

Advocate good samaritan hospital marketing plan research proposal examples

[Business](#), [Marketing](#)



Executive summary

The Advocate Samaritan Hospital intends to roll out a marketing plan that if successful would see it improve its capital base effectively doubling from the current two billion dollars to four billion dollars. The plan capitalizes on the strengths and opportunities while limiting the weaknesses and threats to the best extent possible. In this marketing plan, the objective remains service delivery to the community but with the realistic objective of raising revenues that actually fund the services delivered by the hospital. In addition, it is the intention of the institution to tap from the consultancy and referral departments that have lately been in demand. The use of expert and resourced personnel has been appreciated and adopted as a mode that ensures effective service delivery and at the same time gives the institution the much needed resources.

The state of Illinois has a remarkably vibrant community that is supportive and can form the target market expected to form the customer base for the institution. The overriding objective remains that of service delivery.

However, like in any business, the institution must be wary of the micro and macro factors. It is in this vein that the market plan takes consideration of political, legal, economic and social factors as well as competitors, suppliers and the distribution channel. Finally, the management and audit department have been tasked with the evaluation and control of the marketing plan with a keen eye for the monitoring of budgets to avoid any likely overruns.

Market analysis

The Advocate Good Samaritan Hospital intends to roll out an intensive marketing plan to boost its soaring revenue base. In the healthcare sector, the main concern usually is provision of services for the wellbeing of the community. However, these services need to be funded, and, hence, the need for revenues. The paper essentially lays the prerequisite that ought to be followed in the new roll out program that if successful would guarantee the hospital a revenue base that offsets all expenses with a surplus. We conduct a comprehensive market analysis that incorporates all facets of the organization that can assure the firm of revenues.

Organizational and Product/ Service Overview

Advocate Good Samaritan essentially offers all health related services. They offer inpatient, outpatient, consultancy, surgery and referral services. The hospital offers a wide range of health services designed to cater for the community of Illinois which is relatively diverse. The inpatient capacity needs to be expanded to accommodate more patients who need this service. With the population of Illinois residents continually plummeting, it would be beneficial and prudent for the capacity to be expanded. As a population grows, so does the strain on the resource capacity increases. The hospital inpatient services have been rated generally as good to excellent by various bodies. A recent report from research in the community indicates that residents appreciate the services of the hospital. The inpatient section has got about twenty qualified nurses and ten doctors. The latter double up for the provision of other services as well. However, for the former, they are fully

committed to attendance of patients in the inpatient department. On the other hand, the outpatient department is equally well staffed and resourced. However, an additional four nurses is recommended so as to cumulatively sum up to ten nurses at the outpatient level. With ten nurses, service delivery at the outpatient level is expected to improve. The rating by regulators and the community was on the average. It is the intention of the plan that with a resource boost and personnel increase, this rating will shore up towards excellence. Generally, the attitude of the management and personnel is to pay more attention to inpatients than to outpatients. Of course, such arises from the reasoning and assumption, that inpatients are often more in need of services and therefore should get preference.

However, with this paper recommends an attitude change that would see the two categories treated equally during service delivery.

The consultancy department offers a wide range of medical consultancy services. It basically serves on the premise that community members at times need general information and checks on their state of health. In the modern age, with globalization and increases interactions, information remains power. Indeed, the department experiences all manner of inquiries and concerns from the community. To boost the department, the corporation of consultancy department and the research department of University of Chicago needs to be supported. The support would also take a financial dimension so that our technical team gets an opportunity to conduct indebt research on diseases and be well versed in turn to offer efficient consultancy services.

The surgery department offers comprehensive surgery services tailored to

address various surgical matters. The team of surgeons should be boosted from the current two to four doctors. In addition, surgical fees would be lowered so as to cater for the middle income earners in need of the services. The concept to be applied is based on production on large scale. The beauty in large scale production is that it enjoys from the economies of large scale production. Finally the referral department handles sensitive matters of intensive care and needing expertise from other smaller health institutions. The department has a number of regular expert practitioners and two other visiting surgeons who come on pre-set visits to handle sensitive cases. The referral department generally serves to ease the logistical headache that hits patients within the community who have to seek intensive and expertise medical attention. The spirit is to dispense with the need to seek treatment outside the state.

SWOT Analysis

Strengths

The hospital has a wide financial base that can adequately fund their activities. The capital base currently stands at United States Dollars 2 billion. With the enhanced capital base and adequate collateral, the hospital has the opportunity of seeking loans from financial institutions to fund any investment opportunity. It also performs well financially given that the financial performance for the last ten years indicates a consistent posting of surpluses. This stands out as one of the strengths for it puts up a strong case for seeking out financial help in financial institutions. Secondly, the personnel capacity also stands out as one of the strengths. In total, the hospital boasts

of twenty medical doctors qualified in wide range of medical fields, thirty six nurses and twenty two assisting personnel and support staff. The medical expertise at the hospital is reputed as one of the best in the United States of America.

