

## Appendix 1

TABLE 4-12

**Total Number of Registered Doctors Issued With Annual Practising Certificates in Public and Private Sectors, Malaysia, 1993.**

State	Public	Private	% of Private to Total
Perlis	34	23	40.4
Kedah	178	202	53.2
Penang	199	483	70.8
Perak	306	527	63.3
Selangor	252	811	76.3
W. Persekutuan	1 311	919	41.2
Negeri Sembilan	158	160	50.3
Malacca	113	134	54.3
Johore	307	474	60.7
Pahang	146	158	52.0
Terengganu	124	74	37.4
Kelantan	319	100	23.9
Peninsular Malaysia	3 447	4 065	54.1
Sabah	156	196	55.7
Sarawak	207	208	50.1
Malaysia	3 810	4 469	54.0

*Source: Malaysian Medical Council*

## Appendix 2

### MOH BUDGET TREND

The trend of financial appropriation for the MOH, its proportion to the National Budget, Gross National Product (GNP) and the Per Capita Allocation from 1991-1993 is shown in the table below :-

TABLE 3-1

Trend of MOH Financial Appropriation, 1991-1993.

Year	MOH Annual Budget (RM)			% to National Budget	% to GNP	Per Capita Allocation (RM)
	Development	Operating	Total			
1991	686 449 970	1 492 222 400	2 178 672 370	5.66	1.79	119.83
1992	689 416 200	1 798 404 800	2 487 821 000	5.47	1.77	126.41
1993	549 473 910	1 985 432 950	2 534 906 860	5.74	1.64	133.09

Source: - Federal Budget, 1993.

- Economic Report 1993/1994.

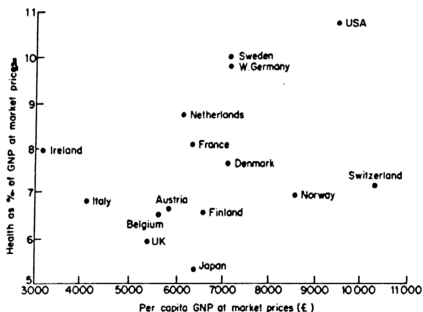
Per capita allocation has increased from RM 119.83 in 1991 to RM 133.09 in 1993. Total MOH financial appropriation has increased from RM 2,178.6 million in 1991 to RM 2,534.9 million in 1993.

### Appendix 3

*Table 1*  
*Health as a percentage of gross domestic product (GDP)*

Country (1960)	%	Country (1983)	%
USA	5.3	USA	10.6
Germany	4.8	Sweden	9.3
Sweden	4.7	France	9.3
France	4.3	Netherlands	8.7
UK	3.9	Germany	8.2
Italy	3.9	Switzerland	7.8
Netherlands	3.9	Italy	7.2
Denmark	3.6	Denmark	6.8
Belgium	3.4	Japan	6.6
Switzerland	3.3	Belgium	6.2
Japan	3.0	UK	5.9

Source: Organization for Economic Co-operation and Development (1).



*Figure 1. Relationship between health as percentage of gross national product (GNP) and per capita GNP (1983).*  
Source: Chew (2).

## Appendix 4

TABLE 4-3

**Distribution of Hospital and Special Medical Institutions by State  
and by Bed Strength, Malaysia, 1993.**

State	General Hospital	District Hospital	Overall Beds *	Special Medical Institution	Institutional Beds
Perlis	1	-	404	-	-
Kedah	1	7	1 917	-	-
Penang	1	4	2 191	-	-
Perak	1	12	3 794	1 (Mental)	3 000
Selangor	1	4	1 413	1 (Leprosy)	1 836
W.Persekutuan	1	-	2 585	1 (T.B)	259
N. Sembilan	1	4	1 362	-	-
Malacca	1	1	910	-	-
Johore	1	8	2 539	1 (Mental)	2 080
Pahang	1	7	1 397	-	-
Terengganu	1	3	1 117	-	-
Kelantan	1	7	1 330	-	-
P. Malaysia	12	57	20 959	4	6 175
Sabah	3	12	2 510	1 (Mental)	302
Sarawak	1	16	2 637	2 (Mental & Leprosy)	600
<b>MALAYSIA</b>	<b>16</b>	<b>85</b>	<b>26 106</b>	<b>7</b>	<b>7 077</b>

\* Excludes Institutional Beds.

