Modern society has developed formal institutions for patient care. The hospital, a major social institution, offers considerable advantages to both patients and society. A number of health problems require intensive medical treatment and personal care which normally can't be available in a patient's home or in the clinic of a doctor. This is possible only in a hospital where a large number of professionally and technically skilled people apply their knowledge and skill with the help of world class expertise, advanced sophisticated equipments and appliances. The excellence of hospital services depends on how well the human and material resources are utilized to promote patient care. The hospital is not an entity in itself. Today, the hospital is a place for the diagnosis and treatment of human ills and restoration of health and well-being of temporarily deprived of patients. The first and foremost function of a hospital is to give proper care to the sick and injured without having social, economic and racial discrimination. However, the hospitals must perform many more things in addition to the patient care. The education and training of doctors and nurses, support to medical research and assistance to all activities carried out by public health and voluntary agencies to prevent diseases and further to promote positive health attitude are some of the important services of modern hospitals.

In the past, the hospitals were set up as charity institutions, specially for the poor and weaker sections of the society. The only function of those institutions was to care for the sick and the poor. Of late, the hospitals are set up with the motto of serving all sections of the society. In addition, some of them are also engaged in conducting and promoting medical education, training and research. In a modern dynamic society, the administration and management of such a complex organization requires a fair blending of technical and administrative excellence. All services by the right persons, in a right way. The administration and management of hospital is an activity to secure better output by making possible an optimum utilization of
The line services include emergency services, out-patient services, in-patient services, intensive care unit and operation theatres. The supportive services are central sterile supply, diet, laundry, laboratory, radiology and nursing. The auxiliary services are registration and indoor case records, stores, transport, mortuary, dietary, engineering and security.

In the hospital marketing, the promotion strategies also need an intensive care. It is surprising that users having disposable income in their hands lack information regarding the nature and types of services made available in a particular hospital, though they bear the efficacy to avail the facilities.

The advertising and publicity would raise the demand for the services. While promoting medical services, the advertising and publicity strategies are expected to communicate all the related information, e.g., the fees charged, the available boarding and lodging facilities for the attendants, the transportation and communication facilities etc. This helps hospitals in rationalizing the services vis-a-vis minimises inconveniences to the patients and attendants. The communication media are required to assign due weightage to the advertisements by smooth-paced accessibility of the messages through sensitive advertisement slogans. The health consciousness or nutritional awareness are also required to be included in the promotion plan of hospitals. The behaviour of doctors, nurses and the public relation officers or receptionists are found more sensitive, particularly with the viewpoint of raising the standard of services.

Like other services, the medical services also need improved research and training facilities, specially to the staff directly concerned with the patients and attendants. The application of marketing principles can't be confined to the profit making organizations. To channelise the services or to initiate quantitative improvements in the services, or to make possible cost effectiveness; the marketing strategies are considered to be significant. It is against this background that even in the not-for-profit making organizations, the application of this principle is found productive. The hospital is a not-for-profit making organization in which the application of marketing principles would make possible cost effectiveness.
vis-à-vis would raise the efficacy of an organization to serve the masses. The financial viability would also not be questioned as the pricing strategies would allow adoption of such a rational policy which subserves users and organizations interest pari passu.

In the Indian environment where majority of the government hospitals are found in a depleted condition, it is the need of the hour that charitable trusts, corporate sector and voluntary agencies come ahead and carry forward the task of making available to the society the world class medical services. The government, no doubt, would regulate the activities but at the same time would also make available to these hospitals infrastructural facilities. The welfare and well-being of the most precious endowment like the human resources depend upon the medical facilities made available to them. The growing rate of industrialization invites multi-pronged health hazards. Lack of nutritional awareness and inadequate health education further aggravate the magnitude of problems. This requires concerted efforts, a new approach, a new strategy, a new policy and a new concept for managing the not-for-profit making organizations, specially the hospitals. The management of not-for-profit based service institutions assume an outstanding significance as it influences the quality life index of our society. How well we manage our hospitals govern the mental and physical health of our posterity. If hospitals are well managed, the task of having innovative skill and modern facilities would also be simplified. In the developing countries like ours, the cases of managerial deficiency are found in almost all the government managed hospitals.

Except a very few, the government, semi-government, voluntary agencies hospitals and even private charitable hospitals are found in the same boat. This necessitates application of management principles in the hospital organizations. One should not believe that application of marketing principles would pave avenues for profit generation even by the hospitals.
The results are sure to be positive as the hospital organizations would succeed in their mission of servicing the masses, protecting the precious endowment and safeguarding the interest of hospitals by enriching their development faculty and building a positive image. The essential function of a hospital in the Indian environment is to cater to a very large masses of people by providing to them the best possible services.

LOPEZ. JOE. CAJETAN