

Student's Name:

Professor's Name:

Admission Number:

Course:

Date:

**John Hopkins Marketing and Health Care System**

**The direct impact of marketing for John Hopkins Health Care**

Many health care providers spend close to \$2 billion every year on a direct-to-consumer advertising and this effort has been successful, *W. David Bradford (2012), Impacts of marketing* 12<sup>th</sup> ed p 154 & 166. John Hopkins spent \$1.5 billion for the last one year carrying out advertising of its products and services. Patients inquire about the John Hopkins medication they view on television and other print media and they get prescription from doctors. John Hopkins Health Care System has also adopted the use of freeways with billboard advertising how remarkable their health care services are. This has turned out to be beneficial for the institution. They also adopt the marketing practice that praises the benefits of ct scans for cancer screening. A concern is emerging about the rationale for advertising health care products and services and there is emerging body of evidence that is being revealed about the impacts of marketing on health care products and services, *Powell, Guy R (2014) marketing practice pg. 184.*

A meeting organized by the Institute of Medicine is now working with the American Medical Association in advocating for a moratorium on advertising for new drugs. Despite this, current academic research is indicating that advertisements have the potential to increase the number of patients receiving treatments for under diagnosed illnesses like depression Schultz, Don E., (2011) *impacts of marketing* pg 12 .

Health care advertising has increased tremendously since 1997, when the FDA clarified its restrictions on ads, *Marshall, Delia, Bang (2010) health care marketing pg 77.* Drug organizations incur \$700 million on advertisements for medications in 1996. The amount spent had increased to \$4.1 billion beginning 2003 at least according to TNS Media Intelligence.

Copyright © 2008 AcademicWritersBureau.com. All Rights Reserved.

If you need an original copy of this writing feel free to contact us at [admin@academicwritersbureau.com](mailto:admin@academicwritersbureau.com)

According to Isham, medical advertisements have positive effects since when medication is advertised, sales increase for that particular drug or service. People are not interested in generic institutions anymore as this is reflected in the usage per tern of John Hopkins Health Care *Isham, w. (2013) Health Care Practice pg 34.*

According to a research conducted in 2007, consumers who request for products they have noticed in adverts get the response of majority physicians.

73% of primary care physicians interviewed accepted that many of the patients had requested for the products and services they came across in ads. 65% of the physicians said that they normally prescribe those medications as requested by patients Mark, *Punk Marketing*, New York : Harper Collins,( 2007) pg 121 & 118.

While the advertising can increase the demand and eventually the cost medication services, all are not lost for insures. Research has indicated that the direct –to-consumer advertising improves sales within the therapeutic categories or classes of drugs, but it doesn't have significant impact on the market share of certain medications, says Julie M. Donohue, PhD, an assistant professor in the department of health policy and management at the University of Pittsburgh *David J., Marketing Metrics: 50+ Metrics Every Executive Should Master (2010) pg128.*

"Direct-to-consumer advertising appears to improve the number of patients in need of prescription drugs from their physicians, but physician preferences are still important in terms of what medication to be taken." Neil T (2011) *Financial Impact*, pg 124.

According to Bruce M. Psaty, professor of medicine and epidemiology at the University of Washington, the Future of Drug Safety: Promoting and Protecting the Health of the Public," Suggest that the FDA adopts a moratorium on advertising for new products so as to be certain of safety. "The literature shows that direct-to-consumer advertising does make people aware of new potential therapies, and that's good," Psaty says. "But it improves the sales performance of drug products *Psaty w. (2012) Effects of Advertising pg 112 &125.*

The problem of direct-to-consumer advertising for physicians is that marketing determines the consumer's perspective about the product, says Sharon Levine, MD, associate executive director of the Permanente Medical Group in Oakland, Calif. Many customers are lured by the product's implied promise and hence customers do not opt for other products, *Kotler, Philip.; Kevin Lane Keller (2006). Marketing Management, 12th ed.pg 12,13, 166.*

It's the incorporation of direct-to-consumer advertising and direct-to-physician advertisement of drugs that results in rapid uptake in consumption of the drug, especially a new drug in the market. At John Hopkins Health Care, customer service representatives find themselves explaining why some procedures that are being marketed by providers aren't covered. "We have noticed hospitals advertise for CT scans as screenings for heart disease and lung cancer, none of which is recommended by the U.S, *Farris, Paul W.,(2014), marketing matrices, pg 123 &128.*

### **Marketing Strategy to determine the utilization of products and services**

For John Hopkins to determine the utilization of its products and services, it should apply the following marketing strategies:

### **Product Strategy**

John Hopkins Marketing and Health Care System

5

This strategy will keep the concept fresh in the minds of John Hopkins customers and prevent the competitors from encroaching the health care institution's customer base.

