

Ethical Marketing: The New Health Care Economics

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Part 1 – Fundamentals of Marketing and Economics in Healthcare:

Undoubtedly, healthcare has evolved as a magnificent industry around the globe. However, the economics of health care has some unique aspects compared to other industrial units and industries in this regard. The main reasons in this perspective may include the ill-defined structure of healthcare products, uncertainty regarding outcomes, domination of large nonprofit segments, and payment by third parties. Similarly, marketing in the healthcare sector is different and usually tricky. In modern ways, technological tools and channels may be used to access customers and offer treatment-related services. Still, other than these sources, multiple privacy regulations hinder marketing benefits to the healthcare industry.

However, specific marketing challenges could arise, especially in cases where the services are socially popular but, regarding economic criteria, are unprofitable. In this context, the main challenge is to deal with the online market as technological advances have revolutionized the health industry. In addition, high costs of healthcare equipment, cybersecurity threats, and abrupt changes in pharmaceutical prices are emerging challenges in this regard (Talha et al., 2020). To cope with these challenges, it is pertinent to estimate marketing elements concerning healthcare. The main elements may include the better availability of any healthcare product or service, affordable price ranges, availability of products to markets, and promotional strategies. Considering these elements, healthcare providers may decide to either eliminate any product or service or stick with it.

Part 2 – Value Chain Analysis:

Moreover, while considering value chain analysis concerning the healthcare industry, ethics and financial performances have a strong bond and relationship. In this regard, the central core values that play a vital role may be honesty, dedication, integrity, and trustworthiness on both sides of the string. If the healthcare service providers exhibit these qualities and practice these values, it will lead to good financial performance and customer satisfaction. In this way, [ethics may become a marketing tool](#) to attract more customers. However, such a relationship between ethics and financial performance may raise challenges in developing marketing strategies (van et al., 2021). In this way, the service providers may face delays concerning service or product authorizations.

In addition, financial transparency and grassroots corruption may shake the foundations of the unit. It may lead to healthcare units' ultimate dilemma, especially concerning decision-making and relinquishing customer growth. The organization's overall performance may decline in terms of customer satisfaction, trust, leadership collaboration, and the creation of multiple problems instead of solutions. In short, the overall performance fabric of the healthcare unit may be demolished due to unethical practices and their severe effects on the financial perspectives of healthcare.

Part 3: Marketing Research:

Marketing research helps authorities determine and make good decisions to attract consumers, especially medical tourists. In this context, the priority of consumers revolves around two main factors. The first one is the high quality of medical services, whereas the other is the lower cost of medical charges (Olya & Nia, 2021). These two indicators have a massive influence on medical tourism. To keep pace with that, other than online searching channels, recommendations from friends, family members, colleagues, and the patient's family are preferred. However, to attract more medical tourists, these factors are much more critical in alliance with the impressive healthcare infrastructure, available facilities, personal care, affordable accommodation services, accessible transportation, and flexible national policies to facilitate medical tourism consumers. So, the respective decision-making authorities may introduce incentive or financial-based policies that benefit most such consumers.

Moreover, applying social media marketing to promote medical tourism is critical. In modern times, patients are more concerned about their health decisions. Meanwhile, they are also often active on social media. So, social media plays a pivotal role in shaping the minds of medical tourists. However, medical tourism has performed an excellent job of connecting with the stakeholders with a high frequency. According to research, they can encourage patient involvement, contact opportunities, and gather relevant information, and smooth the medical tourism industry (John et al., 2018). All these elements have importance and a particular focus on the present and past experiences of the patients with prior perceptions.

Part 4: Consumer Choice and Creating Collaborative Value in the Health Care Market Collaboration in Health Care:

Collaboration in healthcare units has an immense impact on the progress and development of the industry in alliance with the revolutionary welfare of the patient community. In this context, the accelerated medical partnership (APM) results from the collaborative effort of pharmaceutical companies. They have initiated several projects that provide collective healthcare. Some of these projects may include Alzheimer's disease projects, Autoimmune and Immune-Mediated Diseases

control, Bespoke Gene Therapy Consortium (BGTC) for Genetics-related issues, Common Metabolic Diseases (CMD), etc. Such collaboration has revolutionized the medical industry by providing magnificent facilities and has the capacity to do so. The same indication is also observed and proposed by the WHO.

