

A Study on Marketing Strategies Adopted by Health Care Sectors at Bengaluru for Attaining Competitive Advantage and Sustainability

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Abstract:

Suitable marketing strategies are indispensable for the survival of business organizations. In service sector, there is an intense competition among the players to sustain in the business and gain competitive advantage over others. In this research paper, an attempt is made to understand the marketing strategies adopted by Private health care sectors and their effectiveness. The paper also provides suggestions for effective implementation of strategies by Private health care sectors which help in ensuring sustainability and gaining competitive advantage.

Keywords: Private health care sector, Sustainability, Competitive advantage, Marketing Strategies.

1. Introduction

Healthcare industry in India has developed as a predominant service sector. It comprises of hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and such others. Among them, the hospital industry occupies a significant place. A large number of Private hospitals are operating in a mega city like Bangalore. In the coming years, the number of private hospitals is likely to increase in number. With the increase in number of private hospitals, there is an intense competition among the players. The private sector hospitals face a major challenge of sustainability. They should devise a variety of marketing strategies to gain competitive advantage over others and sustain in the market for a longer period. The marketing strategies focus on gaining competitive advantage over other players. Such strategies are mentioned in this context

Feedback from Patients

Counseling

Comprehensive service Package

Ambience

Humane and friendly approach

Availability of digital information

Website

Social media

This paper makes an attempt the various marketing strategies adopted by healthcare sectors in Bengaluru and their effectiveness.

2. Review of Literature

Kevin D Dayaratna (August 19, 2013) states that Healthcare is a highly competitive market. It should offer patients high quality care at reasonable price. The health care sector should adopt best industry practices in order to survive in the market.

Bobeica Ana Amaria (2013) stated that marketing plan is very important for health care industry. They should focus on aspects like Promotion strategy and marketing strategy. The marketing strategy has an impact on customers.

Grant (1991) states that the resources and capabilities of a firm are the major determinant for devising a strategy. Competitive advantage and

profitability depends on resources and capabilities in the market.

Powell (1996) states that the performance of any firm depends on the competitive advantage. The success of the firm depends on its Competitive advantage. The competitive advantage gained by the firm helps in ensuring the sustainability of the firm in the market.

3. Research Methodology

3.1 Significance of the study

The study is significant from the view point of Private health care service providers. Competition among the private health care providers is intense in a mega city like Bengaluru. In order to survive in the market, the private health care sectors have to devise suitable marketing strategies. The present study aims at understanding the strategies of private health care sectors and their effectiveness, the suggestions offered may help the private healthcare sectors to perform better and achieve competitive advantage.

3.2 Statement of the Problem

There is a tremendous increase in the number of Private hospitals. In a mega city like Bengaluru, there is an intense Competition among the players. It is challenging task before the Private health care sectors to gain Competitive advantage over others and sustain in the market. The Private health care sectors have to devise marketing strategies for their effective performance. Hence the study is taken up to understand the marketing strategies adopted by Private healthcare sectors.

3.3 Objectives of the Study

- * To Study the marketing Strategies adopted by Private health care sector
- * To analyze the role of marketing strategies adopted by in building sustainability and competitive advantage
- * To suggest measures for improving the Marketing strategies in order to build sustainability and competitive advantage

3.4 Scope of the Study

The study covers the patients visiting Private Hospitals at Bengaluru. Geographical territory of Bengaluru is selected for study as it is a mega city with more number of Private health care providers.

3.5 Limitations

- * The study is confined to a small sample of hundred respondents.
- * Element of time constraint may have an impact on the study.
- * Findings of the study are based on the responses gathered from the respondents which may not be totally accurate.

In spite of the above limitations, sincere efforts have been made to carry out the study in an effective manner.

3.6 Sources of data

The sources of data include both primary and secondary data. Primary data is gathered by the researcher himself by circulating the questionnaire to respondents and secondary data is gathered by review of literature.

3.7 Techniques of data analysis

The data is analyzed by using appropriate statistical tools.

3.8 Sample size and type

The sample size is restricted to hundred Random sample is considered for the study.

