

CHARACTERISTICS OF MARKETING IN PROFESIONAL SERVICES DELIVERED BY THE HEALTHCARE SYSTEM

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Abstract: *Equilibrium position of a competitive market must necessarily be an „pareto optimal”: with every transaction made, people get rich without anyone else to deplete. If there is no increasing income - economies of scale or proportion - in the production system, then each „pareto optimal” condition is a competitive equilibrium position, depending on the distribution of purchasing power. Where there are concerns about income distribution and hence of goods and services between individuals, the state can interfere by changing this algorithm of purchasing power distribution, within the economy. On the other hand, if some individuals are reluctant to risk (theory contradicted by the existence of gambling), then providing insurances is incumbent on mutually beneficial exchanges, because people are willing to pay for the convenience of not having to worry about the future events that may affect their existence. Another problem of the insurance field is that of “moral hazard”: since signing an insurance contract, the insured is no longer trying as hard to prevent accidents against which they have been insured, therefore the likelihood of occurrence for such accidents increases.*

Key words: healthcare, welfare, brand imagine, health marketing

JEL Codes: I11, I18

1. INTRODUCTION

Every society needs a public service, whose *primary function* is to define the operating principles of society. *The second role* of the state government is to provide public services of vital public interest. *The third role* is to provide the necessary public services that neither private, nor nonprofit sector will not or can not provide with the existing resources. Unfortunately, many people critic public services and what they consider to be irrational purchases and practices, lack of necessary services and perversion of administration functions by the powerful interest groups: taxes are high and we do not get as it is necessary for the money we pay; outrageous prices are paid for trivial things, public institutions are often slow and inflexible, because of excessive bureaucracy and rules, etc. Consequently, the public sector needs to improve its image and work to increase public confidence and satisfaction¹.

An argument in favor of state intervention as a supplier of goods and services is the concern for the compliance with the *equity* principle. Distribution of resources must be made at an optimal level. Another problem would be the ability of public services become vulnerable to the influence of some interest groups: public service may be managed in the interest of such group, rather than in the general interest of the whole society. In this respect, some accuses refer to seizing the „*Welfare State*” by the middle and lower social classes and then the provision of services by the state on equity principles of equity reflects a *nonsense*. Another risk of state

¹ Philip Kotler, Nancy Lee - „*Marketing în sectorul public*” (Marketing in the public sector), Editura Meteor Press, Bucharest, 2008, pages 15-16.

intervention in the provision of some services refers to *legislative rigidity*, in which situation the government can not have a fast and flexible reaction, as it happens in a competitive market. Even if the right decisions are taken on the spot, putting them into practice takes time and resources, often exceeding the right time. In fact, it is also fiscal matter: when a policy comes to be implemented, is no more compliant with the reality.

A company or organization must consider four special characteristics of services, when designing their marketing programs: intangibility, inseparability, variability and perishability².

Achieving the appropriate role of the state in the delivery of health services is a subject of meditation, given the existence of failures on the market of such services, but also to avoid failure of state intervention through the creation of alternative markets for medical services.

2. LITERATURE REVIEW

Marketing is going through a process of ongoing progress. At the same time, marketing has been one of the most exciting topics in the business world in the last six decades, aiming to three major disciplines: product management, customer management and brand management. *Current marketing criticism is due especially to poor response capacity of some firms, rather than a failure of a theory itself or a low capacity to assimilate in practice.* Extension of activity of marketing also upon non-profit areas, has opened a wide horizon of its action, with specific objectives and working methods for each area. Over the past 60 years, marketing has moved from being centered on products (**Marketing 1.0**) to consumer orientation (**Marketing 2.0**). **Marketing 3.0** is the stage when companies move from focusing on the consumer to umanocentrism and profitability is put into balance with corporate responsibility. Product value is defined by the consumer, but the consumer preferences differ and vary between very wide limits. The firm collects its profits from creating a superior value for its customers and partners. The company considers its customers as a strategic point of view, approaching them in all their aspects as human beings, paying attention to their needs and concerns. Current marketers are trying to reach the minds and hearts of consumers. To a growing extent, consumers seek solutions to their anxieties about their capability to do a better place out of the globalized world. In a world full of confusion, they seek to appeal to those firms that addresses the deepest human aspirations in terms of social, economic and environmental justice, in what they aim to, as mission, vision and values. They are not just looking for functional and emotional satisfaction, but also fulfillment of the human spirit, through the products and services they choose. Current marketing philosophy requires companies to think about their own achievement, beyond material goals. They need to understand what they are and why they exist, as well as what they will become. These issues are desirable to be included in the corporate mission, vision and values. Profit will result from the appreciation by the consumers of the contributions brought by the companies to human welfare. In stage 3.0, marketing should be redefined as a harmonic triangle of the brand, positioning and differentiation, i.e. **The 3i** - brand identity, brand integrity and brand image. Thus, collaborative marketing is the first constructive element of Marketing 3.0³.

