

EXPERIENTIAL MARKETING: RECONCEPTUALIZING MIX ELEMENTS FOR HEALTH SERVICES

Dr. Prashant Mehta

Assistant Professor, National Law University, Jodhpur, India

Abstract

Dynamic changes across the industrial manufacturing systems which were designed to derive economic benefits of large-scale production have changed in era of globalization. These changes had led to significant modifications in organizational functional structures, and their effective interface with composite communication networks, multimodal transportation systems, and quick decision setups which is so critical for business sustainability that some researchers refer to it as the 'second industrial revolution, where there is steady decline in the traditional manufacturing practices and their place has been gradually taken by service and knowledge based enterprise. Healthcare services in India is delivered through both the public and private sector and hospitals and healthcare systems are continually been affected by dominant external environmental forces like changing politics; changes in government regulations; the growth of alternative medicine; the rise of consumerism; an increase in competition from physician-owned specialty hospitals, retail clinics, and other business models; and a host of other complications. The public healthcare system consists of healthcare facilities run by central and state governments, which provide services either free of cost or at a subsidized rates to low income group in rural and urban areas. With growing Indian economy and steady growth of healthcare industry, there has been an upward swing in personal expenditure on healthcare. The consumers are getting more and more concerned about their health. This coupled with healthcare retail services would help provide the consumer with greater choice facilities and treatment. This paper attempts to investigate and design the marketing mix strategy from “EXPERIENTIAL” perspective for healthcare establishments to delivery healthcare services in India.

Key Words: Healthcare, Hospitals, Consumer Centric Marketing Mix, Marketing, Services Marketing

Introduction

Developed economies like USA, UK, Germany, Japan, Canada, Sweden, and fast developing economies of BRICS nations has seen their economies being transformed from industrial good manufacturing economy to more services dominated based economy. Thus developed and developing nations economies are therefore referred as 'service economies' because service sector accounts for greater employment opportunity, higher contribution in Gross Domestic Product (GDP), and enhanced consumption of services than that of manufactured goods. The direct result of such economic shift have resulted in operational complexity coupled with growth of service based industries like banking, insurance, investment, education, healthcare, and legal and so on, which has expanded at unprecedented pace in last two decades of economic liberalization in India.

Medical treatment in India has advanced exponentially over the last two decades enabled by technology led innovations. However, the packaging and delivery of treatment has not shown the same improvement and growth over the time frame. This has left the Indian consumers struggling with scattered and inconvenient healthcare delivery systems which lacks transparency, are difficult to access and service provided is at the best very average or poor in most cases. Overall, the existing public healthcare systems are providing sub-

optimal levels of experience which requires some inevitable changes to these healthcare delivery mechanisms and returns for consumers, payers, and suppliers. While hospitals will continue to be the mainstay of treatment for episodic acute care, we will see a fundamental shift in the nature, mode, and means of delivery of care. Preventive and chronic care will be best treated in an ambulatory environment close to the place where the patient resides. This transformation is already evident and shall continue to grow.

A world class hospital is a multi-disciplinary, super-specialty medical centre of international standards, which are well equipped with the most advanced diagnostic and treatment facilities providing comprehensive preventive and curative healthcare services to its clients. Most private sector hospitals in India have grown to a truly world class stature over the years providing quality delivery of 'healthcare services'. Healthcare Service is defined as the intangible activities and performance designed by interactive process in order to satisfy customer/patient needs and expectations, and convince them, this process could be done by using tangible products (e.g. MRI, C.T. Scanning). Thus marketing healthcare services in today's dynamic environment has grown in importance for hospitals, looking to strengthen their position in an increasingly competitive healthcare market place. Healthcare establishments (Hospitals) became consumer centered and consumers are expecting delivery of extraordinary medical-care, demanding timely quality services at reasonable prices. Desires to live long have resulted in special healthcare services like nursing homes, private hospitals, health centers, spas and fitness clubs. Thus there is gradual shift from the selling to marketing viz-a-viz the customer experiential orientation is quite evident in present day healthcare services.

