

## **CONSUMERSPACE: SHAPING THE ROLE OF BUSINESS ADMINISTRATION IN HOSPITAL MANAGEMENT AND ITS IMPLICATION ON PATIENT DECISION-MAKING PROCESS**

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### **ABSTRACT**

*The long standing criticisms of healthcare products is that it is aimed at making profits, through persuading patients that they have need of certain products and how it would make them healthier, happier and project them as well-off or at least bourgeois in the society to which they belong. This matter is intricate especially in hospital management and is certainly worth considering in a bid to understand whether marketers in healthcare systems offer self-motivated products in what they think patients 'need' or what the patients actually require. This study is an explorative study, which attempts to draw attention to the importance of consumerspace in the emerging markets of Africa and its environs. In turn, hospitals and pharmacists develop new ways of proffering product solutions in catering for the need of patients. However, patient satisfaction has witnessed some criticism as it is believed that the marketing system creates self-motivated healthcare and societal demands, which only their products could satisfy. Notwithstanding, to compete favorably with global demands it is imperative for healthcare organizations especially those in Afrique Noire to pay attention to this phenomenon currently sweeping across America, Europe and Asia..*

**Keywords:** Consumerspace, Healthcare Practice, Globalization

### **INTRODUCTION**

Since the invention of pills, tablets and injections, healthcare products have gone from marketability to rather what is now today, referred to as specified healthcare requirements, that are designed to cater for the requirements of an individual or group of persons. The Obama Affordable Health Act is a pointer to this fact; howbeit, healthcare products are now being personalized; people tend to see their projected self in prescriptions of medications, pills and capsules. Insurance policies have, how healthcare products and services are accessed and used. This have placed patients in an active capacity to involve in the decision making process that lead up to health outcomes.

Today, patient's medications are often obligated through prescription rather by virtue of preference, physicians and pharmacist's decision making on a particular medication brand may well be explained, from a medical improvement outlook (Solomon, 2004). However, Dickstein (2016) explained that, this may not be explanation from a patient's perspectives, these cognitions often reflect the decision to prefer one brand of pharmaceuticals and others, based on collective factors, it is common place to see patients buy products that reflect traditional, and lifestyle choices (e.g., lozenges or electric cigarettes over bropropion tablets).

According to Solomon (2004), consumerspace is defined as a process in which individuals feel empowered to indicate in what way, at what time and how they interact with organizations to produce goods and services that are specially cater to the needs of the individual's customer. In other words, consumerspace refers to informs the ability of the customers to determine the types of products and services they want, and how these customers can be educated about the goods and services that are been produced. In healthcare terms, consumerspace may refer to the capacity provided for a particular purpose of providing healthcare services for the personal needs and wants of an individual patient (Sittig & Singh, 2010).

Early theorist, Shields (1992) suggests that consumerspace allows customers and consumers alike, integrate the brands they buy into their social identities. Consumerspace and globalization go together and they both form the basis of the future of products, especially healthcare products and pharmaceuticals. This situation appeals to consumers as they requirements are of paramount importance and accorded significant consideration in planning and taking decisions that pertain to the consumer of the product.

Current market practices involve the ingrained idea that products and their brands have significant impact on choices consumers make when acquiring a particular product and this provides a competitive and comparative advantage over those who produce goods and services for what the product or service those rather than what the product or service actually means, and what it may represent (Porter, 2009).

Consumerspace thrives on the globalization of business and service that offers worldwide reception and accessibility. Thus, affirming the notion that the world is indeed a global village. The major feature in terms of changes in healthcare markets over time has been the expansion in the choice of goods and services available to patients and other healthcare consumers today (OECD, 2008). This progression has been incited by monitoring transformation, trans-Atlantic trade liberalization, as well as improvements in technology. Global economy has undergone drastic re-structuring of markets especially in Europe, with services accounting for more than 70% of GDP in many OECD countries in 2006. This is up by more than four percentage points in only ten years in five of the seven G7 countries (i.e. France, Italy, Japan, the United Kingdom, and the United States) (OECD, 2008).

The current globalization trend offers new realities on how organizations reach out to consumers today. In consumerspace, corporate organizations have a massive number of innovative choices that have been empowered by the self-motivated environment of today's interactive business sector (Luke, 1996). Successful consumerspace practices assures corporate organizations successful plight in today's multifaceted economy, to understand and gain mastery in its challenges, and take advantage of its boundless opportunities (Solomon, 2004).

