# Through the Consumer's Eyes:
## Healthcare in the Post-Patient Era

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1

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# Roadmap

- Beyond the Gown

- Three Dimensions of Consumer Care
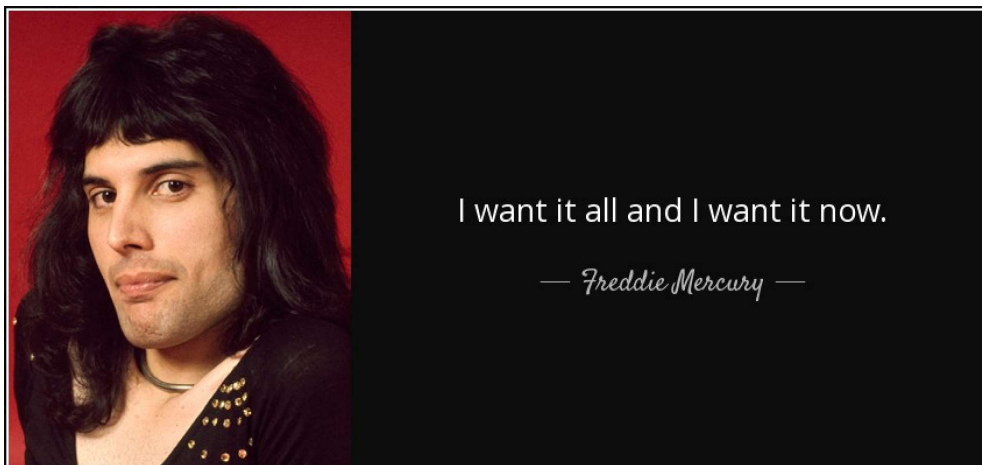
- Measuring the Future

- Discussion

2

# Beyond the Gown

3



I want it all and I want it now.

— *Freddie Mercury* —

4

**PAGE 2**
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**Which of the following industries *should* consistently meet or exceed your expectations as a customer?**
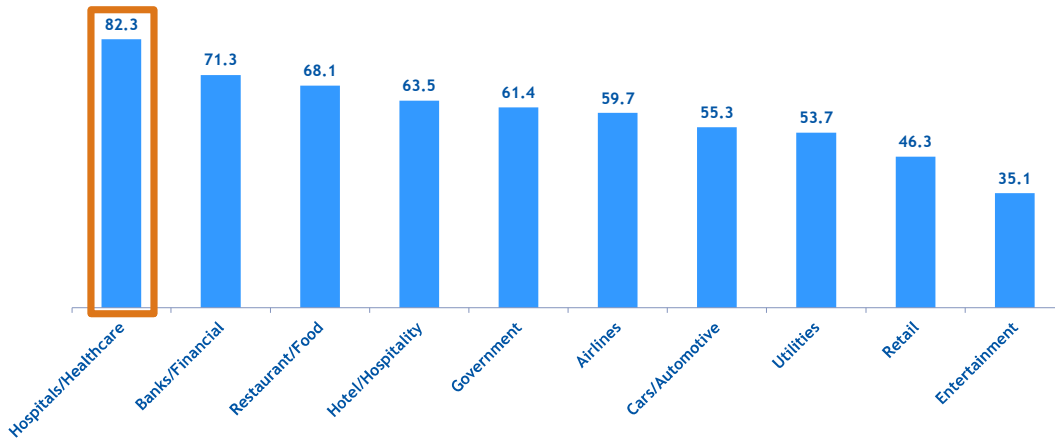
| | |
|---|---|
| Hospitals/Healthcare | 82.3 |
| Banks/Financial | 71.3 |
| Restaurant/Food | 68.1 |
| Hotel/Hospitality | 63.5 |
| Government | 61.4 |
| Airlines | 59.7 |
| Cars/Automotive | 55.3 |
| Utilities | 53.7 |
| Retail | 46.3 |
| Entertainment | 35.1 |

*SOURCE: NRC Health's MARKET INSIGHTS study, 2010-2019, average annual n sizes vary from 208 (qual) to 278,824 (quant)*

5

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## Explicit expectations

✓I won't over-pay
✓My waiting time(s) will be reasonable
✓My outcome will be favorable

## Implicit expectations

✓I'll be treated as a person
✓I'll be shown respect
✓I'll get better

*SOURCE: NRC Health's MARKET INSIGHTS study, 2010-2019, average annual n sizes vary from 208 (qual) to 278,824 (quant)*

