

Healthcare Marketing - A desired change for Indian Consumers of healthcare services.

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ABSTARCT:

Healthcare is one of India's largest sectors, in terms of revenue and employment, and the sector is expanding rapidly. During the 1990s, Indian healthcare grew at a compound annual rate of 16%. Today the total value of the sector is more than \$34 billion. This translates to \$34 per capita, or roughly 6% of GDP. In this increased competition to sustain patient loyalty, overall satisfaction and quality of the healthcare services, in general has to be understood by healthcare providers. The concept of healthcare marketing has led to research on various concepts such as Customer relationship management, High-tech Mobile healthcare, linking strategy to performance improvement (flywheel effect), Use of internet etc. This article studies the patient's desires from hospitals, factors affecting their choice of healthcare provider and their satisfaction levels understood by healthcare providers. Patient satisfaction is a critical part of the quality outcomes of healthcare. Every industry is interested in customer satisfaction because satisfied customers are loyal customers. Many research studies assume that satisfied patients are more likely to recommend their providers to their friends and to return when they need care again. Few questions which hospitals need to ask themselves are how people really make decisions—what they want, what they need and what they'll sacrifice to get what they need. Also, CRM has developed as an approach based on maintaining positive relationships with customers, enhancing customer loyalty, and expanding customer lifetime value. The rise of customer relationship management (CRM), with all its components, is perhaps the greatest threat yet to marketing and marketers. There are five key concepts considered universal truths in defining what motivates the mature marketplace.

Key words: Healthcare providers, Flywheel Effect, Patient Loyalty, High Tech marketing, CRM

Introduction:

In the past, companies were using the supply-push strategy of business which is to produce products and services with different specifications to customer. This strategy is found inefficient, therefore another strategy is raised. This strategy is called as demand-pull strategy which is to produce products and services based on the customer preferences. Because of this, organizations had to shift from being

product centric to become a customer centric. There is where Customer Relationship Management (CRM) comes into this view to accomplish this transformation.

In the 1990s, Customer Relationship Management (CRM) started emerging across the majority of industries. The aim is for reaching the customer centric approach in doing business by treating different customers by different ways to achieve mutual benefits for both the organization and the customer. Among the benefits, CRM is expected to help the organization to provide products and services according to the customers' preferences, through knowing the customers' needs to improve customer satisfaction and increase customer loyalty. CRM is also expected to increase the revenues and decrease the operational cost, as the cost of selling to the new new customers is much higher than selling to the existing customers (S. Zhong Hong, 2008). CRM could help the organizations in maximizing the benefits of every customer and making higher performance (Tarokh and Ghahremanloo, 2007). In addition to above benefits, there are intangible benefits for CRM including improving customer knowledge and boosting customer satisfaction (Mithas & Fornell, 2005). The financial industry has used data mining to examine and use purchasing behavior to drive campaigns. The average car loan is five years, so at four years and six months beyond the loan lender might send a message about special new car loan rates (John Hallick, 2004), in similar way hospitals can use data mining for patients and when patients will be near completion of their treatment duration a message can be sent for new Health check-up plans or during the treatment, reminders about next scheduled appointment can be sent to patients.

CRM has developed as an approach based on maintaining positive relationships with customers, enhancing customer loyalty, and expanding customer lifetime value. Very few organizations succeed in capturing real potentials of CRM, while many others fail. In recent exploration of critical success factors for CRM, King and Burgess (2008) highlight that management should make some changes, which includes both hard (technologies) and soft (people) aspects and it is a defining factor between the success and the failure of CRM. The soft aspects of change in management involve influencing people's feelings, attitudes, mindsets, and behaviors to achieve support for a CRM change. The forces of the Indian cultural and structural context are important in creating pressures against or in favor of a CRM change (Darshan Desai, Subrat Sahu, 2008).

Healthcare is one of India's largest sectors, in terms of revenue and employment, and the sector is expanding rapidly. During the 1990s, Indian healthcare grew at a compound annual rate of 16%. Today the total value of the sector is more than \$34 billion. This translates to \$34 per capita, or roughly 6% of

GDP. By 2012, India's healthcare sector is projected to grow to nearly \$40 billion. The private sector accounts for more than 80% of total healthcare spending in India. Unless there is a decline in the combined federal (central government) and state government deficit, which currently stands at roughly 9%, the opportunity for significantly higher public health spending will be limited. One driver of growth in the healthcare sector is India's booming population, currently 1.1 billion and increasing at a 2% annual rate. By 2030, India is expected to surpass China as the world's most populous nation. By 2050, the population is projected to reach 1.6 billion. Another factor driving the growth of India's healthcare sector is a rise in both infectious and chronic degenerative diseases. Paralleling the rise of disease is the emergence of a robust pharmaceutical industry in India.

