

ICASH-PT08

THE ROLE OF HOSPITAL MARKETING MIX TO THE SELECTION OF THE HOSPITAL CONSUMER

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ABSTRACT

Background: *The significant growth of hospital both of private and public hospital, additions requiring productive marketing strategy to sustained and increase consumers. Concept of 7p was developed from concept of 4p to create transparent communication between hospital and its customers. The given information will become the reason for customers to make their health related decision. This review is to see the role of each 7p concept (person, place, promotion, physic, price, product and proses) in marketing and maintaining of hospitals.*

Methods: *Full articles available at PubMed and Google Scholar, published from 2010-2018, and the student thesis were considered to explore the hospital marketing with mix marketing approach.*

Results: *Of 412 full articles available at the searching tools, 10 articles have been selected for further discussion and analysis. From the results, it is noted that the 7p concepts of the costumer satisfactions present significant effects to the customers' trust to the hospital.*

Conclusion: *This systematic review even only answer four out of seven P concept including proses, promotion, person and product, the findings may present the references to the hospital marketing in delivering the significant result for increasing customers' satisfaction.*

Keywords: *Marketing mix, hospital marketing, customers' satisfaction.*

INTRODUCTION

The increase of needs in health care service especially, hospital in some countries caused by the growth of population, better society economic and social state also rapid development on health knowledge and technology create opportunity to build new hospital [1]. In Indonesia, between 2012 – 2018, growth of hospital is significant, especially of private hospital. Growth of private hospital approximately 34 % and public hospital only 14 % (2). This condition add more variation to hospital services, if hospital can maintenance and increase of consumers. The addition of new hospitals will create a high competition therefore will add more challenge for hospital marketing team in advertise and getting market share.

On the other side, customers have strategic role on hospital continuity. Customers will have more choice on picking which hospital they will get their treatment on. A good service from hospital workers and good facility will become major point for customers hospital satisfaction rating [3].

Customer satisfaction is the important factor for hospital performance valuation. Customers' evaluation on service quality will be the base concept on operational and performance measurement [4]. Hospital managers need to work on finding breakthrough on making the hospital be able to provide an optimum, sincere and standardized service for costumers [3].

Hospital need to build a positive image and maintain customer relationship so that hospital could maintain the trust of old costumers and attract more new costumers [3, 4]. Customer satisfaction is affected by various factor, starting from service aspect to medical aspect like morbidity and mortality rate on the hospital.

At the beginning marketing role was performed by human relationship (HR) department [4]. However, recently, the standard marketing role needs to be assigned to more specialized creative team so that the information about service aspect could delivered effectively and efficiently to society.

Hospital marketing is a service activity that delivering medical service to costumer [4]. According to Kotler [4,7], marketing is a social and managerial process which individual and group will getting what they need by created, offered and traded valuable products to the other. Hospital is one of the most important health care institution in improving society health standard.

Department of health republic of Indonesia issue policy on hospital marketing as follows (Darmanto Jojodibroto, [9]):

- Hospital marketing can be implemented so that utilization rate of hospitals could be higher resulting in increase of medical referral and expand coverage that will giving contribution toward health of the population.

Hospital marketing shouldn't be separated from purpose of health development which is: increasing coverage and service quality, so that standard of population health mix marketing strategy [7] become one of the main concept of marketing. The term of "mix" is referring to combination of concepts that been used by organizations on attract customers. Kotler, defines mix marketing as "a set of marketing tools owned by companies and used to achieve their marketing goal in market share". The first time introduced by Mc Carty,[7]as concept of 4p (product, price, promotion and place), this concept become popular in recent years.

Some researcher [6,7], concluded that concept of 4p isn't adequate for marketing and service. After that Booms and Bitner add up three other components that is: people, physical evidence and process, so that end up known as concept of 7p. Below are the explanations of each strategy in 7p:

Product (The Services): Services is the main component of hospital marketing. The needs must come from wish or desire of individual or group that being served. Services as product is the main component in every mix marketing strategy [1]) Medical services could be defined as the service of medical care that is meant to improving health of individual directly or indirectly, through procedure that is done by medical educated labor [4].Unique characteristic from service deciding service product that's being marketed.

Price: Satisfaction of the customer and profit are much related with long-term continuity of the organization. Because of that its need to be the attention and priority of marketing department. Price is one of the basic element of mix marketing [4]. Some of the researcher stated that price is the only factor from mix marketing strategy that able to generate income for the organization.

