

IMC Preferences at Super Speciality Hospitals

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Abstract

While India takes a lead role in improvising the services sector, the opportunities are not without challenges. Health care sector is not an exemption. Many factors contribute to the challenges, primordial among them being a highly competitive environment. In order to deal with the dynamic changes within and without the industry, the health care sector is found to have wielded the idea of Integrated Marketing Communication (IMC) to its best advantage. The purpose of this article is to showcase the opinion of super speciality hospitals in Bangalore that have meticulously deployed various IMC tools according to needs and preferences of end users besides offering a right IMC mix for the health care sector. The paper moves beyond conventional practices and offers prescriptive diagnosis on how the IMC should closely serve the end user perceptions with gaps in expectation versus reality costing hospitals their brand equity and eventually its business. The paper leans on basic descriptive statistical tools to dissect the data and discussion has been focussed on the primary data collected through the research instrument..

Keywords: *IMC, Optimization, IMC Tools, Super Speciality Hospitals, Marketing Communication, Healthcare Sector*

1. Introduction

Duncan has termed IMC as a strategy which organizations primarily use for managing

relationships, which further help them derive brand value (Duncan, 2002) IMC is also a challenge in itself to be managed because of the changing media adaptation trends by end-users and customers to seek, receive and gather information from the service providers who surround them. (Batra, and Keller, 2016) With all the challenges, it still has a critical application in service industries and especially in professional service firms. (Moffatt, Jennifer J. and Luck, Edwina M. 2007). This article focuses on two objectives:

(1) To study the opinion of major super speciality hospitals with respect to usage of IMC tools

(2) To identify the end user's preference with respect to IMC combination for super speciality hospitals .

Integrated Marketing Communication (IMC)

Integrated marketing communication is the strategic business process used for the plan, develop, execute and evaluate coordinated, measurable, persuasive brand communications programs over the time with consumers, customers, prospects, employees, associates and another target relevant external and internal audiences. The goal is to generate both short-term financial returns and build long-term brand and shareholder value. (Don Schultz)

There is a growing interest in integrated marketing communication (IMC) among marketing scholars and practitioners. Notably, the fragmentation of markets and the multiplicity of

promotional tools are a compelling reason for organizations to adopt IMC in order to ensure consistent messages to all stakeholders (Gronstedt and Sircuse, 1998:23).

Traditionally, organizations have focused on mass marketing with the emphasis on selling goods and services regardless of the needs of the customers. However, with the increased competition in the marketplace, organizations in all sectors are being forced to embrace IMC as a marketing approach. IMC represents a paradigm shift from the era of mass marketing to the era of consumer orientation. The new marketing approach, as embodied in IMC, emphasizes issues such as relationship marketing, retention marketing, and database marketing (Iacobucci and Calder, 2003:6).

Two major factors are changing the face of today's marketing communications. Firstly, fragmentation of the mass markets and the paradigm shift from mass marketing to focused marketing programs. Define micro markets to build a closer relationship with the customers. Secondly, vast technological changes bringing about improvements in segmented marketing. (Philip Kotler).

Components of IMC: Advertising

Advertising, comprising television-, radio-, magazine- and printed advertising can be defined as a paid form of credible communication that uses mass media to reach broad audiences in order to connect an identified sponsor with their target audience(s), provide information about their products and services, and interpret or convert the key features of their offerings in terms of the consumer's needs and wants (Moriarty et al., 2012:7).

These key dimensions of traditional advertising identified here are also reflected in the definitions of advertising in other sources (Arens, Weigold&Arens, 2008:7; Duncan, 2005:507; Lane et al., 2011:41; Wells et al., 2006:5).

Sales promotion:

Sales promotion is a direct inducement that offers extra incentives to channel members to enhance or accelerate the product's movement from manufacturer to consumer (Arenset al., 2008:523).

Sales promotion techniques like free samples, competitions, premiums, coupons and price incentives provide extra incentives to achieve immediate sales. These are often referred as value-added techniques because they provide immediately and tangible added value to brands (Du Plessis et al., 2010: 228).