Weaknesses

The Hospital firmly believes in service to the community. However, in the murky business world, one needs to target the market niche that can provide real returns. This creates a situation for the management where it has to decide between making profits and delivering services to those who need it. Ultimately, the later have always worn the war affecting the financial performance of the institution in the long run because services are offered even to consumers who are not able to afford them. This goes along way into eating into the financial reserves and given that the hospital is not donor funded but self-funding, the deficits have had to be catered for by accumulated reserves.

Opportunities

The department of consultancy is yet to fully exploit its potential. Thousands of Illinois residents are in need of medical check-ups and consultancy services. The hospital needs to fully exploit these rare opportunities. It can do that through the use of the partnership developed between the hospital and the University of Chicago. The research department needs to be boosted and funded to come up with up to date medical briefs and information that would be valuable for consultancy service delivery.

Threats

The biggest threat to the hospital perhaps lie in the fact that people value health as a basic need which ought to be free for all. In that strain, community members find it alien and difficult spending dollars in private healthcare yet the government offers subsidized and in some cases free public health services. In other words, the biggest challenge stems from an apparent resort by the community for public healthcare services rather than private healthcare.

Customer demographics

The target community leaves in Illinois State. The state of Illinois is balanced in nature with a fair share of the three classes of people, that is, the upper, middle and lower classes. However, most residents are in the middle class. This essentially implies that most of them can afford to pay for their healthcare services. In fact, almost forty percent of citizens in Illinois prefer private healthcare to public healthcare. This, therefore, favours Advocate Good Samaritan's plan since the populace are able and willing to buy their services. Currently, it can be reported that the populace is in need of mostly consultancy services especially on medical information and check-ups on obesity, cancer and respiratory infections. Adequate research needs to be done in targeting these medical conditions that are lately prevalent in Illinois and the United States of America at large.

Environmental analysis

Unlike other businesses, the healthcare sector does not pollute the environment in substantial amounts. The pollution is negligible and one can

afford to overlook. However, it is still critical to see to it that the residue, wastes and releases from the institution are properly managed, disposed and filtered into useful uses and modes. In that strain, it would be essential to develop a water recycling system that purifies the water and sewerage refuse from the hospital. Over and above that, the environment must be clean and conducive for the sick and the community in general. It remains the hospital management's prerogative to ensure the environment remains intact and pollution is only to a bare minimum.

Macro environmental factors

Indeed, the marketing plan would inevitably be affected by the macro environmental factors. The paper will briefly discuss some of the factors to be considered in this section. The state of economy in the larger United States of America has not been as promising. The nation is just coming out of the economic slump down. Unemployment has still not been put under control. In light of the tough economic times, it would be only prudent for the market plan to set their pricing and costing in appreciation of the conditions. In that strain, it would be fair to set average prices that target the middle income earners and dwellers as well as the lower upper class segments. In addition, the plan can incorporate the use of price discrimination that captures the interests of different classes while still meeting the core objective which remains delivery of services.

Sociologically, the landscape is in favour of the institution for the norms and beliefs of the community are fully integrated in our services. This enables cohesion and congruence of community and institution values and practises.

In the legal environment, the law is clear on the requisites for business institutions. As long as the institution pays taxes, observes due procedure and the written laws of the land, no obstacle is envisioned. Any legal impediments would be arrested has and when it arrives.

Technologically, the institution ought to be beef up its technologies to be in consonance with the currently popular and commonly applied machinery.

The advantage is that the institution has the financial muscle that would adequately fund acquisition of new machinery.

Micro environmental factors

No business can successfully operate in isolation. This institution is no exception and it would draw a lot of support from the micro environment if the marketing plan is to succeed. This paper briefly discusses the role each factor is supposed to play in affecting the marketing plan positively. The customers refer to the community members seeking healthcare services. In business, the customer is the king. In healthcare, this is further complicated by the fact that the customers are people in need of medical attention. This makes them as customers delicate and needing particular attention and treatment. The onus lies on the management and the personnel to approach customers with the right attitude and demeanour that would necessarily please the former.

On the other hand, the logistic management must be well coordinated and the operations smooth. Ordinarily, like any business, the institution must strive to maintain its conveyor belt of operations right from the suppliers and manufacturers to the ultimate consumer who is the patient in need of

medical attention. Distribution channels and suppliers must be up to the task and well-coordinated for purposes of efficiency and success. Lastly, the competitors ought to be put on toes. Given the competitive market, it would be essential for the organization to streamline its services to be up to speed and date so as to effectively complicate matters for any competitors. With the modern consumer obsessed with low costs and better service, it remains a tall order implementing an effective and competitive service roll out without raising costs.

