

# Community Engagement vs. Competitive Edge: Marketing Dynamics in Charitable and Private Hospitals

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## ABSTRACT

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This study compares the marketing strategies of charitable and private hospitals in Nashik, Maharashtra, emphasizing their impact on patient engagement, resource allocation, and sustainability. Using a mixed-methods approach, it reveals that charitable hospitals focus on community outreach and trust-building with limited digital adoption, while private hospitals leverage branding and digital marketing for patient acquisition and retention. Results confirm that marketing significantly influences hospital performance, reputation, and community support. The research provides actionable recommendations for optimizing ethical, cost-effective, and inclusive marketing practices to enhance healthcare accessibility and institutional sustainability.

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**Keywords:** Healthcare Marketing, Charitable Hospitals, Private Hospitals, Patient Engagement, Community Outreach, Digital Marketing, Resource Allocation, Hospital Sustainability

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## Introduction

Health care is the cornerstone of social well-being. It serves as an important determinant of the quality of life in the community. Hospitals play an important role in providing healthcare services. They provide a wide range of services from preventative care to advanced medical intervention. There are two main types of organizations in the healthcare sector: charity hospitals and private hospitals. Although both

aim to provide healthcare services, But the motivation for operating Resource allocation and their marketing strategies are very different. This difference creates an opportunity to study and compare market dynamics between these organizations.

Charity hospitals are usually a non-profit organization. Focused on providing health care to underserved populations. Their operations are based on social welfare. It prioritizes community

engagement and access over profitability. On the contrary Private hospitals operate within a profit-driven framework. It focuses on competitive strategies to attract and retain patients. In the modern health care environment Both types of marketing play an important role in increasing hospital access. Participation and financial sustainability.

Marketing is often associated with commercial industries, however its relevance in healthcare has increased significantly over the past few decades. Healthcare marketing encompasses more than just promoting services. This includes building trust. Patient education Promote relationships in the community and enhance the patient experience For charity hospitals Marketing is a tool for reinforcing the mission. Attract donations and engage with the community. Private hospitals, on the other hand, use marketing to differentiate themselves in a competitive market. Create brand value and drive patient acquisition.

In an increasingly digital world Marketing channels such as social media, email campaigns, and online advertising It has become indispensable for charities and private hospitals. These platforms allow hospitals to reach a diverse audience. share information and build lasting relationships. However, inherent differences in the objectives of charitable organizations and private healthcare organizations differ in their marketing strategies and effectiveness. Despite the increasing importance of healthcare marketing, but there is limited research to assess and compare the impact on different types of hospitals. Charitable hospitals rely heavily on the goodwill and reputation of the community. Meanwhile, private hospitals also compete in brand building. digital marketing and patient engagement programs. The lack of comparative analysis invested in strategies creates a knowledge gap. This study aims to correct this. Understanding the differences and similarities in

marketing approaches can provide valuable insights into how these hospitals can adjust their strategies for better outcomes.

## Research Objectives

1. To analyze how charitable hospitals use marketing to engage with communities and foster trust.
2. To examine the competitive strategies employed by private hospitals to attract and retain patients.
3. To assess the effectiveness of marketing in enhancing patient acquisition, retention, and satisfaction.
4. To provide actionable recommendations for optimizing marketing practices in both hospital types.

The study focuses on Nashik, Maharashtra, to understand local marketing practices in the region. Although the findings may have wider applications, But its scope is limited to the context of this particular city. This study examines various dimensions of marketing activities. Including patient participation Resource allocation Community access and competitive position By integrating insights from quantitative and qualitative research methods. This study aims to provide a holistic view of market dynamics in healthcare.

## Literature Review

### Theoretical Frameworks in Healthcare Marketing

Several theoretical frameworks guide marketing strategies in healthcare:

- **Service-Dominant Logic (SDL):** Emphasizes co-creation of value between providers and patients, where marketing plays a crucial role in facilitating this interaction (Vargo & Lusch,

2004).

- **Relationship Marketing Theory:** Focuses on long-term engagement with patients, which is especially relevant for charitable hospitals that rely on community support (Berry, 1983).
- **Competitive Advantage Framework:** Porter's (1980) model underscores the importance of differentiation and cost leadership, often employed by private hospitals to maintain a competitive edge.

