

The need of Digitalization in Health Care Industry and its impact

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Abstract: *The paper takes the track towards analysis of the impact of digitalization on Health Industry. The traditional health care industry which focuses on sick rather than prevention and also have limited facilities explores the area of need for digitalization in the industry to provide the better facilities to the patients. My paper is the literature review on the impact of digitalization on Health sector and the challenges face during the implementation. The paper illustrates the hypothetical situation faced and how the digitalization can be used to provide the solution. The digitalization is analysed under its three major impacts which are impact on customer experience, on operational efficiency of the hospitals as the hospitals are considered to be the most important stakeholders of the industry. The impact digitalization on the transformation of the business models is also one of the aspects to be considered. My paper explores all the technological implications for the health care sector.*

Key Words: *Customer Relationship Management, Patient Satisfaction, Patient Experience.*

Imagine the following situation;

Amit , 45 years old financial analyst enjoying a cup of tea in his office, when one of his colleague comes and said “ Hey !! Welcome back to the office.”

“ I am good now”, the Amit replied

The Amit is one who is suffering from the chronic ailment from past 5 years, just an year ago he cannot think of living the normal life as from past 5 years he has to go day and night for the rigorous visit to the hospitals and is on the verge of losing his job also.

When he is about to give a sudden ray hope comes where he joined the health care ecosystem comprising collection of patients, doctors and other stakeholders of health care industry. Now he is look after by coordinated health care team that personalized according to his specific needs. Majority of service in this Ecosystem is digitized. Every doctor he meets has all his information in advance, so every visit to the doctor is also efficient.

With this life is more stable and Amit is able to be join back the office.

The above situation is the hypothetical patient experience with the digitalized health care ecosystem that increases the patient’s satisfaction and the operational efficiency of the industry as whole.

So with this situation my paper explores all the technological implementation for the industry that can help to make the situation more realistic in future

1. INTRODUCTION:

The healthcare is one of India’s largest sectors both in terms of generating the revenue and employment. This sector comprise of majorly the hospitals and other segments including pharmaceutical companies, medical devices and equipments, outsourcing and the health Insurance sector.

The delivery in the health care segment is done through two major modes which is private mode and public mode.

The public mode in the health care segment constitute of either state owned health care facilities or the facilities which are controlled by the Government of India. Since the India does not have the existence of Universal Health Care System for all its citizens which allow the entry of private sector as major player in health care industry in our country. According to Press Information Bureau (PIB), Union Budget 2017-2018

“The worth of Indian Health care Industry is around US \$ 100 billion and is expected to grow to US \$ 280 billion by 2020, which will approximately have the compound annual growth of 22%. Not only this Deloitte Touche Tohmatsu has also predicted the increased digital adoption in the Indian health care market.

The health care industry is undergoing the rapid transformation due to the implementation of various digitalization techniques, tools and software’s. These tools and software’s are rapidly developing a new health care ecosystem that provides the sharp difference from the traditional health care services to the new health care industry. This transformation of the health care industry will definitely take time but the shift has already begun in the industry.

2. TRADITIONAL HEALTH CARE INDUSTRY:

The major focus of the traditional health care system is to focus on sick care rather on the wellness and the prevention. The limited facilities for the patients with ever increasing higher cost are another challenge for the Industry. The Industry also has the lack of transparency in access to the services, quality and privacy of the health care data.

But the today's digital era has allowed the consumers of the Industry to take charge of their health care in a new way. So there is need to analyze the digitalization in health care and its impact.

3. MODERN HEALTH CARE ERA:

The industry is tested on the Criteria of "Patients Requirements and Preferences"

The consumers of the industry are becoming more and more informed because of the availability of large number of tools and software's. The timely availability of information also allows the consumers to have discussions with other stakeholders about diagnosis and treatment options. The industry is also showcasing the movement of personalized health care treatments and services. Today the industry has started providing the services in regard to each customer demand and also the services are given in regard to the customer pay. In this era of technology new roles in the Industry is emerging for patient satisfaction and engagement. These digitalization tools are the "game changer" for the entire Industry.

The digitalization has its influence in 3 major areas which are:

"Customer experience, Operational process or Efficiency and business models."

4. IMPACT OF DIGITALIZATION ON CUSTOMER EXPERIENCE:

The industry is learning to promote their brands more effectively on digital mode; there by customer is having the better understanding of the industry.

Consider the situation

Wherein when we are visiting the doctor in hospitals, the attendant leaves the ipad explaining the services of the hospitals in replacement to long face to face conversation. This digital information will increase the customer understanding and will also have the long term impact on him. The better understanding of the services will definitely transform the customer experience. The easy, complete, fast and transparent resolution of the problem will builds the trust of the customer and significantly increases the customer experience.

