

Marketing Strategies of Public Hospitals – Take A Public Hospital in Hebei as an Example

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Abstract. In the environment of health and medical care reform, public hospitals need to conduct more effective marketing management for their own survival and development, this can increase the influence of the hospital and at the same time increase its revenue. This paper analyzed the status of the marketing strategies of the hospital and proposed suggestions to improve its marketing strategy.

Keywords: marketing strategies, public hospitals.

1. Introduction

After the reform and opening up, the institutional background of China's health and medical care began to experience significant changes, and the traditional health and medical care system gradually lost the basis of its own existence. With the reform orientation of reducing the government's financial burden and mobilizing hospitals' enthusiasm, the government started a new reform of public hospitals under the idea of solving the serious shortage of medical and health resources, reducing the government's burden, and improving the efficiency of medical services, implementing the classification and management of medical institutions and clarifying different management policies for various types of hospitals in terms of finance, tax and price; hospitals started to reform their personnel allocation system and expand their operational autonomy. Regulating the behavior of medical market participants, including increasing the supervision of medical advertising, adjusting the prices of medical services, reducing the prices of major examination items, and regulating the behavior of medical institutions and medical personnel [1-3].

Today, the medical system reform is still in a difficult situation, as hospitals are moving to the market and making their own living after leaving the state financial support in the context of medical reform. Most public hospitals have to take actions to cover hospital expenses, such as retirement pay and benefits for retired staff, on the one hand, and to survive and grow on the other, they have to use all kinds of resources wisely, expand the size of the hospital, and try to achieve the scale effect while reducing marginal costs and patients' medical costs. This requires constant business expansion into more profitable areas such as prevention and rehabilitation, workers' compensation insurance, and medical insurance and agricultural cooperation to discover the new aspects for profit growth [4].

Therefore, studying the marketing of public hospitals is important for the long-term development, helping them to identify the opportunities that exist in the market and to expand their influence and increase their revenue as much as possible under the condition of operational autonomy.

2. Literature review

This part discusses the importance of marketing strategies for hospital development based on the literatures.

Gao and Zhao (2017) [5] pointed out that in the healthcare service market with relatively strong overall strength, implementing and carrying out marketing strategies about market orientation and observing and evaluating customers' needs and desires can lead to the satisfaction of customers' expectations and thus ensure their satisfaction with hospital and medical services. Wu and Ni (2019) [6] believed that the continuous improvement of hospital marketing strategy is of great importance

for its competition in the market. Before developing and implementing marketing strategies, the quality of hospital and medical services should be ensured, and the quality should be evaluated from the consumer's point of view in terms of the hospital staff's services, treatment environment, treatment results and other aspects. Zhang (2015) [7] argued that among marketing strategies, advertising, personal selling, public relations and word of mouth have an impact on the image of the hospital, while promotions without technical content have no significant impact on the brand. Wu (2014) [8] considered that the factors that influence the choice of hospital marketing strategies include the size of the hospital, the hospital's revenue and expenses, etc. Each hospital should set different development goals and choose different marketing strategies according to its own characteristics.

To sum up, public hospitals should take different aspects into consideration when choosing market strategies and develop suitable market strategies according to their development goals and all the resources available to them. At the same time, good marketing strategies must be based on the premise of good quality of hospital services in order to play its best role.

3. Case Analysis

This public hospital in Hebei is a large public hospital integrating medical treatment, teaching, research, rehabilitation, prevention and emergency care, equipped with hundreds of large medical equipment, and ranked first among provincial public hospitals in terms of patient satisfaction. The public hospital has established a remote access platform with several well-known hospitals in China and has also established regional medical consortia with county-level health centers.

From the perspective of historical development, the marketization of the medical market can also be seen as the gradual corporatization or corporatization of hospital operations. For a company or an enterprise, it is necessary and important to establish a complete marketing organization. For public hospitals, there is a general lack of specialized marketing management departments for hospital marketing strategy research, service management, brand promotion, market competition and other functions.