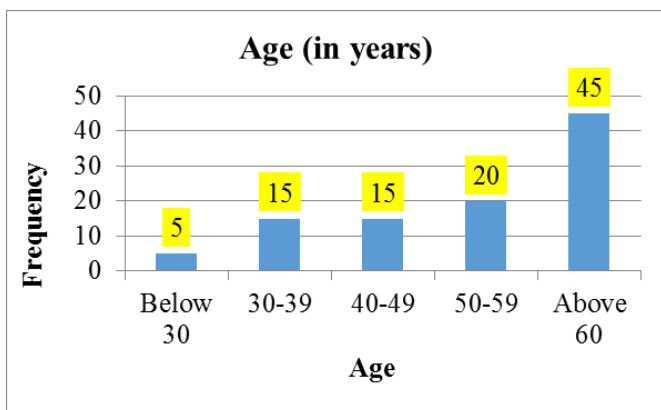
4. Data analysis and interpretation

Primary data gathered from respondents is analyzed by using appropriate statistical tools. Hypotheses framed have been tested by using statistical techniques such as ANOVA, chi square, correlation etc.

Table 1: Age of respondents

Age (in years)	Frequency	Percentage
Below 30	5	5
30-39	15	15
40-49	15	15

50-59	20	20
Above 60	45	45
Total	100	100

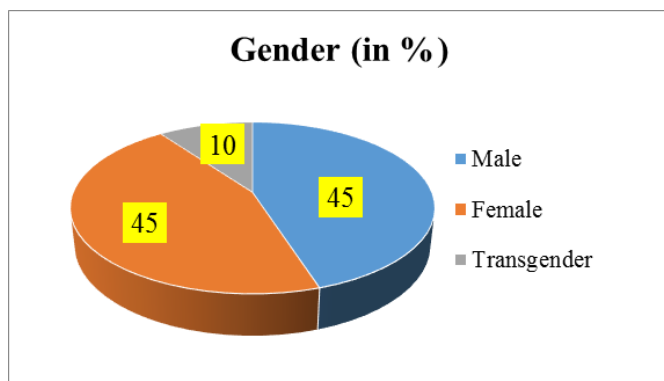


Graph 1: Age of respondents

Interpretation: It can be observed from Graph 1 that 45 respondents are senior citizens; 20 are between 50 and 59 years of age; 15 each are between 30-39 and 40-49 years of age. Only 5 respondents are below 30 years of age.

Table 2: Gender of respondents

Gender	Frequency	Percentage
Male	45	45
Female	45	45
Transgender	10	10
Total	100	100

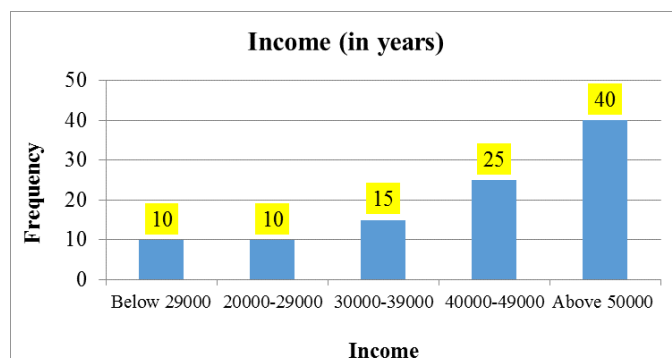


Graph 2: Gender of respondents

Interpretation: Graph 2 infers that 45% of the respondents are men, while 45% are women. Only 10% of the respondents are transgender.

Table 3: Income of respondents

Income (in Rs)	Frequency	Percentage
Below 29000	10	10
20000-29000	10	10
30000-39000	15	15
40000-49000	25	25
Above 50000	40	40
Total	100	100

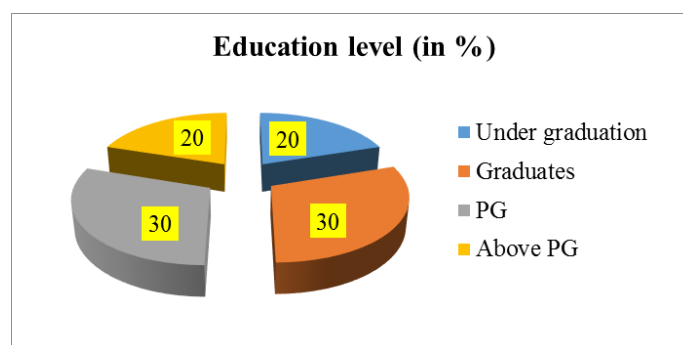


Graph 3: Income of respondents

Interpretation: From Graph 3, it is obvious that more than 50% of the respondents (65%) have income above Rs. 40,000, while 35% have monthly income less than Rs. 40,000.

