DIGITAL MARKETING IN HEALTHCARE

RESEARCH FINDINGS TO GUIDE YOUR EHEALTH STRATEGIES

GEONETRIC®

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INTRODUCTION

introduction

SUMMARY

HELLO!

Have you ever wondered how your Web initiatives stack up to other healthcare organizations? Do you have a similar number of staff focused on the Web? Do you have an adequate budget? Will your online plans position you as a strong competitor in your market?

WE HAVE THE ANSWERS FOR YOU.

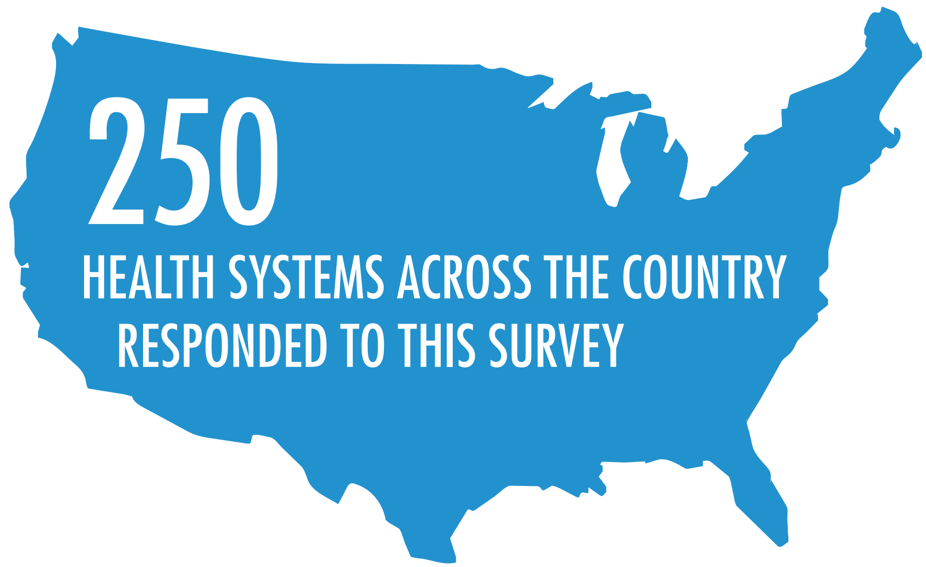
In late 2013, Geonetric, a healthcare website provider, launched a survey to assess the Web efforts of hospitals and health systems across the country.

The results: organizations are revamping their online presence. They are adding new capabilities to their digital mix. And they are beginning to use data to measure success.

The healthcare industry has a long way to go to catch up with other industries. Despite the current tight budget environment, the numbers show we are taking big steps forward.

Read on to find out how your initiatives compare.

Ben Dillon
Vice President & eHealth Evangelist
Geonetric, Inc.

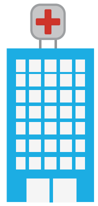


USING THE DATA TO MAKE DECISIONS

The future of healthcare marketing is increasingly digital. As with any fast–evolving space, it is difficult to know if your organization is implementing the right tactics to remain competitive. The goals of this survey are to provide benchmarks to help you measure your digital investments and to identify emerging trends that your organization can't ignore. As you plan for future eHealth initiatives, be sure to consider:

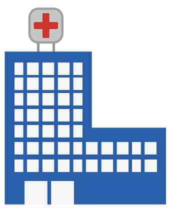
- Are you investing appropriately in digital marketing?
- Does your staff have the skills they need and are they spending their time on the most important tasks?
- Does your online presence compare favorably with your peers?
- Are you connecting with the growing mobile audience? Do you have a responsive website?
- Are you involved in creating personalized online experiences with your patient through consumer portals?

BENCHMARKING THE DATA



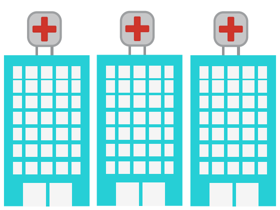
<199 Beds

COMMUNITY/SPECIALTY PROVIDER



200 — 999 Beds

LARGE PROVIDER



>1,000 Beds

REGIONAL PROVIDER

Healthcare organizations come in all shapes and sizes, which can make it tough to draw comparisons. So we split the data into peer groups. This enables you to compare your organization with healthcare providers of similar size.

Survey respondents selected one of the following groups that best represents their organization.[1]

COMMUNITY AND SPECIALTY PROVIDERS

Organizations with under 199 beds, clinic organizations without inpatient services, critical access hospitals and specialized facilities such as heart hospitals.

LARGE PROVIDERS

Organizations with 200 — 999 beds and with a limited geographical footprint.

REGIONAL PROVIDERS

Large health systems, many with a thousand or more beds and a very large geographical area.

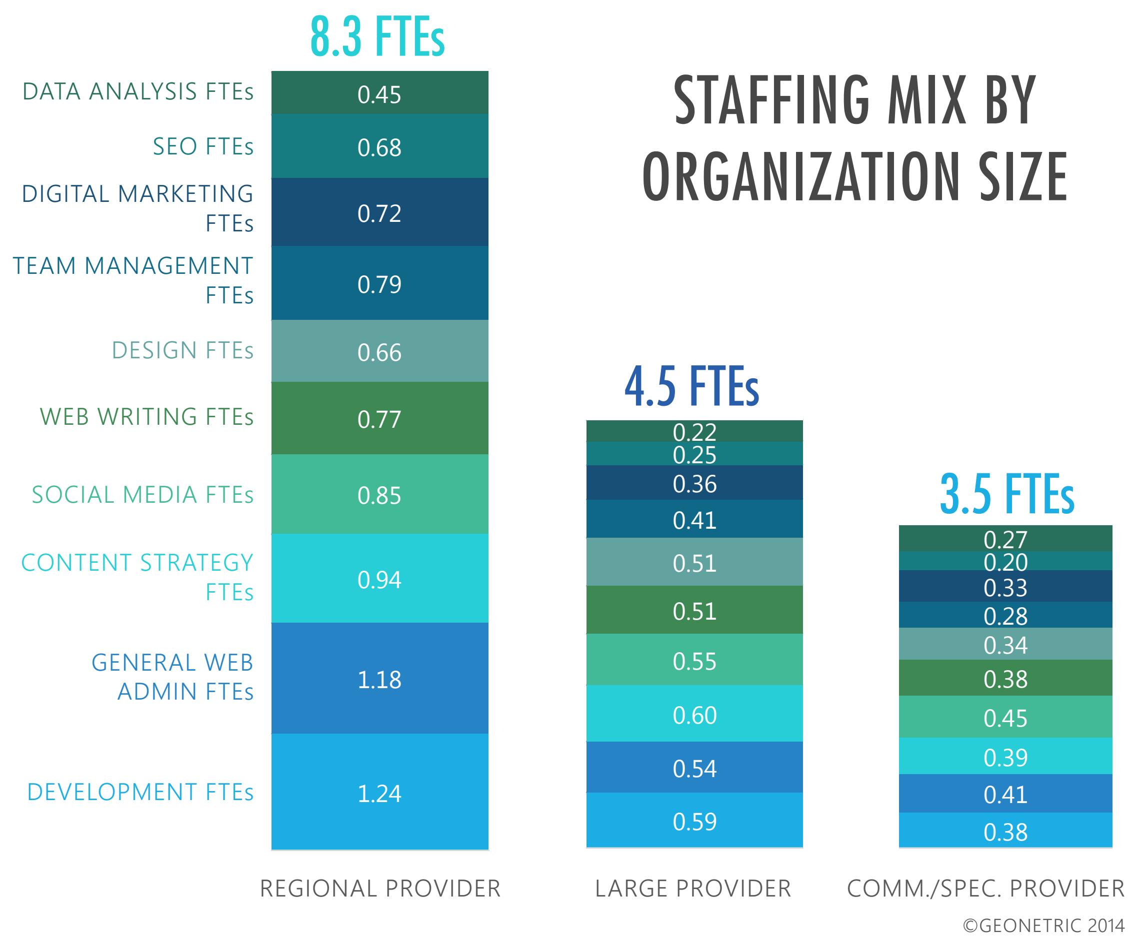
[1] Bed size tells only part of the story. Many organizations near the boundaries placed themselves in a larger or smaller group. In some cases, we moved respondents to a more appropriate peer group or assigned them to a group if they didn't identify one.

RESOURCES

resources & responsibilities

STAFFING

- Community and specialty hospitals average 3.5 full-time equivalents (FTEs), large providers average 4.5 FTEs and regional providers average nearly 8.3 FTEs.
- From data analysis to development, these FTEs spend their time on many different tasks.
- Large providers have more staff responsible for digital initiatives. But staffing numbers aren't proportionate to the size of the organization.
- Regional providers, which are typically ten times larger than community providers, have less than two and a half times their staff.