6

An alarming **81%** of consumers are unsatisfied with their healthcare experience – and the happiest consumers are those who interact with the system the least

75% of frequent healthcare consumers are frustrated

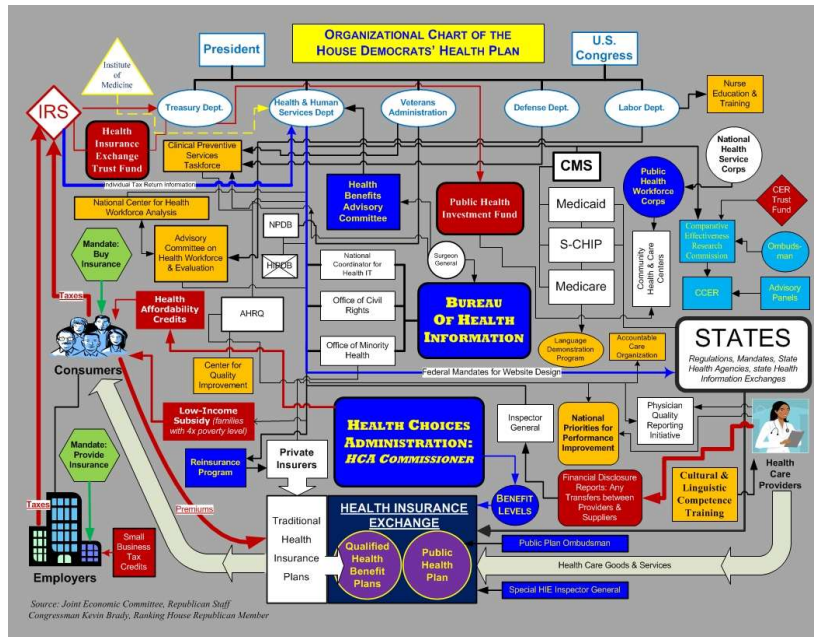48% of all other healthcare consumers are frustrated

SOURCE: Camden Group, 2017, NRC Health's MARKET INSIGHTS study, 2010-2019, average annual n sizes vary from 208 (qual) to 278,824 (quant)

7

8

**PAGE 4**
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9



# Consumers + COVID

10

## NRC Health's study of COVID-19 effects on consumers

→ COVID-19 has greatly affected healthcare consumers

→ Nearly half of US consumers delayed care in some form in 2020

→ Dental, primary care and specialty care most likely to be delayed

→ 7 in 10 deferrers cited COVID-19 in delaying their treatment

→ 1 in 3 have participated in a virtual care visit since March

→ Of virtual patients: 3 in 4 were satisfied with their visit

*SOURCE: NRC Health's MARKET INSIGHTS study of healthcare consumers, 2020, n size = 2,000*

11

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# Outside Healthcare

12

## Creating 'Branded Worlds'

– **There is a renewed focus on creating 'branded worlds' in which the consumer can navigate at will**

– **Apple, Nike, Disney, and other top brands have fused static products lines into a single ecosystem**

– **Consumers can 'stay inside' this ecosystem to fulfill their _____ needs**

13

## The Walt Disney Company

– **Founded in 1923 by the Disney Brothers (Walt & Roy)**
  - First full-length film in 1937
  - Opened Disneyland in 1955
  - Bought ABC and Pixar in 1996
  - Acquired 21st Century Fox in 2017

– **Launched Disney+ streaming service in November 2019**

– **Enjoys a market cap north of $240 billion**

*SOURCE: Disney.com, Macrotrends.com 2019*

14

15

16

**PAGE 8**
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# Three Dimensions of Consumer Care

17

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Virtual Experiences

Faster feedback

Service recovery

18

# 1. Virtual Experiences

19

## Virtual Experiences are the New Front Door

- **3 in 10 consumers search doctor ratings as 1st step**

- **7 in 10 use social media to find health info (avg age: 49)**

- **3 in 5 want to email/text their doctors/caregivers**

- **9 in 10 consumers use ratings/reviews when searching**

*SOURCE: NRC Health's MARKET INSIGHTS study, 2010-2019, average annual n sizes vary from 208 (qual) to 278,824 (quant)*

20

# Rapid Shifts in Online Healthcare Behavior

- **35 percent** own a wearable
  *2015: 17 percent*
- **15 percent** used telehealth last year
  *2015: 11 percent*
- **57 percent** would schedule tele-visit
  *2015: 36 percent*
- **54 percent** would see PA/NP if no doc
  *2015: 36 percent*

*SOURCE: NRC Health's MARKET INSIGHTS study, 2010-2019, average annual n sizes vary from 208 (qual) to 278,824 (quant)*

21

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**Jellyfish HEALTH** ℠

## Digital Experiences that Simplify Receiving Care

Jacqui's son wakes at 3 a.m. with a fever. She comforts him, then quickly **schedules an appointment online** for him later that day before going back to sleep herself.