Healthcare organizations are facing many challenges in the 21st century that are changing today's landscape and molding the future. These organizations are dealing with significant financial issues related to an ever-growing number of uninsured patients and the extensive difference between reimbursement levels and actual expenditures. This has sparked intense competition, igniting a battle for insured customers and the push of profitable service lines.

Patient satisfaction is a critical part of the quality outcomes of healthcare. Every industry is interested in customer satisfaction because satisfied customers are loyal customers. Healthcare is no exception. Many research studies assume that satisfied patients are more likely to recommend their providers to their friends and to return when they need care again. Patient satisfaction is a critical part of the quality outcomes of healthcare. Quality of healthcare is often measured with structure, process, and outcomes, and the outcomes include such traditional measures as mortality, morbidity, and functional improvements. Patient satisfaction is also part of this dimension. Many recent patient satisfaction studies have investigated how patients combine their attribute reactions (how they react to each attribute, such as nursing care and physician care) to arrive at their overall sense of satisfaction.

Research Methodology

This research was carried out with following objective

- To know what customers look for while selecting any hospital
- 1. Review of literature through books, websites, research journals and articles.
- 2. Primary data was collected using questionnaire which was filled by 100 consumers of healthcare services selected randomly from the Pune region.

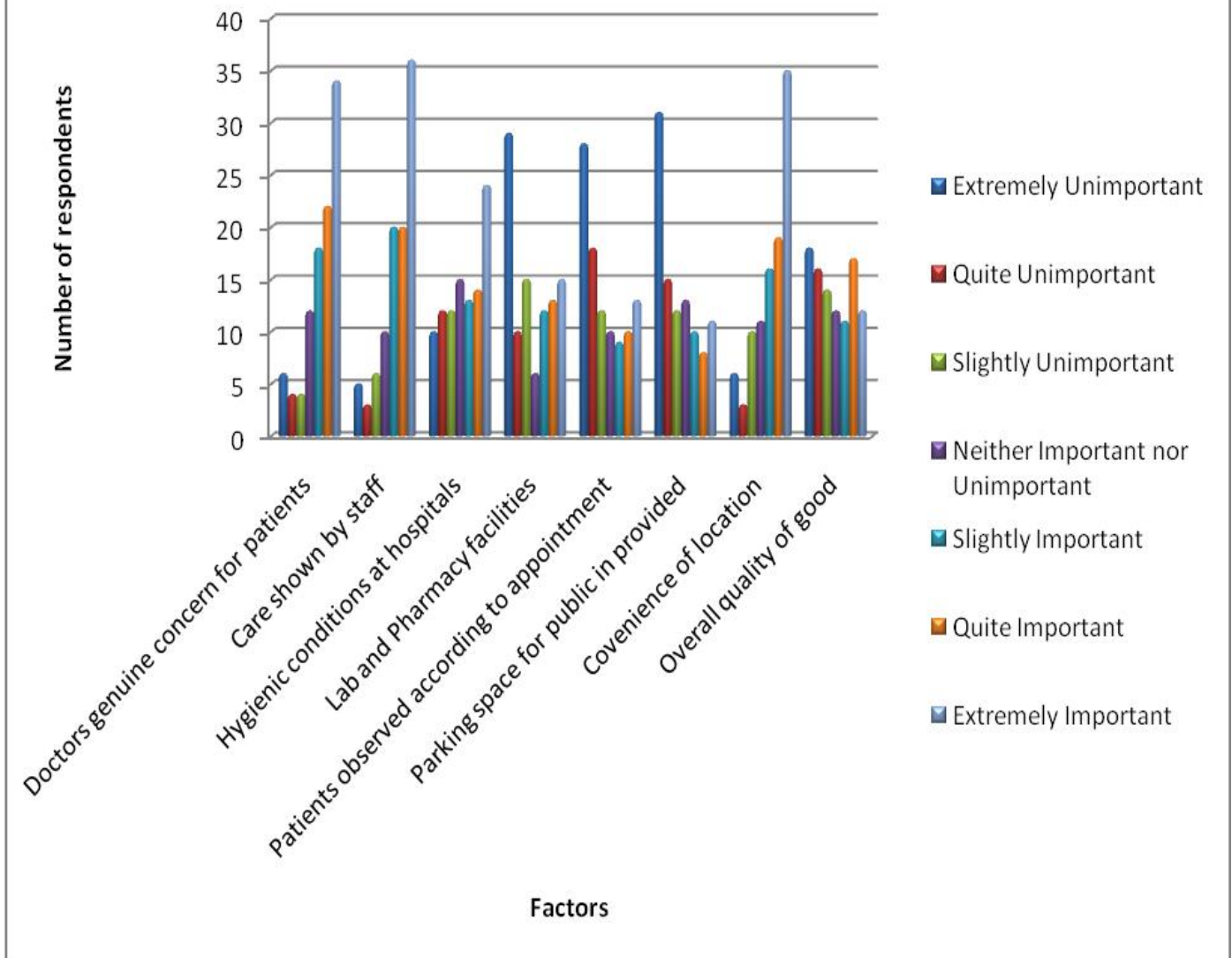
The research was done considering following factors which may affect decision of patients to go to the same health care provider second time. These factors have been explained as follows –