Personal Selling:

Personal selling may be defined as a person-to-person process, whereby the seller tries to determine the prospective buyers' wants and seeks to satisfy these by offering suitable goods, services or ideas (Du Plessis et al., 2010:6). The direct contact of the sales force with the current and potential customers in the market allows them to provide the company with valuable feedback on the market, including customers' reactions and specific needs, market trends and competitors' offers (Du Plessis et al., 2010:175). Personal selling is often more effective than

Mass advertising or publicity, due to the more intense personal involvement of the prospective buyer (Pitta, Weisgal & Lynagh, 2006:157).

Direct Response Marketing:

Like personal selling, direct response marketing is interactive, allowing for customization of the marketing message, and affording the potential to the customer of feedback. In direct response marketing, companies deal directly with customers without any retailers or wholesalers as intermediaries. Direct-response marketing, whereby an organization communicates directly with its target customers, is an interactive system of marketing, which uses one or more media to achieve a measurable response or transaction (O'Quinn et al., 2000:671).

Public Relations:

The Public Relations Institute of South Africa (PRISA) defines this similarly as the "management, through communication of perceptions and strategic relationship between an organization and its internal and external stakeholders." This definition indicates that public relations establish a form of communication that manages the perceptions or images, rather than dealing specifically with products or services. This implies that communicating with business' customers is not sufficient. Communication should rather be directed at all those with an interest or investment in the company, such as employees, investors, the broad public, and the media.

Public relations may be defined as the "management of strategic relationships," because this embodies the fundamental concepts of public relations. Management involves planning, control, evaluation and corrective reactions. Strategically refers to planning, prioritization and taking action with regard to the company's relationships with all its clients. Relationships simply effect communication, mutual

adjustment, and reliance, shared values, trust and commitment (Hutton, 1999:2008).

Research Methodology:

The study is an empirical research which is based on primary data collected by conducting surveys among 2 sample sets. The first sample set included 30 reputed corporate majors in the super speciality hospital segment. The second sample set included 400 customers or end-users who have used a hospital's service in the past. From the second set of sample 40 respondents' data was not considered for further analysis as they were found with missing values. Data from the 30 hospitals were collected using structured questionnaire and interviewing and probing techniques were adopted to gather information from the Super Speciality hospitals about their key marketing communication practices. The questionnaire that was designed and used for gathering data from end-users used nominal scale for gender and occupation, Ordinal scale for age and annual income, and Interval scale i.e. Likert's scale, to capture preferences with respect to IMC tools. The data collected was edited, coded and analysed using mean and standard deviation. These tools were helpful to summarise the data

SSH's Say on Using IMC to Market their services-Interview Findings:

Structured interviews were conducted for the marketing personnel's in charge for the marketing department in the SSH's. These interviews were held with an objective to understand their marketing and IMC practices. The sessions yielded many findings. From the views gathered it was seen that two set of elementary opinions were generated (1) Marketing hospital services is important (2) Marketing hospital services is not very important. Amongst the interviewed respondents' majority of them said it is very much essential to promote themselves using IMC tools. And a few respondents said that it is not the marketing efforts which has kept them alive in the market.

Few major and modernized SSH's agreed on the lines that marketing and usage of IMC tools and strategies is a must for their survival and for various other reasons such as; ever growing and highly challenging competitors, changing trends in consumer media adaptation and behaviour. It was agreed and accepted by many hospitals that competition is what drives their marketing efforts and IMC initiatives. Customer acquisition was another reason which was given by few SSH's. They also said that for services like maternity care the

