CUSTOMER RELATIONSHIP MANAGEMENT AN OPPORTUNITY OR BURDEN: A HEALTHCARE SERVICE PERSPECTIVE

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Abstract: Hospitals are one of the major contributors to national GDP. Healthcare is one of India's largest sectors, and the sector is expected to expand speedily. Indian patients are now capable of paying more to gain health care services of international standards. This change has provided opportunity for healthcare service providers to take share of patient's healthcare expenditure. For grabbing that opportunity, hospitals have to embrace international technological advances too and customer relationship management is one of such technological strategy. This study has reviewed 40 research articles and white papers for knowing does really CRM provide opportunity to hospitals or it just increases the burden for them. The literature review is presented in three different parts as CRM advantages, CRM issues and CRM in Healthcare.

Keywords - CRM, Databases, Hospitals, Healthcare service providers, Marketing, Patients

I. INTRODUCTION:

In India hospitals are still not considered as a place to go for visit. This study will try to reveal views of different authors about the CRM and Healthcare. Identifying the key department in a hospital which really decides the level of satisfaction amongst its customers is most problematic one because patients are expecting best services in lowermost possible cost and to achieve this, hospitals have to have a firm relationship with patients so that the quality hospitals delivering should not be questioned and linked with price incurred directly. So for understanding how to develop such relationship with patients, hospitals have to take help of CRM tools.

Use of CRM could completely transform the way hospital operates and will have major implications for people, processes and technology. Different ways in which CRM practices can help hospital are -

- Absolute control and exploitation of human resources and distribution of responsibilities.
- More direct correspondence and support of patients.
- Organization and recording of communication with patients, other hospitals, suppliers.
- Organization and follow-up in real time of all departments, operations and material and technical equipment of hospital.
- Scientific analysis and data mining from the hospital data base can be done.

Due to increasing marketing costs, finding a more effective way to reach current and prospective patients has become increasingly valuable. Numerous health care organizations have adopted customer relationship management (CRM) as a solution to better communicate to consumers and increase revenue. Trends in hospital marketing are shifting, and health care organizations are changing their views on how to reach consumers. Health care organizations are now using CRM solutions to implement nontraditional marketing strategies and speak directly to each individual consumer. Due to such situations competition and cost involved to grow has increased significantly. And healthcare players are rethinking and realigning their organizational structures and strategies to satisfy needs and desires of their key customers. Key customers in this case are Physicians and Patients. A triangular relationship is considered to be beneficiary for all three i.e. Healthcare service Providers, Physician and Patient. So the literature review for this study has been divided into three parts after giving definitions of CRM. The first part discusses about advantages and applications of CRM, in second part the discussion is about issues of CRM and the third part comprises of discussion related to CRM in healthcare.

II. DISCUSSION:

2.1 Customer Relationship Management Definitions:

In tough economic times, businesses have three selections: ignore the situation, accept defeat, or take control. The first two options—doing nothing and riding out the storm or accepting the pounding—can be paralyzing, with devastating consequences. However, by taking control, businesses can stay ahead of competitors, grow market share, and ensure viability in all types of market conditions. One way to take control is to consider all your options when it comes to your people, your processes, and your technologies. How can you make your people more productive? How can you streamline your sales processes to minimize mistakes and maximize efficiency? And what technologies can help you achieve those goals quickly and cost-effectively? (White Paper, Salesforce.com, 2010).

CRM can be defined as a business tactic that goes past increasing transaction volume which has objectives to increase profitability, revenue, and customer satisfaction and to achieve CRM, a companywide set of tools, technologies, and procedures promote the relationship with the customer to increase sales are required. Foremost cost objectives of CRM include increase revenue growth through customer satisfaction, reduce costs of sales and distribution & minimize customer support costs (Gray et al, 2001). Stretched list of relationship variables which is required for effective customer relationship management are commitment trust, cooperation, mutual goals, interdependence/power imbalance, performance satisfaction, comparison level of the alternatives, adaptation, non-retrievable investments, shared technology, summative constructs, structural bonds and social bonds (Wilson, 1995).

