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HOSPITAL EMPLOYEES' PERCEPTION OF MARKETING STRATEGY AT H. ABDUL MANAP GENERAL HOSPITAL IN JAMBI CITY

Milya Timeida*, Kurnia Sari

Faculty of Public Health, Universitas Indonesia

*Corresponding author's e-mail: milco_timeida@yahoo.com

ABSTRACT

Background: A hospital is required to be capable of maintaining its existence by developing effective marketing strategies to encounter the globalization challenges. The marketing strategy in the hospital is influential for its activities to provide appropriate services to the patient's needs. This study aims to determine the hospital employees' perception towards priority marketing strategy at H. Abdul Manap Regional Hospital.

Methods: This study was used the quantitative method with the descriptive analytic research. This research conducted in 602 people while the samples were 240 people, selected by accidental sampling technique. The primary data collection was conducted by employing a questionnaire as the survey method. The data analysis carried out was univariate analysis to obtain a percentage value description for each marketing strategy.

Results: The results identified that price was the top priority marketing strategy voted by 171 respondents (71.3%). On the second rank, Product was voted as the top marketing strategy by 141 people (58.8%). In the third position, Professionalism was voted by 132 people (55.0%) as the top priority for marketing strategy.

Conclusions: The research concludes that the hospital employees perceived that H. Abdul Manap General Hospital needed to prioritize price, product, and professionalism in developing its marketing strategies. It is advised that H. Abdul Manap General Hospital revise its price, develop new products based on patient needs, and provide professional human resources with good communication skills.

Keywords: Marketing Strategy, Perception, Hospital Employees

INTRODUCTION

Nowadays, hospitals have undergone character change, from social services to socio-economically management (economically management, without leaving identity as an institution of social service) and finally lead into an industry or business [1]. The globalization impact requires the hospitals to alter the management and organization to be capable of competing with local, national, and international rivals. To maintain its existence, the hospital should develop effective marketing to encounter the globalization challenges [1].

The growth of public hospitals, private hospitals, and specialist hospitals in Indonesia increases in number. The 2017 Indonesia Health Profile stated that the number of hospitals in Indonesia increased from 2,406 to 2,776. In 2017, it consisted of 2,198 general hospitals and 578 specialist hospitals [2]. The hospitals in Jambi City also increase within years, from 16 hospitals in 2017 to 17 hospitals in 2018. The data includes government-owned hospitals, Military/Police hospitals, and private hospitals [3].

Therefore, it is predicted that hospitals in Indonesia, especially in Jambi City, will experience intense competition. A large number of hospitals with various services that offer various kinds of advantages, be it in terms of technology, prices, and services, has compelled the hospitals to develop an effective marketing strategy. In addition, some marketing experts state that the importance of hospital marketing in hospital management is increasingly realized [4].

Hospitals are required to conduct a good and competitive competition. Therefore, they must strive to improve their services and facilities. In addition, to introduce their service products to the public, hospitals must conduct marketing activities. It is not an ordinary promotional practice, yet, it requires the right and effective strategy. The marketing strategy implemented by hospitals is influential in their activities to provide appropriate services that suit the patient needs [5].

Marketing is an organizational function as a set of processes for creating, communicating, and conveying valuable points to the customers, and managing relationships with customers in such manners that are beneficial to both parties [5]. Marketing is a social process in which individuals and groups in the society try to meet the needs and achieve what they want through the creation, supply, and exchange of goods and services at liberty [6]. In addition, marketing is an effort to synergize a number of activities, namely service design, pricing, communication or promotion, and providing a place for service delivery, in a method referred to as a marketing mix [7]. Based on the above understanding, it can be concluded that hospital marketing aims to introduce the hospital to the community, inform its provided service, establish and maintain its image through community trust and appreciation of the hospitals' capabilities and acknowledge what is really required and desired by the patients. One of the marketing objectives is to increase health services utilization. In other words, the objectives are to increase the number of patients who use health services in the hospital [8].

Marketing strategy is considered as one of the core concepts of marketing theory. The marketing concept was popularized for the first time by Jerome Mc Carty who formulated 4P (Product, Price, Promotion, and Place) [9]. The innovative marketing strategies adopted by hospitals to sell their services and try to explore the marketing process are commonly referred to as 7P, namely Product, Price, Promotion, People, Place, Process, and Physical Evidence [10]. In addition, there is a marketing strategy with 10P [11].

