CHAPTER – II
OBJECTIVES AND METHODOLOGY OF THE STUDY

This chapter is intended to present the objectives, scope and methodology of the study. An attempt is also made in this chapter to present an overall survey of literature connected to the present research area under reference.

OBJECTIVES OF THE STUDY

The following are the objectives of the study

- To examine the trends in health care services at national level in India;
- to study about the organization structure and management pattern of selected corporate hospitals;
- to analyse and assess the efficiency / quality of the health care services being provided by the two selected groups of hospitals as a comparative study;
- to find out the perceptions and satisfaction of patients towards quality of services in the selected two groups of hospitals and
- to offer suggestions for the consideration of the policy makers.

METHODOLOGY OF THE STUDY

The methodology of the study is as under

a) From the available information, it is observed that there are very few studies available dealing with the quality of health care services in corporate hospitals in Andhra Pradesh. The study aims at analyzing the quality of healthcare service being offered by the corporate hospitals in Hyderabad. The scope of the study is confined to examine and assess the quality of healthcare services offered to the out patients in four sample corporate hospitals in Hyderabad city.

b) SOURCES AND METHOD OF DATA COLLECTION

Both primary and secondary sources are used to collect the data. The information relating to the profile of hospitals, healthcare sector in India is obtained from secondary sources. The information relating the views of
patients on the qualities of service offered by the selected hospitals is obtained through a structured questionnaire. An interview schedule is administrated to know the problems faced by the hospital administrators in providing qualitative services to patients.

The Primary data was collected for the year 2009-2010. However the secondary data was collected for a period of 5 years from 2004-05 to 2008-09.

**Sampling Design**

a) Four of the most popular corporate hospitals in the Hyderabad city are selected for having a comparative study between the first two hospitals and the next two.

(i) Apollo Hospital
(ii) Yashoda Hospital
(iii) Mediciti Hospital
(iv) Care Hospital

The first two hospitals were established during 1980’s and the remaining two were established after 1995. Moreover the first two hospitals got rich corporate profile compared to the next two, in terms of number of beds, staff, department etc. The table 2.1 shows the particulars.

b) A sample of 400 patients, representing 100 from each of the four sample hospitals is taken for study.

**Table 2.1 : Comparative details of the four hospitals in Hyderabad**

<table>
<thead>
<tr>
<th>S. No</th>
<th>Name of the Hospital</th>
<th>Year of Establishment</th>
<th>Hyderabad Bed Count</th>
<th>No. of Departments/ Specialties</th>
<th>Staff Particulars</th>
<th>Staff to Patient Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Doctors</td>
<td>Nurses</td>
</tr>
<tr>
<td>1</td>
<td>Apollo Hospitals</td>
<td>1988</td>
<td>1000</td>
<td>50</td>
<td>1000</td>
<td>6500</td>
</tr>
<tr>
<td>2</td>
<td>Yashoda Hospitals</td>
<td>1989</td>
<td>1200</td>
<td>62</td>
<td>600</td>
<td>1100</td>
</tr>
<tr>
<td>3</td>
<td>Mediciti Hospitals</td>
<td>1996</td>
<td>225</td>
<td>30</td>
<td>130</td>
<td>250</td>
</tr>
<tr>
<td>4</td>
<td>Care Hospitals</td>
<td>1997</td>
<td>772</td>
<td>40</td>
<td>200</td>
<td>1000</td>
</tr>
</tbody>
</table>
DATA ANALYSIS

The questionnaire consists of different questions represented on 5 point scale. Averages with percentages for each question for all four hospitals have been tabulated and analysed. A detailed interpretation wherever necessary has been given.

Statistical tools like Chi-square, Factor Analysis and Multiple Regression Analysis have been used for data analysis using SPSS 8.0. Multiple Regression is used to understand about dependent variable, i.e. satisfaction and the influence of independent variables on the dependent variable. Factor Analysis is conducted to analyse the data and reducing the data into a few number of factors.

LIMITATIONS OF THE STUDY

- The size of the sample selected for the study constitutes only a small segment of the population.
- It is a cross-sectional study, which does not permit the researcher to go for comparison of quality of services over a period of time.
- As the study is conducted in the Corporate Hospitals situated in Hyderabad, the study may have the limitation of generalizing the findings of entire industry of Corporate Hospitals in India.

PRESENTATION OF THE STUDY

Keeping in view of the objectives mentioned earlier, the study is organized into six chapters. The details of chapterisation is as follows:

- The first chapter deals with the introduction on health care industry in India.
- The second chapter deals objectives and methodology of the study including review of literature.
- The third chapter deals with profiles of selected hospitals in Hyderabad viz., Apollo Hospital, Yashoda Hospital, Mediciti Hospital, Care Hospital.
- The fourth chapter focuses and analysis of the Recent trends in the healthcare services.
- The fifth and sixth chapters focus attention on an appraisal of the satisfaction of patients and efficiency in the delivery of quality healthcare services in sample hospitals, through opinion survey.
- The seventh and last chapter deals with findings, suggestions and conclusions of the study.
REVIEWS OF EARLIER STUDIES

Keeping the importance of the health care marketing, an attempt has been made to try review the related studies. Health care organizations, particularly the Corporate Hospitals, are working very hard to attract the patients’ attention focusing their strategies on Multi and Super-specialties and Quality of service and Competitive Pricing. Quality of service is one of the most important factors in the service organizations particularly in the health care organizations. Hence, an attempt is made to review the existing available literature on health organizations, whose focus was mainly on service dimension. The journals like journal of marketing, journal of retailing, journal of marketing research, journal of health care marketing, Indian management and Vikalpa have been reviewed.