Holistic marketing concept is an extension of the marketing concept due to the digital revolution. It is a dynamic concept, resulting in the ability to electronically access and interaction of the company with its customers and collaborators. It integrates activities of value analysis, value creation and value delivery to establish mutually long-term satisfactory relationships and

² Philip Kotler, Gary Armstrong - „Principiile marketingului” (Marketing principles), Third edition, Editura Teora, Bucharest, 2004, page 433-440.

³ Philip Kotler, Hermawan Kartajaya, Iwan Setiawan - „Marketing 3.0. De la produs la consumator și la spiritul uman” (Marketing 3.0. From product to consumer and human spirit), Editura Publica Bucharest, 2010, pages 11-12, 18-19, 39-40, 45, 51, 57-58, 99.

ensuring prosperity of stakeholders. According to the concept of holistic marketing, the starting point is the customer's individual requirements⁴. Thus, marketers have included in the services marketing a number of specializations of social marketing, such as educational marketing, sports marketing, clerical, environmental marketing, political marketing, healthcare marketing, etc. *Healthcare marketing* is the part of social marketing aiming to implementation of specific policies and strategies in order to improve the health condition of the population by causing a behavioral change⁵.

Health marketing, marketing healthcare refers both to healthy, as well as sick people, being developed differentiated strategies of action for each of them, thus having both a prophylactic role, as well as a proper medical role. In the field of health, social marketing is used to reduce alcohol⁶ and tobacco consumption, increase physical activity, prevent heart attacks, limit the spread of HIV / AIDS, control diabetes, detect breast and colon cancer in good time, prevent adolescent pregnancy, prevention of driving under the influence of alcohol, domestic violence⁷, stopping drug use⁸, sexual assault prevention etc.

3. BODY

Health condition of a population is adversely affected by lack of access (or a limited access) to medical services, to medication and health prevention and education programs, as well as lack of access to living conditions needed to maintain an optimal health condition: access to drinking water, to a healthy and balanced diet, to a housing with sanitation facilities, inhabitable and heated in winter and so on, all these being in challenge with the social justice principles regulated by the health legislation.

Health care is a very important activity in the national economy, being delivered to everyone: children, adults, employees, retirees, government and budget, health insurance houses. Competitiveness of this system consists in an increase of healthcare costs, but the principles of quality and continuous improvement are also applicable to the health field, also being stated facts about the imminence of a health reform.

⁴ Philip Kotler, Dipak Jain, Suvit Maesincee - „Marketingul în era digitală. O nouă viziune despre profit, creștere și înnoire” (Marketing in the digital era. A new vision profit, growth and renewal), Editura Meteor Press, 2009, page 40.