In addition, there are certain aspects and examples that, through light on the value of collaboration in healthcare services, provide comprehensive performance. In this context, a doctor, a paramedical staff, a therapist, and a pharmaceutical expert may collaborate to accomplish the individual plan (Kates et al., 2018). Meanwhile, such a collaboration enhances the value by reducing medical error, speeding up the treatment process, improving patient experience as indicated by HCAHPS, and improving staff relationships, etc. In this context, the health status of the respective consumers and patients may improve with minimum time.

Part 5: Health Care Marketing Strategies:

A negative brand image is a set of various techniques that point out any of the competitors in a bad light in the market. Concerning the healthcare industry, several organizations have a negative brand image, like Mount Sinai Hospital in New York City and Jackson Health System in Miami. In this context, there are several events that contribute to a damaged brand image. These are low-quality customer services, inactivity on social media, cold emailing, directionless content, and no strategy for negative reviews. Moreover, the corrupt practices of leadership slots, an association of health units with controversial cultural or religious propaganda-based products, and low credibility of products and services may ruin the brand image in public.

However, there are some strategies that are required to be implemented in order to restore negative imaging. These include analysis of damage to the organization due to negative imaging, streamlined internal communication, social media activities, transparency establishment, handling public issues, and forecasting future market perspectives. Moreover, listening to the customers' demands, establishing product identity, setting realistic targets, and attaining consistent improvement are helpful in this context (Setyawati et al., 2022).

Part 6: Economics and Finance in Health Care Marketing Planning:

Concerning marketing planning in healthcare units adorned with financial aspects, there are several differences between for-profit and nonprofit health organizations on various bases. For example, differences based on strategic goals, profit hospitals tend their services to lower-income areas while nonprofits provide their services in uninsured and higher-income areas. Similarly, profitable health care organizations pay various taxes based on the capital market, including property and income. At the same time, nonprofit organizations are exempt from such taxes or levies. Meanwhile, as far as the

strategic marketing aspects of these two types are concerned, nonprofit organizations do long-term marketing planning with longer horizons. In other words, such organizations present rigid behaviour concerning altering formulated planning and policies. At the same time, the profit units formulate short-term planning (Desai et al. 2021).

In addition, several attributes in this context may include community benefits, quality of services, cost impacts, and cost determination, etc. Profit organizations put major concerns on cost determination, pricing management, and quality of services. In contrast, nonprofit organizations have the main attributes of mission passion, an accommodating atmosphere, and informal service to the community. Meanwhile, based on expenses, for-profit hospitals incur more expenses and funds to facilitate the public, but nonprofit hospitals incur fewer expenses. In other words, for-profit organizations tend to have large volumes of patients, while nonprofits prefer small volumes.

Part 1 – Fundamentals of Marketing and Economics in Healthcare

Q: How is economics in health care unique from other industries?

Undoubtedly, healthcare has evolved into a magnificent industry around the globe. However, the economics of health care have some unique aspects compared to other industrial units and industries in this regard. The unique reasons in this perspective may include the ill-defined structure of healthcare products, uncertainty regarding outcomes, domination of large non-profit segments, and payment by third parties. All other industries do not adorn with such features in the context of monetary matters.

Q: How is marketing in health care unique from marketing in other industries?

Marketing in the healthcare sector is different and usually tricky compared to other industries. In modern ways, technological tools and channels may be used to access customers and offer treatment-related services. Still, other than these sources, multiple privacy regulations hinder marketing benefits to the healthcare industry. The healthcare industry is bound to stick with the consumers' privacy concerns as a top priority.

Q: What marketing challenges might arise should a major healthcare provider stop offering a product or service that is socially popular but economically unprofitable?

Specific marketing challenges could arise, especially in cases where the services are socially popular but, regarding economic criteria, are unprofitable. In this context, the main challenge is to deal with the online market as technological advances have revolutionized the health industry. In addition, high costs of healthcare equipment, cybersecurity threats, and abrupt changes in pharmaceutical prices are emerging challenges in this regard (Talha et al., 2020). It is pertinent to estimate and analyze the marketing elements concerning healthcare to cope with these challenges.