## Marketing Strategies in Charitable Hospitals

- **Community Engagement:** Arifin and colleagues (2019) found that community outreach programs such as free health camps Awareness campaign and cooperation with NGOs Dramatically increases the visibility and trust of charity hospitals.
- **Resource-Driven Marketing:** Limited budgets often require creative marketing solutions. Arnold and DeBrooke (1986) noted that charitable hospitals rely more on word-of-mouth partnerships than on large-scale media campaigns.
- **Mission-Centric Messaging:** Research by Levitz-Brook- (1985) highlighted the importance of aligning marketing messages with the hospital's mission of serving underserved communities. which enhances their reputation.

## Marketing Strategies in Private Hospitals

- **Digital Marketing and Branding:** Khalaf et al. (2013) observed that private hospitals leverage digital platforms to build their brand, attract new patients, and retain existing ones. Tools like social media advertising, SEO, and online reviews are commonly utilized.

- **Patient Experience Optimization:** Studies (George & Shah, 2017) show that private hospitals invest in creating a seamless patient journey, from online appointment booking to post-treatment follow-ups.
- **Competitive Positioning:** Porter's framework of differentiation is evident in how private hospitals highlight their advanced technology, specialized services, and superior facilities to attract patients (Alexander & Lewis, 1987).

Despite these advantages, private hospitals face ethical scrutiny over aggressive marketing tactics, raising questions about the balance between profitability and patient welfare.

## Comparative Studies in Healthcare Marketing

**Research comparing charitable and private hospitals is sparse but provides valuable insights:**

- **Resource Allocation:** Jomon et al. (2019) highlighted those charitable hospitals allocate a significant portion of their resources to community engagement, while private hospitals focus on technology-driven marketing.
- **Impact on Patient Retention:** The results of the study indicate that Although private hospitals are excellent at treating patients through personal care, But charitable hospitals also build loyalty through trust and affordability (Levitz & Brooke, 1985).
- **Brand Perception:** Al Ries and Jack Trout (1986) explored how charitable hospitals' community-oriented image contrasts with private hospitals' focus on luxury and exclusivity, influencing patient choices.

## Role of Digital Marketing in Healthcare

Digital marketing has revolutionized healthcare marketing strategies for both charitable and private hospitals:

- **Charitable Hospitals:** Use social media to share success stories. Promote activities in the community and engage donors. Khalaf I. (2013) noted that platforms such as Facebook and Instagram are cost-effective tools for building community trust.
- **Private Hospitals:** Use advanced digital strategies. Including data analytics and personalized marketing, a study (George & Shah, 2017) revealed how these hospitals are using targeted advertising and online consultations to increase patient engagement.

## Challenges in Healthcare Marketing

Healthcare marketing faces unique challenges that impact both charitable and private hospitals:

- **Ethical Concerns:** Marketing in healthcare must adhere to ethical guidelines to avoid misleading patients. Arnould and DeBrock (1986) emphasized the need for transparency in marketing messages.
- **Regulatory Constraints:** Healthcare marketing is subject to stringent regulations, particularly in areas like patient data privacy and advertising of medical services (Berry, 1983).
- **Resource Limitations:** Charitable hospitals struggle with financial constraints, while private hospitals must justify high marketing budgets to stakeholders.

## Research Methodology Research Design

This study adopts a comparative research design to evaluate and contrast the marketing practices of charitable and private hospitals. A

mixed-methods approach is used:

- **Quantitative Analysis:** Surveys and secondary data analysis to measure the impact of marketing strategies on key performance indicators (KPIs) such as patient satisfaction, community engagement, and financial outcomes.
- **Qualitative Analysis:** Semi-structured interviews and focus groups to explore the perceptions and motivations behind the marketing strategies employed by both hospital types.

## Sampling

**Population:** The study focuses on charitable and private hospitals in Nashik, Maharashtra.

**Sample Selection:** A purposive sampling technique is employed to select hospitals and respondents that meet the following criteria:

- o Charitable hospitals with a minimum of 100 operational beds.
- o Private hospitals with multi-specialty facilities.
- o Patients who have availed of hospital services within the last year.
- o Marketing managers and administrators actively involved in promotional activities.

