

●●● Healthcare Marketing ●●●

The PWB perspective on marketing  
the healthcare industry.



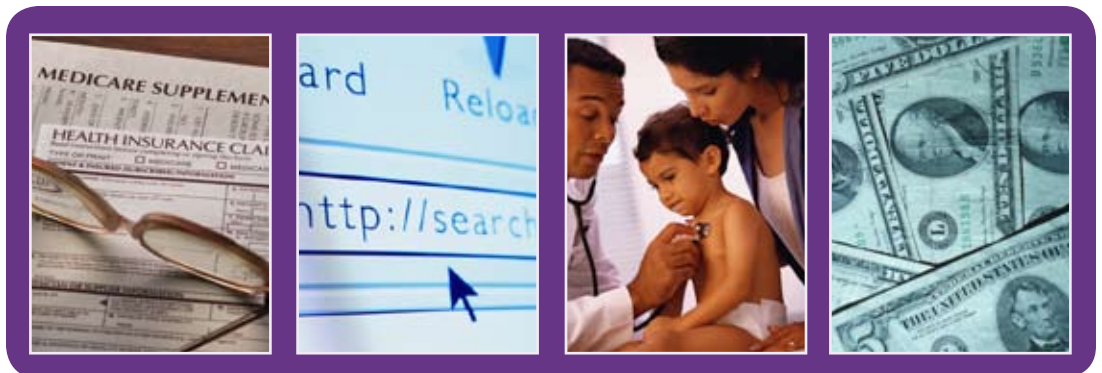
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●●● Overview.

This country is in the midst of a healthcare upheaval, with the costs soaring annually, millions of Americans uninsured or underinsured, falling reimbursement rates for physicians and hospitals, cost shifting from employers to individuals, and the list goes on. At the same time, there are unprecedented advances in medical technology available to diagnose and cure disease. Hospitals and health systems are growing, enhancing their facilities with the latest technological capabilities. And for the patient, access to healthcare, and control of their personal health is exploding. From self-directed insurance plans, to spa-like hospital experiences, even online health information resources like WebMD, now more than ever the consumer is at the core of American healthcare experience.

What does this mean for the healthcare marketer? How can you stay competitive and grow the bottom line in this time of rapid change, countless options and innovations, and economic turmoil? The most important thing is to look at the challenges through the eyes and lives of the end consumer. They are more empowered than ever before.





## So What's Really Going On

The significant shifts occurring in the American healthcare landscape are being driven by three key factors:

1. Healthcare costs are increasing dramatically because we are consuming more and it's increasingly technologically advanced, which adds to the price tag
2. Employers are shifting the cost of healthcare to employees and reducing their benefits - and the faltering economy is giving them an excuse to do it
3. The web has given consumers the ability to shop for healthcare solutions, compare quality and price, and be more and better informed



Consumerism in healthcare is happening, it's here to stay, and the result is that healthcare is fast becoming like any other purchase decision. New trends like self-directed insurance plans, self-selecting medical procedures and services, and health savings accounts have forced consumers to invest more of themselves. They do their homework when selecting a physician, a hospital where they'll receive treatment, an insurance plan, or even a simple antibiotic.

"Ten years ago, the average person would have requested a branded drug over a generic because it was perceived to be higher quality," said Rob Moroni, founding partner of Moroni Fantin, a leading healthcare benefits consultancy. "Today, most consumers will ask for the generic, because they know there is no quality difference and the cost is much lower."

Another important shift is how insurance is offered and paid for. Employers are moving away from the days of a paternalistic role – to a consumer-driven model – in selecting and providing benefits to employees. "The employer used to be the protector of the employee on cost and choice," said Moroni. "Now employers are moving to the role of educating their workforce on making informed healthcare choices that provide the best quality and investment of their dollars. It's about education, not insulation."

As a result, consumers have a lot more power in selecting their insurance provider and plans. They are educating themselves, looking at their options, and being very choosy. Insurers and healthcare providers alike have to re-think the scope and type of plans offered and accepted. Easy to use, widely accepted, affordable, and comprehensive – traits that smart marketers must communicate to capture and grow market share.

