

Articles of Interest

Compiled by David W. Glascoff

"Does Relationship Marketing Pay? An Empirical Investigation of Relationship Marketing Practices in Hospitals," by G. M. Naidu, Atul Parvatiyar, Jagdish N. Sheth, and Lori Westgate, *Journal of Business Research*, 43 (3), 1999, 207-18.

The ideas generally known as "relationship marketing" have been at the forefront of marketing throughout the 1990s and might well continue in the new century as the paradigm of choice. However, G.M. Naidu, Atul Parvatiyar, Jagdish Sheth, and Lori Westgate asked (and answer) the most fundamental question of all about relationship marketing: Does it pay? In their answer, they used both primary and secondary data.

The authors theorized that performance (measured by six secondary data items such as occupancy rate, net income margin, and gross patient revenue per patient day) was a result of the impact of three primary data items: 1) relationship intensity (measured by the presence or absence of eleven relationship programs); 2) marketing orientation (measured by the assessments of managerial philosophy on 18 statements); 3) and intensity of competition (measured by participants' subjective assessment of the nature of the competition).

Based on the findings from 187 fully participating hospitals, a positive association was found between the level of relationship marketing activities and the performance indicators. The authors were, appropriately, not willing to declare that their findings definitely indicated a cause and effect impact on performance because of their analysis's small sample size and dated time frame (1993-1994). However, they did provide managerial implications and suggestions for improving the measured level of outcomes on the various performance indicators.

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Two Special Issues: "Qualitative Methods in Health Services Research," *Health Services Research*, 43 (5), 1999, Part II; and **"The Managed Care Backlash,"** *Journal of Health Politics, Policy and Law*, 24 (5), 1999.

The December 1999 issue of *Health Services Research* and the October 1999 issue of the *Journal of Health Politics, Policy and Law* both contained too many outstanding articles to identify any one or even two from each for highlighting in this forum. A taste of the topics from each issue is presented below to whet the reader's appetite to learn more.

"Qualitative Methods in Health Services Research" presents eight articles, each about 20 pages in length, with titles guaranteed to intrigue readers about this "stepchild" of marketing research. Examples include "Qualitative Research and the Profound Grasp of the Obvious," "How Will We Know 'Good' Qualitative Research When We See It? ..." and "Analyzing Qualitative Data with Computer Software." The editorial by Stephen Shortell, which introduces the issue by identifying five impediments to the greater use of qualitative research (funding agency priorities, the review process for funding, curriculum aspects of doctoral education, the dissertation process itself, and the criteria journals use to review manuscripts) is destined to become a widely quoted classic by advocates of qualitative research in health care.

In sharp contrast to the *HSR* special issue, "The Managed Care Backlash" issue of the *Journal of Health Politics, Policy and Law* presents three dozen articles, each averaging less than 10 pages on specific topics that, according to editor Mark Peterson, allowed the authors to focus on the topic of "the managed care backlash debate that ought to be prominent in the consideration of policymakers." Thirty-two of the articles actively discuss the managed care "backlash" by focusing on topics such as

adverse selection, microregulation, models of quality, misleading language, service to the poor, and a patient's bill of rights. Whether it was in the interests of balance, or to further stimulate discussion, the final four articles in the issue basically don't share or accept the central premises (existence of a backlash or the continued dominance of the managed care model) of the preceding articles, but are equally interesting regardless.

"Retail Trade Incentives: How Tobacco Industry Practices Compare With Those of Other Industries," by Ellen C. Feighery, Kurt M. Ribisl, Dale D. Achabal, and Tyzoon Tyebjee, *American Journal of Public Health*, 89 (10), 1999, 1564-566.

Ellen Feighery, Kurt Ribisl, Dale Achabal, and Tyzoon Tyebjee document the incidence of slotting allowances, point-of-purchase display allowances, and trade allowances by vendors of five consumer products typically sold in small retail outlets (those smaller than 2,000 square feet). The study, funded by the California Department of Health Services, examined a representative sample of chain convenience stores, gas stations, small grocery markets, liquor stores, and tobacco stores in Santa Clara County, Calif.

Data on the marketing practices of five product types—candy, snack foods, soft drinks, beer/wine, and cigarettes/tobacco—came from personal interviews with owners or managers of more than 100 participating stores. Measures were obtained on the frequency and the dollar amounts of the three types of incentive programs, but because vendors often combined payments for slotting and point-of-purchase displays, they were treated as a single category in the analysis.

The authors, who noted that 47% of the tobacco industry's \$5.1 billion promotion expenditures in 1996 were for retailer incentives, reported that slotting/display allowances for