

# Can't We All Just Get Along: Marketing and PR Professionals Uniting for Winning Results

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# Introduction and Agenda

- PART 1** A historical perspective of the marketing and PR roles within healthcare
- PART 2** How the roles, capabilities and core competencies differ, complement and compete
- PART 3** Case Study: MarCom Integration at MetroHealth
- PART 4** The new imperative: cross-functional collaboration to drive transformation
- PART 5** Key Take Aways
- PART 6** Discussion/Q&A

# Healthcare Marketing & PR: a Historical Perspective

# Healthcare Marketing & PR:

*In the beginning . . . . .*

## 1970s

- Formal emergence of healthcare public relations and marketing
- Focus on goodwill, advocacy, outreach and communications
- Deep resistance among physicians to marketing -  
*“We’re not a business”*

## 1980s

- Advent of DRGs gives birth to service line marketing
- Direct to consumer marketing dominates
- Emphasis on advertising and promotion
- Consumer research grows in value

# Historical Perspective, *continued*

## 1990s

- Managed care takes root and hospitals compete for covered lives
- Merger mania – for-profits growing (e.g., Tenet, Columbia HCA)
- Rise of the educated healthcare consumer

## 2000s

- Investments in branding
- Focus on driving profitable growth
- Continued growth in physician referral marketing (sales)

# Historical Perspective, *continued*

## Today

- Changing competitive dynamics and emergence of reform driven reimbursement models
- A new era of innovation, performance and accountability
- Blended competencies needed to better leverage current and emerging technologies to achieve optimal business performance
- Emergence of social media and 24 hour news cycle make collaboration imperative

# How the Roles, Capabilities and Core Competencies Differ, Complement and Compete.

# Comparing Roles and Competencies

## Marketing

- Primary focus is brand and business (volume) building
- Traditionally have driven one-way promotion to consumers to stimulate demand (classic 4 P's)
- Marketing professionals typically have business backgrounds, including strong financial and analytic skills
- Wired to think from a business perspective (“numbers rule”)

## Public Relations

- Primary focus is on reputation, issues management and education
- Relationship oriented; involved in more of a dialogue with various stakeholders groups (e.g., employees, media, civic leaders, etc.)
- PR professionals often have journalism backgrounds, including superb communications skills
- Wired to build and protect image and reputation

# How They Compete: Examples

- Both functions can develop the brand strategy. If so, who's in charge? Who owns branding?
- Marketing and PR staffs may report to different leaders, resulting in conflicting priorities.
- Where does social media live? Applications across both functions.
- Different measurement goals create different standards for success.
- Is driving volume or building image and reputation more important than the other? Is one more deserving of financial resources than the other?

# How They Complement: Examples

## *The power of full integration ...*

- Both functions are strategic and indisputably linked to organization's success
- Strong, cross-functional collaboration creates enduring brands (playing off strengths of one another)
- Positive image and sustained awareness via PR help drive new business and enhance loyalty (patients are also more forgiving if brand and image strong)
- Increased consumer preference and volume via marketing helps to solidify brand and image.
- A strong internal communications program supports and extends external marketing
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# Perceptions and Misperceptions:

## *Working Past the Stereotypes*

What we're still hearing ....

*Show me a PR person who understands what business we're in and who can read and understand a spread sheet.*

*PR is soft and success metrics are even softer.*

*PR professionals only care about media hits regardless of whether there's any link to strategy.*

*PR is high profile and can be sexy and fun, while we marketers often labor in obscurity day after day.*

*How is that feature story in yesterday's paper really going to help get new business?*



*Marketers only care about the numbers.*

*When will marketing realize that what we do is a lot more than just write press releases?*

*Marketers think what we do is simple; that media placements fall from the sky.*

*Medical school PR is doing God's work and hospital marketing is selling used cars.*

*The marketers get all the money*

*When will marketers ever appreciate the value of earned media?*

# What Happens When There Aren't Synergies Between the Two?

**Example #1** -- Marketing department is about to launch major rebranding campaign while PR department is working concurrently (and 24/7) to contain media coverage of high profile medical error (no one knows what the other is doing)

**Example #2** -- PR team receiving tweets from frustrated patients about inability to schedule appointments; and marketing is promoting quick access and commitment to service (absence of coordination)

**Example #3** – Marketing department learns of groundbreaking new surgical procedure that could (1) elevate hospital's reputation and (2) potentially drive new business, but PR department is completely unaware of development (missed opportunity)

# And There's More . . .

**Example #4** -- PR department announces a new physician leader and focuses on the promotion only, rather than on the hospital's new *vision* for leadership (“churning out news” vs. bigger picture)

**Example #5** – PR team promotes a story about an extremely rare medical condition; but marketing team questions rationale (cutting edge positioning versus volume-building strategy)

**Example #6:** PR department at large academic medical center is pressured to get major, national media; marketing staff need coverage in local media to drive new patient volume (different priorities)

**Example #7** – Marketing department runs ad campaign for new clinical program without informing internal communications staff first (lack of communication dilutes campaign effectiveness and reflects poorly on organization)