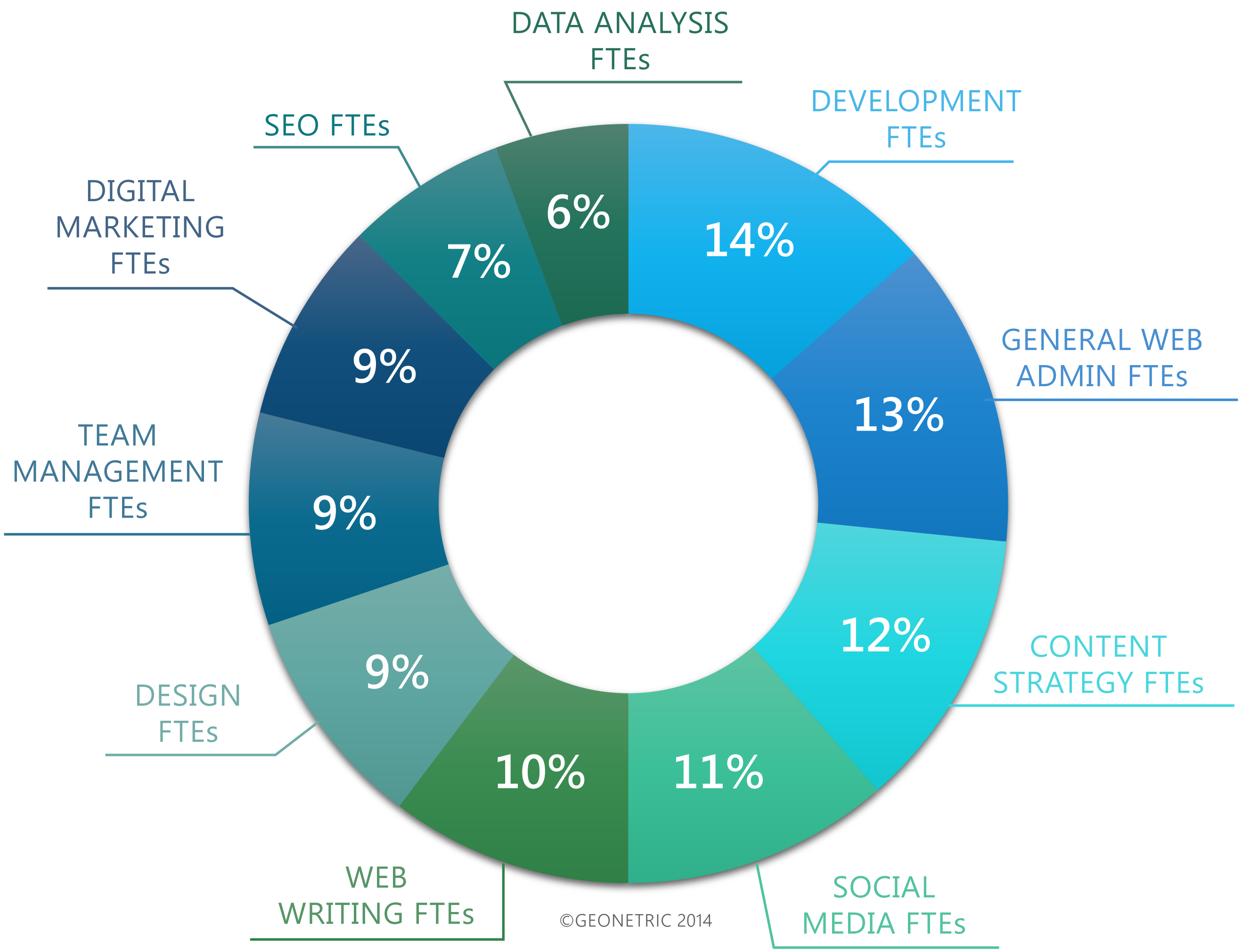


STAFFING

- Individuals are spread equally among the various disciplines important to online management. The numbers are similar across all organizations – from community hospitals to regional providers.

- Organizations focus the most staff in the software development and Web administration areas; software development is led by organizations that execute their initiatives primarily in–house and need a larger team.

AVERAGE STAFFING MIX BY ROLE



COMMUNITY AND SPECIALTY PROVIDERS EMPLOY

1 FTE PER 20 BEDS

LARGE PROVIDERS EMPLOY

1 FTE PER 95 BEDS

REGIONAL PROVIDERS EMPLOY

1 FTE PER 171 BEDS

INVESTMENT

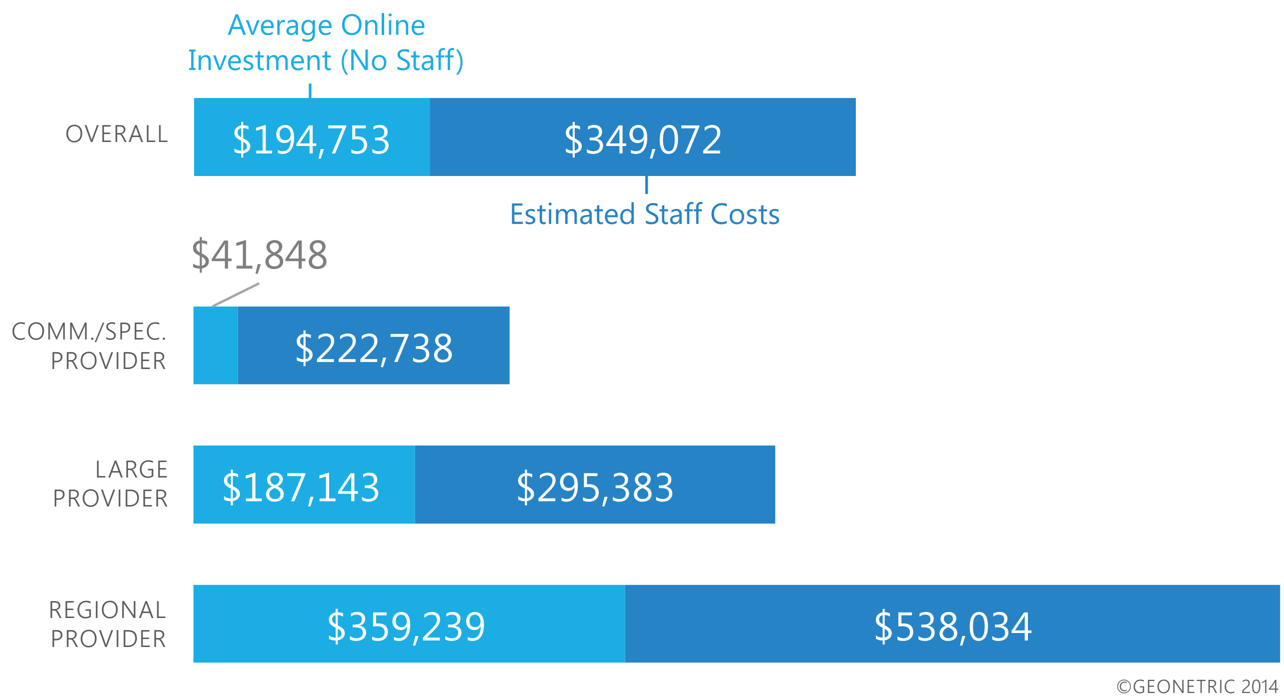
- Organizations' digital communication investments include both staffing and spending on external goods and services, such as software licensing, agency consultants and vendor partners.

- Organizations average a total annual online investment of $543,825 including investments in both staff and external goods and services.

Share this Stat

- Levels of investment grow with the organization's size. Average annual online investment is $264,000 for community and specialty providers, $482,000 for large providers and nearly $900,000 for regional providers.

INVESTMENT BY ORGANIZATION SIZE



INVESTMENT

There's a surprising difference in the split between costs for staffing and external services among the groups. If you consider the average investments made on a per–bed basis:

REGIONAL PROVIDERS

Spend $210 on external goods and services and $315 on staff.

LARGE PROVIDERS

Spend $417 on external goods and services and $658 on staff — approximately twice the amount of regional providers.

COMMUNITY AND SPECIALTY PROVIDERS

Spend $578 on external goods and services, which is nearly 50% more than large providers, and an outrageous $3,075 on staff, which is nearly five times that of large providers.

COMMUNITY AND SPECIALTY PROVIDERS TEND TO UNDERINVEST IN TOOLS, TECHNOLOGY AND EXPERT SUPPORT AND OVERINVEST IN STAFF. THIS CAN RESULT IN EXORBITANT STAFFING COSTS, AND EVEN LEAD TO INVESTING IN THE WRONG STAFF.

PERCENTAGE OF MARKETING BUDGET

- According to a 2013 Forrester report[2], brands were forecasted to spend 20% of marketing budgets on digital tactics. Healthcare organizations are gaining ground on this benchmark.

- Community and specialty organizations invest 20% on digital, followed by regional providers with 18% and large providers with 14%. But note, this data is skewed as some of the groups include some aggressive digital marketers. The majority of healthcare organizations invest only 5 – 10% of their marketing budgets on digital initiatives.

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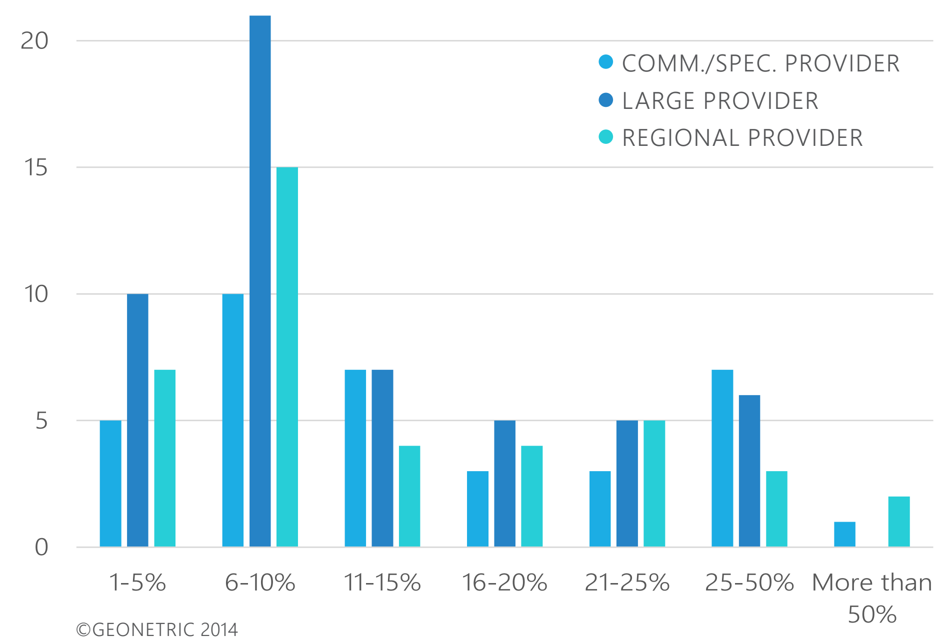
WEB INVESTMENT AS A PERCENT OF MARKETING BUDGET



