



SDI Review Form 1.6

Journal Name:	British Journal of Economics, Management & Trade
Manuscript Number:	2013_BJEMT_6318
Title of the Manuscript:	Examine the effects of customer satisfaction on customer loyalty: An empirical study in the healthcare insurance industry in Hong Kong
Type of the Article	Research Paper

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This journal's peer review policy states that **NO** manuscript should be rejected only on the basis of '**lack of Novelty**', provided the manuscript is scientifically robust and technically sound.

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PART 1: Review Comments

	Reviewer's comment	Author's comment (if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)
<u>Compulsory</u> REVISION comments	The model (Figure 1) shows switching costs as subsequent to customer satisfaction, whereas they are often viewed as antecedent (line 398). The survey instrument would have been much improved with two key steps – conducting some prior depth interviews to identify key consumer issues, and more comprehensive item development. As is, the model is expected to produce high loadings because there are so few moving parts. Table 1 – item are incomplete, no mention of repeat purchase or intent to recommend. These are found in a related construct (Loyalty) in table 4. Table 3 – incomplete items for switching costs – some psychological barriers, but not adequate. Contract length, relationship, social barriers, etc.	The argument in line 398 elaborated switching costs as the antecedent of customer loyalty but not of customer satisfaction. It helps to formulate the hypothesis H5. It is a good suggestion to conduct interviews in future to enhance the results of this research. The construct “customer satisfaction” in this research was measured by using a three-item, seven-point Likert-type scale adapted from Hellier, Geursen, Carr, and Rickard (2003). The measurement of this construct could be improved in future by employing the issues suggested by reviewers, such as repeat purchasing and intention to recommend. Switching costs was measured by adapting the measuring items from Ranaweera and Prabhu (2003). It might be incomplete if more psychological factors are considered. The authors will enhance the measurement of this item in future studies.



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<u>Minor</u> REVISION comments	Table 5 – simple tests for the statistical validity of the sample should be done. Apparent major differences in gender and education.	Since the theme of this research is to evaluating the relationships between the major constructs, customer satisfaction and customer loyalty and some mediating variables. So this research did not present the statistical validity of demographical variables.
<u>Optional/General</u> comments	This is a familiar model going back to Oliver (94, 97, 2001, etc.). The subject has been extensively examined in the Journal of Marketing, for example, for the past two decades. A critical assumption is that HK consumers deal directly with the insurance companies for coverage; in other countries it is often the case that employers provide healthcare coverage as a benefit, either fully or partially. If the latter is the case in HK, then a three-way relationship needs to be considered, and switching is much more problematic. Excellent conceptual approach with SEM. Typos line 410 (sine should be since; casual should be causal). However, the author(s) should take care to protect the respondents identities during data collection and subsequently.	The authors agreed with the general comments from the reviewer. Those comments will be considered in future research. Typos errors have been fixed. The identity of the respondents has been protected during the data collection process and also after the data was analysed.