

# Maximize Marketing with a Deeper Dive into Data and Metrics

By Tina Rudisill and Gail Schwartz

## EXECUTIVE SUMMARY

- In the current business environment for contract radiology services, a more strategic approach to marketing can strengthen the ability of an organization to retain existing contracts and win new ones.
- Although over 70% of surveyed AHRA members believe that marketing is valued within their organizations, only a quarter rated their current marketing programs as highly effective.
- Survey responses indicate recognition of an unmet need for marketing programs that are data driven and designed to be evaluated based on measurable outcomes.
- Starting with an understanding of a few key essentials of marketing data and basic categories of marketing metrics can form the foundation of a demonstrably effective marketing program for a contract-based radiology organization.

A recent survey of 106 AHRA members found that most—over 70%—believe that marketing is valued within their organizations. In an environment in which record numbers of practices are losing contracts, that’s critical, because the right marketing strategies and tactics can strengthen contract retention efforts.<sup>1</sup> However, only a quarter of respondents rated their marketing programs as “highly effective,” defined as “we have a plan and we’re reaching measurable goals.” Nevertheless, there is good news hidden in the bad news. These respondents are recognizing an unmet need for a marketing program that is data-driven from the ground up, with metrics built in to assess its effectiveness and facilitate ongoing improvement. Such a program can support a group’s efforts to:

- Retain current hospital contracts and reduce vulnerability to RFPs (requests for proposals for renewal of a radiology contract, often with competitors invited to bid)
- Win new hospital contracts
- Build greater loyalty among existing patients and referral sources
- Attract new patients and referral sources
- Optimize payer mix

## A Roadmap to Marketing Success

Strictly speaking, the “business of medicine” has from its very origins involved certain elements of marketing. But the existence of marketing as a specifically defined department, job title, or organizational function is relatively new in health-care organizations, at least compared to many other industries. As expressed by Marasco and Linton in 1989, “Usually such marketing has been unstructured and perhaps even inadvertent on the part of the physician. Marketing ‘strategies’ have been intuitive, and have been accepted as ‘the art of medicine.’ . . . Competition has made the idea of marketing central to medical practice today.”<sup>2</sup>

Other research points out further that “prior to the 1970s hospitals did not have a marketing department, nor did they employ a person titled ‘director of marketing,’ ‘director of public relations,’ ‘vice president of public relations,’ or ‘chief marketing officer.’ Marketing did not have a place at the table in strategic planning, decision making, and budget allocation when the American Marketing Association published the first issue of the *Journal of Health Care Marketing (JHCM)* in 1980.”<sup>3</sup>

Granted, radiologists, compared to other medical specialists, were among the “early adopters” of marketing, as evidenced by Marasco and Linton drawing much of the discussion of their 1989 article from a conference session on radiologic marketing held in 1987.<sup>2</sup> Nevertheless, systematic approaches to marketing are not as long-established among hospital-based groups as they are among independent outpatient imaging centers. According to an Advisory Board study, “Imaging is the most valuable hospital outpatient service, but it is woefully under-marketed. By failing to prioritize radiology and imaging marketing, hospitals underexpose and therefore underutilize one of their best and most lucrative resources.”<sup>4</sup>

It is therefore understandable that, as the survey of AHRA members shows, many groups are struggling to find the right approach. But in an industry environment as competitive as today’s, attempting to market without a strategic, data-driven plan is like setting off on a long road trip to an unfamiliar destination without a map or GPS to guide the way.

The findings of the survey, which was conducted as background research for a session at the AHRA 2016 Annual Meeting (“Marketing with Your Eyes Wide Open by Counting What Counts,” July 31, 2016), suggest that most of your peers have goals directly related to these challenges:

- Two-thirds of respondents said they would like to achieve growth by attracting more patients or more of the right kind of patients
- Nearly 40% expressed a need to counter the effects of competition

Additional key findings of the survey are summarized in Figures 1 and 2, as well as below:

- 30% said they work in an organization where making marketing decisions is difficult.