Historically, organizations that sprung early, mostly determine what their customers preferences were and tend to offer a form of 'forced-choice' in the service that their products could offer, making consumers purchase only what they could be offered rather than what is needed; It seems that these years are behind us now as, many people now feel empowered to choose how, when or what they actually need in line with what best the organization can proffer in products or services to meet the consumers want, building this atmosphere refers to consumerspace (Holbrook, 1995; Solomon, 2004). It is important to state here that this study is an explorative study, which attempts to expose with all intent and purposes the importance of consumerspace in the emerging markets of Africa and its environs.

## **STATEMENT OF THE PROBLEM**

Issues pertaining to the Changing Healthcare Market

Solomon (2004) asserted that, long before the industrial revolution, marketer space, a trading system where manufacturers dictated and determined what customers could purchase, in relation to time and place was obtainable. However, by the 1950s, producers of healthcare and allied products, created a new model by pushing the concept of market segmentation which is hinged on the assumption that products are to be sold to specific or target customer base and products should not be a 'one size fit all'.

The Nigerian healthcare is undergoing rapid transformation, with recent policies aimed at increasing patient access, encourage the adoption of electronic medical records and reward value based care. It is imperative for the patients and consumers of healthcare product and services to align to this new transformation that will improve healthcare delivery in the nation. However, the Nigerian healthcare system is fraught with many challenges that often hamper the progress and full implementation of government policies. These challenges include but are not limited to, poverty, ignorance, medical literacy, limited access to primary and secondary healthcare, illiteracy and traditional and cultural practices that hamper the progress of healthcare treatment.

Consumerspace provides a wide array of choice for consumers of healthcare products and the biggest problem in developed nations, often seems to be that customers have too many choice of products to choose from. They suffer from information overload. They want less choice, not more. That's the paradox of consumerspace (Solomon, 2004). Marketers of healthcare products that adopt measures to provide more solutions in terms of decision-making and research based information on a product provides tremendous potential value in terms of consultation in consumerspace. The challenge in this for Nigerian market, is quite contrasting, the apparent lack of information that an average patient or healthcare consumer is vulnerable to, there are limited information on pharmaceutical products. Because of this proclivity, pharmaceutical companies, tend to produce healthcare products based on the ease of use, and the markets available for products to meet most demands, as against, making products that satisfy particular interest or design to provide improved conditions of consumers specific needs.

Another foremost challenge is identified in the change in markets concerning the growing role of services and the impact that ICT has had on the way that many services are delivered. Today, over half of pharmaceutical consumption in many OECD countries is composed of services, which differ from goods in a number of significant areas (OECD, 2007). Many require consumers to rely on the expertise of the health service providers. Medical treatment, and prescription are instances of such services. Moreover, many health service contracts bundle the provision of specific service options with products endorsement (for example, a particular brand of drug and consultation services in the treatment of depression), thereby distorting the traditional peculiarity between healthcare products and services. This type of challenge is confronting healthcare practice in Nigeria, there are occasions in which healthcare providers own and operate pharmaceutical stores in which they sell particular products to patients and healthcare consumers with profitability intentions. The regulation of pharmaceutical operations in Nigeria is not as strict as obtainable in developed societies. This is the reason why, it is rampant in Nigeria, for healthcare practitioners to recommend certain brands of preferred products.

An apparent problem of the development of consumerspace in Nigeria, is the clinical practice guidelines which is based on the balance between desirable and undesirable consequences of a particular diagnostic or therapeutic intervention. This problem by design and structure impedes the growth and development of consumerspace within healthcare practice in Nigeria. This problem requires research attention and intervention so as to mitigate the problems associated with healthcare delivery in relation to consumerspace development in the country.

In addition, it can be challenging for physicians and healthcare practitioners to practice the current clinical practice guidelines because they are frequently updated, this is because

healthcare practitioners often depend on point-of-care tools that summarize the most recent advances in the field of healthcare. Regarding this situation, research in consumerspace is needed to provide transparency and make available a clear separation between the evidence and the opinion or personal experience of the of the customer. These problems are currently militating against the growth and development of consumerspace in Nigeria. consumerspace is of paramount importance to healthcare practice in Nigeria, and research attention and public awareness will help in fostering the goals of consumerspace in Nigeria. however, the subject of consumerspace might be relatively new in social science nomenclature, it is important that scholars and stakeholders within the purview of social sciences shed more light in this ground breaking phenomenon which is already providing healthcare dividends for the citizens of Europe and Asia.

