

COMPETITIVE ADVANTAGE IN THE HEALTH SYSTEM: A COMPARATIVE APPROACH ROMANIA – TURKEY

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ABSTRACT

A healthcare organization can build a sustainable competitive advantage if it continuously improves its performance, repeatedly provides quality and unique services to patients, and the sources of competitive advantage are valuable, rare, inimitable, or irreplaceable. This paper aims to explore the issues of competitive advantage in a dynamic environment for medical organizations in Romania and Turkey, by studying data from secondary sources represented by national strategies in the targeted sector and the perspective of beneficiaries. The findings of the study revealed the critical nature of realigning resources used in the unpredictable and ever-changing environment in which hospitals thrive to build a sustainable competitive advantage. Using a mixed-method approach, this study assessed the contributions of patient and market competition characteristics to the perceived competitive advantage of beneficiaries in Romania and Turkey. Data for this study were collected mainly using a Google Forms questionnaire addressed to citizens of the two reference countries, with 237 valid responses. The results of the analysis to simultaneously examine the receptivity of the beneficiaries to the perceived competitive advantage indicated that the differentiation at the health unit level has a statistically significant value. The results join a body of literature that suggests that recipients' perceptions and receptivity to their needs are a significant predictor of hospital performance.

KEYWORDS: *competitive advantage, health sector, managerial strategy, Romania, Turkey.*

DOI: 10.24818/IMC/2022/02.01

1. INTRODUCTION

In today's world, where change has gained great momentum, long-term uncertainties in business life make it difficult to take vital decisions that shape the future of health organizations. In addition, the environmental conditions that are constantly and rapidly changing make it necessary for hospitals to keep up with these changes, having to predict environmental changes, solve the complexity caused by uncertainty, and gain an advantage in a competitive environment. Globalization has caused changes in many areas and increased competition in many sectors, in line with the nature of capitalism. Businesses in the service sector seek to gain competitive strength by differentiating their features, customer experiences and employee compensation. According to İkiz and Masoudi (2008), the health sector has an important and privileged position in the service sector, and for this reason the measurement and continuous improvement of the quality of the services provided by enterprises offers an important competitive advantage in the globalizing world where the offers on the market are constantly changing, increasing, and evolving. Health care services have a distinct position from other services due to their highly involved and risky nature and the general lack of expertise held by

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consumers. Moreover, it is worth mentioning that these services define a client-seller relationship that patients would like to never benefit from, that is, not need. This results in a problem specific to the field, namely that most of the time the choice of a certain medical service provider is made impulsively and without any expertise. This makes the conceptualization and measurement of customer satisfaction and service quality in health care institutions more important and at the same time more complex. To maintain and improve the quality of health care services, apart from being based on clinical and economic criteria, senior managers must be constantly connected to the needs of the consumer. A better understanding of how service users evaluate the quality of healthcare will help organizations identify and improve the weaker aspects of their healthcare system. With the continuous monitoring of patient perceptions and improvements based on the analyzes carried out, the competitive strategies in the field will be able to be adapted accordingly to the needs of the market.

In this context, this paper aims to explore the issue of competitive advantage in a dynamic environment for medical organizations in Romania and Turkey, by studying data from secondary sources represented by national strategies in the targeted sector and the perspective of the beneficiaries. Thus, the main objective of this study is to identify the factors that affect the perception of patients in the healthcare system, vital aspects that determine market share and profitability. To achieve the aim and objective of the research, in addition to the analysis of data from secondary sources, a research based on a questionnaire was carried out that was addressed to patients from Romania and Turkey. The questionnaire was completed by 237 respondents, and the data collected allowed: (1) the analysis of the defining strategic characteristics that outline the competitive advantage pursued by an organization, reflected in the wishes of the beneficiaries, (2) the analysis of the association between the perception of respondents from Romania and Turkey and the type of competitive advantage, and (3) the analysis of the association between patient income and preference for public or private sector.

Regarding the structure of this paper, the introduction section is followed by a literature review section in which the particularities of the health sector in Romania and Turkey are presented and the research hypotheses are developed. The next section presents the particularities of the research methodology. The fourth section is dedicated to the presentation of the research results and discussions based on the findings made. The paper concludes with a conclusion and implications section that also highlights the limitations of the research.