Marketing goals and strategies

It is the overall objective of the marketing plan that ultimately the shareholder's wealth is maximized. This objective is to be achieved through the implementation of diverse and a wide range of options. The first step entails the expansion of the client base. Initially, the hospital has attracted the paediatric service consumers. However, it is the objective that with increased personnel and a stronger workforce, the target would not only be limited to paediatrics, but also expanded into adult related conditions and more so the blossoming consultancy medical service industry. Another step entails the improvement of the referral unit so as to capture the consumers who have been previously forced into travelling outside the state in search of advanced treatment. Instead, the advanced treatment would be offered by the hospital with improved technologies and flown in visiting doctors. A third strategy entails informing the community of the services available at the hospital. It is our observation that most consumers remain oblivious of the services available at the hospital. The biggest casualty in this front is the

maternity department. For a long time now community members have assumed that we do not offer maternity services. Such are among a number of assumptions and assertions the community have made and ought to be put clarified if revenues are to be increased.

Financial goals

The marketing plan does not overlook the fact that the core objective of the institution remains delivery of service. In that strain, it is worth mention that our interest is not necessarily pegged on profit maximization. However, as a business organization, it remains our objective that the wealth of the shareholders in the long run is maximized. The business must also maintain its going concern. Given that the organization generates its own funds; its financial muscle must be improved and maintained at a given level. It is the objective of the institution through this plan, that in the short run, revenues generated are able to offset the expenses incurred and earn shareholders a minimum profit that justifies continuity. However, in the long run, it is our objective that the financial base of the organization grows from the current two billion dollars to four billion dollars. This objective has been given a timeline of four years starting this financial year. It, therefore, remains important for this year's plan to succeed if the long term objectives are anything to go by.

Marketing mix

The marketing mix set to be used entails the use of price discrimination and large economies of scale operations. Through price discrimination, the charges shall be pegged on ability based on one's economic capacity. This

would ensure that the institution achieves two goals simultaneously. One, it would be able to rake in the much needed revenues. At the same time, the institution would be able to deliver services to the people.

Monitoring and control

The monitoring and control would be carried over through a steering committee headed by the managing director. Given the stakes, the marketing plan would be regulated from the highest level of management. The control will also be regulated through the internal audit department which is tasked with the responsibility of budget control and evaluation. In addition, for the purpose of successful implementation of the market plan, an external auditor has also been tasked with the responsibility of ascertaining the accounts and reporting on the true and fair position at the end of every financial year and in comparison with the set up forecasted budget.

Implementation

The implementation process starts off within this financial year. The budget would be financed majorly by the reserves accumulated over the years. It is expected that by mid- financial year, all the expansion projects would have been fully rolled out and the services offered to one hundred percent capacity. It is also expected that recruitment of additional personnel shall be complete within the next thirty days after the rolling out of the marketing plan. In addition, the managing director and key personnel are expected to attend a ten day retreat during the first week before rollout to acclimatize and orient themselves with the substantive issues in the marketing plan. The community is expected to play a pivotal role and for that reason, the first roll

out day shall include offering free services to members of the community. The evaluation would be through the steering committee chaired by the managing director. The steering committee is superior to all other committees and shall report directly to the shareholders. However, the internal and external auditors have been given oversight roles for purposes of providing a check and balance against the steering committee.

Conclusion

The success of the marketing plan would depend essentially on the ability to act strategically. For that reason, the onus lies on each and every stakeholder to play his or her part well. All incidents and conflict would be solved amicably through the office of the managing director. The overriding objective has to be achieved. Finally, it should be noted that the organization remains focused in its objective of delivering services and would do the best it can in the provision of services in support of humanity.

References

- Ferrell, O. C., & Hartline, M. D. (2010). *Marketing Strategy*. New York: Cengage Learning.
- Goldsmith, S. B. (2008). *Principles Of Health Care Management: Compliance, Consumerism, And Accountability In The 21st Century*. New York: Jones & Bartlett Learning.
- Hillestad, S. G., & Berkowitz, E. N. (2010). *Health Care Marketing Plans: From Strategy to Action*. New York: Jones & Bartlett Learning.
- Kavaler, F., & Alexander, R. S. (2012). *Risk Management in Healthcare Institutions: Limiting Liability and Enhancing Care*. New York.

McDonald, M., & Wilson, H. (2011). Marketing Plans: How to Prepare Them, How to Use Them. New York: John Wiley & Sons.

McDonald, M., & Wilson, H. (2011). Marketing Plans: How to Prepare Them, How to Use Them. New York: John Wiley & Sons.

Nieuwenhuizen, C. (2010). Business Management for Entrepreneurs. New York: Juta and Company Ltd.

Pinson, L. (2010). Anatomy of a Business Plan: The Step-By-Step Guide to Building Your Business and Securing Your Company's Future. New York: Cengage Learning.

Prasanna, C. (2011). Financial Management. New York: Tata McGraw-Hill Education.

Schenck, B. F. (2011). Small Business Marketing For Dummies. New York: John Wiley & Sons.