⁵ Transilvania University of Brașov, Interdisciplinary Doctoral School, Center for Economic Research, Ec. Anca-Ramona Pralea in „Politici și strategii de marketing social utilizate în sănătatea publică” (Social marketing policies and strategies used in public health), http://www2.unitbv.ro/LinkClick.aspx?fileticket=0m_5Ng2BrOc%3D&tabid=4579, page 14

⁶ Tangible costs related to alcohol consumption in the EU were estimated at 125 billion EUR in 2003, including 59 billion EUR due to lost of productivity through absenteeism, unemployment and working years lost through premature deaths. Intangible costs of alcohol (which present the value of personal suffering and deaths) in the EU were estimated at 270 billion EUR. Alcohol is a health determinant, responsible for 7.4% of all disabilities and premature death in the EU. Source: http://ec.europa.eu/health-eu/doc/alcoholineu_sum_ro_en.pdf Almost 10% of young people in Romania consume soft drugs, according to a survey ordered by the National Authority for Sport and Youth. Romanians are European champions at alcohol consumption, exceeding by three liters the European average consumption, according to the latest survey of the World Health Organization (WHO). Source: <http://www.ziare.com/stiri/consum-de-droguri/aproape-10-la-suta-dintre-tinerii-din-romania-consuma-droguri-usoare-sondaj-1208428>, 20th of December 2012

⁷ Official statistics show that 10% of the Romanian families are single parent families. They occur more frequently in the contemporary society, as a consequence of change in the socio-economic and environmental parameters. Source: PUBLIC HEALTH AND AMT HEALTH CARE MANAGEMENT, second vol., no. 2, 2010, page 23, MONOPARENTAL FAMILY AND ITS ECONOMIC PSYCHO-SOCIAL IMPLICATIONS, authors ANDREEA ILIEȘ, CRISTINA RAȚIU, VIOLETA FRÂNCU, <http://www.amtsibiu.ro/Arhiva/2010/Nr%202/Francu-ro.pdf>

⁸ EU report: New worrying trends regarding illegal drug smuggling and consumption. Source: <http://www.amosnews.ro/raport-ue-noi-tendinte-ingrijoratoare-ceea-ce-priveste-contrabanda-si-consumul-de-droguri-ilegale>, 31ST OF JANUARY 2013

Health care is a predominant public service, with specific characteristics: it can not only be subject to the market laws, but also to an administrative economy. Health sector difficulties can not be solved without state involvement (through regulations, financing and distribution of these services to the people), that means the expression of government health policy. The purpose of this health policy is represented by the good health condition and longevity of population⁹.

The health sector is composed of a number of specific entities, such as hospitals, nurseries, medical consulting rooms, home care agencies, suppliers of medical equipment, health care organizations, pharmaceutical chain, etc. Only to the category of hospitals we may include hospitals for treatment of acute diseases, specialized hospitals, university hospitals, nonprofit hospitals, but also private hospitals, clinics and medical rooms. Below, it is worth to be highlighted some *features of the health system*, compared to other organizational activities:

- *Health services market demand is a derived demand.* Although some people obtain personal financial benefits from health care, the main reason for which this type of care is desired is represented by the intention to be healthy. So, this is not a purpose in itself, but a way to achieve a specific purpose, in which case the market becomes more complex, than in the case of a non-derivative demand.
- *Healthcare is entirely different from competitive system, because people are concerned about the health of the others.* While companies develop themselves on competitive markets, government organizations are often monopolies; companies aim to maximize investors' profits, while state government is meant to serve the interests of citizens. Companies enjoy a better division of labor, while state institutions often do not understand what is their competence, their functions being the result of chance, with frequent overlaps and duplication. While a company focuses on goods and services it produces, government is involved in almost all areas of life¹⁰. Health condition of an individual also affects others, bringing the catching diseases as example: an effective vaccine brings benefits not only for the infected persons, but also for those of their proximity. The social value of influenza vaccination service is higher than the private value, as an argument for government intervention. Tobacco advertising was prohibited. There is a clear mutation, from competition sports to physical activity of improving health condition. As from February 2013, young people in Romania will do more physical exercise, by introducing such classes in the curriculum. People are concerned about the health of the others for reasons of altruism, in which situation utility derives from the fact that other people benefit from a proper medical care. This can be solved also by charity of some companies and individuals, but the following question arises: why are some people trying to get rid of their obligation to contribute themselves to these actions, then to take advantage free of charge by the utility initiated and provided by others? "*Transfer of Costs*" means that providing medical services for the uninsured is supported to some extent by all the private patients, who must pay higher prices. It results in an under-funding, which is a reason for the state intervention. The average life expectancy of the Romanians is 5 years lower than of the other Europeans. Life expectancy is directly related to investments in the health system. EFPIA latest report shows that globally, between 40-59% of the increase in life expectancy for a period of 10 years are due to innovative drugs and access to these drugs. In Romania there are more

