BRAND EQUITY IN HEALTHCARE: THE IMPACT OF BRANDING IN A CHANGING HEALTHCARE LANDSCAPE

An in-depth look at building and measuring your brand using resources provided by Market Insights by National Research Corporation.

By Ryan Donohue
WHY IS BRAND IMPORTANT, ESPECIALLY NOW?
If you are what the customer thinks you are, there is a constant need to manage and influence your customer base through your brand. Knowing today’s customer will change tomorrow; your brand must adjust accordingly to align with new customer needs.

Think back 10 years ago, before the rise of the healthcare consumer, social media, and widespread systemness. Over the next decade, value-based purchasing, clinical integration, and proliferation of healthcare delivery points will drive drastic change. If healthcare reform advances as thought, the newly insured will reshape your customer base. Your financial strategy will be altered by reimbursement. ACO-related aspirations will change how you view your market.

Volume-to-value underscores the importance of building a brand that can adapt to change. How will you align to a changing customer in a redefined marketplace? Your brand is the answer. Your brand can communicate new value to a changing customer. Your brand can show your importance in the community. Your brand will continue to determine how you are viewed by those you seek. To prosper, your brand must be irrevocably tied to your organization’s mission, strategic goals, operational performance, internal communication, and external promotion. Thus, if your organization is shifting the way it conducts business, your brand should be the lens with which you view, determine, and enact change.

THE SEGMENTS INFLUENCED BY BRAND INCLUDE:
Brand must be a focus because of its vast influence on strategic initiatives every hospital must manage and develop. Here are a few examples of critical items already married to brand:

- **Quality of care**: without high-quality care you cannot provide the best possible customer experience.
- **Employee satisfaction**: employees are either the ambassadors or saboteurs of your brand.
- **Physician recruitment and retention**: physicians are the most important selectors of brands due to their direct influence on patients.
- **Payer evaluation**: payers may not be interested in partnering with a business with poor brand equity.
- **Mergers and acquisitions**: whether a standalone hospital looking to merge or stay independent, or a health system looking to acquire, organizations with strong brands will do well in this image-driven environment.

Ignoring the impact of brand means taking your eye off the ball on your entire strategy.
Breaking Down Brand Barriers

1. Defining Brand
If you subscribe to brand = customer experience you’ve already removed the first non-starter in brand. Brand transcends the traditional thought that it is only the “look and feel” of your communications. Remembering Exhibit 1, your customers experience your brand every minute of every day in myriad ways, some traditionally linked to brand and some not. Using a simple, win-win definition circumvents the traditional hand wringing that slows brand down.

2. Owning Brand
Lack of ownership is another top barrier to effective branding. Behind every great brand is a dedicated brand owner. But the question is: who should own it? Is there a standard player in every hospital that should be the “brand owner”? Yes. We can look to research conducted by HealthLeaders Media to find the answer: 200 hospital c-suite executives were asked who owns the customer experience. Exhibit 2 shares the intriguing results.

According to the c-suite, the position responsible for brand – with no real competition from other c-suite positions – is the CEO. Brand ownership starts at the top. Since most CEOs have no shortage of issues to manage, they will be unable to manage the demanding, day-to-day responsibilities of brand ownership. While they retain accountability for overall brand performance, every brand owner needs a “brand enforcer”. Enforcement can be one person or many, but they must be able to watch over the brand, see it in action, measure it against agreed upon goals, and report back to the owner. If the owner/enforcer dynamic is well-executed, branding starts at the top and cascades down to all employees.

3. Buying in to Brand
The inability to get buy-in from important internal stakeholders is another barrier. Lack of buy-in can often be related to our first two barriers: ill definition of your brand and no ownership/enforcement at the top. Remove these barriers and you have come a long way toward successfully building buy-in from others. One of the most important stakeholders is the employed physician. Physicians must be well-informed of the brand and its focus on providing the best customer experience, an ideal that often dovetails with their personal mission. If physicians are undercutting your branding efforts consider appointing one as a brand enforcer. Choose an engaged physician who commands the respect of others and “gets” branding.

4. Getting a win for brand
How often have you heard an executive say “I’m just not sure what we get out of branding”? To be successful in branding, you have to clearly define what will make a successful brand—and then accomplish just that. Set a big goal for your brand, but one that can be reduced into manageable segments that can serve as mini-goals to show progress along the way. An example is increasing your customer preference by ten percent. Reduce this into two percent segments along a timeline. Be transparent about your progress and you’ll prevent others from diluting or derailing your brand efforts. Goal-setting and goal-hitting shows there is a light at the end of the branding tunnel.

