

PATIENT SATISFACTION AND MARKETING EFFECTIVENESS IN SELECTED LARGE HOSPITALS

Abstract

In recent years, patient satisfaction has gained importance as a tool for assessing treatment outcomes and service quality, in addition to serving as a gauge for how well a hospital is perceived by its clientele. Those who are satisfied are more likely to comply with their medical treatment than those who are not satisfied (Bell, Krivich, and Boyd 1997). They have better results and spend less time in the hospital, which can help hospitals cut costs. Furthermore, a hospital's performance in a number of functional areas is evaluated relative to other hospitals and hospital systems in the fiercely competitive healthcare climate of today, making patient satisfaction surveys more crucial than ever. An overall goal of the hospital marketing system is patient satisfaction.

Evaluating marketing effectiveness and patient satisfaction can help determine how well the healthcare system functions generally and how well the care was received overall. These two viewpoints are examined in the study that follows.

This study involved 300 patients and 80 marketing executives from six hospitals in the twin cities of Hyderabad and Secunderabad, three of which were public and three private. A structured interview schedule and a questionnaire were used to administer them. The findings are displayed using means, standard deviations, and *f*-values. It was discovered that, in accordance with the theory, patients in private hospitals are happier with the caliber of care received than those in public hospitals. The null hypothesis is thus disproved.

The degree to which the social system achieves its objectives is its effectiveness. The degree to which the goal

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of the marketing function is achieved inside an organization serves as a proxy for effectiveness when it comes to marketing as a management function. The success of healthcare marketing as judged by the executives of the hospitals under investigation is examined in the second section of the paper. The null hypothesis was rejected by the executives from private hospitals who thought their marketing role was more effective than that of their peers. There are implications for hospital management in light of the rise in patient satisfaction and the efficiency of the marketing department.

Keywords: Hospitals, Patient, Satisfaction, Effectiveness, Marketing orientation

The marketing of any service offering involves two fundamental aspects: the customer aspect and the managerial aspect. The customer aspect focuses on service quality and dimensions of customer satisfaction, while the managerial aspect delves into marketing orientation and dimensions of marketing effectiveness. In the context of a hospital setting, the marketing of healthcare services requires particular attention to these two aspects, given the unique characteristics that differentiate healthcare services from other types of services.

Ensuring customer happiness is crucial for building customer loyalty, and businesses dedicate considerable efforts to monitor and improve customer satisfaction by ensuring that their staff provides helpful, quick, and responsive service. Remarkably, over the past two decades, the topic of customer satisfaction has garnered significant attention, with more than 15,000 academic and trade articles published on the subject, making it the fastest-growing area in market research. However, it's important to recognize that in many cases, customer dissatisfaction arises not from the behavior of the staff but from systemic failures in the business's rules, policies, or communications. Hospitals, like any other organizations, thrive when they generate satisfaction and loyalty among their clients at a reasonable cost. Achieving this goal requires a systematic managerial approach, just like other organizational objectives such as quality assurance, cost containment, and productivity. Unfortunately, many previous approaches to customer satisfaction have been fragmented and based on intuition rather than being systematic and grounded in scientific methods.

In recent years, patient satisfaction has become increasingly significant, serving as an indicator not only of a hospital's reputation among its patients but also as a crucial gauge for assessing the quality of treatment outcomes and services. Moreover, in today's healthcare landscape, hospitals are frequently evaluated and compared with other healthcare institutions and hospital systems across various functional areas. This heightened level of comparison underscores the growing importance of patient satisfaction measures in healthcare assessment.

Measuring patient satisfaction is very vital for any hospital. Understanding patient satisfaction helps business in five ways