⁹ Revista „Marketing-Management. Studii-cercetări-consulting” (“Marketing-Management. Studies-researches-consulting”) Magazine, Romanian Marketing Association, Bucharest, XVth year, vol. 6/2005 (90), article „*Considerații cu privire la reforma instituțională a asistenței medicale în România*” (Considerations on health care institutional reform in Romania), authors Valerică Topliceanu and Mircea Duică, pages 440-447.

¹⁰ Philip Kotler, Nancy Lee - „*Marketing în sectorul public*” (Marketing in the public sector), Editura Meteor Press, Bucharest, 2008, pages 17-19.

than five years since new therapies¹¹ have been introduced to compensation or gratuity. Some studies conducted have revealed the following conclusion: although not the middle and lower social classes are exclusively suffering from various diseases, they enjoyed rich medical services of the system and the delivery of health services by the State on grounds of fairness, was not justified. The difficulty of integrative approach of this market also emerges from the risk that some members of society have a probability of getting sick close to the unit level.

- *Quality of medical care is difficult, even impossible to measure*, being performed on the basis of some intangible criteria. Patients rely on their confidence in the doctor and this is the only criterion for assessing the quality. "Service mark "is stated on the nameplate.
- *Information asymmetry on the health services market*. People go to the doctor to find out information that they do not possess, regarding their own health. Nature of the relationship between doctor and patient is one of asymmetry of information, the patient empowering the doctor to take the necessary steps with of view of improving his health condition. Finally, the patient delegate the doctor with a part of the responsibility for making decisions. A special case is that, due to the desire for increasing income, doctors prescribe certain treatments excessively, which would lead to over-production of certain medical services, requiring their supervision and remuneration accordingly, so that the demand induced by the supplier might not be encouraged.
- *Non-profit character*, generating a completely different mentality in the health system than in a company. In most industries there are databases to be used. This rule does not apply in the medical field, where, due to the fragmentation of the system, local nature of health services and restrictions on the use of patient data, it can not set up such a common database. Medical professionals are not used to thinking in terms of "products" and "services". Due to lack of data in the medical field, marketer may face confusing information about customer profile and target public. The medical field has no information about customer characteristics, a problem that also occurs due to restrictions on the use of patient data¹². Hospitals enjoys reimbursement of expenses, regardless of their volume. Incentives, motives which private entrepreneurs are seeking, were absent in the health field. Currently, there is a need for financial discipline, efficiency and performance being economic governing laws applicable also in this sector. In public hospitals, the patient is examined by several doctors, this type of relationship can be considered as being largely impersonal. Private clinic patients may establish specific relations for a personalized service, because doctors consider them entitled to be treated as any customer who pays. Therefore, patients participate more actively in the consultation, including asking questions about the experience and competence of doctors, being able to evaluate and comment on performance and being able to choose another clinic anytime¹³. Improving customer service and satisfaction, institution may benefit from many advantages: increase of income, greater support to obtain funding, increase in operational efficiency and improving business indicators. This approach is facilitated by the following key practices: (1) supporting staff in the provision of an irreproachable service, (2) providing infrastructure and systems to help (not hinder) service, (3)

¹¹ <http://www.ghiduldesanatate.ro/01-sanatate/romanii-traiesc-cu-5-ani-mai-putin/>, 21st of February 2013

¹² <http://www.medicalmarketing.ro/articole/2-Produse-Medicale/35-Principiile-marketing-ului-aplicate-in-domeniul-medical>, 14-06-2010