Customer Relationship Management is a business strategy, which creates superior value and profitability through a comprehensive and systematic approach to efficiently acquire, collaboratively manage and efficiently retain the right customer. And also it is a inclusive approach which provides continuous integration of every area of business that touches the customer - namely, marketing, sales, customer service and field support - through the integration of people, process and technology, taking advantage of the revolutionary impact of the internet" (Kadiyala et.al, 2006). CRM also refers to managing customers one at a time: usually through automated or database-driven marketing interventions. CRM, however, differs from traditional direct marketing because it usually involves customer contact over a variety of contact media (e.g., direct mail, Internet contacts, personal selling contacts, telephone contacts, etc.) (Rust et al, 2006). CRM can be defined as a customer centric strategic business process, aimed at establishing, nurturing, enhancing and terminating relationship with customers, at a profit, so that the objectives of both the partners involved are met through mutual exchange and fulfillment of promises (Jain et al, 2007). CRM has established an approach based on keeping positive relationships with customers, enhancing customer loyalty, and expanding customer lifetime value. The soft aspects of CRM change management involve influencing people's feelings, attitudes, mindsets, and behaviors to achieve support for a CRM change (Desai & Sahu, 2008). CRM has been defined as a corporate approach that incorporates people, process and technology to maximize relationships with all customers, through the seamless coordination between all customer-facing functions (Bailey, 2008).

CRM is about understanding the nature of the exchange between customer and supplier and managing it appropriately. The exchange contains monetary considerations between supplier and customer – but also communication. The task to all supplier organizations is to augment communications between parties to safeguard profitable long-term relationships. CRM is a key focus for many organizations now as a shift away from customer acquisition toward customer-retention and churn reduction strategies dictates a need for best practice CRM processes. CRM is a business enterprise strategy which aims at income maximization, expense reduction and customer satisfaction. The CRM application constitutes an advanced administrative practice succeeding the traditional administrative approaches and informative administration systems (Georgakas, 2009).

CRM is the design, development, implementation, maintenance and optimization of long-term, conjointly valued relationships between customers and companies (Robert, 2011). CRM is both a business policy and a set of separate software tools and technologies, with the objective of reducing costs, growing revenue, knowing new opportunities and channels for expansion, and refining customer value, satisfaction, profitability, and retention (Gary B. Grant and Greg Anderson, 2002). Customer Relationship Management (CRM) is a method by which a company makes best use of customer information in an effort to upsurge loyalty and retain consumers' business over their lifetimes (Suresh, 2002).

CRM is a technology-enabled business management instrument for developing and leveraging customer understanding to cultivate, maintain, and fortify profitable relationships. CRM applications can be classified into operational or analytical. Operational CRM contains automation of sales, marketing, and customer support with a view to making these functions more efficient and effective. Analytical CRM refers to the technologies that aggregate customer information and provide analysis of the data to improve business decisions and actions (Raman et al, 2006).

Marketing is to establish, maintain, and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. This is realized by a mutual interchange and fulfillment of promises. CRM is a comprehensive strategy and process of acquiring, retaining, and associating with selective customers to create greater value for the company and the customer. It involves the assimilation of marketing, sales, customer service, and the supply-chain tasks of the organization to achieve greater efficiencies and effectiveness in delivering customer value (Parvatiyar & Sheth, 2002). An effective CRM strategy will enable the enterprise to utilize all of its resources when interfacing with a customer, including marketing, sales, finance, and manufacturing, as well as post-sales services (Anderson & Stang, 2000). The basic model for CRM contains a set of 7 basic components: 1. A database of customer activity, 2. Analyses of the database, 3. Given the analyses, decisions about which customers to target, 4. Tools for targeting the customers, 5. How to build relationships with the targeted customers, 6. Privacy issues and 7. Metrics for measuring the success of the CRM program (Winer, 2001). Customer relationship coordination guides the organization's approach towards initiating, maintaining, and terminating customer relationships. Customer relationship coordination establishes a communal mind for the organization where employees endorse their roles consistent with organizational demands that reflect customer relationships to be an asset. Therefore, customer relationship positioning will inculcate a belief system that underlines the importance of long-term associations with customers and the importance of retaining valuable customers (Jayachandran et al, 2005). Customer satisfaction may boost organizational performance through higher prices and lower customer acquisition and retention costs. Customer retention improves profitability because it is considered cheaper to retain an existing customer than acquire a new customer. High quality customer relationships create customer assets of high value that provide a steady stream of future revenues (Jayachandran et al, 2005).