1. Doctors have genuine concern about patients: How doctors communicate and behave with patients when they come for diagnosis or treatment purpose
2. Care shown by staff and nurse towards patient: During patients visit how staff and nurses take care of his necessities and how they help when without having that job enlisted in their profile
3. Hygienic conditions at hospitals: Cleanliness and timely housekeeping of hospital
4. Lab and Pharmacy facilities: Whether there are laboratory and pharmacy facilities available in the hospital premises.
5. Patients are observed according to appointment
6. Parking space for public is provided
7. Convenience of location.
8. Overall quality of service

Findings

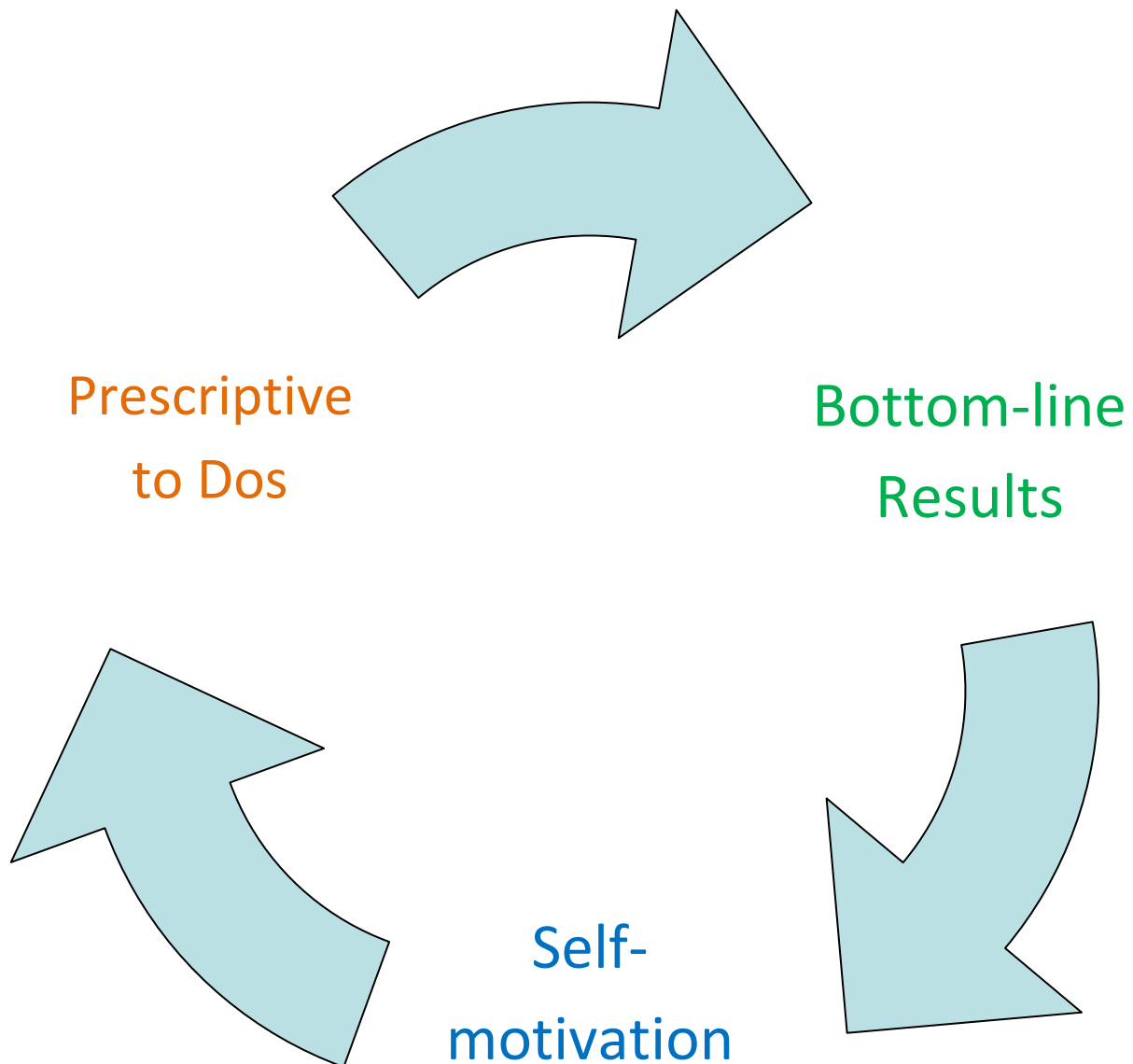
These factors were rated on the scale of 1 to 7, 7= Extremely Important, 6= Quite Important, 5= Slightly Important, 4= Neither Important and Unimportant, 3= Slightly unimportant, 2= Quite unimportant, 1= Extremely unimportant.

