

Strategy Formulation for Digital Marketing for Medicity: A Study on Kazakhstan

By

Diksha Sabharwal

*Dissertation submitted for the partial fulfillment of the
MBA Hospital and Health Management*

Academic year, 2016-2018



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TO WHOMSOEVER MAY CONCERN

This is to certify that **Miss. Diksha Sabharwal** student of MBA Hospital and Health Management from The IIHMR University, Jaipur has undergone dissertation at **Medanta- The Medicity, Gurugram** from **26th Feb 2018 to 20th May 2018**.

The Candidate has successfully carried out the study designated to her during dissertation training and her approach to the study has been sincere, scientific and analytical.

The Internship is in fulfillment of the course requirements.

I wish her all success in all her future endeavors.



Dr (Col) Ashok Kaushik

Dean, Academics and Student Affairs

The IIHMR University, Jaipur



Dr. Seema Mehta

Associate Professor

The IIHMR University, Jaipur

Certificate of completion of Dissertation

The certificate is awarded to

Diksha Sabharwal

In recognition of having successfully completed her
Internship in the department of

Digital Marketing

and has successfully completed her Project on

**A study on opportunistic market in Kazakhstan for Medanta: Analysis and
Strategy formulation**

Date- 26th February to 20th May, 2018

Organization – Medanta- The Medicity, Gurgaon

She comes across as a committed, sincere and diligent person who has a
strong drive and zeal for learning.

I wish her all the best for future endeavors.



Mr. Riju Mathew
Senior Manager
Digital Marketing

CERTIFICATE BY SCHOLAR

This is to certify that the dissertation titled **Strategy Formulation for DIGITAL Marketing for Medicity: A study on Kazakhstan**, submitted by **Diksha Sabharwal**, Enrollment No. 0411 under the supervision of **Dr. Seema Mehta** for award of MBA in Hospital and Health Management of the University carried out during the period from 26th February to 20th May, 2018 embodies my original work and has not formed the basis for the award of any degree, diploma associate ship, fellowship, titles in this or any other institute or other similar institution of higher learning.

A handwritten signature in blue ink, appearing to read 'Diksha S.', with a horizontal line underneath the name.

Signature

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I would first like to thank my mentor Mr. Riju Mathew, Senior Manager, Medanta. The door to his office was always open whenever I ran into a trouble spot or had any question. He consistently allowed this project to be my own work, but steered me in the right direction whenever he thought I needed it.

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Diksha Sabharwal

MBA-HM (2016-2018)

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ABSTRACT

Strategy Formulation for Digital Marketing for Medicity: A study on Kazakhstan

BACKGROUND: Kazakhstan is the largest country of the Central Asia. It is considered to be the world's ninth biggest country by size, and is more than twice the size of the other Central Asian states combined.

RESEARCH QUESTION: To formulate the Digital Marketing Strategy for attracting medical tourism from Kazakhstan

OBJECTIVES:

1. To find the Target Customer Group for Medanta services in Kazakhstan.
2. To identify the most appropriate medical services to be advertised.
3. To find the most appropriate Digital Marketing platform to reach target customer group.

METHODOLOGY:

- Study period: The study was conducted for the duration of three months of February 2018 to May 2018.
- Data Collection Methods: Secondary data on Kazakhstan health profile from published reports and from the department dealing with the international patients in the hospital.

RESULTS: The actual health status of the country is very poor due to the unavailability of proper healthcare facilities, infrastructure, medical specialists, shortage of beds, not so advanced medical facilities. Government has initiated and is starting new schemes also to cover people's insurance policies or schemes. The top diseases that are prevalent in the country are: Coronary heart disease (21.79), Lung diseases (13.23), Stroke (10.81), Cancer (Lung, Breast, Stomach, Pancreas, Colon-Rectum, Ovary, Cervical, Prostate- 10.19). The online behavior amongst the people of the country has also been observed. It is seen that the people use facebook.com, olx.kz, vk.com the most.

