

Quality Service a Prerequisite for CRM: A Study of Indian Corporate Healthcare Environment

Smita Poi

NET-JRF (Management)

Abstract: In today's hyper competitive environment the success of any organization lies in its positioning capacity through exploration and utilization of critical business edge of the relevant times. Customer Relationship Management is that sword which can catapult any organization to its maximum potential and the quality of service is its cutting edge. CRM has the potential to revolutionize the healthcare market which will drive service line volumes and ultimately revenue. Quality is the lifeblood of any service organization seeking lifetime patronage, world class edge and increased profitability. Delivering quality service means meeting or exceeding the expectations of the customer and delighting them. Gone are the days of charitable service provided by hospitals, the prevailing environment of healthcare business seek mindful planning, integration and execution of customer oriented way of doing business by strategically sewing together the needs of the customer with the resources and abilities of the organization. Digital era calls for an uncompromising attitude for quality first time every time. Customers are no longer willing to alibi, if vanquished they will leave and will leave with a bang on social media enough to cause a catastrophe. Therefore, delivering superior service quality is the prerequisite for any Customer relationship strategy. It is like the heart of CRM, the philosophy which must radiate throughout the organization.

Keywords: customer relationship management, service quality, hospital, CRM strategies

1. Objectives

This study aimed to examine the effect of quality of service on a hospital's customer relationship management strategy.

Research Methodology:-

Primary Data

In this descriptive cross-sectional study, through brainstorming sessions were conducted with operations executives and promotional heads of hospitals, the following were discussed:-

- Service quality parameters in their organization.
- Customer relationship management strategies and issues
- Retention strategies
- How the above points correlate directly with quality of services.

Secondary Data

The different books and journal related to the topic.

2. Review of Literature

Services are deeds, processes and performances (Zeithaml et al 2008) or services can be any economic activity that results in any change in form of people, product or place incorporating tangible as well as intangible aspects.

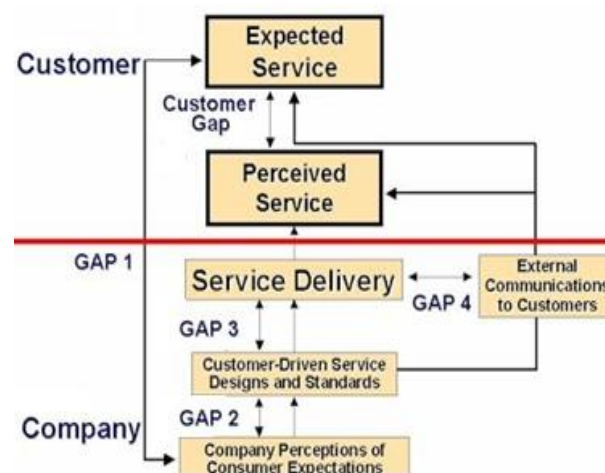
The basic characteristics of services are intangibility, heterogeneity, simultaneous production and consumption and perishability which poses unique challenge to service managers to tangibilize the intangibles, educate and train the people involved –both internal i.e. the employees as well as external i.e. the different stakeholders ranging from suppliers to customers and also to standardize operations.

Service quality can be broken down into two dimensions:

- Technical Quality
- Functional Quality

Both dimensions are important to customers. Technical quality refers to tangibles of a service outcome like the orthopedic implant on a patient by an orthopedic surgeon whereas functional quality means how was the operation – was it successful or not?

Service quality is different from customer satisfaction. Quality is generally conceptualized as an attitude i.e. the patient's overall perception and evaluation of the service provided to him. It depends on past experiences and promotional promises made by the communications department. It is beautifully explained by the Gap Model of Services



Customer relationship management (CRM) is a term that refers to practices, strategies and technologies that companies use to manage and analyze customer interactions and data throughout the customer lifecycle, with the goal of improving customer service relationships and assisting in customer retention and driving sales growth. According to Kotler, Philip et al, Customer relationship management is the overall process of building and maintaining profitable

customer relationship by delivering superior customer value and satisfaction". CRM is both a technology –it uses data warehouse, mining, prediction systems as well as a strategy for customer retention, increasing patient turnover besides the outcome from prediction system can be used for powerful segmentation targeting and positioning. When data is consolidated into the CRM a 360 degree profile of each individual can be created. This in turn enables marketers to coordinate with operations to add value to the entire customer journey, identify the loop holes for patient dropouts and help them stay engaged and motivated in pursuit of healthier living and bonding with the organization. Quality service means the complete set of features and characteristics of the service to satisfy both the stated as well as implied needs of the customer. Ensuring quality service can become effective benchmarking tool of points of parity from competitors and result in positive word of mouth and customer retention.