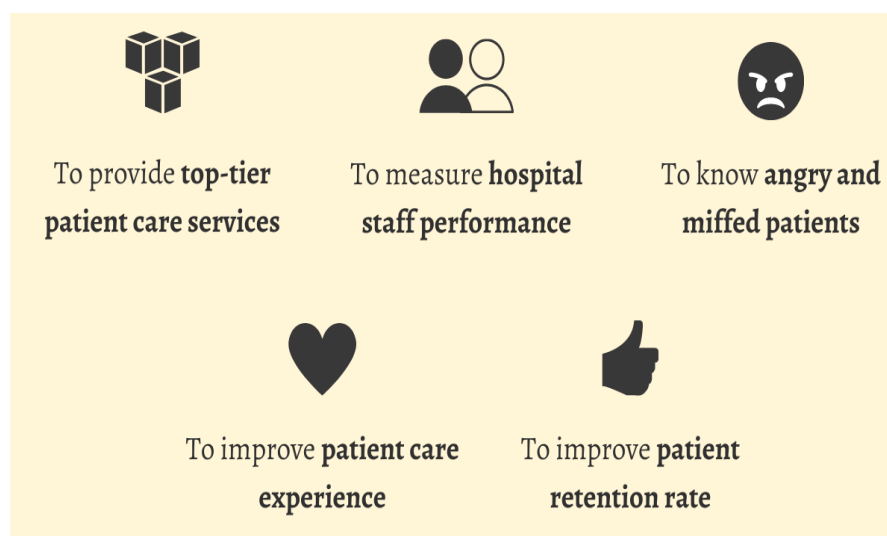


Figure 1

The degree to which the social system achieves its objectives is its effectiveness. When considering marketing as a management function, the degree to which an organization achieves the goal of its marketing function serves as a barometer for effectiveness.

The possibilities and opportunities available to marketers in the field of marketing have significantly increased during the past thirty years. There used to be limited options between paper and television. These days, a wide variety of channels, including direct mail and the Internet, are backed by cutting-edge technologies like CRM and innovative approaches to market research. Board rooms are increasingly calling on marketing managers to substantiate or demonstrate the ROI of the marketing expenditure.

Assessing patient satisfaction and marketing efficacy can aid in evaluating the overall quality of care received as well as the efficiency of the healthcare system in which it is provided.

I. REVIEW OF LITERATURE

The initial systematic review, by Choi et al (2005) encompassed an examination of twenty-four articles released from 1978 to 2006. This analysis identified dimensions such as health care output, access, caring, communication, and tangibles as key factors shaping patient satisfaction. Furthermore, the review highlighted that patient satisfaction was influenced by socio-demographic characteristics, including age, education, health status, race, marital status, and social class. Among the various instruments used in satisfaction studies, SERVQUAL (service quality) emerged as the most favored. The authors of the review also introduced a conceptual model, emphasizing the interconnectedness of healthcare quality, determinants, patient satisfaction, and patient loyalty.

The second systematic review, by Matthew et al (2009), incorporated thirty-seven international articles spanning from 2002 to 2013. Among these articles, patient-professional interactions, the physical environment, and internal management processes were identified as the most influential factors affecting patient satisfaction. However, this trend did not hold for specific services like home care, psychiatric or pediatric services. Notably, Almeida et al. excluded patient socio-demographic characteristics from their review. In services of this type, factors such as phone contact and information provision were also recognized as significant determinants of satisfaction. The predominant methodology employed in the reviewed articles was factor analysis, encompassing both exploratory factorial analysis (EFA) and confirmatory factor analysis (CFA).

The third systematic review, by Rama M, Kanagaluru SK (2011), examined a total of one hundred and nine international articles published between 1980 and 2014. In this analysis, nine distinct determinants of satisfaction were identified, namely: technical skills, interpersonal care, physical environment, accessibility, availability, finances, organizational characteristics, continuity of care, and care outcome.

Naceur Jabnoun and Mohammed Chaker (2003) conducted a comparative analysis of the service quality provided by private and public hospitals. Their study revealed a notable distinction between private and public hospitals concerning overall service quality and the four dimensions of empathy, tangibles, reliability, and supporting skills.

Sudhaker (2005) additionally discovered that patients in public hospitals expressed higher levels of satisfaction with the services compared to patients in private hospitals. When examining intra-unit comparisons, he observed that patients in the general units of the hospitals studied reported greater satisfaction than those in ICUs. In terms of service quality gaps, there was a substantial gap identified in various dimensions of service quality in public hospitals. In contrast, the gap analysis for private hospitals revealed that patients perceived significant gaps in tangibles, reliability, assurance, and empathy. Furthermore, it was determined that all dimensions of healthcare service quality displayed a positive and significant correlation with patient satisfaction.

A service quality model was formulated through exploratory research conducted by Parasuraman, Zeithaml, and Berry (1985) across four service categories: retail banking, credit cards, securities brokerage, and product repair and maintenance. This study involved a total of 12 focus group interviews. The results indicated that consumers utilized criteria for assessing service quality that could be categorized into potentially overlapping dimensions. These dimensions included reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding/knowing the customer, and tangibles (A. Parasuraman, Valarie A. Zeithaml, and Leonard L. Berry, 1985). Mufti Samina et al. (2008) further emphasized the significant role of 'nursing care' in determining patient satisfaction, as nurses are actively engaged in nearly every aspect of patient care in a hospital setting.