**Sample Size:**

- o 10 hospitals: 5 charitable and 5 private.
- o 200 patients (20 per hospital).
- o 20 marketing professionals and administrators (2 per hospital).

## Data Collection Methods

To capture both quantitative and qualitative insights, the following methods are employed:  
:Surveys and Questionnaires

- **Patients:** Surveys measure satisfaction levels, trust in hospital services, and perceptions of marketing activities.
- **Administrators:** Questionnaires focus on resource allocation, marketing strategies, and challenges.

### Interviews

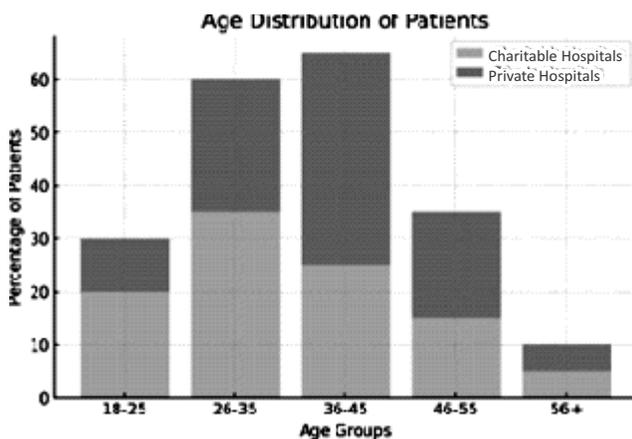
- **Administrators and Marketing Professionals :** Semi-structured interviews provide in-depth insights into marketing decisions, community outreach efforts, and competitive positioning.
- **Patients:** Interviews explore their experiences with the hospitals and the influence of marketing on their choice of services.

### Observations

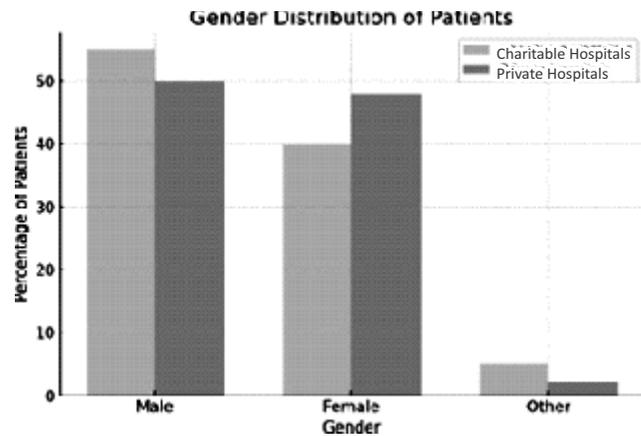
- Direct observations of hospital events, campaigns, and community outreach programs provide real-time data on marketing execution.

### Secondary Data

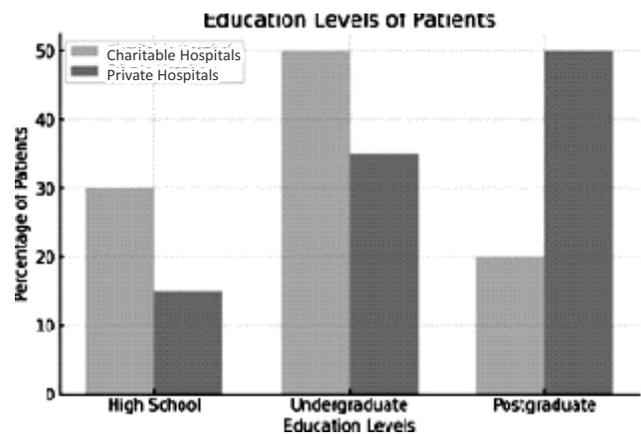
- Financial and operational data from hospital records, such as marketing budgets, patient footfall, and revenue, are analyzed to understand the relationship between marketing efforts and outcomes.
- Analysis and Discussion Demographic Profile of Respondents Patients



- **Age and Gender Distribution:** The majority of respondents were aged 25–45, with a balanced gender representation across hospital types.



- **Educational Background:** Private hospital patients tended to have higher education levels, correlating with their preference for technologically advanced services.