EXHIBIT 2. WHO SHOULD OWN?

In your executive suite, who “owns” the primary responsibility for patient experience?

- Chief executive officer: 25%
- No one specific individual: 20.5%
- Other: 18.5%
- Chief nursing officer: 16.0%
- Chief operating officer: 15.0%
- Chief quality officer: 5.0%
- Chief medical officer: 3.0%
- Chief executive officer: 1.0%
- Chief marketing officer: 1.0%

Source: HealthLeaders Media, 2010
The Internal Component of Branding

It can be easy to overlook the internal influence of brand. Brand can have a prosperous impact on an organization by serving as a shared vision that empowers all employees. Focusing on employees as part of the branding process does not require vast amounts of capital. It does require a focus on employee inclusion and a willingness to listen to employee feedback and demonstrate progress. As you set out on an internal branding journey, consider asking your employees: what is our big idea (or mission if that is a more appropriate label)? Are we different than other hospitals or health systems? What do we do best? Ask a handful of employees and you may discover you’re playing a game of telephone — no two answers are alike.

Lack of shared vision is a common ailment. If you discover this, consider an “internal rebrand” by communicating the brand to your employees before continuing with any external branding efforts. Refresh traditional communication means (employee newsletters, announcements, publications, etc.) and think outside the box to reach internal stakeholders. See the case example below for more ideas on outside-the-box methods. The key to internal branding is the ripple effect: ripples (employee newsletters, announcements, publications, etc.) and think outside the box to reach internal stakeholders. See the case example below for more ideas on outside-the-box methods. The key to internal branding is the ripple effect: ripples in the center become tidal waves at the edges. If you believe in the brand, that belief will ripple out to employees. If your employees believe in the brand, it will ripple throughout the organization in waves of positivity, goodwill, and success. Then, any external communication of brand value is rooted in truth, backed by employees, and ready for customers to experience.

HEALTHCARE BRAND STRENGTHENS MISSION

Healthcare has an intrinsic advantage in building both internal and external brand strength. The mission of a healthcare provider is likely much more appealing than that of, say, a laundry service. Saving lives and restoring the health of others is much more poignant than, say, selling mobile telephones. Your mission is perhaps one of taking care of the community, serving the needy and poor, and helping the sick when they need it most. Healthcare brands have already used this advantage to create a strong mission statement and ultimately a sense of purpose. Integrating the mission with the brand will strengthen the public’s understanding of the organization’s mission, and reverberate the mission more strongly throughout your employee base, further engaging them in the organization’s brand.

Case Example: Rebranding by Focusing on Employees

In 2009, the University of Illinois Medical Center (UIMC), wrestled with its image. Located in Chicago, Illinois, UIMC was an urban medical center suffering from internal disconnect. Despite upgrading facilities and attracting top physicians, UIMC struggled with low awareness in a highly competitive marketplace. Employees were not aware of accomplishments being made outside of their immediate area of focus. Leadership assumed employees were aware of progress being made but in actuality only leadership was apprised. UIMC leadership wanted to shed their image as “just a hospital for Chicago’s poor”. The problem was employees shared this outside perception. UIMC decided they needed to rebrand — from the inside out. If Chicago was to learn of UIMC’s advancements in staff, treatments, and facilities, UIMC employees would need to know it first.

UIMC used Market Insights brand measurement questions — normally asked to area consumers — to refresh their employee surveys. They asked: What is our image? Our quality? Do you prefer us? Do you recommend us? UIMC used measurement as a baseline for improvement. Then, they developed a big idea for their brand using the tagline “We’re changing medicine and we’re doing it for good.” Two clear advantages emerged: UIMC demonstrated their recent advancements could impact the world of medicine, and UIMC employees — the “we” factor — are a vital part of this endeavor. Then, they followed through by focusing on employee messaging: newsletter features, internal signage, and collateral. All the typical efforts of an external rebrand instead built for internal audiences first. As part of the internal rebrand, UIMC even held “information fairs” communicating examples of progress to all employees. Attendance picked up and a buzz started to build. Physicians, administrators, even front desk attendees came together to familiarize themselves with each other and learn about the shared vision. Events continued past the allotted hours. Conversations spilled into the following days and weeks. UIMC’s big idea started to congeal among employees, shadowed by the belief UIMC valued what employees thought. Employee perception — and job satisfaction — improved. The green light was on for UIMC leadership to proceed to the external rebrand.

