

## THE ROLE OF CONSUMERS' TRUST IN THE RELATIONSHIP BETWEEN MARKETING MIX AND EFFECTIVENESS OF BRAND STRATEGY AT THAI NGUYEN INTERNATIONAL HOSPITAL

**Khamla Phommany**

*TNU - International School*

ARTICLE INFO		ABSTRACT
<b>Received:</b>	<b>16/4/2021</b>	This research aims to investigate the mediation role of consumers' trust in brand in the relationship between marketing mix and brand strategy effectiveness in the International Hospital in Thai Nguyen province, Vietnam. The research sample consists of 188 employees and patients from hospital and they were requested to complete the biographical questionnaire. Exploratory factor analysis was used in this research and Pearson correlations were computed to investigate the relationship between the variables with the help of Statistical Package for Social Science. Results show that patients' trust fully mediated the relationship between marketing mix and effectiveness of brand strategy. Finally, findings show that there was a great significant and positive effect between marketing mix and patients' trust, especially the high service quality and facilities of hospital led patients to have a trust on its brand and moreover, all components of marketing mix strategy highly impacted the effectiveness of brand strategy. However, the hospital should apply highly-qualified medicine and treatment with reasonable price for increasing the effectiveness of brand strategy.
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## VAI TRÒ CỦA LÒNG TIN KHÁCH HÀNG TRONG MỐI QUAN HỆ GIỮA MARKETING HỖ HỢP VÀ HIỆU QUẢ CỦA CHIẾN LƯỢC THƯƠNG HIỆU TẠI BỆNH VIỆN QUỐC TẾ THÁI NGUYÊN

**Khamla Phommany**

*Khoa Quốc tế - ĐH Thái Nguyên*

THÔNG TIN BÀI BÁO		TÓM TẮT
<b>Ngày nhận bài:</b>	<b>16/4/2021</b>	Nghiên cứu này nhằm mục đích điều tra vai trò trung gian của lòng tin của người tiêu dùng đối với thương hiệu trong mối quan hệ giữa marketing hỗn hợp và hiệu quả chiến lược thương hiệu tại Bệnh viện Quốc tế tỉnh Thái Nguyên, Việt Nam. Mẫu nghiên cứu bao gồm 188 nhân viên và bệnh nhân từ bệnh viện và họ được yêu cầu hoàn thành bảng câu hỏi tiểu sử. Phân tích nhân tố khám phá là phương pháp được sử dụng trong nghiên cứu này và các mối tương quan Pearson được tính toán để điều tra mối quan hệ giữa các biến với sự trợ giúp của Gói thống kê cho Khoa học xã hội. Kết quả cho thấy rằng sự tin tưởng của bệnh nhân dùng làm trung gian hoàn toàn mối quan hệ giữa cách tiếp thị kết hợp và hiệu quả của chiến lược thương hiệu. Cuối cùng, kết quả cho thấy có tác động tích cực và có ý nghĩa lớn giữa tiếp thị hỗn hợp và sự tin tưởng của bệnh nhân, đặc biệt là cơ sở vật chất và chất lượng dịch vụ cao của bệnh viện làm cho bệnh nhân tin tưởng vào thương hiệu của họ và hơn nữa tất cả thành phần của chiến lược tiếp thị hỗn hợp đều có tác động lớn đến hiệu quả của chiến lược thương hiệu. Tuy nhiên, bệnh viện nên áp dụng các loại thuốc và phương pháp điều trị chất lượng cao với giá thành hợp lý để tăng hiệu quả của chiến lược thương hiệu.
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Email: [Khamlaphommany@gmail.com](mailto:Khamlaphommany@gmail.com)

