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ABSTRACT
This was a systematic review to explore the nature of marketing of healthcare organisations in an international context. The objectives were to: systematically collect, document, scrutinise and critically analyse the current research literature on healthcare marketing; establish the scope of healthcare marketing; identify gaps in the research literature, and make recommendations for further research in this field. The approach adopted was to search relevant business management and healthcare databases broadly for all literature germane to the subject matter, being guided judiciously by the objectives of the research. Researchers and practitioners are gradually recognising the importance of healthcare marketing as an important tool for healthcare industry growth. However, methodical application of marketing theories and concepts is not yet well embraced by all. Despite having substantial literature on the development of the global healthcare industry, limited scholarship exists to demonstrate that marketing strategies are being utilised by healthcare institutions beyond the traditional methods the industry has been used to. There are gaps in available data on the diversity of service providers, diversity of healthcare services available and their respective and comparative impact on healthcare marketing. This paper evaluates the literature on healthcare marketing, focusing on marketing strategies in the ever-growing healthcare international market.

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1. Introduction

Internationalisation and globalisation of healthcare industry has become a major talking point in today’s business world. It is a subject of intense discussion and research for stakeholders including academics, marketers, practitioners, regulators and the media (Horowitz, Rosensweig and Jones, 2007). The industry is one of the fastest growing in the services sector globally, which has brought about increased international competition for home-based and overseas healthcare organisations (Yeoh, Othman and Ahmad, 2013). This paper presents the results of a systematic review of the literature on healthcare marketing. The objectives of the review were to: systematically collect, document, scrutinise and critically analyse the current research literature on supply-side healthcare marketing; to establish the scope of healthcare marketing; to identify gaps in the research literature, and make recommendations for further research in this field.

The paper commences by summarising the marketisation of healthcare globally, and follows with a short summary of the emergence of research in the marketing of healthcare in this new global marketplace. A summary of the method used for selecting and reviewing the literature follows, with details of the search strategy and parameters of the review. The key objectives which underpinned this systematic review are set out followed by a thematic analysis of the findings from the review to establish the current state of research in healthcare marketing. The final section discusses the weaknesses and gaps in the current research and makes suggestions for further research in the field. The author concludes, however, that the research field of healthcare marketing is still in its infancy especially as regards the adoption of marketing strategies and models.

2. Internationalisation and Globalisation

Healthcare management is now big business of international proportion. Upadhyay (2011) described how the industry transformed into a major service sector in the world today with cross migration of both patients (consumers) and the middlemen (healthcare professionals). Previously, the rich and more privileged peoples used to travel from the developing world to the advanced countries to seek healthcare services (Sarantopoulos, Vicky and Geitona, 2014). Over the past three decades, however, some emerging economies identified the sector as having the potential to earn them foreign exchange, build the image of the country and develop their local healthcare industries (Sarantopoulos, et al., 2014; Connell, 2013). Some of such countries
Internationalisation is the process of expanding the firm’s activities beyond the borders of the country of origin (Hreinsson and Woldearegay, 2015). Internationalisation of healthcare service is captured in the term ‘medical tourism’. According to World Health Organisation, medical tourism refers to ‘the travel of patients across international borders to receive some form of medical treatment’ (WHO Patient Safety Programme, 2013, p.3). Internationalisation is changing how a patient is being described. Carrera and Lunt (2010, cited in Hreinsson and Woldearegay, 2015) reported that patients, traditionally referred to as citizens previously, are now being called ‘consumers’. Human traffic across international borders for medical and other ancillary services keeps growing, which makes the industry a lucrative one. Deloitte (2008, cited in Sarantopoulos, et al., 2014) reported a seventy percent rise in revenues generated worldwide from medical tourism between 2006 and 2012. In real terms, this means it grew from 60 billion USD to 100 billion USD. Nigerians alone are reported to spend over 1 billion USD annually seeking medical care abroad (Punch, 2016).

The number of foreigners that healthcare organisations are able to attract is equally growing. It was estimated by Kachipande (2013) that seven million people engaged in medical tourism every year. He added that the medical tourism industry created about 250 million direct and indirect employments globally in 2011 alone. Sixty thousand Nigerians engaged in medical tourism in 2013 for one reason or the other (Makinde, Brown and Olaleye, 2014). From the forgoing literature, it is evident that healthcare industry in the global marketplace is thriving, and forecasts suggests that the trend will continue in the medium to long term (Woo and Schwartz, 2014).

