

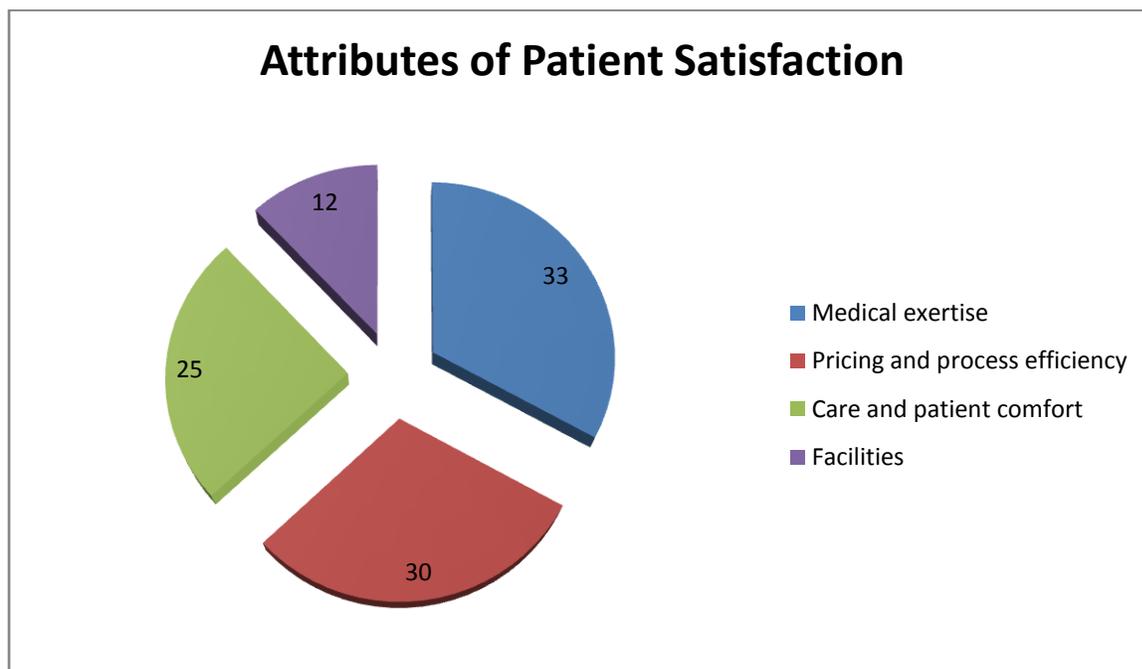
Drivers of Patient Satisfaction: Four Dimensions

Healthcare providers can attract and retain more patients by focusing on service differentiation

Healthcare competition in India is shifting from supply-side to demand-side. Healthcare providers are not able to generate revenue by just adding more capacity. Patients are selecting hospitals based on their needs and preferences. Hospitals are crafting various strategies to differentiate their value proposition based on patients' experience. Hospitals are finding difficult to understand and meet patients' expectations. Even those providers who are investing in areas are unable to improve patients' experience as desired.

BCG survey has identified four drivers to boost patients' experience as follows. Healthcare providers have to focus on these four dimensions to enhance their value proposition to attract and retain patients.

- Medical expertise
- Pricing and process efficiency
- Care and patient comfort
- Facilities



Source: BCG Health Care Survey, 2013

The unique characteristics of services such as intangibility, heterogeneity, inseparability, and perishability make it difficult for marketers to **distinguish** their **services** from that of the competitor. Nevertheless, marketers search for opportunities and means that help them in setting their services as distinct from the competitors' and also to position their services as superior to the competitors' offerings.

- **Medical expertise:** Medical expertise contributes to 33% of patient’s overall satisfaction. Medical expertise includes correct diagnosis, doctor competence and expertise, perceived overall quality of treatment, pretreatment counseling for patient and family, and post-treatment communication with patients and family.
- **Pricing and process efficiency:** 30% of patient’s satisfaction depends on pricing and process efficiency. Pricing includes value for money, timely admissions procedures, transparency in pricing and accurate billing, timely check-out procedures, prompt administration of medical tests, and communication of results.
- **Care and patient comfort:** 25% patient’s satisfaction is decided by care given during treatment. Care includes concern of doctors, efficiency of nurses’ services, overall attitude of medical staff, and availability of advanced technology. Comfort also includes regular doctors’ visits and staff response to emergency etc.
- **Facilities:** 12% patient’s satisfaction depends on the building condition and availability of basic services. Facilities include high standards of cleanliness, clean drinking water, parking, cafeteria, and pleasant environment.

Healthcare providers can differentiate their value proposition based on the above four drivers so as to attract and retain patients.

Topic	Course
Service differentiation: Marketing of services: Unit 25.7	Marketing Management

Source: Priyanka Aggarwal and Bart Janssens (2014), *Power to the Patient: A New Growth Paradigm for Indian Providers*, *bcg.perspectives*, February 10, 2014