factors affecting selection of hospitals



Hygienic The primary study shows that consumers of healthcare services has given more importance to care and help given by nurses and other admin staff to patients, The least important factor for them was parking space provided by hospitals in the compound of hospital itself.

Healthcare Flywheel:



Source: Quint Studer, Journal of Healthcare Management 56:2

Healthcare organizations succeed because their commitment flows from the right reasons: They want to provide better care to patients, a better workplace for employees, and a better place to practice medicine for physicians. It all starts with a commitment to purpose, worthwhile work, and making a difference. These are the values that rest at the core of the journey and at the hub of the healthcare flywheel. The healthcare flywheel shows how organizations can create momentum for change by engaging the passion of their employees to achieve bottom-line results.

Understanding Self-Motivation -

People in healthcare are passionate and self-motivated. This is a critical step in creating the kind of organizational culture that encourages greatness. Without it, there will be little movement, and it won't be possible to sustain the gains that are made.

Behind Prescriptive to Dos –

The prescriptive to dos are the techniques, tools, and behaviors that will achieve results under goals that organizations set using what one call the five pillars of excellence: people, service, quality, finance, and growth. Five "must haves" to succeed are: (1) rounding for outcomes, (2) employee thank you notes, (3) employee selection and the first 90 days of employment, (4) discharge phone calls, and (5) key words at key times.

Bottom-line Results -

Every organization has expected results of any action taken for betterment of it. Healthcare organizations are no exceptions, brand name, high quality health services, cost effective ways for running organizations etc. are some expected results by healthcare organizations.

Suggestions:

The primary study shows that consumers of healthcare services have given more importance to care and help given by nurses and other admin staff to patients, secondly importance was given to behavior or concern shown by doctors towards patients when they come for consultation and treatment.

The lesson here for healthcare service providers is to be cognizant of a simple fact that most of the available alternative access points are disconnected from the provider networks and other resources that the organization spent many years and lots of capital to develop. Watch the environment closely, and seize the opportunities it presents.

PARTNERSHIP BETWEEN HOSPITALS AND RETAILERS:

Collaborations between healthcare organizations and retailers are not new. Over the years, many major stores have given money to hospitals, clinics, health departments, and health/safety-related programs in exchange for various goods or services, including a better image in the community.

HIGH-TECH, MOBILE HEALTHCARE:

Forward thinking organizations have stretched the concept of the simple ambulance to enhance and support their services and programs and to facilitate the community's access to their facilities specifically or to healthcare generally. Among the many outgrowths in this area are the mobile healthcare clinic, mobile critical care unit, and air transport.

MEDICAL TRANSMITTERS AND REMOTE MEDICINE:

Although it offers numerous benefits, telemedicine has taken a back seat to many other investment priorities. Several factors in today's environment—including the aging of the population and shortage of primary care physicians, especially in rural areas—could accelerate telemedicine's adoption by health systems and hospitals, or at least open possibilities for new sources of revenue.

INTEGRATED COMMUNICATIONS

Mass Communication: It includes

1. Advertising: TV, radio, newspaper, outdoor, magazine, and direct mail media were designed with two objectives in mind - (1) to provide a broad reach among the general population and, therefore, ensure that potential users of the Emergency Heart Center would be exposed to the message; and (2) to provide adequate frequency so consumers would comprehend and retain the message.
2. Sponsorships: Sponsoring health check-up camps, social events is one of the most
3. Direct Marketing: Through brochures and hoardings.
4. Personal Communication: Various personal communication activities were used to build trust and establish relationships. Specific objectives were (1) to establish a relationship building point of person-to-person contact between the individual and the organization, (2) to provide a point of entry into the organization for those patients with immediate needs, and (3) to gather information for the relationship marketing database.

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