Types of CRM

- 1) Strategic CRM: It is an integration of all resources and capabilities of an enterprise to culminate in a customer centric focus on bonding in order to create value which will be beneficial for years to come. It also encompasses processes which need to be aligned through Information and communication technologies.
- 2) Analytical CRM: It is accomplished through data mining which means analyzing voluminous data in order to find meaningful patterns and relationships like examining disease profiles based on segmentation of population, seasonal variation of recurring diseases and accidents. This voluminous data is collected by the transaction processing systems of any organization and stored in data warehouse which is again linked to external database and artificial intelligence software for proper decision making, which is crucial for analyzing the emerging trends and is called predictive modeling. It is used to determine the purchase behavior and purchase forecasting (Xu and Walton 2005). This prediction is essential for customer segmentation and customer retention. Segmentation is necessary to differentiate between the unique needs and demands of each segment in order to add value and build relationship bonds. Customer retention is an absolute necessary in today's tug of war for competing market share besides it is always economical to turnover an existing customer than to look for strategies to lure a new customer. It is based on intelligent mining of customer data and using it tactfully for future strategies. For e.g. Positioning X-ray, accident and emergency and geriatric departments on ground floor or planning for special OPD for working mothers of children in evening.
- 3) Operational CRM: It is the grass root level of Customer interactions and involves the frontline managers who seek to patiently listen, identify and solve the deeper and often untold but real needs of the customers. It commences the initial interaction of pleasant and rewarding experience for the customer. It assures them of reliability, responsiveness, competence and access of the organization's world class services. Basically it streamlines the business
- 4) Collaborative CRM: It is a 360 degree CRM solution which integrates customers, processes, strategies and data

together so that firms can better serve their customers and retain them. It is a perfect amalgamation of the customer interactions and channels of communication in order to better understand the actual needs of customers. For example, the information on preferred physician or time slots could be shared with marketing department so that adequate modifications are made to suit the special needs of customers. The various pricing gimmicks in the competitive markets can be decoded to gain advantageous positions to meet the affordability of customers, which in turn can be informed to finance department so that strategies could be created to make a smooth correlation to arrive at most affordable pricing for the customer which will benchmark as well as set off rivals. Web based learning platforms seek to educate the patients on how what and why of their disease conditions as service is a two-way wheel and involves both producer and consumer for ultimate delight, and patient information tracking systems which send out signals to assessment centers regarding specific vitals and signals for an emergency savior requirement.

3. Dimensions of Quality Service

3.1 Consistency no matter rain or sunshine

Reliability: Patients want to count on their healthcare providers to be able to provide the service and care right first time, be it the correct medication at right time in right dosage through the correct channel administration or be it the correct identification of a patient for any procedure.

#2 Do It Now

Responsiveness: Respond quickly, promptly, rapidly, immediately, instantly. Healthcare providers need to benchmark the response times for emergency nightline service, code blue in hospital, laboratory and diagnostic reporting or even chart out special OPD services for working mothers or geriatric patient friendly services.

Reporting Responsiveness

The time taken by the Ambulance to reach for nights emergency services can be counted as Key Performance Indicators (KPIs) of responsiveness. This is great performance data to present to customers in seeking their reviews.

#3 Know What Your Doing

Assurance: Service providers are expected to be the experts of the service they're delivering. It's a given. SERVQUAL research showed it's important to communicate that expertise to customers. Assurance can be reflected by quality accreditation and transparency of service delivery system. It can be delivered in three ways-people, process and physical evidence.

People: Display the qualifications and expertise of your staff and engage your customers in reading about their path breaking innovations and services while they visit your organization or while they wait for their turn to receive their service. CRM systems can also give **customer-facing staff**

detailed information on customers' personal information, purchase history, buying preferences and concerns.

Employees operating in front office should be empowered by proper selection, training and motivation to deal with the needs of the customers and delight them before they leave the organization.

Process: Develop standard operating procedures and service guarantees. For example-the guidelines for a potential donor should be stated clearly in trilingual(local, national and English) or how to proceed if you have a health insurance or admission /discharge rules ,regulations and processes.

Physical Evidence: Develop and maintain a good healthcare organization according to your level and specialty. For example if a primary healthcare centre is situated in a rural setting –have adequate supplies and infrastructure to handle cases suitable for the basic primary care i.e. providing basic/core product and if it is a multispecialty corporate hospital then adequate luxurious frill supplements should be provided along with the core service.