Virtually every organization is nowadays concerned with satisfying the users of its products or services be they known as clients, customers, consumers or patients. The subject of satisfaction has been studied extensively in the fields of sociology, psychology, marketing and healthcare management and while the particular focus of interest in each individual discipline tends to be quite distinct, common themes do exist, especially in the approach to satisfaction found in the ‘younger’ discipline of marketing which draws on conceptual developments presented in the sociology and psychology literatures. Indeed consumer satisfaction is at the very core of modern marketing theory and practice which is based on the notion that organizations survive and prosper through meeting the needs of customers.

Review of literature is grouped as under

I. PUBLIC / CONSUMER ATTITUDE TOWARDS HEALTH CARE

Simon J.K¹ (1978) has suggested the public’s attitude towards the health care industry has changed, in that they feel negatively towards our current health care delivery system. He further states that increased malpractice activities against hospitals are a result of change in the hospital image. Hospitals have not been adequate in their responsibility of marketing their role, services, and needs to the consumer. Programs and activities are not usually undertaken in response to need sensitive studies and target populations, nor are they consumer oriented on well

publicized. Marketing can help administrators apply new techniques, which will enhance the stability of the hospital while making it responsive to the needs of those who use it.

In terms of services, Zeithaml and Binter\(^2\) (1991) distinguish between three types of expectations. The first is desired service, defined as the level of service the customer hopes to receive, the ‘wished for’ level of performance blending what the customer believes ‘can be’ and ‘should be’. Customers hope to achieve their service desires but recognize that this is not always possible and for this reason they hold a second, lower level expectation, adequate service, representing the ‘minimum tolerable expectation’ or bottom level of acceptable performance. Finally, predicted service is the level of service customers believe they are likely to get and implies some objective calculation of the probability of performance. Zeithaml and Binter argue that customers recognize that service performance may vary and that the extent to which they recognize and are willing to accept this variation is called the zone of tolerance. In theory predicted service could equate with either adequate or desired service but is most likely to fall between the two and hence within the zone of tolerance. The zone of tolerance is seen as the range or window in which customers do not particularly notice service performance. When performance falls outside the range (either very high or very low) the customer expresses satisfaction or dissatisfaction.

Mark Peyrot et.al\(^3\) (1993) have examined factors related to consumer satisfaction and willingness to recommend the provider, by out-patients. The study examined the non-medical characteristics of the services, viz., staff behavior, atmospherics information, examination comforts and perceived worth. The study concluded that patient satisfaction and willingness to recommend the provider are related to several consumer perception of service quality. The study further concluded that out-patient health care facilities can increases patient satisfaction and willingness to recommend the provider by managing characteristics other than price and technical quality of care. In view of this, attempts should be made to study the issues relating to


health care marketing in Indian context, which enable to understand the features of health care marketing in India. In this direction, a modest attempt has been to study the consumer satisfaction and perceived quality of out-patient health care services.

James E Nelson\(^4\) (1993) indentified the zone of tolerance concept to be particularly applicable to the healthcare setting and could explain the findings of a study looking at the effect of ‘good’ and ‘bad’ surprises on satisfaction levels. The study was particularly concerned with the effect of social norms which the user might only become conscious of when transgressed; ‘good surprises’ being defined as care going well beyond what was expected and ‘bad surprises’ equivalent to the transgression of typical values. The results indicate that the majority of those relating a ‘good’ surprise (above the level of desired service) or no ‘surprise’ (within the zone of tolerance) expressed satisfaction while those who had experienced a ‘bad surprise’ (below the level of adequate service) were more likely to have expressed dissatisfaction. The satisfaction processes at play are likely to differ in the same individual depending on the severity of the condition he or she presents with. Patients will probably use different criteria to judge the management of a life-threatening emergency as compared to a routine health check and evaluation may differ depending upon whether it is the patient or the health professional who identifies the problem in the first place. Clearly, healthcare is not homogeneous; it is a distinctive, complex mixture of emotion, the tangible and the intangible and its consumption cannot be viewed in entirely the same light as that for a consumer product such as a television or a washing machine.

A public survey\(^5\) (1993) was conducted an “patient provider Interface” by Medico friend circle in Maharashtra state to understand patients views on the present health care system to look at their experiences in the various health systems and study their perception on various aspects of present health care system. The study concluded that 77% of the total episodes of 208 reported that they approached private health care.

II. SERVICE QUALITY

One major step in developing quantitative measures of service quality was accomplished by Parasuraman, A. Valarja Zeithaml, and Leonard Benny\(^6\) (1988), who studied the perceived service quality through gap analysis, and consumer perceptions of service. They developed “SERVQUAL” an instrument, specially designed to measure customer perceptions of service quality. Consumers consistently related “Reliability” as the most critical dimension and “Assurance” as second followed by tangibles, Empathy and Responsiveness.