Designing a Hospital Marketing Mix

The healthcare marketing experts must not only keep up with advances in clinical technology, healthcare legislation, and healthcare finance trends, but also be an intelligent educator and mentor to his or her colleagues, helping them understand the role they play in creating trust, confidence, and value in the minds of their customers / consumers. The core concept of marketing theory (Zeithaml, 2000) is mainstay of marketing mix strategy of any organization. In recent times, the 4Ps (product, price, promotion and place) concept (McCarthy, 1964), has increasingly come under criticism with the result that diverse marketing mix strategies have been designed and developed for different marketing contexts. The term marketing mix refers to a set of tools available to an organization to shape the nature of its offer to customers (Palmer, 2001). Thus marketing mix can be defined as "the set of marketing tools that the firm uses to pursue its marketing objectives in the target market" (Kotler, 2000). A number of researchers (Boom, 1981), (Lovelock, 2001), (Ahmad, 2007) have previously maintained that the traditional marketing mix (4P model) is insufficient when applied for marketing of goods or for services marketing.

Services are different from products, because of their characteristics; intangibility, inseparability, heterogeneity, and perish ability. As such marketing mix for services was extended to 7P's by accommodating three elements to the traditional model: people, physical evidence, and processes (Boom, 1981). Now many of the corporate hospitals over the last two decades have developed marketing culture in their work systems which have enabled them to scale up their operations to new heights. A good model can be applied for a long period even the outside environment has been changed. However when the changes are too much and out of the expectation of its inventor, the model needs to be entirely revamped to suite these changes. In 1973, 4Cs is introduced at such background - from high-growth to low-growth economics while 7Cs compass model introduced by Professor Koichi Shimizu is to more precisely explain the essential factors of low-growth economics in 1980. This conceptual paper seeks to reorient the concept of the

marketing mix in the manner of (Dev, 2005) in the context of the management of the customer experience (Palmer, 2008). A model is proposed that updates the traditional marketing mix in an attempt to make it more reflective of practice where marketing organizations are introducing a degree of experience and even theatre into their activities (Pine, 1999).

As Indian economy transforms to service economy, the customers are more critical and keen towards quality and delivery of services of high standards. As every one of us knows that today customer of consumer (patient) is the central figure in this changed environment, the hospitals must strive for maximum consumer (patient) satisfaction. Marketing redefines the role of hospitals in the health of our communities, and hospital marketers must take note that consumers make judgments about quality on the basis of such things as cleanliness, friendliness, and the appearance that you know what they are doing. Thus by deriving patient satisfaction, hospital marketing mix is playing a very crucial role. The marketing process involves comprehensive marketing planning, quick marketing decision making, and formulation of effective marketing mix strategies.

Marketing may have many virtues. It can be used by hospitals as a formidable weapon to forge a competitive edge over their rivals or to ensure quality and attract a great number of patients. Marketing is designed to produce three principle benefits for the hospital and its users. Improved Satisfaction of the Target Market, Improved Attraction of Marketing Resources and Improved Efficiency in Marketing Activities. The application of modern marketing principles would pave avenues for rationalizing and standardizing the services. Many service industries such as health services are facing increasing competition. Strong brands are established not only in the market, but also in the mind of the customer. Thus marketing mix coupled with customer satisfaction (Day, 1988) reflects the effectiveness of the corporate and public hospital in delivering value laden services to its patients and other customers.

Marketing has thus become a new 'mantra' for the service providers in a hospital setting (both for public and private establishments). The objective of marketing mix in the hospital is to on educating ourselves (through market research), educating our customers (through promotion), offering services (our products), such that they are valued (the price/value exchange/ affordable/competitive), fulfilled (distribution), to put the right services (patient expected/desired), to the right people (doctors and technicians, who treat and take care of patients), physical evidence (presenting the service at the right kind of atmosphere), and the process (interactions between the service provider and patient and what is the process involved facilitating efficient participation in service production and consumption) (Sreenivas, 2013).

Status of Healthcare in India

Healthcare in India is one of the largest service sectors, employing more than 4 million people across the country directly or indirectly. The hospital services market represents one of the most lucrative segments of the Indian healthcare industry which would be worth USD 280 billion by 2020 as against USD 65 billion in 2015. Various factors increasing prevalence of communicable, non-communicable, and lifestyle diseases, improving availability, affordability of treatments, and rising penetration of health insurance will be responsible for fuelling such exploitative growth in the Indian hospital industry. On the other side medical-care in public funded healthcare establishments in India is crumbling under the population pressure on these facilities more often than not has limited resources to provide medical-care at these facilities.

Often it is said that two areas critical to a robust and efficient medical-care system are emergency and specialist medical-care. Emergency care is still in a very nascent stage all across India, while specialist medical care is markedly better for the urban, middle-and upper-class Indians than for their less wealthy counterparts in both rural and urban settings. The current Emergency Medical Services infrastructure is inefficient due to the lack of critical support components like a centralized administrative body, trained emergency medical personnel, a centralized emergency phone number (similar to “911”), and quality ambulance services which off late have shown remarkable turnaround with advent of ‘108’ ambulances. There are, however, signs of change in Emergency Medical Services due to increase in the number of government initiatives in recent times. The future healthcare environment in India is likely to be characterized by increased government led regulations, intense competition; tighter margins; more diverse, better informed, and demanding consumers (patients); growing demands for accountability; and growing shortages of trained workforce.