Table 4: Education level of respondents

Income (in Rs)	Frequency	Percentage
Under graduation	20	20
Graduates	30	30
PG	30	30
Above PG	20	20
Total	100	100

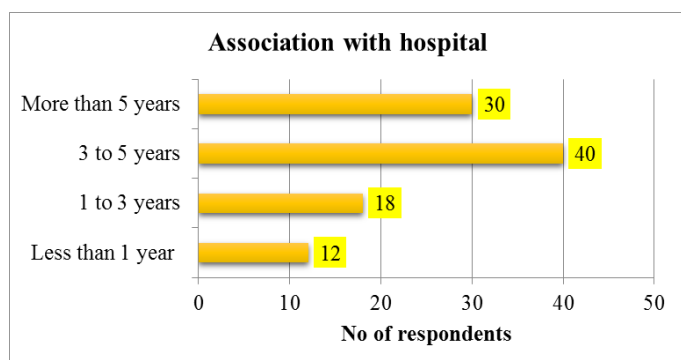


Graph 4: Education level of respondents

Interpretation: It is obvious from Graph 4 that 50% of the respondents constitute graduates and undergraduates while the remaining 50% constitute educational level of post-graduation and above.

Table 5: Association with hospital as a patient

Association (in years)	Frequency	Percentage
Less than 1 year	12	12
1 to 3 years	18	18
3 to 5 years	40	40
More than 5 years	30	30
Total	100	100

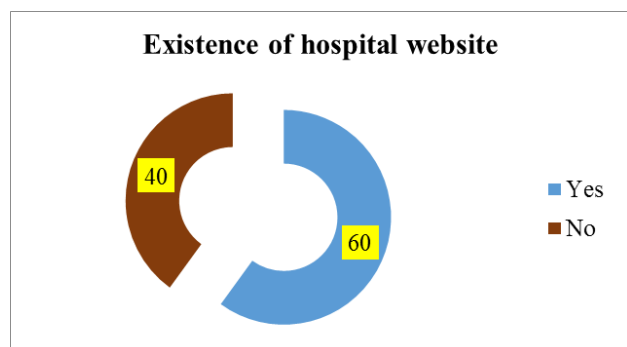


Graph 5: Association with hospital

Interpretation: Observation from Graph 5 indicates that 70% of the respondents have more than 3 years of association with the hospital, whereas 50% are associated for less than 3 years.

Table 6: Existence of website for hospital

Response	Frequency	Percentage
Yes	60	60
No	40	40
Total	100	100

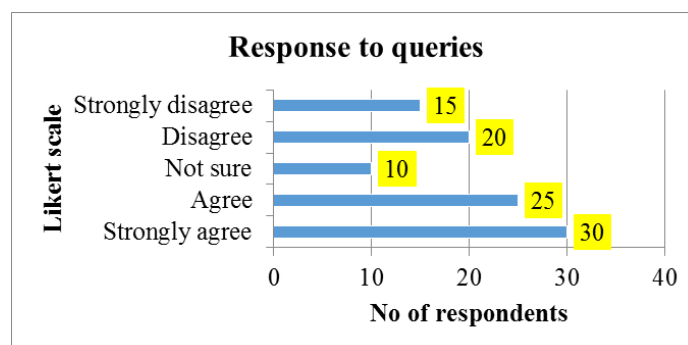


Graph 6: Existence of website for hospital

Interpretation: From Graph 6, it is clear that 60% of the respondents have opined that the hospital has a website, while 40% have said it is not so.