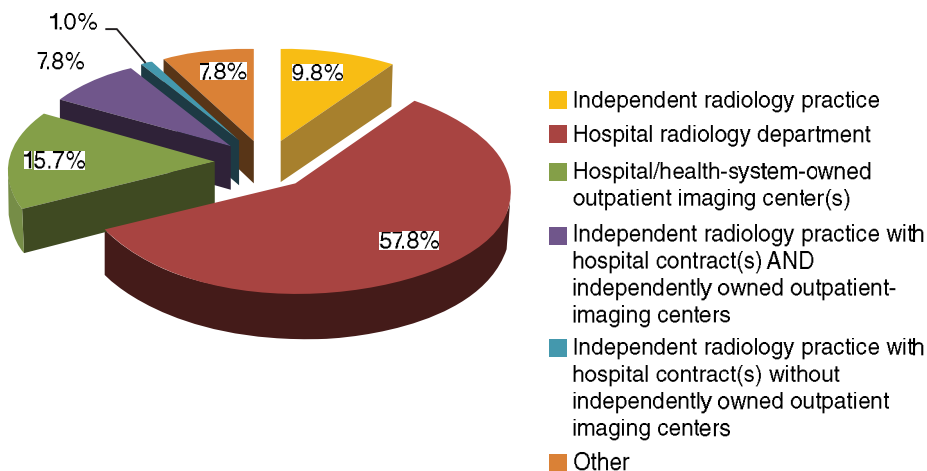


Figure 1 • Who Were the Survey Respondents?

- Nearly 30% do not believe that marketing is valued in their organizations.
- Nearly 60% did not create a marketing plan for 2016.
- More than 40% of respondents skipped the question about the types of data they use to guide marketing decisions, suggesting that under-utilization of business data for marketing purposes is widespread.
- Of those respondents in an organization with a physician relations program, nearly 63% said that there is no customer relationship management (CRM) solution in use.

Although it is promising that the industry appears to be recognizing the

need for a more systematic approach to marketing, there is a clear disconnect between this understanding and the respondents’ uncertainty about their current approaches. The responses also give clues about why this uncertainty exists. For example, when asked who was responsible for developing a marketing plan for their practices, 40% responded, “I work with the hospital’s marketing department.” For hospital-based radiology groups, marketing efforts in collaboration with a hospital partner can result in significant mutual benefit. But if this is where the marketing efforts end, it may not be sufficient to support all of a radiology group’s business needs and goals.

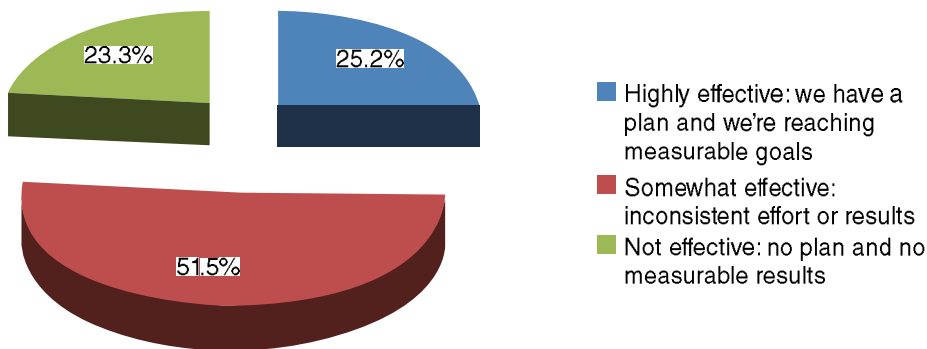


Figure 2 • How Do They Rate Their Current Marketing Efforts?

*The business of imaging doesn't lend itself to marketing approaches that try to force-fit each group into a predetermined mold.*

Here's one very important reason why: a hospital's marketing efforts are likely to be predominately consumer directed. It is indeed beneficial for a radiology contractor to influence the imaging-related content of the hospital's consumer-facing outreach. But an engagement that consists *only* of consumer-facing efforts could miss vital opportunities with other audiences, such as:

- **Hospital imaging partners.** For a contract radiology provider, consistently communicating to the right people about the value the group adds to the hospital setting can strengthen the case for retention and reduce vulnerability to RFPs.
- **Referring physicians.** Increasingly, radiologists are expected to maintain visibility outside of the reading room and to be directly accessible for consultations. Referring physicians, especially in certain specialties such as oncology, value having radiologists participate actively in aspects of the care process such as treatment planning. The more valuable radiologists are to referring physicians, the more valuable they will be to the institutions that contract for their services.

Elements of a more traditional understanding of marketing, such as advertisements, billboards, events, and sponsorships, are important. But a complete understanding of marketing doesn't end there. To make it easier to see what might be missing, here is a concise definition of marketing:<sup>5</sup>

**Mar-ket-ing (n):** Marketing is everything a company does, from how they answer the phone, how quickly and effectively they respond to email, to how they handle accounts payable, to how they treat their employees and customers.