Table 1. Marketing Strategy

No.	Strategy	Description
1	P1: <i>Product</i>	Types of services provided, be it in the form of preventive, diagnostic, therapeutic, etc [12].
2	P2: <i>Place</i>	Covers the place of service, time spent, referral concepts, etc [9].
3	P3: <i>Price</i>	Not only in the form of price for one type of action but the overall costs incurred by the patient to get services at the hospitals [12].
4	P4: <i>Promotion</i>	How patients know about the type of services, how they are motivated to use it, how they then use it continuously and disseminate that information to their colleagues [12].
5	P5: <i>Professionalism</i>	How employees or man power in the hospitals are capable of working well in accordance with the knowledge obtained and according to their respective fields. Therefore, there will be no error in the patient's service, and with the employees or manpower professionalism, patients satisfaction towards the services can be guaranteed [13].
6	P6: <i>People</i>	Service providers that greatly affect the service quality provided [8].
7	P7: <i>Public</i>	Hospitals are required to be well-related and have social care for the community as well as social responsibility towards the environment [13].
8	P8: <i>Power</i>	Hospitals are required to build or have the power to work with other agencies that can support the hospital's dissemination and development [13].

No.	Strategy	Description
9	P9: <i>Pressure</i>	Hospitals must have pressure on parties, agencies, and companies. Then the hospitals should establish cooperation with the company so that whenever they need health services, they will employ the hospital [13].
10	P10: <i>Performance</i>	Hospitals' work results in terms of satisfying the patients and the special activities that have publicity value [13].

The above elements influence each other. Thus, if one element is not properly organized, it will affect the overall marketing strategy [9].

H. Abdul Manap Hospital is a Regional General Hospital which is the eastern Jambi regional referral hospital. The hospital is qualified as type C hospital with the number of visits reaching 45,307 people in 2012, 47,330 people in 2013, 52,012 people in 2014, 66,461 people in 2015, 76,434 people in 2016, and 77,373 people in 2017. Each year, the total number of visits has always increased despite not being significant. The less optimal increase in the number of visits is a major concern for H. Abdul Manap General Hospital since it is one of the biggest contributors among other hospital products.

From 2009 to 2017, H. Abdul Manap General Hospital had attempted to improve the types of services and facilities. Based on the data obtained by the service types of outpatient services at H. Abdul Manap General Hospital, there was an increase from 15 polyclinics in 2016 to 17 general medical service polyclinics and 13 specialist medical services in 2017. Nevertheless, the increase in the polyclinics number did not significantly increase the number of patient visits in outpatient care. The trend is identified from the number of outpatient visits amounting to 55,982 people in 2015, 64,577 people in 2016, and 65,596 people in 2017 [14].

Regarding this condition, it is important for H. Abdul Manap General Hospital to develop the right marketing strategy since, recently, most hospital marketing is still considered as a promotional activity. The misinterpretation of marketing is because many hospitals still do not realize the exact definition of marketing. This misinterpretation raises the wrong perceptions not only about marketing activities but also about the marketing employee duties [15]. Implementing the 10P marketing strategy can help obtain what is truly desired. Hence it can put the right product with the right place, by the right promotion, and at the right price.

For this reason, the hospital is required to conduct research by examining hospital employees' perceptions towards the priority marketing strategies at H. Abdul Manap General Hospital. It is necessary to develop the lacking strategies further, maintain the successful strategies, and continue to improve the hospital services' quality. Therefore, the number of patient visits to come for treatment or use services in H. Abdul Manap General Hospital is expected to increase with good quality services, satisfy the patients, and promote the hospitals' existence and development properly.

METHODS

This research was conducted to examine the hospital employees' perception towards the priority marketing strategy at H. Abdul Manap General Hospital, with a quantitative analytic research design. The study was carried out at H. Abdul Manap General Hospital in December 2018. The population in this study was all employees of H. Abdul Manap General Hospital, consisting of 602 people. The sample selection applied the following formula [16]:

$$n = \frac{4 p q}{L^2}$$

And

$$n_1 = \frac{n}{1 + \frac{n}{N}}$$

Where, n = initial sample amount

p = the nature of a situation in percent, if unknown it is considered 50%

q = 100% - p

n_1 = the actual number of samples

N = Population

L = Standard Deviation used, generally 5%

By implementing the formula above, the number of obtained samples reached 240 people. Then, the sampling was conducted through an accidental sampling technique.

The data collection was obtained in two methods, i.e., primary data through surveys with questionnaires, and secondary data in the form of the data on the hospital employees' number, hospital's organizational structure, and other related data. The data analysis employed was a univariate analysis to achieve the percentage value overview of each marketing strategy. This research was conducted after obtaining the approval for the request of data retrieval from the director of H. Abdul Manap General Hospital dated November 30, 2018, number 800/1902/TU.2/RSUD.HAM/XI/2018.

