

# The Influence of Hospital Marketing Mix on Inpatient Loyalty in Sarah Medan General Hospital

Abidah Ismail Lubis<sup>1</sup>, Destanul Aulia<sup>2</sup>, Siti Saidah Nasution<sup>3</sup>

<sup>1</sup>Master Student, Faculty of Public Health, Universitas Sumatera Utara

<sup>2</sup>Lecturer, Faculty of Public Health, Universitas Sumatera Utara

<sup>3</sup>Lecturer, Faculty of Nursing, Universitas Sumatera Utara

abidah.lubis18@gmail.com

**Abstract:** Sarah Medan General Hospital in recent years has faced the problem of decreasing patient loyalty levels, this can be seen from the level of BOR in the last seven months in 2020 which tends to decrease every month. The marketing mix is considered to be a solution to the problem of patient loyalty, especially related to service quality, price, promotion, and good communication with customers. The study aimed to analyze the influence of marketing mix on inpatient loyalty in Sarah Medan General hospital. The study was a quantitative survey with a cross-sectional approach. The sample was 132 hospitalized. Data were analyzed using logistic regression. The result shows that there was a significant influence between the marketing mix seen from the process aspect and the physical appearance of the hospital on patient loyalty. Where the physical appearance variable was the most dominant variable with a large odds ratio of 5,134, which means that the better the physical appearance of the hospital, it is predicted that it will increase patient loyalty by five times higher than the poor physical appearance of the hospital. It is recommended for Sarah Medan Hospital to pay attention to and improve again regarding the speed of availability of treatment rooms for inpatient registration and the speed of response from medical personnel in taking medical actions, as well as maintaining consistency of service flow.

**Keywords:** Marketing Mix, Patient Loyalty, Hospital

## 1. INTRODUCTION

Hospitals are not much different from other companies that market goods or services, whose goals are the same, namely to develop, generate profits and maintain survival in addition to serving the community. With the rapid development of business today and the entry of the era of globalization, there is a fairly high level of competition among the actors. Each hospital strives to be the best of the other competitors. In facing this competition, special attention is needed on how far the growth and progress of hospitals in facing competition. If not, the hospital will sink and lose a competition or will go bankrupt [1]. Intense competition between various health care agencies requires the hospital to provide quality services. Quality services cannot be separated from the good quality of facilities and infrastructure at the hospital, with good quality facilities and infrastructure will improve the quality of service to have an impact on satisfaction and loyalty for patients who seek treatment at the hospital. Hospitals should need to design a marketing program so that the product gets more response from the target market. Therefore, it is necessary to have a tool or design so that the program can achieve its goals.

The marketing concept that has the most synergistic goal of increasing consumers is the marketing mix. According to Kotler and Armstrong's [2], the marketing mix is several

variables in marketing, which are used by companies to pursue the desired sales targets. Meanwhile, according to Lake [3], the marketing mix is some component in marketing used by a business to sell products or services to consumers.

McCarthy [4] also introduced the concept of the marketing mix known as the 4 Ps strategy, namely; product, price, promotion, and place). That is, the success of marketing is determined by the ability of a businessman to maximize these four variables. If a service company owner has designed a good marketing concept, the price is competitive, the promotion is through various channels, but the place chosen is not strategic. So the marketing process tends to be less than optimal. Therefore, a business person needs to understand the concept of this marketing mix.

The marketing mix is expected to improve the patient's perceived quality, namely the patient's assessment of a service. If the patient's perception of the quality of services provided by the hospital is good, then the patient's image (corporate image) of the hospital will be positive. This condition can increase patient satisfaction (customer satisfaction), which continues in the formation of patient loyalty (customer loyalty). Information from loyal patients will benefit the hospital management because it helps provide positive information to the community. In carrying out its activities, hospital management not only chooses the best combination of the marketing mix but also must coordinate various elements of the marketing mix, to carry out marketing programs effectively [5].

## 2. METHODS

The study was a qualitative with cross-sectional approach. The study was conducted from December 2019 to September 2020. One-hundred thirty-two were selected using consecutive sampling with criteria inclusion, namely: 1) general patients who are being hospitalized more than 2 times with a minimum length of stay of 3 days; 2) the patient does not have a communication disorder, 3) the patient does not have a mental disorder; 4) patients are willing to participate.