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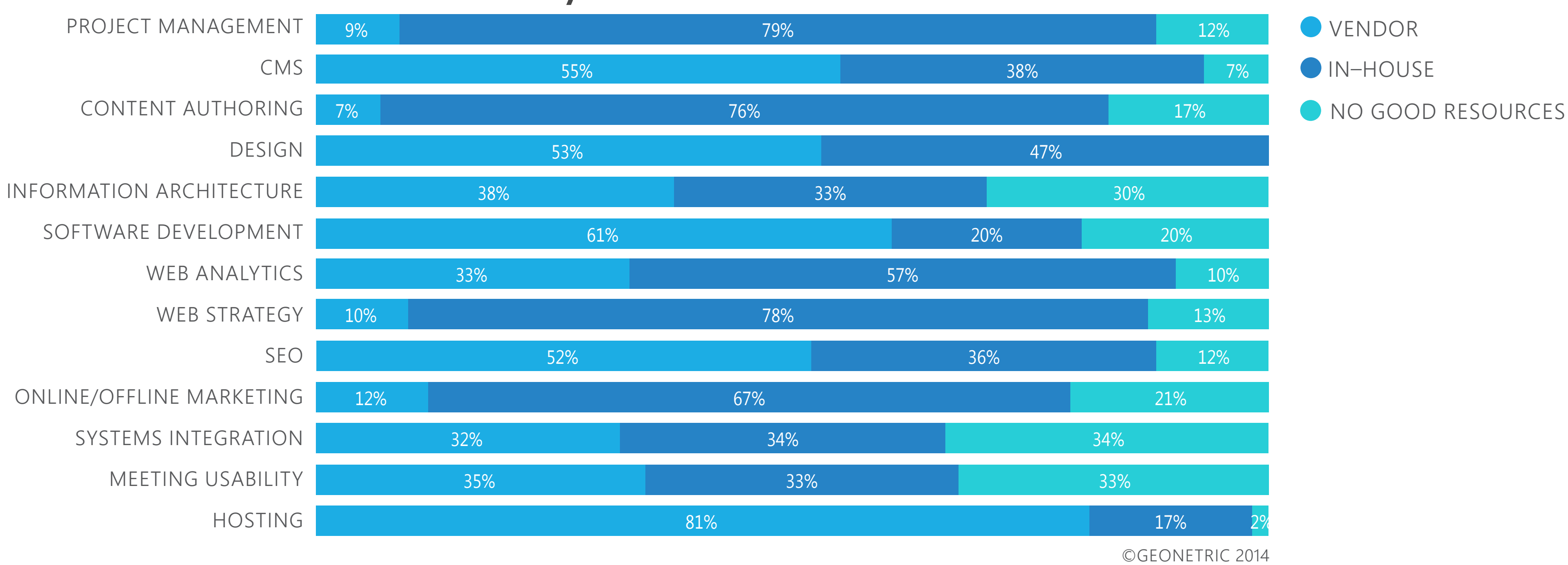
[2] www.marketingweek.co.uk/news/digital–marketing–to–become–just–marketing–in–2013/4005302.article

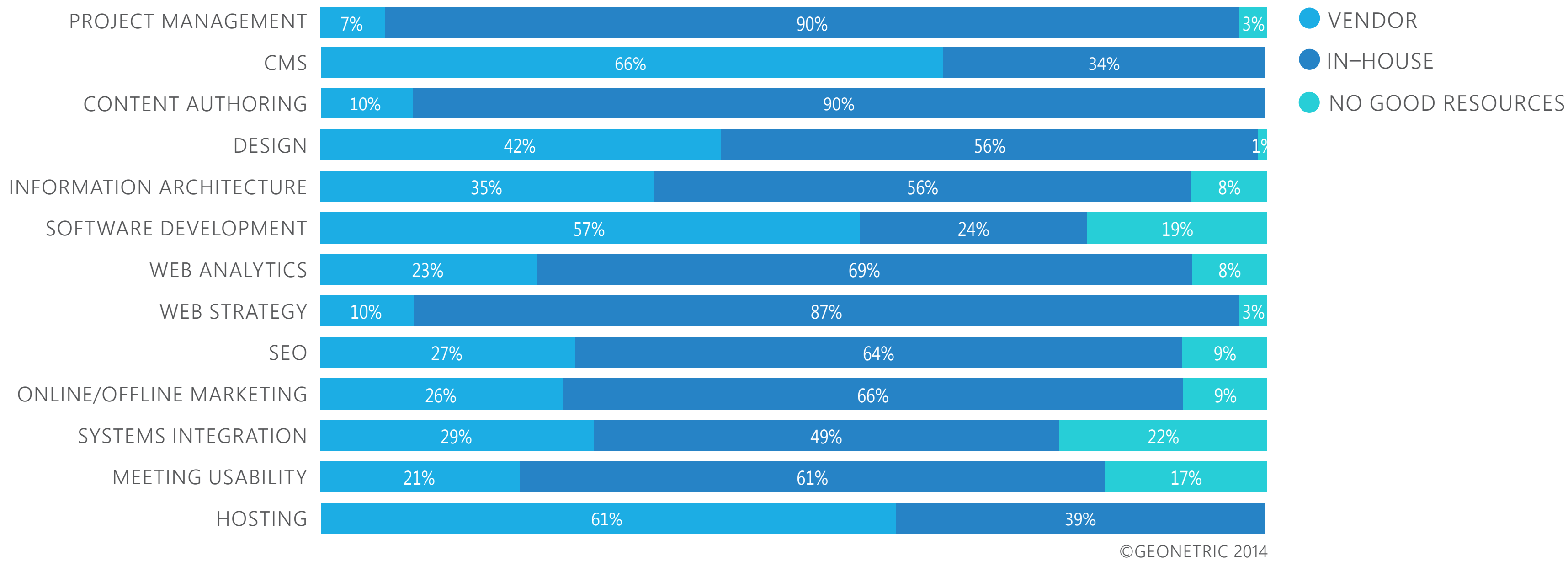
RESOURCES

- Some organizations rely only on in–house resources to manage their digital efforts. Other organizations work with vendors as well.
- Most organizations use their internal staff for project management, content authoring and Web strategy. They hire vendors to provide hosting, content management system (CMS), software development and design.
- All organizations report having problems finding good resources (either internal or vendors) for systems integrations, usability and accessibility, and software development. Community and specialty organizations are approximately twice as likely to have trouble finding good options for a service than larger organizations.