Table 7: Response from hospital to queries by mail

Response	Frequency	Percentage
Strongly agree	30	30
Agree	25	25
Not sure	10	10
Disagree	20	20
Strongly disagree	15	15
Total	100	100



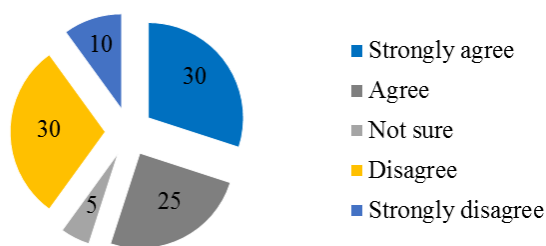
Graph 7: Response from hospital to user queries

Interpretation: It can be observed from Graph 7 that 55% of the respondents agree that their queries are answered through email, while 25% disagree to it. 10% did not comment on the claim.

Table 8: Advertisement from hospital through social media

Response	Frequency	Percentage
Strongly agree	30	30
Agree	25	25
Not sure	05	05
Disagree	30	30
Strongly disagree	10	10
Total	100	100

Advt through social media (in %)



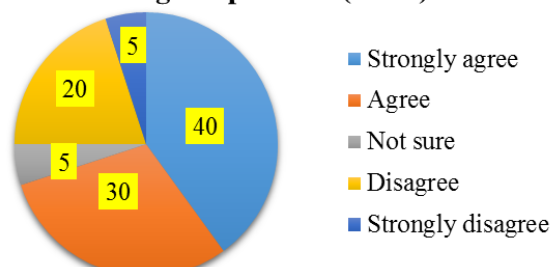
Graph 8: Advertisement from hospital through social media

Interpretation: It can be observed from Graph 8 that 55% of the respondents agree the hospital gives advertisement through social media, while 40% disagree to it. 5% were unable to say anything about this.

Table 9: Counseling for patients

Response	Frequency	Percentage
Strongly agree	40	40
Agree	30	30
Not sure	05	05
Disagree	20	20
Strongly disagree	05	05
Total	100	100

Counseling for patients (in %)



Graph 9: Counseling for patients

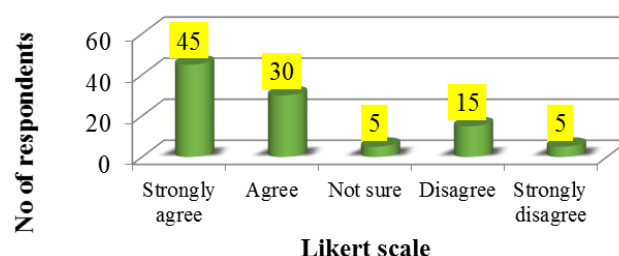
Interpretation: It can be observed from Graph 9 that 70% of the respondents have felt that counseling for patients happens in hospitals; 25% deny the claim; 5% were neutral about the claim.

Table 10: Availability of trained staff

Response	Frequency	Percentage
Strongly agree	45	45

Agree	30	30
Not sure	05	05
Disagree	15	15
Strongly disagree	05	05
Total	100	100

Availability of trained staff



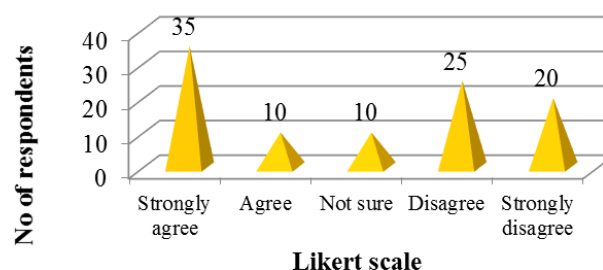
Graph 10: Availability of trained staff

Interpretation: Observations from Graph 10 are that, 70% of the respondents feel that trained staff is available at the hospitals, while 20% disagree to it. 5% are neutral about the claim.