Since the establishment of this hospital, there is no hospital external publicity and marketing organization department, until 2009, because the hospital gradually pay attention to the cultivation and development of the hospital medical market, the importance of marketing increased significantly, the hospital formally established the Department of Publicity and Development, responsible for the hospital's market monitoring and development, external cooperation, social welfare activities and other matters, the hospital from this point onwards really set up an independent marketing nature Department.

From time to time, the process of change of medical marketing consciousness is accompanied by the fierce market competition and the gradual development of private hospitals, and gradually enhanced. After the reform and opening up, private or private hospitals in China began to sprout again, and since then, private hospitals have experienced a golden period of rapid development, and many small and medium-sized private hospitals were established and developed during this period. After a few years, the private hospitals got a firm foothold and took advantage of the fact that the public hospitals did not have any reaction and action to quickly seize the existing market share of the public hospitals. After a few more years, the hospital in the case of medical equipment investment, the number of outpatient examinations and the number of hospitalizations did not increase accordingly, and even the loss of some departments of the source of patients, feel a certain crisis. Currently, the hospital also gradually pay attention to marketing.

In order to expand the market share of the hospital quickly and effectively, and to obtain long-term sustainable development, and will take the hospital's development strategy as the core, the marketing department from the medical technology specialties brand image establishment, market positioning, market network construction, marketing and other aspects of the systematic planning of brand promotion strategy.

3.1. Brand Image Establishment

In order to build the brand image of the hospital, the hospital suggested that all clinical pathways use the brand uniformly, and different departments' clinical pathways use different brand image packaging [9-11]. For example, the hospital can promote the key specialists in dermatology, orthopedics, cardiac intervention, gastroenterology and other departments, plan the overall team activities, strengthen the interaction with patients, and select patients to participate in the various evaluation activities of the departments to improve the brand recognition and establish a good brand image in the interaction with patients.

3.2. Market Positioning

According to the current state of the medical market, the renewal of medical technology, the introduction of new treatment methods and changes in patient acceptance [12-13]. The marketing department has been gradually adjusting the prices of medical charges in order to increase its competitive advantage with similar medical products in the same industry and expand its market share, while ensuring a minimum profit, using a price strategy to attract mainly low- and middle-income people in cities and towns.

3.3. Market Network Construction

Medical sales channel is a valuable asset of the hospital, is the intangible assets of the hospital. After years of market development and the initial formation of the network, the construction of the network will remain as the key work of the hospital's future support [14-15]. The hospital strives to strengthen the establishment and maintenance of township networks, actively develop new sites, make the network in villages more stable, and further develop the network in key counties and districts to expand market share.

4. Suggestions for further implementation of marketing strategies

Under the premise of adhering to the public welfare of hospital operation, the hospital reasonably formulates specific marketing plans, and carries out reasonable staffing in accordance with the requirements of the plan to achieve the established goals of the marketing plan. Carry out reasonable marketing activities to establish the brand and image. Under the guidance of the strategy for the implementation of marketing strategies.

(1) Actively use various valuable resources of the hospital, such as technical resources, human resources and network resources. Publicity for the hospital.

(2) Advertise and publish articles in national professional newspapers, magazines or TV media to expand the hospital's popularity.

(3) Actively organize or participate in national and provincial large-scale industry conferences, and jointly organize various forms of technical lectures, user seminars, brand promotion and other conferences with peers around the world to promote and display the hospital and medical technology level and products. Use a variety of forms and health management departments in each county and district to carry out mandatory publicity activities to promote the hospital's influence in the local area.

5. Conclusion

This paper discusses the marketing strategy of a public hospital in Hebei by means of a case study and provides suggestions for its further development. The development and growth of a hospital requires not only experienced doctors and hospital medical resources, but also a hospital's marketing department that can constantly update and adjust its marketing strategy according to the changes in the market and the hospital's development goals.

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