional value (control)	3.214
Emotional value (hedonics)	1.623
Social value	1.997

Measurement model for perceived value

Data analysis was done by the two step approach advised by Anderson and Gerbing (1988). The measurement models were assessed before the analysis of the structural model. The 33 items used to measure eight latent constructs were subjected to CFA using AMOS 5 to verify unidimensionality and convergent validity. The maximum likelihood method was employed as it is vigorous to violations to normality (Chou and Bentler, 1995). The specified measurement model was found to fit the data adequately, although the chi-square goodness-of fit index was statistically significant ($\chi^2 = 192.657, p < .05$). It is commonly accepted that the chi-square statistic will reject valid models in large samples and some other situations (Bagozzi and Philip, 1982); therefore, we relied on the goodness-of-fit index (GFI), the comparative fit index (CFI), the normed fit index (NFI), and the root mean square error of approximation (RMSEA). All of these indexes met or exceeded the critical values (GFI=.94, CFI=.98, NFI=.99, RMSEA=.071) for good model fit. Next, we specify again the reliability of the measures with CFA. Internal consistency was calculated with Cronbach's alpha and composite reliability (CR). Both CR and average variance extracted (AVE) were determined with the process specified by Fornell and Larcker (1981). As shown in Table 4 all the composite reliabilities for the eight multi-item scales ranged from .77 to .88, indicating acceptable levels of reliability for the constructs (Fornell and Larcker, 1981). Also the AVEs ranged between .73 and .84, above the recommended .50 level (Fornell and Larcker, 1981). The Cronbach alpha values for the scales ranged from 0.80 to 0.92. As a rule of thumb, the Cronbach alpha value should be at least 0.70 for a scale to demonstrate internal consistency. Discriminant validity was evaluated by AVE the underlying construct was larger than the shared variance with other latent constructs.

Structural Model of Perceived Value

Theoretical model was examined with eight exogenous constructs (functional value (installation), functional value (service quality), functional value (price), functional value (professionalism), emotional value (novelty), emotional value (control), emotional value (hedonics) and social value) and one endogenous constructs (perceived value). Since the chi-square is heavily influenced by the sample size (Bollen & Long, 1993), other goodness-of-fit indices are suggested to help the model evaluation (Bentler, 1990; Joreskog & Sorbom, 1993). Examination of the theoretical model indicated that the t-values of all completely standardized coefficients were statistically significant at .05 % level except for emotional value (hedonic). The chi-square value of the theoretical model was $X^2 = 119.413, p = .135$, and other fit indices were GFI=.93, CFI=.97, NFI=.98, RMSEA=.069. So theoretical model showed an excellent level of fit overall.

Beside, the review of the squared multiple correlation of the structural equation model explained 84 % of the variance in the perceived value. So that the explained variance in the endogenous construct is above 40%, the structural model was determined to have acceptable reliability (Fornell & Larcker, 1981). In result, theoretical model was thought a good fit model.

Table 4. Construct Evaluation

	Std. Loading	Std. Deviation	Cronb. Alpha	CR	AVE
A. FUNCTIONAL VALUE (INSTALLATION)			.84	.82	.78
I1	.92	1.24			
I2	.73	0.93			
I3	.87	1.65			
I4	.91	0.94			
B. FUNCTIONAL VALUE (SERVICE QUALITY)			.81	.79	.75
Q1	.81	0.81			
Q2	.85	1.14			
Q3	.81	0.09			
Q5	.83	1.07			
Q6	.82	0.15			
C. FUNCTIONAL VALUE (PRICE)			.88	.84	.81
P1	.91	1.21			
P2	.92	1.14			
P3	.89	0.89			
P4	.95	1.09			
D. FUNCTIONAL VALUE (PROFESSIONALISM)			.80	.76	.73
Pr1	.87	1.07			
Pr2	.86	0.99			
Pr3	.79	1.21			
Pr4	.78	1.25			
Pr5	.85	0.68			
E. EMOTIONAL VALUE (NOVELTY)			.83	.81	.78
N1	.85	0.98			
N2	.89	1.15			
N3	.85	1.25			
N5	.88	1.63			
F. EMOTIONAL VALUE (CONTROL)			.86	.82	.77
C2	.89	1.33			
C3	.85	1.44			
C5	.82	1.19			
C6	.92	0.89			
G. EMOTIONAL VALUE (HEDONICS)			.92	.88	.84
H1	.92	0.97			
H2	.90	1.16			
H4	.85	1.13			
H5	.92	0.89			
H. SOCIAL VALUE			.82	.77	.73
S1	.78	0.87			
S2	.81	1.21			
S3	.77	1.43			
CR: Composite Reliability, AVE: Average variance extracted, All standart loadings significant (p<.05)					

