

# Chapter 1

## Healthcare Marketing, Meaning, Historical Development, Applications, and Current Status

**Kakhaber Djakeli**

*University of Georgia, Georgia*

### **ABSTRACT**

*Artificial intelligence with virtual reality and the overwhelming digitalization in the next 10 years will change the role of healthcare marketing from managing to creation of new health. The dynamic of digital force development and the disruptive technological jump to high competitiveness of healthcare providers will make the role of marketing as the core. The functionality of healthcare and its advantages with professional medical manipulations and diagnosis will relay of modern marketing function to flourish the preventive and active healthcare for everyone to bring the health manipulations to the home of patients and make health the daily substance, utilizing deepest digitalization of relation to patients, insurers, health providers, controllers, and to the new health quality systems into one big, branded family. All this innovative development is today under construction, and they rely on healthcare marketing. The chapter includes the evolution of healthcare marketing from the beginning to advanced stages and the future of healthcare marketing development.*

### **1. INTRODUCTION**

We live in a period of disruptive technologies, especially in such an innovative market what is Health Care. Healthcare is established not only by the market but by the Country too, which tries to win in the peaceful competition against some other countries (Gigauri & Djakeli, 2021). Healthcare marketing is a phenomenon with having long history, started with the first outdoor ads, banners, and city walls, engraved or written, sometimes found by archeologists in ancient cities like Pompey, or seen by tourists, glancing at the walls of rare retained taverns in Old Western Europe (Berkowitz, 2021). This is the time

DOI: 10.4018/979-8-3693-0679-6.ch001

that we can entitle as Marketing before Marketing, in which, Health Elites, sacredly retain their medical wisdom and give knowledge of Medicine only to their family members, trying to hold the Profession of a physician in scarcity as something alike the premium brand. In recent years, healthcare marketing has increasingly focused on personalization and data-driven approaches. Healthcare organizations use patient data to tailor marketing messages, offer personalized health recommendations, and improve patient engagement. Modern healthcare marketing prioritizes patient-centric approaches, focusing on improving patient experiences and engagement. Content marketing, patient testimonials, and educational materials are used to empower patients to make informed decisions about their healthcare. One study suggests that physicians according to marketing, are divided into very interesting segments: a) rule-bound doctors, b) high flyers, c) skeptical experimenters, d) selective majority, and e) conservators. This segmentation mirrors the readiness of some segments to participate in marketing-based and innovative healthcare with clinical trials (Spielmans & Parry, 2010). Even this understanding shows that marketing implementation made clinics more entrepreneurial. The importance of healthcare marketing is growing and as some researchers claim, from evidence-based medicine, companies turned to marketing-based medicine. Now healthcare fully using the concept of marketing, turning the marketing instruments into healthcare ones, but what was the past?

## **2. THE HISTORICAL STAGES OF HEALTHCARE MARKETING**

The use of marketing in the healthcare industry can be divided into some relevant stages.

- a) before the 20<sup>th</sup> century stage can be named the early healthcare marketing period. In this timeframe, the primitive forms of word-of-mouth communications were very relevant marketing instruments, that could be used well in the rural or urban healthcare business. In this period clinics and hospitals, doctors, and nurses were assessed by aperture of reputation. As we know reputation is a time-consuming business and can be achieved through a hardworking process, via awareness and image. At the same time, the awareness of the health organization, doctor, or nurse must be category-based. This type of awareness is called recall. If a doctor, nurse, hospital, or clinic is immediately recalled by the patient having a category need for healthcare, then this is strong awareness, which leads to a positive image and good reputation. About the use of advertising in healthcare and especially in pharmacy, there is historical evidence engraved on the walls of old cities. Especially interesting are the first newspapers advertising some medicaments. It can be said that European pharmaceutical ads had their origins in the 16<sup>th</sup> - 17<sup>th</sup> centuries, especially in the first newspapers. But how can we say that this was marketing if the word marketing only appeared in 1910? Can be signs of marketing before marketing? Logically not, but advertising what now is the part of marketing concept itself is much older than marketing. So we can emphasize that signs of marketing in healthcare appeared before conceptualization of the marketing sciences (Thomas,2008).
- b) because the USA was and remains as a classical marketing country the modern healthcare marketing started there, but with complications. In 1950s marketing was already popular among various industries, but in healthcare it was adopted only in retail and supplier sectors. Until 1980 marketing in healthcare was only promotion concept. Some hospitals in the USA already had departments of marketing but the encouraging point for all nonprofit healthcare organizations was the famous article of Philip Kotler entitled as Marketing for Nonprofit Organizations (Kotler,1975). This ar-

23 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

[www.igi-global.com/chapter/healthcare-marketing-meaning-historical-development-applications-and-current-status/335050](http://www.igi-global.com/chapter/healthcare-marketing-meaning-historical-development-applications-and-current-status/335050)

## Related Content

---

### The Future

(2015). *Flipping Health Care through Retail Clinics and Convenient Care Models* (pp. 226-234).

[www.irma-international.org/chapter/the-future/115803](http://www.irma-international.org/chapter/the-future/115803)

### An Analysis on Supply-Chain-Related Adverse Events

Nebil Buyurganand Paiman Farrokhvar (2018). *Handbook of Research on Emerging Perspectives on Healthcare Information Systems and Informatics* (pp. 123-139).

[www.irma-international.org/chapter/an-analysis-on-supply-chain-related-adverse-events/205124](http://www.irma-international.org/chapter/an-analysis-on-supply-chain-related-adverse-events/205124)

### Care and Koha (Gifts): The Political Power of Narrative

Katherine Hall (2023). *Global Perspectives on Probing Narratives in Healthcare* (pp. 1-11).

[www.irma-international.org/chapter/care-and-koha-gifts/324282](http://www.irma-international.org/chapter/care-and-koha-gifts/324282)

### Strategic and Positive Business Communication for Healthcare

Lela Abdushelishvili (2024). *Modern Healthcare Marketing in the Digital Era* (pp. 236-243).

[www.irma-international.org/chapter/strategic-and-positive-business-communication-for-healthcare/335063](http://www.irma-international.org/chapter/strategic-and-positive-business-communication-for-healthcare/335063)

### Non-Physician Providers

(2015). *Flipping Health Care through Retail Clinics and Convenient Care Models* (pp. 31-48).

[www.irma-international.org/chapter/non-physician-providers/115794](http://www.irma-international.org/chapter/non-physician-providers/115794)