From a psychological standpoint, a person's self-concept is influenced not just by his appraisals of his miens, or intellect. The quality of his choice of products also reflects what he thinks of himself (Ger, 1997; Solomon, 2004). Identifying sets of both positively and negatively valued brands for a particular consumer profile, hospitals can use this information to position a brand by linking it to the positive ones and/or linking rival brands to the negative ones (Solomon, 2004). Many brands take on additional meanings because they come to be associated by consumers with certain roles or lifestyles.

### **Objectives of the Study**

The objective of this to examine the concept of consumerspace in shaping the role of business administration in hospital management and its implication on patient decision making process in Nigeria.

Specifically, the objectives of this study were to examine:

1. The state-of-affairs in academic literature in consumerspace in hospital management.
2. The factors that encourage the growth and development of consumerspace in hospital management.
3. The factors that hamper the growth and development of consumerspace in hospital management and the efforts to sustain consumerspace in Nigeria.

### **METHODOLOGY**

This research was conducted as an exploratory study or can be described as formulative research. In general terms this study was a descriptive study. The study aimed to establish priorities into understanding the concepts and mechanisms of consumerspace. The study incorporated the use of data from available literature and informal qualitative approaches. The research attempted to gain familiarity with the consumerspace phenomenon to acquire insight into the understanding and development of consumerspace in hospital management.

### **RESULTS FROM RELATED STUDIES**

#### **Sustaining Consumerspace in Nigeria**

Nigeria accounts for large pool of an estimated 57 million people between the ages of 18-35 (Nigeria Demographic Profile, 2015), this portends that Nigeria has the capacity for serious growth in regards to consumerspace. Adverts today are geared towards the segment of the society considered most active, the young adults with multi-million naira endorsements and sponsorships. However, this trend is changing as these young adults have figured out that these athletes have been paid to endorse these products. Seemingly, these advertisements don't hold much as it once was. The future of consumerspace lies in the hands of its young pioneers as Solomon, (2004) succinctly reported that American teens spent \$172 billion in 2001. Multinational marketers know that their best chances to succeed in foreign markets, is largely determined by identifying consumer segments that share a common worldview. Nigeria provides a large market base for consumerspace with its teeming population but as noted

earlier lack of strong database, and socio-economic factors tend to impede the emergence and sustenance of consumerspace.

Today, some analysts find it useful to think in terms of ever-larger cliques or youth tribes that unite kids by means of shared interests or values rather than geographic proximity (Brodbeck, Degen & Walter, 2013). The challenge of tribal marketing is to link one's product to the needs of a group as a whole. The Nigeria Breweries Plc., an indigenous alcohol beverage producer in Ibadan is mostly associated with promoting upcoming artistes through their StarQuest event held annually. In the United States of America, the California based shoe manufacturer Vans is most closely associated with the skateboarding tribe, and the company aggressively seeks opportunities to cement this linkage. Vans sponsors activities, produces documentary films, and even builds skateboard parks to celebrate the outlaw nature of the sport and in the process promote its specialized shoes. The Nigerian market has not taken advantage of this trend. Pharmaceutical companies in Nigeria, as still producing drugs that meet a large spectrum of consumers, focusing more on the marketability of its products rather than focusing on a target population whose demands may be tailored into the invention of a medication that meets specific requirements. However, the tribal phenomenon is most apparent in Japan, where teenagers invent, adopt and discard fads with lightning speed. To try to win the loyalty of young consumers in Japan, a group of international companies including Toyota, Matsushita, and Asahi Breweries formed a marketing alliance to reach target audience (Brodbeck, Degen, & Walter, 2013).

It follows that consumers are looking for ways to develop personal relationships with their favorite brands and they want to feel special, not be just another name in their customer list (Dickstein (2016). Personalization strategies can accomplish this, but marketers must be careful to avoid cosmetic personalization and instead provide customized personalization responses that let the consumer know his or her feedback is actually an influencing factor. Although personalization of products and services can be accomplished both real-time and online, many of the exciting developments in personalization of products and services are taking place online (Dickstein, 2016).