# Case Study: Marcom Integration at Metrohealth.

# About MetroHealth



- Quaternary health system in Cleveland, OH
- 175-year old public hospital
- Competing with Cleveland Clinic and University Hospitals health systems
- Challenging financial times in 2000's limited marketing spend
- Results: no real image
  - Widely known as a trauma center; preferred destination in case of trauma
  - Not on radar screens otherwise
  - Neither positive or negative image

# Communications Functions 2010

- Communications Department had existed for years but financial challenges kept function largely understaffed
- Focus on issues management; i.e. public health
- New CEO started in 2008; financial position improved
- 2010 external staffing audit showed needs:
  - Media staff
  - Web
  - Publications/collaterals
  - Events
- With outside recommendations and new CEO, staffing expanded

# Marketing Function Began

- Market Development Campaign began in fall of 2009
- 4 components:
  - Ambulatory Network development
  - Physician Network Development
  - MetroHealth *Select*
  - Service Line Marketing
- Staff hired :
  - Service line marketing
  - Physician liaisons
  - Select
- Existing Planning and Market Research included
- Marketing staff also covered business development functions

# Unaligned Goals: Culture Clash

- Newly formed Market Development staff had aggressive growth goals
  - New to capabilities and culture of public hospital
  - Brought perspective and working models from competitive organizations
- Public relations functions had focused on trauma patients
  - Previous brand represented “Miracles and Hope”
- Other new communication staff started in summer of 2010 in newly created positions

# A Tale of Two Functions

- 2 departments merged in March
- Began large process towards shared goals
- Needed to realign along service line priorities
- Key was patient volumes
- Data reporting critical
- Culture clash continued

# What We've Done

- Overall goal for group:
  - Increase volumes
  - Rebrand MetroHealth
- Established unified managerial goals
- Emphasized collaboration
- Reorganized 2 functions into service line teams
  - Service line marketers aligned with dedicated communication staff
  - Regular team meetings
- Shared functional responsibilities at regular department meetings
- Expanded participation in rebranding of MetroHealth

# Rebranding MetroHealth

- 2010 research showed no real image beyond trauma
- Organizational desire to be relevant and credible
- New advertising agency determined theme as “Proud Sponsor of the Comeback”
- Rebranding work began with efforts of small, energetic group of 5 people in communications
- Expanded their efforts to include marketing staff and 40 “brand ambassadors” throughout the organization
  - Developed plan to operationalize internally
  - Strengthened advertising to include priority service lines

# Goals

- Lead the Ambulatory Network Campaign
  - Continue development of ambulatory network plan and development of buy-in within organization
  - Accelerate development of prototype and implementation plan
  - Finalize service line program and implications for departments PCUs
  - Refine physician recruitment and referral process
- Ramp Up Metro *Select*
  - Aggressively market to local municipalities, government agencies, etc

# Goals

## **Implement Brand Campaign**

- Shift image to emphasize quality, patient service and convenience
- Create plan for improved external website

## **Strengthen Marketing and Communications Functions**

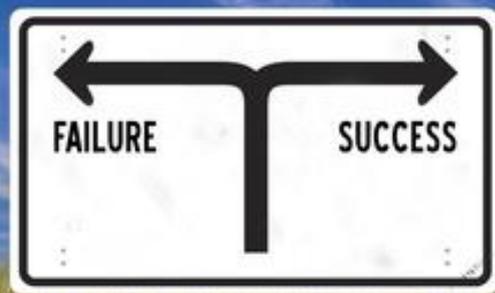
- Proactive in local medial relations/public relations
- Manage service line marketing events/mailings, etc.

## **Leadership and Organization Development**

- Transition organizational responsibilities
- Strengthen marketing capabilities (marketing programs and accountabilities for all major service lines)
- Strengthen communications capabilities

# MetroHealth Rebranding Examples

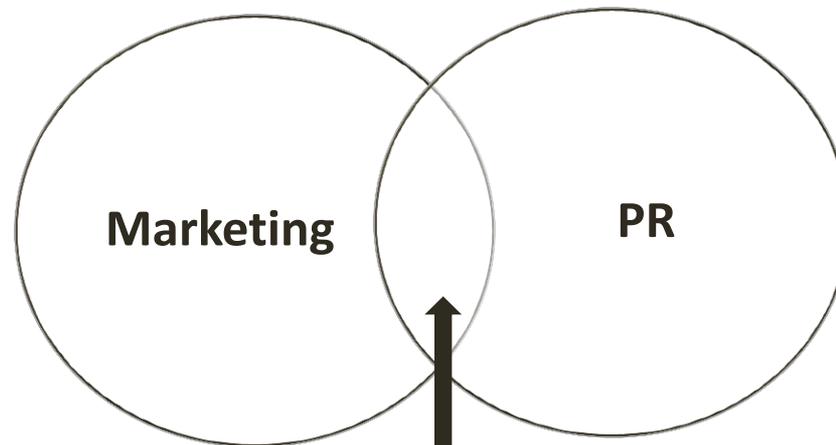
# The New Imperative: Cross Functional Collaboration to Drive Transformation



**Across all industries, the disciplines of marketing and public relations are increasingly viewed as core business competencies critical to driving growth, innovation, customer loyalty and better business performance.**

# Roles and Competencies are Converging

Traditional roles are blurring – new and blended competencies and skills will create a more synergistic capability that can better leverage the technology platforms required for today’s marketing and communications strategies.