customers carefully plan and select a service provider, all these reasons have enabled the hospitals to go cut throat when it comes to competition and acquiring customers. Hospitals which were of the opinion that they should market their services said that they use most of the IMC tools to promote themselves but most preferred and suitable among them were public relations and word of mouth. These hospitals also were of the opinion that they have been focusing on improving their service quality alongside concentrating on promoting themselves with most effective IMC tools. As they feel this is the only way where they can attract the customers. Hospitals which were of the opinion that marketing hospital services is not the crucial function for any health care service provider, where as the primary function is to provide quality health care service to their clientele. Veteran players in the sector were also of the opinion that serving the patients is much more important than adding additional burden on them by transferring huge marketing costs on them. Some of the hospitals which disagreed to aggressively market hospital services felt that it was unethical to market the hospital services. Few hospitals made an opinion that health care services are a need based service and hence should not be looked at like any other commercial business setup and these hospitals were also of the view that customers intending to visit a hospital will always be based on their convenience in terms of readiness/ability to spend, travel, availability of specialists etc., and not based on mere advertisements and marketing efforts of the hospitals.

Customer's Say on Usage of IMC at SSH-Interview Findings:

Integrated Marketing Communication has risen as the most important tool for the companies in the last decade to evaluate and execute their marketing campaigns.

But, one of the problems or criticisms faced in usage of IMC tools was measuring of its effectiveness. (Kitchen and Schultz, 1999)

In this study, customers' reception and response was of critical importance as it helped to measure and evaluate the effectiveness of the IMC tools by SSH and for customers.

Unstructured questions were asked for understanding the customer's point of view. These interviews were held with an objective to understand the marketing and IMC practices preferred by the customers. The meetings yielded many findings. Most straightforward question answered from the opinions

gathered amongst the interviewed respondents clearly stated the importance for SSH's to promote themselves using IMC tools. Around 95% respondents agreed with the fact that it is essential to market hospital services. The most preferred tools by customers are advertisements and public relations. Age of the customers was one of the major characteristic that influenced the preference of the tools for getting to know about the super speciality hospitals.

The youth familiarized with the technology were fine with knowing more about the services rendered by the hospitals through online forums, internet, websites, online exhibitions and blogs. The older generation not adapted to the technology were comfortable to know more through television, radio, phone calls, text messages, catalogues and brochures.

The sequential order which was prominent in the finding is getting awareness about the services, in second phase gathering knowledge about the SSH's services through medium such as television and getting to know more through campaigns such as charitable events, donation camps and so on. Next phase is preference and liking of the customers, this can be based on various factors one of the most influencing factor turned out to be recommendations of their friends and relatives and through Word of Mouth. Last phase is making the purchase based on the above decisions.

There was a perception in the minds of the customers that recommendation provided and services provided by a hospital's representative can be biased and misleading. 117 respondents agreed with this fact and said would not like to know about the services from the hospital's representatives. Most the customers preferred to keep accepting the services of the hospitals based on the experience of the doctors and know more about from specialized individuals. Customers also pointed out the fact they preferred a hospital which conducts charitable events/corporate social responsibility activities such as blood donation camps, free medical camps and so on. And, hospitals which communicates using special events and functions such as an awareness camp, talks and seminars by experts, sports and other events.

SSH's Say on Using IMC to Market their services-Questionnaire Survey Findings:

To validate and support the findings from the interviews held, a questionnaire with 39 items under 6 constructs were administered to the 30 respondents. The 6 six constructs in the questionnaire were: advertisements, Public

Relations, Sales Promotion, Direct Marketing, Personal Selling and Exhibitions.