Every second of Bronson's day counts. So he **checks into his appointment remotely** to see if his doctor is on time; if she isn't, he knows he can squeeze in a few more emails.

What's going on with Dad? This family already knows thanks to **status boards** that update them in real time while they wait.

## Better Experiences, Improved Loyalty

22

## 2. Faster Feedback

23



24

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25

25

# Faster Customer Feedback Leads to Improved Experience

**REDUCTION IN SURVEY
TURNAROUND TIME**

Received candid feedback from customers faster – **75% reduction in survey turnaround time.**

**GENERATED MORE,
QUALITY FEEDBACK**

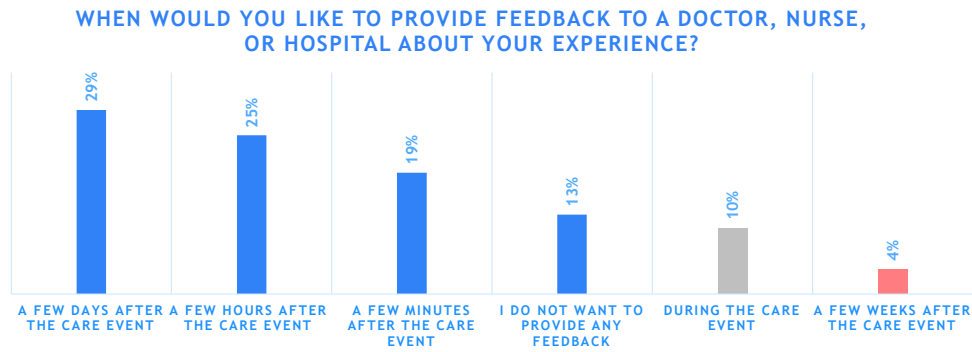A shorter form survey in real-time allowed an increase in **response rates by 7.4%.**

**TOOK FAST ACTION
TO IMPROVE**

Tracking feedback in real-time enabled improvement in **"Would Recommend Hospital"** score increased by 5.1%.

A large Midwest healthcare system with a teaching hospital and children's hospital.

26

26

# How Long Do Consumers Want to Wait to Give Feedback?

**WHEN WOULD YOU LIKE TO PROVIDE FEEDBACK TO A DOCTOR, NURSE, OR HOSPITAL ABOUT YOUR EXPERIENCE?**

| Response | Percentage |
|---|---|
| A FEW DAYS AFTER THE CARE EVENT | 29% |
| A FEW HOURS AFTER THE CARE EVENT | 25% |
| A FEW MINUTES AFTER THE CARE EVENT | 19% |
| I DO NOT WANT TO PROVIDE ANY FEEDBACK | 13% |
| DURING THE CARE EVENT | 10% |
| A FEW WEEKS AFTER THE CARE EVENT | 4% |

**73% of patients** want to be asked for feedback a few minutes to a few days after the care event. They don't want to be asked during the care event, and they don't want to wait until weeks after.