CONCLUSION: On the basis of the study it was found that the strategies that can be implemented are:

Age- People of age group 25-54 should be targeted since most of the Coronary Heart Disease, Lung Disease, Stroke, and Cancer are prevalent amongst the people of this age group. **Employment-** People of the country are ready to spend on healthcare outside the country because of unavailability of same within the country. Most appropriate medical services to be advertised. Due to lack of healthcare facilities in

the country and prevalence of diseases like Coronary Heart Disease, Lung Disease, Stroke, Cancer should be focused upon. Appropriate Digital Marketing platform to reach target customer group Language- Kazakh, Websites- facebook.com, olx.kz, vk.com, Medium- targeted ads in left side bar, sponsored post in news feed, paid post in groups and fan pages.

Key words: CIS Countries, Kazakhstan, Medical Tourism, Target Customer Group

INTRODUCTION

Medical Tourism is a journey that patients take from one country to another country to get cost effective and efficient medical treatment, followed by a great vacation at some of the most beautiful locations is called medical tourism. In simple terms, the medical tourism refers to “visit by overseas patients for medical treatment and relaxation”. Thus, it is an amalgamation of two distinct services: healthcare and tourism. Although the medical tourism is a recent phenomenon, this sector grows exponentially and emerges as a major force for the growth of services exports worldwide. Currently, it is a multi-billion dollar industry. Now more and more overseas patients travel abroad to get medical treatments, which include electric procedures as well as complex specialized surgical procedures such as joint replacements (hip/knee), cardiac surgeries, cosmetic surgery, and dental surgery. India is one of the major players in this industry.

Kazakhstan is by far the largest country of the Central Asia. It shares its borders with Russia, China and the Central Asian countries of Kyrgyzstan, Uzbekistan and Turkmenistan. It is considered to be the world's ninth biggest country by size, and is more than twice the size of the other Central Asian states combined. Country has a rich oil and metal source. Lack of healthcare facilities inside the country has been observed. (As per the source, Kazakhstan spends only 4.2% out of their total GDP on healthcare, which is least as compared to the other member states)”. ”

Table:1 Health status of Kazakhstan

Indicator	Current status	Change observed since 2005
Life expectancy	72.3 years	6.4 increased
TFR	2.2	
Total Mortality Rate	7.44	28% decreased
Infant Mortality Rate	8	43.4% decreased
Maternal Mortality Ratio	12	68.6% decreased

Source: Republican Centre for Health Development, 2016

Table:2 Mortality by causes in Kazakhstan

Diseases	Mortality by causes (per 100,000) 2016	Change observed since 2005
Diseases of the Circulatory system	178.9	66.6% decreased
Diseases of the Respiratory system	102.1	73.9% decreased
Malignant neoplasms	90.2	26.4% decreased
Accidents, poisoning and trauma	75.1	49.2% decreased

Diseases of the digestive system	71.0	43.7% increased
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Source: Republican Centre for Health Development,2016

Healthcare expenditure

Sharp decline in GDP has been noticed during 2014 to 2016. It was 4.3 % in 2014 and 1.1% in 2016.

Rationale:

Lack of proper medical healthcare facilities inside the country.

Table:3 Existing Healthcare infrastructure in Kazakhstan: medical organizations (2017)

Hospital	Number	Comparison between public and private sector
Inpatient hospitals	840	80% public, 20% private
Outpatient hospitals	2718	68% public, 32% private
Total hospital beds	87287	48.7% hospital beds per 10,000