Globalisation of healthcare services connotes something different from internationalisation. It focuses on the increasing level of collaboration of among healthcare professionals. According to Cortinois, Downey, Closson and Jadad (2003), this is the new face of globalisation in the healthcare services industry, wherein healthcare professionals make use of technology across international borders to jointly review, diagnose, and address health challenges of patients without these patients leaving their home country. Another dimension is the migration of healthcare specialists from their home countries or countries of training to be licensed to practise elsewhere (Buchan and O’May, 1999). The growth of globalisation means healthcare organisations employ technology to also reach their target market all of the world through the instrument of internet as part of their marketing communication mix. However, some
healthcare organisations are now going the whole hog to establish premises in foreign lands to serve the locals there or send experts from time to time to work hand in hand with local professionals (Scott-Emuakpor, 2010).

Many governments are now playing active roles to position the healthcare sector of their countries well enough so that it can compete favourably in the global marketplace. Areas of focus are not only limited to legislation, expertise and infrastructure; they include assisting the healthcare organisations in the area of marketing and marketing communication. Ezejiofor, Okafor and Okoro (2013) argued that the global marketplace has the potential to freeze out healthcare organisations that are not able to so compete in the nearest future.

Nevertheless, in spite of the huge volume of published articles and data as regards the growth and development of the healthcare services in the global marketplace, there is not much information as to the marketing tools employed by healthcare organisations especially as it concerns the use of marketing theories and models to achieve the objectives. Research in healthcare marketing is nascent (Stremersch, 2008). Thus, the following sections explore the emergence of healthcare marketing, the international context of research in healthcare marketing, and demand side issues.

2.1 The Emergence of Marketing in Healthcare

From inception, healthcare organisations were seen as providers of an essential social service that the customers (patients) will invariably access. Health care is a basic need: anyone who is ill will definitely seek a place where he can receive treatment. However, following the evolution that the subject of marketing faced in the 1970s, healthcare marketing began to get a look-in. In 1969, Kotler and Levy posited that marketing concept could not be limited to profit-making organisations alone. Thus, organisations who seemed to serve principally social causes began to adopt marketing processes in their operations. Studies show that ‘prior to the 1970s, hospitals did not have a marketing department’ nor employed any person with marketing orientation (Cellucci, Wiggins, and Farnsworth, 2014). They reckoned that their primary objective was to provide preventive and/or therapeutic care, which meant that only those who needed it would walk into their premises. Similarly, researchers took a long while before they considered the field of healthcare marketing. The first journal to publish articles on healthcare marketing only surfaced in 1980 (Cellucci, et al., 2014, p.18). Even then, at that early stage, the focus of the publishers was to provide an avenue for teachers and practicing doctors to interact and stimulate discussions on potential healthcare marketing topics. In the last ten to
fifteen years, however, the number of publications have skyrocketed (Stremersch, 2008). According to Stremersch (2008), various aspects of the subject matter are now being reviewed ranging from the pharmaceutical industry to hospital administration to consumer behaviour of patients and medical clients.

Having taken a long while to get started, healthcare organisations are now taking the issue of healthcare marketing very seriously. Over the last four decades, healthcare services have assumed the position of being the fastest growing segment of the services industry globally (Eckrich and Schlesinger, 2011; Yeoh, et al., 2013). This has increased the level of competition among industry players such marketing tools are now being reckoned with as an important resource for the business. Nevertheless, some scholars still argue that marketing tools are superfluous to the healthcare industry. Luan (2010, cited in Amazu, Simon and Anis, 2014) articulated carefully the points of critics, which centres mainly on adding to the bill of patients after consultation.

