

## MARKETING STRATEGIES IN RELATION TO EMPLOYEES OF HEALTHCARE ORGANIZATIONS, BASED ON SELECTED ASPECTS

Agata KRUKOWSKA-MILER

Częstochowa University of Technology, Faculty of Management; agata.krukowska-miler@wz.pcz.pl,  
ORCID: 0000-0002-5881-2007

**Purpose:** A marketing strategy is a set of actions by which the company intends to achieve its goals. This also applies to healthcare organizations in which specific medical purposes overlap with market purposes. Building a marketing strategy boils down to the selection of elements that create it, so that the composition is as coherent as possible and creates a system that allows achieving goals. In this process, it is necessary to include all employees of the healthcare organization in its implementation. Employees of healthcare institutions are characterized by specific features and therefore, during the implementation of the marketing strategy, resistance may be encountered. However, a well-organized process of creating and implementing strategies can be successful.

**Methodology:** Literature study and secondary data study.

**Findings:** Marketing strategy implementation for a healthcare organization is a long and demanding process. In medical institutions it is determined by both medical goals, characteristic only for these institutions, and economic goals - market-specific characteristics for all entities operating on the market. The most important element of introducing strategies is proper training of personnel so that they understand their role in the strategies implementation.

**Practical implications:** This paper can help managers of healthcare organizations to understand the role of employees in the marketing strategies.

**Value:** New look at the important subject. It can help manage the healthcare organization.

**Keywords:** healthcare organization, marketing strategies, employees.

**Category of the paper:** Viewpoint, literature review.

### 1. Introduction

In this study, the marketing strategy is understood as a set of actions by which an enterprise intends to achieve its long-term market goals in three dimensions, the content of which is defined by:

- the position of your own business on the market compared to competition,
- states in which products/services are in their lifecycle,
- expected future economic development.

Critical evaluation of marketing activities influencing the marketing strategies of medical entities was made. Then, the elements directly influencing the employees of the healthcare units and their role in the marketing strategy were separated. The specifics of the employees of healthcare organizations and their role in implementing the marketing strategy are presented in this paper. Literature studies covering these issues were carried out. A critical analysis of the current knowledge has been made.

## 2. Theoretical basis

If the marketing strategy is to be the key to the success of a healthcare organization, all its principles and projects should be considered in relation to the three connected dimensions:

- the position of the medical establishment on the market compared to competition,
- the state in which health services are in their lifecycle,
- the expected future economic development.

The marketing strategy should express the company's goals and marketing principles well. Therefore, each of its projects should give answers to several questions, namely:

- Are the marketing objectives set in place to ensure that the healthcare institution will stay on the market or gain a competitive advantage, are they full or without gaps?
- Are the marketing objectives consistent with the main goals of the organization and are they achievable?
- Do the planned projects in the area of sales and development of health services ensure that the market will be maintained and additional clients will be acquired?
- Will the segmentation of potential clients according to their attractiveness and according to the cost-benefit relationship enable the organization to develop?
- Whether the current behaviour as well as possible future behaviour of purchasers of health services regarding purchases was sufficiently analysed?
- Have all possible organizational development options in the field of increased access to health services been analysed and taken into account and is the proposed staff incentive system effective and reasonable?
- Have different options for the planning of services been examined and analysed in terms of increasing usability and attractiveness?
- Are the analysed marketing strategies full, or are there any strategic gaps in terms of mastering markets, meeting market needs and diversification?

When preparing a marketing strategy, one needs to carefully analyse information about the market and its changes, market segments, needs and expectations of customers. Then the strategy is chosen. Elements that should be subject to a marketing strategy in the management of a healthcare facility are (Kapliński et al., 2002, pp. 5.12.1.7):

- "planning or designing the organization structure - a healthcare organization, in order to perform a specific type and number of healthcare services for the needs of the purchaser of services complemented by strategic planning and anticipating needs for the next years,
- organizing or using existing functional links in the organization and the environment in terms of human resources, equipment and premises for the implementation of the services included in the contract,
- leadership, i.e. the use of a mixture of charisma, authority and the power of raising management in managing the plant during periods of crisis, implementing changes and in the pursuit of success, based on value marketing,
- controlling and monitoring of subsequent stages of the objectives of the healthcare organization,
- the implementation of a contract with payers, and other strategic changes strengthening the position of the organization on the healthcare market".

As mentioned earlier, it can be emphasized at the same time that each marketing strategy is the result of three basic groups of factors that have a major impact on its development, implementation and effectiveness. They include (Baruk, 2002):

- internal factors, including material, personal, financial factors, etc.
- external factors, i.e. conditions of micro- and macro-environment of the organization,
- the culture and organizational climate generated through the first two factors.