## 1. Introduction

In the competitive world of healthcare sector, providing a great quality service to patients creates the success. The most significant role in improving the service quality is the facilities that are available within the hospital. The previous research has found that marketing-mix instruments shape consumer beliefs regarding specific product and brand attributes, such as reliability [1] and credibility [2]. When the purchasers have trust on the services and products of a company, then it will lead them towards loyalty [3]. Furthermore, some research has pointed that the characteristics of brand trust are influenced to the brand strategy, which is proven by the research of Herbig and Milewicz [4] who discovered that brand reputation is becoming increasingly important and therefore the positive reputation of brands lead to the success and hence profit of company. Additionally, Kotler and Armstrong [5] described the impact of marketing mix components on brand strategy that designing the marketing mix of product, price, place, and promotion involves figuring out the tactical details of the positioning strategy and all the corporate's marketing mix efforts must support the positioning strategy. However, there is no previous study explores about the relationship between the marketing mix strategy and effectiveness of brand strategy through the role of consumers' trust in brand. Moreover, due to the lack of promotion, and information of Thai Nguyen International Hospital, the small number of patients in comparison with other hospitals, the poor services based on the lack of staff training, and the small loyalty rate of patients has been becoming a problem on the customers' trust in brand in the hospital.

Hence, the study aimed to explore the mediation role of patients' trust in brand in the relationship between marketing mix and brand strategy effectiveness at Thai Nguyen International Hospital and at the same time, to recommend managerial implications for Thai Nguyen International Hospital to increase effectiveness of brand strategy. The study was based on the following research questions: What is the role of patients' trust in brand in the relationship between marketing mix and brand strategy effectiveness? And what are managerial implications for Thai Nguyen International Hospital to increase effectiveness of brand strategy?

This paper only measured the influence of role of patients' trust in the relationship between marketing mix and effectiveness of brand strategy at Thai Nguyen International Hospital. Therefore, the result is limited in the situation of only this hospital, during only the studied period. It appears that marketing mix is important as the key to organizational effectiveness in the age of globalization and competitive economics. By fulfilling the aims that were stated, the findings of the present study might contribute to the existing literature through identifying the significant relationship between the marketing mix, patients' trust and effectiveness of brand strategy. Moreover, empirically identifying the contribution of organizational culture traits to employee commitment in company context is an important addition for the literature as well. The hospital might use it as an input for further study and to investigate more in the area: in a broader and wider scope.

## 2. Research methodology

A conceptual framework is a structure which can best explain the natural progression of the incident to be study [6]. After analyzing theoretical basis, the conceptual model is presented to investigate the impact of marketing mix elements on effectiveness of brand strategy, considering through the impacts of patients' trust in brand. The researcher decided to use three stages of variables to study deeply about factors measuring such as independent variable represented by marketing mix, mediating variable represented by patients' trust in brand and dependent variable represented by effectiveness of brand strategy.

The following hypotheses were therefore investigated for the research:

H1: There is significant relationship between marketing mix and patients' trust in brand.

H2: There is significant relationship between patients' trust in brand and effectiveness of brand strategy.

H3: There is significant relationship between marketing mix and effectiveness of brand strategy.

