

# MARKETING 138th

Healthcare
Services
Marketing

LIVE WEELSAR

Date Time Time Place
21-5-24 9.30 pm 9.30 pm 10.30 pm Online
Tuesday EGY KSA UAE

DR. MAHMOUD BAHGAT LEGENDARY DIRECTOR Instructor
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138th Marketing Club

97<sup>th</sup> 26<sup>th</sup> **Business Clul** 

Cairo Club



### **PRINCIPLES OF**

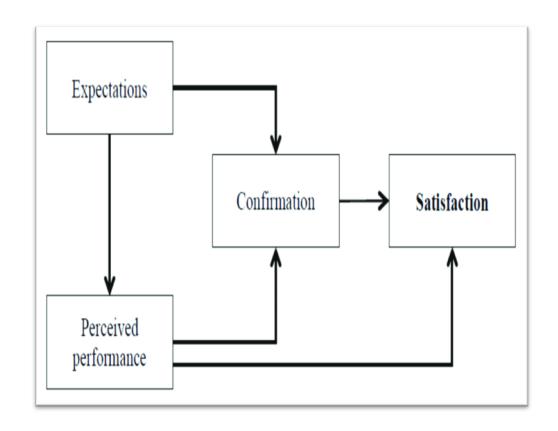
### **Healthcare Services Marketing**

By: Wael Eissa **Healthcare Marketing Manager** 



### WHAT IS SERVICE?

- Definition 1 : Anything that cannot be dropped on your Feet (The Economist)
- Definition 2: The Production of an essentially intangible benefit, Either in its own right or as significant element of tangible product, which through some form of exchange, satisfies an identified need (Adrian Palmer)
- Definition 3: Activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product



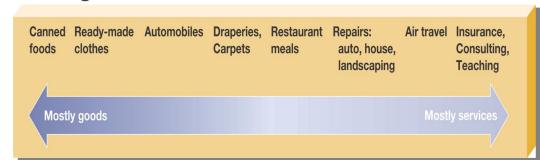
### **Expectations Define Satisfaction**





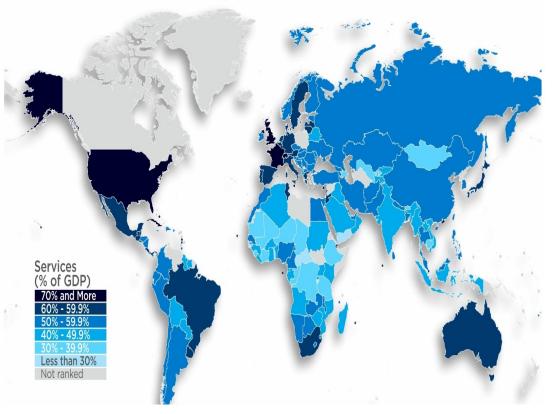
### THE GROWTH OF SERVICE BASED ECONOMY

- Service Sector has become a dominant force in national economies
- The service industries accounted for 81% of total UK economic output (Gross Value Added) and 83% of employment in October–December 2023
- There is close correlation between the level of economic development and strength of its service sector
- According to international labor organization 73% of all workers from developed economies were employed in service sector
- Out sourcing is one of the main causes of Service Sector growth



### The Role of Services in the World Economy

Services as Share of Total GDP (%)







### **HEALTHCARE SEGMENTS**

### Hospitals

- Government hospitals includes district and city wise hospitals that are run and sponsored by the government with low treatement costs.
- Private hospitals includes mid and top tier hospitals with specialized health facilities.

### Pharmaceutical

 Includes manufacturing, extraction, and processing of chemical components used for high quality treatement.

### Diagnostics

 This comprises high technology laboratories for accurate predictions of diseases and symptoms through blood, tissue, and urine samples for recovery.

### Medical equipements and supplies

 It comprises biomedical equipments required for surgical and dental procesures and laboratory instruments.