CRM workflow has three steps 1) Collecting Customer Data and Information, 2) Analyzing Data to Predict Customer Behavior, 3) Marketing Campaigns: Applying the Results of Analysis and 4) Measuring Results, Revising Hypotheses and Repeating this Workflow Process (Ueno, 2006). The customer's perceptual filters which could have an impact on encounter satisfaction are: i) Brand image ii) Mood & iii) Perceived risk (Kaul et al, 2008). CRM helps companies to improve the profitability of their interactions with customer while at the same time making the interactions appear friendlier through individualization. To be successful with CRM, companies required to match products and campaigns to prospects and customers-in other words, to intelligently manage the customer life cycle. Customer Relationship Management in its broader sense simply means managing all customer interactions, this requires using information about customers and prospects to more effectively interact with customers in all stages of relationship with them. The customer life cycle has three stages 1) Acquiring Customers, 2) Increasing the value of the customer and 3) Retaining good customers (Edelstein, 2009).

CRM is a business strategy that goes beyond increasing transaction volume, its objectives being to increase profitability, revenue and customer satisfaction. To achieve these goals a company needs to use a wide set of tools and technologies and adopt various procedures aimed at promoting its relationship with the customer in order to increase sales. CRM can be defined as a comprehensive strategy and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer. It involves the integration of marketing, sales, customer service, and the supply chain functions of the organization to achieve greater efficiencies and effectiveness in delivering customer value (Nath et al, 2009). CRM is a kind of continuous relationship marketing and it seeks for the most valuable customers for companies. It is the systematic strategy of companies to increase the profits, customer-oriented core process from outer to inner and the operating strategy integrating the channels, front and back business, database, customer analysis and information technique application. It understands each customer entirely, retains the existing customers, and competes for new ones through every channel to enhance lifelong value of the customers (Ching-Kuo Wei, 2010).

CRM refers to all business actions focused towards initiating, maintaining, and developing effective long term relational exchanges. CRM is the promotion of customer loyalty which is well-thought-out to be a

relational phenomenon. To understand the concept of CRM practices, it is vital to identify the key concepts of CRM. Consumer decision making in marketing organizations is supposed to be conducted by high order mental paradigms such as consumer satisfaction, perceived service quality, perceived value, trust and commitment (Gbadeyan, 2010). Customer relationship management is a process of achieving and maintaining an ongoing relationship with customers across multiple customer touch points through differential and tailored treatment of individual customers on their likely responses to alternative marketing programs ,such as contribution of each customer to overall profitability of the firm is maximized (Lalitha & Prasad, 2012). Principal components of Customer Relationship Management (CRM) are namely People, Process and Technology with respect to Perceived Service Quality (PSQ); the researcher used multiple regression analysis (Parida & Baksi, 2011).

The scope of CRM is very wide and includes different aspects like customer satisfaction, service quality, relationship quality, trust, loyalty, commitment, customer retention etc. Behavioral dimensions have found to play a critical role in determining the effectiveness of the CRM programmes (Jain & Bagdare, 2011).

