Impact of Digital Service Innovation on Customer Engagement: Moderating Impact of Service Orientation in Health Care Sector

Uditha Jayanath Mirando

University of Kelaniya, Sri Lanka

Increasing incapability of physical presence in the service delivery process demands service organizations to use more digital technologies. Due to dependency technological advancement in this digital era on the technical environment and prevailing new normal conditions on the natural environment are influenced by this trend. Subsequently, cultivating a culture for capturing customer expectations can be offered an additional set of values for them. It has become a favorable factor that minimizes the competitiveness in the relevant market. Accordingly, based on the prior studies, it is apparent that there is a positive impact of digital service innovation on customer engagement. Despite the higher number of studies in this respect, the role played by service orientation has not been investigated so far. Therefore, the purpose of this study is to investigate the impact of digital service innovation on customer engagement in the health care sector and examine whether this relationship is moderated by service orientation in the Sri Lanka context. This study is based on a quantitative research approach and has been carried out as a crosssectional study. Customers who experienced the health care facilities in Sri Lanka are members of the study population. There is no sample framework because unable to find the exact list of customers who experienced the health care facilities in Sri Lanka. Therefore, a sample of 281 customers drawn using a convenient sampling technique was used. Collected data were analyzed using the structural equation modelling based on SPSS 21.0 version & Amos 21.0 version. It was revealed that digital service innovation has a direct positive impact on customer engagement, where this relationship is moderated by service orientation in the Sri Lanka context. Accordingly, findings provide valuable insight to serveries providers. Within the process of service designing innovatively, service designers should use digital technologies. Further, service providers in the health care sector should concern dynamic customer requirements timely in delivering their service package.

Keywords: Customer Engagement, Digital Service Innovation, Health Care Sector, Service Orientation