The quality and availability of specialist medical-care varies greatly among the different socio-economic groups and by geography, i.e. urban vs. rural. Despite a high annual output of medical specialist graduates, specialist medical-care has traditionally been very poor in India due to “brain drain,” or the phenomena of highly educated Indians immigrating to western countries in search of better prospects. Recently, however, specialist medical-care for the middle and upper-classes in India has improved due to more private owned hospitals having better hospital infrastructures, facilities, availability of latest technology enabled equipment, and higher salaries and incentives offered to trained staff. Marketing may not be a solution for all challenges, but the optimal use of scarce marketing resources, however designing a right marketing mix and optimizing the marketing strategy can certainly contribute to the improvement of healthcare services in urban and rural setting across the country in coming times.

Designing Experiential Marketing Mix for Hospitals

Many researchers have contributed articles to analyse marketing mix in healthcare industry and services offered by such establishments. Healthcare service organizations usually offer a wide range of healthcare service products to a number of customer and patient groups in order to satisfy a variety of customer (patients) needs and wants (Kotler, 2011). A panoramic or holistic approach to new services development and a high level of precision at the micro level which will combine to provide a more efficacious service design system and new service development process (Smith, 2007). Healthcare establishments thus should facilitate market-driven service development (Bowers, 1987). Besides this hospitals may be able to reduce their costs by limiting the breadth of services they provide (Farley, 1990). Other researchers have examined the role of internet atmospheric cues on the behaviour of pre-purchase and purchase intentions (Richard, 2005) of customers or consumers of services. Patients are becoming increasingly involved in making healthcare choices (Odile, 2001) for themselves.

The factors that influence the satisfaction of the patients in government owned, semi-government owned and tertiary-care hospitals are very well illustrated (Sreenivas, 2002). In healthcare, more than in other services, the product is the person. The patient envisions medical-care in terms of the people who deliver it. The service concept is the core element of a service, and it must be derived from the needs and wants of a specified target group of customers or consumers. The service product is the central component of any marketing mix strategy. All these can be conventionally classified into seven major strategies namely

product/service (Kotler, 2011), price (Duffy, 2000), place (Jones, 2003), promotion (Shimp,2003), people (Bitner, 1990), physical evidence (Kasper, 1999), and process (Kotler, 2011).

After Koichi Shimizu proposed a 4Cs classification (customer-centric approach) in 1973, this was expanded to incorporate seven Cs in what is known as the “compass model”, to provide a more complete picture of the nature of marketing. The 4Cs makes more sense since marketing focuses on satisfying customer satisfaction. It is important to note that all marketing instruments should not be viewed as demand influencing elements of the marketing mix. The term experiential marketing is in common use, particularly as services become commodities (McGoldrick, 2002). Some instruments have secondary functions and other organizational functions facilitate, support, and inform marketing instruments (Baker, 2010). In this sense the model proposed later in this paper recognizes the idea that the marketing mix concept can be applied to marketing situations in any context, acknowledging that many of these contexts can be very different. The model concentrates on marketing instruments which are seen as demand influencing (Van Waterschoot, 2010). Various elements of marketing mix are as follows:

1. **PRODUCT IS LIFE ENHANCING** - The product is the central component of any marketing mix. Product part of the 4Ps model is replaced by “Life Enhancing Experience”, shifting the focus to satisfying the consumer needs or provides solution through a differentiated product (uniquely different than those of competitors). These solutions may be purely rational but equally may well have a strong emotional element. A product is a set of attributes assembled in an identifiable or deliverable form. It is defined as the intangible activities and performance designed by interactive process in order to satisfy customer / consumer (patients) needs and expectations, and convince them. This process could be done by using tangible products X-rays, MRI, C.T. Scans etc. The product now must be something that the customer finds desirable and there must be something unique about it that sets it apart from all the rest of the competition (providing pleasure and positive emotion and should address values and meaning). Alternatively the product component of the marketing mix deals with a wide range of issues relating to development, presentation, and management of the product which is to be offered to the consumers in market place. It covers multiple issues such as service package, core services, peripherals, managing service offering, and developing end user service offering.