### Medical insurance

 It includes medical reimburstment facility covering the hospital expenses of groups or people through public funds or private insurance companies.

### Telemedicine

 It includes providing remote service to patients who are in villages in terms of treatment or prescriptions of medicines etc.





### CHARACTERISTICS' OF SERVICE HEALTHCARE INSIGHT

### ▶ 1. Intangible

services are non-physical unlike physical products which can be touched, felt, seen. This makes services different from products and hence the marketing approach would also be different.

### 2. No ownership

- Services cannot be owned but can only be experienced. This is a holistic concept which is related to customer experience.
- There is ownership in service in form of evidence like plan, bills, invoice etc. but you cannot own it like a product.

### > 3. Inseparability

- Service marketing is driven by a concept of moment of truth, i.e. the services are created & used at the same moragnic
- They cannot be stored like products in an inventory, they are produced and consumed at the same time.

### ► 4. Variability

Services vary in nature despite the same people, process, type of work etc., unlike standardized products. Different customers can get different experience for exactly the same service used.







### **INTANGIBILITY OF SERVICES**

### **Lead To Customers:**

- 1 Have difficulty in evaluating competing services
- 2 perceiving high level of risk
- 3 placing great emphasis on personal information source
- 4 using prices as basis of assessing quality

### **Result in Management response through:**

- 1 reducing service complexity(Process)
- 2 stressing tangible cues (quality accreditation)
- 3 facilitating word of mouth (testimonials, influencers, social media)
- 4 focusing on service quality (guaranteed offers)

### **Marketing Implications:**

- Physical evidence
- Managing word of mouth
- Guaranteed offers
- Brand Image
- Social Media
- Influencers
- KOLs





### **INSEPARABILITY**

#### **Leads to consumers:**

- 1 being co producers of the services
- 2 often being co-consumer of the services with other consumers
- 3 often having to travel to the point of service production

### **Result in Management through:**

- 1 attempts to separate production and consumption
- 2 Management of consumer-producer interaction
- 3 improvement of service delivery system

### **Marketing Implications:**

- 1 Create a enjoyable Journey
- 2 Satisfaction Survey
- 3 Technology based service









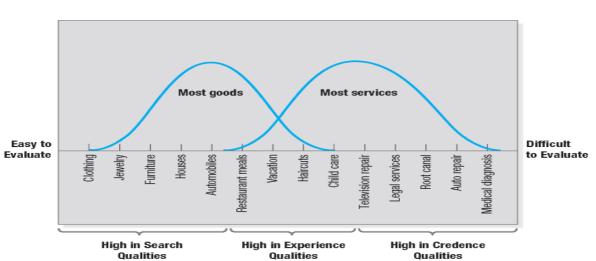
### PRINCIPLE OF SERVICE

### **MARKETING**

- Services impact customers more directly than products do
- Marketing of services has to be more deliberate and considered
- Service provider has to carefully audit his resources and competencies
- Positioning must be razor sharp
- Services more intractable than products
- Service provider must define service very precisely and also design the appropriate service-product mix
- Promotion more challenging due to intangible nature of services
- ► Same basic service can be provided in vastly different service facilities providing different levels of amenities and luxuries

### CHALLENGES IN SERVICE MARKETING

- Giving a feel for the "product"
- Managing Demand Fluctuations
- Maintaining Quality
- Cost Control
- Attitudinal block in using proven marketing principles in service marketing







#### Figure 1: Developing a services marketing positioning strategy

### **C**ustomer Analysis

- ▶ Market attractiveness
  - · Market size and growth
  - · Profitability
  - Market trends
- ▶ Customer needs
  - Under- or unserved needs
  - · More valued benefits

### **C**ompetitor Analysis

- Current positioning
- Strengths
- ▶ Weaknesses

### <u>Company Analysis</u>

- Current positioning and brand image
- Strengths
- ▶ Weaknesses
- ▶ Values

### Define and Analyze Market <u>Segments</u>

- Needs-based segmentation followed by demographic, psychographic, and behavioral segmentation
- Identify attributes and service levels valued by each segment