Q: What marketing elements should be considered before a healthcare provider eliminates such a product or service?

The main marketing elements may include better availability of any healthcare product or service, affordable price ranges, availability of products to markets, and promotional strategies. Considering these elements, healthcare providers may decide to either eliminate any product or service or to stick with it.

Part 2 – Value Chain Analysis

Q: Is there a relationship between ethics and financial performance in the health care industry?

While considering value chain analysis concerning the healthcare industry, ethics and financial performances have a strong bonding and relationship. In this regard, the central core values that play a vital role may be honesty, dedication, integrity, and trustworthiness on both sides of the string. If the healthcare service providers exhibit these qualities and practice these values, it will lead to good financial performance and customer satisfaction. In this way, ethics may become a marketing tool to attract more customers, even from large areas of the country.

Q: What challenges might a relationship between ethics and financial performance play in terms of healthcare marketing strategy development?

Undoubtedly, such a relationship between ethics and financial performance may raise challenges in developing marketing strategies (van et al., 2021). In this way, the service providers may face delays concerning service or product authorizations. In addition, financial transparency and grassroots corruption may shake the foundations of the unit. It may lead to healthcare units' ultimate dilemma, especially concerning decision-making and relinquishing customer growth. Such challenges may result in demolishing the destiny of the respective organization.

Q: How do these challenges impact your organization?

The challenges mentioned above leave a lasting impact on an organization, especially its future. The organization's overall performance may decline in terms of customer satisfaction, trust, leadership collaboration, and the creation of multiple problems instead of solutions. In short, the overall performance fabric of the healthcare unit may be demolished due to unethical practices and their severe effects on the financial perspectives of healthcare organizations.

Part 3: Marketing Research

Q: Why is consumer choice important in health care marketing, and why is it especially important for medical tourism decisions?

Consumer choice has immense significance as it helps authorities determine and make good decisions to attract consumers, especially medical tourists. Medical tourists' concerns, expectations, and demands are the main elements around which healthcare marketing revolves. And the authorities take due care to formulate policies under their own authority.

Q: Which choice factors are most important to

medical tourism consumers?

The priority of consumers revolves around two main factors. The first one is the high quality of medical services, whereas the other is the lower cost of medical charges (Olya & Nia, 2021). These two indicators have a massive influence on medical tourism. To pace with that, other than online searching channels, recommendations from friends, family members, colleagues, and patients' families are preferred. However, to attract more medical tourists, these factors are much more critical in alliance with the impressive healthcare infrastructure, available facilities, personal care, affordable accommodation services, accessible transportation, and flexible national policies to facilitate medical tourism consumers. So, the respective decision-making authorities may introduce incentive or financial-based policies that benefit most consumers.

Q: How successful is social media marketing for consumer choice for medical tourism?

Moreover, applying social media marketing to promote medical tourism is critical. In modern times, patients are more concerned about their health decisions, which are enveloped under the blanket of advanced information. Meanwhile, they are also often active on social media. So, social media plays a pivotal role in shaping the minds of medical tourists.

Q: How well did medical tourism providers perform in terms of maintaining customer intimacy, customer involvement, interaction, and gathering customer insights? Why are each of these elements important as part of the consumer decision-making process in this situation?

However, medical tourism has performed an excellent job of connecting with the stakeholders with a high frequency. According to research, they can encourage patient involvement, contact opportunities, gather relevant information, and smooth the medical tourism industry (John et al., 2018). All these elements have importance and a particular focus on the present and past experiences of the patients with prior perceptions.

Part 4: Consumer Choice and Creating Collaborative Value in the Health Care Market Collaboration in Health Care

Q: What are some examples of these collaborative efforts by pharmaceutical companies (e.g., Accelerated Medical Partnership (AMP) program)?