Health service organizations usually offer a wide range of health service products to a number of customers (patient groups) in order to satisfy a variety of consumer and patient needs and want. Medical service can be defined as a healthcare service intended to influence a person's health, directly or indirectly, through procedures executed by medically educated personnel. The way of classifying product element of the hospitals includes diagnosis, treatment provided, the education training provided to nursing, medical students, and research. The product mix in hospitals in terms of its length consists of three product lines – Inpatient services, Ambulatory services, and Health promotion. Each product line will have certain width the patient services include medical/ surgical, paediatric, obstetric, and cardiac intensive care and each product item will have certain depth – for example, a hospital may contain ICU or CCU beds. Core level thus comprises of the basic treatment facilities and services offered by the hospital like diagnostic, emergency causality services etc.

- a. **Emergency services** care at most of the hospitals is customized to certain extent, unique and advanced in use of tools and techniques. The hospitals today are equipped with state-of-the-art ambulances (CCU on Wheels) with critical care equipment installed in them besides supervision by medical and para-medical staff that is available to render medical attention and assistance in case of emergencies at the patient's doorstep. There is internet based advanced telecommunication or ICT available to a patient in an emergency at any given time.
- b. **Diagnostic services** – Modern Hospitals are multi-specialty and multi-disciplinary, that can handle any kind of ailment, they offer a wide range of facilities and critical care for instance, Oncology, Orthopedics, Neurology, Plastic surgery and so on.
- c. **Pharmacy services** – Most of the hospitals also have a pharmacy which is open 24x7 hours. It caters to the needs not only of the inpatients and outpatients, but also patients from other hospitals that require emergency drugs.
- d. **Causality services** – Causality service includes a round the clock causality department, which attends to the accident or emergency cases and is well equipped to handle minor procedures.

At second level the product consists of the features, quality, and styling of the core service. It comprises of cleanliness and hygiene levels maintained in the hospital. The third level of service include augmented product. If the hospital offers additional services or benefits beyond the tangible service is an augmented service. It comprises of dress code for staff, air conditioning of the hospital, use of state of art technology, services of renowned consultants, facilities for attendants, well equipped ambulance, and pharmacy services etc. Apart from the above mentioned services, hospital also offers "Health Diagnosis Programme" which is a complete, comprehensive, periodic health check-up offered for busy executives, professionals, business persons and others. It often comprises of the following: Master health check-up, Executive Health check-up, Diabetics health check-up etc. The term "Life Enhancing" appears a suitable evolution of the words product or benefit. This can be tangible in the sense of product performance, which just makes life easier, or intangible in the sense of how the product / brand makes the customer feel and is often a combination of the two.

2. **PRICE IS FAIR EXCHANGE-** Price is one of the prominent elements of the services marketing mix (Lovelock, 2001). Marketers need to consider not just the price of the product, nor the total cost to the customer, cost being both tangible and psychological but the way the tangible and intangible benefits and experiences combine to create meaningful value. It is defined as the amount of money or value of other items with utility needed to acquire a product or services. As a service is intangible, it is very hard for deciding the price of the particular service offered. Price charged must be able to target customers and it should co-ordinate with other elements of the marketing mix. Price is replaced by "cost", reflecting the total cost of ownership. Costs play a significant part in the pricing of health services. When understood correctly, the cost variable gives more detailed information about the customer than the price variable does. Price is the amount of money that a consumer will be willing to pay to acquire a good or service. The pricing of services should take into consideration the operational costs and the paying ability of the patient, apart from the value provide to the customer. Pricing in hospital services is generally done by keeping in view the cost of running the hospital, the overheads, salaries of the doctors, nursing and administrative staff, cost of maintaining infrastructure, bed occupancy, quality of service etc. Price also depends on treatment prescribed by the respective consultants and the facilities

offered to the patient. On the other hand, cost is the amount that goes into the production of a good or service. This is the sum of the value of all inputs to production such as land, labor, capital and enterprise. Other factors may include the cost of time to acquire the product, the cost of conscience when it comes to consuming the product, the total cost of ownership, the cost to change to a new product and the cost of not selecting an alternative. “Fair Exchange” puts the customer at the heart of the issue more effectively than price or cost and seems to be a realistic way to think about this element of the mix.

Pricing strategy adopted does not depend on the price offered by competitors rather pricing strategy is usually influenced by consumer price elasticity of demand which measures the responsiveness of the quantity demanded of a service to any change in price. Consumer segmentation approach supports the notion that disparate groups of consumers will place dissimilar values on a service, and therefore require different pricing strategies. Prices of various facilities revised every year depending on inflation and upgrading of technology. Before fixing prices, government controls are also taken into consideration. A hospital does not believe in profit maximization, it aims at providing quality service for its customers at reasonable price. Pricing strategy has a positive significant effect on the performance of hospitals.