2. THEORETICAL BACKGROUND AND RESEARCH HYPOTHESES

2.1 Strategic particularities of the health sector in Turkey

According to Tatar & Kanavos (2006), several deep-rooted challenges in Turkey's healthcare system are the key driving forces behind the launch of fundamental reform efforts under the "Health Transformation Program" (HTP) since 2003, which the entire sector has been greatly streamlined with. That context was marked by health status indicators of the population, weak compared to other middle-income countries and the averages of the European Union (Tatar & Kanavos, 2006). The effective implementation of the reform scheme has resulted in major improvements to the medical sector in Turkey, and synergistically has significantly increased the quality of life of the citizens.

The reforms related to the health sector are reflected today in the totality of services and their level of quality in relation to the satisfaction of the beneficiaries, which has increased significantly. It is worth mentioning that the managerial policy in this sector builds a real competitive battle between health units, regulating that each hospital, public or private, has autonomy, being in parallel closely monitored by the Ministry of Health, which ensures that quality standards are met (Tatar & Kanavos, 2006). Thus, a competitive environment is taking shape in which organizations are based on different competitive advantages, each constituting its strategic objectives according to the

resources acquired and the policies approached (Tatar et al., 2011). The satisfaction of those who benefit from health services and their perception of the quality of services has begun to be accepted as one of the core values that determine the success of organizations. One of the differentiating ways that health institutions in Turkey, but also worldwide, choose to gain a competitive advantage in their services from is to be accredited by international accreditation organizations. The oldest accreditation that gives importance to the international safety of patients and the quality of services is the Joint Commission International (JCI) accreditation, which, representing a dynamic process, constitutes an important guarantee for the efficiency of services (JCI, 2022a). At the time of writing, according to the official website of JCI, 34 medical organizations in Turkey hold this accreditation, being a number well above the organizational average worldwide (JCI, 2022b). This superior accreditation, being a guarantee of quality and a business card that supports the trust of patients, is one of the basic pillars on which the managerial marketing strategy is based, healthcare organizations standing out through it, both nationally and globally.

The competitiveness of 117 countries is measured annually by The World Economic Forum (2022), which takes into account a set of factors in the analysis and thus creates both research and investment directions, as well as a hierarchy of trust in different fields. This is called The Travel and Tourism Competitiveness Index (TTCI) and it draws development directions for each nation that is interested in the position it occupies and how it can increase it, as well as being an important help for citizens when they choose a destination, whether for a vacation or a medical matter. Of the 4 variables that the analysis considers, the degree of health and the level of hygiene are important indicators for the current research. Turkey ranked 45th out of 117 countries surveyed (World Economic Forum, 2022). Hospitals in Turkey have created a world-wide reputation as the definition of healthcare quality implementing various strategic development actions, such as collaboration with prestigious health organizations worldwide. It is worth mentioning the remarkable result of Turkey in the TTCI hierarchy in the category represented by price competitiveness, "obtaining the 70th place" in 2019 (Kılavuz, 2018, p. 49). Regarding this aspect, Kılavuz (2018) highlights a cost difference that can reach up to 90% between a treatment in the United States of America and one in Turkey.

The quality of a medical service has many variables when it comes to quantifying it. Although the true level of service quality may be quite low, or on the contrary high, the main control key lies in the consumer's perception of the quality of service and the efficiency of healthcare. So, consumer perception is the main indicator of the quality of health care services. It can thus be stated that there is a relationship between consumer perception of service quality and their satisfaction (Cronin & Taylor, 1994), consumer satisfaction being a major tool for making critical decisions in medical services. Therefore, organizations in the field consider customer satisfaction as a primary objective in defining their organizations' strategies.

2.2 Strategic particularities of the health sector in Romania

As Vlădescu et al. (2016) state, since the early 1990s, the Romanian health system has undergone a major transformation, replacing the Semashko model with a social health insurance system. The legacies of the former model of organization and delivery of health care are still visible in the financial imbalances and chronic underfunding of the system, as well as in the excessive dependence on hospital care without a preventive mentality, the underdevelopment and underutilization of other types of care (Vlădescu et al., 2016). With the establishment of capitalism, the health sector in Romania became a centralized one, in which the Ministry of Health and the National Health Insurance House have the roles of administrative regulation and financial control at the national level. In the field of healthcare financing, the Ministry of Public Finance represents the general authority.