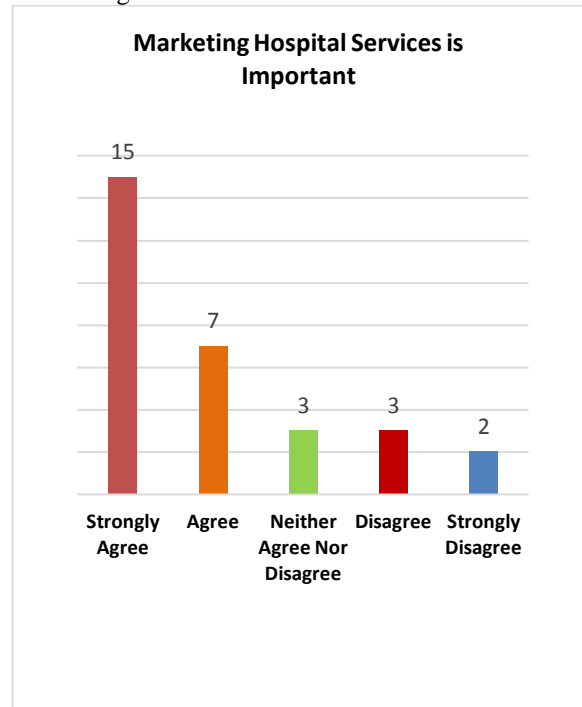


Figure 1.1 Opinions of the respondents about the usage of marketing function

The above figure shows the opinion of the respondents about the usage of marketing function. The item was used to measure the trend in terms of the importance given by the SSH's to marketing and promoting themselves. The survey says that 15 respondents i.e., the majority (50%) of the respondents said that they strongly agree, 7 respondents (23%) said that they agree, 3 respondents (10%) said that they neither agree nor disagree, 3 respondents (10%) said that they disagree and 2 respondents (7%) said that they strongly disagree to the item which said, Marketing hospital services is important

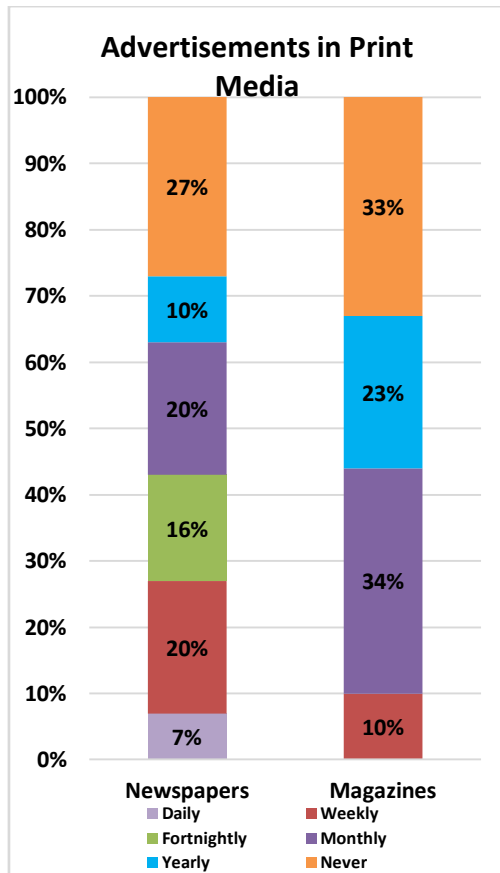


Figure 1.2-Advertisements in Print Media

The legal restriction by the Karnataka Medical Council on television advertisements shown by Hospitals and Healthcare Professionals has put a stop on extensive television advertisements by the corporate majors. This restriction has left the corporate hospitals highly disappointed but at the same time has attracted them towards other advertising mediums such as print media, outdoor media and internet has a media to reach out to their target customers.

The Figure 1.2 shows the print media trends adopted by the surveyed SSH's in the city. The respondents had to choose among the 6 given options-Daily, Weekly, Fortnightly, Monthly, yearly, never. The item asking the usage of newspaper advertisements showed that a very small portion (7%) of the surveyed respondents go for advertising in a newspaper on a daily basis where as 20% for weekly, with 16% being for Fortnightly and 20% for monthly and 10% said yearly, 27% said that they never prefer to advertise on newspapers. The next item shows the trend in magazine advertisements carried out by the surveyed SSH's. it was seen from the survey that 0% advertise daily, 10% said weekly, 0% Fortnightly, 34% for Monthly, 23% Yearly, 33%

said that they never go on magazine for advertising themselves.

