

Marketing Mix in Healthcare Services

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Abstract

In a highly competitive environment, considering the characteristics of nowadays society and the large number of businesses in the field of medical services, competitive advantages and marketing tools are essential for differentiation. For a company to act and react in accordance with the needs of its customers, it is important to consider the components of the extended marketing mix. The aim of the paper is to present the particularities of the components of the marketing mix and their applicability in the field of healthcare services. The methodology was based on a quantitative desk-research method. The paper contributes to an enrichment of the literature on marketing characteristics of health services.

Key words: marketing mix, healthcare, services

J.E.L. classification: M31

1. Introduction

In a highly competitive environment, competitive advantages and marketing tools have become essential for differentiation. Also, today's turbulent times requires companies worldwide innovation and strategic planning (Toma & Marinescu, 2013; Toma & Marinescu, 2015; Tohănean & Toma, 2018). There are important differences between the products and services, in terms of their characteristics and marketing mix. Intangibility of the services causes patients to refer to healthcare services according to the quality of service based on the Servicescape model (exterior and interior design of the organization, ambience, waiting time), its employees (their dress code and behavior), the equipment and promotional materials used, and its prices (Booms & Bitner, 1981). The simultaneous production and consumption determine the fact that the quality of the healthcare services cannot be assessed before purchase, but only during the provision (Pentescu *et al*, 2015). The heterogeneity of the healthcare services, because of the physician (its personality, mood) and the patient will determine the patients to seek as much information as possible about the service provider before making a decision (Dumitrescu & Apostu, 2009; Zeithaml *et al*, 2012).

Achieving performance in the service sector involves the design and implementation of a competitive marketing mix (Grădinaru & Toma, 2017b). In its traditional form, the marketing mix comprised the so-called “4Ps”- product, price, promotion and place (Grădinaru *et al*, 2016). Starting from the fact that in practice it has been demonstrated that services have certain peculiarities, the researchers have added 3 more elements to the traditional marketing mix: people, physical evidence and process that leads to the “7Ps” of the extended marketing mix (Booms & Bitner, 1981; Grădinaru & Toma, 2017a; Catană & Toma, 2021).

The aim of the paper is to present the particularities of the components of the marketing mix and their applicability in the field of healthcare services. The remainder of the paper is structured as follows. The next section reviews the literature on marketing mix in healthcare services. The third section displays the research methodology. The fourth section contains the results and discussion and the last section presents the conclusions, along with research perspectives.

2. Literature review

The literature shows that services characteristics contain the elements of differentiation between companies (Catană, 2019). According to Rădulescu and Cetină (2011), there are three socio-cultural factors that influence the consumer behaviour in healthcare services: culture and subculture, social class, and level of education. These factors have a correspondent in the elements of the extended marketing mix.

Hospitals and healthcare clinics are medical services providers that should employ the marketing mix components in order to achieve a successful performance (Sreenivas & Srinivasa, 2013). Other studies reveal that marketing mix is essence to optimize services characteristics and prices, increase the number of satisfied patients and to be receptive to the needs of stakeholders (Sreenivas *et al*, 2013).

The patient's selection of the hospital is the most important aspect considered by the medical providers and the studies revealed that there are differences between patient's perspective upon public and private hospitals, regarding the 7 Ps of the marketing mix. In public hospitals the determining factors are the following: the price, products, physical assets, place, process, people, and promotion. In private hospitals the relevant factors are: products, physical assets, promotion, place, process, people, and price (Abedi & Abedini, 2017).

Considering the variations of factors among different studies, the discussion among the elements of the extended marketing mix in services is of essence. Furthermore, this study aimed to present the 7 Ps in services, in general, and in healthcare services, particularly. The results may provide key information that guide the development of optimal marketing strategies for hospitals.

3. Research methodology

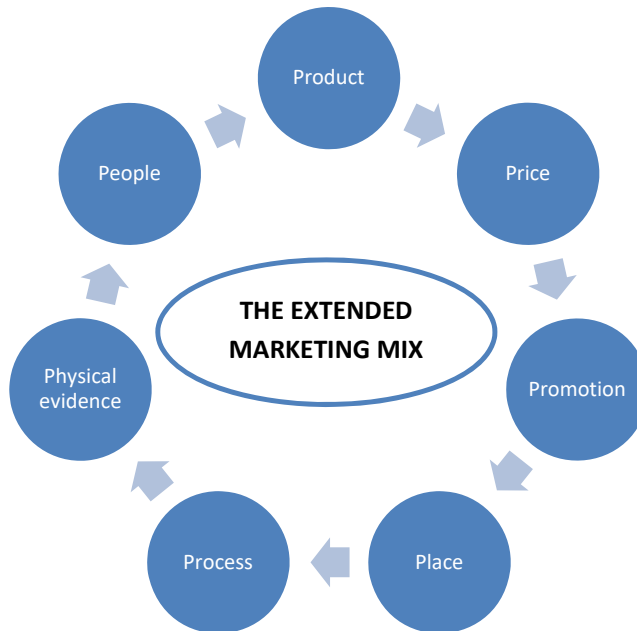
The authors used a descriptive and quantitative research method as it describes the elements of the marketing mix in services. In this respect, many secondary data were collected to review the literature. The needed information was gathered through desk research from various sources, such as books and articles found in electronic databases (e.g., Google Scholar, Springer, Emerald Insight, Science Direct) and international journals (e.g., International Journal of Healthcare Management, International Journal of Commerce and Business Management, Procedia Economics and Finance). The data were carefully selected and grouped into categories. Then, the data were analyzed, correlated, and synthesized. Finally, the authors composed the article.