Table 11: Preventive health tips

Response	Frequency	Percentage
Strongly agree	35	35
Agree	10	10
Not sure	10	10
Disagree	25	25
Strongly disagree	20	20
Total	100	100

Preventive health tips

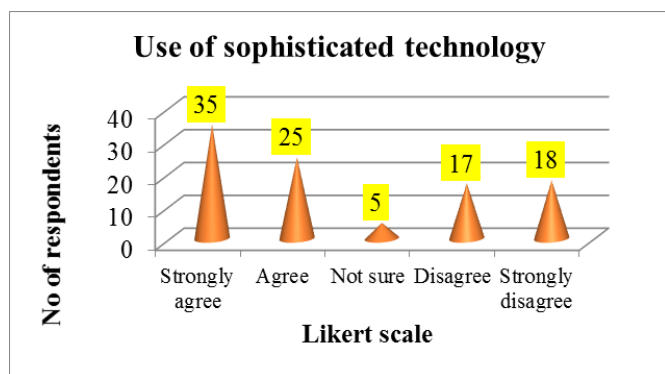


Graph 11: Preventive health tips

Interpretation: Observations from Graph 11 are that, 45% of the respondents feel that preventive health tips are provided at the hospitals, while 45% disagree to it. 10% are not sure of the claim.

Table 12: Use of sophisticated technology

Response	Frequency	Percentage
Strongly agree	35	35
Agree	25	25
Not sure	05	05
Disagree	17	17
Strongly disagree	18	18
Total	100	100

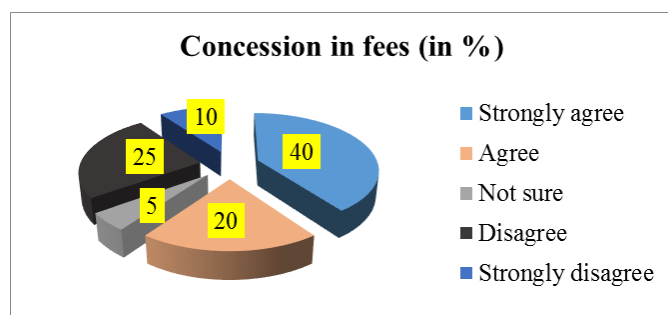


Graph 12: Use of sophisticated technology

Interpretation: Observations from Graph 12 indicate that, 60% of the respondents feel hospitals use sophisticated technology, while 35% disagree to it. 5% are not sure of the claim.

Table 13: Concession in consultation fees for repeated visits

Response	Frequency	Percentage
Strongly agree	40	40
Agree	20	20
Not sure	05	05
Disagree	25	25
Strongly disagree	10	10
Total	100	100

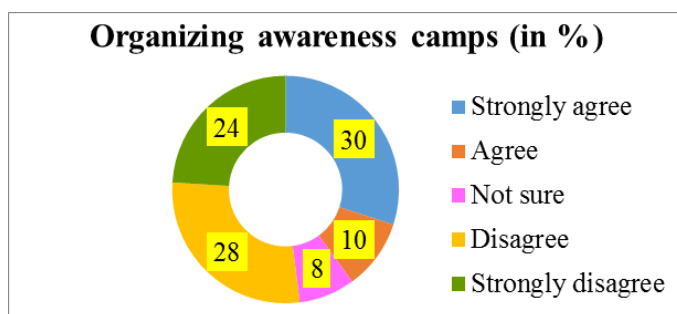


Graph 13: Concession in consultation fees for repeated visits

Interpretation: It can be observed from Graph 13 that 60% agree to the fact that concessions are given in consultation fees for repeated visits. 35% did not feel so, while 5% were not sure of it.

Table 14: Organizing awareness camps

Response	Frequency	Percentage
Strongly agree	30	30
Agree	10	10
Not sure	08	08
Disagree	28	28
Strongly disagree	24	24
Total	100	100



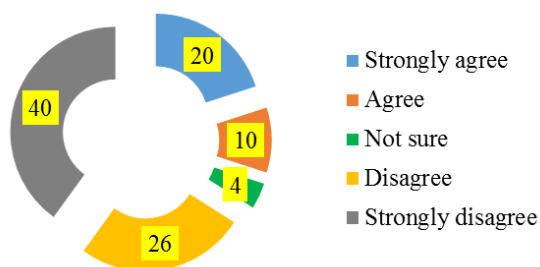
Graph 14: Organizing awareness camps

Interpretation: It can be observed from Graph 14 that only 40% of the respondents felt that awareness camps are organized, while 52% don't feel so. However, 8% were unable to say anything about it.