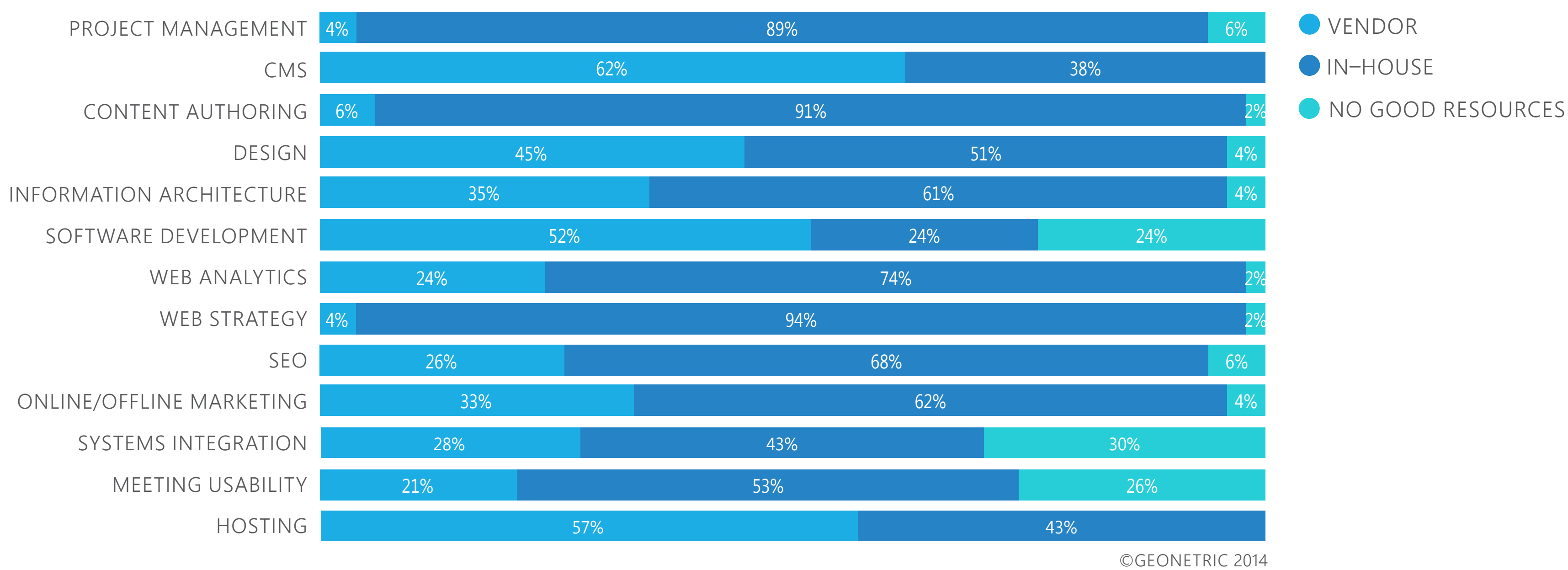
COMMUNITY/SPECIALTY PROVIDER RESOURCES



LARGE PROVIDER RESOURCES



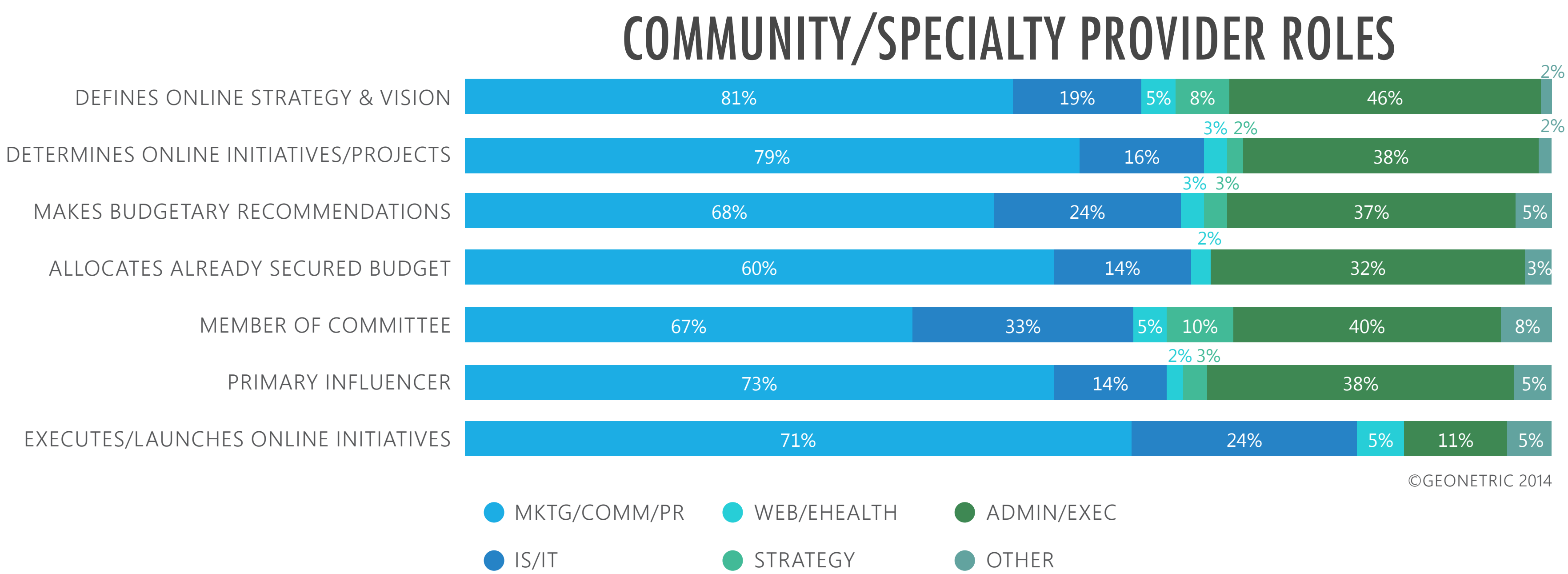
REGIONAL PROVIDER RESOURCES

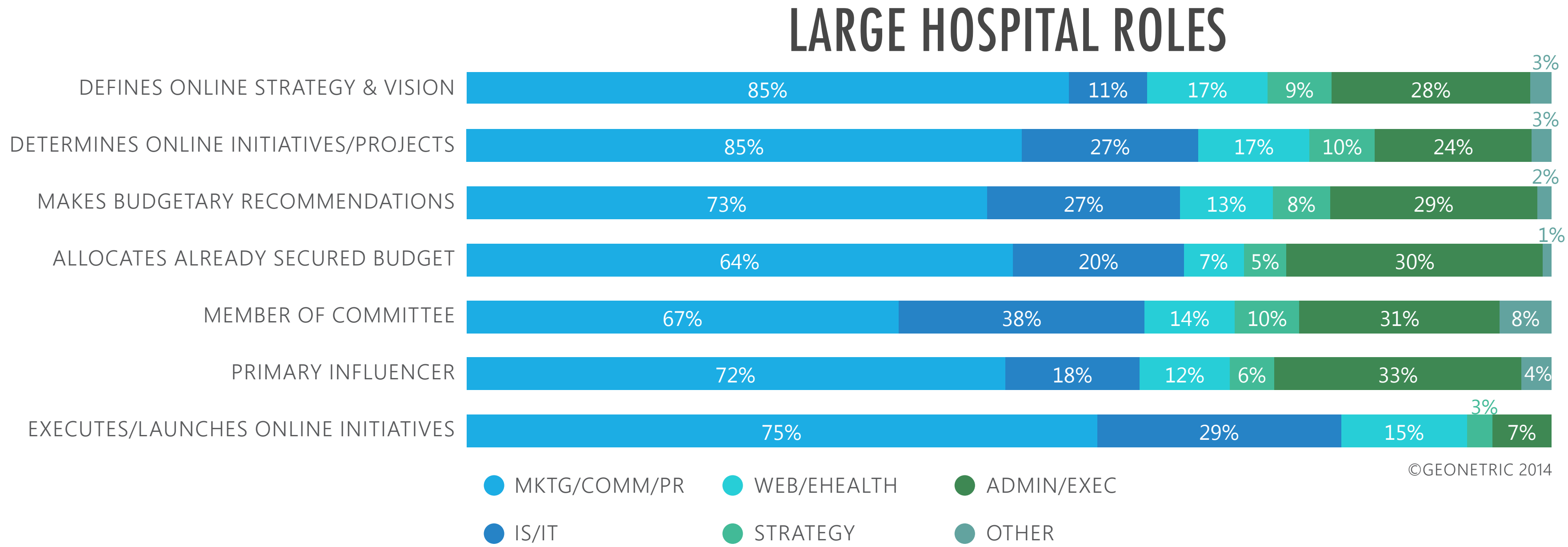


ROLES

Overwhelmingly, marketing departments manage online initiatives. Marketers are responsible for everything from defining strategy to determining tactics and making budget recommendations.

RESOURCES




LARGE HOSPITAL ROLES
DEFINES ONLINE STRATEGY & VISION
DETERMINES ONLINE INITIATIVES/PROJECTS
MAKES BUDGETARY RECOMMENDATIONS
ALLOCATES ALREADY SECURED BUDGET
MEMBER OF COMMITTEE
PRIMARY INFLUENCER
EXECUTES/LAUNCHES ONLINE INITIATIVES
85% 11% 17% 9% 28% 3%
85% 27% 17% 10% 24% 3%
73% 27% 13% 8% 29% 2%
64% 20% 7% 5% 30% 1%
67% 38% 14% 10% 31% 8%
72% 18% 12% 6% 33% 4%
75% 29% 15% 3% 7%
MKTG/COMM/PR
IS/IT
WEB/EHEALTH
STRATEGY
ADMIN/EXEC
OTHER
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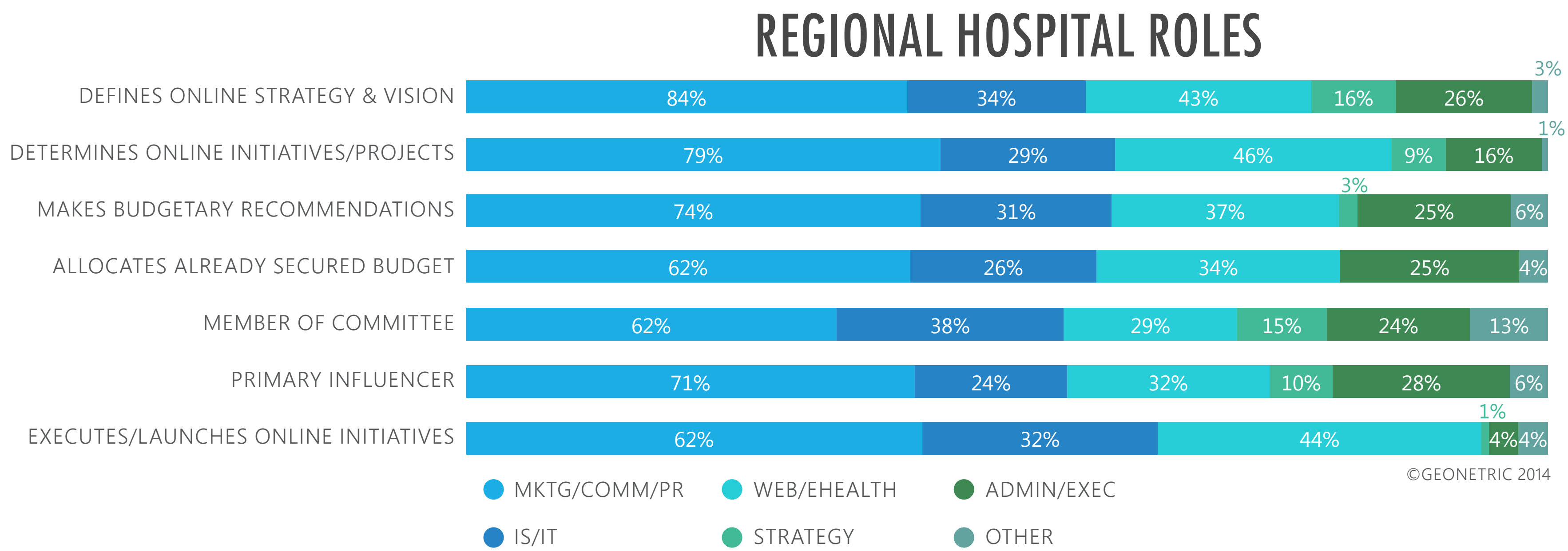
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EXECUTES/LAUNCHES ONLINE INITIATIVES
84% 34% 43% 16% 26% 3%
79% 29% 46% 9% 16% 1%
74% 31% 37% 3% 25% 6%
62% 26% 34% 25% 4%
62% 38% 29% 15% 24% 13%
71% 24% 32% 10% 28% 6%
62% 32% 44% 1% 4% 4%
MKTG/COMM/PR
IS/IT
WEB/EHEALTH
STRATEGY
ADMIN/EXEC
OTHER
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RESOURCES

COMMUNITY/SPECIALTY PROVIDERS ARE FAR MORE LIKELY THAN THEIR LARGER COUNTERPARTS TO HAVE DIRECT EXECUTIVE TEAM INVOLVEMENT. THIS INVOLVEMENT USUALLY MANIFESTS IN EXECUTIVES BEING A MEMBER OF THE WEB COMMITTEE, DIRECTING STRATEGY AND ESTABLISHING BUDGETS.