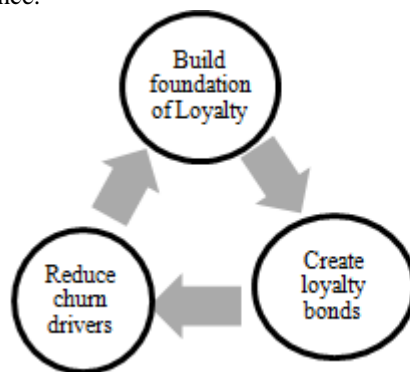
Service guarantees positively impact the healthcare provider's reputation instilling a trust in customers' expectations of assured service. It may vary from accredited laboratories to fssai complied dietary services to explicit guarantee of discharge within an hour to availability of a physician on call.

3.2 Raise Customer Awareness of Your Competencies

Service providers must communicate their expertise and competencies –

- Display accreditation certifications on patches, badges or buttons worn by employee
- Include certification logos on emails, letters & reports
- Put certifications into posters, newsletters & handouts

By communicating competencies, providers can help manage customer expectations. And influence their service quality assessment in advance.



1) Build a foundation of Loyalty

- Segment market: Be very sure of the market which is being targeted; the age groups, behavioral patterns, lifestyle, financial and social strata.
- Be selective in acquisition > Channelize CRM team for More customer Engagement for Recurring Revenue Model because the Customer Acquisition Cost is increasing.

#4 Care about Customers as much as the Service

Empathy: Services can be performed completely to specifications. Yet patients may not feel that the staff care about them during delivery. And this hurts customers' assessments of providers' service quality. For example nurses ought to be smiling and receptive to the needs of the patients, doctors need to be attentive to the enquiries from family. But it's not necessarily the employees fault. They may not know how they're being judged. They may be overwhelmed, inadequately trained, or disinterested. So it should be the management's responsibility to seep down the basic principles of service throughout the organization.

Service Delivery Matters

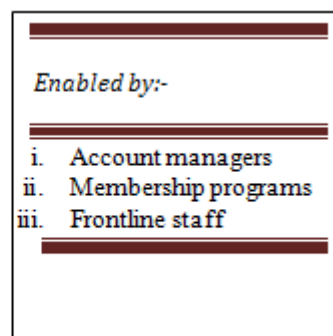
Providers' service delivery can be as important as how it was done i.e. the courtesy. Provider employees should be trained how to interact with customers and their end-users. Security of patients should be ultimate priority of hospital as already patients are under a lot of stress physically, mentally and emotionally. For e.g. allocating female attendants for female patients or the simple practice of having a nurse along when a physician is doing a physical examination of a female patient.

#5 Look Sharp

Tangibles: As because service is unique as each physician, patient and disease profile combinations are all different, hospitals should try to minimize the uncertainties and standardize procedures as much as possible.

Service providers will still want to make certain their employees appearance, uniforms, equipment, and work areas on-site (beds, dress of patients, service offices, etc.) look good.

Empirical explanation of Loyalty Wheel as found by research :-



- Use effective tiering of service>Proper layering of service to match unique needs of each tier. The needs of college goers will be different from geriatric population
- Deliver quality service> Free Specialized Base Camp Arrangement inside of the hospital (Like Retina, Glaucoma, Cornea) so that after OT patient engagement and Service promise Maintaining. Feedback And Immediate action and let them Know their power.

2) Create loyalty Bonds

- Build higher level bonds> Brand Alignment with some known Startup (like Zomato). **Take one Frame and get 1st Zomato First order Free Coupon**
- Give loyalty rewards >Issuing TRANSFERABLE COUPON with 15% OFF in total bill after getting the first surgery
- Deepen the relationships> Special Discount and offers on customer's Important Dates like birthdays ,anniversary.

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3) Reduce churn drivers

- Conduct churn diagnostic> the customer attrition rate i.e.
 - a) Total number of customers lost, the percentage of customers lost compared to the company's total customer count, the value of recurring business lost, or the percent of recurring value lost.
 - b) Start getting a holistic view of customers and their interactions across multiple channels such as store/branch visits, product purchase history, calls to customer service, Web-based transactions, and social media interactions
 - c) Negative customer calls, drop off from social media discussions, not turning up for scheduled appointments.
- Address key churn drivers> major findings point to service quality, even a single negative can result in many customers churning
- Implement complaint handling and service recovery>complaint boxes and may I help you kiosk, effective blue printing of services.
- Increase switching costs>delight the customer so that it becomes impossible for customers to leave.

4. Conclusion

In today's healthcare scenario customers seek tailor made care experiences as they are unequivocally in the driver's seat. In order to achieve these health systems must find ways to collect, store and analyze the vast voluminous data collected every single day which will help research and development teams to design services accordingly, marketing teams to segment and personalize interactions, finance team to price the services to match the needs of the customer. All this is possible only when everyone strives for quality in service as well as products which should echo from all corners of the organization. It is only then by employing CRM organizations can provide patients with experiences that will delight them for years to come.

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