Table 15: Availability of different departments

Response	Frequency	Percentage
Strongly agree	20	20
Agree	10	10
Not sure	04	04
Disagree	26	26
Strongly disagree	40	40
Total	100	100

Existence of different departments (in %)



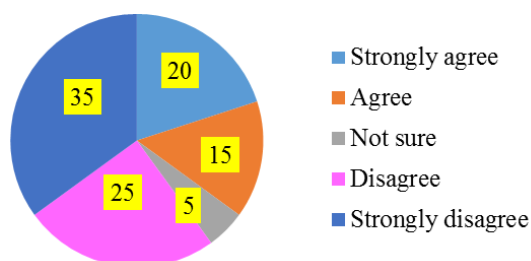
Graph 15: Existence of different departments

Interpretation: It can be observed from Graph 15 that only 30% of the respondents feel that different departments are available in the hospital, while 66% feel it is not so. 4% did not have any opinion about it.

Table 16: Reasonableness of prices

Response	Frequency	Percentage
Strongly agree	20	20
Agree	15	15
Not sure	05	05
Disagree	25	25
Strongly disagree	35	35
Total	100	100

Reasonableness of prices



Graph 16: Reasonableness of prices

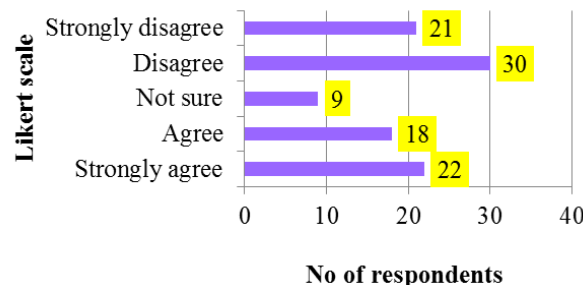
Interpretation: From Graph 16, it is obvious that 35% of the respondents have felt that prices in hospitals are reasonable, while 60% did not feel it is reasonable. 5% were not sure if it was reasonable.

Table 17: Wellness package program

Response	Frequency	Percentage
Strongly agree	22	22
Agree	18	18

Not sure	09	09
Disagree	30	30
Strongly disagree	21	21
Total	100	100

Wellness package program



Graph 17: Wellness package program

Interpretation: From Graph 17, it can be observed that 51% of the respondents have felt that hospitals do not provide wellness package, while 40% have not felt so. Further, 9% were not sure about the wellness package program.

Testing of hypotheses:

The following statistical hypothesis have been formulated and tested to study the behavior and impact of marketing strategies over various parameters under consideration.

Hypothesis 1:

H₀: There is no significant difference between selected demographic characteristics of the respondents and the marketing strategies

H₁: There is significant difference between selected demographic characteristics of the respondents and the marketing strategies.

Hypothesis 2:

H₀: Concession in fees for repeated visits does not depend on association with hospital as a patient

H₁: Concession in fees for repeated visits depends on association with hospital as a patient.

Hypothesis 3:

H₀: Use of sophisticated technology does not depend on availability of trained staff

H₁: Use of sophisticated technology depends on availability of trained staff.

this purpose, the mean difference between the age and marketing activities and mean difference between education level and marketing activities have been considered separately and one way ANOVA has been used.

The following statistical tools have been used in testing the above hypotheses.

Hypothesis 1: One way ANOVA

Hypothesis 2: Chi square test

Hypothesis 3: Correlation test.

(i) Mean difference between age of respondents and marketing strategies:

The mean difference of marketing strategies with the age group of respondents is presented in Table 18.