LARGER ORGANIZATIONS, IN CONTRAST, SEE I.S./I.T. PLAYING A LARGER ROLE. IN ADDITION, BIGGER ORGANIZATIONS ARE MORE LIKELY TO HAVE A DEDICATED WEB OR EHEALTH GROUP — WHICH ARE FOUND IN NEARLY HALF OF REGIONAL PROVIDERS.

WEBSITES

websites

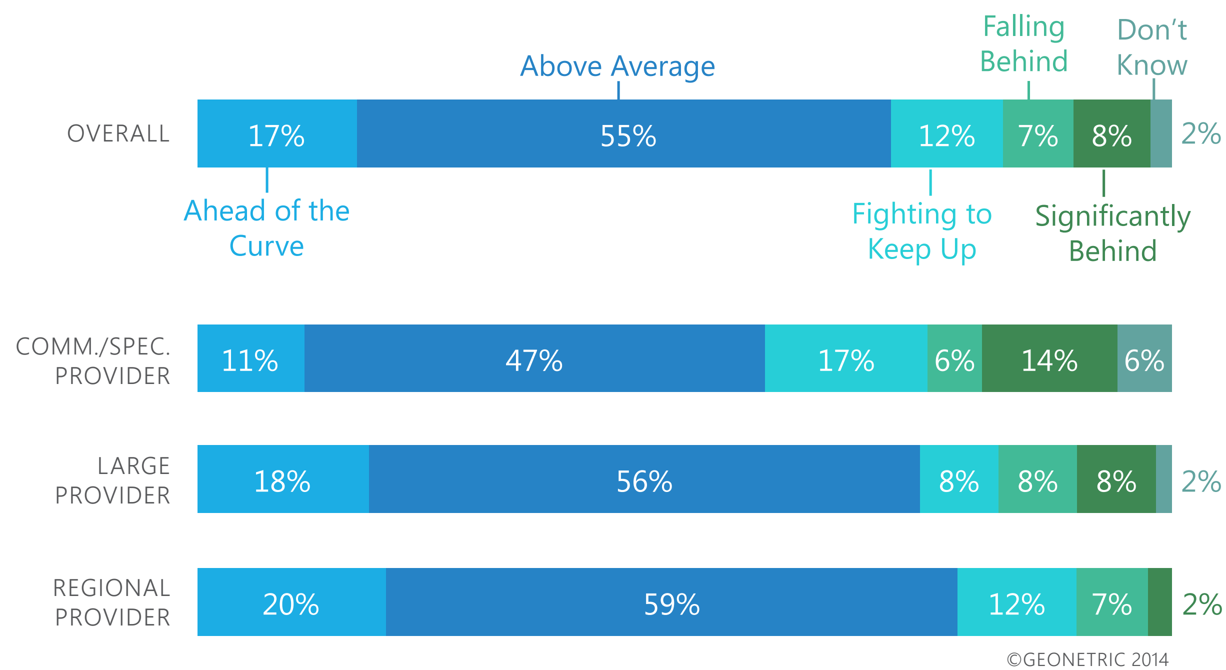
COMPETITOR COMPARISONS

- When asked how their website compares to their competitors' sites, 71% of organizations responded that their site is equal to or above industry average.

Share this Stat

- Community and specialty organizations are the least positive about their online efforts, with only 58% saying they are equal to or above average. That's despite the large amount they spend on staff (one full-time employee per 20 beds).

HOW DOES YOUR WEBSITE COMPARE TO YOUR COMPETITORS' SITES?



WEBSITES

PLATFORMS

When selecting a content management system (CMS), healthcare organizations use different tools for different jobs. Healthcare–specific CMS solutions are most popular for managing an organization's main website. Off–the–shelf software, such as SharePoint, cover the largest share of intranet deployments. Open–source offerings, such as WordPress, dominate for blogs.

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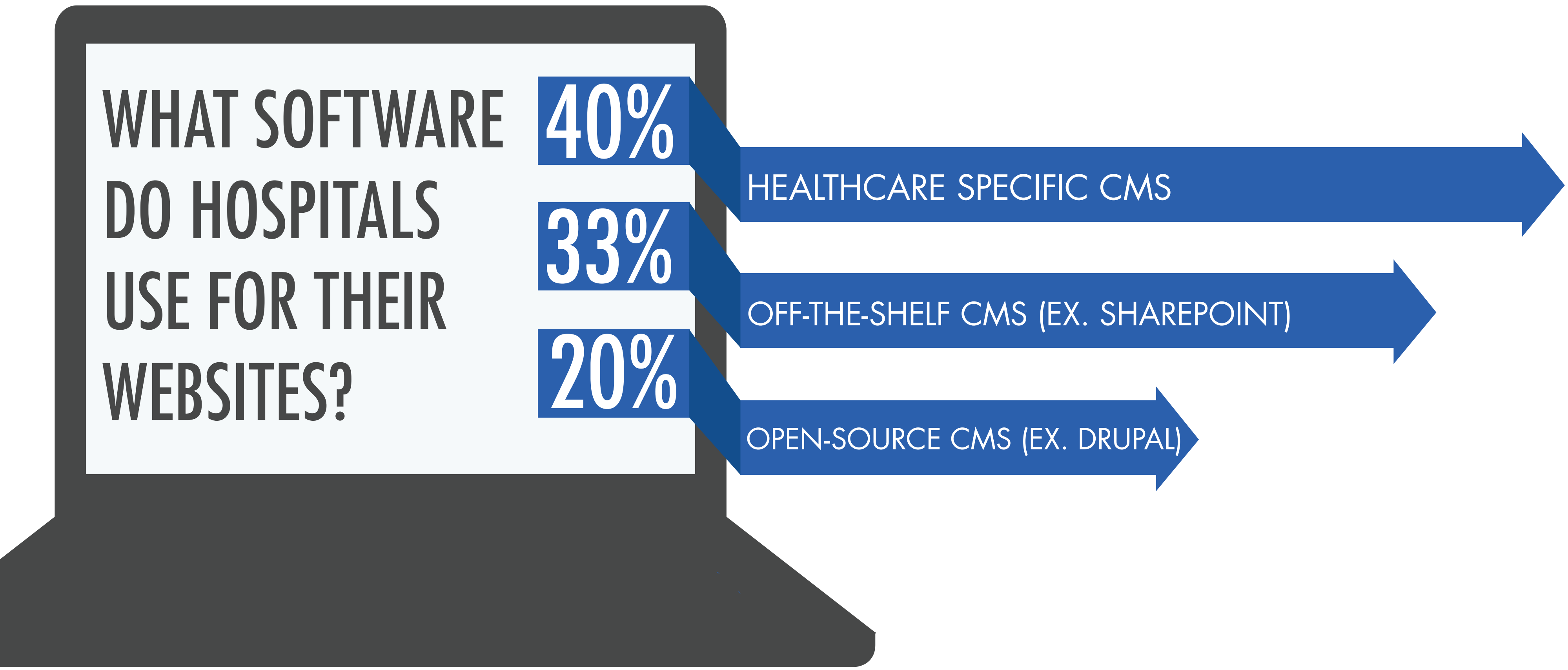


25%

OF COMMUNITY AND SPECIALTY HOSPITALS

LACK A CMS.

FUNCTIONALITY

Most hospital sites offer provider, service and location directories, as well as employment and calendar functionality.

Hospitals are adding more transactional capabilities this year. Many hospital sites offer donations and bill payment, and those that don't have them, plan to add them. Organizations also plan to add online appointment scheduling (21%), appointment requests (16%), appointment reminders (15%), real–time credit card processing (14%), bill presentation (12%) and gift shop sales (12%).

Maps and directions are available on most sites. Functionality related to transparency, such as community benefits reporting and quality reports, are available too. And 75% of respondents indicate they have a health library; this is most popular among regional providers.

Clinical functionality is far behind other functionality categories, but we may see significant strides in this area this year.