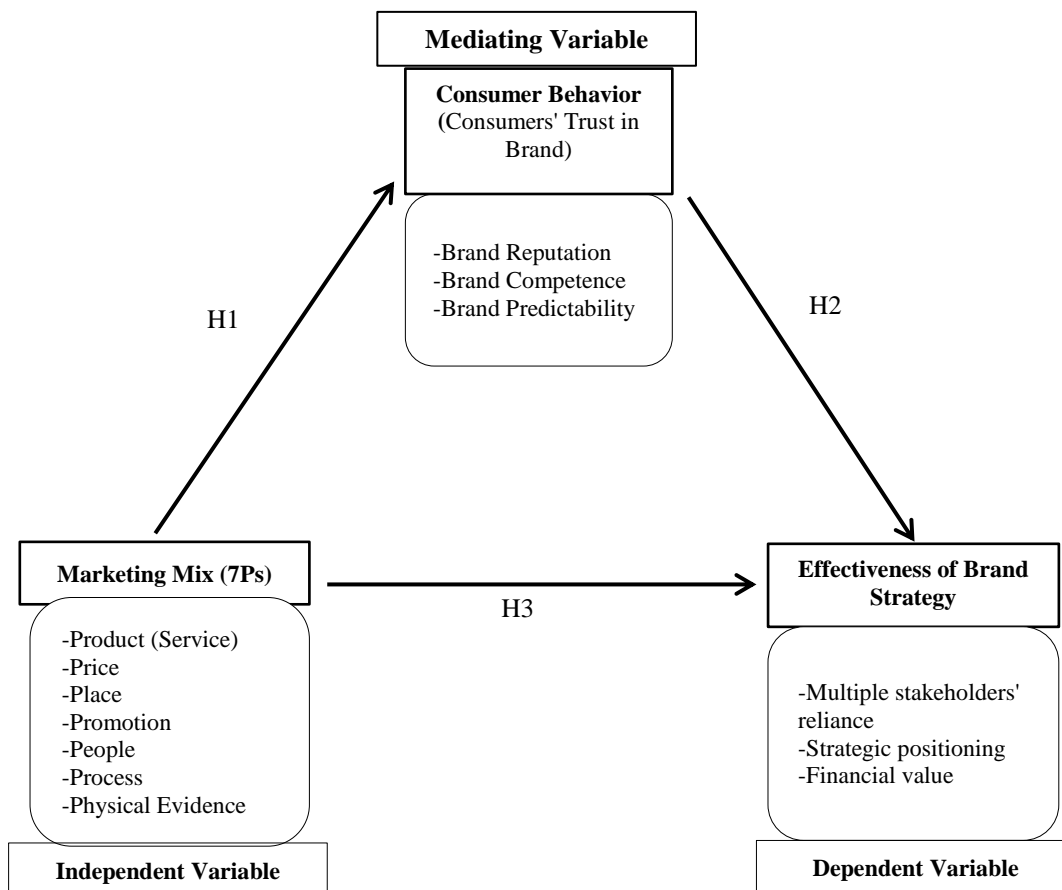


Figure 1. Research Model

Figure 1 presents the modified framework in this research. It is clear that marketing mix can affect the effectiveness of brand strategy through the role of patients' trust in brand. Three hypotheses that are based on the literature reviews include whether marketing mix has positive impact on patients' trust in brand, whether patients' trust in brand has positive impact on effectiveness of brand strategy and whether marketing mix has positive impact on effectiveness of brand strategy.

The research design used the descriptive and correlation method, which include quantitative and qualitative analysis of data. Regression method design discussed the relationships between variables and testing of hypotheses. Accordingly, a questionnaire consisting of 24 totally questions was designed and distributed by papers to targets for the purpose of obtaining the primary data. The secondary data was collected from websites, previous research, publications and books. A 5-point Likert scale ranging from 1-strongly disagree to 5-strongly agree were used to measure the 13 questions of marketing mix strategy and consumers' trust in hospital and its brand strategy effectiveness.

The study was carried out at the end of 2020. The respondents of this study focused on patients and employees at Thai Nguyen International Hospital, including around 5423 people. Among them, 188 respondents including 123 patients and 65 employees were selected in total as sample size. Based on the Slovin's formula, we can conclude that the sample size of this research

is guaranteed a better reliability for the research. In order to distribute the questionnaire to them, the author asked Human Resource department for distributing by papers, then gave out set of questionnaires for selected people randomly in 2 groups of sample, including ordinary patients (families, students, lecturers, business men and women, groups, etc.) and the employees of the hospital (doctors, nurses, staffs, etc.). These respondents represented their experiences from the hospital service to increase the effectiveness of brand strategy of the hospital.

The research use both descriptive and statistical regression for analyzing data. Considering to the statistical analysis, an exploratory factor analysis was conducted to explore the interrelationships among a set of variables. In addition, the scale reliability analysis was used to test the Cronbach's alpha to measure whether or not a score of variables is reliable. Moreover, the ANOVA analysis was used to determine the statistical significance between the mean of three variables. Finally, the descriptive statistics was used to show the mean and standard deviation of all components and the data was analyzed and interpreted with the help of Statistical Package for Social Science version V20.