¹³ D. S. Pugh și D. J. Hickson - „*Managementul organizațiilor*” (Organizational management), Editura Codecs, Bucharest, 1994, page 209

- development of systems for "customer relationship management", (4) application of the "total quality management" principles¹⁴.
- In the hospital, *the physician is in charge of procurement operations*: it orders the type of investigation to be conducted, establishes a demand of services to be provided and has a word to say in relation to the time of admission of the patient. On the other hand, doctors are not materially co-interested by the efficiency or the manner in which hospitals manage their resources. As a solution, administration and resource management are handled by a hospital director and insurance companies.
 - *The person receiving health care products and services crosses a time of personal crisis*, being suffering, and his health is more important to himself than anything else. He is concerned, often thrilled and highly uncertain in decision-making, compared to other conventional situations, when a buyer of goods and services makes his purchase decision in a planned manner. Buying a DVD, a book, car or even supplying with food are held in a pleasant, enjoyable environment, and not in "a situation of life and death", as in case of health care service consumption.
 - *Hospital medical services can be located as services provided on a local market*, where candidates (competitors) to such service are non-existent, limited at the most, because they are unable to provide medical services to another market. People want to enjoy medical services close to the place of residence and hence, of their own families. It comes out that patients find it difficult to differentiate general medical offers, following their own doctor's prescription plan and therefore, they can easily ignore the offer of other physicians-hospitals located in the same place. So, health care facilities have not competed between them in terms of service cost or value added to the health care service.
 - *The increasing trend of budget expenses intended for health care*, the main reasons being: cost of medical technology becoming more complex and sophisticated, senescence of population, as well as people's increasing demands for quantity and quality of these services. There may be the risk that the health system exert pressure that cannot be satisfied upon the economy¹⁵. National Health Insurance Fund and the Ministry of Health budget is around 5 billion lei. Most of the money is allocated to hospitals, where about 75% is represented by wages and other staff costs and 10% maintenance costs. Only about 15% of the budget is spent on actual health services. Investments are almost nonexistent¹⁶. Wider use of generic drug that would provide patient access to pharmaceuticals at lower prices is a solution to balance health budget deficit. Both European countries and other third countries facing current situation in Romania, namely health budget deficits, aging of population, increase in health care costs and decrease in the number of those contributing to cover these costs¹⁷. EU health expenses decreased for the first time in the last 27 years; *per capita* expenses and percentage of the GDP allocated to health decreased in the European bloc in 2010. "Health for short: Europe 2012" presents trends over time and variations in the European countries, according to five major themes: health of the population, health risk factors, resources and activities of healthcare systems; quality of health care for chronic and acute diseases; expenses and

¹⁴ Philip Kotler, Nancy Lee - „Marketing în sectorul public” (Marketing in the public sector), Editura Meteor Press, Bucharest, 2008, page 176.

¹⁵ Stephen C. R. Munday - „Idei de avangardă în economie” (Avant-garde ideas in economy), Editura Codecs, Bucharest, 1999, pages 144-168.

¹⁶ <http://cursdeguvernare.ro/guvernul-cauta-solutia-prin-care-sa-gestioneze-cei-16-miliarde-de-euro-cu-care-acopera-deficitul-din-sanatate-serviciile-medicale-15-din-bugetul-sanatatii.html>, 2.12.2010

¹⁷ <http://medicalnet.ro/o-solutie-pentru-echilibrarea-deficitului-din-sanatate/869/>, 14/03/2012

sources of financing for health.¹⁸ The real problems of the health system are underfunding, lack of qualified staff and confusing legislation that lends itself to interpretation and make vulnerable both the medical staff and patients, states the Chairman of the Romanian College of Physicians. Shortage of qualified medical staff reached an alarming rate: in 2012, there was a decrease below the critical level of 40,000 physicians with unrestricted practice licence in Romania¹⁹. New health law should remove the chronic shortage of health care staff, a phenomenon that has worsened since 2008, affecting patients on long-term, consider the representatives of the Health Solidarity Federation in Romania²⁰. Under-secretary of State in the Ministry of Health, Raed Arafat, recently warned that by 2020, at European level, there could be a shortage of health workers of about one million people. Amid European and local regulations, in Romania no physicians from other states may be employed, but the Romanian College of Physicians might come back in the country the Romanian doctors who qualified in Romania²¹.