*Source: NRC Health in 2017, consisting of 3,089 national respondents*

27

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# 3. Service Recovery

28
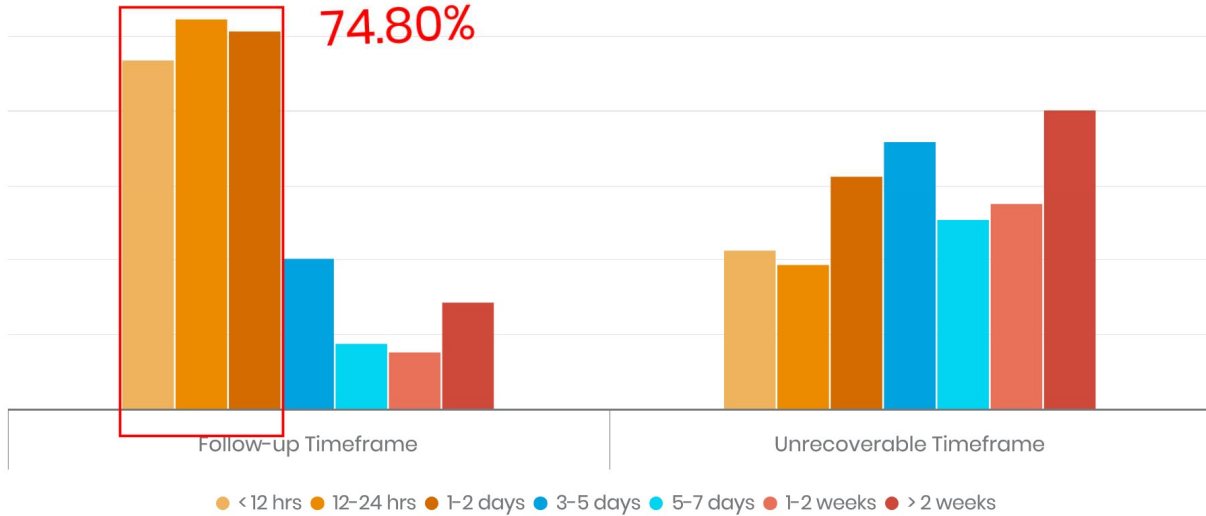
29

## Virtual Experiences are the New Front Door

- Because healthcare is imperfect, how we recover an important turning point in consumer relations

- Encouraged response times to consumers:
  - 1 hour on social media
  - 1 day over the phone
  - 15 minutes in person

- The Service Recovery Paradox: consumer admires brand *more* after problem is fixed than they would have if no problem occurred in the first place
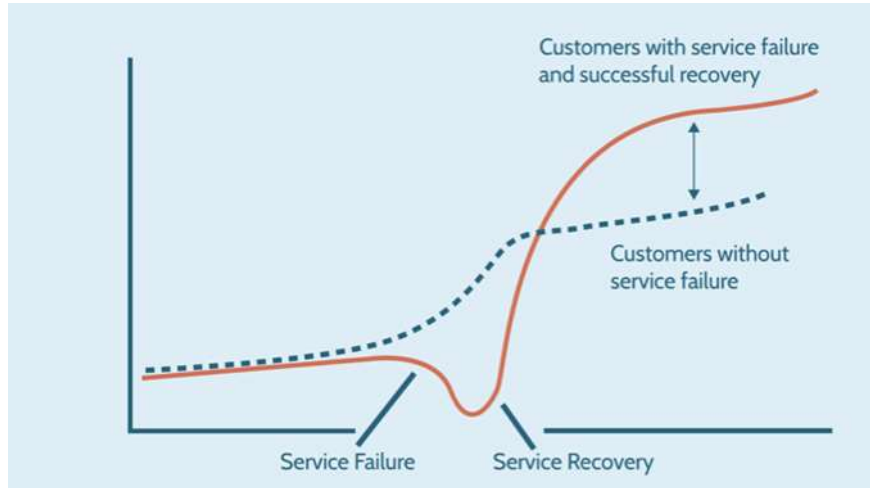
30

Service Recovery to Build Relationships

Source: Customer Thermometer, 2017

31



Those who enter to buy, support me. Those who come to flatter, please me. Those who complain, teach me how I may please others so that more will come. Those only hurt me who are displeased but do not complain. They refuse me permission to correct my errors and thus improve my service.