3. **DISTRIBUTION CHANNELS IS EASY/ CONVIENENCE** - Place is one of the key elements for hospital and it refers to contact point between the customer and the service provider, who gets the benefit of the service. The importance of distribution channels vary depending on different types of institutions (Carter, 1989). Place is replaced by “convenience”. In this age of commodity channels, internet driven retailing and hybrid models of purchasing, place is becoming less relevant and often the easiest becomes the consumer’s choice. The proliferation of online marketplaces, credit cards, catalogues, and cell phones has made the provision of products to the customer a whole new ball game. A customer is not bound to actually go to a physical location to meet a need and there is an endless variety of places online to do so. Convenience takes into account the ease of buying the product, finding the product, finding information about the product, and several other factors. Hospital should be easily accessible to the patients and it should be adequately protected from pollution. Physical accessibility entails the customer’s/ patient’s ability to easily arrive at and depart from the service location or to experience the service without great difficulty due to effective spatial orientation and layout (Jones, 2003). Health-care organizations, whose products are primarily services, must consider three distribution decisions: physical access (channels, location, and facilities), time access (the opening hours, the length of waiting time (in the service providing waiting area) and the time between calling and having an appointment, and promotional access) (Renner, 1999) and Promotional access (shopping malls).

The two major issues considered regarding the decision of a place are accessibility and availability of the service to customers. Accessibility refers to the ease and convenience with which a service can be purchased, used or received. Availability refers to the extent to which a service is obtainable or capable of being purchased, used and received. Factors influencing the placing decision are market size and structure by geographical regions, number and types of competitors in the region, location of potentially attractive consumer segments, local infrastructure, good road access facilities and public transportation network. Making things “Easy Convenience” seems a reasonable determinate of experience. Thus hospital must be ideally located and must be easily accessible to all.

4. **PROMOTION/ COMMUNICATION ARE ENGAGE OR EDUCATE** - Promotion is replaced by “communication”, which represents a broader focus than simply promotions. Promotion is one of the key components of the services marketing mix strategy by which hospitals can communicate or transmission of message about their healthcare services to present, past and potential customers. The media, the message, the tone, the colour, the language and so on of all marketing communications need to align with customers’ expectations and should be personally relevant (Poulsson, 2004). Lauterborn considers promotion to be a manipulative factor driven only by the seller. Instead, he viewed communication as a more cooperative activity and driven more by the consumer of a product. A traditional marketing mix uses promotion as a tool to put information about the product in front of the customer. Promotion and its methods continue to evolve with new avenues and means to reach the consumer. This includes all of the tools available to the marketer to transform their message about the product or health service strategy to the target market; moreover, this consists of communication or promotional mix (e.g. advertising, sales promotion, personal selling, e marketing, and public relationship).

Though these methods of promotion remain effective, a niche marketing focus needs more effort. Organizations must deliver experiences that complement customers’ lifestyles and aspirations (Smith and Wheeler, 2002) and help improve their lives as a result of engaging with the organization’s products. Communication will work toward creating a meaningful relationship with the customer with a focus on what they need and what their lifestyle is. Promotion can provide an opportunity to organizations to differentiate themselves at corporate and brand levels. A service promotion strategy has a number of components that are known as the “promotional mix” which includes tools like advertising, personal selling, sales promotion, and publicity. There is no one promotional tool that is able to achieve promotion strategy objectives which, in turn, means that most service organizations use more than one promotional tool in order to avoid the disadvantages of each tool.

Hospitals do not normally undertake aggressive promotion; they rely a lot on a favorable word of mouth. Word of mouth can operate through both channels viz. informational and normative influence. To increase the clientele, a hospital may continuously introduce different health services like the acupressure clinic, master health check-up programme, frequent visits to the spastic society, old age homes, and conducting camps in rural areas so that the rural people approach the hospital again in the future. Advertising is expected to play a more prominent role in a hospital’s quest for market share and profits. Advertising is a competitive tool for hospitals and its effective use helps hospitals to attract and retain clients in a rapidly changing competitive environment. Messages are delivered by an organization’s communications mix, all parts of which should seek to “engage and educate” the customer to match, aspirations and values and help create meaning for them.