Building a marketing strategy boils down to the selection of elements that create it, so that the composition is as coherent as possible and creates a system that depends on the product, market character, consumer characteristics and company goals. In the case of medical facilities, these are mainly patients but also the internal clients, i.e.: personnel and health services, legal restrictions, developmental medical techniques and technologies, population characteristics and the goals of the healthcare unit itself. Creating the most effective composition must take into account interrelationships and couplings between individual elements, but also the fact that the contribution of one element is closely related to the contribution and values of other elements. This means that one cannot rely on striving to maximize the effectiveness of only one instrument, as only the effectiveness of actions captured in terms of an integrated whole is decisive (Limański, and Śliwińska, 2002).

Thus, the content of each marketing strategy is created by the sum of three elements (Wrzosek, 2001):

- selection of the target market,
- procedure,
- action instruments.

**Table 1.**

*Content of the marketing strategy*

Goal	What?
Choosing the target market	Where?
Ways of proceeding	How?
Instruments of action	With what?

Note: W. Wrzosek (red), *Strategie marketingowe*, SGH, Warszawa 2001, p. 11.

Management theorists define or cite three styles for developing strategic plans and setting goals. They can also apply to setting goals in the management of the healthcare organization and the marketing strategy of this organization (Kaplinski et al., 2002):

- Entrepreneurial style – artist; a combination of intuition, experience and entrepreneurship - a strong leader, based on his own judgment and intuition, makes decisions; often these decisions and the choice of goals are not planned, but based on unexpected occasions and a foreboding of the manager - the artist; we are dealing here with intelligent and effective improvisation, which is accompanied by happiness – the result is the success of doing something new without thorough planning and analysis; at the departmental or other small unit level of a healthcare organization, entrepreneurship is an important and often common feature.
- Adjustment style – chameleon, which consists in adjusting actions and decisions to patterns elsewhere already tested, supported by top-down commands and regulations; chameleon - a strong leader almost never risks, reacts a posteriori, i.e. after the fact, he is right behind the pioneers of changes and chooses those from the proposed solutions that have worked well, have been approved by the "top" and are good for his company. In stable, unchanging conditions, "routine" and mechanical performance of the same management activities are born every day; sudden change is rare and usually implemented on the command "in advance" with ready instruction of conduct.
- Plan style – general, steeped in systematic planning, collecting and analysing data, setting out organizations for closer and further solid analysis of "pros and cons", consistent implementation of plans so developed without looking at the disturbances of the environment, but with conscious, undeveloped, recognized and calculated approach in the implementation of the risk of failure.

The above styles can be implemented in similar health organizations. It seems that it is best to adapt these styles to changing environmental conditions and opportunities and resources of the company.

Planning is a necessary element in the process of creating and implementing a marketing strategy. Planning can have a descriptive form that is useful for a small, small-scale medical organization that includes a small number of activities and processes (Pabian, and Gworys, 2003). With the increase of this number, the descriptive form becomes less and less useful – the prepared plan becomes less clear and readable. Therefore, a better way to reflect the course of planned activities along with an indication of the relationship between them is the schedule (Pabian, and Gworys, 2003).

The goals of the organization are defined in the plans. There are general goals whose aim is to bring about the growth and development of the company. These goals can be called the ladder of growth (Doyle, 2003). Growth ladder is a concept that shows the growth possibilities of the company as a nine-stage process starting from consolidating the current customer base, and then using further, unlimited growth opportunities to support this group. This concept indicates the possibility of proper marketing management. The basis of this concept is to create a foundation, or a permanent base of satisfied, loyal customers. The nine levels of the ladder are (Doyle, 2003, p 129):

- „Increasing the level of maintaining clients/patients.
- Increasing the value of client/patient transactions.
- Acquiring new clients/patients.
- Development of new products and medical services.
- Entering new markets.
- The use of new distribution channels.
- Developing by entering international markets.
- Acquisition of enterprises and strategic alliances.
- Growth outside the current area of operation".

The most important step is to have key clients who fully trust the company and are loyal to it. It is also important to get feedback from customers and to check if they are satisfied with the service offered and whether they remain loyal. The patients' loyalty in this case is affected by the high risk they take when choosing the facility and the doctor, as well as the inability to check competences. Therefore, there is less willingness to change the facility and the doctor. At this stage, it is very important to collect all kinds of complaints from customers. The second ladder level is to increase the value of transactions for customers. The third level is acquiring new clients. For an enterprise it is important that it acquires new customers because without gaining them, it not only stops developing, but loses. The fourth level is developing new products and services (Doyle, 2003). To analyse the growth options available to the company, the Ansoff matrix is used (Figure 1). Market penetration strategy is the first three ladder rungs. The fourth level is a strategy for the development of new products and services. The fifth rung of the growth ladder is a market development strategy.