### ●●● It's Not About You

The classic mistake that healthcare marketers make is failing to remember - it's not about you. It doesn't matter if your leading oncologist has just completed a successful clinical trial for a rare cancer, the average healthcare consumer just doesn't care unless they understand how it's relevant to their situation. Does the treatment work for my disease? Can I get a consult with my doctor quickly and easily, and get the treatment near where I live or work? Will my insurance cover it and what will it cost if they don't? Good healthcare marketers strive to understand the problems consumers face, what matters most to them in their day-to-day lives, and incorporate their solutions into their brand.

### ●●● It's About Them

As consumers increasingly bear more of the cost of their healthcare solutions, they are becoming discerning and demanding in their choices. Healthcare companies and providers who survive and grow will do it by continuing to do what they already do well, and by identifying and leveraging market innovations that matter most to consumers.





## Taking Your Brand to the Next Level

### Market Innovations

Savvy marketers are always looking for the next big thing. In healthcare the challenge is to identify new solutions and services that the market demands, that don't conflict with or detract from your overall core brand. In other words, your hospital may be known for a leading edge oncology department with the highest quality ratings, internationally renowned researchers and clinical trials, and stellar outcomes. But appealing to the masses by promoting your new bariatric program is important for broadening your reach beyond the cancer patient, and driving revenue with this highly profitable surgical procedure for your hospital.



Self selecting or specialty services like bariatric surgery, cosmetic procedures (plastic surgery, botox, implants, and the like), women's health services (exercise and nutrition), even joint replacement for younger, athletic baby-boomers who want to stay on the move, can become a key element of your marketing strategy. It's like going to Target, where you can buy that gallon of milk you need, and then walk across the store for an impulse purchase like an iPod. Providers that offer the "must haves" (deliver your baby, treat your cancer, implant your pacemaker), but can also offer best-in-class specialty services and treatments will be better positioned to beat the competition.

### Embed the Patient Experience in Your Branding and Messaging

As consumers have more choices, and are paying out-of-pocket for more of their own healthcare, they are demanding more to go along with it. A personal, customized experience is increasingly important, and all other things being equal, consumers will select healthcare solutions and providers based on it.

New trends in the market reflect this growing demand. Hospitals and health systems are incorporating a "body, mind, spirit" philosophy in what they offer patients – upscale services like in-room massages, catered meals, nutrition and exercise classes, plush robes instead of hospital gowns, private rooms with flatscreen TVs and wireless internet access are all the rage. From soothing waterfalls to carefully selected color palettes that please, even the interior décor creates a conscientiously holistic and calming environment – a far cry from the sterile, clinical settings of the past. Hospitals are creating retail environments, similar to airports, so patients and their families and



friends can shop and dine on-campus during their treatment and stay. Emergency rooms are guaranteeing maximum 30 minute waits, with cash or prize giveaways if they don't deliver.

So if, for example, another hospital in your town offers exactly the same cancer treatment that you do, with the same quality rankings and outcomes, but you are also known for delivering a great patient experience, you have to tell this story. It should become one of the hallmarks of your brand identity.

#### **Talk About Convenience**

It goes without saying we all want the best healthcare possible and will go to any lengths to get it, particularly when our condition is life threatening. A person who needs a heart transplant will travel hundreds of miles in search of the best doctors and treatments available.

However, when lives aren't at stake it's a completely different story. Consumers want excellent care with the best doctors, using state-of-the-art technology in a modern facility – and they want easy access to it, close to home. Convenience is key, especially when the quality and scope of care is pretty comparable between most healthcare providers today. If you can get a chest x-ray at an outpatient diagnostic locally, then you don't have to make a thirty minute drive downtown to the hospital radiology department. Smart healthcare marketers understand that "close to home" is a huge advantage for people who are juggling crazy schedules managing jobs, kids, and their day-to-day lives.