Data were collected using a questionnaire with the Guttman scale measurement. The Marketing Mix consists of a) product has 7 questionnaires; b) price has 5 questionnaires; c) place has 6 questionnaires; d) promotion has 4 questionnaires; e) person/HR has 6 questionnaires; f) process has 7 questionnaires; g) physical appearance has 7 questionnaires. Patient loyalty has 7 questionnaires. For all questions, the highest score is 1 for yes answers and the lowest score is 0 for no answers. A total score of 70% is interpreted as good, and less than 70% is interpreted as not good. Data were analyzed using logistic regression.

## 3. RESULTS

Based on table 1, the results showed that the majority of patients were aged between 30-40 years 46.2%, gender was female 67.4%, the education level was college 88.6%, employment status was enterpriser 36.4%, income level was more than Rp5,000.000 66.7%, patient status was general 72.7% and the most diagnosis was parturition 40.2%.

Table 1: Distribution Based on Patient Characteristics

Characteristic	n (132)	%
Age		
18-29 years	41	31,1
30-40years	61	46,2
>40 years	30	22,7
Gender		

Male	43	32,6
Female	89	67,4
Educational level		
Senior high school	15	11,4
College	117	88,6
Employment		
Civil officer	41	31,1
Army/Cops	4	3,0
Enterpriser	48	36,4
Private employ	24	18,2
Others	15	11,4
Income level		
<Rp4.999.999	44	33,3
>Rp5.000.000	88	66,7
Patient status		
General	96	72,7
Private insurance	36	27,3
Diagnosis		
Parturition	53	40,2
Typhoid	7	5,3
DM	20	15,2
Hypertension	8	6,1
Convulsion and fever	8	6,1
Gastroenteritis	12	9,1
Asthma	10	7,6
Dyspepsia	8	6,1
Cyst	4	3,0
Appendicitis	2	1,5

Table 2 shows that only the process and physical appearance variables have a p-value <0.05, while the other variables have a p-value > 0.05. This means that only the process and physical appearance variables have a significant influence on the patient loyalty variable.

Table II: Logistics Regression Analysis Results

Variabel	B	S.E	Df	p value	OR
Product	0,180	0,671	1	0,789	0,836
Price	0,194	0,089	1	0,765	1,214
Location	2,072	1,201	1	0,084	0,126
Promotion	0,074	0,525	1	0,887	1,928
Person/HR	0,018	0,509	1	0,972	1,982
Process	3,838	0,552	1	0,001	3,159
Physical appearance	4,811	0,758	1	0,017	4,163
Constant	4,765	0,446	1	0,001	5,843

#### 4. DISCUSSION

The results of multivariate analysis with logistic regression obtained that the product variable (service quality) does not significantly affect inpatient loyalty because it has a p-value >0.05. Based on the answers to the questionnaire, it can be concluded that the majority of respondents consider the services provided by doctors and nurses to be good. In its service, hospitals are considered to have been able to meet patient expectations, such as specialist doctor services provided by hospitals that are complete enough according to patient needs so that patients do not need to be referred to other hospitals. In addition, fast and appropriate

services are also considered to be the advantages of hospitals, such as services in the emergency room and supporting services for radiology laboratories, medical rehabilitation, and pharmacy in hospitals that provide fast, precise, and appropriate services for patients.

The results of this study are not in line with other studies [6] [7] who argue that there is a positive relationship between hospital brand image and patient loyalty. One study identifies sustainability as a business approach to be widely adopted by healthcare companies and organizations around the world, and the easy way for all types of hospitals to be sustainable is to make their products effective and government hospital products to be more effective than private hospital products [8].

The results of multivariate analysis with logistic regression obtained that the price variable did not significantly affect the loyalty of inpatients with  $p > 0.05$ . Based on the questions given to the patient regarding the price, the patient judged that the price of hospital services was affordable. This is evidenced by the fact that most of the visits to the inpatient unit are visits from old patients who have used inpatient services. Repeat visits occur because of the patient's good perception of price. Good perception causes the patient to be loyal. Patients see that the quality of services provided is proportional to the costs incurred during treatment at the hospital. The patient's perception of the value of the service received in the inpatient unit is so good that it ignores the costs that must be incurred because they are satisfied with the service received.

