

Why Marketing Investment is Imperative for Healthcare Organizations



HEALTHCARE CONSUMER ACQUISITION AND EXPERIENCE

81%

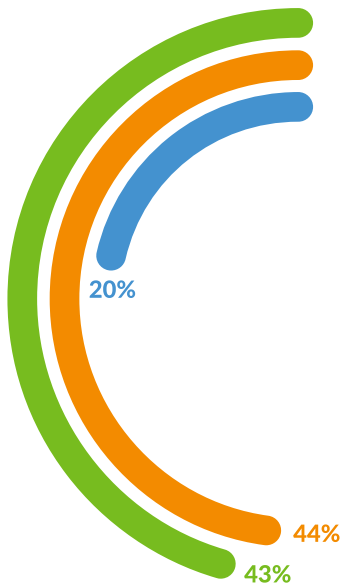
of consumers are **UNSATISFIED** with their healthcare **EXPERIENCE**¹



Hospitals are dealing with consumers who are remarkably smart, **demanding transparency and two-way communication** from their healthcare providers.²



—Becker's Hospital Review



Millennials

43 percent are likely to switch practices in the next few years
54 percent have already made a switch in the past two to three years

Generation X

44 percent are likely to switch primary care physicians in the next three years

Baby Boomers

20 percent are likely to switch physicians in the next three years



Consumers are now starting to weigh their healthcare options in much **the same way as they do when buying a car or investing for retirement.**³

1. Prophet. *The Current State of the Patient Experience*. Retrieved from <https://www.prophet.com/patientexperience/the-current-state-of-the-patient-experience.html>
2. Gamble, Molly. (2013, Feb 28). *Hospitals – They Don't Market Like They Used To*. Retrieved from <https://www.beckershospitalreview.com/hospital-management-administration/hospitals-they-dont-market-like-they-used-to.html>
3. Accenture. *Happy Patients Mean Healthy Margins*. Retrieved from <https://www.accenture.com/us-en/insights-happy-patients-healthy-margins>



YOUR COMPETITION

\$30
BILLION
per year on
MARKETING⁴

Nearly
\$10
BILLION spent on
MARKETING⁴ direct-to-consumer

41%
HEALTHCARE
MARKETERS

.....
say their most pressing
issue is developing
more **personalization**
and **one-on-one**
marketing⁵

1997 : The number of DTC awareness
to : **campaigns**—unbranded advertising
2016 : promoting a disease *without* mentioning
the drug or indication—**increased from**
44 to 401 and spending increased from

\$177 to **\$430**
MILLION **MILLION**⁴

\$542 **\$2.9**
MILLION **BILLION**

For health services, spending on marketing
increased faster than corresponding
total U.S. spending. **Marketing spending**
increased by 430 percent.⁴



TO REACH YOUR GOALS

By actively engaging healthcare consumers, your hospital or health system can build trusted relationships so patients stay invested in their care, have positive experiences and remain loyal to your organization. This loyalty can help improve brand recognition, which allows you to increase your market share and drive revenue. Indeed, U.S. hospitals that provide a superior patient experience generate **50 percent higher financial performance** than average providers.³

In competitive markets (HHI below 1,000), hospital advertising predicted HCAHPS global measures. A 1 percent increase in advertising was associated with a 1.173 percent increase in patients rating the hospital a “9” or “10” on the HCAHPS survey and a 1.540 percent increase in patients who “definitely” would recommend the hospital.⁶

4. Schwartz, Lisa. (2019). *Medical Marketing in the United States, 1997-2016*. Retrieved from <https://jamanetwork.com/journals/jama/fullarticle/2720029>
5. Brohan, Mark. (2017, Mar 22). *Half of hospitals' marketing budgets go to digital initiatives*. Retrieved from <https://www.digitalcommerce360.com/2017/03/22/half-hospitals-marketing-budgets-go-digital-initiatives/>
6. Bizer, Bowman, Huppertz, McVeigh and Sidhu. *Hospital Advertising, Competition and HCAHPS: Does It Pay to Advertise?* Retrieved from: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5517686/>