The sector is in a continuous process of improvement, with considerable investment in both the private and public sectors each year to meet the performance standards set by the key medium-term

planning tool in the health sector. This is represented by the "National Health Strategy", at the time of writing the paper being the current "Health Operational Program 2021-2029". According to this document, the priority axis by which every health organization in Romania must be guided highlights the protection of its citizens, in parallel with investments in the continuous development of the facilities available in medical organizations (Romanian Ministry of Health, 2021a). On the other hand, the strategic objectives mentioned in the current strategy in force, do not reach concepts related to leadership and competitive advantage, as the main results of the management of informational assets, being on lower ranks among the organization's priorities. This observation reveals certain gaps in the collective awareness of the strategically important opportunities and advantages that can be lost through the effective management of information assets. The competitive landscape of medical services has led firms to discover new ways of differentiation. Organizations in emerging economies have struggled to create a significant competitive advantage using traditional ways of competitive positioning. Moreover, in the current era of digital ecosystems, companies have sought new perspectives to frame their business strategies and create customer value (Subramaniam et al., 2019).

Financial services have overtaken the banking industry and, in the current context, the medical insurance sector (state or private) specifically forms a key component of the economy for Romania. Health insurance reforms have been at the forefront of economic reforms, aiming to establish sustainable health and social care models for the future. According to the theoretical details that support the fact that healthcare organizations derive competitive advantage from organizational culture, customer service quality, continuous innovation, and knowledge management practices, organizations in this country have adapted their competitive strategies accordingly (Rahimli, 2012). During the specific JCI accreditation period, unannounced inspections are carried out and assessment reports are requested at regular intervals. While this accreditation assesses patient safety and service quality to predetermined standards, it aims to continuously improve service quality, best practice and healthcare facility performance through training and consultancy services and publications. In Romania there are only two medical institutions with this accreditation (JCI, 2022c), a significantly lower number than the one in Turkey. The continuous investments in the effective application of the strategy in the national sector are reflected in the TTCI hierarchy presented previously, in which Romania had the largest increase in terms of the analyzed score, climbing a considerable number of places in the ranking, reaching the 53th position out of 117 countries (World Economic Forum, 2022). It is worth mentioning that Romania ranks higher than Turkey in this hierarchy, among the fourteen categories analyzed individually, having the highest score precisely in the health and hygiene section. Smith and Forgione (2017) reveal the fact that in the choice of a medical service that can be part of another country, there are a multitude of integrated factors, which belong both to the economic, social and cultural field of the area, as well as, of course, to the quality and price of the service. Thus, the approach in the decision is a holistic one.

2.3 Development of research hypotheses

The patients' point of view is vital to improve the capacity of health care to match their needs and responsiveness is one of the three main objectives of the World Health Organisation to improve national health systems and performance in the field (The World Health Organisation, 2000). Health systems have three fundamental objectives that must be met to prevent public dissatisfaction with health services: improve the health of the population they serve, respond to people's expectations, and provide financial protection against health costs. According to the theory of customer choice, when the quality of goods or services meets customer expectations and the consumer price equals the services, customer satisfaction occurs, and consumption of those services continues. However, information on quality and price in health care is limited. Patients' choice of healthcare providers is largely based on recommendations from family members and friends, and

patient experience and quality of healthcare have a significant impact on whether a hospital is recommended by the patient. Patients' perception of evaluating services and recommending service providers remain among the important features of competition in the healthcare market. In the future, measures of patient experience and health system responsiveness developed by the World Health Organisation (2000) are likely to receive greater attention as hospitals and physicians are under increasing pressure to increase patient satisfaction, reduce the cost of services and to improve the quality of care. Patient satisfaction is used to predict future use of services and intent to return for services (Kuosmanen et al., 2006), and is also a marketing tool that can give agencies and healthcare providers a competitive advantage.

When a business is going to change its strategies or make a new application or choose a strategy, it must first analyze the internal environment of the organization and the strategies it is currently implementing. As a result of these analyzes, it is possible to develop strategies suitable for existing resources. After this process is completed, the external environment needs to be analyzed. In these analyzes, health businesses work to determine their strengths and weaknesses compared to the external environment and to perceive the opportunities and threats that may come from the external environment. Health businesses, the regulations made by the state regarding the health environment, the state of the health market, the social security system, the payment methods for the health services and the strength of the competitors, etc. They have to research issues and decide how to use them to achieve organizational goals. Strategic thinking is to be aware of the environment; it requires intellectual knowledge to be collected, organized and analyzed at all times, and being open for creative ideas and solutions. Strategic planning, on the other hand, is about reaching judgments about information, determining a course of action, and documenting the plan. For this reason, strategic planning is deciding which of the many alternatives that the organization can reach, to implement. An organization's strategy is to decide on the more specific ones from an ever-increasing series. Therefore, to be managed with a strategic approach, hospitals have to understand the environment correctly, use all kinds of information obtained from the environment, create a set of decisions among the alternatives obtained by revealing creative ideas, and develop a competitive strategy that will provide superiority to their competitors by making use of this set. Strategy illustrates competitive trade-offs. The essence of strategy is choosing what needs to be done. "Without trade-offs, there is no need for elections, and with this result, there is no need for strategy" (Porter, 2002, p.10). Strategic thinking requires, above all, looking at and responding to phenomena, problems, environmental changes at a different level.