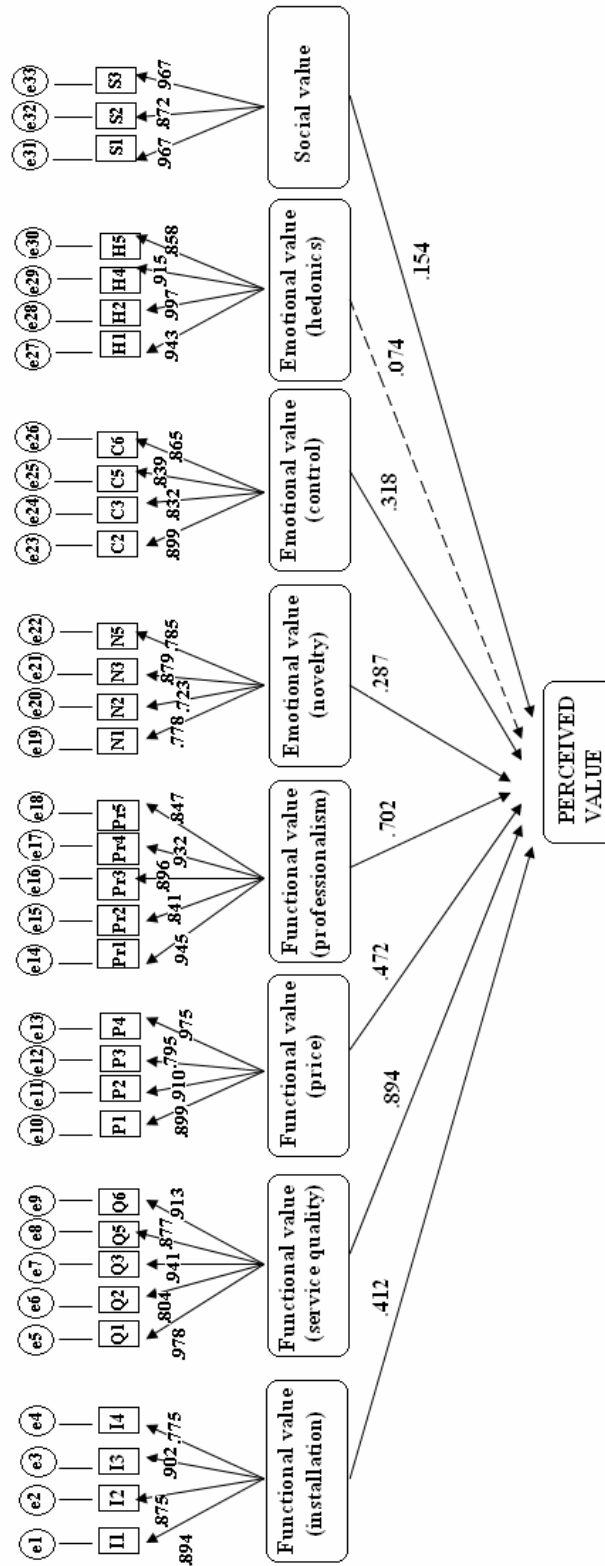


Figure 1. Structural Equation Model Results

In this study, we incorporate the overall perceived value into the model as the dependent variable. In this way we determine that the perceived value is determined significantly by the seven dimensions obtained in the above analysis. By order of importance of the path coefficient, functional value (service quality) ($r=.894$, $t=11.319$), functional value (professionalism) ($r=.702$, $t=6.836$), functional value (price) ($r=.472$, $t=5.598$), functional value (installation) ($r=.412$, $t=3.146$), emotional value (control) ($r=.318$, $t=5.557$), emotional value (novelty) ($r=.287$, $t=3.734$), social value ($r=.154$, $t=2.867$). But emotional value (hedonics) was not found a significant part of perceived value ($r=.0074$, $t=0.597$) (Figure 1)

Conclusion and Discussion

Nowadays, professionals as well as academics consider that consumers' product assessment and coming buying behavior are determined by value of product or service. So executives should know what and how specify value in their customers' minds, to encounter the wants of value-conscious customers. Private hospitals as a profit oriented organization aren't exception from this situation. This study sheds some light into customers' value perceptions of health services.

In our research, we enlarge our information of perceived consumer value in the hospital environment by developing and testing a parsimonious and practical eight dimensional scale. Unlike previous constructs, our construct separate emotional value scale in three part; novelty, control and hedonic components. In addition to this, functional value and social value which are serious scales elements of perceived value was included. Like firms, hospitals market their services, so hospitals should measure their customer value regularly. Because, high perceived customer value guarantees customer satisfaction and customer loyalty.