Marshall Field

32

33

# Measuring the Future
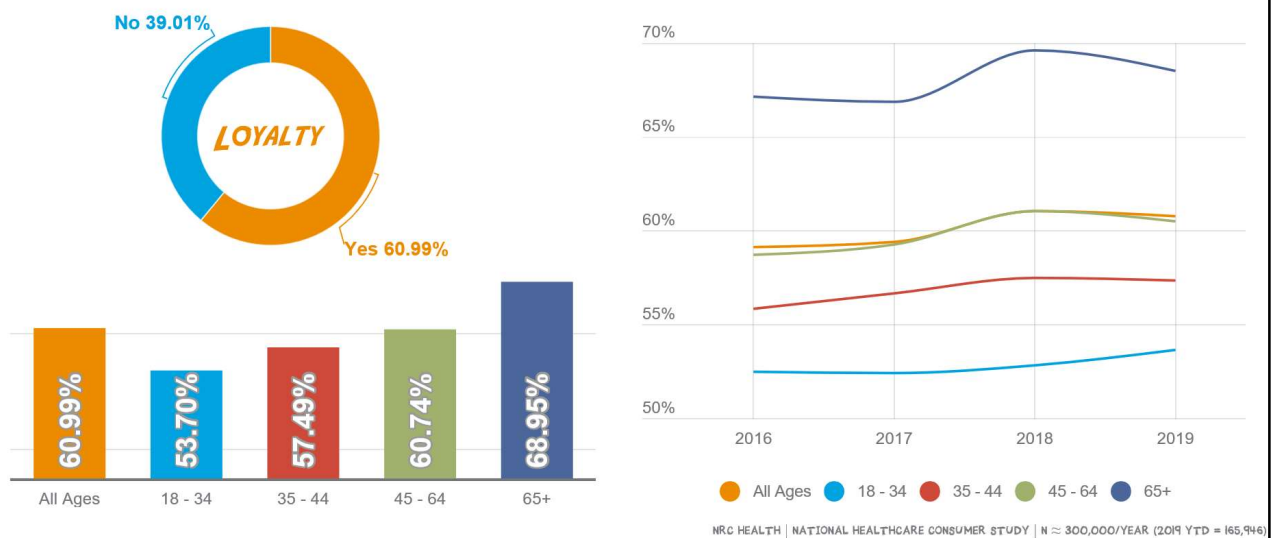
34

## Measuring the Future

– **As an industry we primarily focus on 'quality' – a metric that most consumers don't understand and can't report**

– **Many systems now use 'NPS' (Net Promoter Score) to better assess their performance among their patients**