### 3. Results and discussion

This study was carried out with the principal aims of the mediation role of patients' trust in brand has significantly influence to the relationship between marketing mix and brand strategy effectiveness and providing the managerial implications for Thai Nguyen International Hospital to increase effectiveness of brand strategy. The following parameters were studied.

#### 3.1. Characteristics of samples

**Table 1.** Characteristics of samples

Variable	Characteristics	Frequencies	Percentage (%)
<b>Respondents</b>	Employees	65	34.6
	Patients	123	65.4
	<b>Total</b>	<b>188</b>	<b>100</b>
<b>Gender</b>	Male	77	41.0
	Female	111	59.0
	<b>Total</b>	<b>188</b>	<b>100</b>
<b>Age</b>	18 to 23 years old	36	19.1
	24 to 29 years old	64	34.0
	30 to 39 years old	50	26.6
	40 years old and above	38	20.2
	<b>Total</b>	<b>188</b>	<b>100</b>
<b>Level of Education</b>	High school	89	47.3
	Bachelor degree	73	38.8
	Master degree	18	9.6
	PhD degree	8	4.3
	<b>Total</b>	<b>188</b>	<b>100</b>
<b>Employment Status</b>	Full-time employed	112	59.6
	Part-time employed	42	22.3
	Unemployment	14	7.4
	Full-time homemaker	20	10.6
	<b>Total</b>	<b>188</b>	<b>100</b>
<b>Hospital Awareness</b>	Newspaper or advertisement on media	41	21.8
	Friend, colleagues, family/relatives	98	52.1
	Internet (Facebook, Google)	24	12.8
	Other sources	25	13.3
	<b>Total</b>	<b>188</b>	<b>100</b>

Results derived from the current research shown in Table 1 indicate that the majority of participants were patients (65.4%) and employees of the hospital were 34.6%. Over a half of respondents were female (59.0%), 47.3% graduated from high school and only 4.3% got the PhD. Degree. 59.6% of them were full-time employed; and 7.4% were unemployed. Most of them had known the hospital by the recommendation from friends, colleagues and family members (52.1%). In addition, 100% of them experienced good service quality from the hospital.

### 3.2. Exploratory Factor Analysis (EFA) Analysis

The EFA analysis for rotated component matrix of three variables determined that some items had the inter-correlation values for greater than 0.50, and few items were less than 0.50, but each set of items was not in order and separated in different group of factor loadings. Thus, we decided to exclude the rotated component matrix table in this study. Therefore, the researchers could not take all of the items and variables for the undertaken study, also we were not able to continue the conduct the CFA, and so we stopped at EFA.

### 3.3. Scale reliability

After doing exploratory factor analysis, no item was deleted. The outcomes illustrated that coefficient alpha for all variables was within the range of 0.730 to 0.830. Based on the reliability rules, the minimum point to accept or reject the reliability of one variable or group variables is 0.70 [7]. Analyses show that Cronbach's Alpha was higher than 0.70 for all variables presented in Table 2, so we can conclude that all variables in research model are reliable.

Table 2. Scale Reliability

Construct	Before Purification		After Purification	
	Number of items used	Cronbach $\alpha$	Number of items used	Cronbach $\alpha$
Marketing Mix	7	0.830	7	0.830
Patients' Trust in Brand	4	0.775	4	0.775
Effectiveness of Brand Strategy	3	0.730	3	0.730

### 3.4. Hypothesis testing

The Linear regression was conducted to get hypothesis testing results which were indicated in Table 3. Hypothesis 1, which suggests that marketing mix has a positive effect on patients' trust in brand, was accepted (R-square = 0.628;  $\beta$  = 0.792; t-value = 17.713; p = 0.000). H2 hypothesis, which suggests that patients' trust in brand has a positive effect on effectiveness of brand strategy, was also accepted (R-square = 0.609;  $\beta$  = 0.781; t-value = 17.032; p = 0.000). In a similar way; a positive relation between marketing mix and effectiveness of brand strategy is revealed and hypothesis 3 was also accepted (R-square = 0.563;  $\beta$  = 0.750; t-value = 15.428; p = 0.000).