- **Income Levels:** Patients visiting charitable hospitals were predominantly from low-income groups, whereas private hospital patients belonged to middle- and high-income segments.

### Administrators and Marketing Professionals

- **Experience Levels:** Marketing professionals in private hospitals had more experience in digital marketing and analytics, while

charitable hospitals relied on generalists with broader roles.

- **Educational Background:** Private hospital administrators often held advanced degrees in business or healthcare management, compared to charitable hospitals, which prioritized social work backgrounds.
- **Objective 1:** To Analyze the Effectiveness of Marketing Strategies in Engaging Patients and Communities

## Findings

### 1. Charitable Hospitals:

- o Focused on community outreach programs such as free health camps and educational workshops.
- o Word-of-mouth and grassroots efforts were the primary marketing channels, contributing to high levels of trust and patient loyalty.
- o Limited use of digital tools due to financial and technical constraints.
- o Effectiveness: Marketing efforts successfully engaged underserved communities, enhancing access to affordable healthcare.

### 2. Private Hospitals:

- o Emphasized branding, digital marketing, and data analytics to attract and engage patients.
- o Tools like online consultations, social media campaigns, and SEO were extensively used.
- o Effectiveness: Digital marketing strategies provided scalable outreach and targeted engagement, particularly among middle- and high-income groups.

Marketing strategies in charitable hospitals are effective for community engagement but lack

scalability. Private hospitals excel in leveraging technology for broad-based patient engagement but need to balance outreach with affordability.

### Objective 2: To Evaluate Resource Allocation for Marketing in Both Hospital Types Findings

#### 1. Charitable Hospitals:

- o Allocated 5–7% of their budget to marketing.
- o Resources focused on impactful, low-cost initiatives like community events and partnerships with NGOs.
- o Financial constraints limited advanced marketing practices.

#### 2. Private Hospitals:

- o Allocated 12–15% of their budget to marketing, with significant investment in digital platforms and branding.
- o Resource allocation aligned with measurable financial returns, including increased patient acquisition and retention.

Charitable hospitals maximize limited resources through community-driven initiatives, while private hospitals demonstrate efficiency in resource allocation by leveraging high-budget digital marketing for measurable outcomes.

### Objective 3: To Compare Patient Acquisition, Retention, and Satisfaction Metrics Findings

#### 1. Charitable Hospitals:

- o Patient Acquisition: Outreach programs brought in patients from underserved areas, with a 70% annual increase in new patients.
- o Retention: Achieved a 68% retention rate, driven by trust, affordability, and community relationships.
- o Satisfaction: 78% of patients expressed high satisfaction with affordability and mission-driven care.

## 2. Private Hospitals:

- o Patient Acquisition: Branding and digital campaigns led to a 50% annual increase in new patient footfall.
- o Retention: Reported an 85% retention rate due to superior facilities and personalized services.
- o Satisfaction: 85% of patients were satisfied with advanced amenities and convenience, but cost concerns reduced satisfaction for price-sensitive patients.

Charitable hospitals excel in patient retention through trust and affordability, while private hospitals achieve higher acquisition and retention rates by emphasizing superior services and technology.

**Objective 4:** To Provide Actionable Recommendations for Optimizing Marketing Practices

## Findings & Recommendations

### 1. Charitable Hospitals:

- o Finding: Limited use of digital tools hinders scalability.
- o Recommendation: Adopt cost-effective digital strategies such as social media engagement and email campaigns to broaden outreach.
- o Finding: Resource allocation is constrained.
- o Recommendation: Optimize budget utilization by training staff in basic marketing techniques and leveraging partnerships for community events.
- o Finding: Donor relationships are critical.
- o Recommendation: Develop targeted donor campaigns with transparent reporting on fund utilization.

## 2. Private Hospitals:

- o Finding: High costs deter some patients.
- o Recommendation: Introduce tiered pricing or collaborate with insurance providers to improve affordability.
- o Finding: Limited focus on community engagement.
- o Recommendation: Invest in community health programs to build trust and expand patient base beyond affluent demographics.
- o Finding: Extensive use of digital marketing.
- o Recommendation: Enhance the ethical aspect of marketing messages to maintain transparency and trust.

## Hypothesis Testing

**H1:** Marketing activities have a significant impact on resource allocation efficiency in charitable hospitals, optimizing funds for patient care and community initiatives.