In 2010, after a year of external promotion, the rebrand in principle had ended. What did UIMC have to show for focusing on employees first? Employee satisfaction had continued to uptick, with more employees preferring the hospital for all treatments. Employees were also more likely to recommend the hospital to family and friends. Market Insights confirmed external perceptions also improved. More area consumers were aware of UIMC and preferred it for several service lines. The external rebrand resonated because UIMC had truly improved. All UIMC did was rebrand inside out by focusing on 3,400 plus employees who were delighted to become brand advocates.
The External Component of Branding

The external component of brand is more intuitive. We strive to communicate the value we provide to all who will listen. We spend large dollar amounts advertising, promoting, and positioning our brand. Even if we engage employees and improve our customer experience, we must successfully communicate this outwardly to the market or our brand will remain mostly secret. How do we know if our spend impacts our market? Remember Exhibit 1, our business and communication tools comprise a vital part of the customer experience. Communicating our brand through various external channels requires spend. How much spend varies greatly depending on the hospital or health system in question. Budget, market size and competition all factor heavily.

What we invest in our external communication must make an impact. In branding, it’s important to draw a connection between our spend and our performance using the metrics we’ve identified as important to our brand’s overall success. Awareness — the number of consumer who are thinking of you enough to name your brand first — is a great starting point. Awareness is important for two reasons: first, consumers who are fully aware of you have greater potential to prefer you over your competitors and actually use your services and second, consumers who are fully aware of you are the most qualified source to provide feedback on your customer experience – they are your branding think tank.

Case Example: The Impact of Spend

In 2010, the Medical University of South Carolina (MUSC), needed to know what it was getting out of its market spending. Located in Charleston, South Carolina, MUSC believed in the idea of correlating its spend to the market metrics it valued the most was the best way to expand its communications and better compete with rival hospitals and health systems. Using Market Insights, MUSC tracked their media spend against two metrics important to their brand — awareness and preference — over a six month period from August 2010 to January 2011. By injecting cash into the market to communicate their brand, MUSC wanted to see a boost in marketplace awareness, and more importantly, the sheer number of consumers specifically preferring MUSC for all health needs. Exhibit 3 shows the results of their external experiment:

While no casual relationship can be established between spend and awareness/preference, a pattern emerged for MUSC: heightened spending created lift in both awareness and preference levels among consumers. Interestingly, MUSC tripled their spend in October and found awareness followed suit immediately while preference levels lifted the following month. As MUSC cut spending to the bone in December, awareness and preference both followed suit. In January, spending and awareness increased together again, with a strong likelihood preference would follow suit in February.

There are many variables to note including the different types of media used as well as the messaging — not all spend is executing the same way over time — nor should it be to avoid message staleness. In looking at MUSC, we can highlight the importance of maintaining and even increasing spend at critical times in your brand strategy, but perhaps most importantly: making sure spend levels do not drop too low thus starving your brand communication and causing consumer perception to wilt accordingly. All this must be discovered and identified through goal-setting for your brand and determining what metrics matter the most. For MUSC, awareness and preference were paramount. With average spend shrinking, external branding must be measured vigilantly to ensure a return on dollars invested in the marketplace. The external component of branding thrives not on spending alone, but spending shown to be effective and worthwhile in repeating.

BRANDING IS A 2-WAY STREET

Your brand is everything you communicate through advertising, communications, and patient information. Your brand is also everything communicated about you through media coverage, social media mentions, blogs, and even communication among employees, patients, and potential patients. Over time, brand equity is built by focusing on all the levers affecting the customer experience.

EXHIBIT 3: TRACKING SPEND

Source: Medical University of South Carolina, Market Insights, 2011
CREATING A UNIQUE MEASURE OF SUCCESS

Once you have positioned your brand, you must apply a measure of success that is unique to the brand. Try to avoid generic measures such as “bring in more volume.” Try “five percent gain in customer preference” or “five percent gain in utilization by targeted customers.” Use your reason(s) to believe as a natural measure of success.

For example, if your measure of success is “being the best at leading-edge medicine,” then poll customers and even the marketplace and ask which organization is the top option for advanced medicine. If it isn’t your organization, make it your measure of success to be number one, and pick a reasonable date for when this should be achieved. Use this process to arm your brand enforcer(s) with a distinct goal and a specific timeline.

A Framework To Build A Strong Brand

With heightened emphasis on proving your branding efforts are successful, measurement becomes our brand’s most important ally. Measurement is key to avoiding branding barriers, achieving buy-in, and showcasing progress. Outlined below is a measurement framework adaptable to any healthcare brand’s situation: large healthcare system, small healthcare system, or standalone hospital in an urban, suburban, or rural market. Use these five steps in order to position your brand for optimal success:

STEP 1: ASSESSING YOUR CURRENT STATE OF BRAND
What are customers and potential customers already saying about you? These perceptions have been built over time. It’s important to understand the state of your current brand before moving forward.