Summarizing, in the context of this research, five defining strategic characteristics that outline the competitive advantage pursued by an organization, reflected in the wishes of the beneficiaries, were considered, namely: the importance of service quality, low cost, medical staff experience, other patients' opinions and proximity to home. Thus, the following research hypothesis was formulated:

H1: There are differences in perception between Romanian and Turkish patients regarding the defining strategic characteristics that outline healthcare organization's competitive advantage.

On the other hand, how an organization can gain competitive advantage can be another element that patients analyze when choosing medical services. A company's competitive advantage, according to recognized specialist Michael Porter (1985), essentially entails ensuring a lower cost or a product or service that distinguishes itself from other products given by others or by most competitors through its attributes. Barney (1995) believes that achieving a sustainable competitive advantage is based on the unique resources and capabilities that the organization brings to competition in its environment. At the level of the healthcare system, Hamdan (2017) consider that a hospital could have a relevant competitive advantage in the market if it either generates a higher profit by offering a service or product that is similarly different from those of its competitors or sets itself apart by offering a

service that is more valuable. Thus, competitive advantage can be attained through cost leadership or service differentiation strategy (Hamdan, 2017). Starting from the possible types of competitive advantage of an organization, the following research hypothesis was formulated:

H2: There is an association between the perception of patients in Romania and Turkey regarding the type of competitive advantage of an organization (by differentiation or by reducing costs).

Moreover, in the context of the healthcare system, medical services can be provided by both the public and private sectors. Often, among the factors underlying the choice of the public or private system is also listed the income of the patients. The results of the study carried out by Ergler et al. (2011) show that income and social networks influence both the choice of healthcare sector and the experience of healthcare received. Through their research, Owusu-Frimpong et al. (2010) discover that evidence on type of care (public or private sector) and salary are associated and show a strong link. Because private healthcare is expensive and can only be afforded by those who are wealthy or have well-paying jobs, it supports the idea that socioeconomic factors and purchasing power affect the use of health services and lead to inequalities. This contrasts with public healthcare, which is free at the point of use (Owusu-Frimpong et al., 2010). This idea is also supported by Tang et al. (2016) who summarizes that most of the research on the demand for private healthcare providers among the variety of provider options come from high-income environments. Based on these findings, the following research hypothesis was formulated:

H3: There is an association between the patients' income level and their preference for the public and private sector in terms of choosing medical services.

3. METHODOLOGY

The strategy approached by organizations in the provision of healthcare, whether at the government level or at the level of hospitals and health facilities, affects the satisfaction of users who receive healthcare. Considering the vital nature of this field and the multiple implications, both socially and economically within a country, this study aims to examine managerial practices with reference to competitive advantage in the field of healthcare and the borrowing potential of best practices from the two selected countries. In the study, a research framework was developed based on determined hypotheses, research questions and literature review. Accordingly, the present research was structured and implemented in the test bench in the light of the research framework of the field. Although numerous scholars have empirically analyzed the topic of competitive advantage in the medical sector, the impact of a nested data structure is relatively rarely addressed.

Numerous studies have also highlighted the effect of satisfaction on loyalty, which also influences market share and profitability. The main research direction is to identify factors that affect patient satisfaction in the health care system aspects that determine market share and profitability. Since the research intention is to discover the efficiency and accuracy of the implementation of strategic directions at the level of the medical field in the two countries, we considered that the case study in the format of an in-depth questionnaire reveals authentic and reliable answers to the current situation. To accurately highlight the market situation, a Google Forms questionnaire was created in which a total of 237 people participated. The research directions were divided between the two countries, looking for participants in the questionnaire from both Romania and Turkey, each freely expressing their opinion.

The analysis is carried out on a total sample of 237 people, divided into two groups, namely 187 respondents from Romania and 50 respondents from Turkey. The majority of respondents in Turkey belong to the 18-25 age group, followed by those in the 26-35 age group. Therefore, the test is

applied to a majority of young people. In parallel, the majority of answers from Romania also belong to the 18-25 years old segment, followed by more experienced respondents aged 46-55 years. They mostly have an average income of less than 3,200 lei, both in Romania and in Turkey, the questionnaire being made with the value of 7,000 Turkish lira, the equivalent of 3,200 lei at the time of the questionnaire. It is worth noting that most of the people surveyed have studies as their occupation, being students. For the accuracy of the calculations, we chose a 95% probability of the results, together with a test confidence level of 0.05.