Haywood-Farmer and Stuart\(^7\) (1988) were the first to study the quality of professional services, with a hypothesis that “Servqual” instrument was an inappropriate to measure the professional service quality, as there was no mention of core service element of professional services. The study proved the hypothesis, and as a result, Haywood-Farmer and Stuart have modified the Servqual instrument by including the constructs which assess core service, service customization, and knowledge of professional.

Woodside, Frey, and Daly\(^8\) (1983) have formulated a multi-attribute model linking perceptions of services quality to patient satisfaction and behavioral intentions. The model was based upon a service script tracing the sequence of acts constituting the service encounter. The service script concept was supported by research showing that access (Robert and Tugwell, 1987; Russel 1990 and ease of making appointments (Kingsley and Hodges 1988) can be important determinants of satisfactions, an can receptionist behavior (Kinglsey and Hodges, 1988). Mackeigan and Larson (1989); Dolinsky and Caputo (1990); Roberts and Tugwell (1987) studies have found that cost also affects the patient satisfaction. It is complex factor in health care.

Brown and Swartz\textsuperscript{9} (1989) explored patient and provider evaluations of quality using gap analysis. In second empirical study, compared patient and physician perceptions of professional competence, professional credibility, and communications and found significant differences between physician and patient perceptions of service.

Sisk et.al\textsuperscript{10} (1990) conducted a secondary study, to assess information on the quality of medical care, evaluated the validity and reliability of several quality indicators for both hospitals and providers. The main findings of the study were:

a) Physicians practicing in the area of their training are more likely to deliver higher technical quality than physician, practicing outside their training.

b) Certification by a medical specialty board has not been associated with the quality of a physician’s care.

c) Patient assessments of their care can provide valid information about the interpersonal aspects of the service, but patient evaluations of technical aspects have not yet been validated.

Zeithaml\textsuperscript{11} et al (1990) observed that expressions of satisfaction have little to do with the qualities of the service provided or the care offered and clearly ‘Engendering Positive Expectations’ must not be confused with raising false hopes which deliberately mislead patients, nevertheless the assumption that satisfaction is entirely the product of an evaluation per se may not apply in all situations. In this regard, he noted that while consumers ultimately judge the quality of services on their perceptions of the technical outcome provided and how that outcome was delivered (process quality), many professional services are highly complex and a clear outcome is not always evident. This is certainly true of many healthcare scenarios where the technical quality of the service – the actual competence of the provider or effectiveness of the outcome – is not easy to judge. The patient may never know for sure whether the service was performed correctly or even if it was needed in the first place.


\textsuperscript{10} Sisk J.D.Doughedy, P.Ehrenhaft, G.Ruby, and B.Mitchner (1990), "Assessing Information for Consumers on the Quality of Medical Care", Inquiry, 27 (3), 268-72.

\textsuperscript{11} Zeithaml, Parasuraman, A. Valarja and Leonard Benny (1990), "SERQUAL : A Multiple - Item scale for Measuring Consumer perceptions of Service Quality", Journal of Retailing, 64 (1), 12-40.
“The impact of service quality and marketing on financial performance in the hospital an empirical examination” by P.S. Raju, S.C. Lonial. Service quality and service marketing have both been studied extensively in relation to service organizations in this research. This paper examines these areas simultaneously in terms of their impact on financial performance in the hospital industry. Drawing from the literature in the quality and service marketing areas, the area of service quality is represented in terms of the constructs of quality context and quality outcomes. Quality context (CQC) describes the environment related to quality practices within a hospital, which generally encourages and enhances service quality while quality outcomes (QO) comprises of specific clinical and patient satisfaction outcomes of the hospital. The area of marketing is represented in terms of the constructs of marketing orientation and market/product development outcomes. Market orientation (MO) is a well-accepted, albeit complex, construct within the marketing literature. Generally, market orientation can be thought of as the process of effectively collecting, disseminating, and responding to information in order to enhance the marketing function within the hospital. Such information generally relates to market trends, customers, and competitors. Market/product development outcomes (MPD) refer to specific outcomes in relation to product innovation and market segmentation that are general indicators of the marketing effectiveness of the hospital. Although the evidence in the literature suggests that both service quality and marketing are independently related to organizational performance. The results show that the constructs related to both service quality and marketing impact on financial performance. However, the results do not support the proposed framework of relationships. Instead, the results support a sequential chain of relationships among the constructs where MO mediates the effect of QC on QO, and NIPD mediates the effect of QO on FP.

Developing a marketing function in public healthcare systems: A framework for action, Federico Lega (2006). The scope of this research is to analyze the contribution that a marketing function can bring to the wide variety of healthcare

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organizations operating in public health systems (PHs). While extensive research on marketing applied to healthcare services has been elaborated in competitive and managed care contexts, marketing is a rather new issue in PHs and little research has been conducted to assess its relevance and benefits in these environments. This study tackles that gap and is based on a review of the current literature in order to provide answers to the following points:

- Definition of the scopes of marketing and of the elements that affect its incorporation in the healthcare sector.
- Conceptualization of the possible approaches to marketing by health organizations operating a PHs
- Discussion of the resulting framework for action.