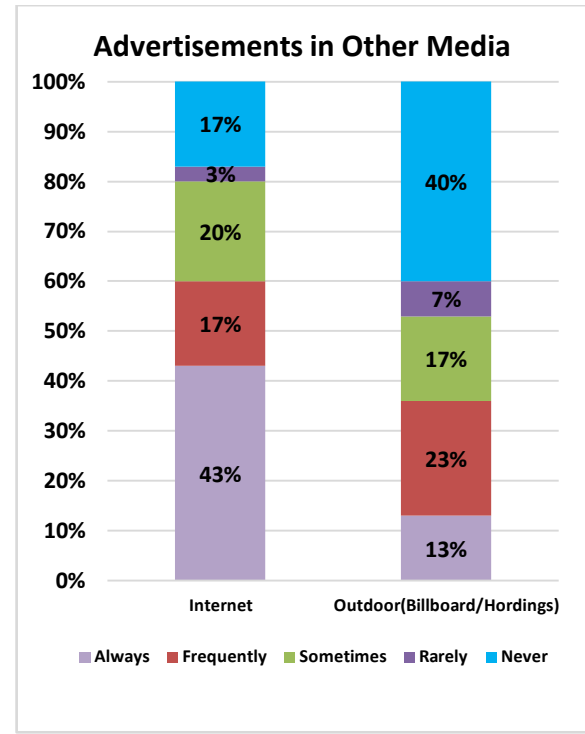


Figure 1.3-Advertisements in Other Media

The ban on television advertisements has allowed the SSHs in the corporate hospital segment to adopt the other available options such as internet, outdoor advertisements etc. It is inferred from the survey that internet is a widely-accepted media to reach the potential customers by SSHs. The above figure shows the internet and outdoor media usage trends. Internet and outdoor media usage were measured using a 5-point scale ranging from always to never. 43% of the surveyed respondents said that they always use internet as a medium to advertise their brand and offerings, whereas 17% said frequently they use this channel, 20% opted for sometimes, 3% said rarely and 17% said that they never use internet has a channel to promote themselves.

Outdoor media is also seen to be extensively used by the corporate majors to promote themselves. Among the two categories in outdoor media that is, Transit advertisements and Hoardings/ Billboards, the later was seen to have much higher usage. It was seen that 13% of the respondents said that they always use hoardings/ billboards, 23% said that they use this channel frequently 17% opted sometimes, 7% said rarely and 40% said that they never go for hoardings and billboards for to promote themselves.

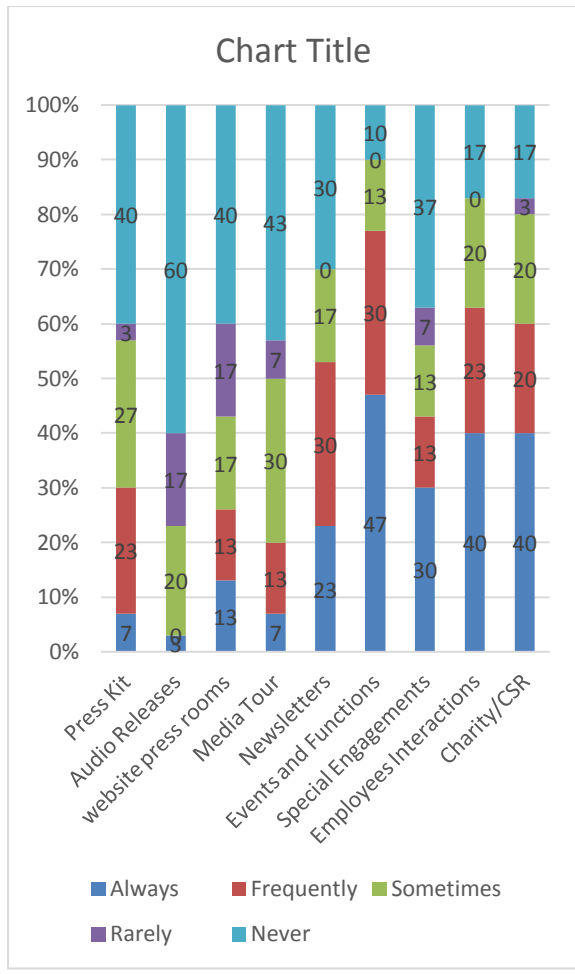


Figure 1.4-Public Relations

To measure the usage of public relations has a promotion tool by hospitals the respondents were presented with nine statements on a 5-point scale (Likert Scale). The options given to the respondents ranged from always, frequently, sometimes, rarely and never.