Regarding the questionnaire, it was structured in several sections. A first section was made up of questions that aimed to analyze the perception of patients in Romania and Turkey regarding the characteristics that are important to them in choosing a medical service and questions that aimed at the type of competitive advantage that could determine the respondents to choose a certain medical service. The second section was composed of questions that analyzed the patients' preference for the public or private medical sector but also demographic questions about the respondents (such as their income, age).

Of direct interest are the perceptions and opinions of the beneficiaries on the organizational processes initiated by the strategy approached by the managers. The case study approach sheds light on several research questions with reference to the respondent and the competitive advantage that reacts. The reason for using multiple item-derived questions is to reveal different perspectives on the same topic. We used SPSS Statistics to analyze, manage and format the collected data. As both 5-point Likert scale and multiple-choice questions were used, all data were coded to quantitatively quantify the qualitative data. The statistical tests used in the research are the Mann-Whitney test and the Chi-Square test. Research methodology concludes with a focus on conceptualization, delineating relationships between core categories and key themes and concepts emerging from the data.

4. RESEARCH RESULTS AND DISCUSSIONS

Competitiveness among medical organizations is dictated by results, and these can be viewed mainly through the lens of patient perception, managerial strategies being created through a combination of responsiveness to the opinions and needs of the population and the continuous improvement of healthcare services, as well as improving the overall relationship doctor-patient. The challenges in achieving excellence in healthcare are many and difficult to overcome. In addition to these, there are issues of structure, personalities, patients, and providers. Along with changing demographics, the political environment, social perceptions of healthcare quality, and information technology have the potential to dramatically change concepts of the healthcare environment. All of this creates a complex situation that evaluates healthcare through the filter of patients' level of satisfaction, what they value, how they perceive the quality of care and how they can be improved. Thus, the validity of the current research is justified. Once the questionnaire information was collected, the data were centralized to perform a comparative analysis between medical sector in Romania and Turkey.

To test hypothesis H1, and more precisely to check if there are differences in perception between Romanian and Turkish patients regarding the defining strategic characteristics that outline the competitive advantage of an organization, the Mann-Whitney test was used. The analysis was carried out on a number of five defining strategic characteristics that outline the competitive advantage pursued by an organization, reflected in the wishes of the beneficiaries, including: importance of service quality, low cost, medical staff experience, other patients' opinions and proximity to home. The results of the Mann-Whitney test, presented in Table 1, reveal precise information about the statistical significance of the data and the correlation of the responses between the two countries.

Table 1. The results of the Mann-Whitney statistical test related to the characteristics of the competitive advantage

Hypothesis	Variables	Mean ranks	Sum of ranks	Mann-Whitney U	Z	Asymptotic significance	
H1(a)	Importance of service quality	Romania	119.97	22433.50	4494.50	-0.469	0.639
		Turkey	115.39	5769.50			
H1(b)	Low cost	Romania	111.64	20876.50	3298.50	-3.375	0.001
		Turkey	146.53	7326.50			
H1(c)	Medical staff experience	Romania	123.29	23056.00	3872.00	-2.050	0.040
		Turkey	102.94	5147.00			
H1(d)	Other patients' opinions	Romania	122.31	22871.50	4056.50	-1.488	0.137
		Turkey	106.63	5331.50			
H1(e)	Proximity to home	Romania	119.21	22293.00	4635.00	-0.095	0.924
		Turkey	118.20	5910.00			

Source: Authors with SPSS Statistics

Importance of service quality. Presenting an asymptotic significance $p = 0.639 > 0.05$, it can be stated that the hypothesis H1(a) is not supported, resulting that there is not enough evidence to demonstrate that there is a statistically significant difference in the continuous outcome variable between the two independent groups of respondents. At the same time, considering the means ranks presented in Table 1, approximately equal values are observed (119.97 in Romania and 115.39 in Turkey, $U = 4494.50$) between the assessment of the importance of the quality of a medical service, highlighting the fact that this characteristic is an imperative in choosing a medical service.