RESULTS

From the questionnaire distribution results, the hospital employees' perceptions of the 10P strategy were obtained as follows:

Table 2. Employees' Answer Distribution towards Product

Strategy	Not Priority		Priority		Top Priority		Total
	n	%	N	%	n	%	
P 1 : Product	20	8.3	79	32.9	141	58.8	240

From Table 2, it is illustrated that 141 people or 58.8% perceived Product as the top marketing priority, while those who perceived it as priority amounted to 79 people or 32.9%. Last, those who perceived it not as a priority reached 20 people or 8.3%. From the whole results, Product was placed in the second order of what to prioritize in the marketing strategy of H. Abdul Manap General Hospital.

Table 3. Employee Answer Distribution towards Place

Strategy	Not Priority		Priority		Top Priority		Total
	N	%	N	%	N	%	
P 2 : Place	40	16.7	160	66.7	40	16.7	240

From Table 3, only 40 people or 16.7% perceived Place as the top priority, while the highest vote considered it as a priority, reaching 160 people or 66.7%. Last, those who perceived Place, not as priority reached 40 people or 16.7%. Hence, according to the hospital employees, Place only became a priority in the marketing strategy of H. Abdul Manap General Hospital.

Table 4. Employee Answers Distribution towards Price

Strategy	Not Priority		Priority		Top Priority		Total
	n	%	N	%	n	%	
P3 : Price	7	2.9	62	25.8	171	71.3	240

Table 4 described that 171 respondents or 71.3% perceived Price as the top priority, while those who perceived it as priority reached 62 people or 25.8%. The respondents who perceived it not as a priority amounted to 7 people or 2.9%. From this result, Price was placed in the first priority in the marketing strategy of H. Abdul Manap Regional Hospital.

Table 5. Employee Answers Distribution towards Promotion

Strategy	Not Priority		Priority		Top Priority		Total
	N	%	N	%	N	%	
P 4 : Promotion	28	11.7	124	51.7	88	36.7	240

Table 5 identified that only 88 people or 36.7% perceived Promotion as the top priority, while the highest answer was that Promotion priority perception of 124 people or 51.7% and those who perceived the criteria, not as priority reached 28 people or 11.7%. This finding implies that the hospital employees prioritized Promotion in the marketing strategy of H. Abdul Manap General Hospital.

Table 6. Employee Answers Distribution towards Professionalism

Strategy	Not Priority		Priority		Top Priority		Total
	N	%	N	%	n	%	
P5: Professionalism	26	10.8	82	34.2	132	55	240

From Table 6, it is illustrated that 132 people or 55% perceived that Professionalism was the top priority, while those who perceived it as priority reached 82 people or 34.2% and those who perceived it not as a priority amounted to 26 people or 10.8%. From the result, it is concluded that Professionalism was placed in the third order of what to prioritize in the marketing strategy of H. Abdul Manap General Hospital.

Table 7. Employee Answers Distribution towards People

Strategy	Not Priority		Priority		Top Priority		Total
	n	%	N	%	N	%	
P6: People	28	11.7	142	59.2	70	29.2	240

The above table identified that only 70 people or 29.2% perceived People as the top priority, while the highest was priority perception of 142 people or 59.2% and those who perceived not priority were 28 people or 11.7%. According to hospital employees, People only become a priority in the marketing strategy of H. Abdul Manap General Hospital.

Table 8. Employee Answers Distribution at H. Abdul Manap General Hospital towards Public

Strategy	Not Priority		Priority		Top Priority		Total
	n	%	N	%	n	%	
P7: <i>Public</i>	73	30.4	126	52.5	41	17.1	240

From Table 8, it is achieved that only 41 people or 17.1% had the perception that Public was the top priority, while the highest vote believed that the criteria as a priority by 126 people or 52.5%. On the middle ground, those who perceived it not as priority reached 73 people or 30.4%. Therefore, the hospital employees did not consider Public as the priority in the marketing strategy of H. Abdul Manap General Hospital.

Table 9. Employee Answers Distribution at H. Abdul Manap General Hospital towards Power

Strategy	Not Priority		Priority		Top Priority		Total
	N	%	N	%	n	%	
P8 : <i>Power</i>	50	20.8	145	60.4	45	18.8	240

Table 9 describes that only 45 people or 18.8% perceived Power as the top priority, while the highest vote was to put the criteria as a priority, reaching 145 people or 60.4%. The respondents who perceived the strategy, not as a priority reached 50 people or 20.8%. Thus, in the hospital employees' opinion, Power was considered as a priority in the marketing strategy of H. Abdul Manap General Hospital.