2.2. PART A: Advantages and applications of CRM

2.2.1. Advantages or purpose of CRM:

CRM has many benefits like Single view of customer data, Immediate, Real-time Information Availability, Knowing and Understanding your customers better, Knowledge Retention, Lost Leads Reduced, Standardized, Best Business Practice Enforcement, Automation of time-consuming tasks etc. (Anderson & Stang, 2000). The purpose of CRM is to develop marketing productivity and to improve mutual value for the parties involved in the relationship. Enhanced marketing productivity and forming mutual values can be attained by increasing marketing efficiencies and improving marketing effectiveness. By pursuing and realizing operational objectives such as lower distribution costs, streamlining order processing and inventory management, reducing the burden of excessive customer acquisition costs and by considering the economics of customer retention, firms can achieve greater marketing efficiencies. They can also improve marketing efficacy by cautiously selecting customers for their various programs, by individualizing and personalizing their market offerings to forestall and serve the emerging needs of individual customers, by building customer loyalty and commitment, by uniting to enter new markets and cultivate new products, and by redefining the competitive field for their company (Parvtiyar & Sheth, 2002).

The CRM business strategy applied in service industry like Higher Education allows the customer to call one number for all his or her needs, enabling the service request to be completed in one call (Gary B. Grant and Greg Anderson, 2002). The primary goals of CRM are to build long term and profitable relationships with chosen customers, to get closer to those customers at every point of contact and to maximize your company's share of the customer's wallet (Suresh, 2002).

Table No. 1 Constructs and its description

Sr. No.	Constructs of CRM	Description
1	Power distance	Degree to which a society accepts a unequal distributions of power
2	Individualism	Degree to which society values independence vs, group membership
3	Masculinity	Degree to which society defines achievement in terms of acquisition of material possession
4	Uncertainty avoidance	Degree to which society tolerates ambiguous situations
5	Confucius Dynamism	Focus towards future
6	Infrastructure development	Structural elements that provide the supportive framework such as, roads, telecommunications, computers, internet, broadband etc.
7	Institutional Environment	Institutions within a country that regulates and influence CRM change management

Source: Desai et al, 2008

For enterprises, the main competitive advantages brought about by CRM are: (1) upgrading loyalty; (2) increasing business volume; and (3) trimming the costs. Chen (2000) believed that CRM can bring many benefits for an enterprise, the main items being (1) increasing profits (2) increasing profit rate; (3) reducing costs; (4) upgrading concentration of the market; (5) reducing cycle times of implementation of new sales activities; (6) increasing times of small-sized target marketing and; (7) increasing knowledge (Nath et al, 2009).

The multiple profits from the adoption of CRM would help the organism in the following cases Absolute control and exploitation of human resources and distribution of responsibilities, More direct correspondence and support of patients, Organization and recording of communication with patients, other hospitals, suppliers, Organization and follow-up in real time of all departments, operations and material and technical equipment of hospital, Reduction of functional cost of the hospital and in general reduction of the health related costs, Scientific analysis and data mining from the hospital data base (Georgakas, 2009).

2.2.2. Applications of CRM

CRM helps organizations to understand key customer groups, define what customers need and value, target customer groups, modify products and services for customers, sophistication of channel strategies, measure customer activity in relation to marketing campaigns, new product introductions, etc. (Anderson & Stang, 2000). Several factors have contributed to the rapid development and evolution of CRM. These include reducing number of intermediaries due to the advent of sophisticated computer and telecommunication technologies that allow producers to directly interact with end-customers. For example, in many industries such as the airline, banking, insurance, computer software, or household appliances industries and even consumables, the above said process is fast changing the nature of marketing and consequently making relationship marketing more popular (Parvtiyar & Sheth, 2002).

CRM has the ability of a truly robust set of institutional processes and tools to bring the entire institution together around its people (Gary B. Grant and Greg Anderson, 2002). Any organization which has following capabilities can enable CRM implementation. Capabilities are team orientation, systems orientation, Learning orientation, memory orientation, business process orientation, customer centric orientation & task-technology fit. (Raman et al, 2006). For service sectors a scale is defined to measure CRM effectiveness, known as CUREL. This scale has eight factors which are 1) Proactivity 2) Concern for customers 3) Customer centricity 4) Technology orientation 5) Personal touch 6) Modesty 7) Ethical practices and 8) Promotion through customers (Jain et al, 2007).