– **What's the right metric? Quality? Safety? NPS? Something else entirely?**

*SOURCE: National Research Corporation's MARKET INSIGHTS study, 2010-2018, average annual n sizes vary from 208 (qual) to 278,824 (quant)*
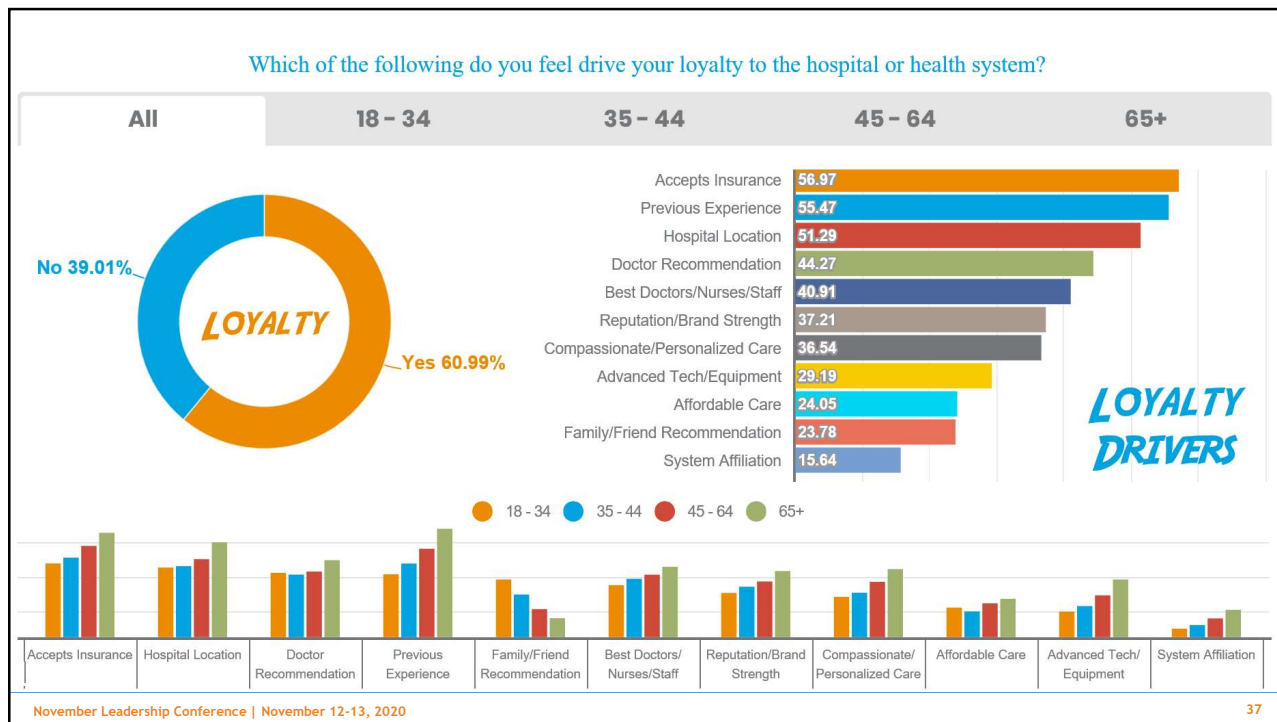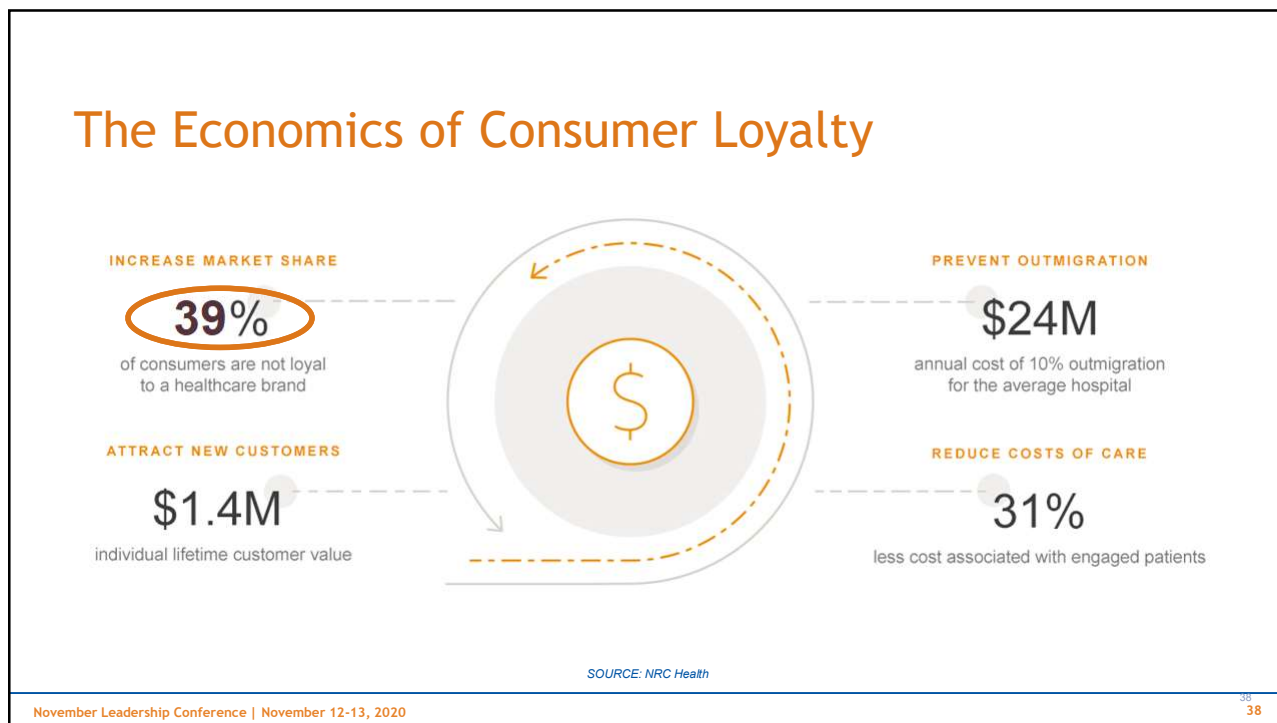
35