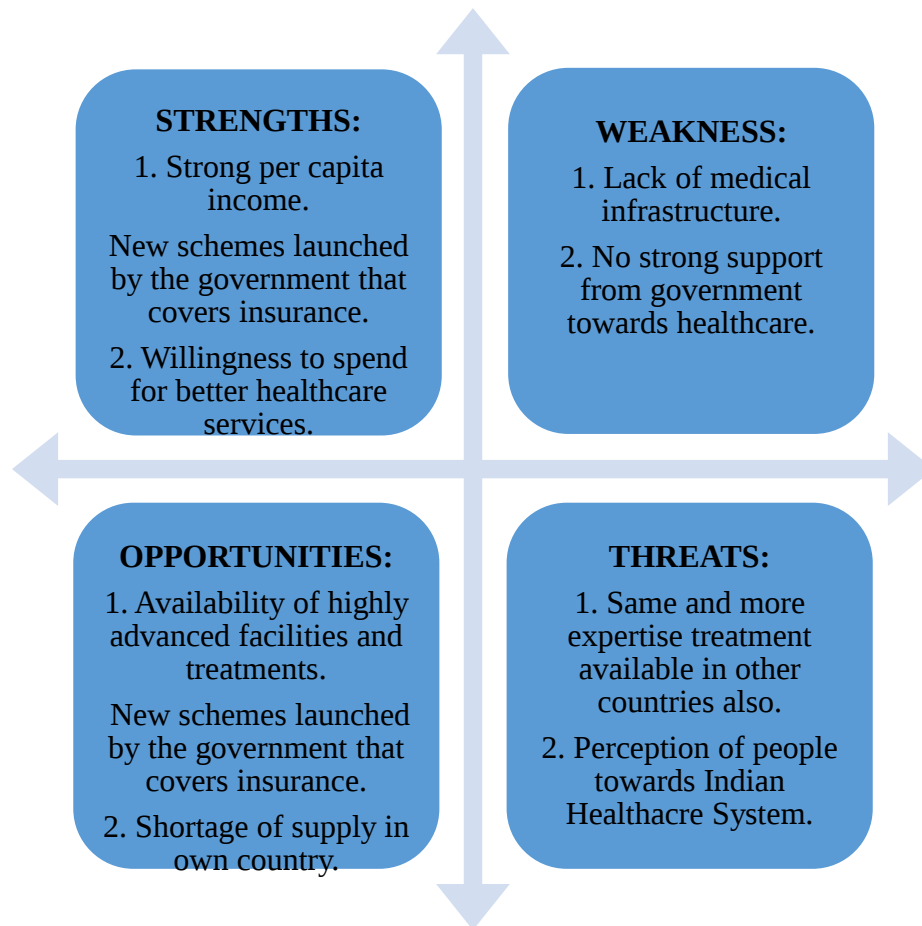
Source: Republican Centre for Health Development,2016

Insurance coverage:

The voluntary health insurance market in Kazakhstan is currently dominated by various companies. In 2009, 1.2% of the population was covered by Voluntary Health Insurance. The minimum insurance premium is US\$ 70 (with a benefit cap of US\$ 900), the maximum premium is US\$ 2000 (with a benefit cap of US\$ 30,000). In Kazakhstan shared responsibility for health system exists, this refers to the idea that workers, employers and the government all participate equally in the financing of healthcare and the maintenance of public health and healthy lifestyles.

As per the new law by the Government of Kazakhstan, a scheme has been started according to which from 2017 employers will be contributing for compulsory health insurance payments (2% of their salary) and in the same scheme it has been marked that from 2019 employees will be contributing the same(5% of their salary). The clubbing of both employers and employees contribution will be a great step in the field. Since, Government will be paying the amount to the clinics and hospitals (Alexandr,2017).

SWOT of Kazakhstan:



Jensen S, et.al; Dawn S K et.al, Obermann et al. states that the country has strong per capita income which means that they are ready to spend on services for better healthcare but lack of healthcare services in their own country and availability of highly advanced facilities and treatments in Medanta provides an opportunity to attract the patients from Kazakhstan. But, perception of people of Kazakhstan towards Indian Healthcare System and presence of highly advanced expertise in other countries also can be a threat to the hospital.