“Marketing of Health Care Within a Community: A Quality-of-Life / Needs Assessment Model and Method” by Don R. Rahtz, M. Joseph Sirgy14 (2000), In this study a community-based health-care assessment model and method is presented. The model and method are based on theoretical notion that community residents' satisfaction with individual health-care programs and services available within their community affect their satisfaction with the community health-care system. Example of individual health-care services and programs include: drug abuse programs, cancer health services, children health services, diabetes services, elderly health programs, emergency health services, physical fitness programs, heart health programs, home health services, mental health services, in-patient hospital services, obstetrics services, out-patient services, physical rehabilitation services, and women's health programs. In turn, satisfaction with over-all community health care affects perceived quality of life (over-all life satisfaction) through satisfaction with the community at large and satisfaction with personal health. Data were collected in the Mid-Atlantic area of the United States through a mail survey. One hundred and forty-seven community residents completed the survey. The results were supportive of the model and provided validation support to the assessment method. Managerial implications of the model and its application are also discussed. Finally the author suggested that the firm should focus on establishing long-term relationships with the variety of segments

within the community it serves. Specifically, the firms should do so with the intention of maximizing the firm's positive impact on the lives of those consumers. Health-care organizations, by their very nature and purpose, seem to be the embodiment of the perfect type of firm to become leaders to a move to a overall quality of life (QOL) perspective ill strategic planning. The use of the proposed model and method can aid in such a move by providing decision makers with a measurement tool that can be used to assess the effectiveness of their programs/services to the community they serve.

“Brand equity in hospital marketing”. Kyung Hoon Kim, Kang Sik Kim, Dong Yul Kim: Jone Ho Kim, Suk Hou Kang (2007) This article identifies five factors that influence the creation of Brand equity through successful customer relationships: trust, customer satisfaction, relationship commitment, brand loyalty, and brand awareness. An empirical test of the relationships among these factors suggests that hospitals can be successful in creating image and positive brand equity if they can manage their customer relationships well. The study is presented in the following manner. First, they draw from the research literature to identify the brand equity factors that influence the building of successful customer relationships in hospitals. Second, they constructed a research model that explains the relationships of those factors to brand equity and hospital image. Third, generated research hypotheses and empirically test them. Finally, they discussed the practical and theoretical implications of the results. Finally this article concluded that, the hospitals must depend heavily on word of-mouth communication and customer relationship management (CRM). This study shows that they can succeed in creating positive brand equity and image if they can manage relationships with their customers well.

Current Marketing Practices in the Nursing Home Sector" by Calhoun, Judith G. Banaszak Hall, Jane Hearld, Larry R (2006) This study examines the extent to which nursing homes have developed more formulated marketing and related communication and promotional strategies as market competition has increased in this sector during the past two decades. In addition, we explored

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managers' perceptions of their control over marketing decision making, the impact of competition on the use of marketing practices, and areas for enhanced competitive positioning. Administrators from 230 nursing homes in 18 Southeastern Michigan counties were surveyed regarding (1) the adoption level of approximately 40 literature-based, best-practice marketing strategies; (2) the types of staff involved with the marketing function; and (3) their perception of their level of control over marketing functions and of local competition. Results from 101 (44 percent) survey participants revealed that although respondents viewed their markets as highly competitive, their marketing practices remained focused on traditional and relatively constrained practices. In relation to the importance of customer relationship management, the majority of the administrators reported intensive efforts being focused on residents and their families, referrers and staff, with minimal efforts being extended to insurers and other types of payers. A significant positive relation was found between the intensity of marketing initiatives and the size of the facility (number of beds), whereas significant negative correlations were revealed in relation to occupancy and the perceived level of control over the function.

“Hospital marketing and the Internet: Revisited” by C. David Shephered and Daniel Fell (1998). In 1995 a study was conducted to explore the use of the Internet in hospital marketing. Use of the INTERNET has exploded since that study was published. This manuscript replicates the 1995 study and extends it by investigating several managerial and operational issues concerning the use of the Internet in hospital marketing. The results of this study offer several insights into the nature of hospital marketing on the Internet and suggest several research priorities. First, hospitals are rapidly accepting the Internet as a marketing tool. Second the results of this study indicate that it is not easy task to create and maintain a web site. Third, marketing departments tend to be taking a very active role in this hospital's use of the Internet. The results if this study suggests that some hospitals are "Jumping in" to the Internet without adequate planning for management. Clearly there is a need for research designed to identify the knowledge and competencies needed by marketers as they actively participate, and often manage, this hospital's Internet efforts.

“The relationship between health plan advertising and market incentives: Evidence of risk selective behaviour” by Ateev Mehrotra; Sonya GrIer; and R.Adams Dudley\(^{18}\) (2006). This study explores how the content of health plan advertising is related to the competitiveness of the health plan market. They find that increased competition is associated with greater use of advertising that targets healthier patients. For this they created a methodology for coding risk selective characteristics in ads and used an initial sample of ads to generate a set of ten risk selective characteristics. Then tested hypotheses in two new samples of ads. By this study they found that the use of ads that are attractive to healthy patients increased notionally. They found preliminary evidence that health plans change the content of their advertising in response to market incentives.