- Non-profit organizations need a management even more than companies, just because they lack the discipline to achieve profit. Although they are dedicated to "*accomplish good*", but good intentions could not substitute organization and management, accountability, efficiency and outcomes. According to Drucker, the main *economic* priority of developed countries must be increase in knowledge-based labor productivity and that of service sector. This is the most pressing social problem that the the developing countries will face. If this problem is not solved, social pressures will occur, exacerbated polarization, increased radicalization and possibly class struggles²².
- In case of health care services, *suppliers often have a monopoly position*, unlike other services, where the customer chooses a supplier among various suppliers in the field. In the health system, only certain suppliers may offer some type of medical service, only a certain manufacturer can deliver a particular drug, and so on.
- *Entry restrictions for bidders*. The fact that doctors should have a different degree and specialization is a form of authorization, intended for the protection of patients, but simultaneously, it grants a monopoly to those who possess these qualifications, meaning that they do not face a strong competition. If, in a weakly populated area, there is increasing trend of medical staff income, the so-called natural monopoly occurs at a local level, of the hospitals in the area and even of family doctors.

Healthcare marketing is unique in its own way, patients being limited somehow to call on the specialized market offer, knowingly. It is to be nothed that the notion of patient of health care services is particularly complex, because it is not the customer who decides what health care services it will purchase, but it is the doctor who directs him to a certain hospital, when to be hospitalized and what mixture of tests and services can satisfy his needs. Doctor's

¹⁸ http://www.paginamedicala.ro/stiri-medicale/Raportul- Sanatatea-pe-scurt -Europa-2012 ---o-privire-de-ansamblu-asupra-sistemelor-sanitare_18020/, 16th of November 2012

¹⁹ <http://www.cluj-am.ro/sanatate/colegiul-medicilor-din-romania-subfinantarea-deficitul-de-personal-calificat-si-o-legislatie-confuza-adevaratele-probleme-ale-sistemului-de-sanatate.html>, 20th of January 2013

²⁰ <http://www.manager.ro/articole/sanatate/noua-lege-a-sanatatii-trebuie-sa-elimine-deficitul-cronic-de-personal-din-sistem-16600.html>, 21st of February 2012

²¹ <http://www.ghidcabinet.ro/2012/10/raed-arafat-deficitul-de-angajati-din-sanatate-ar-putea-ajunge-la-un-milion-de-persoane-pana-in-2020/>, 19th of October 2012

²² Peter Drucker - „*Despre profesia de manager*” (About the manager profession), Editura Meteor Press, Bucharest, 2007, pages 127, 138.

recommendation is rarely reasoned by patient and almost never challenged. This lack of rationality has implications for communication on the market of the value of these professional services. In addition, the doctor is often misinterpreted and put in the situation of not appealing directly to *bona fide*, so he often requires more investigation than would be needed, in order not to be accused of lack of professionalism by the College of Physicians. On the other hand, it is not the physician who is put in the position of the patient, resting in a hospital bed, bear injections or additional analyzes, etc.²³

It results that, in fact the patient is not itself a regular customer, being just the beneficiary of medical services, not having the chance to immediately assess their quality. In a critical situation, the patient accepts any recipe and meeting or exceeding its expectations is often irrelevant. On the other hand, patients do not pay directly for health services delivered to them, this transaction being death with by health insurance through Health Insurance Houses. Then, we may think that, in fact, the real customer is the insurance company, paying the bills, but it was often inconsistent with patients, hospital units and competent ministry. Currently, the solution to solve this crisis consists precisely in optimizing relationships between the insurer with the third parties. As we noted, the existence of multiple customers for professional medical services have the effect of complexity of developing a quality health care system, and paradoxically, the voice of the patient itself is the most contested in healthcare field. According to a recent survey, more than half of compatriots disagree with the introduction of copayment system in the health sector. Thus, following the research, it comes out that 68% of respondents considered that the introduction of co-payment system for hospital services will not have a significant effect in terms of improvement of such service quality. In addition, 78% of them disapprove the intention of the Ministry of Health to reduce the number of health services provided free through compulsory health insurance, one of the consequences of introducing basic service package.²⁴