5. **PEOPLE ARE EXPERTS**– A consumer is a person or organization that uses economic services or commodities. Employing people (medical and administrative) with the appropriate interpersonal skills, right attitude, and service knowledge in order to give customers due consideration, can provide expert advice and who are available and accessible. Being knowledge based industry; people (patient and staff) component reflects the important role played by individuals in the provision

of services in hospitals and overall success of marketing mix strategy for hospital services. Customer relationships have a number of different types of episodes, and these differ with respect to content, frequency, duration, and regularity. Service marketing has long stressed the importance of staff and particularly customer contact staff (their behaviour and attitude) as crucial components in delivering a high quality service, contributing to overall perception of the service, and customer satisfaction. Customers are a source of influencing other customers by word of mouth. In order to have good experience customers must feel involvement, be given information and be treated seriously by organizational personnel (Otto, 1996).

The doctor (high contact service people) has significant discretion in meeting customer needs and evaluation of the interaction is largely based on the attributes of experience and credence. Experience attributes can be evaluated only during or after the consumption of medical service whereas Credence attributes are hard to evaluate, even after the consumption of a medical service. In healthcare more than in other services, the product is the person and when the patient thinks of medical care he or she thinks of the doctor. Therefore, it is very important that the even low contact service staff (administrative people, supportive service staff) of the hospital is friendly and comforting; always wearing a smile, is trained to offer quality patient care which caters to the needs of sick and depressed with human touch round the clock using state of the art equipment and technology.

6. **PROCESS IS ENJOYABLE EXPERIENCE-** Process is distinct strategic element and one of the crucial elements of the expanded marketing mix components in the production and delivery of service. It means procedures, mechanism and flow of activities by which a service is acquired. Here the marketing mix is not deployed simply to help the customer put up with the organization's processes but to provide the customer with something that is in itself worth experiencing. Process decisions radically affect how a service is delivered to customers/patients It has three major components, which are:

- (1) Flow of activities (standardized or customized)
- (2) Number of steps (simple or complex)
- (3) Customer involvement.

Processes add value to customer and also improve the efficiency of the operations of the hospitals. Processes are designed by blue a print, which sets a standard for action to take place and to implement the service. Managerial process provides a series of interactions between service provider and consumer are organized to facilitate efficient participation in service production and consumption that satisfies the needs and wants of the consumers and create positive perceived quality. In a hospital, the process is divided into three phases.

- a. **The Joining Phase** - The arrival of the patient, registration where a patient has to make an initial deposit at the in-patient billing counter after which a file is opened in the patient's name to know the patient's medical history. Patient thus joins in the service process in order to consume a core health service.
- b. **The Intensive Consumption Phase (Out Patient Department)** – Here patient is examined, diagnostic test are performed, and treatment is prescribed. The core surgical service is delivered in the intensive consumption phase which occurs simultaneously with delivery phase.

- c. **The Detachment Phase** - He/she is then admitted and treated as an inpatient until he/she is discharged on the advice of the consultant. The intensive consumption phase is followed by the detachment phase, during which the patient leaves the surgical service process. At this stage, the patient is requested to fill an evaluation / feedback form, which assists the hospital authorities to know the level of satisfaction derived by the patient. Patients' suggestions are always welcomed, valued and considered and many times are very useful for improving the services of the hospital.

Every phase can contain various auxiliary elements, in the form of facilitating or supporting services (Gronroos, 2000). Only when each unit of the hospital understands who their customers are and what their needs are, will the hospital develop basis for giving the best service in the most efficient way to the patient. In a way, each department or unit should consider itself to be a service provider serving the needs of the customer department. The process of service delivery can be thought of as the expressive performance of a service. Its descriptors are: Duration, Work-area appearance, Employee appearance, Empathy, Assurance and Employee effort, Reliability, and Customer participation. When viewed as a means to promote the customer's experience it seems reasonable to think of process as something that should be an "Enjoyable Experience" that is "Expertly Executed".

7. **PHYSICAL EVIDENCE IS ENDORSEMENT**- It is the environment in which the service is delivered with physical or tangible commodities, that facilitates the performance and communication of the service and where the firm and the customer interact. Customers/patients look for clues to the likely quality of a service also by inspecting the tangible evidence. Physical evidence provides confirmation of the claims made by marketers. Work area appearance relates only to the non-design aspects of the service environment, which are inherently variable in nature. Modern hospitals need to create good ambience and physical evidence plays an important role in hospital services. The staff is trained to be understanding, warm and comforting because the patients and their relatives will already in depressed or traumatized state.