How do hospital clients feel about the relationships between contract radiologists and their team members, and about the leadership and operational expertise they provide to their imaging programs? How do patients feel about the promptness of reporting or the way interventional radiology providers treat them? For radiology groups responsible for training and managing technologists at client sites, does the behavior of these operational imaging team members consistently support an exceptional customer experience?

From this perspective, it's easy to see how cooperative marketing efforts with clients may not fully meet the needs of contract radiology groups. What might not be so obvious, however, is the scope of data and measurement that will be involved in ensuring that marketing efforts are strategy-driven, justified by demonstrable business needs, and suited to concrete evaluation of their effectiveness.

## Four Essentials of Marketing Data

No two radiology departments are in exactly the same business situation. Each faces unique internal and external opportunities and challenges. So the business of imaging doesn't lend itself to marketing approaches that try to force-fit each group into a predetermined mold.

To market effectively, there is a core of essential data that nearly any organization should analyze. Most already collect much of this data. So the next step is to integrate and report on it in ways that can direct and refine marketing efforts.

**1. Patient Origin.** Understanding where patients are coming from geographically can guide marketing

decisions in many ways. Generate a report showing patient counts by zip code over a given time period—three years works well—and plot the results on a map. What communities send many patients? Which send only a few or even none? What are their demographic profiles? Insights from patient origin data can support marketing efforts that are more strategic and targeted.

**2. Volumes and Revenue by Facility.** For groups operating multiple sites, ongoing analysis of volume and revenue trends can improve awareness of where business is going well versus where problems may need attention. For example, if one facility shows a much stronger upward trend, examine what they are doing right and try to replicate that at other facilities.

**3. Referral Volumes by Physician and Modality.** Consider the state of relationships with referring physicians. Who are the top referrers in each specialty? Which are sending more referrals? Which are dropping? Volume trends by physician and modality can uncover opportunities that you can work to maximize—or issues that need to be resolved.

**4. Payer Mix.** It's more important than ever for medical providers to optimize their mix of public and private payers. Factors like an aging population and expanded Medicaid access may shift more of the base toward public payers. Cost pressures could steer more employers and individuals toward lower-reimbursing plans. Insights gained from analyzing payer mix can inform "mix management" strategies. Suppose, for example, lower-reimbursing payers are over-represented compared to the general share of population covered by those payers in the service area. It may be possible to address such an imbalance by evaluating whether marketing efforts are reaching and resonating with patients covered by higher-reimbursing plans. This can strengthen an organization's financial position and, by extension, support efforts to assist uninsured and underinsured patients.

## Digging Deeper

As marketing efforts evolve, digging deeper into data can sharpen competitive edge. This might include such efforts as collecting and analyzing external market intelligence and assessing brand awareness and perception.

### External Market Data

Especially if an organization's goals need support from consumer-facing marketing efforts, it's important to solidly understand local markets. Is market share ahead of competitors, or lagging? Is there upside that could be won from them? Do growing communities at the outskirts of the service area point to expansion opportunities? Have community health profiles been analyzed to identify underserved needs that could be met through service-line enhancements or awareness campaigns? Analyzing demographic and health data to find answers to questions like these will help ensure that marketing efforts are aligned with current opportunities and challenges.

### Brand Perception and Awareness

In today's perpetually connected, digitally immersed society, the number of influence points on brand awareness and perception is imposing—and growing. While traditional marketing channels like print, broadcast, and outdoor advertising remain vitally important to brand awareness, it is a mistake to overlook newer ones like social media and online review sites. Trying to monitor brand awareness and perception inexpensively can be challenging, but various tools available for measuring engagement in digital channels are changing that. Systematic reputation management practices can also help an organization keep its finger on the pulse of what people are thinking and saying about it in both online and traditional channels.

## Begin and End with Measurement

Just as any marketing effort should begin with data analysis, it should end with

marketing metrics. There are two key reasons why a marketing program without metrics is like a medical treatment course with no follow-up monitoring.

The first has to do with the basic integrity of the marketing effort itself. Individual marketing strategies and tactics may serve a variety of specific purposes. But in the final analysis, marketing is—or should be—about one thing: making a business more successful, in terms not only of its financial well-being but also its success in its basic medical mission. If it isn't being measured, how true are you being to the marketing program's essential purpose?