2.1.1 International Context

According to Grover (2016), globalisation and technological advancement has brought a paradigm shift to healthcare marketing because patients are more enlightened and specific about their health needs leading to cross-border competition among healthcare organisations. There is a lot of focus on international marketing of healthcare services today because many people now seek to address their medical needs in a foreign country. Much of the interest is based on the shift in the dynamics of international trade in the healthcare industry, otherwise known as medical tourism. Previously, it was the few rich in developing countries that used to travel to developed countries for health-related matters; people are now going from developed countries to less developed ones for similar purposes industries (Sarantopoulos, et al., 2014; Connell, 2013). Hospitals and other healthcare organisations now engage actively in marketing activities to attract and retain more customers, build their image, differentiate their services and gain competitive advantage (Yeoh, et al., 2013; Crooks, et al., 2011; Hanefeld, et al., 2015).

2.1.2 Demand-Side Issues

On the demand side, some researchers have investigated the decision making process of consumers of healthcare services on the international scale and factors that influence their choice (Balogun, 2015), post-purchase behaviour (Han and Hyun, 2015), impact of the testimonies of families and friends on undergraduates seeking medical care (Martin,
Ramamonjiarivelo, Z. and Martin, 2011), and attitude of patients of various countries (Lee, Han and Lockyer, 2012; Wang, 2012).

3. Methodology

A systematic review was carried out on the subject matter. This methodology was chosen because it has found usefulness in the management field. As Tranfield, Denyer and Smart (2003, p.220, cited in Hemsley-Brown and Oplatka, 2006) concluded, ‘practitioners/managers have found that ‘systematic review helps develop a reliable knowledge base by accumulating knowledge from a range of studies’.

To fulfill the requirements of a systematic review, this study conducted a broad and detailed online search of relevant academic and business management databases with a particular emphasis on healthcare, pharmaceuticals, hospital management and medical tourism. Google Scholar was the search engine employed. Peer-reviewed journals, periodicals, blogs and websites of industry players provided resource materials for this study. Certain keywords were identified to improve the quality of the searches and to get a desirable outcome. Such keywords included globalisation, internationalisation, size, growth, branding, behaviour, consumer etc. These keywords were combined with healthcare, pharmaceuticals, hospital management and medical tourism to achieve the objective of the search, which was to ascertain that, as far as possible, all applicable literature was identified so as to adequately address the research questions. The search covered the timeframe from 2002 till date. The starting date was chosen because healthcare marketing commenced about that time. After a detailed scrutiny, 44 papers (empirical and theoretical) were selected.

For the purposes of analysis and reporting, the ‘thematic analysis’ method was chosen. This method synthesises themes and patterns from data generated in qualitative research (Tranfield et al., 2003, cited in Hemsley-Brown and Oplatka, 2006; Braun and Clarke, 2006). All the papers selected were cross-analysed to uncover such similar patterns and the findings therefrom are presented and discussed under the following section headings.

1. Overview of the empirical studies reviewed for this paper
2. Marketing communications about corporate image and reputation
3. Marketing models: comparing and contrasting transactional marketing and relationship marketing
4. Strategic marketing: market segmentation and targeting, brand positioning planning
3.1 Empirical Studies Identified for the Review

The research studies reviewed for this paper were conducted in different parts of the world, which include Turkey, India, U.S.A., Saudi Arabia, Canada, Nigeria, Greece, Japan, England, Hong Kong, Romania, Tunisia, Taiwan etc. Some of the studies chose to investigate private healthcare organisations while others looked at the public ones. Most of the authors generated their data by themselves; only one used secondary data. In generating primary data, such authors adopted a qualitative approach, which provided rich insights to arrive at their conclusions and make useful recommendations.

4. Findings: The themes and Areas of the Research on Healthcare Marketing

The issues thrown up by this review are discussed under different headings below.

4.1 Marketing Communications

A major theme of the empirical research identified for this study into healthcare marketing was issues related to marketing communications and how potential patients access and utilise marketing information in their decision-making process for healthcare services. Radulescu (2012) opined that while the Ministry of Health had always been the largest disseminator of information that borders on public health, healthcare organisations had limited their conversations to doctors and other healthcare providers until recently. However, recruitment of patients requires appropriate marketing communications by healthcare organisations (Katib, 2011). With this realisation, healthcare organisations are focusing lately on marketing communication. The Society for Healthcare Strategy and Market Development (2009, cited in cited in Amazu et al., 2014) reported that healthcare organisations have doubled their expenditure on marketing communications in the last ten years. There are numerous channels available for marketing communications, which include outdoor advertising (billboards and signboards), electronic means (television and radio), print outlets (handbills, magazines, newsletters), the internet (websites, social media etc.), and organised workshops and seminars.