Supplementary services also help in providing physical evidence to customers. These aspects include such things as cleanliness and tidiness or the general appearance of the service location on a day-to-day basis. Corporate image plays an important role in terms of physical evidence and makes a huge impact on the customer. This can be developed through corporate relation programs. The staff follows a dress code to show professionalism and to maintain discipline. It is necessary for a hospital to be well organized and segregated into different departments. All the doctors should be offered with a well-equipped cabin. The entire hospital is centrally air-conditioned with good lighting and ventilation. Physical evidence aids health services to tangibles the high degree of intangibility (Wangenheim, 2004). Organization now needs to think beyond their own self-generated symbols of confirmation and consider the "endorsement" of their offering by other customers and experts.

Suggestions for Improving Marketing of Healthcare Services

Healthcare services in India can be improved remarkably by engaging marketing managers and policymakers of public and private healthcare establishments. If implemented in right earnest, the present

problems faced by healthcare system can be overcome to a great extent. Some of the suggestions are as mentioned below:

- a. Hospitals should prepare comprehensive marketing plans using experiential marketing mix elements. The plan should be workable and it should include mission statement and objectives of the organization. Healthcare establishments have to comprehend what they want to communicate or what it is or what they want their target audience to know or remember, or what the healthcare establishments stand for. This is the most important part of the marketing plan as it has far-reaching consequences.
- b. Healthcare establishments' managements convert hospitals into consumer-oriented experiential marketing enterprises with the patient needs considered first and foremost. Healthcare establishments should realize that there is a big difference in a consumer who here is a sick person in unfamiliar surroundings; many of them are in a confused, tense, frightened, and anxious state. If a consumer receives warmth and a welcome feeling all the way, the patient will immediately place his trust in the caring hands of hospital staff and in the future become the hospital's public relation agent.
- c. There are alternate marketing programmes that maintain image and do not require advertising while still reaching a large number of people. These programmes are a blend of public relations and guest relations activities implemented by well-trained, motivated, and dedicated staff that provides friendly, courteous service to patients. In almost every area of the hospital where staff comes into direct contact with the patients, the human relations and patient relations are of utmost importance. This is where public relations and marketing work at their best.
- d. Service delivery costs are to be regulated as healthcare is not merely a business. It is an honourable profession with its code of ethics and a statutory body called the medical council of India to uphold the dignity of the medical profession. But unfortunately these bodies are inactive and ineffective in curbing irrational practices and malpractices. For this reason, a common man is not in a position to go to these corporate hospitals as they charge heavily for regular treatments.
- e. Every healthcare establishment, regardless of its type, size, and location must develop and enforce an official policy for dealing with the press and the kinds of information that may be released. The policy should specifically state who should speak for the hospital.
- f. Some of the more common goals and objectives for developing and implementing technology-driven customer relationship programs include Improving customer service and satisfaction; Increasing profitability; Reducing the number of negative customer experiences; Allocating resources more efficiently; Reducing the cost of managing customer interactions; Attracting and retaining customers and prospects; Staying in front of customers and building stronger relationships over time; and Improving clinical outcomes.

Conclusion:

Of late, the healthcare establishments have gained prominence the world over and more so in India where they contribute significantly towards the delivery of services. Marketing mix strategy is a necessary strategy in service organizations to ensure these organizations' success. Marketing is a function by which a marketer plans, promotes, and delivers goods and services to the customers. The model could provide guidance to managers seeking to concentrate on the customer's experience as a source of competitive advantage. All the above service marketing mix elements revolve around the customer's experience. When people buy services offered by a service provider in a true sense, they buy the time, knowledge, skill or resources. For a

successful marketing of services, it is essential that the concerned organization is professionally sound and the service providers are supposed to influence and satisfy the users. In hospital service price transparency, placing hospital services at convenient location of patients, behavior of medical staff, tangibility and process through technology plays important role in differentiating services from competitors. The theoretical underpinning of this paper is based on literature from service marketing in general and health service marketing in particular, in addition to marketing mix strategy components (health service, pricing, distribution, promotion, physical evidence, process, and personal strategies).