Source: Information and Documentation System Unit, MOH.

## Appendix 5

TABLE 4-10

### Bed Complement and Workload In Licensed Private Hospitals, Maternity/ Nursing Homes and Non - M.O.H. Hospitals In Malaysia, 1993.

States	Facilities and Workload	Number of Private Hospitals and Maternity/Nursing Homes	Number of Beds	Workload *	
				Number of Admissions	Total Outpatient Attendances
Perlis		0	-	-	-
Kedah		11	213	9 335	212 282
Penang		18	1 042	63 011	461 600
Perak		16	602	36 855	191 498
Selangor		24	870	54 837	563 803
W. Persekutuan		45	1 755	61 904	368 094
N. Sembilan		6	77	5 502	31 766
Malacca		5	137	12 141	140 659
Johor		24	480	36 329	301 452
Pahang		7	89	4 744	122 887
Terengganu		1	16	320	7 913
Kelantan		1	10	170	1 570
Peninsular Malaysia		158	5 291	285 148	2 403 524
Sabah		11	265	5 340	47 648
Sarawak		11	243	8 453	0
Malaysia		180	5 799	298 941	2 451 172
<b>NON-M.O.H GOVERNMENT HOSPITALS</b>					
1.	Hospital Angkatan Tentera, Terendak, Melaka		250	9 644	35 369
2.	Hospital Angkatan Tentera, Kinrara, Kuala Lumpur.		80	3 959	26 544
3.	Hospital Angkatan Tentera Laut Lumut, Perak.		30	660	34 286
4.	Hospital Jabatan Hal Ehwal Orang Asli Selangor.		239	3 442	15 011
5.	Hospital Universiti, Lembah Pantai, Kuala Lumpur.		878	39 237	369 851
6.	USM Hospital Universiti, Kubang Kerian, Kelantan.		570	24 595	170 911

\* Based on 156 Private Hospitals which have submitted the figures.  
Source : Information and Documentation System Unit, MOH.

# **A Survey of Private Hospital Purchasing Behaviour in Malaysia**

Dear Sir/Madam,

The Private Hospital Segment of the Malaysian health care industry is growing rapidly and is destined to be the largest segment of the market when the privatization project of the major government hospitals is completed

This Questionnaire which forms part of a MBA research aims to shed some light on the buying behavior of private hospitals as an organizational market

Your participation as a respondent is very greatly appreciated and will go a long way towards providing better understanding of the purchasing behavior of this rapidly growing market

This survey is strictly confidential and none of the information requested is sufficiently detailed to identify the respondent. Further more only aggregate data will be analysed.

Please answer ALL questions . Thank you for your kind support.

LIM CHEE MING  
University Malaya  
Kuala Lumpur

## Part 1 -Participants in the buying process

Goods purchased by a Private Hospital in order to provide health care services can be roughly segmented into Medical, Pharmaceutical, Diagnostic and Equipments.

This section aims to identify participants in the purchase decision-making process for MEDICAL PRODUCTS. Examples of medical products are hypodermic needle and syringes, IV catheters, feeding tubes, spinal needles, scalp veins, dialysers, oxygenators, blood bags, blood banking accessories, etc.

In your opinion please state to what extent do you think a participant is involved in your hospitals buying process.

If you feel a participant is involved in a limited extent, please circle the number 1. If you feel a participant is greatly involved please circle the number 5.

		Limited Extent			Great Extent	
1)	Users initiate the buying process	1	2	3	4	5
2)	Users play an important role in defining the purchase specifications	1	2	3	4	5
3)	Influencers are those who directly or indirectly influence the buying decision. To what extent does each of the following influences buying decision in your hospital?					
		Limited Extent			Great Extent	
a.	Other Private Hospitals	1	2	3	4	5
b.	Government Hospital	1	2	3	4	5
c.	Technical Personnel	1	2	3	4	5
d.	Medical Superintendent	1	2	3	4	5
e.	Opinion leaders in the industry	1	2	3	4	5
f.	Head of Departments	1	2	3	4	5
g.	Financial controllers	1	2	3	4	5
h.	Others : Please specify _____	1	2	3	4	4

4) Buyers are organizational members with formal authority for selecting the supplier and arranging the terms of purchase.