The simple steps of data mining for operational CRM are 1) define business problem, 2) build marketing database, 3) explore data, 4) prepare data for modeling, 5) build model, 6) evaluate model, 7) deploy model and results (Edelstein, 2009). CRM is the outcome of the continuing evolution and integration of marketing ideas, organizational forms, and data and technologies. Customer relationship management effectiveness (CRME) construct centers on three key elements: IT, relationship marketing (RM) and organizational climate (OC) (Chen et al, 2009).

A seven major CRM component's model is identified as (1) Customer Prospecting (CP); (2) Relations with Customers (RP); (3) Interactive Management (IM); (4) Understanding Customer Expectation (UCE); (5) Empowerment (EMPER); (6) Partnership (P) and (7) Personalization (PE) (Gbadeyan, 2010). Many industries have learned customer service initiatives increase business and maximize revenue through more purchases, return visits and word-of-mouth advertising. Hotel and resort operators such as Ritz-Carlton and Disney and retailers such as L.L. Bean and Zappos are perhaps best known for exceptional customer service (Schwartz, 2011). CRM has few dimensions that determine its effectiveness in organizations, which are Customer Orientation, Responsiveness, Relationship Orientation, Personalization, Consistency, Reliability, Gestures and Modesty etc. (Jain et al, 2011).

2.3 PART B: Problems with CRM

Some problems which may occur during hospital marketing by implementing CRM are discussed in this part. The hospital implements marketing programs without supporting information or decision structure review; The hospital collects marketing and planning information, makes recommendations, and develops programs but never implements them; The hospital understands marketing only in one of its dimensions (i.e., the selling function, or the promotional function); therefore, hospital marketing programs are one-dimensional; The hospital discovers that assumed relationships between the environment and marketing programs are invalid; The hospital finds that carefully developed plans take too long to receive approval and

that the factors which existed while the plans were being developed have changed by the time they were implemented; and The hospital undertakes aggressive selling of marketing and raises unrealistic expectations that cannot be fulfilled (George, 1985)

CRM implementation needs an information system that shares relevant customer information through all interface units. Relational databases, data warehousing, and data mining tools are very valuable for CRM systems and solutions. The major task is to develop an integrated CRM platform which collects relevant data input at each customer interface and concurrently provides knowledge output about the strategy and tactics suitable to win customer business and loyalty (Parvtiyar & Sheth, 2002). Four risks to be avoided by companies which authors found are 1) implementing CRM before creating a customer strategy, 2) rolling out CRM before changing your organization to match, 3) assuming that more CRM technology is better and 4) stalking, not wooing customers (Rigby, 2002).

CRM in some cases is failed because of some of following reasons 1) Implementing CRM before creating a customer strategy, 2) Rolling out CRM before changing the organization to match, 3) Assuming that more CRM technology is better and 4) Stalking, Not wooing, Customers (Ueno, 2006). The common drawbacks of CRM include Viewed as a technical, not a business, problem, driven from the top to down, lack of senior management involvement, not targeting the areas of uppermost adoption, driven by the fight between IT organization & business leaders and trying to do too much at once (Bailey, 2008). Patients while making decision about hospitals for the healthcare service, give importance to following factors in sequence of their importance level 1) Comparative Staff Cooperation Level, 2) Staff Cooperation at Reception, 3) Comparative Initial Waiting Time, 4) Waiting Time, 5) Comparative Hygiene Level, 6) Comparative Infrastructure, and 7) Noise Level (Kaul et al, 2008). The challenges in adopting CRM strategies can be potted as 1) Retaining clients in an increasingly competitive commoditized and commercial market. 2) Managing opportunities for optimum productivity 3) Coordinating the specialized activities of multi-functional teams 4) Developing and retaining corporate knowledge 5) Cross-selling products 6) Workflow management 7) Flexible product configuration (Nath, 2009). The perception of CRM by organizations is still vague and unclear. The failure to understand the business benefits of the CRM system is one of the major causes of failure in CRM initiatives (Rababah et al, 2011).