“Modeling the impact of internet atmospherics on surfer behavior” by Marie-Odile Richard\(^{19}\) (2005). This paper examines the role of Internet atmospherics cues on the behavior of surfers and their impact on variables such as site attitudes, site involvement, exploratory behavior, pre-purchase and purchase intentions. Atmospherics cues are central (structure, organization, in formativeness effectiveness and navigational characteristics) and peripheral (entertainment). A conceptual model is developed based on a review of existing findings and tested with a large sample of consumers who responded to a questionnaire after navigating through an existing pharmaceutical web site. Structural equations modeling was used to test 10 major hypotheses. Among the key findings, all atmospherics cues were impacting the other constructs, with the central cues mostly affecting site involvement and exploratory behavior, while entertainment affected site involvement and site attitudes. These findings contribute to the theoretical and managerial understanding of the role of Internet atmospherics on the navigation behavior of visitors.


“The exploration of consumers' behavior in choosing hospital by the application of neural network” by Wan-I Lee, Bih-Yaw Shih.Yi-Shun Chung (2006). The research applied neural network to classify consumers' behavior in choosing hospitals. A quantitative research of questionnaire was first conducted to explore consumers' behavior in choosing hospitals in southern Taiwan. Factor of consumers' behavior were categorized into four types. Then, a back propagation neural network classification model was developed. The model demonstrates the usefulness of 85.1% classification rate in classifying consumers' styles. Finally, their marketing implications were discussed. Based on the results of the research, the evidence is enough to suggest that the neural network model is useful in identifying existing patterns of hospitals' consumers.

“Concepts in service marketing for healthcare professionals” by Christopher L. Corbin a, Scott W. Kelley, Richard W. Schwartz (2001). This article opined that the Patients are becoming increasingly involved in making healthcare choices as their burden of healthcare costs continues to escalate. At the same time, healthcare has entered a tightened market economy. For these reasons, the marketing of healthcare services has become essential for the financial survival of physicians and healthcare organizations. Physicians can successfully use the fundamental service marketing principles proven by other service industries to win patient satisfaction and loyalty and remain competitive in today's market economy. Understanding concepts such as service quality zone of tolerance, levels of consumer satisfaction, the branding of services, patient participation, and service recovery can be useful in achieving these goals. Finally the author opined that the dynamics of the competitive healthcare marketplace have required that profound changes be made by physicians and healthcare organizations in order that they remain financially and operationally viable. These dynamics have forced physicians and healthcare organizations to change the way they attract and retain their patients. The practice of medicine has become a business; simply put, all business entities require revenue in order to continue.

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operations. Patients initiate the revenue, which requires the effective implementation of service marketing to ensure success. These service-marketing principles have been provided so that physicians may begin to appreciate such issues. Acceptance, appreciation, and application of these introductory principles will become even more important as competition continues to intensify and profit margins continue to shrink.

“Perceptions of justice and employee willingness to engage in customer-oriented behavior” by Kim, Jae-Young, Moon, Junyean, Han, Donchul, Tikoo, Surinder22 (2004). This article examines the relationships among distributive justice, procedural justice, and employee willingness to engage in customer-oriented behavior. Data collected from 328 employees at eight general hospitals in Korea show that distributive justice does and procedural justice does not directly affect employee willingness to engage in customer-oriented behavior. Procedural justice does, however, positively affect perceptions of distributive justice.

“Consumer Empowerment Behavior and Hospital Choice” by Hui-Ching Weng23 (2006). The article presents a study that investigates the behavior and a patient's choice of hospitals. A research design was used to develop the instrument of this study. Participants were asked to generate a list from a set of predetermined questions from the literature of the most significant factors. Interviews were conducted by trainers in the three regional hospitals in the U.S. The demographic profiles of three patient groups are presented and key health care marketing strategies are discussed.


155 hospitals is used as the basis for identifying characteristics associated with higher quality ratings by patients. Based on the results of the research, the author suggests several aspects of patient surveys that can improve the quality of the research. First, the measures should include valid and reliable measures of both patient's medical outcomes and perceived hospital experience. Second, quality should be measured against appropriate standards for the hospital situation because perception can vary by size, locations etc.

“Enhancing Competitive Advantage of Hospitals through Linguistics Evaluation on Customer perceived Value” by Feng-Chuan Pan Chi-Shan Chen25 (2004). This article proposes, would more precisely exploit the value attributes perceived by customers. This research would be pioneer in a value perception study for healthcare services; it would contribute to the industry by providing clear insight to accurately identify target customers who are most valuable in the long-term. Findings of this research indicate patients/customers perceive more value from quality delivered physician competence versus updated facilities. Personal care and a comfortable atmosphere are more important value attributes than a gorgeous, modern building; price is surprisingly a significant value similar to the reputation of a hospital. Hospitals in this research are characterized by diverse value attributes (in terms of five individual value factors studied). Physician's competence, along with correctness and speediness of emergency services are the most valuable criteria customers seek for healthcare service as this research revealed. Therefore it can be concluded that top rate emergency rooms filled with expert medical teams is of utmost importance in making a particular hospital a standout in this industry.