Most countries, however, have major restrictions for the healthcare industry in terms of advertisement except United States and New Zealand. In Nigeria, the medical code is quite explicit in this regard (Makinde, et al., 2014). This is because healthcare seekers do not find it easy to ascertain the authenticity of claims made by healthcare organisations in their communication (Sarantopoulos, et al., 2014) and both governments and regulatory agencies have the duty to protect the consumers of healthcare services. For instance, the phenomenal growth of the internet has a major tool for marketing communications in today’s world has not
been evident in healthcare marketing. The survey conducted by Popovic, Smith and Hellebusch (2013) with 107 industry leaders of the healthcare sector in U.S.A. showed that, ‘very few believe social media marketing has been transparent and responsible’. Thus, healthcare organisations rely heavily on Word-of-mouth communication from those clients who have been patients previously as the chief means of marketing communication to attract first-timers while other channels only serve as a back-up (Balogun, 2015; Yeoh, et al., 2013). It is quite common to see on websites of various healthcare organisations documentary testimonials of old-timers to woo would-be patients. Continuous communication with clients is another chapter for healthcare organisations. In delivering healthcare services, healthcare organisations emphasise total quality management. This is the reason why they have turned to internal marketing strategies as a refined form of marketing communication lately (Proctor, 2010; Fortenberry and McGoldrick, 2016). This involves the use of sophisticated software of customer relationship management for the purpose of customer interaction and providing superior customer experience.

4.2 Image and Reputation

Another subject area of interest for researches in healthcare marketing was the image and reputation of healthcare organisations. Fombrun (1996, cited in Gürses, and Kılıç, 2013) stated that for knowledge-driven service industries such as healthcare, reputation is of utmost importance. Image and reputation form part of the key elements of the corporate identity of healthcare organisations (Obamiro, Ogunnaike and Osibanjo, 2014). Patients differentiate between hospitals based on these premises and are attracted or otherwise accordingly. Gan and Frederick (2013) took the concept further by noting that international reputation was critical if patients are to be attracted from foreign lands. The image and reputation of healthcare organisations always speak for them; they are essential attributes in the competitive global marketplace. The empirical study carried out by Obamiro et al. (2014) in Nigeria revealed that healthcare organisations derive increased performance from a positive corporate image because of the relatively higher patient patronage that they draw when compared with healthcare organisations that have low/poor corporate image. Gürses and Kılıç (2013) investigated the subject matter among 710 respondents in Turkey and found that patients saw image and reputation as impressions that are formed based mainly on the degree of innovativeness of the healthcare organisation and adoption of modern technology to provide services. Wu’s study (2011) focused on demonstrating the strong impact of corporate brand image on patient satisfaction and loyalty, which ensured continuous revisits among patients in Taiwan.
Conversely, word-of-mouth communication has the potential to have a damaging effect on the image and reputation of healthcare organisations as reported by Obamiro et al. (2014). Judith Hibbard, a researcher at the University of Oregon has spent a lot of time looking into the long-term effects that published hospital ratings have on their reputation. Hibbard, Stockard and Tusler (2005a; 2005b) reported that consumers were influenced by hospital performance reports and how they perceive the image of such healthcare organisations.