LITERATURE REVIEW

According to Dr. Suman Kumar Dawn et al. Medical tourism is a fast growing multibillion- dollar industry around the world. It can also be termed as an economic activity that entails trade in services and represents the mixing of two of the world's largest industries: medicine and tourism. Popularity for the growth of medical tourism in India is because of the long waiting lists, the low cost of medical treatments in India than the other developed countries, the affordable international air fares and favorable exchange rates, the Internet; with the development of communications, new companies have emerged who acts as middlemen between international patients and hospital networks, giving patients easy access to information, prices and option, the state-of-art technology, specialist doctors, nurses and paramedical staffs that has been adopted by the big hospitals and diagnostics centers in India.

According to Kulzhanov M, Rechel B, after Independence in 1991, Kazakhstan faced various issues including an oversized and impatient-oriented system of health facilities and a drop in health financing in the early transition years. The country embarked on several major health reforms in the second half of the 1990s, these often lacked consistency and clear direction. Overall, more attention should be paid to the quality and efficiency of health services.

Konrad Obermann, Tata Chanturidze, Erica Richardson have stated in a study that since Kazakhstan is a vast country with a partial but not fully developed infrastructure for health information management systems, there is potential to leap forward. Recent international and regional developments as well as the drop in global oil and gas prices have had a major influence on the country's economy. The GDP has fallen from US\$231 billion in 2013 to US\$218 billion in 2014.

Maureen Lewis said that the main challenges that are faced by health care delivery system in developing countries includes absenteeism, corruption, informal payments, and mismanagement.

Jensen S, Mazhitova S, Zetterstrom R stated that several factors such as inadequate nutrition, poor sanitation and collapse of the healthcare system contribute to the deterioration of human health, resulting in increased prevalence of serious diseases in Russia and other former Soviet Republics.

In a study done by Konrad Obermann, Tata Chanturidze, Erica Richardson, it was found that existing health model concept of Kazakhstan was reviewed and substantial shortcomings in the health policy aspects were observed.

METHODOLOGY

RESEARCH QUESTION:

To formulate the Digital Marketing Strategy for attracting medical tourism from Kazakhstan

OBJECTIVES:

1. To find the Target Customer Group for Medanta services in Kazakhstan.
2. To identify the most appropriate medical services to be advertised.
3. To develop appropriate Digital Marketing strategy to reach target customer group.

RESEARCH METHODOLOGY:

Study area– Digital Marketing Department of Medanta- The Medicity, Gurugram

Duration of Study– The study was conducted for the duration of three months of February 2018 to May 2018.

Type of study: Exploratory study.

Type of Data- Quantitative data.

Data collection- Secondary data on Kazakhstan health profile from published reports and from the department dealing with the international patients in the hospital.

FINDINGS

The following Table 4 shows the Female population compared to male population is high. Population is more for the 25-54 age-group.

Table: 4Demographic Profile of Kazakhstan

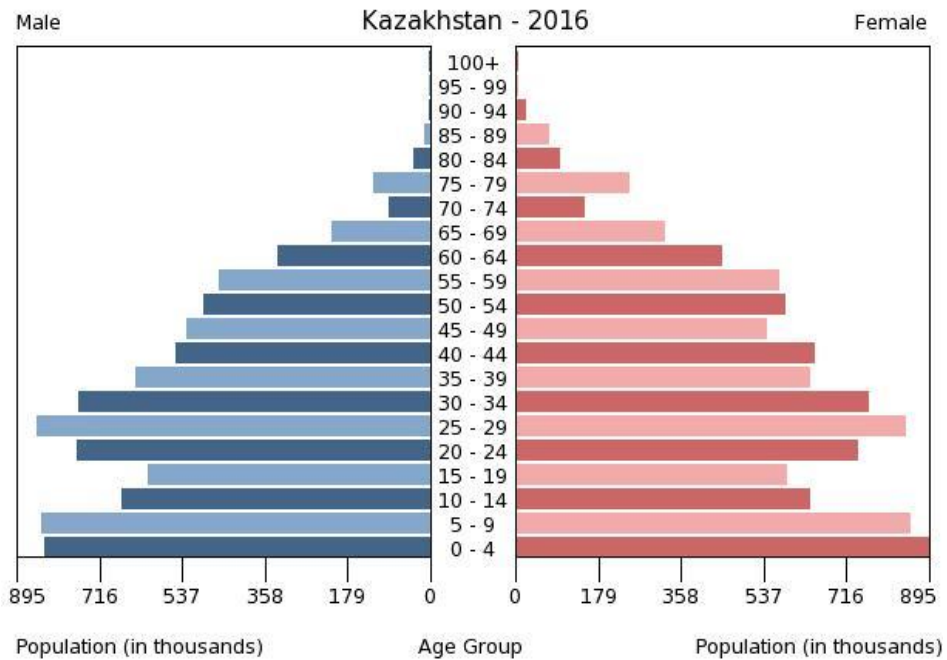
Indicator	Percentage
Gender	
Male	48.3
Female	51.5
Age Group	
0-14	25.9
15-24	14.0
25-54	42.4
55-64	9.9
65+	7.6