The importance of cost. Regarding the importance of cost in the choice of a medical service, the null hypothesis is rejected, considering an asymptotic value $p = 0.001 < 0.05$ ($U = 3298.50$) which statistically proves that there is a significant difference between the two groups of respondents. These results support the validation of hypothesis H1(b). Thus, the beneficiaries from Turkey place the costs on a higher position in the pyramid of importance (Mean ranks = 146.53) than those from Romania (Mean ranks = 111.64). As the delivery of a health care service is a complex issue, health facilities must use resources efficiently, making informed decisions about consumer responsiveness to this aspect. In this context, cost information can be used to analyze whether financial resources are being spent correctly or not and to improve hospital efficiency.

The importance of medical staff experience. The experience of health personnel drifts over time, with continuous improvement and multiple medical cases addressed. However, the results of the Mann-Whitney statistical test conclude that the people surveyed do not necessarily associate service quality with staff experience, constituting a strong support for the previously mentioned hypotheses according to which customer satisfaction is a subjective term, easily influenced and with many valences. This fact is supported by the asymptotic significance $p = 0.040 < 0.05$ ($U = 3872.00$) which confirms the hypothesis H1(c), so that for the respondents from Romania (Mean ranks = 123.29), the notoriety of a medical staff is statistically significantly more important than for those from Turkey (Mean ranks = 102.94).

The importance of other patients' opinions. The asymptotic value $p = 0.137 > 0.05$ ($U = 4056.50$) reject the H1(d) hypothesis and demonstrates that there is no statistically significant difference in the continuous outcome variable between the two independent groups of respondents. Both from the point of view of respondents from Romania and those from Turkey, the reputation and image of a

medical organization is of particular importance in choosing a service from the rich competitive range.

The importance of proximity to home. The conducted test outlines a statistical similarity between the two population samples ($p = 0.924 > 0.05$), so that most of the people surveyed opt for medical services near their personal homes ($U = 4635.00$). These results make hypothesis H1(e) not supported.

To test the hypothesis H2 and more specifically to analyze whether there is an association regarding the perception of Romanian and Turkish patients regarding the type of competitive advantage (by differentiation or by reducing costs), a nominal question was included in the questionnaire, referring to the competitive advantage that customers feel they react to most. To test this hypothesis, the Chi-Square test was applied, the results of which can be consulted in Table 2.

Table 2. Results of testing hypothesis H2 using the Chi-Square test

Test	Value	Asymptotic Significance	Country	Competitive Differentiation Advantage	Cost Reduction Competitive Advantage
Phi	0.27	0.00	Romania	142	45
Cramer's V	0.27	0.00	Turkey	23	27
Pearson Chi-Square	16.716	0.00	Total	165	72

Source: Authors with SPSS Statistics

Once the test is carried out in the SPSS Statistics program, the resulting data confirm with a small asymptotic significance ($p = 0.00 < 0.5$) hypothesis H2 ($\chi^2_{(1)} = 16.716$). As the previous result of the Mann-Whitney test highlighted, the Romanian population is much more focused on differentiation as a competitive advantage in the process of choosing a medical service, compared to Turkish citizens who consider low cost a main decision factor. These conclusions follow from the significant, low intensity association highlighted by the Phi coefficient and Cramer's value (Phi = 0.27; Cramer's V = 0.27). However, the average values of the responses in Turkey regarding the two types of competitive advantage are quite close (differentiation competitive advantage receiving 23 votes and cost reduction 27), indicating the roughly equal importance of the two characteristics. Hypothesis H3 sought to verify whether there is an association regarding a patients' income level and their preference for the public and private sector in terms of choosing medical services and was tested using the Chi-Square test. The results obtained from testing this hypothesis are illustrated in Table 3.

Table 3. Results of testing the H3 hypothesis using the Chi-Square test

Test	Value	Asymptotic Significance	Average income	Private sector	Public sector
Phi	0.20	0.01	Under 3200 RON (under 7000 TL)	67	69
Cramer's V	0.20	0.01	Between 3200 and 6200 RON (between 7000 TL and 13000 TL)	36	22
Pearson Chi-Square	9.249	0.01	Over 6200 RON (over 13000 TL)	32	11

Source: SPSS Statistics

The Chi-Square statistical test applied to the data collected about the respondents' average income revealed with an asymptotic significance of $0.01 < 0.05$ (95% probability chosen for the research) the association between a person's income and the chosen medical sector, namely the public or the private ($\chi^2_{(2)} = 9.249$). These results provide support for the validation of hypothesis H3. However, the association is one of low intensity, significant (Phi = 0.20; Cramer's V = 0.20), an aspect also highlighted by the increased weight of responses directed to the private sector, despite the majority of respondents with low incomes. So, although respondents declare themselves to be price sensitive, they tend to opt for the private sector of health care despite the freeness usually found in the public sector.