Buying Situations

	Straight Rebuy	Modified Rebuy	New Task
a) Buyers help shape product specifications	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
b) Buyers select the supplier	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5

5) Deciders are organizational members who have either formal or informal power to select the final suppliers.

The Deciders in a buying decision for my hospital are :

	Straight Rebuy	Modified Rebuy	New Task
1. A committee makes the decision	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
2. The head of department	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
3. Medical Superintendent	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
4. Ward Sisters	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
5. Matron	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
6. Technical personnel	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
7. The buyers are the deciders	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5



## PART II - Factors influencing industrial buying behavior :

Private hospitals as organizational buyers are subject to many influences when making buying decisions for medical products. The various influences on organizational buyers are - environmental, organizational, interpersonal and individual. Based on your experience as a participant in the buying process please indicate the importance of each factor in influencing your buying decision. Please circle the number 1 if you feel a factor least important and circle the number 5 if a factor is most important in influencing the buying decision.

### A) Environmental Factors :

		Least Important			Most Important	
1.	Purchasing in my hospital is determined by the level of demand in the hospital	1	2	3	4	5
2.	The hospital I work for tend to purchase more to take advantage of a pending price increase	1	2	3	4	5
3.	The hospital I work for tend to make purchases to take advantage of special offers	1	2	3	4	5
4.	The hospital I work for frequently make new purchases because of developments in competing services in the other private hospitals	1	2	3	4	5
5.	The hospital I work for frequently change suppliers because of poor customer service by supplier	1	2	3	4	5
6.	The hospital I work for frequently switch to alternate suppliers if alternative products are cheaper and of acceptable quality to end users.	1	2	3	4	5
7.	The hospital I work for frequently change suppliers because of unreliable supply.	1	2	3	4	5

**B) Organizational Factors :**

Least Important

1

2

3

4

Most Important

5

1. The following attributes are important in influencing buying decision under different buying situations. Please circle number 1 if the attribute is the least important, circle number 5 if the attribute is the most important.

Buying Situations

Attributes

Straight  
Rebuy

Modified  
Rebuy

New  
Task

Overall

- |  |           |           |           |           |
|--|-----------|-----------|-----------|-----------|
| a. Product specifications meet requirements    | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 |
| b. Price                                       | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 |
| c. Delivery terms: Times, Phone in orders, etc | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 |
| d. Prompt delivery                             | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 |
| e. Customer Service                            | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 |
| f. Payment terms                               | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 |
| g. Order quantities                            | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 |
| h. Acceptable suppliers                        | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 | 1 2 3 4 5 |
| i. Others : Please specify                     | _____     | _____     | _____     | _____     |

Strongly  
Disagree

Strongly  
Agree

2. 'Gatekeepers' are people who control the flow of information to others who make the buying decision

1

2

3

4

5

3. 'Gatekeepers' influence buying decisions

1

2

3

4

5

4. Products from the following country of origin is seen as having a certain product quality image:-

On a scale of 1-10. 1 = the least superior, 10 = the most superior. Please rate the product quality image of medical products from the following countries.

		Least Superior									Most Superior
a.	Japan.	1	2	3	4	5	6	7	8	9	10
b.	Malaysia.	1	2	3	4	5	6	7	8	9	10
c.	U.K.	1	2	3	4	5	6	7	8	9	10
d.	Indonesia.	1	2	3	4	5	6	7	8	9	10
e.	U.S.A.	1	2	3	4	5	6	7	8	9	10
f.	Thailand.	1	2	3	4	5	6	7	8	9	10
g.	China.	1	2	3	4	5	6	7	8	9	10
h.	India.	1	2	3	4	5	6	7	8	9	10
i.	Europe	1	2	3	4	5	6	7	8	9	10
j.	Singapore	1	2	3	4	5	6	7	8	9	10

5. Please rate the quality image of medical products from the following manufacturers based on your experience: (On a scale of 1 - 10, 1 = the least superior, 10 = the most superior)

	Least Superior									Most Superior
Baxter	1	2	3	4	5	6	7	8	9	10
B-D	1	2	3	4	5	6	7	8	9	10
Terumo	1	2	3	4	5	6	7	8	9	10
B.Braun	1	2	3	4	5	6	7	8	9	10

6. Annual purchase exceeding a certain value require tenders to be called . Please state limit of annual purchase value that require tender in your hospital.