4.3 Application of Marketing Models

Some researchers focused their work on how healthcare marketing is attracting the adoption of marketing models. Zolkiewski (2004, cited in Hreinsson and Woldearegay, 2015) admitted that managers of healthcare organisations ‘are increasingly introducing business-like principles into their operations’. The idea is that application of marketing models and implementation of business management principles increase the long-term success rate of healthcare organisations. The first documented evidence of a healthcare organisation implementing a marketing strategy was the Blue Blaze campaign of the 1970s (Cellucci, et al., 2014, p.22). This attempt was made based on the recent works of Philip Kotler and Sidney Levy at the time, who both advocated the deployment of marketing models and strategies in social ventures such as health and education. The FTC case of 1976, which ruled that healthcare organisations could legitimately employ marketing has transformed healthcare marketing in U.S.A. (Cellucci, et al., 2014, p.22). A typical example is Brottman Hospital in California, which was able to utilise Markov Analysis as a marketing model to expand the reach of its services in spite of growing intense competition (Eckrich and Schlesinger, 2011). Today, the prominence of marketing models by healthcare organisations in U.S. in very evident in their operations (Guo, 2003). Application of marketing models by healthcare organisations is, however, not yet on the same par globally. For instance, despite the fact that India has grown its healthcare industry to world acclaim, and attracting patients from all over, Sreenivas, Srinivasarao and Rao (2013) reported that the healthcare organisations are still lagging in the effective application of marketing models. In Nigeria, because of the ban on healthcare advertising (Makinde, et al., 2014), it is hard to decipher if healthcare organisations adopt any marketing model. Amazu et al. (2014) found, having conducted a qualitative research on six hospitals in Lagos, Nigeria, that even though functional marketing departments existed, the use of sound marketing plans and models was poor.
4.4 Transactional Marketing – the 4Ps

An effective and productive marketing strategy is hinged on the successful coordination and implementation of the four elements of the marketing mix namely price, place, promotion and product (Amazu et al., 2014). These four elements, identified by McCarthy in 1964, was extended to seven in 1981 by Booms and Bitner namely people, physical evidence and processes for the services sector to which the healthcare industry belongs (Ahmad, Al-Qarni, Alsharqi, Qalai and Kadi, 2013). Scholars have based their study of healthcare marketing on the 7Ps. In their assessment of 34 private healthcare organisations in Jeddah, Saudi Arabia, Ahmad et al. (2013) established their managers reckoned that all the seven elements had a major impact on the success of healthcare organisations except price and place. In a similar study by Sreenivas et al. (2013) in India among 70 doctors and 150 healthcare administrators, the conclusion was that all elements were important. Transactional marketing is, however, inadequate to sustain long-term business relationship because of its primary focus on today’s profits.

4.5 Relationship Marketing

Traditionally, the dispensing of healthcare services had always depended on interactions between the physician and his patient, which led to transactional marketing activities (Cebrzynski, 1985, cited in Cellucci, et al., 2014, p.24). Transactional marketing meant healthcare organisations saw themselves as being in control of their customers rather than in partnership. However, as a result of growing intensity of competition in the global marketplace, the need to retain existing customers, deepen relationship with them and enhance their lifetime value calls for a relationship marketing strategy. Thus, healthcare organisations have embraced relationship marketing as a critical tool for success (Šonková and Grabowska, 2015). Philips and Panchal (2002, cited in Awa and Eze, 2013) developed a marketing philosophy referred to as Patient Relationship Management (PRM), which provides a round-the-clock insight into customer needs so as to foster deeper customer engagement. Relationship marketing is more expensive than transactional marketing to initiate but in the long run, it becomes a more profitable approach for healthcare organisations in the face of stiff competition (Rivers and Glover, 2008; Astuti and Nagase, 2014). According to Adedeji (2014), healthcare organisations have to emphasise continuous improvement in managing relationships with all their stakeholders and not just patients alone. This is sacrosanct because everyone ultimately is a potential patient. On the flip side, Astuti and Nagase (2014) conducted an extensive research on the relationship existing between customer loyalty, customer satisfaction and relationship
among patients visiting three healthcare organisations in Indonesia and came up with some contrasting findings. While relationship marketing was important to those below the age of 46 years in order to gain customer loyalty, those aged above 46 were not influenced at all, whether male or female. Nevertheless, relationship marketing did provide a sense of customer satisfaction to all categories of patients.

4.6 Strategic Approach to Marketing

Strategic approach to marketing for a healthcare organisation is informed by its mission and how it intends to go about achieving it. So, while some may focus their attention on offering superior quality and innovation in the delivery of services, others may hinge their practice on cost-cutting measures (Rivers and Glover, 2008). The chosen strategic orientation does not determine organisational performance, though: any approach elected can bring success depending on how well the implementation goes (Altuntas, Semercioz and Eregez, 2013).

4.7 Strategic Tools of Marketing

A number of researchers discussed specific strategic approaches to healthcare marketing for healthcare organisations and made compelling recommendations to be adopted as marketing strategies and models.