STEP 2: CUSTOMER TARGETING
Which customers are you targeting? Select at least one target to efficiently position and build your brand. By targeting, you reduce the amount of variables in play for the consumers you wish to reach. Analysis of the segment becomes manageable because you have specifically selected it for clear reasons.

STEP 3: IDENTIFYING YOUR COMPETITIVE ADVANTAGE
Who are your competitors? Organizations building a stronger brand can discover a competitive advantage by comparing their skills and offerings to that of competing organizations, and structuring the brand accordingly.

STEP 4: POINT OF DIFFERENCE
Once you have analyzed your competitive set, the next step is to bottle up your biggest “point of difference”—a service line, center of excellence, or aspect of customer service that places your organization above the rest. This isn’t necessarily about what your organization does best; what it does better is what matters to the consumer.

STEP 5: REASONS TO BELIEVE
Reasons to believe are the proof points you will deliver to the customer. They are how you will follow through with your brand promise. They are the culmination of building your brand and provide the true validity to your brand messaging.

EXHIBIT 4: BAD BRANDING’S MANY PITFALLS

<table>
<thead>
<tr>
<th>Common Pitfalls</th>
<th>Impact</th>
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<tbody>
<tr>
<td>Positioning too narrow or too broad</td>
<td>Missed opportunity by reaching too few customers, or lack of uniqueness by trying to be all things to all people</td>
</tr>
<tr>
<td>Positioning around attributes that are expectations (safe, clean hospital rooms)</td>
<td>Risk of undifferentiated brand positioning and wasted energy</td>
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<tr>
<td>Solely using either quantitative data or creative inspiration in developing the positioning</td>
<td>Suboptimal positioning that rests on guesswork—must balance data, creativity, and marketing savvy properly</td>
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<tr>
<td>Inability to deliver on the positioning</td>
<td>Loss of current customers and inability to attract new customers</td>
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<tr>
<td>Not evolving the positioning or building it with pliability to stay relevant as the marketplace changes</td>
<td>Steady decline in loyal customer base, loss of market share, antiquated appearance</td>
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Source: Market Insights, 2011
BRANDARC: A COMPLETE BRAND MEASUREMENT NARRATIVE

Similar to the approach of building and defining your brand in a way that is conducive to all parties, you should land on a brand measurement approach without tension. Market Insights provides the BrandArc: a complete brand measurement tailored specifically for healthcare brands. BrandArc was developed with — and built for — Market Insights 700+ healthcare clients.

BrandArc uses proven consumer decision modeling as its backbone to measure your hospital brand — or any competing brand — across an array of five consumer-powered components. These components contain 15 distinct metrics that build upon one another to measure your brand’s general presence in the marketplace, its perceived value, even the amount of loyalty it generates. As you can see in Exhibit 5, these components naturally arc upward and you can determine where your brand rises and where you should pinpoint your improvement efforts.

Healthcare brands can use the BrandArc to understand their current brand equity and position their branding efforts accurately. The BrandArc is flexibly built and can serve as a monthly, quarterly, or yearly brand equity tracker. When you think back to the need for buy-in, goal-setting, and measures of success, BrandArc can serve as your brand barometer and aid you in communicating the value of your efforts and the success of your brand.

EXHIBIT 5: THE MAIN COMPONENTS OF BRANDARC

Because brand equity in healthcare is everything you stand for, building positive, long-lasting equity must be the focal point and end game for your brand. Your brand can do things nothing else can. It can create influence across the organization and shape strategic initiatives through a consistent vision. It can engage all levels of leadership. It can protect against competitive and political forces. It can unite employees under one shared idea to deliver a great customer experience. It can spread your big idea to customers and potential customers throughout the marketplace. It can attract top talent and serve as a powerful negotiation tool. It can become leverage to acquire additional resources. It can do all this, because at its heart, and in the most difficult circumstances, your brand never takes its eye off the customer, the only reason any hospital or health system exists at all.
Ryan Donohue is the corporate director of program development for National Research Corporation. Through the Market Insights marketing measurement and strategy solution for healthcare providers, Ryan has partnered extensively with hospitals and health systems to leverage market intelligence and build consumer-centric healthcare brands. Ryan has studied the effect of consumerism across multiple industries and collaborated with Mayo Clinic, Northwestern Memorial Hospital, Vanguard Health Systems, Trinity Health, Medical College of Georgia, and other providers, big and small, to analyze and understand consumer decision-making. Ryan specializes in creating simple yet effective strategic models any healthcare brand can use to reach and influence its customer base.