Table 3. Summary of hypothesis-testing results

Hypothesis	Regression Paths	R-square	$\beta$	t-value	Sig.	Result
H1	MM* $\rightarrow$ CTB	0.628	0.792	17.713	0.000	Supported
H2	CTB* $\rightarrow$ EBS	0.609	0.781	17.032	0.000	Supported
H3	MM* $\rightarrow$ EBS	0.563	0.750	15.428	0.000	Supported

Note: \* = Predictor, MM = Marketing mix, CTB = Patients' trust in brand, EBS = Effectiveness of brand strategy

### 3.5. Discussion

The purpose of this study was to measure the effect of marketing mix and patients' trust in brand on effectiveness of brand strategy in Thai Nguyen International Hospital. Results derived from the

current research indicate that all variables were statistically positive significant. There was a significant and positive effect between marketing mix and patients' trust in brand with R-square = 0.628, coefficient Beta = 79.2%, t-value = 17.713 and p-value = 0.000 < 0.05. Hypothesis 2 found that there was a positive correlation between patients' trust in brand and effectiveness of brand strategy in Thai Nguyen International Hospital with R-square = 0.609, coefficient Beta = 78.1%, t-value = 17.032 and p-value = 0.000 < 0.05. Finally, the relationship between marketing mix and effectiveness of brand strategy, as represented in regression output showed that marketing mix had positive effect on effectiveness of brand strategy with R-square = 0.563, coefficient Beta = 75.0%, t-value = 15.428 and p-value = 0.000 < 0.05, thus, hypothesis 3 was supported.

To sum up, as the results indicating from the descriptive analysis, the mediation role of patients' trust in brand had significant influence to the relationship between marketing mix and brand strategy effectiveness. Specially, the highly qualified service and facilities of hospital led patients have a trust on its brand. Therefore, the marketing mix components highly impacted on the positioning and financial of hospital's branding strategy. Furthermore, the well attention, well communication and good taking care of doctors and nurses were essential for the hospital to reach patients. Thus, the hospital also should apply the highly-qualified medicine and treatment with the reasonable price for increasing the effectiveness of brand strategy. There are also some recommendations from the respondents that staffs are also needed training and development to create the highly skilled workforce in the hospital and the hospital should create the positive reputation of brand which will lead to the success and profit by promoting advertising on many channels and social media.

## **4. Conclusion**

### **4.1. Conclusion**

The study pointed out a significant and positive relation between marketing mix and patients' trust in brand. That means the role of marketing such as product/service, price, place, promotion, people, physical evidence and process served as signals that patients used to make inferences regarding the characteristics of products and brands and affected the patients' trust in brand. There was significant and positive relationship between patients' trust and effectiveness of brand strategy. The patient satisfaction was the crucial influence on branding of service sector especially for Healthcare and Hospitals. Furthermore, the positive relationship between marketing mix and effectiveness of brand strategy has been well proved in this research. The marketing mix activities play the important role to the corporates to build relationship between the consumers' trust and the branding strategy.

### **4.2. Limitations and future research**

As with many researches, the limitations also appeared to this study. Firstly, this study is limited to the private sector of Thai Nguyen International Hospital, so it has not been widely applicable to other sectors of Thai Nguyen's hospitals. Secondly, this study only conducted a survey of 188 respondents by convenient sampling methods and some doctors, nurses and staffs refused to participate in the study. Another limitation is about the language, most of the respondents were unable to fill out the questionnaires with English because their native language is Vietnamese, thus, by convenient, the questionnaire needs to be interpreted into Vietnamese.

Finally, future research can reach empirical testing to consumer durables and extend work by examining consumer's trust in brand and the role of marketing-mix activities therein for lesser-known brands. Furthermore, there is also a need for future research to show how we can assess the financial value result of applying a corporate brand strategy based on the model and how we can measure the impacts of corporate brand strategy.

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