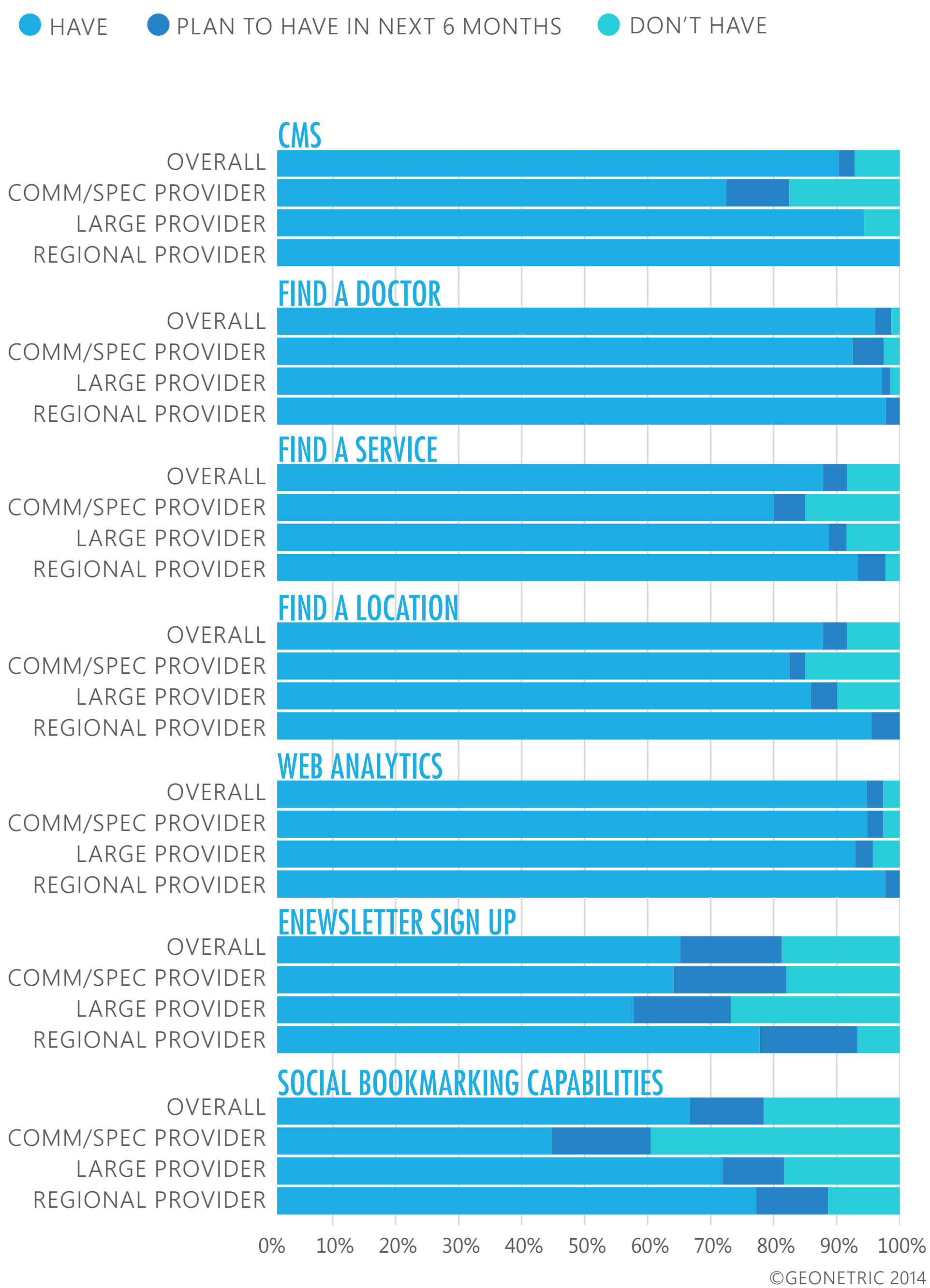
21%
ONLINE APPOINTMENT SCHEDULING

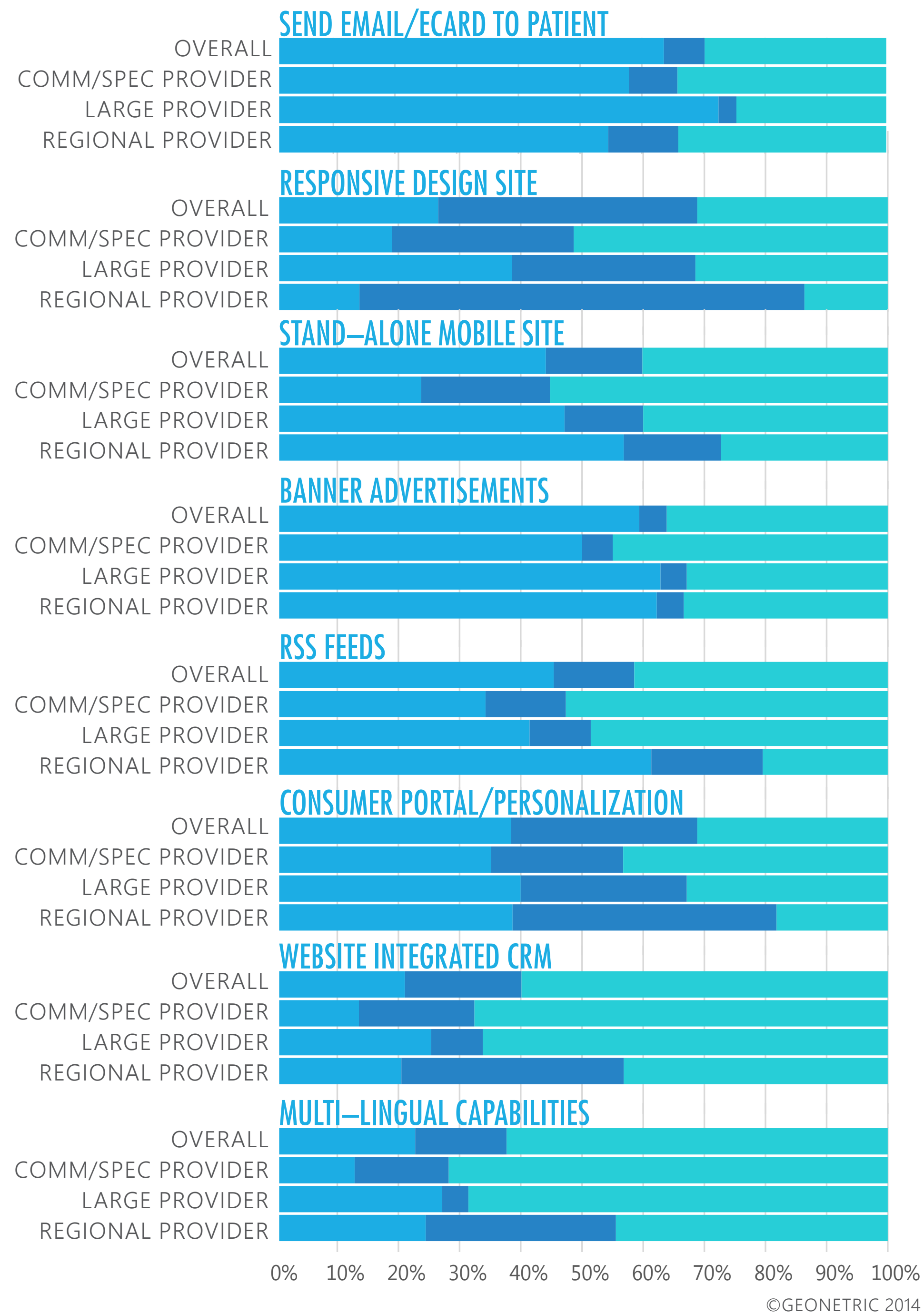
16%
APPOINTMENT REQUESTS

15%
APPOINTMENT REMINDERS

14%
REAL–TIME CREDIT CARD PROCESSING

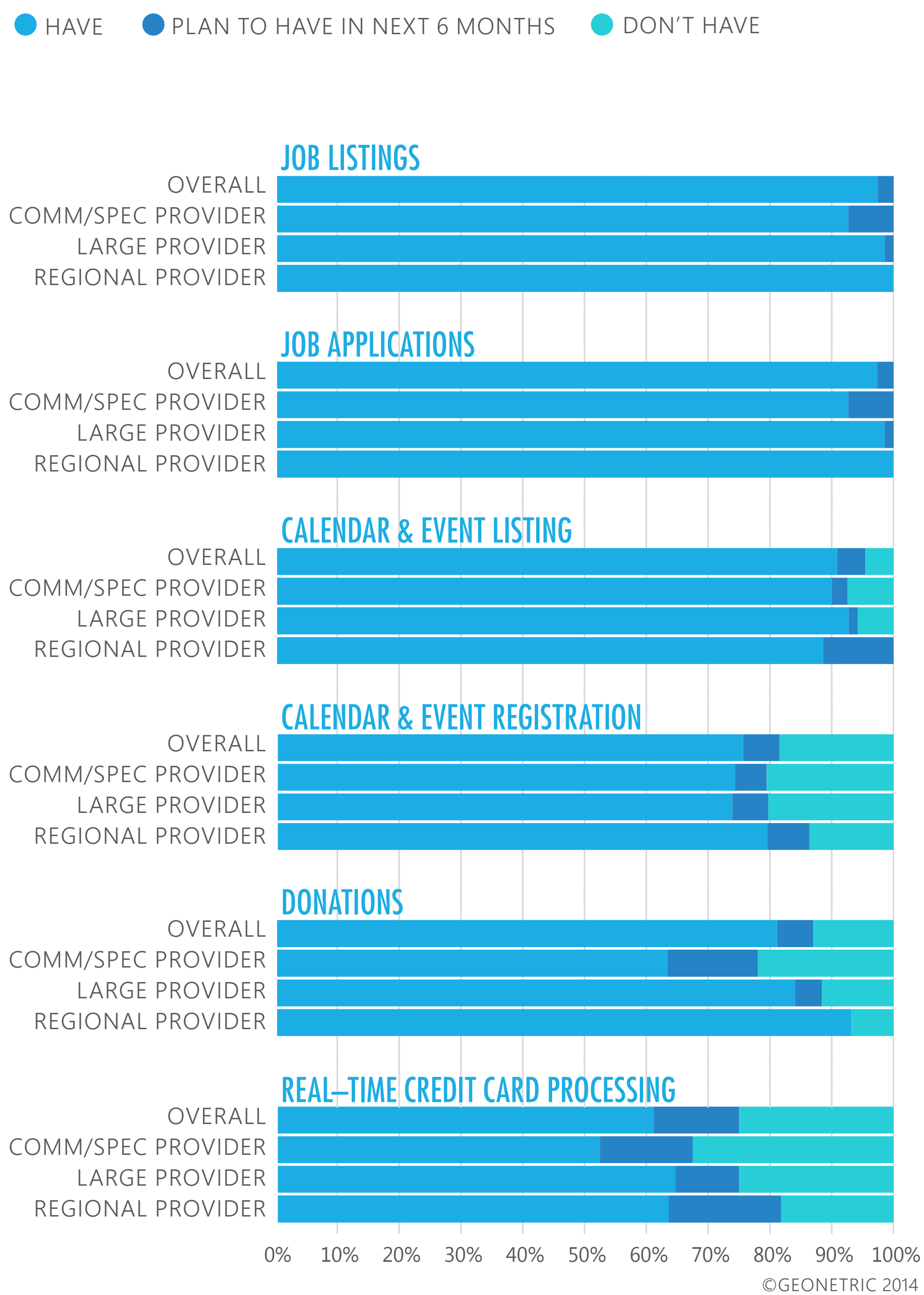
CORE FUNCTIONALITY

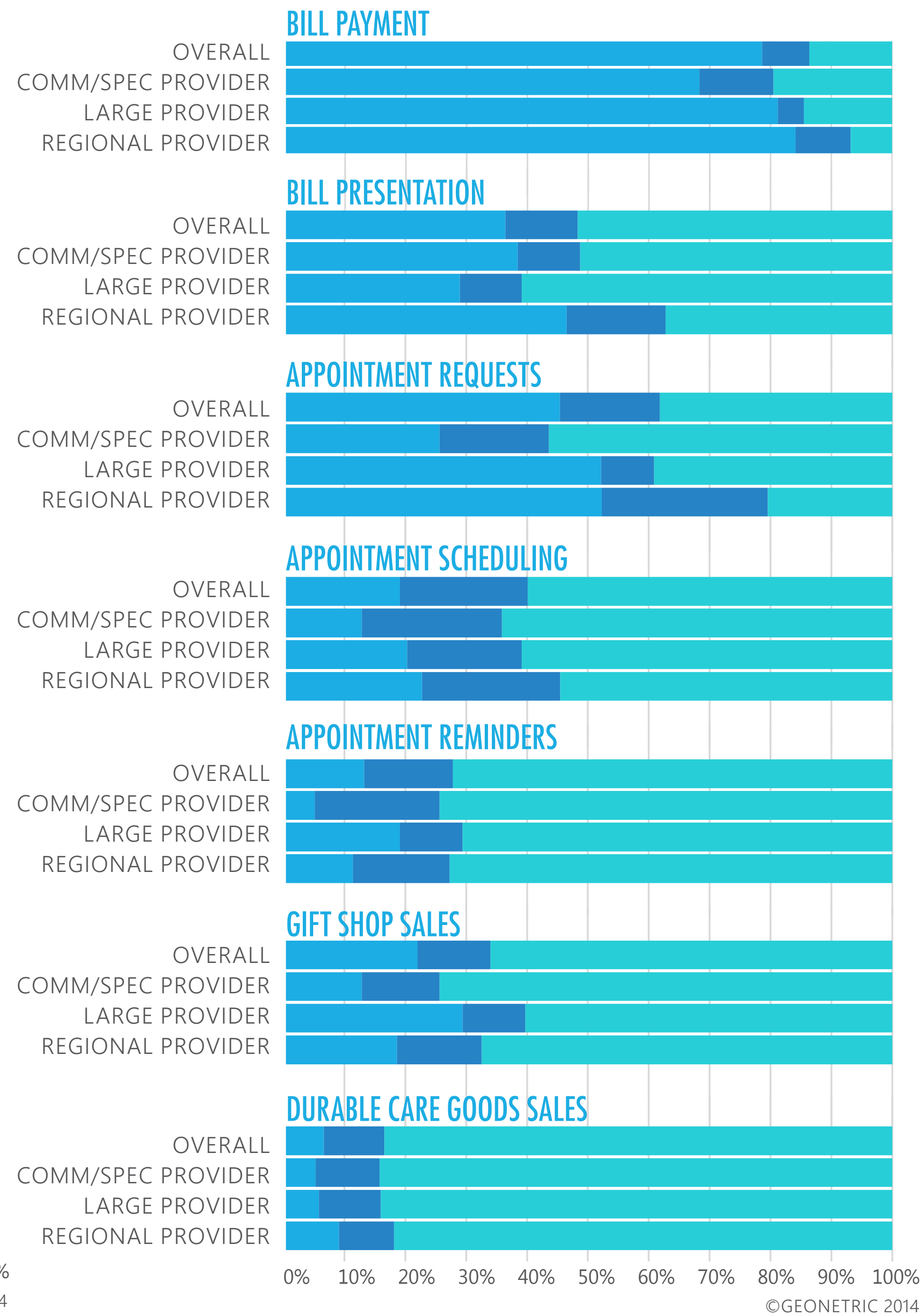




WEBSITES

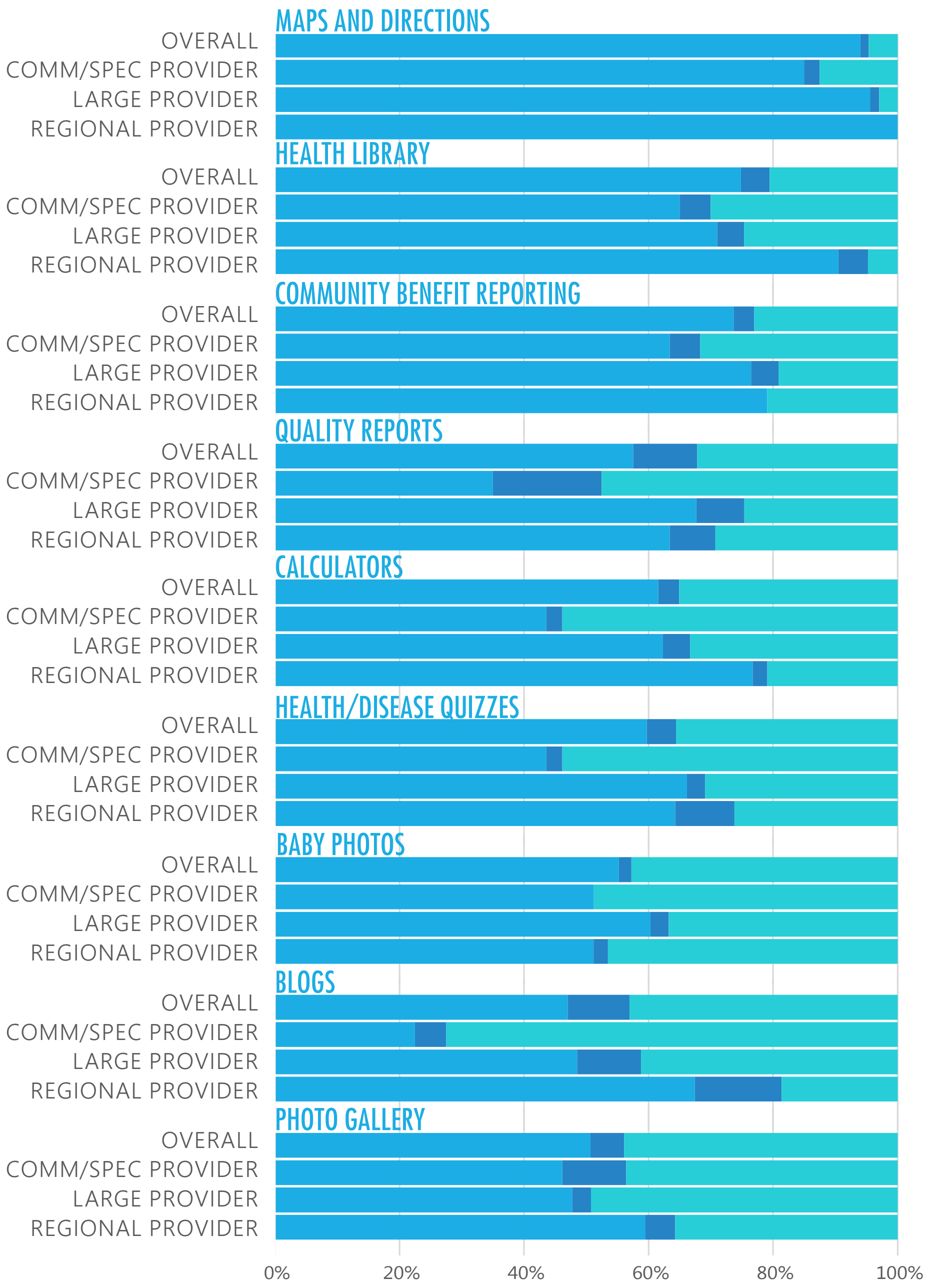