Things like web-access to personal health information using Electronic Medical Records, email communication to physicians or clinicians to answer questions, schedule appointments or pay bills, even innovations like Minute

Clinics or free-standing surgical centers are revolutionizing the concept of customer convenience. Instant communication is a way of life for most of us, and consumer demand for these services is fast becoming a non-negotiable.

### **The Growing Importance of Cost and Value**

We all want great care from a provider we can trust, at a price we can afford. Consumers are paying for a larger chunk of their healthcare services, and there is no question they are using tried and true shopping and buying behaviors to make choices about where they spend their money. Widespread access to information about disease treatment and outcomes, physician quality, availability of high-tech equipment to provide treatment, hospital ratings, and the list goes on, have given consumers the ability to research their options, compare benefits, features and quality, and most certainly, price.

This new brand of informed healthcare consumer is taking a good amount of the decision-making power back from their doctor, or at least insisting on being part of the decisions that affect their health as an active participant. Is the test really necessary? Why do I need a follow up appointment if the drugs worked and symptoms are gone? Quite simply, maybe I don't need to go to the doctor as much.

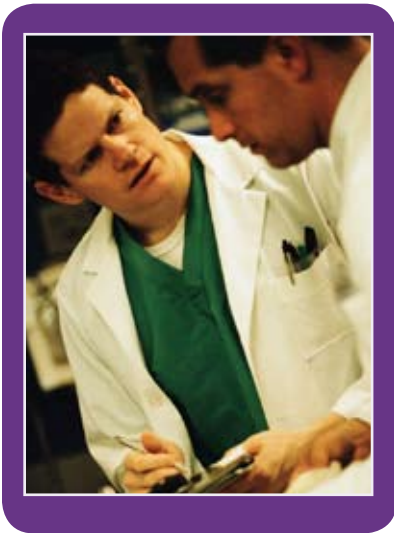
“The message that has to be communicated to the market is about quality,” said Dave Thomas, CEO of Michigan Heart, PC, a leading cardiology practice in the Midwest. “In other words, we will give you the best trained doctors and highest quality treatments for the best value - by not doing more than is necessary to rapidly diagnose and treat your illness.”

As you consider how to elevate your brand, it is imperative to talk about your key differentiators to the market. It's competitive out there, and becoming more difficult to outshout the competition. However, there are likely things that you offer that the market is increasingly demanding -- innovative products and services, a patient/user experience that delights and exceeds expectations, customer convenience, and outstanding care at an affordable price. Your brand will capture the attention of the empowered healthcare consumer by promoting and delivering on these value propositions.

## ●●● Getting it Done

### **Brand Definition and Research**

Whether you're a physician practice, a health insurance plan, or a hospital or health system, you must begin by defining your brand – your reason for being and why you are different from, better than and preferable to your competition. Often we find that research is a helpful tool to drive this process, and it doesn't have to be expensive. Intelligence gathering with key stakeholders like board members, executive leadership, doctors, patients/users of your services, and other clinicians can provide a fairly comprehensive view of the brand. Simple web-based surveys are also highly effective and can be sent to various audiences with typically good return rates. For those with a bigger budget, focus groups or more comprehensive phone surveys can provide in-depth data to help you refine and position your brand effectively.