Consumers want to be engaged in the design process of products or brands they are interested in. They often welcome the opportunity to participate in the delivery of products or services they purchase, especially when this allows them to exert more control over what they get (Solomon, 2004). Turning consumers into co-designers is all about having conversations with customers and many service businesses understand the value of enlisting their customers as quasi-employees (Dickstein, 2016). This because it eliminates middlemen and customers act as quasi-employees tend to increase satisfaction from outcome and reduce costs for the service provider. That's why in the business world, the strategy is usually referred to as disintermediation, this is a budding trend in advanced service-intensive industries (Solomon, 2004).

## **DISCUSSION**

### **Proffering Solutions to Challenges of Consumerspace in Nigeria**

Having identified the major issues that prevent the growth of consumerspace within the Nigerian healthcare system. Recommendations are made to proffer long-term solutions to these challenges. In other for consumerspace to thrive and operation successfully in Nigeria and Africa as a whole, behaviorist and social scientist should develop attitudinal/intentional scale of measurement to access the needs of consumers. The government can provide a guideline to selecting a service provider which could be properly monitored for efficiency. In addition to this, legal rights and protection for consumers should be put in place. The following are recommended:

1. Governments can play a role in the education of patients and health consumers in Nigeria, while also potentially helping consumers when problems arise, by, for example, (i) providing guidance on selecting a healthcare service provider; (ii) establishing legal rights and

protections for healthcare patient/consumers; and (iii) supporting advisory services and/or mechanisms for resolving issues pertaining to the use of a product or service. The Ministry of Health, and Hospital Management Boards, should reform policies that compel producers of healthcare products and services to conduct enlightenment programmes as a means of public health awareness of a particular product in the treatment of a particular and explaining the cultural and personal implications of consuming such drugs. Also, Mechanism to resolving conflicts e.g. Consumerspace Arbitration Panel, Standard Organisation of Nigeria, National association of Food and Drug Agency Commission (NAFDAC), Consumerism and Price Control should be made to function appropriately. This could ensure that, the products needed by the consumers are supplied to the market.

2. Regulatory bodies should be empowered to arrest and prosecute producers of healthcare products in order to effectively address issues of sub-standard drugs and misinformation of due to low levels of medication literacy within the Nigerian populace. The prevalence of ignorant patients and proliferation of counterfeit drugs will be reduced if not eradicated.

3. Before consumerspace can come to full potential in Nigeria, public enlightenment and knowledge concerning the use of particular medication must be taught and the public must be made aware of the all available medications that are well tolerated with Nigerian participants regardless if they had been successful in developed societies.

4. The Nigerian Health Care Act, should include; policies that mandate pharmaceutical companies to provide public enlightenment on their products and provide easy to read contra-indications in the packages of pharmaceuticals. The Nigerian Pharmaceutical Society are implored to organize sensitization programmes at all levels of primary, secondary and tertiary healthcare.

## **CONCLUSION**

Consumerspace is beginning to gain grip around the world. Advanced countries like the United States of America, Great Britain, Germany, and Japan are already reaping the dividends of consumerspace marketing. It will become more integral to the professional economic, agriculture and health sector amongst others as part of a broader disruption of an outdated industry that urgently requires revamping. Nigeria has potential for becoming a world contender for the consumerspace drive, in that, the population index bodes well for various sectors of the economy and a population size of over 170 million people; there seem to be poverty of ambition in this regard.

However, it is important to highlight here that regardless of the availability of market in Nigeria, several socio-economic concerns may impede the development of a thriving "consumerspace economy" including but not limited to power supply, sedentary small/medium enterprises (SME)'s development, few financial institution participation, currency devaluation, inflation, political and religious extremism and poor public management of resources. Although, there seem to be optimism in the present administration. The Nigerian government has put in place policies that guard locally made products to meet Nigerian demands with the encourage of small scale businesses and access to government funding. It is best hoped that the future bodes well for the development and growth of economic and democratic tenets in the Nigerian polity.

Conclusively, the relevance of this to human sciences is for behaviorists' and social scientist to think about what healthcare patient's/consumer's needs are, and try to find a solution in solving such challenges when the need arises. Behaviorist and social scientists could further explore consumer dynamics in relation to consumerspace.

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