Expenditure played an important role on deciding the price of the hospital fees [1,4]. Manager must consider the organization goal and expenditure when fixing hospital fees. Fixed hospital fees need to occupy the

hospital financial need in form of profit. Other than fixing price strategy, hospital also affected by consumer price elasticity [4,6] Fixing price strategy have significant positive effect on hospital performance.

Place: Distribution is related to the product availability and accessibility. Carter et all [6], stated the importance of varied distribution channel. Health care organization which the main product is service must consider three types of distribution. That is physical access, time access and information access.

Physical evidence: The display of work facility identical to physical display. Work facility display not only related to physical but also non-physical from service environment. Physical display gives first impression to the customer, such as cleanliness, tidiness and appearance of everyday service location. Service room that is messy, dusty, hot and uncomfortable can convince customers to move to another hospital. Service marketing researcher [7], stated the importance of physical evidence in service business to be able to send consistent message and maintain organization image. Loveloc argues that physical evidence is one of the vital component of 7p.

People: People played important role in service organization during the process of service delivery and customers' interaction. Service marketing has long believed that staff, especially contact staff is the important component in deliver high quality service and contribute to the customer satisfaction.

Doctor have significant freedom in fulfill customers' needs and interaction evaluation mostly based on experience and confidence [9]. Experience only can be evaluated during or after medical service

Process: Process could affect new customer on their trust, whether to stay or move to other hospital. Top management challenge in services industry is maintain the service quality, hiring employee and train employee. Customer's opinion about the service is affected by their experience during the service time.

Promotion: Promotion strategy and communication is one of the main component of hospital service marketing. Hospital competence in promoting and communicate the product really helpful to customers understanding on the product [4]. Communication method that being used need to be suitable to the need of the consumer that's being serviced.. Effective promotion could give chance to organization to differentiate themselves and their product from others.

Advertisement is expected to played important role in hospital searching in order to achieve market share and profit. This thing is already accommodated by many organization manager as a response to high competition between hospitals. Advertisement is an important component from this effort [9].

Andale , [7], discusses advertising as important tool for hospital because two reasons. First, advertisement is a competitive tool for hospital. Second, national survey result showing that 50% of consumer want to see or listen to hospital advertisement. Marketing can't be free from medical ethics or hospital ethics and all applicable law [7]. Writer interested to learn role of each component of 7p to customer satisfaction and marketing of hospital.

METHODS

A systematic review through an article review of mix marketing hospital with mix marketing AND hospital. Article search with PubMed and Google Scholar, with criteria publish on 2010 – 2018, have full text, in English. From 2012 article, 412 have full text that publish in 2010 -2018 just only 9 article, 1 of article is thesis and publish in digital library of Lampung University. Obtained 10 publication that meet the criteria for further discussion and analysis.

Table 1. Criteria for Inclusion and Exclusion

Inclusion Criteria	Exclusion Criteria
Publish between 2010 – 2018	Publish before 2010
English language	Non English Publication
Full text	Non Full text
Hospitals	Non hospitals

RESULTS

Data base result in 2010 article, after deleting publish between 2010 – 2018, with full text criteria, with 412 article meeting inclusion criteria scholarly journal. 10 articles identified to final review with full text in the hospital. Writer try to reviewing 10 number of article marketing research been done by researcher from different country.

Table 2. Final Papers

Publication years	Period of Study	Journal	Significant factor	References	Method of Research
2012	2012	The International Journal of Academic Research in Business and Social Science	Promotion, Person, Physic,Proces, Product	Radulascu, Violeta	Cross sectional study
2011	2011	Journal of Human Resources and Advertise Learning	Proses, Person, Price, Promotion	Chen Cuan-Biau	Cross sectional study
2014	2013	Journal of Management and Marketing Research	Price, , Proses, Product	Ekrich Donald W et all	Case Report
2012	2012	IOSR of Bussines and Management	Person, Proses, Promotion	Babskhar Lakshmi, et all	Cross Sectional Study
2017	2017	International Journal Research Granthaalayah	Price, Place	Julie George, Manita D Sah	Cross Sectional Study
2013	2013	Annals of the Constantinism University of Targu Jiu	Price, Promotion, Proces,	Bobeica	Cross Sectional study
2014	2014	International Journal of Management and Marketing Research	Person, Proses, Place, Promotion	Herni JA	Cross Sectional Study