References:

1. Ahmad, A. (2007), The impact of competitive environment on services marketing mix strategy of health organizations in developing countries: Jordanian private sector hospital senior managers perspective, unpublished Ph.D. thesis, The University of Huddersfield, UK.
2. Baker, M., J., and Saren, M., (2010). Marketing Theory (2nd Ed). London: Sage.
3. Bitner, M. (1990), Evaluating service encounters: The effects of physical surroundings and employee responses, *Journal of Marketing*, 54(2), P. 69–82.
4. Booms, B. and Bitner, M. (1981), Marketing strategies and organization structures for services firms, In James Donnelly & William George (Eds.), *Marketing of services: Special educators conference proceeding (1981)*, Chicago: American Marketing Association, P. 46–51.
5. Bowers M R., and MirtMng, (1987), Developing new services for hospitals: A suggested model, 7 (2), P.38-48.
6. Carter, R., Ennew, C., and Wright, M. (1989), Deregulation and distribution of personal financial services in the UK. *Journal of American Society of CLU&CHFC*, July, P. 68–73.
7. Christopher L. Corbina, Kelley Scott W., and Schwartz Richard W., (2001), Concepts in service marketing for healthcare professionals, *The American Journal of Surgery*, P.1-7.
8. Day, G., and Wensley, R. (1988), Assessing advantage: A framework for diagnosing competitive superiority. *Journal of Marketing*, 52, P. 1–20.
9. Dev, C., S., and D., E., Schultz, (2005). In the Mix: A Customer-Focused Approach Can Bring the Current Marketing Mix into the 21st Century. *Marketing Management*. 14 (1): 16-22.
10. Duffy, J. (2000), Measuring customer capital. *Strategy & Leadership*, 28(5), P. 10-15. Farley Dean E., and Christopher Hogan, (1990), Case mix specialization in the market for hospital services, *Health services research*; 25; P. 757-783.
11. Grönroos, C. (2000), *Service management and marketing, A customer relationship management approach*, Chichester: Wiley & Sons.
12. Jones, R. (2003), Making health information accessible to patients, *Aslib Proceedings*, 55(5/6), P. 334-338.
13. Kasper, H., Helsdingen, P., and Vries, J. (1999). *Services Marketing Management: An International Perspective*, John Wiley & Sons Ltd.
14. Kotler P., and Armstrong, G. (2011), *Principles of Marketing*, Pearson.
15. Kotler, P. (2000), *Marketing management: The Millennium edition (10th ed.)*, Prentice Hall International Inc.
16. Lovelock, C. (2001), *Services marketing people, technology, strategy (4th ed.)*, Prentice Hall International Inc.

17. McCarthy, J. (1964), Basic marketing: A Managerial approach (2nd ed.), Richard D. Irwin, Inc.
18. McGoldrick, P., (2002). Retail Marketing (2nd ed.), Maidenhead: McGraw-Hill.
19. Odile R. M. (2005), Modelling the impact of internet atmospherics on surfer behaviour, Journal of Business Research, 58, P.1632 –1642.
20. Otto, J. E., and Ritchie, J., B., (1996).The service experience in tourism.Tourism Management. 17 (3): 165-174.
21. Palmer, A. (2001), Principles of services marketing (3rd ed.), UK: McGraw-Hill Publishing Company.
22. Palmer, A., (2008), Customer experience management: a critical review of an emerging idea. Journal of Services Marketing. 24 (3): 196-208.
23. Pine, B.J. and Gilmore, J.H., (1999).The Experience Economy. Boston, MA: HBS Press.
24. Poulsson, S.H.G., and Kale, S.H. (2004).The Experience Economy and Commercial Experiences.The Marketing Review. 4 (3): 267-277
25. Renner, C., and Palmer, E. (1999), Outsourcing to increase service capacity in a New Zealand hospital, Journal of Management in Medicine, 13(5), 325–338.
26. Shimp, T. (2003), Promotion management and marketing communications.Fort Worth, TX: The Dryden Press.
27. Smith M., Fischbacher, M, Wilson Francis A. (2007), New service development: From panoramas to precision, Anne European Management Journal, 25 (5), P. 370-383.
28. Smith, S., and Wheeler, J., (2002). Managing the Customer Experience: Turning Customers Into Advocates. Harlow: Prentice-Hall.
29. Sreenivas T, Srinivasa U, Rao (2013), A comparative study on product mix in corporate hospitals, International Journal of Commerce, Business and Management (IJCBM), 2 (1).
30. Sreenivas, T. (2002), Management of hospitals, A.P.H. Publishing Corporation.
31. Van Waterschoot, W., and Foscht, T., (2010). The Marketing Mix – A helicopter view, in Baker, M., J., and Saren, M., 2010 (eds.). Marketing Theory (2nded.). London: Sage.
32. Wangenheim, F., &Bayón, T. (2004), The effect of word of mouth on services switching Measurement and moderating variables, European Journal of Marketing, 38(9/10), P. 1173–1185.
33. Zeithaml, V. &Bitner, M. (2000), Services marketing: Integrating customer focus across the firm (2nd ed.), Irwin McGraw-Hill.