A STUDY ON EVALUATION OF HEALTHCARE SERVICES IN CORPORATE HOSPITALS WITH SPECIAL REFERENCE TO MADURAI

SYNOPSIS

INTRODUCTION

The Indian health care industry is estimated to be around Rs.1000 billion at present and is expected to reach Rs.2000 billion by 2012 with a 17 per cent annual growth rate. This growth has been attributed to the increasingly affluent and more consumer-oriented, Indian middle class, which today expects health care services at higher levels of quality. This private sector plays a significant role in the provision of health care services.

The demand–supply gap for health care delivery is very large in India. In terms of number of hospital beds, India has less than one third of the WHO norm. The Indian health care sector with its highly fragmented hospital and health care systems, suffers from a skewed distribution of hospitals. In Maharashtra, there are 3115 hospitals; Kerala has 2040, whereas Himachal Pradesh has only 57 hospitals. This is primarily due to the difference in the extent of private sector participation in the health care sector. Ninety per cent hospitals are owned by private sectors in states like Andhra Pradesh, Maharashtra, Gujarat, Kerala and Tamil Nadu.
The Indian health care industry lacks standardization, accreditation, and sharing of information on management expertise. There is tremendous scope for partnership in the field of health informatics.

**NEED FOR THE STUDY**

The consumers in health care industries are highly aware of the facilities at the various hospitals at the nearby cities. Their expectations are also growing at a faster rate. Due to globalization and liberalization, the competition in health care industry is also growing day by day. Hence, the health care management should analyze the needs of their customers consistently. They formulate the marketing strategies which are appropriate to their customer segment. They should enrich their marketing orientation in a continuous manner. The corporate hospitals are following these aspects very carefully and capture the market share also. The analysis on the marketing orientation and implementation of marketing strategies by corporate hospitals and their impact on the attitude of patients towards hospitals is the need of the era. Hence, the present study has made an attempt to analyze this aspect.

**STATEMENT OF THE PROBLEM**

Most health care organizations are multi-product or multi service, offering a range of services. The medical cost is often of secondary importance in life-threatening and urgent situations. The consumerism has been slowly entering into
the medical health service industry. Hence, the health care units are trying to provide maximum patients satisfaction. But the changes in patients’ expectations are growing and changing due to the development in medical fields. The marketing strategies of the hospitals are playing an important role in this aspect. The success of the hospitals rests on not only better service quality but also on the appropriate marketing strategies. Hence the important problems faced by the hospitals in the competitive world are at two dimensions namely patient satisfaction and the marketing strategies of the hospitals.

**PROPOSED RESEARCH MODEL**

The researcher has proposed a research model for the present study. It is given below:
On the basis of the proposed research model, the objectives of the study has been designed.

**OBJECTIVES OF THE STUDY**

The objectives of the present study are confined to

(i) To reveal the profile of the patients in the hospitals;

(ii) To analyze their perception on service quality and services offered by the hospitals;

(iii) To analyze the marketing orientation of the hospitals;

(iv) To examine the impact of marketing orientation of the hospitals on the perception of the patients on the hospitals.

(v) To evaluate the marketing strategies adopted by the hospitals;

(vi) To analyze the impact of marketing strategies on the overall attitude towards the hospitals; and

(vii) To identify the suitable suggestions to the hospital management.

**METHODOLOGY OF THE STUDY**

The descriptive research design has been followed in the present study since the study has its own predetermined objectives and methodology to be followed to fulfill the objectives. Apart from this, the present study explains the
attitude of the patients towards the health care services and also the perception of the staff on the marketing orientation and the strategies adopted by the health care units.

**SAMPLING PROCEDURE OF THE STUDY**

The sampling procedure followed in the present study is multi-stage random sampling since the samples are selected at three different stages.

At the initial stage, all the 186 hospitals have been included for the present study. Hence it is a census study.

At the second stage, the patients are selected as the sample of the part of the present study. In total, three patients are selected from each hospital purposively for the study. Hence it is the purposive sampling at this stage. The total sample size of patients came to 558. Since the response rate on the interview schedule is 55.37 per cent to the total of 558, the number of sampled patients came to 309.

At the third stage, two doctors and two staff (nurses and administrative staff) have been taken as sample from each hospital. These doctors and staff are selected at random. The sampled doctors and staff are 744 (372+372). Since the response rate from the doctors and staff are 32.53 and 72.04 per cent to the total respectively, the total sampled staff (doctors and staff) came to 389. At this stage, it is related to random sampling. Hence, the applied sampling procedure of the study is multi-stage sampling.
CONSTRUCT DEVELOPMENT

Since the present study is completely based on primary data, the data have been collected through the structured and pre-structured interview schedule. There are two separate interview schedules have been prepared; one is for the patients and another is meant for doctors and staff. The schedule for patients consists of four important parts. The first part covers the profile of the patients whereas the second part includes the perception of the patients on service quality of hospitals. The third part consists of the perception of the patients on important services in hospitals whereas the fourth part includes the patients overall attitude towards hospitals.