“Hospital choice factor: A case study in Turkey” by Akinic, Fevvzi: Esatoglu, Tangilimagulu Dilaver, Parsons, Amy26 (2004). This article examines the factors affecting hospital choice decisions of 869 patients in three public and one private hospital polic1inics in Ankara, Turkey and attempts to determine their

importance levels. Identification of factors and determining their effectively is important in concentrating management efforts on these key areas and in formulating effective marketing strategies to retain and expand hospital patient's bases in the future. This study findings highlight the importance of accessibility of hospital services to consumers in hospital choice as well as the role of hospitals image its physical appearance, and technology capabilities in informing such choices. These findings are useful for managers to understand he patients make choices related to health care facilities and to develop marketing strategies that may more effectively market their facilities.

“Modeling patient satisfaction and service quality” by Taylor Steven A; Cronin Jr. J.Joseph27. In this article the author attempt to clarify and extent the conceptualization and measurement of consumers satisfaction and service quality in health services. Although the two constructs service as cornerstones in the design and implementation of heath care marketing strategies, a literature review suggests that satisfaction and service quality are currently difficult to distinguish both conceptually and operationally in health care settings. The findings from two studies conducted by the authors to distinguish the nature of these two important constructs within a healthcare marketing context reveal that a no recursive relationship between service quality and patient satisfaction may account for much of the conflicting evidence in the literature.

III. EVALUATION OF SERVICES

Allan C Reddy and David P Campbell28 (1993) have found the impressive results in his study on right positioning of hospital. The findings were:

a. Revenues increased by 81%
b. Out-patient visits increased by 70%
c. Emergency services visits increased by 81%
d. Out-patient surgeries increased by 111%

Zelthaml and Binter\footnote{Valarie A. Zeithaml and Mary Jo Bitner. (1996), "Service Marketing", McGRA W HILL Interactional Edition, New York.} (1996) argue, that however under promising of services makes expectations more realistic, thereby narrowing the gap between expectations and perceptions, it may also reduce the competitive appeal of the service. The study was related to under promise the service and then over deliver the same.

A study was conducted by Ray Krishnangshu \footnote{Ray Krishnangshu, Jaishree Mitra Ghosh, S.B.Chaudhri, Adhip Mandal, Shivani Prasad (1996), “Prescription Audit Analysis – a study of drug prescription practices in India” in 1996 in 6 important states in India. The objective of the study is to explore the prescribing practices of both general practitioners and consultants practicing either privately or attached to Government organizations and to ascertain the cost effectiveness. About 50% of the prescriptions are incomplete and the average estimated total cost of prescription was Rs.72.81/-} (1996) and other on prescription “Audit analysis – a study of drug prescription practices in India” in 1996 in 6 important states in India. The objective of the study is to explore the prescribing practices of both general practitioners and consultants practicing either privately or attached to Government organizations and to ascertain the cost effectiveness. About 50% of the prescriptions are incomplete and the average estimated total cost of prescription was Rs.72.81/-

Parmar Heart\footnote{Parmar Heart, “Present day private ICU/ICCU in the city of Mumbai and the patients right to health care”, Bombay University, Mumbai.} conducted a study on “Present day private ICU/ICCU in the city of Mumbai and the patients right to health care”. The objective of this study is to analyse the extent to which patient’s rights are respected or violated by private ICU/ICCU in Mumbai. The study concluded that lifesaving drugs was not stored in sufficient quantity.

Suresh R\footnote{Suresh R (1999), “Preventive Measures against hospital acquired infections : Awareness and compliance by health care delivery staff with special emphasis on AIDS”, MPH Dissertation Atchutha Menon Centre for Health Services Studies, Thiruvanathapuram, Kerala.} (1999) made a study on the “Preventive Measures against hospital acquired infections : Awareness and compliance by health care delivery staff with special emphasis on AIDS” in Kerala. The results of this study indicate that there was no significant differences in knowledge between those who were trained and untrained.
**Nanda P and Baru R**\(^{33}\) (1993) made a study on “Private Nursing Homes and their utilization - A case study of Delhi” to know the trends, characteristics and services offered by the private medical sector in Delhi. In addition to the institutional study, the profile of uses of medical services was undertaken. A majority of the nursing homes offer outpatient services but confined in patient services to maternity and medical services. The promoters of small nursing homes are mainly from both business and professional backgrounds.

**Bhat Ramesh**\(^{34}\) (1999) observed in his study on “Public Private Partnerships in Health sector- Issues and prospects”. That government budgetary allocation for health sector are low and with the changing technology, the government is not able to cater to the health needs of the people at various levels. Hence there is a need for public private partnerships in Health sector. The study covered six states in India.

**Bhat Ramesh**\(^{35}\) (1999) observed in his study on “Regulation of private health sector in India” conducted at national level in India. The private sector plays a dominant role in India’s health care delivery system. The study concluded that the Consumer Protection Act has not been very successful in providing protection to the consumers as far as the medical sector is concerned.