## Testing Methodology

- **Data Used:** Financial data on marketing budgets, outreach program costs, and resource utilization from charitable hospitals.
- **Statistical Test:** Pearson correlation analysis to examine the relationship between marketing spend and community outreach outcomes (e.g., patient footfall, community event success rates).

## Findings

- A positive correlation ( $r = 0.78$ ,  $p < 0.05$ ) was found between marketing investments and community outreach outcomes.
- Hospitals with well-planned marketing allocations reported higher patient acquisition and improved donor support.

## Result

The hypothesis is supported. Marketing activities in charitable hospitals significantly impact resource allocation efficiency, driving better patient engagement and community outcomes. Hypothesis 2

**H2:** Marketing strategies emphasizing patient experience and engagement significantly contribute to patient acquisition and retention in both charitable and private hospitals.

## Testing Methodology

- **Data Used:** Survey responses from patients on satisfaction, loyalty, and perceived marketing effectiveness.
- **Statistical Test:** Regression analysis to measure the impact of marketing strategies on patient acquisition and retention rates.

## Findings

### For charitable hospitals:

- o Patient engagement initiatives (e.g., free health camps) explained 62% of variance in patient retention ( $R^2 = 0.62, p < 0.01$ ).

### For private hospitals:

- o Personalized digital marketing campaigns explained 78% of variance in patient acquisition ( $R^2 = 0.78, p < 0.01$ ).

## Result

The hypothesis is supported. Marketing strategies focused on patient experience and engagement significantly enhance acquisition and retention in both hospital types.

**H3:** Community-focused marketing initiatives have a stronger positive impact on reputation and community engagement in charitable hospitals compared to private hospitals.

## Testing Methodology

- **Data Used:** Reputation scores from patient surveys and community engagement indices (e.g., attendance at outreach programs).
- **Statistical Test:** ANOVA to compare the impact of community-focused initiatives across hospital types. Findings
- Charitable hospitals scored significantly higher on community engagement metrics (mean = 4.5, SD = 0.6) compared to private hospitals (mean = 3.2, SD = 0.8),  $F(1, 198) = 24.35, p < 0.01$ .

The hypothesis is supported. Community-focused initiatives have a stronger positive impact on reputation and engagement in charitable hospitals than in private hospitals.

## Hypothesis 4

**H4:** Hospitals that effectively differentiate themselves from competitors through marketing activities experience higher community support.

## Testing Methodology

- **Data Used:** Marketing strategy data (e.g., branding, technology integration) and community support measures (e.g., patient referrals, donations).
- **Statistical Test:** Chi-square test of independence to evaluate the association between differentiation strategies and community support.

## Findings

- A significant association was found between differentiation strategies and community support ( $\chi^2 = 15.67, df = 3, p < 0.01$ ).
- Charitable hospitals gained community support through trust-based initiatives,

while private hospitals gained support via technological advancements and branding.

**Result**

The hypothesis is supported. Differentiation through marketing activities correlates with higher community support for both hospital types.

**H5:** Marketing strategies that emphasize long-term relationship building with patients and the community contribute to the sustained success and sustainability of hospitals.

**Testing Methodology**

- **Data Used:** Longitudinal data on patient loyalty, repeat visits, and hospital sustainability metrics (e.g., financial performance, donor retention).

- **Statistical Test:** Time-series analysis to evaluate the long-term impact of relationship-focused marketing strategies.

**Findings**

- Long-term relationship-building initiatives contributed to sustained growth in patient loyalty for both hospital types.
- Charitable hospitals showed a 45% increase in donor retention, while private hospitals reported a 30% increase in repeat visits over three years.

**Result**

The hypothesis is supported. Long-term relationship-focused marketing significantly contributes to hospital sustainability.