RM 10,000 (     )

RM 20,000 (     )

RM 30,000 (     )

RM 40,000 (     )

RM 50,000 (     )

Others : Please specify RM \_\_\_\_\_

7. Please indicate (X)the number of quotations required for the following buying situations in your hospital.

Quotes	Straight Rebuy	Modified Rebuy	New Task
ONE			
TWO			
THREE			
FOUR			
FIVE OR MORE			

### C) About Sales Personnel

		Strongly Disagree			Strongly Agree	
1.	We are more likely to purchase from a friend if other factors are the same	1	2	3	4	5
2.	Managers calling on us will have a greater influence on our purchasing decision compared to sales representatives	1	2	3	4	5
3.	Female sales personnel are more likely to influence my purchasing decisions	1	2	3	4	5
4.	Male sales personnel are more likely to influence my purchasing decisions	1	2	3	4	5
5.	Aggressive sales personnel are preferable	1	2	3	4	5
6.	Sales personnel who show great patience are preferable	1	2	3	4	5
7.	More frequent calls influences buying decision	1	2	3	4	5
8.	Direct visits by sales personnel are preferred to phone calls	1	2	3	4	5
9.	In general older sales personnel are more able to influence buying decision	1	2	3	4	5
10.	Sales personnel with diploma/degree qualifications are more influential than those without	1	2	3	4	5
11.	Expatriate sales personnels are superior to locals in their ability to influence our buying decision	1	2	3	4	5

**Part III Communications and Promotions**

		Strongly Disagree			Strongly Agree	
1.	We tend to purchase from suppliers who support us in return ,such as with sponsorships, advertisements, etc.	1	2	3	4	5
2.	Promotional brochures from the manufacturers influence buying decision	1	2	3	4	5
3.	Product advertisements in local healthcare publications such as DIMS, Medex, Medical Doctor, Medical Tribune, etc influence buying decision	1	2	3	4	5

**PART IV - DISTRIBUTORS**

		Strongly Disagree			Strongly Agree	
1)	Performance of distributors affect buying decision	1	2	3	4	5
2)	How do you rate the following distributors in terms of performance of distribution :					

Poor 2 3 4 5 Excellent  
 1

Distributor of Medical Products	Promptness	Accuracy	Service	Reliability of Supply	Overall
Waleta	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
Diethelm	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
F.E Zuellig	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
Summit	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
Jebsen & Jessen	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
Sime Darby	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
Remedi Pharma	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
General Scientific	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5
Schmidt Scientific	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5	1 2 3 4 5

### Information about respondent

Please circle the appropriate number and fill in the blanks with the correct answer :

1. Sex                            1) Male                    2) Female
2. Race                         1) Malay                2) Chinese            3) Indian  
   4) Others
3. Age                            1) 20 - 25            2) 26 - 35            3) 36 - 45  
   4) 46 - 55            5) 56 - 60
4. Marital status            1) Single                2) Married
5. Profession                \_\_\_\_\_

### Information about the Hospital :

- 1) Name of Hospital \_\_\_\_\_
- 2) If part of a group, which kind of purchasing system does your hospital employ?  
( Please mark ( X ) the correct answer )
  - a) Central purchasing \_\_\_\_\_
  - b) Individual Hospital purchasing \_\_\_\_\_
  - c) Central and Individual Hospital purchasing \_\_\_\_\_
- 3) Location (state) \_\_\_\_\_
- 4) Hospital bed size \_\_\_\_\_
- 5) Number of critical care beds \_\_\_\_\_ % of total beds
- 6) Number of Operation theatres \_\_\_\_\_

~END~

THANK YOU VERY MUCH FOR YOUR  
ASSISTANCE.