Table: 5 Distribution of Age group wise

Age group	Total population	Number of males	Number of females
0-14	25.91%	2,374,427	2,434,212
15-24	14.05%	1,329,376	1,277,615
25-54	42.42%	3,847,282	4,024,052
55-64	9.97%	810,019	1,040,917
65+	7.65%	494,064	924,734

Source: WHO,2015

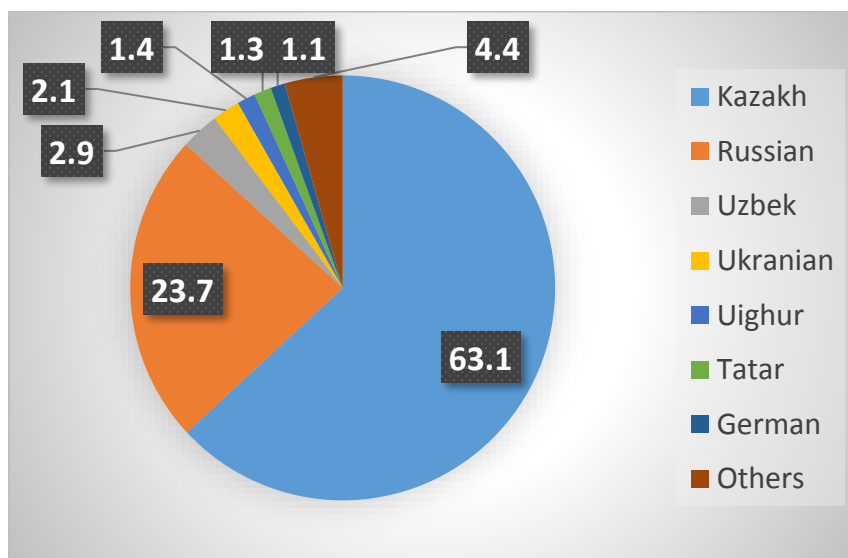
Figure: 1 Age Sex pyramid of Kazakhstan, 2016