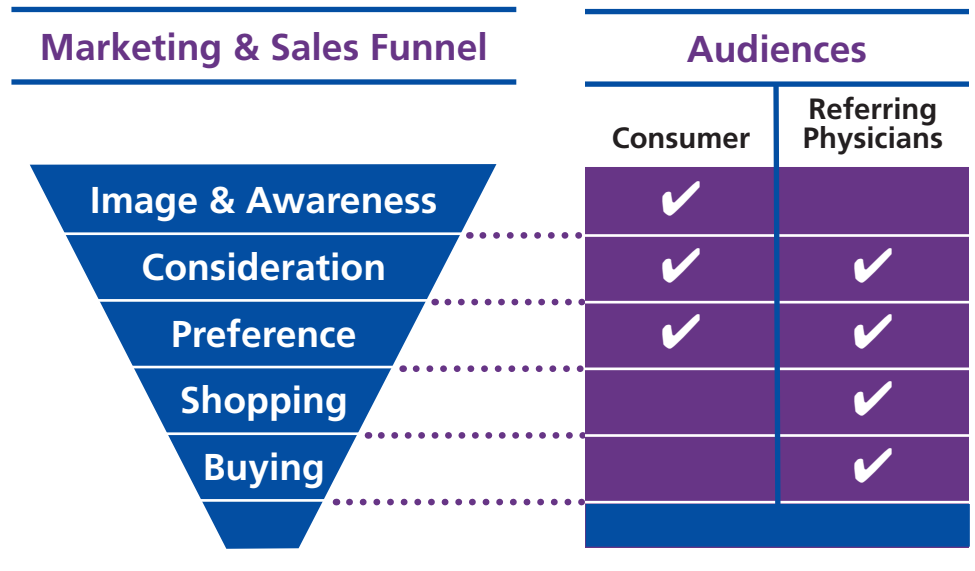
### **Strategy Development**

As you develop your marketing strategy, it is critical to understand the short and long term growth plan for your organization. For example, is your cardiology practice facing a competitive threat from a new practice in a particular geographic area within your market? Or, perhaps your hospital is known to be a great place to have your baby, but your top notch cardiology program is the area's best kept secret and is currently losing volume to a lower quality hospital down the street. Or, you have just invested in a surgical robot and need to grow surgery volumes accordingly. Your marketing strategy must align with your business strategy for the biggest impact on the bottom line. While a "flavor of the month" approach can be the healthcare marketer's biggest battle, particularly with physicians and scientists bent on promoting their latest research or treatment, you must stay disciplined.

**Targeting**

Equally important is to know your target audience. For much of healthcare, particularly hospitals, health systems, and specialty practices, the referring physician is key... they fill your business pipeline and they too consume healthcare information, advertising, and marketing in the places where they live and work. The newly empowered healthcare consumer may be more informed, but will still want the advice and opinion of their primary care doctor about where to go, which specialist they recommend, and the best treatments available for their disease.

Here's where the traditional marketing and sales funnel still applies. At the top of the funnel, your marketing campaign impacts high level brand awareness with consumers. As you move down the funnel to consideration, preference, shopping, and ultimately, buying – the referring physician becomes more and more important. Both audiences are critical. You want to be top of mind with the referring physician so he will send the patient to you. And when he tells the patient, you want the response to be, "oh yes, I've heard of them and they're good."



### Communications Channels

The most important thing to do when you are rolling out your marketing campaign is to communicate simply, frequently and consistently in the market with meaningful, engaging messages to your target audience. Integration is key – particularly when considering your media mix. For example, many healthcare organizations produce volumes of printed materials – for patients, physicians, employers, members, etc. Consistent branding and messaging is just as important on a bi-fold brochure as it is on a billboard. All elements of your program must work together to reinforce your message whether it's a poster on the doctor's office wall, or a radio ad the patient hears on the way to work.

You must also understand the best channels to reach who you want to talk to. For example, a 2008 survey of 150 referring physicians in the SE Michigan market showed that the top two preferred ways that the doctors want to get information is on the web or the old fashioned way – printed materials. Consequently, the specialty practice who conducted the survey is focusing their marketing dollars on re-developing their web site, and continuing to produce branded materials for the doctors that refer to them as their primary source of communication.

### Here To Stay

The empowered healthcare consumer is not going anywhere, and that's a good thing. Generally speaking, the more control a person has over their own health, the better their outcome will be. It's up to us marketers to continue to speak to the wants and needs of the healthcare consumers – the basics which are the best quality healthcare on the planet at a great price. At the same time, understanding the brave new world we are in, and the importance of service, convenience, choice, access and communication. Creating trust in and loyalty to your brand, and telling the story of the value you offer is the key to driving volume and sales through whatever changes may be on the horizon.