LOYALTY IN HEALTHCARE

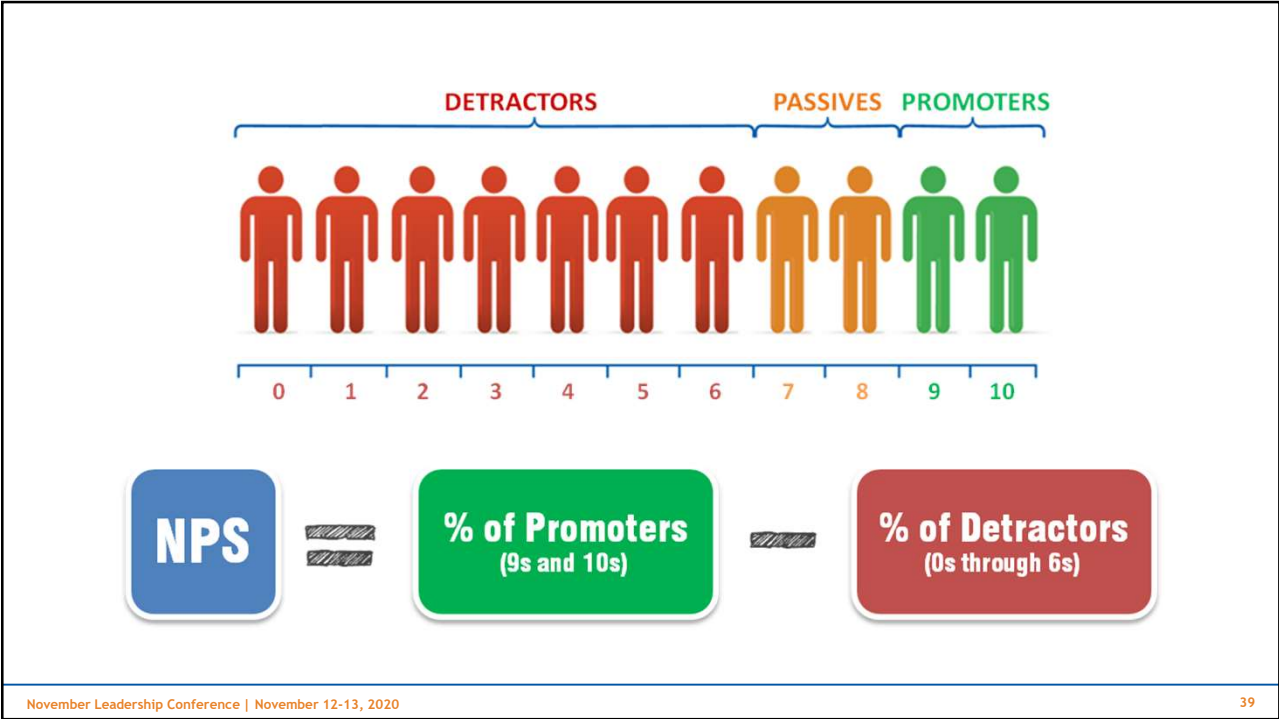Would you consider yourself a loyal customer of a local hospital or health system?
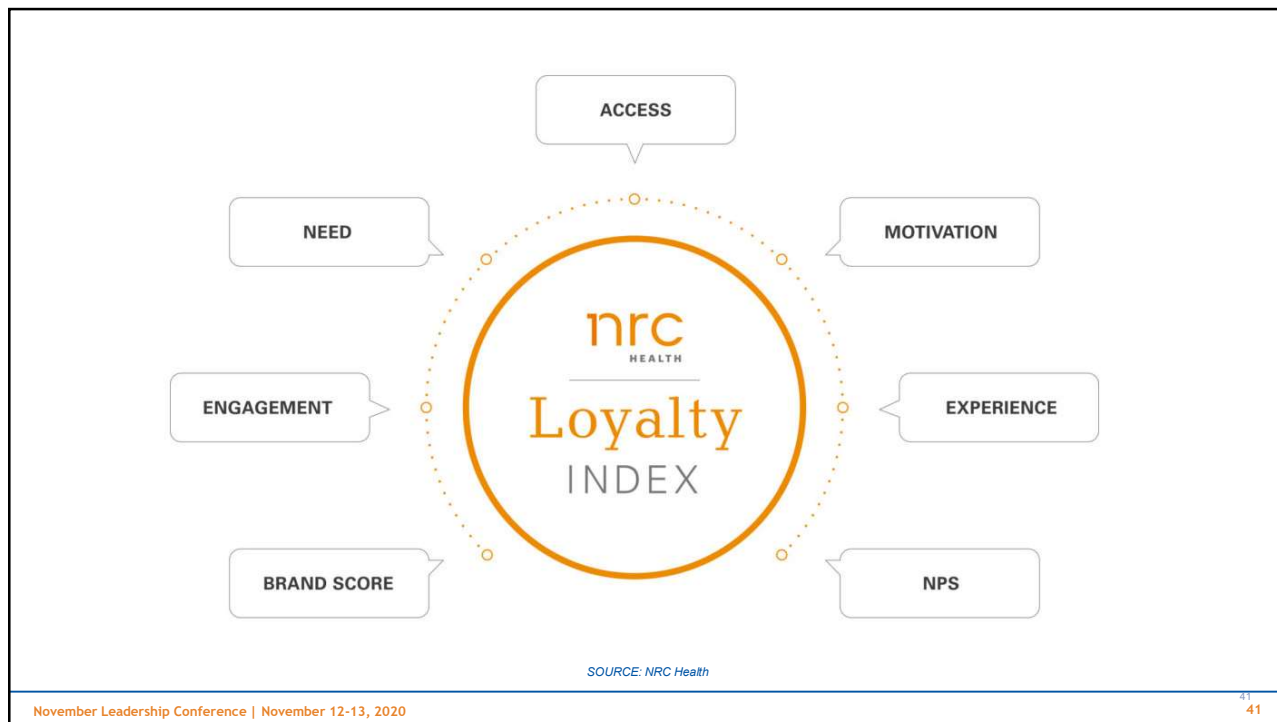
NRC HEALTH | NATIONAL HEALTHCARE CONSUMER STUDY | N ≈ 300,000/YEAR (2019 YTD = 165,946)

36

Which of the following do you feel drive your loyalty to the hospital or health system?