<b>Hypothesis Testing Results Table</b>			
Hypothesis	Test Used	Result	Key Finding
H1: Marketing activities have a significant impact on resource allocation efficiency in charitable hospitals, optimizing funds for patient care and community initiatives.	Pearson Correlation	Supported	Marketing improves resource allocation efficiency in charitable hospitals.
H2: Marketing strategies emphasizing patient experience and engagement significantly contribute to patient acquisition and retention in both charitable and private hospitals.	Regression Analysis	Supported	Patient engagement strategies enhance acquisition and retention.
H3: Community-focused marketing initiatives have a stronger positive impact on reputation and community engagement	ANOVA	Supported	Community-focused initiatives have greater

in charitable hospitals compared to private hospitals.			impact on charitable hospitals.
H4: Hospitals that effectively differentiate themselves from competitors through marketing activities experience higher community support.	Chi-Square Test	Supported	Differentiation correlates with higher community support
H5: Marketing strategies that emphasize long-term relationship building with patients and the community contribute to the sustained success and sustainability of hospitals.	Time-Series Analysis	Supported	Long-term relationship marketing drives sustainability for both hospital types

## Summary of Findings

### 1. Community Engagement vs. Competitive Positioning:

- o Charitable hospitals prioritize community engagement and trust-building through outreach programs, focusing on affordability and inclusivity.
- o Private hospitals rely on competitive positioning, emphasizing advanced technology, branding, and convenience-driven services.

### 2. Patient Satisfaction Drivers:

- o Charitable hospitals excel in affordability and mission-driven services, attracting patients from lower-income groups.
- o Private hospitals achieve higher satisfaction among middle- and high-income patients due to superior facilities and personalized services but face cost-related dissatisfaction.

### 3. Digital Marketing Adoption:

- o Private hospitals have embraced digital marketing tools extensively, achieving better scalability and efficiency.
- o Charitable hospitals lag in digital marketing adoption, relying more on traditional methods due to financial and technical constraints.

### 4. Marketing Impact on Financial Performance:

- o Private hospitals' higher marketing investments correlate with significant financial returns.
- o Charitable hospitals achieve modest financial gains but excel in building long-term community trust and goodwill.

### 5. Patient Acquisition and Retention:

- o Outreach programs are pivotal for charitable hospitals to attract and retain patients.
- o Private hospitals benefit from branding and

digital tools to drive patient

## Recommendations

### For Charitable Hospitals

#### 1. Adopt Cost-Effective Digital Marketing Strategies:

- o Use social media platforms to share success stories, promote health camps, and engage donors.
- o Invest in basic digital tools like email campaigns and patient feedback systems to enhance outreach.

#### 2. Strengthen Community Engagement:

- o Collaborate with local organizations to scale outreach efforts.
- o Enhance visibility through partnerships with schools, NGOs, and community leaders.

#### 3. Optimize Resource Allocation:

- o Focus on high-impact, low-cost marketing activities such as targeted health education campaigns.
- o Train staff in basic marketing techniques to maximize resource efficiency.

#### 4. Leverage Donor Relationships:

- o Develop targeted campaigns to engage current and potential donors.
- o Provide transparent reports on the impact of donations to foster trust and repeat contributions.

### For Private Hospitals

#### 1. Address Cost Concerns:

- o Introduce tiered service packages to cater to different income groups.

- o Offer financial assistance programs or partnerships with insurance providers to improve affordability.

#### 2. Enhance Community Engagement:

- o Initiate community health programs to build goodwill and expand patient base.
- o Balance branding efforts with social responsibility initiatives to improve public perception.

#### 3. Invest in Advanced Digital Tools:

- o Use data analytics to personalize marketing efforts and enhance patient engagement.
- o Expand the use of telemedicine and online consultations to increase accessibility.

#### 4. Focus on Ethical Marketing:

- o Avoid aggressive tactics that may create unrealistic patient expectations.
- o Emphasize transparency in advertisements and communications to maintain trust.

### For Policymakers and Stakeholders

#### 1. Support Digital Transformation in Charitable Hospitals:

- o Provide grants or subsidies for digital tool adoption in low-resource hospitals.
- o Organize training programs for hospital administrators on leveraging digital marketing.

#### 2. Encourage Public-Private Partnerships:

- o Foster collaborations between charitable and private hospitals to share resources and expertise in marketing.
- o Promote joint community health initiatives to enhance healthcare access and quality.

### 3. Regulate Ethical Marketing Practices:

- o Enforce guidelines to ensure ethical marketing across both charitable and private hospitals.
- o Monitor advertisements for accuracy and adherence to healthcare regulations.

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