A New Marketing Playbook
By Nancy E. Paton

Healthcare marketing is based on an uneasy platform. How do you sell someone a service they hope they don’t need? How do you stay relevant and in your consumer’s buying consideration when you know it may be years until they do need you? And how do you accomplish staying top of mind, preferred and exceeding a multitude of consumer expectations on a consistent basis? It’s a tall order to meet in the best of times.

Add to the mix a messy and unpredictable economy, and healthcare marketers may be facing their own perfect storm. This recession has turned all marketers’ worlds upside down. Now, some long-held fundamental beliefs no longer apply. This is especially true in today’s challenging environment where we are competing more than ever for the consumer’s share of attention.

When times get bad and budgets get cut, marketing is often among the first to be reduced. A 2009 study by the Society for Healthcare Strategy & Market Development (“Recession-Proof No Longer: Recession Impact Study”) reports that healthcare marketers generally have made the following top-three strategic changes due to the faltering economy:

- Changed marketing focus
  - Became more targeted
  - Shifted more marketing communications to Web-based approaches
- Found more creative and less expensive ways to reach critical segments
- Eliminated or downsized advertising
  - More “feet on street” marketing with physicians instead of paid advertising
  - Less image advertising/more focused approach on profitable areas
- Eliminated or downsized sponsorship of community events
  - Near-elimination of sponsorship budget
  - Carefully looked at which community events were being sponsored. Does it make sense?

Yet this same study indicates that marketing workloads are increasing and fewer projects are being outsourced, creating challenges for the marketing team. Navigating these seemingly at-odds challenges is forcing healthcare marketers to do the following:

- Change up the staff—change what folks are doing
- Manage the marketing and communications budget more efficiently (do more with same and/or less and explore revenue-generating activities)

And all this is supposed to happen while increasing market share through more effective strategic planning and targeted messaging/marketing.

These challenges require a new playbook. The old norms of simply reducing budgets and waiting out the recessionary storm may not work today. The impact of recessions always varies across markets and economies, causing unemployment levels to rise to different levels at different times. This means today’s profitable and growing market sector for a certain service line may be less attractive tomorrow.

Many areas have seen radical shifts of their current and future healthcare markets. The Midwest, traditionally a lucrative pocket of several generations of highly insured patients, has seen a continual shift to other markets in both population and payor mix.

Additionally, new and less expensive forms of healthcare have entered the market to meet the needs of the newly uninsured or underinsured. Retail clinics situated in grocery and drug stores are serving disparate clientele with two key similarities: convenience and cost.

Understanding Patients’ Needs
Subtle shifts are afoot. Quietly, the homogeneous healthcare market has morphed into segments and subsegments that demand different product attributes, delivered in a variety of settings and platforms. The global mass advertising messages of yesterday may not work to sway markets of today. Certainly, the means by which we reach our consumers are as varied as the media we each rely on for our everyday news.

Let’s take a look at the relationships between consumers of various ages and their doctors. Some 90 percent of our still most important consumer, the over-55 age group, still has a relationship with a primary care physician (PCP), a reassuring fact for healthcare marketers. This segment is engaged in healthcare and, assuming we can create a positive relationship with the PCP, we can create a relationship between our hospitals and consumers.

But, while collectively breathing a sigh of relief about baby boomers, these relationships are not as established
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consumers expect to see their PCP within the same day. Meet their expectations to see patients within a day, and you have the makings of a loyal consumer.

Looking to build referrals to your specialists? Look no further than the PCP for your over-55-year-old market. But know that, for the younger segments, your specialist marketing will need to span several platforms—the PCP, advertising and even a hospital-based referral program.

Specialists are not immune to a consumer market demanding fast access. Marketing must work hand in hand with operations to make the needed business changes to create access a real priority.

Of course, the healthcare marketer’s main role is to secure inpatient market share. But how do we attract patients who increasingly decide themselves, or conjointly with their physicians, on where to receive care?

While reputation and quality are given top-ranked criteria, there are other attributes of corporate reputation (Edelman Trust Barometer 2010 Annual Global Opinion Leaders Study). Healthcare, by virtue of who we are and what we stand for, is well-positioned to create marketing messages that can speak to the heart of what our consumers are thinking and feeling.

Consider changing your messaging strategy to win over today’s consumer from a value proposition standpoint.

Break through the “blandscapes” of traditional healthcare boasting of your latest award. Move to a message that’s about them, about the stability of your organization, about why you pursue quality—to get them well and back into life.

Step Away from Advertising

Ok, not really. There are some important marketing milestones that advertising delivers most effectively and efficiently. Awareness and recognition are the building blocks of marketing and are directly influenced by mass media advertising.

According to the results of a TVB, Nielsen Media Research Customer Survey (2006, MRI 2009 Database, Arbitron Outdoor), traditional advertising appeals to “preboomers,” those born before 1946. TV and newspapers effectively reach this market as well as women 35 years of age and older.

However, it’s important to look to the emerging media behaviors of your target markets. For example, women more than 35 years old are subscribing to satellite radio and showing a high propensity for owning DVRs. With this information, perhaps a reallocation of your ad budget in satellite radio buys would make sense. And it may be time to look toward posting that TV spot on social media sites because you may begin to miss them on traditional television platforms.

For your millennials (b. 1977-1994) and Gen-Xers (b. 1965-1976), it’s time to move your obstetrics and pediatrics messaging to online formats. Think about mobile apps and focus your efforts on getting comfortable with engaged markets through social media.

Reprioritization of your marketing mix requires a keen understanding of your markets and the effectiveness of various media.

The true test of media effectiveness is its ability to influence your consumers and change behavior. Hosting focus groups and asking consumers their media habits through research surveys can also help you make key investment decisions. Use a community sponsorship to capture all important “on the ground” consumer reaction. MHS

About the Author

Nancy E. Paton is chief marketing and communications officer for University Hospitals in Cleveland. She may be reached at Nancy.Paton@UHhospitals.org.