The industry is focussing on launching the digital social media campaign to promote their services and even the medical devices and products and they are expecting the awareness of the brand to grow in weeks rather than in years. The various private hospitals are also building their own online community that can provide the instant advice and in turn build the brand loyalty with the customers. The Industry stakeholders are also working on the analytics of the customer data to have the better understanding of each of their customers. Based on this understanding they are developing the customized service plan for each of their customers.

The hospitals which is one of the major stakeholder of the health industry as patients as its main customers, the patients are mostly frustrated as their life is difficult when diagnosed by any chronic disorder. But the digitalization is also helping to make the life of patients easier by simplifying the process of availing the services through the digital plug-ins. The industry is using the multiple channels and tools to enhance the customer experience. This tool allows the customer to save time and also save the industry money.

The stakeholders of the health industry have also working on enhancing and developing the mobile marketing and the mobile apps. Even the Delhi Health services have also launched the various mobile services to locate and even record complaints of the various public partners of the health industry. Beside this each private player of the industry is developing mobile apps to enhance the customer touch points. Many of the smart phone apps are linked to the customer's profile that enables the integration across various other SMS apps and social media efforts. The hospitals and other stakeholders are also offering various apps with geo localization and augmented reality that can help the patients and other customers to find the nearby plaices to avail the services and even the door step assistance. They are also offering special offers through vouchers and e-couponing. All these tools and digitalized services definitely leave a major impact in enhancing the customer experience.

5. IMPACT OF DIGITALIZATION IN TRANSFORMING THE OPERATIONAL PROCESS:

Even though the changed or transformed customer experience is most visible and exciting impact of digitalization on the health industry , but the stakeholders are also realizing other strong benefits from the transforming of operational processes. The hospitals are using the digitization or automation to make various processes more effective, efficient and stable. For example the CRM implementation in various hospitals has enables the significant efficiency and financial gains. The hospitals are working on the centralized integration of data at one place which will have the significant impact on enhancing the operational efficiency and also enrich the customer experience. The digitalization also allows the stakeholders to focus on innovation and creativity rather than doing the repetitive efforts of the same task. The digitalization can also help create a larger database that will have stream of data which will be useful in later data mining efforts. This digitalization and new technologies are providing the trend of gaining the other various benefits rather than just increasing the efficiency. The automations is also making the stakeholders more agile, as they have the capability of changing the processes and services quickly in response the customer demands and other environmental changes. The era is coming where the new technologies tools and software's are becoming the norms for the industry. Previously only private players of the industry is thinking of increasing the operational efficiency

through digitalization, but now even the public players are also implementing the digitalization as they have also realized its significant positive impact. The digitalization also replacing the limited one to one communication with broader communication channels enhancing the knowledge sharing and taking the communication at higher scale.

When discussing the impact of digitalization in transforming the operational efficiency of the industry one can neglect the impact of digitization on the performance management. The performance transparency is the major highlight of private and public players these days. The availability of various digital tools helps the service providers to take various decisions on the basis of real time data rather than just on assumptions. For example in the case of hospitals the availability of all and detailed patients data helps the doctors to realize the importance of being better informed there by providing better services. The management of various hospitals can even also even track the performance of the doctors and their other employees using various data analytics tools and software's where each customer can give their easy and real time feedback to the services availed.

6. IMPACT OF DIGITALIZATION IN TRANSFORMING THE BUSINESS MODELS:

The major stakeholders of the health industry have realized that “If they will not change the way they doing their services, they will be going to die very soon, It is all about changing the way of providing the services to the customers and the implementation of higher technology in the Industry”

So the technology innovation and digitalization are providing various tools and services across other organization silos. The digitalization and CRM Software's is giving more customers and also increasing the existing customer satisfaction. The stakeholders are also developing digital wrappers around the traditional services. The Industry is also introducing the distal services and plan that can complement their traditional services. The digital services are developed as per the requirement of each customer demand and time to avail the service. The digitalization and implementation of Software's greatly helps in the integration of information which allows the stakeholders to gain the global synergies while just remaining the locally responsive. So in other words we can say “Health Industry is becoming more centralized and decentralized at the same time”. This in turn promotes the efficiency and also reduces the risk.

7. CHALLENGES IN THE IMPLEMENTATION OF DIGITALIZATION:

There are various challenges that the industry is facing in the implementation of digitalization, technology and software's in their organizational silos.