On the first statement ‘How frequently do the hospitals use press kit for their promotions?’ 7% said always 23% frequently, 27% sometimes, 3% rarely and 40% said that they never use press kits. On the statement ‘How frequently do the hospitals use audio releases is for their promotion?’ Majority (60%) of the respondents said that they never use audio releases, 17% said rarely, 20% opted sometimes 3% said always and none of them said frequently. On the statement, ‘how frequently do the hospitals use media tour for their promotion?’ 7% said always, while 13% said frequently, 30% said sometimes, 7% agreed on rarely 43% which is the majority said that they never use media tour. On the statement, asking ‘How frequently do the hospital uses newsletters for their promotions?’ 23% said always, 30% opted

frequently, 17% said sometimes 30% said never and none of them said rarely. On the statement, asking ‘how frequently do the hospitals use events and functions for their promotion?’ Majority that is 47% said always, 30% frequently, 13% sometimes, 0% rarely, and 10% said never. On the statement, ‘How frequently do the hospital uses special engagements for their promotions?’ 30% opted always, 13% frequently, 13% sometimes, 7% rarely, and 37% said never. On the statement ‘how frequently do hospitals use employee interactions for their promotions?’ Majority (40%) said always, 23% said frequently, 20% said sometimes, 17% said never and none said rarely. On the statement, ‘how frequently do the hospital use charity/CSR for their promotions?’ Majority (40%) said always, 20% frequently, 20% sometimes, 3% rarely and 17% never.

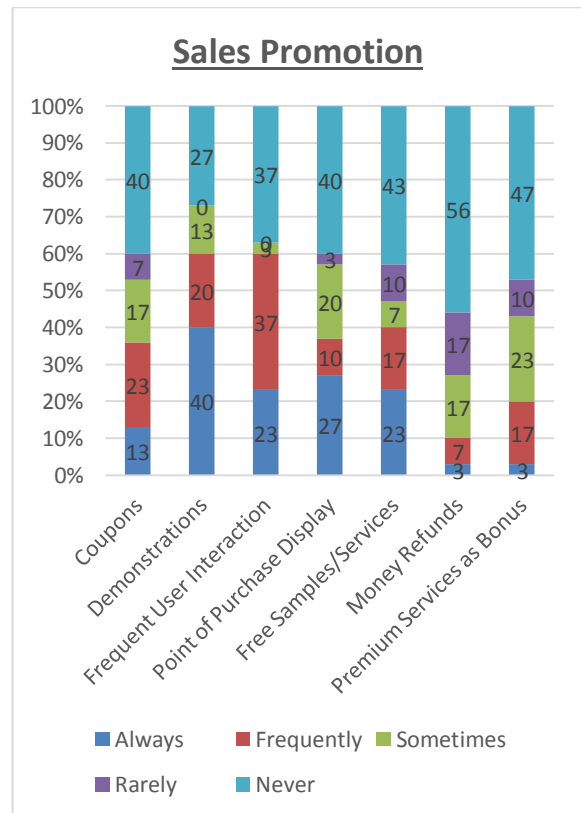


Figure 1.5-Sales Promotion

To measure the usage of sales promotion the respondents were administered with 7 items namely coupons, Demonstration, frequent user interactions, point of purchase displays, free samples/services, and money refund and premium services as bonus. All the 7 items were measured on a Likert scale ranging from always to never. Among the 7 items, frequent user interaction is marked as highly preferred and mostly used IMC tool for promoting the SSHs. The above figure shows the statistics for

frequent user interaction. It is seen that, from the 30 respondents, 23% said that they always conduct user interaction programs, while majority (37%) of the respondents opted to say that the frequently go for such programs, none opted rarely, 3% said they undertake such programs sometimes. While the remaining 37% said that they never go for this option.