Market intelligence

Business analytics

Brand management

Market & customer creation

Customer/constituent engagement

**Shared Requirements**

Content management

New media fluency

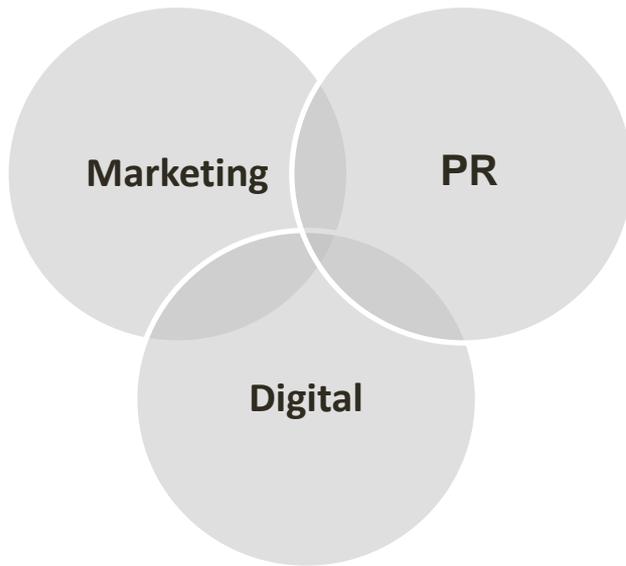
Strategic thinking

Real-time responsiveness

Cross-channel marketing

# New Media Fluency is a New Core Competency Requirement

Web, social and mobile technologies require greater new skills and greater collaboration across the marketing and PR disciplines. Digital marketing and communications structures, capabilities and support systems are emerging as part of an integrated marketing communication structure.



- Integrated, multi-channel strategies
- Web development/management
- Integrated CRM/contact center
- Mobile media development & marketing
- Content ecosystem management
- Digital brandscaping
- Social commerce
- Community management

# Key Factors Driving Change in Healthcare

1. Restructuring markets and intensifying competitor activities in anticipation of reform and other industry pressures
2. New reimbursement methods and emerging business models that require a greater emphasis on customer engagement and management to optimize profitability
3. Transformation of marketing and communications practices through web, social and mobile technologies

# A Shift in Thinking . . . and in Performance Expectations

Transformation requires a shift in thinking about marketing and public relations as tactical operations to disciplines that are strategic, cross-functional and bottom line oriented.



## **STRATEGIC**

*Focused on opportunities that move the health system into the future – new markets, new products, new channels, etc.*



## **CROSS FUNCTIONAL**

*Orchestrated across the value network – purchasing, contracting, clinical operations, physicians, strategic partners, administrative systems, training, IT, etc.*



## **RESULTS ORIENTED**

*Delivers on revenue growth and profit targets.*

# Transforming the Disciplines

## OLD MINDSET

Promotions tactics



## NEW IMPERATIVE

Business outcomes

Controlling the message



Galvanizing networks

Incremental improvement



Pervasive innovation

Managing budgets



Strategic investments

Operations focus



Customer focus

Customer satisfaction



Brand loyalty

# Establishing the Case for Redesign

- In healthcare, marketing and public relations practices must transcend the ‘pay for volume’ and ‘pay for value’ markets.
- For the foreseeable future, health systems will be operating with competing and somewhat conflicting objectives as they attempt to optimize commercial volumes for core clinical programs, while simultaneously building accountable care systems and capabilities.



# Establishing the Case for Redesign

- Digital media fluency is no longer 'optional' – health systems must accelerate the start-up, ramp-up and adoption of integrated web, social and mobile technologies across the enterprise.
- Longer term, the over-arching objective is to create an integrated marketing and public relations capability that can address the changing basis for competition and execute strategy in an era of health care reform and resulting transformation of delivery systems.



# Redesign Objectives

- Pursue new markets and profitable growth opportunities
- Build strong, differentiated and defensible brands
- Increase overall customer/community responsiveness and loyalty
- Rapidly identify and respond to emerging threats and opportunities
- Leverage cross-channel marketing effectiveness and efficiencies
- Embrace and optimize web, social and mobile technologies
- Develop future-ready capabilities for marketing & PR under reform
- Demonstrate return on marketing & PR investments

# Focus Initiatives to Drive Change

- ✓ Establish a future vision, role and scope for marketing & PR
- ✓ Restructure to align/integrate marketing & PR resources, systems
- ✓ Review and update staffing models and skills
- ✓ Standardize planning and resource allocation modeling
- ✓ Develop performance management standards & measures
- ✓ Invest in the core technology infrastructure
- ✓ Build a unified, high performance operation and culture

# Key Take Aways

**Questions? Discussion.**

# Thank You!



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