- **Lack of Stimulus in the implementation of digitalization:** The drive to take digitalization or the implementation of technology often starts from the top management of any stakeholders. This drive does not start generally until the stakeholder does experience any comfort ability with the traditional methods. The industry performance to the digitalization can be slow if the industry is not experiencing any pain, as then in that case perceived benefits of digitalization may overweigh the potential benefits of digitalization. The stimulus of digitalization can be drive to lower the risk of sustenance in the digital modern era.
- **Lack of Awareness and Opportunities:** Another challenge in the digitalization is that the industry stakeholders are not completely aware of the major benefits and opportunities that the technology can reap to them. All the provider of the technology has to spend the time and effort in making the management of the company ware about the benefits that the technology can bring for their business. Even the consumers of the digitalization need to completely aware about the benefits of digitalization and the importance of software's and other tools.
- **Lack of proper regulations:** The healthcare and the financial industry are the two industries which are most careful about the implementation of technology because of security and privacy concerns. The Industry is highly concerned over the regulatory impacts of their potential digital initiatives. The lost or hacked data from the digital tool can give the outsiders access to the private data on patients or customers. The stakeholders of the industry are not ready to stake the reputation they have built in the years in the field. If one lost device and data can stake their reputation, then they are not ready to accept it. The Industry therefore is having the slow approach in the implementation of technology forward. They are ready to provide the services through traditional methods rather than using digital tools. So the Industry want the provider of the software to completely assure the confidentiality of the data and also want the government to develop complete regulatory measures and laws for the implementation of digitalization.
- **Unclear Business motives:** Lack on impetus, improper regulations is definitely the concerns for the implementation of the technology. But at the same time the Industry is still searching for the best value and cost effective measure or tool. When the stakeholder of the Industry is implementing any tool with clear objective and benefit that would reap it can be justified but any of times the stakeholders are implementing the tool as the urgent need to survive in the competitive world. So many innovations in the digital transformation investments of various stakeholders have unclear business motives
- **Missing Skills:** The fast emerging technologies are putting the great pressure where there is scarcity of skills internally mainly in the areas of mobility of information and social media. The health care industry is filling this gap by hiring the experts and mainly working with outside vendors. For example majority of private and

public sector hospitals are outsourcing the maintenance of the automated machines and software's to the outside vendors because they have realized that it is very costly and difficult to hire the expert individual.

- IT difficulties: All the digital initiatives of Health care industry are built on the strong foundation of technology enabled processes and data to create the platform for implementation. The Information Technology is the major part of industry digitalization. However all the major stakeholders of the industry believe that industry is highly lacking on their Information Technology capabilities and infrastructure. The poorly maintained traditional data and its relation gives difficult foundation to the collaborative work required in digitalization.

8. HOW THE INDUSTRY CAN MAKE DIGITALIZATION SUCCESSFUL:

Besides these challenges the digitalization is the requirement of today modern era. Though the health care industry have started late but still moving at fast pace for the digitization as they have realised the importance of the same. So the first and most important measure for the successful digitization of the complete health care industry is that each stakeholder must realize the importance and develop the transformative vision for the future. They must invest in the technology to make the vision a reality. So they must follow the three step process which is Envision---Invest---Lead. The Envision step industry and the stakeholders develop the vision for the implementation and transformation of digitalization. In the Invest step the Industry and stakeholders invest in the digital technology, initiatives and skills and lastly in the Lead the change the industry with the implementation. Some of the players of the health industry , have gathered more and more data and knowledge about the customers and patients, these players must work on envisioning the next step which is monetizing these relationships and enhance the customer relationship through customer segmentation and developing the services as per the individual customer requirements. The Industry can use the mobile web, social media, and new digital businesses to strengthen their brands and can build additional points of contacts with the customers. Transformation in any industry does not happen without the investment so the digital transformation also requires the investment that may be large or small depending upon then business case. So the industry requires the understanding the need for the investment, managing the risk and making the changes necessary to capitalize on the change.

9. CONCLUSION:

The digital technology is transforming the complete world. All industries in all regions are experimenting with it and getting benefiting from digital transformation similar is the case for the health care industry. The pressure points for the digitalization are coming from many angles mainly from the competitors and new entrants providing better customer satisfaction. The successful digital transformation of the health care industry will come from envisioning new ways of digital technology that will improves customer satisfaction and performance of the industry rather than just trying to finding out the use of the new technology. Sometimes the industries and even the Health care is just trying to find the various ways to better operation rather that building the complete platform for the implementation. The challenges do come but all industry must be focus on the envision of technology.

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