Hypothesis 1: In testing hypothesis 1, two important demographic variables, viz, age and education level of the respondents have been considered to determine the impact of marketing strategies. For

Table 18: ANOVA of significant difference between age and marketing strategies

Marketing strategies	Source of Variation	Sum of Squares	d. f.	Variance	<i>F</i>	<i>p</i>
Existence of website	Between Groups	13.9381	4	3.4845	5.6440	0.0004
	Within Groups	58.6521	95	0.6174		
	Total	72.5902	99			
Response to queries	Between Groups	14.2853	4	3.5713	6.3409	0.0001
	Within Groups	53.5056	95	0.5632		
	Total	67.7909	99			
Advertisement on social media	Between Groups	20.7863	4	5.1966	9.2513	0.0000
	Within Groups	53.3626	95	0.5617		
	Total		99			

Interpretation: The ANOVA results of Table 18 show that, the *F* – value is 5.644 for existence of website with *p* value of 0.0004, which indicates that age is statistically significant with respect to the marketing strategy “Existence of website” (since $p < 0.05$). Similarly, the *F* – value is 6.3409 for

response to queries through email, with *p* value of 0.0001, which indicates that age is statistically significant with respect to the marketing strategy “response to queries” (as $p < 0.05$). Further, for strategy of advertisement on social media, the *F* value is 9.2513, with a *p* value of 0. This suggests

that age of respondents is statistically significant with respect to the strategy “Advertisement on social media”.

Overall, it can be inferred that all the marketing strategies are statistically significant with respect to age of respondents.

- (ii) **Mean difference between education level of respondents and marketing strategies:** Table 19 denotes the mean difference of marketing strategies with the education level of respondents.

Table 19: ANOVA of significant difference between education level and marketing strategies

Marketing strategies	Source of Variation	Sum of Squares	d. f.	Variance	<i>F</i>	<i>p</i>
Existence of website	Between Groups	6.0000	3	2.0000	3.8351	0.0122
	Within Groups	50.0640	96	0.5215		
	Total	56.0640	99			
Response to queries	Between Groups	0.2400	3	0.0800	0.2617	0.8528
	Within Groups	29.3421	96	0.3056		
	Total	29.5821	99			
Advertisement on social media	Between Groups	3.8400	3	1.2800	2.4146	0.0713
	Within Groups	50.8905	96	0.5301		
	Total	54.7305	99			

Interpretation: From ANOVA results of Table 19, it can be inferred that existence of website is significant with respect to education level of respondents, as $F=3.8351$, while $p=0.0122$ (<0.05). However, it can be observed that F value is 0.2617 with p value 0.8528 (>0.5) for the marketing strategy “Response to queries”, which indicates that response to queries is insignificant with respect to education level of respondents. Further, it can also be observed that the $F=2.4146$ and corresponding p value is 0.0713 (>0.5) for the marketing strategy “Advertisement on social media”, which indicates that this strategy is also insignificant with respect to education level of respondents.

Overall, it can be inferred that only the existence of website is significance with respect to education level of employees. Other marketing strategies are irrelevant as far as education level of patients is concerned.

Hypothesis 2: In testing hypothesis 2, chi square test of independence is used and Tables 5 and 13 are used with 4 and 5 parameters respectively in each category. According to the test, null hypothesis is to be rejected if $\Psi^2 > \Psi^2_{\alpha, (m-1)(n-1)}$, where $\Psi^2 = \sum_{i=1}^n \frac{(O_i - E_i)^2}{E_i}$ and $\Psi^2_{\alpha, (m-1)(n-1)}$ is obtained from chi square table with $(m-1)(n-1)$ degrees of freedom, where m and n denote the number of rows and columns in the table

respectively. The observed and expected frequencies of various categories are presented in Tables 20 and 21 respectively.

Table 20: Observed frequencies

Observed Values	SA	A	N	DA	SDA	Total
>5	17	9	0	2	2	30
3-5	15	6	1	15	3	40
1-3	6	4	2	6	0	18
<1	2	1	2	2	5	12
Total	40	20	5	25	10	100

Table 21: Expected frequencies

Expected Values	SA	A	N	DA	SDA	Total
>5	2.083	1.5	1.5	4.033	0.333	30
3-5	0.063	0.5	0.5	2.5	0.25	40
1-3	0.2	0.044	1.344	0.5	1.8	18
<1	1.633	0.817	3.267	0.333	12.033	12
Total	40	20	5	25	10	100

Using the values of observed and expected frequencies from Tables 20 and 21, the calculated value of chi square is obtained as 35.235. Further, from chi square table with (4-1)(5-1)=12 degrees of freedom, the critical value is obtained as 21.026. Since the calculated value of chi square is > critical value, the null hypothesis is rejected at 5% significance level. Hence, there is enough evidence to claim that the two variables are dependent at 0.05 significance level. i.e., it can be inferred that concession in fees for repeated visits depends on patient's association with the hospital.