2.4. PART C: CRM in Healthcare

The CRM model comprises four basic constructs: 1) perception of performance; 2) confirmation of expectations concerning performance and perceptions of equitable treatment; 3) overall satisfaction; and 4) intentions to revisit or avoid the hospital in the future. The model suggests that patient's insights of hospital performance (indicated by attribute satisfaction) would influence the extent in which patients' overall expectations would be met. Confirmation, subsequently, would affect overall satisfaction with the hospital. Both overall satisfactions and perceptions of hospital performance would influence the patient's intention to visit the hospital again, given a future need for such services. Simultaneous examination of the interrelationships among these variables has not been reported previously in studies of health care satisfaction (Swan, 1985).

There are ten elements of service quality which can be applied to healthcare services reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding the customer and tangibles (Woodside, 1989). CRM programs shift hospital marketing efforts from a sickness to wellness model, which means the health care organization delivers its market with information designed to maintain or improve health. Therefore, when individuals do require health care, they choose the provider with whom they've had an ongoing educational and wellness relationship (Poddison, 2001). The concept of service quality has led to the growing research on various concepts such as total quality management, market orientation, learning orientation, strategic orientation along with invigorating focus on the customer loyalty and relationship management. Service quality is nothing but the measure of Customer Relationship Management and Loyalty. The outcomes of service quality are most significant performance measurement tools in the present competitive market (Chahal, 2008). A hidden Markov model of relationship management allows one to probabilistically identify the customer's state of relationship at any given time and enables comparing the impact of alternative customer-firm encounters on moving the customer to a higher state of relationship (Netzer, 2008). A customer service can be regarded as a process that consists of actual steps to satisfy customer requirements. For analyzing customer expectations and designing customer service, a customer service process model is required. A better service design provides the key to market success and growth. In service industry, there is still a gap in the rigorous process design standards prior to

introducing new services. Before implementing or initiating any changes in the service processes, it is essential to identify bottlenecks and rationalize those (Kaul et al, 2008).

As economically insubstantial, crisis oriented organizations functioning in a period of thoughtful changes; rural hospitals necessitate a systems approach for achieving and sustaining widespread performance superiority over time. The serious elements in rural hospital system are outlined below 1) a performance framework, 2) an empowering culture, 3) ongoing staff and board education, 4) a fully staffed and skilled workforce 5) ongoing process improvement 6) comprehensive leadership development 7) technology 8) participation in partnerships and networks 9) access to capital and 10) access to outside technical expertise (Hill, 2009).

Table No. 2 Correlation analysis between outpatient service customers' characteristics and importance & satisfaction with hospital service

Conditions	Correlation Test	Possible Reasons
There is a negative correlation Between age and importance	-0.124**	Younger customers are more educated and Importance and expectation upon medical Items are upper; older customers do not disclose high degree of importance
There is a positive correlation Between educational level and Importance	0.104*	When the customers' educational level is Higher, they are more likely to absorb Professional medical knowledge, and tend to expect the service in Far Eastern Memorial Hospital
There is a positive correlation Between average Transportation time and Importance	0.010*	When the customers' regular transportation time is longer, it means that they incline towards trust and rest on Far Eastern Memorial Hospital.
There is a positive correlation Between registration method Mostly used and importance	0.106**	The customers' registration method mostly Used refers to higher revisit rate in Far Eastern Memorial Hospital
There is a positive correlation Between age and satisfaction	0.053**	Since older customers are mostly the patients with chronic diseases. They tend to rely on the service of Far Eastern Memorial Hospital
There is a negative correlation Between educational level and Satisfaction	-0.068**	The customers with higher educational level usually criticizes and have opinions on the internal environment and medical quality of the hospital and it will reduce their satisfaction
There is a negative correlation Between the transportation to The hospital and satisfaction	0.040*	When customers have more choices for Transportation to the hospital, their satisfaction Will be enhanced

**significance level is 0.01,*significance level is 0.05
Source: Ching-Kuo Wei et al, 2010.

Many current patient satisfaction studies have investigated how patients combine their attribute reactions (how they react to each attribute, such as nursing care and physician care) to arrive at their overall sense of satisfaction. Different studies have used a scatter term to recognize whether patients use a risk averse

strategy or a risk seeking strategy. The scatter term is a standard deviation of all attribute reactions. The details of these terminologies are explained later with an example. These studies have established that patients do not just combine their attribute reactions with the attribute's weights to generate their overall sense of satisfaction. Rather, patients may be inexplicably influenced by a weak or a poorly perceived facet of an attribute (Otani et al, 2010).