Iterative and comparative data collection and analysis gradually uncovered both similar and different perspectives in the behavior of the two groups of respondents, from Romania and Turkey. The topic of cost is the only aspect to which Turkish citizens attribute more attention compared to Romanians. From the information of the centralized data set, it can be unequivocally stated that the management strategy of health facilities focused on the implementation of advanced medical treatments, reduction of clinical errors, efficient management of materials, improvement of operational efficiency and hosting and participation in international medical conferences is the synergistic and correct direction to maintain competitive position or increase market share. Hospitals have identified ways to change and adapt to the competitive environment. Patients were influenced by the previously mentioned national strategies to redirect their behavior towards better health care, improvements were made in medical technology, hospitals attracted doctors with advanced medical skills and provided staff with training options. The characteristic of service quality was found to be crucial in the choice of a medical service for both populations analyzed. This aspect is clearly reflected in the organizations approach to competitive advantage, built on clinical results and highlighted in winning several prestigious national and international clinical excellence awards. Providing an excellent patient experience and earning their trust is another step towards differentiated healthcare. Regular identification of service differences improves patient care and achieves patient loyalty and satisfaction. The approach to creating a reliable organizational reputation finds its implications in the importance revealed by data collected on the opinion of other patients. The patient-centered approach was implemented by considering patients as partners, empowering and involving them in their health care.

The results of the research show that respondents from Romania are much more sensitive to the quality of the medical service, while those from Turkey differentiate and choose a particular media organization based on its prices. This result is also reflected in the current market situation of the two countries. In Romania, there are only 2 JCI accredited organizations, an aspect that induces low quality and confidence at the international level. Therefore, the beneficiaries are looking for the chapter in which the country is deficient. On the other hand, with a number of 34 accredited units, Turkey has won its quality guarantee and outlines its differentiation through price.

The most important competitive perception in the healthcare sector is quality. According to a nationwide patient survey in Taiwan in 2002, quality of care, rather than price, is the main concern in health services (Akbolat, 2009). However, the price is not completely out of interest. In the study that Akbolat (2009) is referring to results were obtained to investigate whether the quality and cost factors change the patient's perception of a service and his desire to recommend it or not. According to the study, the most important determining factor for a patient to recommend the hospital is the perception of the quality of the hospital. Although bundle price has no effect on patients' hospital recommendation, cost perception is effective.

Other studies and research on hospital competition and strategy suggest that hospitals compete on non-price dimensions and this leads to a medical arms race. According to Devers et al (2003, p. 451), there are seven general factors that affect the occurrence of this outcome: "political and regulatory environment, organization and private employer activity, health plan products and payment methods, hospital market structure, hospital-physician relationships, customer sensitivity

to hospital costs and population structure, hospital clinical quality information". All this data can constitute new research directions.

The current situation in which the two health sectors are located finds its correspondence in the strategic planning that was re-aligned at the national level in the two countries. In this way, the indispensable cycle is defined that the strategic achievement defines with the imperative of each of its stages. Thus, the National Strategies in the Health Sector in the two countries have completely different drafting methods, hence the opposite implementation and results. The one drafted by the Turkish authorities (Republic of Turkey Ministry of Health, 2018) constitutes precisely specific accents for management functions and the main components of the strategy, delimiting each one in a unitary way and developing them. Instead, the few data found about the documents from Romania, both specific to the strategy for the years 2021-2027 (*Romanian Ministry of Health, 2021*), but also for the previous periods (*Romanian Ministry of Health, 2014*), lead to the implementation of vague directions, without emphasis on resources, deadlines, and competitive advantage. This discrepancy is reflected in the general poor quality found in the health sector in Romania according to the respondents.

Moreover, Turkey's emerging market is an ideal setting for medical tourism, highlighting a remarkable level of activity on the part of organizations in cultivating markets beyond national borders. Turkey has world-class hospitals, a well-trained pool of medical professionals, client networks that spread across the region, and an entrepreneurial drive to serve foreign markets. It is important to note that hospitals in Romania have focused on improving performance by taking various steps such as developing and deploying advanced medical equipment and procedures, integrating high caliber doctors, surgeons and nurses and conducting regular on-site training of work regarding the sanitary environment, operational and process improvements. All these steps are carried out in accordance with the expectations and needs of the patients. Implementing the case study approach with the analysis of the fundamental theory of competitive advantage, the study revealed a higher cost sensitivity among Turkish consumers, along with the desire not to give up the quality characteristics of medical services. The experience of the medical staff, the opinion of other patients, but also the proximity to the home creates unique added value and manages unpredictable circumstances. All the characteristics analyzed contribute directly to hospital performance, help provide better and more competitive services, and provide value from the perspective of patients.