Prasanta Mahapatra and Srilatba S. Sridbar P. (2001) conducted a survey in 25 District or Area Hospitals managed by the Andhra Pradesh Vaidya Vidhana Parishad (APVVP) from May to July 1999, involving 1179 respondents. The study revealed that the overall level of patient satisfaction was approximately 65 percent. Patients' evaluations of hospital services encompassed several key dimensions, including access-availability-convenience, communication, financial aspects, general satisfaction, interpersonal aspects, technical quality, and time spent with the doctor. Notably, corruption was highly prevalent and ranked as the leading cause of dissatisfaction among the surveyed patients. Other significant factors contributing to patient dissatisfaction with hospital services included inadequate amenities such as water supply, fans, lighting, etc., subpar maintenance of restroom facilities, insufficient cleanliness, and deficiencies in interpersonal and communication skills.

Donabedian (1980) postulated that satisfaction primarily resulted from the interpersonal aspect of the care process. He contended that the manifestation of satisfaction or dissatisfaction reflects the patient's evaluation of the quality of care, encompassing all facets, with a particular emphasis on the interpersonal dimension of care.

P.S. Raju et al. (1995) evaluated market orientation and performance across three key dimensions of market orientation: intelligence generation, intelligence dissemination, and responsiveness. The examination identified four essential aspects for evaluating a hospital's market orientation: data collection, enhancing customer satisfaction, addressing customer requirements, and responding to competitive actions. Notably, executives within the same hospital had varying assessments of their institution's market orientation compared to competitors, and this divergence significantly influenced all performance measures.

Research on the marketing of health care services is extremely lacking, particularly in India. Furthermore, research on patient satisfaction and marketing efficacy is scarce. Against

this backdrop, the study employs the following technique in an effort to learn more about the patient satisfaction and marketing efficacy aspects of healthcare services marketing.

II. RESEARCH DESIGN

A descriptive-analytic research design is adopted in order to conduct this study.

- 1. Study Area:** Two categories of hospitals were selected based on their ownership status: public hospitals and private hospitals. Additionally, they were categorized based on their bed capacity. Hospitals with a minimum of 200 beds were included in the study. Consequently, three privately-owned hospitals and three publicly-owned hospitals were chosen for examination. The private hospitals examined were Apollo Hospital, CDR Hospital, and Medicity Hospital, while the public hospitals under investigation included Nizams Institute of Medical Sciences, Osmania General Hospital, and Gandhi Hospital. In summary, three hospitals from both the private and public sectors were selected for this research.
- 2. Sampling:** The study's sample comprises hospital managers and patients from the aforementioned hospitals. Using a stratified disproportionate random sampling method, a total of 80 hospital managers from six hospitals were selected, along with 300 patients (150 from private hospitals and 150 from public hospitals). The samples were stratified based on the following criteria.

Table 1: Sampling frame

| S. No | Type of Unit | Public hospitals | Private hospitals | Total |
|-------|----------------|------------------|-------------------|-------|
| 1 | ICU | 75 | 75 | 150 |
| 2 | GCU | 75 | 75 | 150 |
| 3 | Hospital Admn. | 43 | 37 | 80 |
| | Total | 180 | 180 | 360 |

After stratification based on hospital ownership (public and private), three hospitals were chosen from each ownership category. Patients were selected randomly based on the hospital they visited for services. Consequently, there were 25 patients from each hospital, totaling 75 patients per ownership category. These patients were distributed across intensive care units and general care units in the selected hospitals for this study. All of them participated in structured interviews, resulting in a total sample size of 300.

III. METHOD AND TOOLS OF DATA COLLECTION

The sample frame includes hospital managers and patients. Therefore, questionnaire and interview method have been utilized as the most appropriate method. The questionnaire includes 3 parts. Part A includes profile of the managers. While Part B includes questions on patient satisfaction Part C includes scale on marketing effectiveness developed by Kotler. This scale consists of 26 items which are designed to measure the patients' satisfaction with the tangible and the non- tangible services provided by the hospitals. Part C of the questionnaire measure the Marketing Effectiveness of the hospital services by using the

standardized Kotler scale of Marketing Effectiveness measurement. All these items are assessed with 3-point scale ranging from very good to poor. Pilot study has been conducted to check the reliability of the scale. Item-item correlation and item-part correlations are computed to check whether all the items are having inter-item agreement. Having confirmed that they are all positively correlated, the split half reliability of the scale is being computed