The interview schedule for doctors and staff consists of three important parts. The first part explains the profile of the health care organization. The second part covers the staff view on the marketing orientation of the hospitals whereas the third part consists of the perception of the staff on the implementation of marketing strategies by the hospitals.

A proper care was taken to include the variables related to service quality, services offered by hospitals, overall attitude towards hospitals, marketing orientation and market strategies. A pre test was conducted among 30 patients and 30 staff (including doctors and staff) in hospitals. Based on the result of pre-test,
certain modifications, alterations and deletions have been carried out. The final draft of the interview schedule has been used for the data collection.

**COLLECTION OF DATA**

The data from patients and staff have been collected with the help of two separate interview schedules. Out of 558 patients from the 186 hospitals, the responded patients are only 309 patients within a period of three months of time. At the same time, out of the 372 doctors and the 372 staff (nurses and administrative staff) in the 186 hospitals, the fully responded doctors and staff are 121 and 268 respectively. Hence, 309 patients and 389 staff have been included for the study.

**FRAME WORK OF ANALYSIS**

The collected data were analyzed with the help of the following statistical tools.

1. Exploratory Factor Analysis (EFA)
2. Confirmatory Factor Analysis (CFA)
3. Reliability Analysis
4. Two-group Discriminant Analysis
5. Multiple Regression Analysis
6. One-way Analysis of Variance (ANOVA)
7. T-test
CHAPTERISATION

For a neat and clean presentation of the study, the present study is classified into six important chapters. The content of the chapters are presented below.

Chapter–I covers the introduction, health care industry in India, need for the study, statement of the problem, review of previous studies, research gap, proposed research model, objectives, methodology and limitations of the study.

Chapter–II includes the conceptual frame work of the study. The included concepts in the present study are service quality, services offered, marketing orientation and marketing strategies adopted by the health care units.

Chapter–III explains the profile of the patients, perception of the patients on the service quality and services offered by the health care units, the overall attitude towards the hospitals, the impact of the service quality on the overall attitude towards the hospitals among the urban and rural patients and the discriminant service quality and the services of the hospitals among the urban and the rural patients.

Chapter–IV reveals the profile of the hospitals, marketing orientation in the hospitals, impact of marketing orientation on the patient satisfaction in big and the small hospitals and the discriminant marketing orientation among the big and the small hospitals.
Chapter–V analyzes the rate of implementation of marketing strategies by the hospitals, the impact of implementation of marketing strategies by the hospitals on satisfaction of their patients and the discriminant marketing strategies among the big and small hospitals.

Chapter–VI summarizes the findings of the study, conclusions, policy implications and scope for future study.

**GIST OF THE FINDINGS**

The present study found that the perception on the service quality of hospitals is higher among the rural patients than among the urban patients. The perception on the physician behaviour, supporting staff and atmospherics in hospitals are also seen as higher among the rural patients than among the urban patients. It might be due to the expectation of the rural patients which may be lesser than the expectation of the urban patients. The significantly influencing aspects in hospitals on the overall attitude towards the hospitals are the attitude of the patients on the overall service quality, physician behaviour and supporting staff behaviour.

The marketing orientation in the big hospitals is identified as higher than that of in the small hospitals. The significantly influencing marketing mix orientation of the hospitals on the overall perception on service quality of hospitals is their product, price, people and physical evidence orientation. The important
discriminant marketing orientation among the big and the small hospitals are promotion and process mix. The implementations of marketing strategies to attract more patients are higher in the big hospitals than those of in the small hospitals. The important discriminant marketing strategies among the big and the small hospitals are medical specialization and customer analysis which are higher in the big hospitals than those of in the small hospitals. The significantly influencing marketing strategies on the overall attitude towards the hospitals among the patients are their medical specialization, financial accommodation, customer analysis, competitors’ analysis and promotional measures. The study finally concludes that the health care services are different on the basis of their sizes. The hospitals which understand the needs of the customers from different segments very well are performing in a better manner. Hence, the hospitals are advised to do customers and competitors analysis initially and then formulate appropriate marketing strategies to succeed in the market.

**SCOPE FOR FUTURE STUDY**

The present study is a base for future research. The future possible researches are given below. The service quality in private and public hospitals may be compared in future. The expectation and perception of the patients on particular group of hospitals may be focused in future. The perception of the patients on primary health centres may be analyzed separately. The attitude of the
patients towards physician behaviour or supportive staff behaviour or the atmospherics may be examined separately at different hospitals. The marketing strategies of the hospitals and their performance may be discussed by the future studies. The rate of implementation of various quality programmes and its consequences in the hospitals may be studied in near future. The impact of advertisement in the health care industry may be discussed in future. A study on the organizational climate and the service quality of hospitals may be focused by future studies.