	Current products	New products
Current markets	1. Market penetration strategy	4. Diversification strategy
New markets	2. Market development strategy	3. Product development strategy

**Figure 1.** Ansoff matrix. Adapted from: *Marketing wartości*, by P. Doyle Wydawnictwo Falberg SJA, Warszawa 2003, p. 138.

The fifth rung of the ladder is entering new markets. There are three indications to implement such a strategy (Doyle, 2003, p 138):

- If there is a possibility of development by using the synergy effect with the knowledge or products.
- If there are new markets characterized by high growth dynamics.
- Product life cycle.

When entering new markets, one should answer the following questions (Doyle, 2003, pp. 145-146):

- "Who are the new customers and what are their needs and aspirations?"
- How do they differ from those characteristic of our market?
- Who makes decisions and who influences the purchasing process?
- Which positioning strategy and marketing mix best meets the needs of new customers?
- How far our strategic planning deviates from the ideal?"

The sixth level is a novelty in the field of distribution channels. The seventh level is entering foreign markets. In the case of healthcare organizations, it is possible to sign contracts with foreign health insurance funds. The eighth level is business acquisitions and strategic alliances. The last, ninth rung of the value ladder concerns growth outside the current area of activity (Doyle, 2003).

All these activities lead to the creation of an overall strategy of the healthcare institution, which is needed for its proper functioning. Types of individual strategies vary and depend on the current position and capabilities of the healthcare facility and its environment.

## 2. The place of the medical facility staff in the marketing strategy

The staff of the healthcare organizations, when deciding about employment in a given organization, actually becomes a participant in this organization. A new employee entering the organization begins the process of adapting to it. Good adaptation and employee integration allow you to identify with the company. The employee becomes more creative and effective

(Janowska, 2010). According to Peter Drucker, the knowledge and competences of employees are perceived as valuable components of the human capital of an organization (Edersheim, 2009; Rasińska, and Nowakowska, 2013). The role of managers, including those responsible for marketing strategies, is to cause people in the organization to act in a way that will contribute to achieving the set goals (Stoner, and Wankel, 1992) and to cooperate with each other in the interest of the organization (Griffin, 1999). In the case of medical institutions, and in particular hospitals, it is often difficult to define the marketing goal of the activity and thus the typical marketing strategy and the place of the employee in it. These are completely different institutions than those operating in other economic systems (Nojszewska, et al. 2017, Sidor-Rządowska, 2018). Their main purpose is medical goals, such as:

- maintaining health,
- relieving pain and suffering caused by diseases,
- care for patients who cannot be cured,
- providing conditions for dying with dignity (Hanson, and Callahan, 2007, pp. 19-29; Szewczyk, 2013, pp. 42-46).

Moreover, factors characteristic for this sector of the economy are:

- permanent burden of responsibility for the health and lives of other people,
- dealing with borderline situations, i.e. suffering and death,
- decision-making dilemmas related to the process of stating a diagnosis and choosing a therapeutic procedure,
- inability to predict a large part of tasks combined with a 24-hour readiness to perform them,
- a small degree of tolerance of ambiguity and error,
- accumulation of tasks requiring both a high degree of independence and extremely high teamwork skills,
- difficulties in measuring the effects of implemented activities,
- often double (clinical and administrative) business subordination of a large part of the employed (Kautsch, 2015).

Each of these employees, as already highlighted, must be characterized by both high independence in making decisions and excellent teamwork skills. Each healthcare organization has its own group of employees - the stakeholders who are the internal clients of the institution are: management, supervisory and social boards, managers of lower levels of management, medical and non-medical staff. They are interested in maintaining the position of the facility in a competitive environment, strengthening it, further development and creating conditions for fulfilling obligations (Hass-Symoniuk, 2011; Rogala et al., 2014). All these employees can be qualified, according to the division proposed by A. Peyn, to one of four groups (Payne, 1997) (figure 2).

	Direct participation in marketing activities	Indirect participation in marketing activities
Frequent or periodic contact with the client	Liaison	Moderators
No contact with the client or sporadic contact	Employees of the sphere of influence	Auxiliary staff

**Figure 2.** Division of employees of healthcare facilities into groups due to marketing activities. Adapted from: A. Payne, *Marketing usług*, PWE, Warszawa 1997, p. 206.