Table 2: Marketing Effectiveness by Type of Hospitals

| Marketing Effectiveness | Type of Hospitals | N | Mean | S.D | F | Sig. |
|------------------------------------|-------------------|----|--------|---------|------------|------|
| | | | | | (d.f=1,79) | |
| User Philosophy | Private Hospitals | 37 | 7.8919 | 1.12506 | 77.484 | .000 |
| | Public Hospitals | 43 | 5.4419 | 1.33278 | | |
| Integrated Marketing Communication | Private Hospitals | 37 | 7.7027 | .87765 | 111.340 | .000 |
| | Public Hospitals | 43 | 5.1860 | 1.20031 | | |
| Marketing Information | Private Hospitals | 37 | 6.9730 | 1.18992 | 26.808 | .000 |
| | Public Hospitals | 43 | 5.5349 | 1.27893 | | |
| Strategic orientation | Private Hospitals | 37 | 6.9189 | 1.40195 | 19.416 | .000 |
| | Public Hospitals | 43 | 5.4884 | 1.48600 | | |
| Operational Efficiency | Private Hospitals | 37 | 7.0000 | 1.24722 | 26.734 | .000 |
| | Public Hospitals | 43 | 5.4651 | 1.38614 | | |

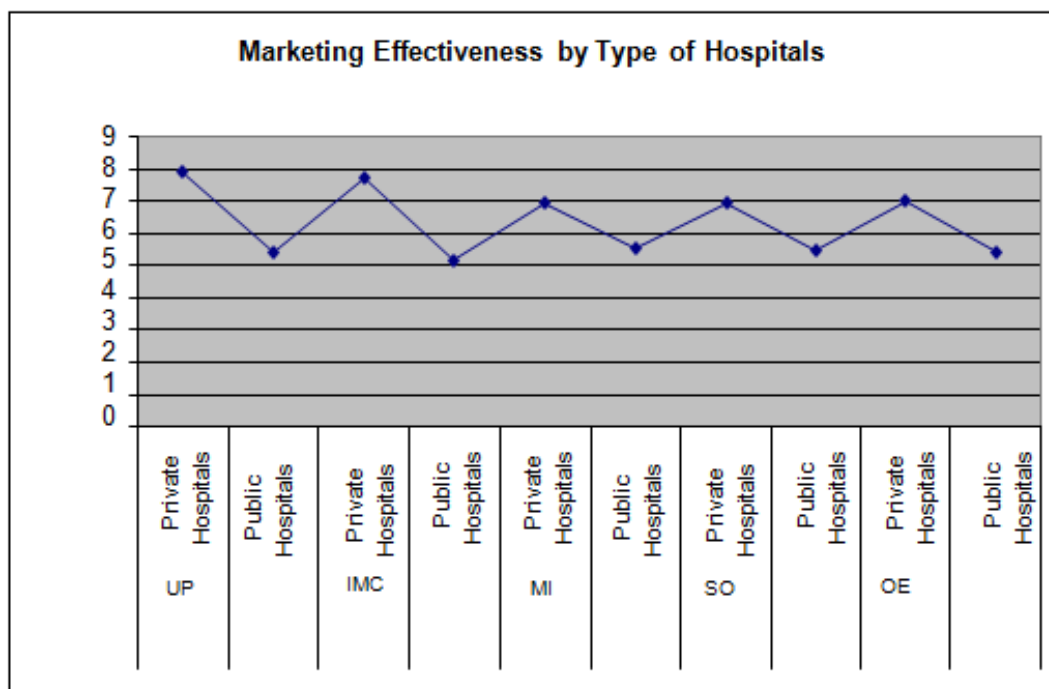


Figure 2

It is clear from the table that with regard to user philosophy, the executives from private hospitals perceived it better (mean=7.89) than their counterpart in public hospital (mean=5.44). The f-value also supports such invariance in their mean scores.

With regard to integrated marketing communication, a similar trend is observed. That is the private hospital executives (mean=7.70) perceived it better than the executives from public hospital (mean=5.18). The f-value also suggests that such variation in their mean score is statistically significant. As regards marketing information, the private hospital executives (mean=6.97) perceived it better than their counterparts (mean=5.53). Further, their mean variation has not reached statistical level of significance. With regard to strategic orientation, a similar trend is observed. That is the private hospital executives perceived it better (mean=6.91) than their counterparts (mean=5.4). Such variance also has reached statistical levels of significance which is evident from the f value presented in the table.

Lastly, with regard to operational efficiency, the private hospital executives perceived it far better (mean=7.00) than their counterparts (mean=5.4). The f value also suggests that such variation is statistically significant.