Hypothesis 3: Hypothesis 3 can be tested by finding the correlation between the two variables considered in the hypothesis and testing its significance at 5% significance level.

The correlation coefficient is found using the formula

$$r = \frac{\sum_i (x_i - \bar{x})(y_i - \bar{y})}{\sqrt{\sum_i (x_i - \bar{x})^2} \sqrt{\sum_i (y_i - \bar{y})^2}}$$

Where x_i and y_i denote the two variables considered and \bar{x} and \bar{y} denote their corresponding means. Using the data of Tables 10 and 12, the correlation coefficient between the two variables is obtained as 0.9082. Thus, the p value is < 0.00001. Hence the result is significant at $p < 0.05$. Hence, there is enough evidence to claim that the two variables are dependent, at 0.05 significance level. i.e., it can be inferred that use of sophisticated technology depends on availability of trained staff.

5. Findings, Suggestions and Conclusion

Findings from tables and graphs:

1. Majority of the respondents are above 50 years of age (Table 1).
2. Male and female respondents are equal in number (Table 2).
3. Majority of the respondents have monthly income of above Rs. 40,000/- (Table 3).
4. Majority of the respondents have qualification above graduation level (Table 4).
5. Majority of the respondents have more than 3 years of association with the hospital (Table 5).
6. Majority of the respondents agree that hospital has a website (Table 6).
7. Majority of the respondents agree that hospitals respond to their queries (Table 7).
8. Majority of the respondents feel that hospitals give advertisement through social media (Table 8).
9. Majority of the respondents feel that hospitals provide counseling for patients (Table 9).

10. Majority of the respondents feel that hospitals have trained staff (Table 10).
11. Equal proportions of respondents agree and disagree about preventive health tips given by the hospital (Table 11).
12. Majority of the respondents feel that hospitals feel that hospitals use sophisticated technology (Table 12).
13. Majority of the respondents feel that concession is given in consultation fees for repeated visits (Table 13).
14. Majority of the respondents feel that awareness camps are not organized (Table 14).
15. Majority of the respondents feel that different departments are not available (Table 15).
16. Majority of the respondents feel that prices are not reasonable (Table 16).
17. Majority of the respondents feel that wellness package programs are not available (Table 17).

Findings from hypotheses testing:

1. Marketing strategies are statistically significant with respect to age of respondents. Or in other words, age has an impact on marketing strategies.
2. Education level has impact on selected marketing strategies.
3. Concession in fees for repeated visits depends on patient's association with the hospital. Longer the association with the hospital, the more the concession given to the patients.
4. Use of sophisticated technology depends on availability of trained staff.

Suggestions

*Private health care sectors should focus more on health awareness campaigns.

* Private health care centres should provide solutions to varied and multiple complications under one roof.

*Social media marketing can be used on extensive scale in order to gain the confidence of customers.

* Post treatment feedback should be collected on regular basis.

*Private hospital should upgrade their technology periodically.

* Making provision for availability of some medicines at reasonable rates which are totally controlled by Government Hospitals.

*The Prices at Private hospitals should be made affordable for lower income groups.

* As a part of Corporate social responsibility, the Private hospitals should adopt the schemes of Government.

Conclusion

Sustainability and Competitive advantage are the greatest challenges confronted by Private health sectors. Increase in the number of Private hospitals has created a challenge for the private hospitals to sustain in the market. Adoption of creative marketing strategies may enable sustainability. It would be ideal to devise the marketing strategies based on the expectations of Customers. Appropriate marketing strategies adopted by Private hospitals enable to attain the objectives of the organization. They also help in leveraging the strengths and minimizing the weaknesses.

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