The selling price of the product is one element in the marketing mix that generates sales revenue, while the other elements of the mix generate costs [9]. For patients, the price paid is not only the cost of treatment, but also other costs including transportation costs, waiting for costs, and wages lost due to not working, known as a willingness to pay [10]. Loyal patients tend not to see the price because loyalty can turn into a desire to pay a higher price [11].

The results of multivariate analysis with logistic regression obtained that the location variable did not significantly affect the loyalty of inpatients with  $p > 0.05$ . Place in the hospital includes the place of service, time spent, the concept of referral, and others. The interaction between service providers and customers determines the importance of a location or place [12]. Location relates to decisions made by the company regarding where its operations and staff will be located, the most important of which is the type and level of interaction involved.

Location in the hospital marketing mix is an effort made so that the services provided can be reached by the target patient. Choosing a place and location requires careful consideration of the principles of place, namely the availability or availability of complete types or variations of services, accessibility or affordability of health care places, equity or justice and equity for those who need it, and comfort and convenience or a comfortable place and fun to use as a place of health care.

The results of multivariate analysis with logistic regression obtained that the promotion variable had no significant effect on the level of general inpatient visits with  $p > 0.05$ . Promotion is defined as a communication made by marketers to inform, seduce, and remind potential customers to influence their opinions in making decisions. Promotion includes a very wide choice in utilizing different means of communication through the media, posters, meetings, and so on [10]. Promotions are designed to stimulate faster or larger purchases of products or services [9].

This study shows that there was no relationship between promotion and patient loyalty. This shows that the promotion carried out by the hospital was not successful. The information that the hospital wants to convey to the public is not conveyed, even the purpose of the promotion, namely to attract people's attention to make a purchase, is not fulfilled. Patients do not know the hospital from the promotions carried out, either through newspapers, radio broadcasts, TV advertisements, posters, leaflets, and booklets. Hospital promotion activities are considered to play an important role in the rate of repeat visits. Promotion helps in

communicating the existence of the services offered to current, past, and future customers. In general, promotion includes advertising, sales promotion, personal selling, and publicity, but instead of aggressive promotion, hospitals rely a lot on WOM [13].

The results of multivariate analysis with logistic regression showed that the HR/person variable had no significant effect on patient loyalty with  $p > 0.05$ . The results of this study are not in line with Oktarina's [14] which has proven that the HR/person variable has a positive effect on patient satisfaction. Bachtiar [15] stated that there was a positive and significant influence on the quality of human resources/people on the image of the Salatiga Hospital.

The results of multivariate analysis with logistic regression showed that the process variable had a p-value of 0.001 ( $p < 0.05$ ), which means that there was a significant influence between the hospital service process on the loyalty of inpatients at Sarah Medan Hospital. Assefal et al. [16] identify that the transition from hospital to home is a vulnerable period for discontinuity and potential side effects. Hospital physicians and other inpatient providers should not see discharge as the end of patient negotiations but should seek to promote a safe and efficient transition of care. In addition, it is also concluded that the provision of health services is statistically significant in influencing respondents' perceptions, so it must be continuously improved so that patients always choose the hospital as their health facility.

The same result was also expressed by Wijayanti et al. [17] on 99 respondents at the Makassar City Hospital. The results obtained that there is a relationship between the process and patient loyalty in the outpatient unit of the Makassar City Hospital.

The next marketing mix factor that also affects patient loyalty is the physical appearance of the hospital. The results of multivariate analysis with logistic regression obtained that the hospital's physical appearance variable had a significant effect on the level of general inpatient visits with a value of  $p = 0.004$  ( $p < 0.05$ ). The same results obtained by Mohemmedi and Sohrabi [18] prove that a good physical appearance of the company also contributes to customer decisions which have an impact on increasing the number of customer visits. Another study found that there was a relationship between physical evidence of service and the decision to revisit outpatients at Bethesda GMIM Tomohon Hospital [19].