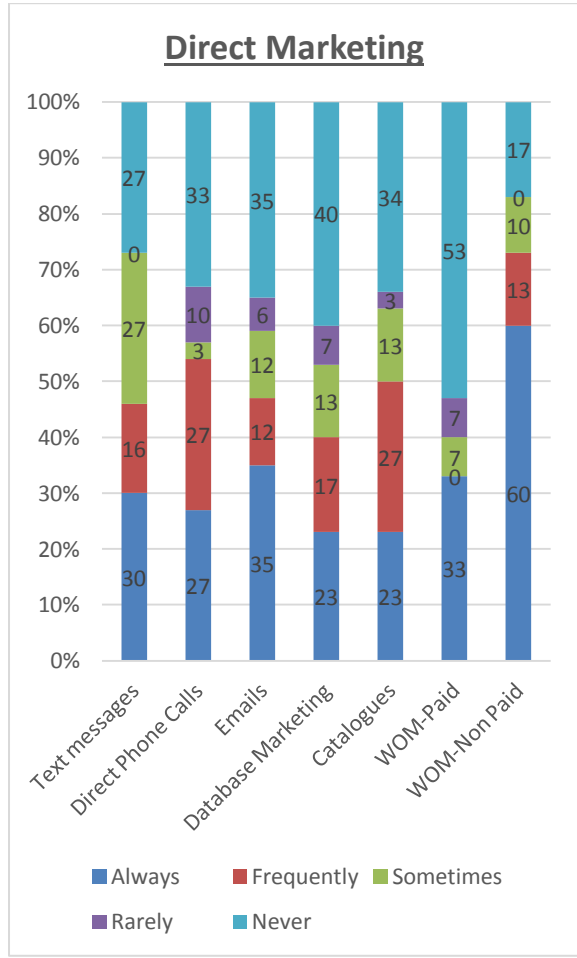


Figure 1.6-Direct Marketing

To measure the usage of sales promotion the respondents were administered with 7 items namely Text messages, Direct phone calls, E- 27mails, Database Marketing, Catalogues, Word of Mouth – Paid and Non-Paid. All the 7 items were measured on a Likert scale ranging from always to never. Among the 7 items, Word of Mouth – Non-Paid is marked as highly preferred and mostly used IMC tool for promoting the SSHs. The above figure shows the statistics for Word of Mouth – Non-Paid. It is seen that, from the 30 respondents, 60% said that they always promote through Non-Paid WOM, while 13% of the respondents opted to say that the frequently go for such programs, none opted rarely,

10% said they promote through this program sometimes. While the remaining 17% said that they never go for this option.