This strategy also enables the organization to offer services that are unique from those offered by

its competitors, *McGraw-Hill.(2011) Marketing Strategies, pg 124*. This includes products that come in trendy a basic quality. In addition, every product would bear the organization's logo.

### **Distribution Strategy**

This strategy seeks to reach customers wherever they are. John Hopkins can employ the use of retailers and wholesalers to reach their target customers. The choice of distribution channel depends on the nature of the product, cost and distance and can give the organization competitive advantage is used well, *Phillip E. and Reibstein, David J., (2012) Marketing Metrics pgs 122, 128 & 180*.

### **Promotional Strategy**

The organization's promotional efforts also seek to differentiate its products and services from those of its competitors in terms of packaging and delivery.

For this strategy, the organization relies much on personal contact with retailers to establish the products in their stores. This contact helps convey the message, and demonstrate the products' unique qualities, and build relationships with our target customers and suppliers across the market, *Stuart, Greg (2014) Improving Marketing, pg 18*. The organization's sales persons interact with customers all the time in bid to inform them of the new products.

John Hopkins Marketing and Health Care System

6

Sales promotions and public relations currently account for the bulk of many firms promotional strategy.

### **Pricing Strategy**

This strategy enables the organization to price its product with the competition in mind. The pricing strategy will also enable the John Hopkins health care to attract low income clients. The products are priced competitively, offering a good value against its competition. This can also help the organization to reach even people with low income *Gary L., Rangaswamy, Arvind, Marketing Methods (2004) pg 123*.

### **Ways through Which John Hopkins Can Shape the Buying Decision of Its Customers**

#### **1. Price**

One way in which John Hopkins can shape the buying decision of its customers is to charge friendly prices for its products. Price is the value that you charge for your products and

services. Sometimes coming up with effective pricing for products can shape the buying decisions of customers since they find the product cost friendly to them

## **Product**

Offering quality products is another way of shaping the buying decision of a customer. Many of the customers like buying products that are of good quality and helpful to them. Customers are normally attracted to many aspects of a product apart from its physical outlook *Mark, t. (2010) Consumer Buying Habits pg 166*. These include the packaging and even health complication issues, quality, options and brand name.

## **Availability**

John Hopkins Marketing and Health Care System

7

The products should be made available so that customers can easily access them. Majority of customers wants to see product availability and easy access at the time they need. This way, they can develop the habit of consuming such product or service, *Harper Collins, (2012) Maximizing marketing pg 120 & 143*.

## References

"Impact of Direct-to-Consumer Advertising on Prescription Drug Spending," the Kaiser Family Foundation, June 2003. «[www.kff.org](http://www.kff.org)».

"How Direct-to-Consumer Television Advertising for Osteoarthritis Drugs Affects Physicians' Prescribing Behavior," by W. David Bradford, et al, Health Affairs, September/October 2006.

"Effects of Pharmaceutical Promotion on Adherence to the Treatment Guidelines for Depression," by Julie M. Donohue, et al, Medical Care, December 2004.

"Direct-to-Consumer Advertising: Should There Be a Free Market in Healthcare Information?" by Andreas Hasman and Soren Holm, Cambridge Quarterly of Healthcare Ethics, Winter 2006.



- Aspatore Books Staff, *Improving Marketing ROI: Leading CMOs on Adding Value, Calculating Return on Investments, and Creating a Financial Impact* (2011)
- Briggs, Rex, Stuart, Greg, *What Sticks: Why Most Advertising Fails and How to Guarantee Yours Succeeds* (2012) Kaplan Business