#### Select <u>Target</u> Segments to Serve

- Determine customers the firm can serve best
- Identify and analyze possibilities for differentiation
- Decide on focus strategy (i.e., service, market, or fully focused)
- Select benefits to emphasize to customers
  - Benefits must be meaningful to customers
  - Benefits must not be well met by competitors

### Articulate Desired Position in the Market

- Positioning must address an attractive market
- Positioning must give a sustainable competitive advantage over competition

# Determine Services Marketing Strategy and Action Plan

- Positioning strategy
- ▶ 7 'P's of services marketing
- Customer relationship management strategy
- Service quality and productivity strategy





### THE SERVICES MARKETING MIX



### What are the 7 Ps of Marketing?





### **PROMOTION**

- Intangible elements of service may be difficult to communicate
- Sales people should develop lists of satisfied customers to be used in reference selling (teasers)
- Word of mouth is critical to success
- Acknowledge the dominant role of personal influence in the choice process
   and stimulate word of mouth communication
- Persuade satisfied customers to inform others of their satisfaction
- Develop materials that customers can pass on to others
- ► Target opinion leaders in its advertising campaign
- Encourage potential customers to talk to current customers
- ► Communication should also be targeted at employees

### **PRICING**

Cost-plus pricing for services.

Cost of product plus a percentage mark-up.

Demand-based pricing of services.

The price customers are likely to be prepared to pay.

Competition-based pricing of service.

What other suppliers are charging for the same type of product.







Targeted content designed for specific audiences

Informative content in the form of blogs, social media posts, webinars, etc.

Easy to measure campaign success with digital marketing software

Requires more maintenance and effort to be successful

Generic content delivered to the masses with no customization

Display ads via online, direct mail, TV, billboards, etc.

Can be difficult to measure campaign success

Can be challenging to make content personalized



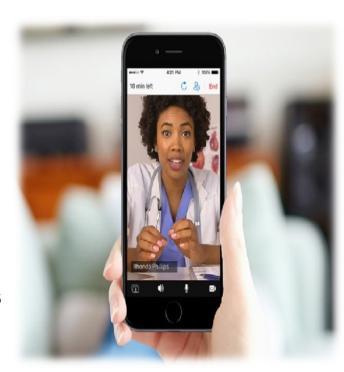




### **PLACE**

- Distribution channels for services are more direct
- Production and consumption is simultaneous
- New technologies permit service companies to provide services without customers coming to their facility
- Nature Of Service determine facilities











### **PEOPLE**

- Service quality is inseparable from quality of service providers
- ► Set standards to improve quality of service provided by employees and monitor their performance
- Training of employees crucial
- Adopt a customer-first attitude than putting own convenience first
- Employees of service organizations have to be adept in multiple roles
- Have empathy to judge the service requirement and mood of the customer
- **Examine the role played by customers in service environment**
- Seek to eliminate harmful interactions













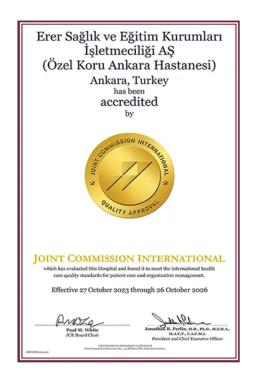


### PHYSICAL EVIDENCE

- ► The environment in which the service is delivered
- Includes any tangible goods that facilitate the performance and communication of the service
- Strengthen cues that customers search for to judge the quality of services
- Uniforms and Employee Look











### **PROCESS**

- Procedures, mechanisms and flow of activities by which a service is delivered to customers
- Process and its visibility are both important for customers
- Process should be employed only when it is required to provide a service and not because customers have come to expect it

### Care Pathway Patient Journey Map Template



#### ARRIVAL

Insert your desired text here. This is a sample text.