5. RESEARCH CONCLUSIONS AND IMPLICATIONS

In today's rapidly changing technological, political, and economic environment, the only condition for hospitals to survive is to have the strength and flexibility to keep up with these changes. To survive, businesses will definitely want to make strategic choices and to be successful by applying these choices under current market conditions. In the healthcare market, Porter (2002, p. 32) states that "strategy is doing things differently to achieve a different result." According to him, following a managerial strategy on the competitive market is imminently one step ahead of the competitors, and implicitly being much closer to success. Both the traditional management practices and the current updated ones constitute a driving force for success, in parallel with the thorough understanding of the consumers' wishes to offer them the necessary aspects. Hospital management strategy can be defined as a policy of provision and sharing of resources for the development of workplace capabilities such as low costs, high quality, flexibility, promptness, reliability and accessibility to the service provided. The policy should be consistent with the hospital's mission and business strategy.

The analysis of data from secondary sources allowed the identification of the current situation of the medical sector at the level of the two countries. The results reflect that in Romania there are only 2 JCI accredited organizations, an aspect that could induce low quality and trust at the international

level. On the other hand, there are 34 accredited units in Turkey, which makes the medical sector in this country earn its guarantee of quality and outline its differentiation through price.

On the other hand, the empirical research carried out among patients from Romania and Turkey allowed the identification of some important aspects regarding the medical system of the two countries. Firstly, the differences in perception between patients from the two countries regarding the defining strategic characteristics that outline an organization's competitive advantage were identified, which provides support for the partial testing of hypothesis H1. Thus, the results of the study highlight the fact that although there are differences in the perception of patients from the two countries regarding all five analyzed characteristics, only in the case of two of them the differences in perception are statistically significant, respectively those related to low cost and medical staff experience. Secondly, through the second hypothesis of the research, it was aimed to identify if there is any association between the perception of patients in Romania and Turkey regarding the type of competitive advantage of an organization (by differentiation or by reducing the cost). Thus, hypothesis H2 was validated, and the results emphasize the fact that the Romanian population is much more focused on differentiation as a competitive advantage in the process of choosing a medical service, compared to Turkish citizens who consider low cost a main decision factor. Thirdly, this research aimed to study the associations between patients' income and the preference for choosing the public or private sector in the provision of medical services. In this sense, the results of testing hypothesis H3 highlighted the existence of associations between the two aspects. Moreover, the results reflect that the association is one of low intensity, significant, aspect highlighted also by the increased share of responses directed to the private sector, despite most respondents with low incomes. Thus, it can be concluded that, although the respondents declare themselves to be price sensitive, they tend to opt for the private sector of health care, despite the freedom usually found in the public sector.

Organizational policy managers, providers, and healthcare managers can use the current findings to develop healthcare service strategies that deepen and enhance patient satisfaction. The current findings can be used by managers to differentiate themselves in a competitive health care market as a signal to improve the perceived quality of health care services. Measuring patient satisfaction can help facilitate the delivery and management of healthcare services, as well as increase and maintain the quality of service delivery. Measuring patient perception of competitive advantage provides managers with a closer and more responsive healthcare system in response to patient needs and desires.

This study presents limitations that provide direction for future research. First, the data collected on the competitive advantage from the perspective of the beneficiaries are perceptual in nature, and their degree of validity can be questioned by the conceptual filters of a relatively small number of the sample. Therefore, adding objective or independently assessed indicators of competitive advantage would extend the analyzes reported in the study, an important aspect for future research. The results of the Chi-Square test indicated the statistical representativeness of the group of respondents. Finally, it should be kept in mind that this paper focused primarily on answering quantitative and cross-sectional research questions. In the current study, only a limited set of predictor variables were examined and not all factors regarding competitive advantage and managerial strategy (eg, organizational culture) were examined, and the data were obtained at a single point in time. Despite these limitations, the present study provides several insights into the topic of competitive advantage in the healthcare sector, and collectively, the findings of this empirical research improve understanding of a set of factors that influence beneficiaries' perceived competitive advantage. However, more detailed investigation of other predictor variables will lead to a better understanding of the important issue of competitive advantage.

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