Evaluation of these services is difficult and even impossible, because every patient has a genetic inheritance different from the others and therefore, the success of health care can not be assessed by traditional means of evaluation, the only evaluation criterion practiced since the 1950 being the discovery of negligent person as regards the medical service, or the one who violates the Hippocratic oath and change of their behavior. On the other hand, in the healthcare field, quality of service has broader meanings, also making it possible to apply other criteria: medical badge is a brand that facilitates networking of customers by such "brand", given that a disease may be spread over a considerable period, requiring a prolonged treatment, even "for life", as well as creating a field in which doctors are "heroes".

Another issue is that of hospital management: hospital director, being a physician has a limited mandate and has little authority over medical staff who is temporarily in his subordination, because he does not influence the consumption of financial and human resources or selection of product suppliers. In the first case, he can not limit or influence the number of patients, services provided to them and hospitalization time. In the second case,

²³ "Personal interest, human motivation, key in economics is an inevitable matter of human nature, something that is not necessarily admirable, but always requiring respect and requiring to be engaged in constructive, or at least harmless activities. Once this premise is denied, economic science can be easily dissolved into philosophy, economics, ethics and politics ".(Irving Kristel - „*The Public Interest*”, „*Sinteza*” Magazine of the US Embassy at Bucharest, no. 48, 1981, page 66, quoted by Ion Stoian, Emilia Dragne, Mihai Stoian – „*Comerț Internațional – Tehnici, strategii, elemente de bază ale comerțului electronic*” (International Trade - Techniques, strategies, core elements of e-commerce), First volume, Editura Caraiman, Bucharest, 2001, page 6)

²⁴ <http://www.businesscover.ro/25-02-2013-studiu-coplata-in-sanatate/>, 25th of February 2013

limited allotted budgets may cause serious deviations from the quality of medical services, the cost of a medical reference being the only criterion to trade with suppliers.

College of Physicians is not able to punish only clerical errors and limit resource consumption, consisting of people who are not paid for the extra time allotted, they are not required to be accountable to some shareholders, as in the case of public companies anomine, but mostly to their own conscience (*impaired in Romania by a ridiculous and ironical salary*) who got tired to challenge a system that has been continuously degrading for over two decades.²⁵ Lack of a clear and mandatory sanctions grids give rise to opening of opportunities for influence peddling, punishing frauds being left to the discretion of "hierarchical superiors". Here we find the implementation of basic principle of the new health law: from the desire to maximize profit, health insurance companies will take care that the patients' money should not be wasted by hospitals. But there is also the other side of the matter: insurers will try to reduce costs, which could lead to a decrease in the quality of medical services. Management positions in hospitals which are subordinated to local authorities will remain highly politicized.²⁶ So, the high conjuncture for formation of some leaders in the field, is less favorable as in the case of companies themselves. U.S. nursing shortage made that *Johnson & Johnson* be actively involved in improving the image of nurses and in the collection of scholarships to finance education.²⁷

4. CONCLUSION

While winning companies rely on the synergy of employees, processes and technology to build an exceptional offer, in the medical sector, the technology evolves faster than the financial capacity of hospitals to assimilate progress and, in some cases, medical culture to support the human side of quality - there have been many instances where new medical devices have never been handled. Adoption of new technologies is often suggested by family doctors, who directs their patients to specific public or private healthcare units. In parallel, patients want quick adoption of new technologies in hospitals, associating them with the quality of reliable medical services. Although many hospitals operate with rudimentary information systems, rapid technological development and digitization of medical information will continue to change the optics of supply and demand for these professional services. I stated that marketing task is to "to