4. Findings

Modern marketing implies the shift towards customer-centricity and empowerment and, consequently, healthcare services providers should incorporate the marketing tools into their business strategy (Pure, 2019). A modern and useful marketing tool in healthcare services is the marketing mix. The hospitals, clinics and other healthcare services providers should take into consideration the influence of its 7 elements through the relation between the service provider and the patient.

The following figure (*Figure 1*) presents the extended marketing mix in healthcare services, highlighting that the 7 elements are interconnected and producing a synergic effect for services providers and for patients.

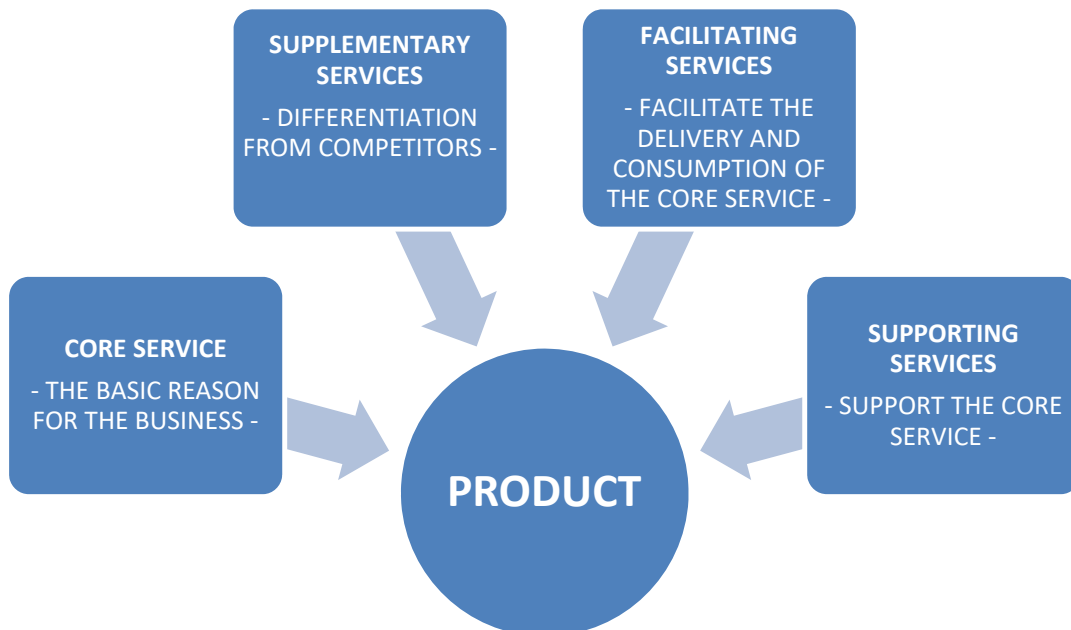
Figure no 1. The extended marketing mix in healthcare services



Source: Authors' own adaptation

Product consists of a bundle of tangible and intangible elements: core service, supplementary goods and services, facilitating services and supporting services (Figure 2) (Hoffman *et al*, 2010).

Figure no. 2. The tangible and intangible elements of the product in healthcare services



Source: Authors' own adaptation

In the following, there are presented some of the elements of the healthcare services:

- Core service – medical procedure that solves patients' problems;
- Supplementary services – e.g., consultation, hospitality;
- Facilitating services – e.g., information provision, payment methods, billing;
- Supporting services – e.g., education on important health topics.

In order to achieve the patient's expectations, the healthcare services providers should take into consideration their needs and to make an analysis of the products and services in order to identify gaps or missed opportunities (Pure, 2019).

Price is one of the most challenging components of the marketing mix (Marinescu *et al*, 2010). When they set prices and rates, the healthcare services providers should take into consideration at least the following two aspects:

1. There are prices of healthcare services that are subject to public regulation;
2. The balance between the profitability of the hospital/clinic and to ensure that services are affordable.

Promotion involves the process of establishing communication between the hospitals/clinics, patients, and other companies. The healthcare services providers should use online tools such as website, social media profiles and engaging storytelling.

Place refers to providing easy and convenient access to product and services. In order to facilitate access to the healthcare services, providers should consider fast appointments, enhance communication with patients and optimize the streamline patient onboarding (Pure, 2019).

Process should be designed for the customer's convenience and judging from his point of view, thus focusing it on his specific needs (Gradinaru *et al*, 2016). Thereby, it is considered that customers are part of the production of the service. In healthcare services, the caregiving and support processes used to provide care have the peculiarity that, beyond the performance of the medical staff, the patient's contribution is essential (Barach & Johnson, 2006).

Physical evidence provides tangible cues of the quality of experience that a company is offering (Allen, 2020). For a healthcare services provider, the website holds valuable physical evidence, such as: testimonials and information about doctors and diseases. Moreover, the physical evidence could be in form of staff uniform, mobile application, and interior design of the hospital.

People involves that the services should be done in an organized and efficient manner, and the delivering of the services should be done with a nice and friendly manner (Murphy Marketing, 2016). Healthcare industry is a knowledge-based industry, so people play key role in hospitals which include doctors, nursing staff, paramedical staff, supporting staff & front office executives (Motwani & Shrimali, 2014).

5. Conclusions

Healthcare services are intangible and, consequently, the extensive marketing mix is a relevant strategic option for medical providers. The marketing mix in healthcare services implies an interconnectivity with synergic effect. The providers of healthcare services should determine the way and the proportion in which it uses the components of the extended marketing mix.

The paper provides a theoretical framework for a better understanding of the concept of marketing mix and its implications in healthcare services.

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