Thus, it could be said that the executives in private hospitals perceived marketing effectiveness to be more in their hospitals than their counterparts in public hospitals.

IV. PATIENT SATISFACTION -INTER-ORGANISATIONAL ANALYSIS

It was hypothesised that "Patient satisfaction does not vary according to type and ownership of hospitals". Thus, to test this null hypothesis, mean scores on the overall patient satisfaction scale have been computed. Further to know whether there is any significant variation in their mean scores, f-values were computed. Results in regard to the hypothesis testing are presented in the following table.

Table 3: Patient Satisfaction: –Inter-Hospital Analysis

| | Mean | Std. Deviation | F | Sig. |
|------------------|---------|----------------|---------|------|
| Private Hospital | 15.6733 | 4.35273 | 276.653 | .000 |
| Public Hospital | 28.0333 | 7.99280 | | |
| Total | 21.8533 | 8.92172 | | |

It is very clear from the table that the patients from government hospitals have reported that they are more satisfied with the services (mean=28.03) than their counterparts in private hospitals (mean=15.67). Interestingly, the f-value also suggests that the variation in their mean score is statistically significant, indicating that the patient satisfaction varies across the hospitals. Earlier research by and large reported that the patient satisfaction was poor in the government hospitals. However, this study brought to light the contradictions which are quite surprising. This may be specific finding in the study area as this area is replete with large number of hospitals, which compete with each other in terms of increasing their clientele base.

It was also further found that many of the government hospitals also have upgraded their systems and processes in medical technologies as well as hospital administrative

processes and arrangements. This may also be one of the reasons for improvement in the patient satisfaction.

Thus, the null hypothesis “Patient satisfaction does not vary according to type and ownership of hospitals” has been rejected. In other words, patient satisfaction does vary according to the type of hospitals.

V. SUGGESTIONS

In considering how to improve patient’s service, employees must be cognizant of three critical criteria to provide superior customer satisfaction

1. Courtesy is the primary essential requirement for providing excellent patient care. Workers are expected to treat everyone they come into contact with, including one another, with courtesy. If staff members are kind to patients but rude and critical of other staff members in front of patients, then providing good service to patients falls flat and looks dishonest.
2. Astute observation is the second essential component for achieving patient happiness. Being able to act on observations made to enhance patient care is a crucial component of observation, in addition to being able to observe. Workers need to be aware of their own emotions as well as how others are responding to the issues at hand. They need to be always watchful. It is crucial to understand, though, that if staff members are uncomfortable, patients probably are too, and that in order to relieve the suffering and raise patient satisfaction, action may be required. Workers might be able to work through some discomfort, but discomfort in patients should be prevented because it is a step toward discontent.
3. Education is the last important factor to enhance patient care. All workers require continual training on the many topics related to doing their duties. But this training needs to cover more than just job-specific training; it also needs to address hospital policies, politeness and observation, and patient communication. Teaching someone how to communicate with patients is simple. Teaching someone how to "communicate" with patients effectively is even more challenging. Teaching staff members how to communicate effectively with patients entails teaching them how to explain things to patients in simple terms, how to take the time to ensure that patients comprehend the explanations, and how to truly listen to patients' concerns and concerns. This last differentiation is crucial since patients' words and what they are saying don't always match up.

Most businesses consider having a strong customer service department to be an essential asset. However, it is more difficult to determine whether it is delivered—both internally and externally—and, more crucially, whether it meets and surpasses the expectations of the client. Measuring customer service can be difficult and less than clear because it is an intangible, perishable, and personal commodity.

To achieve marketing effectiveness, attention should be directed towards enduring elements like brand value, brand reputation, customer retention, and product features. The creation of long-term value necessitates a comprehensive grasp of the components that

define a brand's attributes, the factors contributing to its value, and strategies to enhance it. Shifting the conversation about marketing productivity towards long-term outcomes, with the aid of financial tools, is the appropriate approach to ensuring marketing effectiveness, ultimately resulting in patient satisfaction.

VI. CONCLUSION

In the past, healthcare leaders believed that marketing was primarily reserved for other industries, with limited applicability in healthcare. However, the perspective on healthcare marketing has evolved, and it is now considered a vital element that can provide a healthcare organization with a competitive edge and serve as an attractive asset for potential collaboration partners. A proactive and strategically devised marketing plan is indicative of a sophisticated and forward-thinking organization. Such an organization possesses the ability to steer its own course and thrive in the modern era of healthcare initiatives, where the goal is to simultaneously manage costs, uphold quality, and expand access, leveraging ongoing technological advancements to enhance the products and services available.

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