Table 10. Employee Answers Distribution towards Pressure

Strategy	Not Priority		Priority		Top Priority		Total
	n	%	N	%	n	%	
P9: <i>Pressure</i>	80	33.3	137	57.1	23	9.6	240

Table 10 identified that only 23 people or 9.6% perceived Pressure as the top priority, while the highest vote put the category as a priority, reaching 137 people or 57.1%. On the middle ground, the category was voted not as a priority by 80 people or 33.3%. Hence, according to the hospital employees, Pressure was not the priority category in the marketing strategy of H. Abdul Manap General Hospital.

Table 11. Employee Answers Distribution towards Performance

Strategy	Not Priority		Priority		Top Priority		Total
	n	%	N	%	n	%	
P10: <i>Performance</i>	40	16.7	150	62.5	50	20.8	240

From Table 11, it is obtained that only 50 people or 20.8% perceived Performance as the top priority, while the highest vote chose the category as a priority, reaching 150 people or 62.5%. On the middle ground, the respondents who perceived not priority reached 40 people or 16.7%. The finding implies that the hospital employees regarded Performance as the priority in the marketing strategy of H. Abdul Manap General Hospital.

DISCUSSION

The results identified that Price was the first top priority marketing strategy according to the employees' perception of H. Abdul Manap General Hospital. Price is an essential element in the marketing strategy because it will relate to the hospital's continuity. In addition, pricing is also important because price

determines business income [7]. Price does not merely mean the price for one type of examination or action, but the overall costs that need to be incurred by the patient to obtain hospital services [12]. Hence, H. Abdul Manap General Hospital must make a move to set new price, because the current price is based on the Jambi City Regulation Number 12 of 2017 concerning on the Second Amendment to the Regional Regulation Number 2 of 2012 concerning Public Service Retribution. Generally, hospitals encounter complex problems when dealing with price. Nevertheless, this price increase must be implemented carefully to prevent losing customers or patients.

The second top priority was Product. If the patients feel that the services and products offered by the hospital are worthy, that experience will be used as an evaluation material to contemplate the decision to reuse the services and products [17]. A product is considered complete if the patients' needs regarding health services have been fulfilled in every part of the hospital. In this case, the core products of RSUD H. Abdul Manap are medical devices, medicines, and the treatment at the polyclinics.

Lastly, the third top priority was Professionalism. To produce quality service that suits patient expectations, the human resources competencies, especially the one directly related to the care process, is highly crucial. Human resources competencies include employee's characteristics such as motivation, character, expertise, self-perception, social role, or body language that produces effective performance [18]. In relation to marketing, human resources function as service providers, which greatly influence the service quality provided. Nevertheless, the marketing success at the hospital also depends on the available human resources.

From the research results, it was obtained that the Pressure and Public criteria become were not prioritized by the employees. In this case, Pressure can be interpreted that the hospital was capable of cooperating with insurance. H. Abdul Manap General Hospital has collaborated with BPJS (Indonesian Social Security Agency) and become a BPJS referral facility in Jambi City. On the other hand, Public means that the hospital must have a social responsibility towards the environment, in which H. Abdul Manap General Hospital already has good and safe waste management so that it does not pollute the surrounding environment. These are the reasons underlying why Pressure and Public were no longer prioritized by the employees to become the marketing strategy in H. Abdul Manap General Hospital.

CONCLUSION

From this research results, it is concluded that Price (71.3%), Product (58.8%), and Professionalism (55.0%) are the top priorities of the hospital employees' as the marketing strategy of H. Abdul Manap General Hospital. Meanwhile, Place (66.7%), Performance (62.5%), Power (60.4%), People (59.2%), and Promotion (51.7%) were only considered as priorities. In addition, Public (30.4%) and Pressure (33.3%) were not prioritized for the marketing strategy of H. Abdul Manap General Hospital.

It is suggested that H. Abdul Manap General Hospital revise its price because the current price is no longer proper with the current conditions, in which the new price setting must be based on the unit cost of each activity by considering government regulations, the surrounding community condition. Most importantly, the price should provide equal value to the services provided. For Product, H. Abdul Manap General Hospital is required to develop new products based on the patient needs and to develop old products by assembling product packages. For Professionalism, H. Abdul Manap General Hospital is required to provide professional medical personnel in which their expertise shows the human resources' technical ability in completing their work, as well as their good communication skills which are also greatly important.

To start implementing the marketing strategy, H. Abdul Manap General Hospital should reorganize itself, especially for the marketing organization and clarify the tasks and functions of the organization.

In addition, it is also required to have employees who understand modern concept marketing and its application.

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