²⁵ In 1990, Romania had an exclusively public medical system, funded by the state budget and managed by the Ministry of Health and its county health inspectorates. Services were officially provided free of charge, but underfunding of the system led to a decrease in the quality of services provided and transfer of part of their costs to the population. Many units were operating in damaged buildings and imported drugs were inaccessible to most population. It results an access limitation of some segments of the population to health services. Academic centers had efficient hospitals, in the Romanian context of health services, and on the other hand, primary medical care had not a sufficient coverage in the territory, especially in the rural areas. This contributed to polarization of access to health services. Romania had an Eastern European model of public health services focused on hospital care system that generated a burden for a poor budget, most of the funds (70%) being allocated to hospitals (IMSS, 2002). Outpatient and primary care suffered severely by the lack of funds. Lowering the population standard of living has led to worsening its health condition. Research findings put a warning on the social consequences of the Romanian human capital: impairment of social integration, in getting a job and place of work, through no adequate schooling, or decrease of ability to work through physical damage, as a result of health system disorders. Source: Works entitled „*Accesul populației la serviciile publice de sănătate*” (Access of population to public health services), author Cristina Doboș, published in „*Calitatea vieții*” (Life quality), XIV, no. 3-4, 2003 and „*Programul de cercetare: Polarizarea accesului la serviciile de sănătate și de educație ca sursă a sărăcirii în viitor*” (Research program: Polarization of access to health care and education services, as a source of impoverishment in the future), author Cristina Doboș, published in „*Calitatea vieții*” (Life quality), XVII, no. 1-2, 2006.

²⁶ <http://medlive.hotnews.ro/dezbateri-concurs-coruptia-din-sistemul-medical-%E2%80%93-protejata-sau-exorcizata-de-noua-lege-a-sanatatii.html>, 24.7.2012

²⁷ www.discovernursing.com

change ever-changing necessities of the fellow creatures into profitable *opportunities*, by *delivering value to customers*, by *offering high solutions*, *exempting them to spend time and effort for search and transaction*, *ensuring a higher life standard for the entire society*". *The purpose of health care service marketing is represented by the management of demand for such services, by managing the level, timing and composition of the demand.*²⁸

Health care market demand is a relatively predictable one, easy to set up and inventorized. In parallel, using technology progress requires a significant increase in the cost of health care services. Advanced technology can extend the life of suffering elderly and it may also help survive the children born prematurely. Our social obligation is to prolong life at all costs, but very high technology generates invoices exceeding possibilities and becoming burdens on the shoulders of society, actually of working population. It was estimated that 25% of total expenditure on health care is incurred in the last six months of life.²⁹

Due to a rather limited competition in the Romanian healthcare sector, marketing competitive strategies have not (yet) found their utility. However, under the reform, sanitary facilities (public, private, as well as those undergoing privatization) which relies on marketing competitive strategies will become successful, offering valuable services. It may be said that there is insufficient medical staff, as well as places in hospitals, funds, etc., but, on long term, things tend to improve, surpassing the traditional paradigm of patient care. All changes of this system will require a new kind of health care that be related to customers: patients, doctors, insurance companies and government. Departmental and multi-functional teams will contribute effectively to a correct assessment and to the settlement of problems in a timely manner. Innovation will be a real benchmarking competitive tool. Health activities on which the patient's life depend need structured approaches, based on innovation, even within the health unit: services rendered for the first time, of the highest quality and the best (not the lowest) cost.³⁰

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²⁸ Philip Kotler - „*Kotler despre marketing. Cum să creăm, cum să câștigăm și cum să dominăm piețele*” (Kotler on Marketing. How to create, how to win and how to dominate markets), Editura Brandbuilders, Bucharest, 2003, pg 9.

²⁹ H. James Harrington, James S. Harrington - „*Management total în firma secolului 21*” (Total management in the 21st century company), Editura Teora, Bucharest, 2001, pages 327-334.

³⁰ Flaviu Meghișan - „*Strategii concurențiale de marketing*” (Marketing competitive strategies), Editura Universitaria Craiova, 2007, pages 194-208.

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