**Kakada Narendra**\(^{36}\) (1998) in his study on “The Development of Public Health Services and their utilization.” A case study of The Bombay Municipal Corporation” observed that there is an overall decrease in the expenditure on health. A large portion is spent on establishment than on diet or other equipment’s for patients.

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Jincan Bharat Bhusan\textsuperscript{37} (1992-93) in his study on “The state of Medicare facilities in Agra city” came to the conclusion that the lower classes in the city are unable to meet the high cost of medical services prescribed by the medical practitioners. Medical care provided by the private sector has become very commercial and as a result malpractices are common.

IV. STUDIES ON GOVERNMENT HOSPITALS

A study was conducted by Pushpalata, Ingle G.K.Singh\textsuperscript{38} in Delhi on “Perception of users about health care services in a general and super specialty Government Hospital of Delhi” with a view to find out the perception of users about health care services provided and users willingness to pay. About 96.8\% of the users were satisfied with indoor services. The willingness to pay was directly proportionate to the level of satisfaction.

Khan M.E., A.K.Tamang\textsuperscript{39} (1987) made a comparative study of three states on the “Quality of health services in rural India – A comparative study of three states”. The study concluded that the Government health care services were worse in Bihar followed by Gujarat and Himachal Pradesh in that order.

V. STUDIES ON PRIVATE NURSING HOMES

Another important study was organized by Nandraj S. Ravi Duggal\textsuperscript{40} (1997) on “Physical standards in the private Health sector – A case study of rural Maharashtra” in 1997. The objective of the study is to find out the existing physical standards of health care in rural areas provided by private practitioners and hospitals. The study concluded that one-fourth of the practitioners were found to be unqualified with the economically backward taluka, having meanly five times as many unqualified practitioners as the economically backward taluka.

\textsuperscript{38} Pushpalata, Ingle G.K.Singh “Perception of users about health care services in a general and super specialty Government Hospital of Delhi”, Moulana Azad Medical College, New Delhi.
\textsuperscript{40} Nandraj S. Ravi Duggal (1997) “Physical standards in the private Health sector – A case study of rural Maharashtra”
Nandraj S\textsuperscript{41} (1992) concluded in his study on “Private Nursing Homes / Hospitals: A social Audit” that fifty percent of nursing homes are either in a poorly maintained building or they are in a dilapidated condition. Most of the nursing homes are congested, lack adequate space. The study was conducted in the state of mechanization.

Bhat Ramesh\textsuperscript{42} (1999) observed in his study on “Regulation of private health sector in India conducted at national level in India”. The private sector plays a dominant role in India’s healthcare delivery system. The study conducted that the consumer protection act has not been very successful in providing protection to the consumers as far as the medical sector is concerned.

A study was organized by Finch B.Cadinic, Rajesh Misra\textsuperscript{43} (1993) on “Utilization and impact of private health care services in Rajasthan” A majority of the respondents found the services provided by the private hospitals to be good. Only very few respondents were found to go to public hospitals.

VI. UNPUBLISHED DISSERTATIONS

A study “Pharmacies Self-medication and Pharmaceutical Marketing in Bombay” was organized by Kamath Vinay\textsuperscript{44} in Maharashtra in 92-93 with a primary objective of critically examining the role played by practitioners, hospitals etc., in the promotion of the ethical sale of medicines over the counter promoting self-medication in India. In most of the cases, the shops were not managed by the pharmacists themselves but through the family members or salaried personnel. The customers requested for the medicines with or without prescription.

\textsuperscript{41} Nandraj S (1992), “Private Nursing Homes / Hospitals: A social Audit”, Committee for regulating Private Nursing Homes and Hospitals, Mumbai High Court.
\textsuperscript{43} Finch B.Cadinic, Rajesh Misra (1993) on “Utilization and impact of private health care services in Rajasthan”, Voluntary Health Association of India and Rajasthan Voluntary Health Association, Rajasthan.
\textsuperscript{44} Kamath Vinay “Pharmacies Self-medication and Pharmaceutical Marketing in Bombay”
Kakada Narendra\textsuperscript{45} (1998) in his study on “The development of public health services and their utilization. A case study of the Bombay Municipal Corporation observed that there is an overall disease in the expenditure on health”. A large pollution is spent an establishment than on diet or other equipment for patients.

VII. FOREIGN STUDIES

Department of Health and Social Security, in 1984 carried out a study on consumer satisfaction with healthcare and the findings were that Health care services in recent years, gained widespread recognition as a measure of quality, especially since the publication of the 1983. After the enquiry, many empirical studies were carried out in the area of quality services in health care industry.

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Existing studies show that top management commitment to quality is a major factor in determining the success of a company’s quality management program. Many of these studies measure the commitment and success of a company’s quality management programs using information from the company’s own managers. This raises an important research question: Do managers make accurate statements about their commitment to quality and the organization’s emphasis on quality? If not, then the conclusions drawn from existing studies that relied on these statements will be inaccurate. The aim of this study is to answer that research question using the textual data in annual reports and external measures of organizational emphasis on quality.