Liaison officers have frequent contact with the client and are directly involved in marketing activities. We can include doctors and even nurses as persons involved in the implementation of the marketing strategy. They must know the basic goals of this strategy, be willing to serve the patient in all conditions and to the best of their knowledge. They should also be trained in this direction. The criterion for their employment, evaluation and reward should be the ability to respond quickly to the needs of patients (Payne, 1997).

Moderators include reception / registration staff, telephone communication and cloakroom staff. They have quite frequent contact with the client, they do not participate in conventional marketing activities. They need to know the assumptions of marketing and their role in achieving its goals. These employees must have an excellent ability to establish and maintain contacts with clients. They should undergo training related to patient service (Payne, 1997).

Employees of the sphere of influence directly create a marketing strategy and plan actions related to it, have no direct contact with the patient or it is sporadic. We can include a manager and people associated with the marketing department. They need to know the needs of patients and respond quickly to them. They should be able to contact patients (Payne, 1997).

Auxiliary staff perform a variety of tasks to ensure the proper functioning of the healthcare facility. Although these employees do not have contact with patients and do not participate in direct marketing activities, their work has a decisive impact on the final result of the operation of the facility. This group includes employees dealing with accounting, supplies, human resources and maintenance. They must be aware of the needs of both external and internal customers and ensure their proper satisfaction. They should know the marketing strategy, but also their tasks and role in the process of increasing the value of the services provided (Payne, 1997). In the conducted own research in 2010-2018, by means of interviews with the

personnel of medical facilities, mainly non-public ones, from the Śląskie Voivodship, there was a discrepancy between staff knowledge regarding information about the mission and goals of the organization and even its strategy and knowledge of what the staff should do. About 80% of the respondents had knowledge on this subject, while the role of positive responses in the marketing strategy was at the level of 50-60% depending on the healthcare facility. There is an emphasis on training related to patient service. However, the introduction of marketing activities and marketing strategy to healthcare facilities encounters many barriers and problems. They include (Griffin, 2004, pp. 231-233):

- "A contradiction between the formal planning process and the style of management, which may lead to a lack of acceptance of plans.
- mismatch of plans to needs.
- those responsible for planning value marketing do not understand certain aspects of planning.
- too high costs of value marketing planning process.
- considering long-term plans as immutable.
- bad delegation of powers and planning responsibility in the area of value marketing.
- excessive exposure of quantitative aspects often incomprehensible to regular employees.
- too little access to the information needed or too many details provided to the management.
- lack of flexibility of the strategy.
- wrong choice of goals, often inferior goals blur the superior ones.
- incorrect reward system related to achieving goals.
- very dynamic and complex surroundings.
- unwillingness to set goals due to lack of managerial skills, fear of too large formalization of actions.
- resistance to change - employees are afraid of changes, because they can reveal their weaknesses and they may require them to acquire new skills.
- limitations in the form of scarcity of resources, restrictive government policy or strong competition".

Counteracting the above barriers can be achieved by creating an appropriate system of informing employees about planned and undertaken actions, precise determination of the role of employees in these activities, including as many employees as possible in planning programs and consulting initial goals by management with other members of the organization. These goals should be expressed on specific, measurable dates (Griffin, 2004). The goals should be individualized for specific people. Goals are defined at every level in a specific form to help employees determine what is expected of them. The goals for each employee should be determined as a result of consultations between them and their supervisor (Griffin, 2004). The principle of participation is also important – the greater the share of managers and

subordinates in setting goals, the greater the probability of their implementation (Griffin, 2004). Plans should be executed with proper autonomy. After establishing and agreeing on the goals, the employee has a wide range of freedom in choosing the means of their implementation. Managers and subordinates must systematically meet and evaluate progress in achieving goals. During meetings, problems and possible ways of solving them should be determined. If necessary, individual targets may be modified (Griffin, 2004). This strategy creation path can be useful for managers of healthcare establishments and allows to fight the resistance of employees before entering it.

#### **4. Applications**

Marketing strategy implementation for a healthcare organization is a long and demanding process. In medical institutions it is determined by both medical goals, characteristic only for these institutions and economic goals - market-specific characteristics of all entities operating on the market. A healthcare organization should have specific missions and goals and tailor-made plans. However, the most important element of introducing strategies is proper training of personnel so that they understand their role in strategy implementation. Due to the specifics of the employees of healthcare organizations, the implementation of marketing strategies encounters resistance. In order to overcome it, a range of activities can be applied, often consisting of answering the following questions:

- Do employees understand the changes that are taking place?
- Are patients the centre of action?
- Does the organization have the necessary infrastructure to implement a given strategy?
- Is there good communication between staff in the facility?
- Who and what can be proposed to improve and control marketing strategy in the organization? (Nogalski, and Rybicki, 2002).