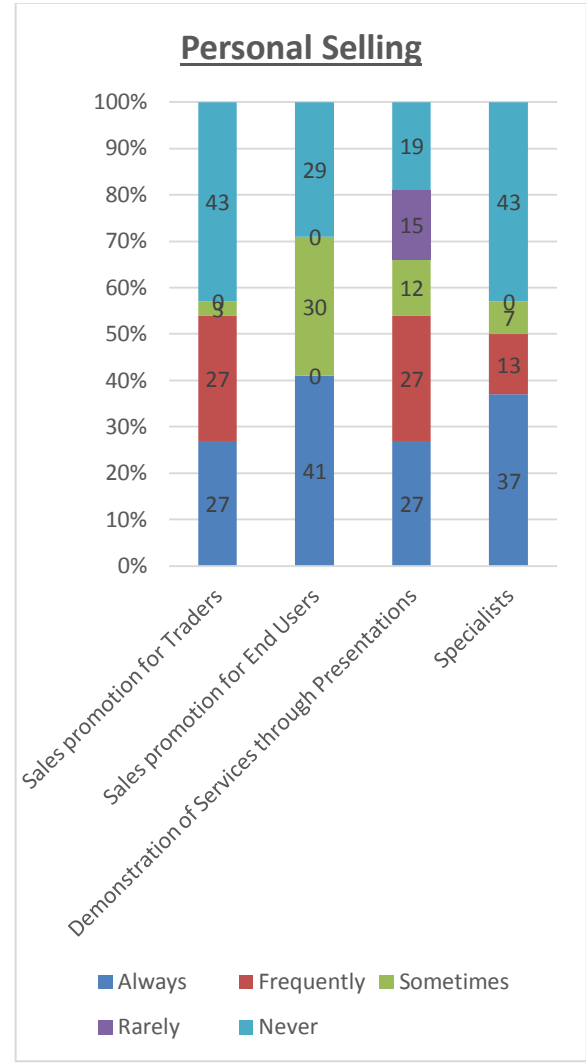


Figure 1.7-Personal Selling

To measure the usage of sales promotion the respondents were administered with 4 subsets namely Traders, End Users, Presentations, Specialists. All the 4 items were measured on a Likert scale ranging from always to never. Among the 4 items, End Users is marked as highly preferred and mostly used IMC tool for promoting the SSHs. The above figure shows the statistics for End Users. It is seen that, from the 30 respondents, 41% said that they always promote through End Users, 1% respondents opted for frequently and rarely, 29% said they promote through End Users sometimes. While the remaining 29% said that they never go for this option.

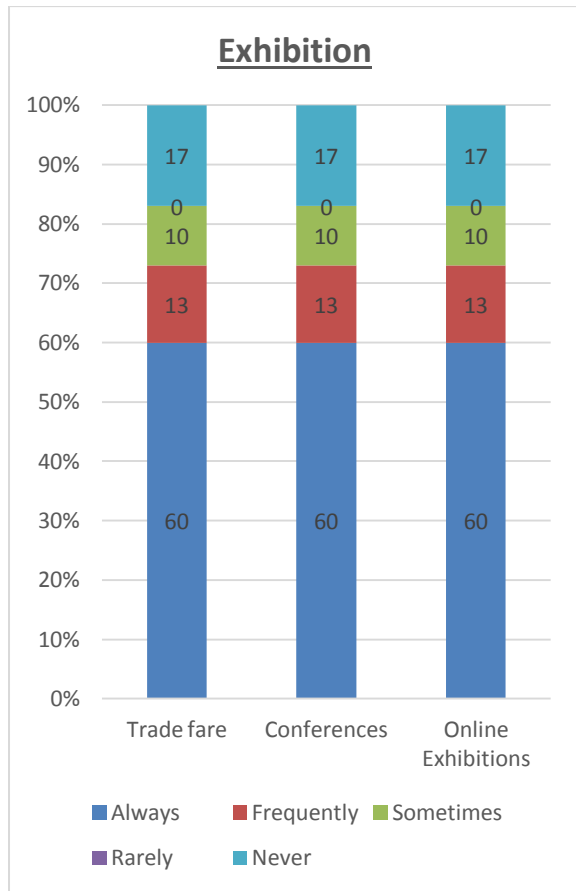


Figure 1.8-Exhibition

To measure the usage of sales promotion the respondents were administered with 3 alternatives under Exhibition Namely Trade Fares, Conferences, Online Exhibition. All the 3 items were measured on a Likert scale ranging from always to never. Among the 3 items, the respondents were equally reliant on the usage of the options for promoting the SSHs. About 60% of the respondents always used above mentioned tools for promotion. While 17% respondents negated the usage of the tools.

Conclusion:

The paper talks about the IMC trends followed at super speciality hospitals and also narrates the expectations of IMC. A shift from traditional health care service culture to a super speciality and hi-tech service orientation culture in modern cities like Bangalore has paved ways to hyper competition and further made ways for using IMC on an instance scale by the major players.

We suggest that IMC provided by SSHs and expected by customers remain with huge gaps. The focus on filling those gaps would help hospitals to optimize profits, processes and all other major

resources. The scope of the paper can be further extended as this paper has just gone to tell the facts while has missed on the usage of inferential statistics which could further yield results which will enhance and support a lot of stakeholder belonging to SSHs and the society. The findings of the paper can be used to draw strategies by the SSH and their marketing strategy management teams. I would be interesting to further examine the IMC combination which can prove has an optimizable combinations for SSHs.

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