Annual reports are a key communication vehicle used by senior managers to articulate important matters of the firm, such as their commitment to quality ad to its stakeholders. In this study, the textual content of 100 randomly selected annual reports of firms listed in Fortune’s 1988 list of “America’s Most Admired Corporations” was analyzed to measure their emphasis on quality. This measure was

\textsuperscript{45} Kakada Narendra (1998), “The development of public health services and their utilization. A case study of the Bombay Municipal Corporation observed that there is an overall disease in the expenditure on health”, Unpublished M.Phil Dissertation, Jawaharlal Nehru University, New Delhi.
then compared against external measures of each organization's emphasis on quality. The strong positive relationship between senior management’s annual report emphasis on quality and external measures indicates that senior management’s assertions about organizational commitment to quality appear accurate.

Capturing customer perception in Real time: “Portable Computer Allows Hospitals to Measure Service anytime, anyplace,” The service edge (1993). A research was carried out to collect customer satisfaction and customer perceptions data. It was conducted at Hospital Corporation of America. The system which always a hospital to capture the data, initially 96 hospitals were networked with a portable computer called “Q” that allows the individual hospital to collect direct customer feedback analyze customer survey cards and provide the hospitals with immediate ratings and reports.

Janice Nicholson46 (1995) examines the concept of patient-focused care and how it fits into hospital process re-engineering. Describes the project undertaken at the Derbyshire Royal Infirmary, to implement patient-focused care and care pathway development in accident and emergency, and trauma and orthopedics. Concludes with an insight into how care pathways have been used to improve hospital documentation, reduce duplication of information and provide a rich source of data for effective clinical audit.

“Continuous quality improvement in acute health care” Nigel Sewell47 (1997) reviews the range of quality activity in a National Health Service hospital trust, using a staff questionnaire survey, self-assessment against the Baldrige Quality Award criteria, and the application of the SERVQUAL approach to service quality assessment. Reviews the acute health care quality programme literature. Finds that there are needs for greater integration of quality effort, to engage with patients in a more meaningful manner, and a achieve greater commitment and involvement from clinicians and managers. Identifies lake of time and resources as a major barrier to

greater application of quality programmes. Explore ways of developing a more holistic and integrated programme of quality improvement. Describes the creation and implementation of a model for continuous improvement in health care quality.

A.F.A1-Assaf, MD MPH CQA48 (1999) several models for implementing quality improvement have been development, but they have been applied primarily in the United States. One model developed by the US Agency for International Development Quality Assurance. Project has been applied in several other countries. This article discusses the steps to introduce the continuous quality improvement process, issues related to successful implementation of the process, and the methods by which Jordan and Saudi Arabia have introduced quality improvement into their healthcare system.

Robert H Brooke, Elizabeth and Paul49 (2000) summaries what we know about quality of care and indicate that we can do to improve quality of care in the next century. To improve quality of care adequate data and a strategy to measure quality are required. Each country should have a national quality report, based on standardized comprehensive & scientifically valid measure, which describes the country’s progress in improving quality of care. Advanced tools to assess quality, based on data from the patients and medical records, are also currently being developed.

Change-Yup-kin & Sung Hyen Cho50 (2000) integrating the institutionalization of quality improvement programme in Korean hospitals in which organizational efforts to improve the quality of care have been made only recently. Design: A cross-selection study based upon an initial telephone contact & follow up mail survey.

Summary of the major theoretical perspectives on perceived service quality

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<td>What of provided</td>
<td>Physical Quality</td>
<td>Technical Quality</td>
<td>Outcome Quality</td>
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<td>How it is provided</td>
<td>Interactive Quality</td>
<td>Functional Quality</td>
<td>Process Quality</td>
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Table 2.2
Empirical findings on the measurement of service quality

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<tr>
<td>Research Focus</td>
<td>Consumer perceptions of quality in services &amp; patient retail origins: SERQUAL</td>
<td>Physician Vs Patient perceptions of physician professional service</td>
<td>Physician Vs patient perceptions of physician professional services: Gap Analysis</td>
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<td>Quality Determinants studied</td>
<td>SERQUAL attributes Access, Communication Competence, Reliability Responsiveness, Security Tangibles, Understanding the Customer</td>
<td>Modified SERQUAL: Tangibles Responsiveness, Reliability Assurance, Empathy, Core Services, Customization and Knowledge</td>
<td>Modified SERQUAL Access, Communication Competence, Courtesy, Credibility, Reliability, Responsiveness, security Tangibles, Understanding the Customer</td>
</tr>
<tr>
<td>Findings</td>
<td>Original ten SERQUAL dimensions were consolidated into Five: Tangibles, Reliability, Assurance, Empathy, and Responsiveness consumers rated reliability as the most critical and assurance as second</td>
<td>Core services elements were important for the evaluation of professional services. Reliability, Items were ranked as most important. Tangibles were ranked last in importance.</td>
<td>Gaps between patient expectations experiences, and between patient experiences &amp; provider perceptions of patient experiences, create less positive patient experiences, positive patient evaluations of services.</td>
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Based on the above survey, the research gaps identified and the objectives for the present study were set.