Publication years	Period of Study	Journal	Significant factor	References	Method of Research
2013	2013	International Journal of Advanced Research in Management and Social Science	Place, Product, Person	Srenivas T,et all	Cross Sectional Study
2016	2016	Journal of Management and Marketing in Health	Proses, Person, Product, Promotion	Rafferty Joe A, et all	Cross Sectional Study
2018	2018	Digital Library of Lampung University, Thesis	Person, Proses, Physic, Place, Product	Purvitasari Diana	Cross Sectional Study

Research the impact of marketing mix to hospital performance measured by customer satisfaction. The result is five from seven marketing mix strategy have significant impact to hospital performance (1). Those strategy which is: product, promotion, process and people. Out of four strategy above price and place isn't have significant impact.

Hospital that its marketing department apply strict marketing strategy experience increase on their performance. Research also resulting in information that knowledge of senior manager is correlated to hospital marketing capability.

Different from Ala Edin dkk [3], Julie G and Manita G Sah [7] doing a research on service on people with limitation. Low cost service is needed so that coverage of service could be accepted well on most of the consumer. This thing is related to deficit on medical worker, bad infrastructure, low purchasing power, low insurance coverage, limited government spending and bad access to the service facility.

This think trigger some hospital manager to innovate with unique ability of economize so they able to offer quality low cost health care without compromise. They create standardized system where limited workforce overcome by training specialized worker that become extension of the doctor that will analyze and report the condition of the patient and after that receive handling instruction from the doctor.

Chuan Biau Chen [4] was doing research in Taiwan about influence of promotion toward customer hospital choice. The result as follows, Six way of related promotion able to influence consumer : free medical consultation, free care clinic,(price) reference by relation or friend, news exposure on television and education to increase knowledge about health and hygiene promotion method (promotion) , delivery of clinic schedule to potential consumer(place/accescable), at the top result in consumer with highest loyalty. Gender and age become significant factor in promotion activity preference.

Babeica AA, [8], research benefit on applying 4p marketing strategy in Rumania. The research conclude that marketing planning in service care have significant relation to the service quality. Customer service, financial stability, balance between stakeholders and shareholders also enhancement on future communication with customers.

This research also conclude how important marketing in hospital internal environment is[6], find that marketing with relationship marketing strategy significantly beneficial on maintain and expanding costumer by facilitated this process. In this thing costumers satisfactory become marketing tool. Customer getting involved in health club that was created by the hospital. Sometime costumer will be invited to seminar so they can be informed about disease that they suffer from.

Purwitasari Diana [12] did research about influence of marketing mix to customer satisfaction in RSUD MENGGALA, Tulang Bawang Distric, Lampung Province. She found that five from 7p (person, place, product, process and promotion) significantly affect customers satisfaction. However to inpatient there no significant satisfaction effect from 7p strategy. People is the most effective towards customer satisfaction both for inpatient and outpatient.

DISCUSSION

Marketing concept of 4p that later developed into 7p has made hospital manager need to change the policy in promotion and hospital marketing. Each of component in 7p have different impact in its contribution towards hospital marketing. According to Ala Edin [3], its found that five from 7p that is : product, promotion, physical, evidence, process and people is the most strategic component that significantly affect hospital marketing. While other two component isn't really significant.

Different result found by Julie G and Manita Syah. They found that price component is the significant component that increase hospitals marketing. This case is possible because the research was done in developed country with limited economic ability, limited infrastructure, limited workforce and low insurance coverage. Meanwhile the first research by Ala Edin was done in country with well economic ability, decent health facilities, and easy access to the health facility.

Well planned marketing evidently also have significant relation with service quality and cause stability on consumer and hospital income. Also its found that internal marketing towards hospital employee also contribute to marketing success.

Promotion as one of the 7p component that's being researched, find result that promotion method like : reference from relation or friend, clinic schedule delivery to costumers, television exposure, free consultation and decent education about hygiene and health are important method to cause high loyalty to consumer. Another important result in hospital marketing is "relationship marketing", where personal relation that experienced by costumer could maintain and increase new costumer. Relation and information factor should be fostered and improved.

CONCLUSION

Hospital marketing with seven component is the proven marketing strategy that able to maintain and increase hospital marketing. Although each of 7p concept have different significancy depend on circumstances social community. From existed seven component each component provide different ability in its contribution towards marketing depends on economic state, existing accessible service, insurance coverage and so fourth. Another research with better method in several hospitals has needed to get significant result.

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