37



The Economics of Consumer Loyalty

INCREASE MARKET SHARE
**39%**
of consumers are not loyal to a healthcare brand

PREVENT OUTMIGRATION
$24M
annual cost of 10% outmigration for the average hospital

ATTRACT NEW CUSTOMERS
$1.4M
individual lifetime customer value

REDUCE COSTS OF CARE
31%
less cost associated with engaged patients
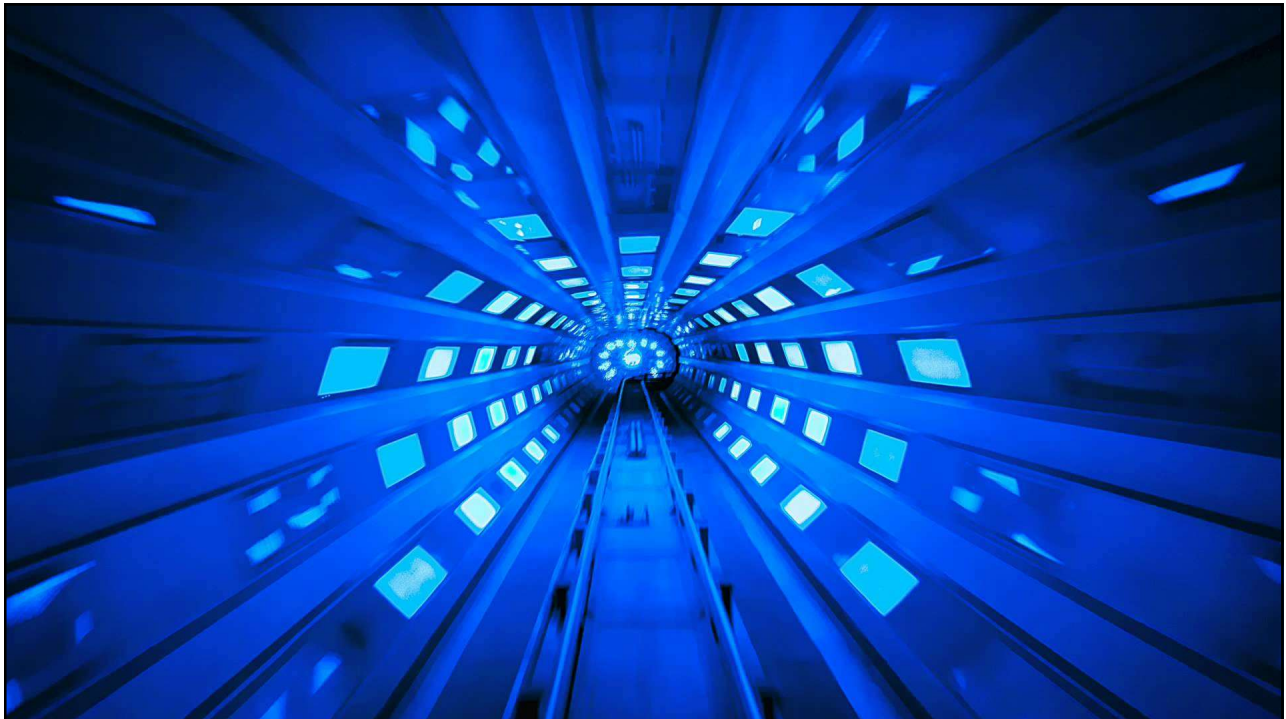
SOURCE: NRC Health

38

40

41

42

## Healthcare in the Post-Patient Era

**1** If we remove the 'patient satisfaction' blinders, a more complete picture of the consumer experience emerges

**2** If total perfection isn't an option, service recovery is your path toward improvement and success

**3** Find your own unique measure of success but don't guess, ask your consumers before, during an after the experience you provide them

*SOURCE: National Research Corporation's MARKET INSIGHTS study, 2010-2018, average annual n sizes vary from 208 (qual) to 278,824 (quant)*

43



44

# Discussion

45