## 5. CONCLUSIONS

There is a significant influence between the marketing mix seen from the aspect of the process and the physical appearance of the hospital on patient loyalty. The physical appearance variable is the most dominant variable with a large odds ratio of 5.134, which means that the better the physical appearance of the hospital is predicted to increase patient loyalty by 5 times higher than the physical appearance of the hospital which is not good. Meanwhile, for other aspects of the mix such as product service, price, location, hospital resources, promotion of services did not have a significant effect on patient loyalty.

## 6. REFERENCES

- [1] Sabran, R. Anggraeni. Analisis Bauran Pemasaran di Rumah Sakit Pendidikan Universitas Hasanuddin. ARTERI: Jurnal Ilmu Kesehatan. 2019; 1(1): 36-42.
- [2] Kotler, Amstrong. Prinsip-prinsip pemasaran. Jakarta: Gramedia. 2018.
- [3] L. Lake. What the Marketing Mix Is and Why It's Important the elements of a marketing mix and how to use them effectively. 2019.
- [4] E. J. McCarthy. Basic marketing: a managerial approach. Homewood, IL: Richard D. Irwin. Inc., 1979 McCarthy Basic Marketing: A Managerial Approach 1979, 1960
- [5] R. Kafa. Pengaruh Bauran Pemasaran Jasa Terhadap Keputusan Pasien Dalam Memilih Jasa Rumah Sakit. Jurnal Ekonomi dan Bisnis Islam. 2013; 8(1).
- [6] Y. Vinodhini, B. M. Kumar. Brand equity in hospital marketing. Summer Internsh Soc. 2010; 2(10):75- 82.

- [7] C-C. Wu. 10 The Impact Of Hospital Brand Image On Service Quality, Patient Satisfaction And Loyalty. *African J Bus Manag.* 2011; 5(12): 4873-4882.
- [8] V. L. Purcarea. The impact of marketing strategies in healthcare systems. *Journal of Medicine and life.* 2019; 12(2): 93-96.
- [9] G. Adisaputro. *Manajemen pemasaran analisis untuk perancangan strategi pemasaran.* Yogyakarta : Sekolah Tinggi Ilmu Manajemen YPKN. 2014.
- [10] S. Supriyanto, Ernawati. *Pemasaran industri jasa kesehatan.* Yogyakarta: Andi. 2010.
- [11] P. Kotler, K. L. Keller. *Manajemen Pemasaran.* Edisi 13 jilid I. Jakarta: Erlangga. 2009.
- [12] N. Radfan, Djumahir, T. Hariyanti. Pengaruh bauran pemasaran terhadap loyalitas pasien di poliklinik paru Rumah Sakit Paru Batu. *Jurnal Aplikasi Manajemen.* 2015; 13(2): 220-228.
- [13] N. Shoqirat, S. Cameron. Promoting Hospital Patients' Health in Jordan: Rhetoric and Reality of Nurses' Roles. *International Journal of Nursing.* 2012;1(1): 28-37.
- [14] D. Oktarina. *Kualitas layanan dan citra merek, serta pengaruhnya terhadap kepuasan mahasiswa.* Tesis: Universitas Lampung. 2016.
- [15] I. Bachtiar. *Pengaruh kualitas pelayanan dan kepuasan pasien terhadap citra RSUD Salatiga.* Skripsi: Universitas Negri Semarang. 2015.
- [16] T. Assefa1, M. Woldie, S. Ololo, K. Woldemichael. Patient safety practices and medical errors: Perception of health care providers at Jimma University Specialized Hospital, Southwest Ethiopia. *Open Journal of Preventive Medicine.* 2012; 2(2): 162-170.
- [17] S. D. Wijayanti, M. Y. Amir, Indar. Hubungan bauran pemasaran dengan loyalitas pasien di unit rawat jalan RSUD Kota Makassar. *Jurnal Ilmu Kesehatan Masyarakat.* 2014; 5(3): 1-13.
- [18] M. Mohammadi, T. Sohrabi. Examining the effect of marketing mix elements on customersatisfaction with mediating role of electronic customer relationship management. *Industrial Engineering & Management Systems.* 2018; 17(4): 653-661.
- [19] A. A. Rattoe. Analisis hubungan antara mutu pelayanan dengan keputusan kunjungan ulang pasien rawat jalan di RSUD Bethesda GMIM Tomohon. *JIKMU.* 2013;3(1): 77-85.