The second—yet still closely related—key purpose of marketing metrics is to concretely demonstrate the value of marketing and alleviate internal doubts. As the survey here showed, not all radiology entities have a leadership team that values marketing. You need the confidence of leadership, but you also need the buy-in and support of everyone else on the team. A disciplined marketing metrics program can help a facility:

- Gain the respect of leadership.
- Stay focused in support of goals.
- Secure relationships with existing customers.
- Maintain confidence that marketing decisions are made for the right reasons.
- Highlight the scientific aspects of marketing to stakeholders who are oriented toward data and numbers—like physicians and accountants.

The most basic marketing metrics seek answers to the most basic questions. Did we meet our goal? Did we exceed it? Or, if we missed it, by how much? What adjustments can we make to achieve our goal? At a more specific level, the mix of marketing metrics will be determined by the interplay of:

- The goals the marketing efforts are intended to support.
- The marketing strategies, tactics, and channels used to advance toward those goals.

Most marketing metrics fall into one of a few broad categories:

- **Financial metrics** include assessing whether revenue targets for a specific initiative were met, or comparing the marketing cost of acquiring new patients to their expected lifetime value. Although the general concept of return on investment (ROI) is also a financial metric, it should be used with caution because some marketing initiatives, such as brand awareness campaigns, have impact that is longer term and more difficult to immediately quantify.
- **Behavioral metrics**, a broad measurement category, focus on what you want your audience to *do* in response to marketing initiatives. Desired customer behaviors may include patients making appointments or physicians referring more patients to the facility. Measures may include trends in volumes or scheduling calls, market share trends, or attendance at events, to name just a few.
- **Attitudinal metrics** answer questions about beliefs and perceptions. What percentage of consumers and referring physicians are actively aware of the facility? Do they recognize the brand more readily than competing brands? If presented with a survey listing imaging providers in their area, would they choose yours first? Do most customers view the organization favorably? Surveys measuring patient satisfaction, employee satisfaction, and referring physician satisfaction are also attitudinal metrics, as are efforts to monitor reviews on consumer websites as well as rankings in surveys conducted by media outlets, such as "Top Docs" lists.
- **Digital marketing metrics** assess the effectiveness of digital marketing tactics, such as online display ads, search-engine marketing, social media marketing, and Internet radio advertising. Although efforts in these channels also aim to influence behavior and attitudes, digital media warrant a

metrics category of their own due to their direct, immediate measurement capabilities. Some common digital marketing metrics are:

- Impressions: the number of times a digital ad was displayed.
- Click throughs: for example, the percentage of users who clicked on a display ad.
- Website analytics: monitoring trends in the volume, demographic makeup, and user behavior patterns of an online audience.

As the background literature and survey results summarized here indicate, marketing is a relatively new business activity in the hospital-based radiology services industry—one that many are still struggling with. It is promising that most appear to recognize the need for marketing and see that there are shortcomings in current approaches. Taking the next step—using data and marketing metrics more systematically—will have a two-fold benefit: it will (1) help build support for giving marketing decisions a more solid basis, and (2) drive continuous improvement.

If a marketing program is truly strategic, it will end where it began—with a set of data that now includes measurement results. This enables organizations to begin again with marketing strategies and tactics that have been further refined by what was learned. By leveraging the power of marketing metrics, organizations will be able to understand and do more of what is demonstrably effective—and to make course corrections when they discover what isn't. 🌱

## References

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<sup>5</sup>Cohen H. 72 Marketing Definitions. Heidi Cohen: Actionable Marketing Guide. Published March 29, 2011. Available at: <http://heidicohen.com/marketing-definition/>. Accessed November 1, 2016.

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*Tina Rudisill brings more than 30 years of experience to trg Marketing Works, the agency she leads in York, Pennsylvania. Rudisill has delivered presentations on healthcare marketing strategies and spearheaded strategic marketing programs for clients in radiology and other medical specialties, garnering awards for external marketing, advertising, and general brand awareness initiatives. Tina can be reached at 717-852-7171 or [trudisill@marketingworks.net](mailto:trudisill@marketingworks.net).*

*Gail Schwartz, Vice President—Healthcare for trg Marketing Works in York, Pennsylvania, has an extensive background in planning and executing strategic marketing and branding initiatives for entire healthcare organizations and specialty service lines. Her work has been recognized with Quest Awards, Aster Awards, and the Annual Healthcare Advertising Awards. Gail can be reached at 717-852-7171 or [gschwartz@marketingworks.net](mailto:gschwartz@marketingworks.net).*