Collaboration in healthcare units has an immense impact on the progress and development of the industry in alliance with the revolutionary welfare of the patient community. In this context, the accelerated medical partnership (APM) results from the collaborative effort of pharmaceutical companies. They have initiated several projects that provide collective healthcare. Some of these projects may include Alzheimer's disease projects, Autoimmune and immune-mediated disease control, Bespoke Gene Therapy Consortium (BGTC) for Genetics-related issues, Common Metabolic Diseases (CMD), etc. Such collaboration has revolutionized the medical industry by providing magnificent facilities and has the capacity to do so. The same indication is also observed and proposed by the WHO.

Q: What are some examples of the value in partnerships and collaborations in health care service systems?

In addition, there are certain aspects and examples that, through light on the value of collaboration in healthcare services, provide comprehensive performance. In this context, a doctor, a paramedical staff, a therapist, and a pharmaceutical expert may collaborate to accomplish the individual plan (Kates et al., 2018). Meanwhile, such a collaboration enhances the value by reducing medical error, speeding up the treatment process, improving patient experience as indicated by HCAHPS, and improving staff relationships, etc. In this context, the health status of the respective consumers and patients may improve in a minimum time.

Part 5: Health Care Marketing Strategies

Q: What event or series of events led the organization(s) to have a negative brand image?

A negative brand image is a set of various techniques that point out any of the competitors in a bad light in the market. Concerning the healthcare industry, several organizations have a negative brand image, like Mount Sinai Hospital in New York City and Jackson Health System in Miami. In this context, there are several events that contribute to a damaged brand image. These are low-quality customer services, inactivity on social media, cold emailing, directionless content, and no strategy for negative reviews. Moreover, the corrupt practices of leadership slots, an association of health units with controversial cultural or religious propaganda-based products, and low credibility of products and services may ruin the brand image in public.

Q: What branding strategy(s) would need to be implemented to restore a tarnished brand?

However, there are some strategies that are required to be implemented in order to restore negative imaging. These include analysis of damage to the organization due to negative imaging, streamlined internal communication, social media activities, transparency establishment, handling public issues, and forecasting future market perspectives. Moreover, listening to the customers' demands, establishing product identity, setting realistic targets, and attaining consistent improvement is helpful in this context (Setyawati et al., 2022).

Part 6: Economics and Finance in Health Care Marketing Planning

The differences between marketing in for-profit and non-profit health care organizations?

Concerning marketing planning in healthcare units adorned with financial aspects, there are several differences between profit and non-profit health organizations on various bases. These differences on multiple bases are elaborated on below:

Strategic Goals of the Organizations:

Differences based on strategic goals shape the policy matters of the concerned healthcare units. Profit hospitals tend their services to lower-income areas, while non-profits provide their services in

uninsured and higher-income areas. Similarly, profitable health care organizations pay various taxes based on the capital market, including property and income. At the same time, non-profit organizations are exempt from such taxes or levies.

Variation in Access to the Capital Market:

Access to the capital market allows the organization to move and progress quickly based on investment and available resources. However, profitable hospitals have better access to the capital market and excel more rapidly in the market. On the other hand, non-profit healthcare units have limited access to the capital market due to limited resources and lessened capital investment.

Strategic marketing differences between these two types of organizations:

Meanwhile, as far as the strategic marketing aspects of these two types are concerned, non-profit organizations do long-term marketing planning with longer horizons. In other words, such organizations present rigid behaviour concerning altering formulated planning and policies. At the same time, the profit units formulate short-term marketing planning (Desai et al. 2021).

Quality attributes of the two types of organizations:

In addition, several attributes in this context may include community benefits, quality of services, cost impacts, and cost determination, etc. Profit organizations put major concerns on cost determination, pricing management, and quality of services. In contrast, non-profit organizations have the main attributes of mission passion, an accommodating atmosphere, and informal service to the community.

The management of pricing and volume:

Meanwhile, based on expenses, for-profit hospitals incur more expenses and funds to facilitate the public, but non-profit hospitals incur fewer expenses. In addition, for-profit organizations tend to have large volumes of patients, while non-profits prefer small volumes. Hence, pricing management is the primary concern and challenge of non-profit healthcare units while managing a considerable number of patients, i.e., high-volume units with non-profit hospitals and units.

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