However, it is well-known that adequate training and communication are the basis for good management and this also applies to health institutions. This study can be a helpful hint for managers of medical facilities that allow staff to be involved in marketing activities and strategy implementation.

## References

1. Baruk, A. (2002). *Nowoczesna strategia marketingowa*. Warszawa: PWN.
2. Doyle, P. (2003). *Marketing wartości*. Warszawa: Falberg SJA.
3. Edersheim, E.H. (2009). *Przesłanie Druckera. Zarządzanie oparte na wiedzy*. Warszawa: MT Biznes.
4. Griffin, R. (1999). *Podstawy zarządzania organizacjami*. Warszawa: PWN.
5. Griffin, R. (2004). *Podstawy zarządzania organizacjami*. Warszawa: PWN.
6. Hanson, M.J., and Callahan, D. (Eds.) (2007). *The Goals of Medicine, The Forgotten Issues in Fealth Care Reform*. Washington: Georgetown University Press.
7. Hass-Symoniuk, M. (2011). *Szpital jako podmiot oceny przez różnych interesariuszy*. In: M. Hass-Symoniuk (Eds.), *System pomiaru i oceny dokonań szpitala* (pp. 11-62). Warszawa: Wolters Kluwer business.
8. Janowska, Z. (2010). *Zarządzanie zasobami ludzkimi*. Warszawa: PWE.
9. Kapliński, A.K., Łysiak, M.R., and Pięcińska, T.S. (Eds.) (2001). *Zakład opieki zdrowotnej w praktyce*. Warszawa: Verlag Dashofer Sp. z o.o.
10. Kautsch, M. (Eds.) (2015). *Zarządzanie w opiece zdrowotnej. Nowe wyzwania*. Warszawa: Wolters Kluwer.
11. Limański, A., and Śliwińska, K. (2002). *Marketingowe zasady funkcjonowania przedsiębiorstwa na rynku*. Warszawa: Difin.
12. Nogalski, B., and Rybicki, J. (Eds.) (2002). *Nowoczesne zarządzanie zakładem opieki zdrowotnej*. Toruń: Stowarzyszenie Wyższej Użyteczności Dom Organizatora.
13. Nojszewska, E., Malinowski, W., and Sikorski, R. (2017). *Komercyjne świadczenie usług medycznych przez szpitale publiczne*. Warszawa: Wolters Kluwer.
14. Pabian, A., Gworys, W. (2003). *Podstawy zarządzania przedsiębiorstwami usługowymi*. Częstochowa: Wydawnictwo Wyższej Szkoły Hotelarstwa i Turystyki.
15. Payne, A. (1997). *Marketing usług*. Warszawa: PWE.
16. Rasińska, R., and Nowakowska, I. (2013). Kompetencje pracowników źródłem sukcesu podmiotów leczniczych. *Zeszyty Naukowe Uniwersytetu Przyrodniczo-Humanistycznego w Siedlcach, Seria: Administracja i Zarządzanie*, 98, p. 260.
17. Rogala, M., Badora-Musiał, K., Kowalska, I., and Mokrzycka, A. (2014). Rola działań marketingowych w zarządzaniu podmiotem leczniczym na przykładzie Uniwersyteckiego Szpitala Dziecięcego w Krakowie. *Zdrowie Publiczne i Zarządzanie*, 12(2), p. 166. doi: 10.4467/208426270Z.14.018.3110.
18. Sidor-Rządkowska, M. (2018). Zarządzanie zasobami ludzkimi w szpitalach publicznych – problemy i wyzwania. *Studia i Prace Kolegium Zarządzania i Finansów, Zeszyt Naukowy SGH*, 167, pp. 127-141.
19. Stoner, J.A.F., and Wankel, Ch. (1992). *Kierowanie*. Warszawa: PWE.

- 
20. Szewczyk, K. (2013). Cele etyczne i ograniczenia strukturalne w zarządzaniu systemem ochrony zdrowia. In: J. Hartman, and Z. Zalewski (Eds.), *Etyczne problemy zarządzania w ochronie zdrowia* (pp. 42-46). Warszawa: Wolters Kluwer.
  21. Wrzosek, W. (Eds.) (2001). *Strategie marketingowe*. Warszawa: SGH.