Source: Central Intelligence Agency, 2016

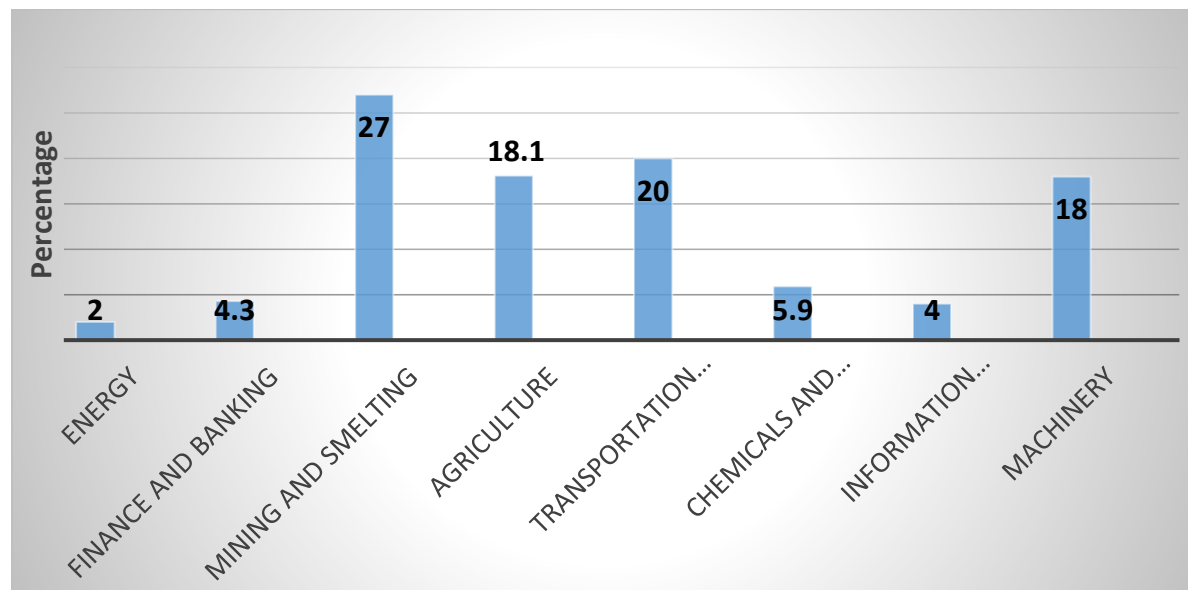
Inference: The graph shows the Age-sex pyramid of Kazakhstan population indicating that it lies in the second transition that is more people in the middle age.

Figure 2:-Division of the people of the country



Division of the people of the country has been presented in the Figure 2. From above figure 63.1% people are Kazakhs, 23.7% are Russians. 74% percent of the population of the country speak Kazakh.

Figure: 3:-Occupation of the people of the country



Source: WHO data,2016

Majority are employed in Mining sector (27%), 18% are in agriculture sector and Machinery each.

Health Insurance Schemes:

As per the new law by the Government of Kazakhstan, a scheme has been started according to which from 2017 employers will be contributing for compulsory health insurance payments (2% of their salary) and in the same scheme it has been marked that from 2019 employees will be contributing the same(5% of their salary). The clubbing of both employers and employees contribution will be a great step in the field. Since, Government will be paying the amount to the clinics and hospitals.

A. Diseases:

Most appropriate medical services:

Table:6 Top 11 Causes of death due to diseases in Kazakhstan

Sr.no.	Disease	Present status	Earlier status
1	Ischemic Heart Diseases	1	1
2	Cerebrovascular Diseases	2	2
3	Self-harm	3	4
4	COPD	4	3
5	Lower respiratory disease	5	5
6	Lung cancer	6	6

7	Road injuries	7	9
8	Tuberculosis	8	11
9	Stomach cancer	9	7
10	Interpersonal violence	10	10
11	Alzheimer Disease	12	8

Source: Institute of Health Metrics and Evaluation, 2016

Top diseases that should be focused by Medanta on the basis of above data can be:

1. Coronary heart disease (21.79)
2. Lung cancer (13.23)
3. Stroke (10.81)
4. Cancer (Lung, Breast, Stomach, Pancreas, Colon-Rectum, Ovary, Cervical, Prostate- 10.19)
- B. Online platforms

As per Alexa, 2016 report Most appropriate Digital Marketing platform. Websites that are very frequently used in Kazakhstan are:

1. Google.kz (**Search engine**)
2. Youtube.com (**Social media**)
3. Vk.com (**Social media (Russian)**)
4. Mail.ru (**Email service (Russian)**)
5. Nur.kz (news)
6. Yandex.kz (news)
7. Google.com (search engine)
8. Ok.ru (social media)
9. Wikipedia.org (infosite)
10. Olx.kz (olx site)
11. Google.ru (search engine)
12. Instagram.com (social media)
13. Facebook.com (social media)