●●● Case Study: Michigan Heart, PC

When Michigan Heart, PC, one of the Midwest's largest cardiology practices, first engaged PWB as its virtual marketing department, they faced increased competitive pressures. They recognized a strong, consistent brand was the key to establishing a footprint in the marketplace, growing patient volume and beating the competition.



First, PWB developed a brand marketing strategy, making the case that while marketing to patients was a trend, their marketing investment was best leveraged by focusing on referring Primary Care Physicians (PCPs). Our initial effort was a comprehensive research survey of PCPs to discover referral patterns and trends, needs assessment, and how to best to engage and communicate with them effectively to increase patient referrals.

## pwb marketing communications

An entirely new brand experience was then implemented, including a new suite of printed communications materials for patients and physicians to support the sales process, and communicate key practice and procedure benefits; a contemporary, intuitive branded website; location graphics, and more.

Follow up research reflected a 40% increase in brand awareness over a four year period, as well as confirmation that the implemented brand strategy was working. Communications materials and the web were identified as the top two preferred sources of information for PCP's.

Michigan Heart also faced a significant and direct competitive threat in a specific geographic location of their designated market. PWB developed a targeted, integrated consumer campaign including radio, billboards, and print advertising. The call-to-action for consumers was to "Ask for Michigan Heart" with their PCP and at the local health system. Measurement and analysis of the campaign showed this geography had the highest percentage increases in patient volume of any MHPC location including a 15% to 82% increase in Michigan Heart's hospital procedures (depending on procedure), and a 9% increase in outpatient clinical visits to Michigan Heart during an 18 month time frame.



●●● Case Study: Bariatric Treatment Centers

The nation's leading provider of surgical weight loss solutions enjoyed tremendous success throughout their tenure with PWB. They came to us with a challenge – while the marketing model and suite of creative tools they'd created with us was solid, they needed an easier way to get in-market with geographically and issue-targeted promotions.

PWB created an online, database-driven tool called mybtinfo.com that enabled quick and easy creation of campaign-specific landing pages, with a dedicated suite of metrics. So, for example, if the marketing manager wanted to launch a New Year's Resolution campaign in Columbus, they could quickly create a dedicated landing page with content tied to a direct mail piece and companion TV ad, all targeted to the region. The system also enabled turnkey metrics to gauge success.

As a result, BTC was better able to get more targeted programs in-market more quickly. All of this was happening at a time when competition was rapidly increasing and maintaining their leadership position was more critical than ever. The PWB solution also enabled solid benchmarking of media performance and cost to enable more efficient media buying.



●●● Just a start

We hope this has been an interesting, insightful and thought-provoking view on PWB's take on the empowered healthcare consumer for you and your team. Want to learn more? Visit our website at [www.pwb.com](http://www.pwb.com). If you'd like to talk to us, just give us a call at (734) 995-5000 or drop us a line at [dialogue@pwb.com](mailto:dialogue@pwb.com).

●●● About PWB Marketing Communications

Since 1986, PWB Marketing Communications has been helping its clients generate leads, grow sales, and build thriving brands. With special expertise in complex products, services, and markets, PWB is uniquely qualified to help communicate the essence of business-to-business and business-to-consumer solutions. Core experiences cover marketing in the industrial/manufacturing, health care, technology, professional services, insurance, and hospitality industries, among others.

To learn more about PWB, please visit our website: [www.pwb.com](http://www.pwb.com).

●●● About the author

Marcy Jennings is the Director of Account Strategy at PWB Marketing Communications. Ms. Jennings manages client accounts in healthcare, professional services, and business-to-consumer practice areas. The former head of marketing communications at Saint Joseph Mercy Health System, she developed and launched a comprehensive internal and external strategy that represented a complete overhaul of the health system's brand, for which she won several regional and national awards. She has led marketing initiatives for major national brands like GM, Nissan and NASCAR in previous agency positions. Ms. Jennings holds a BA degree from the University of Michigan.