4.8 Market Segmentation

Since its introduction in the 1970s, the concept of market segmentation has become a useful marketing tool for marketers (Buttle, 1996, cited in Šonková and Grabowska, 2015). According to Adedeji (2014), market segmentation helps to define an organisation’s target market. In the service sector where relationship marketing is employed, a sound market segmentation helps healthcare organisations to tailor-make the marketing efforts to meet the peculiar needs of each market segment that they serve. Awa and Eze (2013) demonstrated through analysing responses from 72 doctors, pharmacists, laboratory technicians and nurses in Nigeria that market segmentation helped healthcare organisations to provide consumer-endorsed services. Healthcare organisations are also able to provide different pricing strategies for the same service to different target markets and they are still able to make profits (Booms and Bitner, 1981, cited in Ahmad et al., 2013).
4.9 Market Positioning

Lim and Ting (2013) identified market positioning as one of the contemporary salient issues in healthcare marketing today when viewing the matter from the perspective of healthcare providers. A clear market positioning helps healthcare organisations to build a positive and solid positive image (Obamiro et al., 2014; Wu, 2011) with which the customers can relate. Thus, every organisation has to identify its position in the industry so as to engender a consistent and favourable image and attract the right customers (Gürses and Kılıç, 2013). Amazu et al. (2014) posited that identification of market positioning cannot be said to be complete if that of competitors are unknown. Market positioning is an important means of recognising and establishing competitive advantage in the marketplace. Wu (2011) showed that a strong corporate image will in turn consolidate the market positioning of healthcare organisations. In 2002, Inamdar, Kaplan and Bower advocated the use of a new tool, known as Balanced Scorecard, by healthcare organisations to enable them ‘improve their competitive marketing positioning’. From their study, Sreenivas et al. (2013) insisted that every healthcare organisation should develop its own marketing positioning strategy to eliminate ambiguity about its services in the minds of all stakeholders including customers who patronise them.

4.10 Market Planning

A few authors concentrated on market planning as the basis of their research. As Eckrich and Schlesinger (2011) put it, ‘market planning refers to considering those marketing activities which serve to identify and help develop specific courses of action necessary to achieve future marketing goals’. Amazu et al. (2014) noted that it is the vehicle through which organisations communicate their focus and essence to all interested parties. It is obvious that healthcare organisations are now embracing market planning as part of their market strategy nowadays (Awa and Eze, 2013). The case study of Eckrich and Schlesinger (2011) on Brottman Hospital, California exemplifies the attention healthcare organisations are now paying to market planning. Both potential and current customers are included during a holistic market planning process. This ensures that strategies are put in place to harness emerging opportunities and mitigate likely risks.
5. Discussion

This review has taken a comprehensive look at healthcare marketing on a global level through thematic analysis of empirical research studies. This discussion summarises the key findings, shows the gaps identified and recommends aspects that require more studies. The paper found that globalisation and internationalisation of healthcare organisations has been growing rapidly over the last four decades. However, research and practice of healthcare marketing got off to a sluggish start due mainly to the long-held traditional beliefs that healthcare services did not require such.

Secondly, the evolution of marketing communication in the industry was discussed. Marketing communication is increasingly becoming very important in the industry and researchers are working on identifying the dynamics of integrated marketing communication and its effectiveness in delivering value to industry players. Subsequently, a link was established between corporate image and corporate reputation and how they both work in tandem for effective healthcare marketing.

Also, the relevance of marketing models was analysed. It was revealed that more and more healthcare organisations are beginning to consider the application of marketing models to formulate strategic plans for their businesses. Thus, in their strategic planning, models such as marketing segmentation and targeting are being deployed by many organisations. A marketing tool, referred to as Balanced Scorecard, was advocated for by some authors because it provides a comprehensive set of measurement guidelines to support the marketing process.

Many areas still remain uncharted in the field of healthcare marketing. Motivations and preferences for healthcare services are very diverse across different demographic and psychographic characteristics. More research is needed to characterise underlying motivations. Similarly, public healthcare providers differ in their approach to marketing from their private counterparts but available literature is not adequate to describe the differences. On the contrary, some authors still debate the relevance of healthcare marketing. In all, the field of healthcare marketing is still in its infancy and it would attract the interest of many if those who are passionate about it do not relent.
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