Table 7: Websites analysis

Website	Category	Daily time on site	Daily page views per visitor
Facebook.com	Social media	11:13	4.33
Olx.kz	Olx site	11:02	9.44
Vk.com	Social media (Russian)	10:05	4.67
Youtube.com	Social media	8:19	4.71
Google.com	Search engine	7:24	7.9
Google.kz	Search engine	6:27	8.52
Mail.ru	Email service (Russian)	6:21	4
Google.ru	Search engine	5:37	8.79
Nur.kz	News	5:32	3.71

Instagram.com	Social media	5:32	3.18
Ok.ru	Social media	4:43	2.1
Wikipedia.org	Infosite	4:13	3.28
Yandex.kz	News	3:26	2.37

Source: Alexa, 2016

Inference: Top sites that are visited most on the basis of maximum time spend on sites are facebook.com, olx.kz, vk.com.

The following is the summary points of the findings:

- a) The actual health status of the country is very poor due to the unavailability of proper healthcare facilities, infrastructure, medical specialists, shortage of beds, not so advanced medical facilities.
- b) The top diseases that are prevalent in the country are: Coronary heart disease (21.79), Lung diseases (13.23), Stroke (10.81), Cancer (Lung, Breast, Stomach, Pancreas, Colon-Rectum, Ovary, Cervical, Prostate- 10.19).
- c) The online behavior amongst the people of the country has also been observed. It is seen that the people use facebook.com, olx.kz, vk.com the most.

So, the perfect digital platform for the services to attract patients can be facebook.com by the help of pay per clicking ads, or vk.com by targeted ads in left side bar, sponsored posts in news feed, paid post in groups and fan pages and that too in the Kazakh language since people over there prefer Kazakh more as that is the most spoken language there.

SUGGESTIONS

DIGITAL MARKETING STRATEGY

On the basis of the study it was found that the strategies that can be implemented are: Since, Government will be tied up with insurance companies we can make links with them by sending our doctors also to the country and attract more patients. e-clinics and Telemedicine services can also be provided by the hospital.

The Target Customer Group for Medanta services in Kazakhstan-

- Age- People of age group 25-54 should be targeted since most of the Coronary Heart Disease, Lung Disease, Stroke and Cancer are prevalent amongst the people of this age group.
- Employment- People of the country are ready to spend on healthcare outside the country because of unavailability of same within the country.

Most appropriate medical services to be advertised.

- Due to lack of healthcare facilities in the country and prevalence of diseases like Coronary Heart Disease, Lung Disease, Stroke, Cancer should be focused upon.

Appropriate Digital Marketing platform to reach target customer group

- Language- Kazakh
- Websites- facebook.com, olx.kz, vk.com
- Medium- targeted ads in left side bar, sponsored post in news feed, paid post in groups and fan pages.
- Apps can also be launched in their local language that is Kazakh for the people to make them aware about the specialized treatments and advanced facilities and doctors in the hospital.

CONCLUSION

Digital marketing plays a crucial role in today's time and it can be a stepping stone to promote medical tourism too. It helps providers to attract more medical tourists. It is vital to construct an effective marketing strategy, on the basis of the consumer behavior, their needs and requirements. Digital advertising of medical facilities can help potential medical tourists to reassure that their chosen destination meets all the standards and requirements they need.

Opportunistic market in Kazakhstan for Medanta- because of lack of proper healthcare facilities available in Kazakhstan and because of the need of an hour for

the same. It also analyses the population of country with the help of secondary data on the basis of total population, age, gender (To assess the Target Customer Group for Medanta services in Kazakhstan). Medical problems or diseases occurring commonly (To identify the most appropriate medical services to be advertised). Internet facilities available, and use of internet services or online behavior of people (To find the most appropriate Digital Marketing platform to reach target customer group).The study also has come up with some strategies that should be formulated in order to attract a large number of patients from Kazakhstan to the hospital- Medanta.

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