#### **ASSESSMENT**

Insert your desired text here. This is a sample text.

#### CARE

Insert your desired text here. This is a sample text.

#### OUTCOME

Insert your desired text here.





Reputation **Improvement** 



**Increasing Customer Loyalty** 

Sales

**Encouraging** Consumers to **Choose You** 



Benefits of **Healthcare Marketing** 



**Boosting** 



**Demonstration of Expertise and** Reliability





**Building** a Consistent **Lead Pipeline** 



**Building Brand Awareness** 



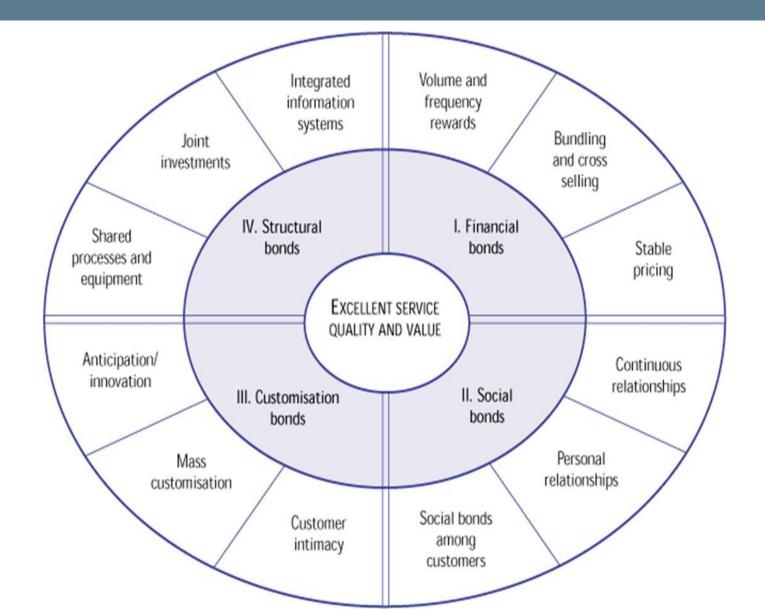


**Better Conversion Rates** 





### LEVELS OF RETENTION STRATEGIES

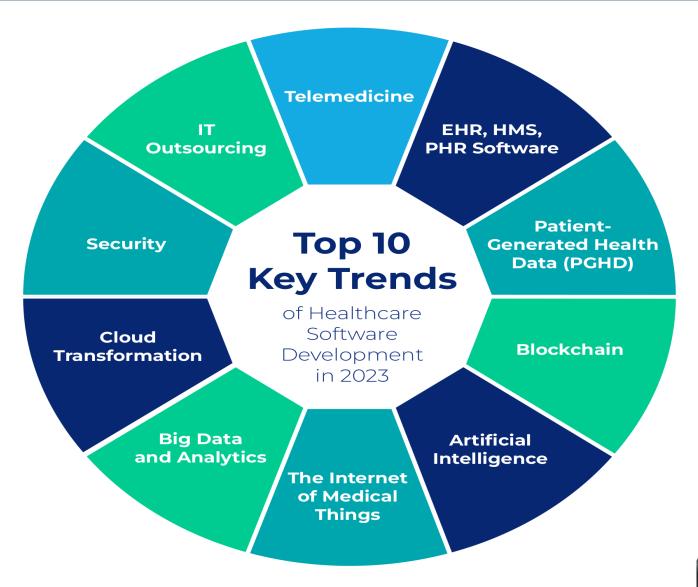






### TRENDS IN HEALTHCARE (2024)

- **✓** Artificial Intelligence
- **✓Internet of Medical Things**
- **✓ Telemedicine**
- **✓ Big Data & Analytics**
- **✓Immersive Technology**
- **✓ Mobile Health**
- **√3D Printing**
- **✓ Blockchain**
- **✓ Cloud Computing**
- **√** Genomics















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