Healthcare organizations need marketing strategies that capitalize on consumer Internet behavior and information needs. Marketing via the Internet must be viewed as an essential component of a healthcare organization's marketing strategy. Internet marketing provides a means to communicate information and improve the quality of the consumer experience (Revere, 2010). A hospital's main objectives are usually humanitarian, philosophical or regulatory and constructed on some perceived need. Nevertheless, the problem may ascend due to the difference in patient's needs and wants. They want smiling, empathetic nurses and staff, a wide selection of food for their meals and a quick response to their calls. Patient's satisfaction in a hospital is basically the patient's state of mind. It is the ability of the hospital service to meet the expectations of the patient (Solayappan, 2010). The doctor concern is the greatest important factor affecting customer satisfaction and customer loyalty and the staff concern is the second most important factor affecting customer satisfaction and customer loyalty towards hospitals. In addition to these two factors tangibles and convenience of the care process were other important factors influencing corporate image of the healthcare service providers (Laohasirichaikul et al, 2011).

The concept of CRM applies to health care if we replace the words customers and organizations with physicians and hospitals and rename the approach provider relationship management (Schwartz, 2011). The healthcare flywheel shows how organizations can create momentum for change by engaging the passion of their employees to achieve bottom-line results. Components of Flywheel are 1) Prescriptive to dos, 2) Bottom-line results, & 3) Self-Motivation. Patients receive better care, employees take pride in working for such an excellent organization, physicians refer more patients, revenues increase, leaders are more equipped lo lead, and training is recognized as essential (Studer, 2004).

Customer Loyalty of hospitals can be affected by four dimensions which are 1) Empathetic behavior of nursing staff, 2) Tangibles of the service, 3) Assurance of the service, and 4) Security (Boshoff et al, 2004). Several external forces are constraining hospital administrators and thus require effective response. The public, through elected officials, has begun to require accountability from providers of health care services (Robinson, 1980). The model for understanding hospital marketing processes and relationships is divided into three parts: (1) data inputs; (2) decision structures; and (3) marketing outputs. Each part is further divided into two functional areas. *Data inputs* consist of marketing research and planning information. Raw data for processing is collected from the hospital's external environment and is filtered through the marketing research and planning processes (George, 1985). How consumers determine the level of quality of a healthcare organization is crucial in the consumer decision making process. One of the key tasks for healthcare marketers is increasing or improving the consumer's perception of the organization's quality, and the Internet is a perfect tool for accomplishing this task. Healthcare marketers can use the Internet to provide quality strategy, performance, and outcome information, with varying levels of detail, to secure current consumers and solicit new customers (Revere, 2010). Relationship marketing is a business practice that focuses on the long term customer relationship. The new understanding brought the concept of relationship marketing to marketing theory and practice is related to keeping existing customers and building strong long term relations instead of looking for new customers continuously. A marketing orientation is, thus, the latest need for the image upgrading of the hospital. The main task of a marketing orientation is to determine the needs and wants of their customers / patients and to satisfy them through design, communication, pricing and delivery of appropriate and competitively viable products and services (Solayappan, 2010).

CONCLUSION:

From this literature review study it can be concluded that CRM if implemented with prior strategies and its proper implementation. CRM implementation in healthcare sector requires a different approach than other service sectors as healthcare services deals with different types lsf customers. Also it is observed that very few studies have been carried out on patient relationship marketing. The customers of healthcare services i.e. patients do not like to purchase services from hospitals unless and until necessary, so they have to be marketed and positioned in unique way. It can be concluded from above literature review that CRM in healthcare is challenging but not impossible.

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