This study has been based on the multidimensional approach to perceived value. And this research is grounded on the conception of perceived value as a complex construct. So that it contains a functional extent as installation, service quality, price, professionalism and, adds an affective extent. This affective dimension may be separated into an emotional dimension as hedonics, control, novelty and a social dimension. Thus, basing ourselves on the all previous studies, we got a perceived value construct that the value perceived by the customer in the health sector is composed of eight dimensions: functional value (installation), functional value (service quality), functional value (price), functional value (professionalism), emotional value (novelty), emotional value (control), emotional value (hedonics) and social value. After confirmatory factor analysis it has found that all of the scales that taken have significant effect on perceived value except emotional value (hedonics). The most important factor that influence perceived value is functional value (service quality) and follow this functional value (professionalism), functional value (price), functional value (installation), emotional value (control), emotional value (novelty) and social value. So it can be said that functional values are more important than emotional and social values in health services. This result ordinary and expected for health services. Because, people go to the hospital for their illness. They want to be cured from their illness firstly and they haven't so lazy time to think emotional and social environment. For this reason, service quality, especially taken from doctors, is the most important factor. Patients shouldn't be waited. Hospital staff should be knowledgeable about their job, polite, respectful and courteous. Patients are generally dispirited so staff must be humoured, smile on, friendly and humanist. Cleanliness is very important factor for hospital so that personnels should be clean. With regard to the implications, when designing health services, hospital managers must pay special attention to the price. With regard to income per person in Turkey, price in private hospitals shouldn't be so high. Generally, most of the Turkish people have health insurance and with new law regulations all of the people that have health insurance, could cured with no extra payment. This situation is new and unknown by the people. In addition to this, there are no private hospital most of the cities of Turkey. Great deal of the private hospital are in big cities like İstanbul and Ankara. So public and university hospitals protect their importance. Installation is another important factor that determine perceived value. Hence, If private hospital is far away from the city center and unknown place, patient couldn't get there of find it. Patients generally prefer the hospital that is the nearest to them. Beside, hospital environment should be clean and secure.

We have seen that a series of important changes are taking place in the health services business and that, in this situation, it is necessary to develop strategies that prevent loss of hospital customers. Hospitals must maintain long term relationships with their customers in order to obtain the advantages of a customer base loyal to the firm and for this purpose it is necessary to orientate hospital management around the value perceived by the customer. Thus the principal source of competitive advantage is to compose an offer that provides the hospital customers with a perceived value higher than that of the competition, thus achieving a competitive advantage in that market. When proposing an offer, it is fundamental to take into account the particular characteristics of health services, specifically their complexity.

The limitations of this study indicate some paths to be followed in the future. We have focussed on a very specific health services; private hospitals so that extending its conclusions to health in general, public hospitals must be taken into account. Another limitation has to do with the sample, since we have focussed on a single Hospital that named Farabi Hospital. Looking to the future, the ours scale should be tested in other cities and other countries. It should also be analysed whether the heterogeneity of the market and the existence of segments imply changes in the importance of the dimensions of perceived value. Finally we consider it necessary to study the consequences of perceived value for the patients post purchase behaviours. More specifically we suggest analysing the causal relationship between perceived value and satisfaction and loyalty.

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APPENDIX A.

A. FUNCTIONAL VALUE (INSTALLATION) (Sa'nchez et al, 2006)

- I1. Favour the confidentiality
- I2. Tidy and well organised
- I3. Spacious, modern and clean
- I4. Well located (ç1) (5o)

B. FUNCTIONAL VALUE (SERVICE QUALITY) (Gallarza-Saura, 2006)

- Q1. Service reliability, consistency and dependency
- Q2. Service in a timely manner
- Q3. Competent employees
- Q4. Approachable employees and easy to contact
- Q5. Courteous, polite and respectful employees
- Q6. Employees' efforts to understand needs
- Q7. Employees' neatness and cleanness

C. FUNCTIONAL VALUE (PRICE) (Ralston, 1999)

- P1. Reasonable price service
- P2. Offering value for money
- P3. Good service for price
- P4. Economical service (ç3)

D. FUNCTIONAL VALUE (PROFESSIONALISM) (Sa'nchez et al, 2006)

- Pr1. Knowing job well (employees)
- Pr2. Advice is valuable (from employees)
- Pr3. Know the hospital's package (employees)
- Pr4. Good professional (employees)
- Pr5. Up-to-date about new items and trends (employees) (5o)

E. EMOTIONAL VALUE (NOVELTY) Otto (1997); Otto and Ritchie (1996)

- N1. Something new and different
- N2. Stimulated in some way
- N3. Something thrilling
- N4. A once in a lifetime experience
- N5. A memorable experience
- N6. Different world (ç2)

F. EMOTIONAL VALUE (CONTROL) Otto (1997); Otto and Ritchie (1996)

- C1. Secure area
- C2. Communicate freely with employees
- C3. Play a role in or contributed to the service process
- C4. Choice in the way things are done
- C5. Consumer privacy
- C6. Cooperation between the hospital and consumer
- C7. Control over the way things turned out (ç2)

G. EMOTIONAL VALUE (HEDONICS) Otto (1997); Otto and Ritchie (1996)

- H1. Doing something really like to do
- H2. Having fun
- H3. Feeling relaxed
- H4. Want to share experience with others afterward
- H5. Being pampered (ç2)

H. SOCIAL VALUE (Sa'nchez et al, 2006)

- S1. Social approval
- S2. Customer' certain levels and styles
- S3. Performing services for many people that customer know (5o)