TRANSACTIONAL FUNCTIONALITY

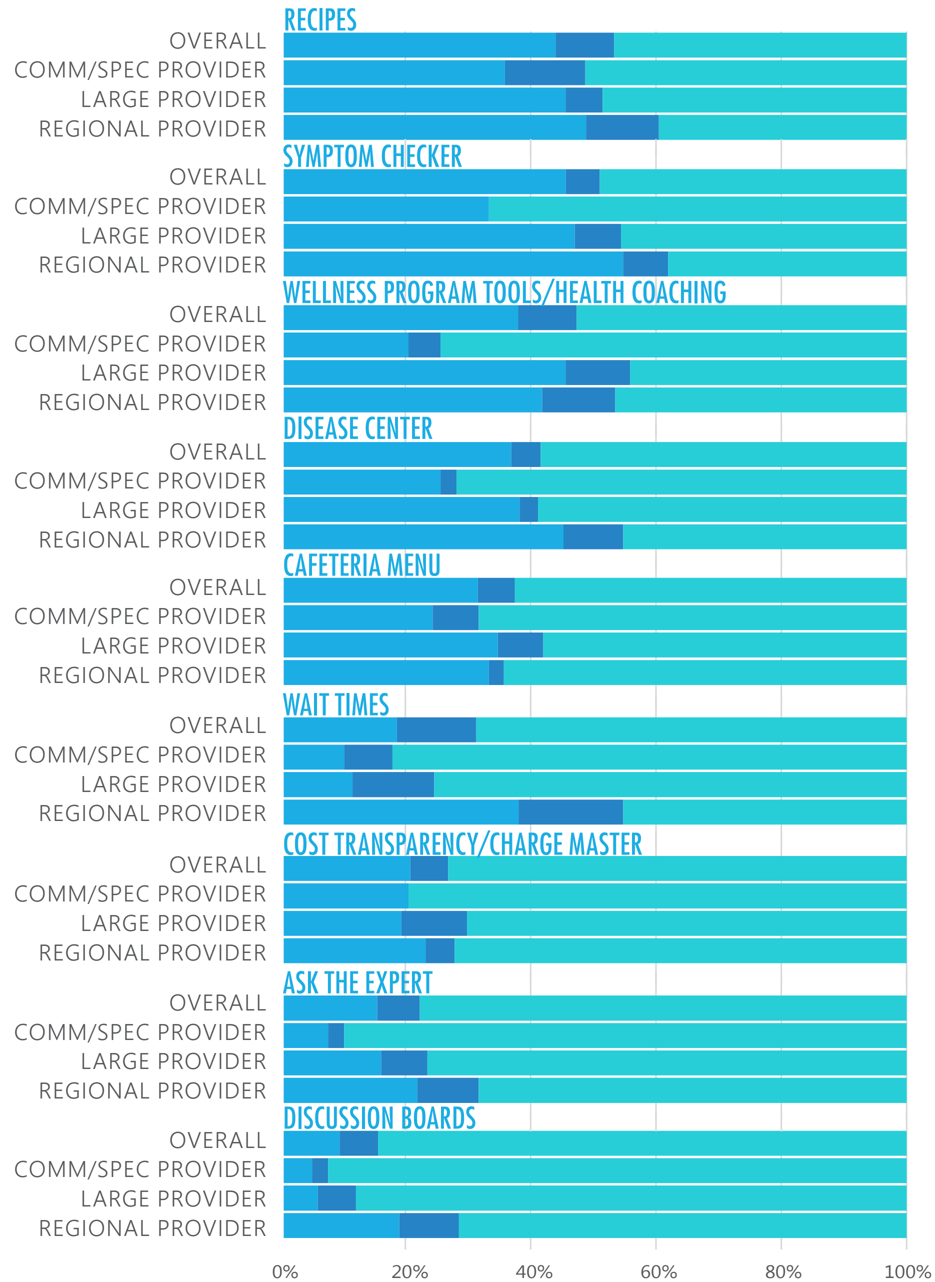




CONTENT FUNCTIONALITY

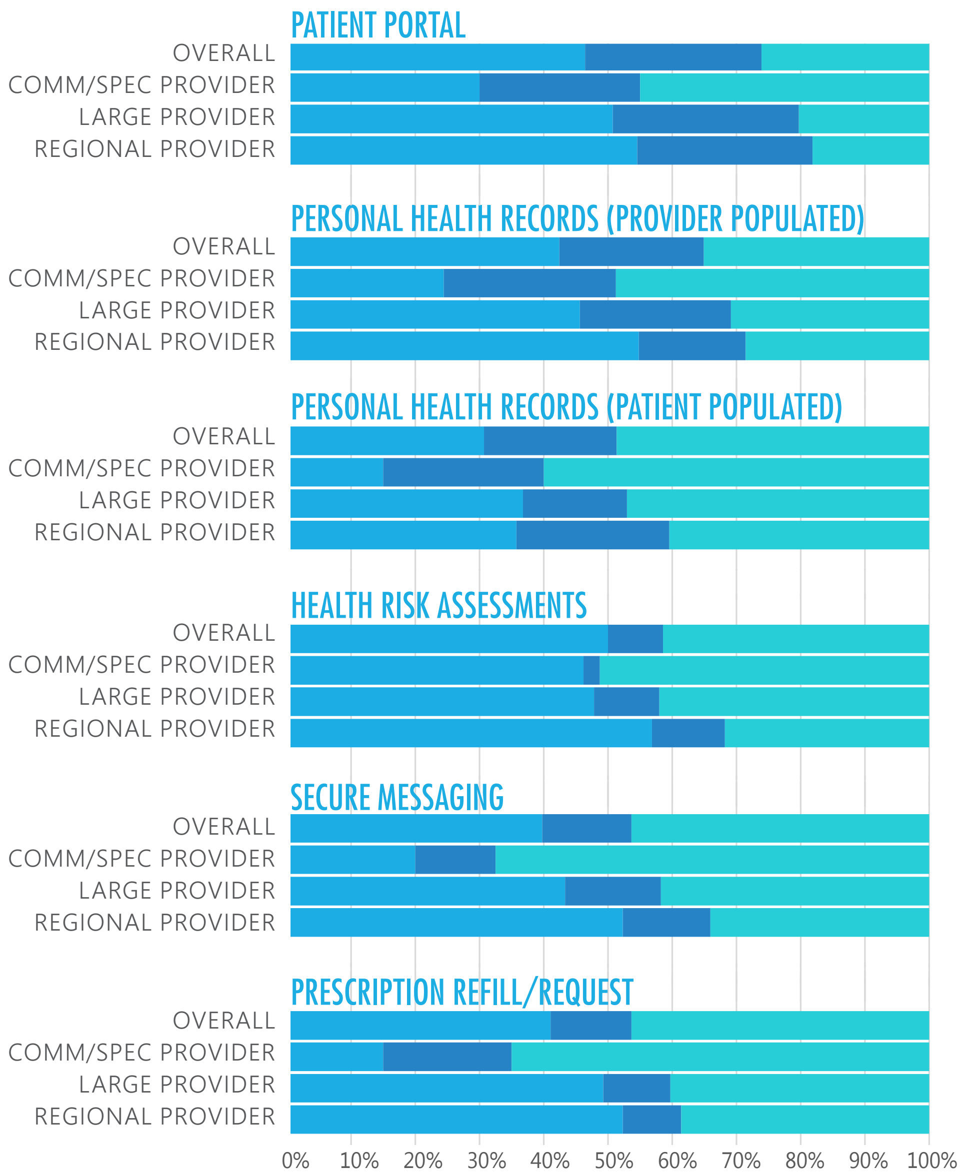
HAVE PLAN TO HAVE IN NEXT 6 MONTHS DON'T HAVE





CLINICAL FUNCTIONALITY

HAVE · PLAN TO HAVE IN NEXT 6 MONTHS · DON'T HAVE



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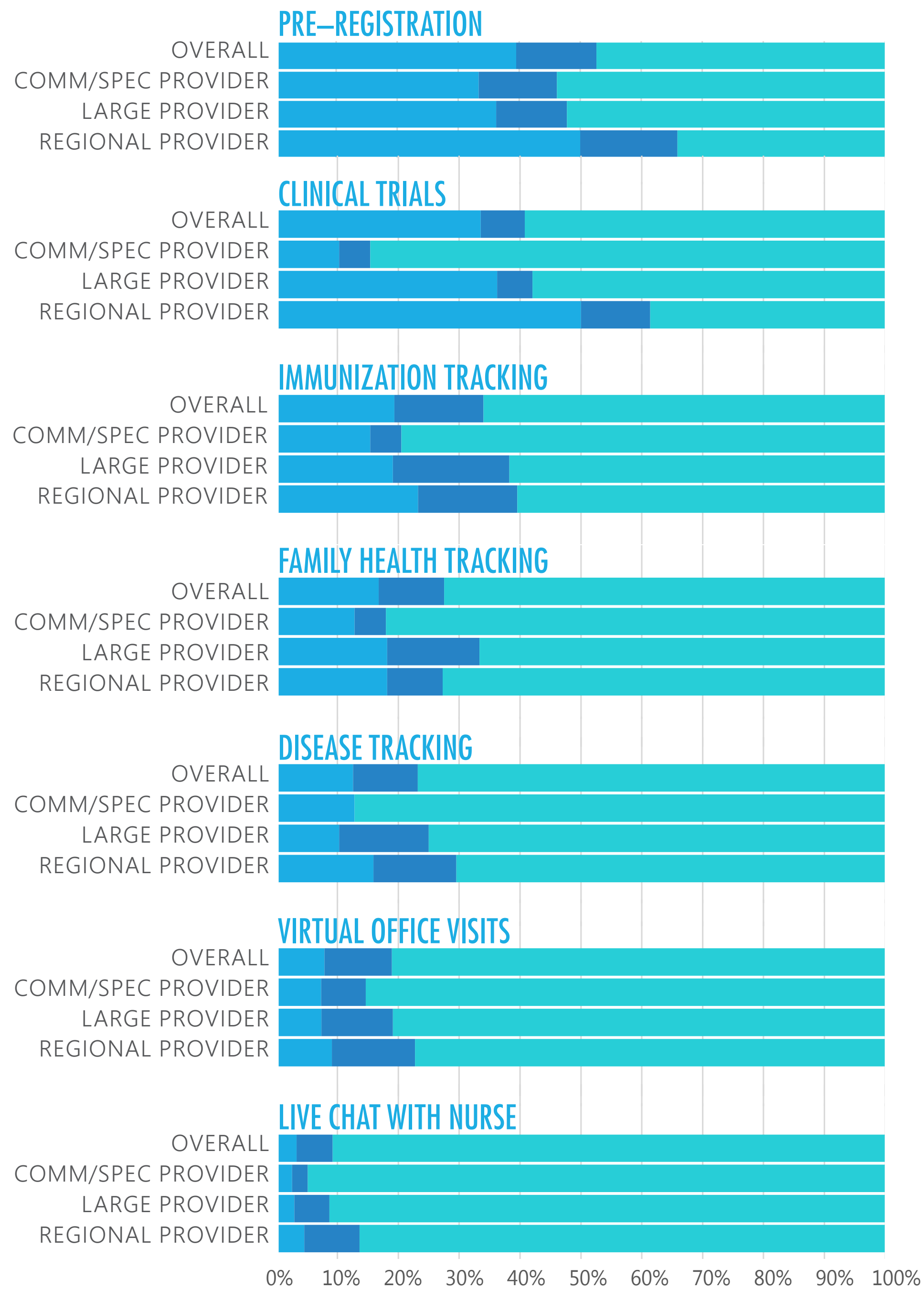

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CHANGES FOR 2014

Website priorities follow several major online trends that impact healthcare.

The growth of the mobile audience is causing organizations to add responsive websites – 26% of organizations have responsive sites, and 42% plan to add one this year.

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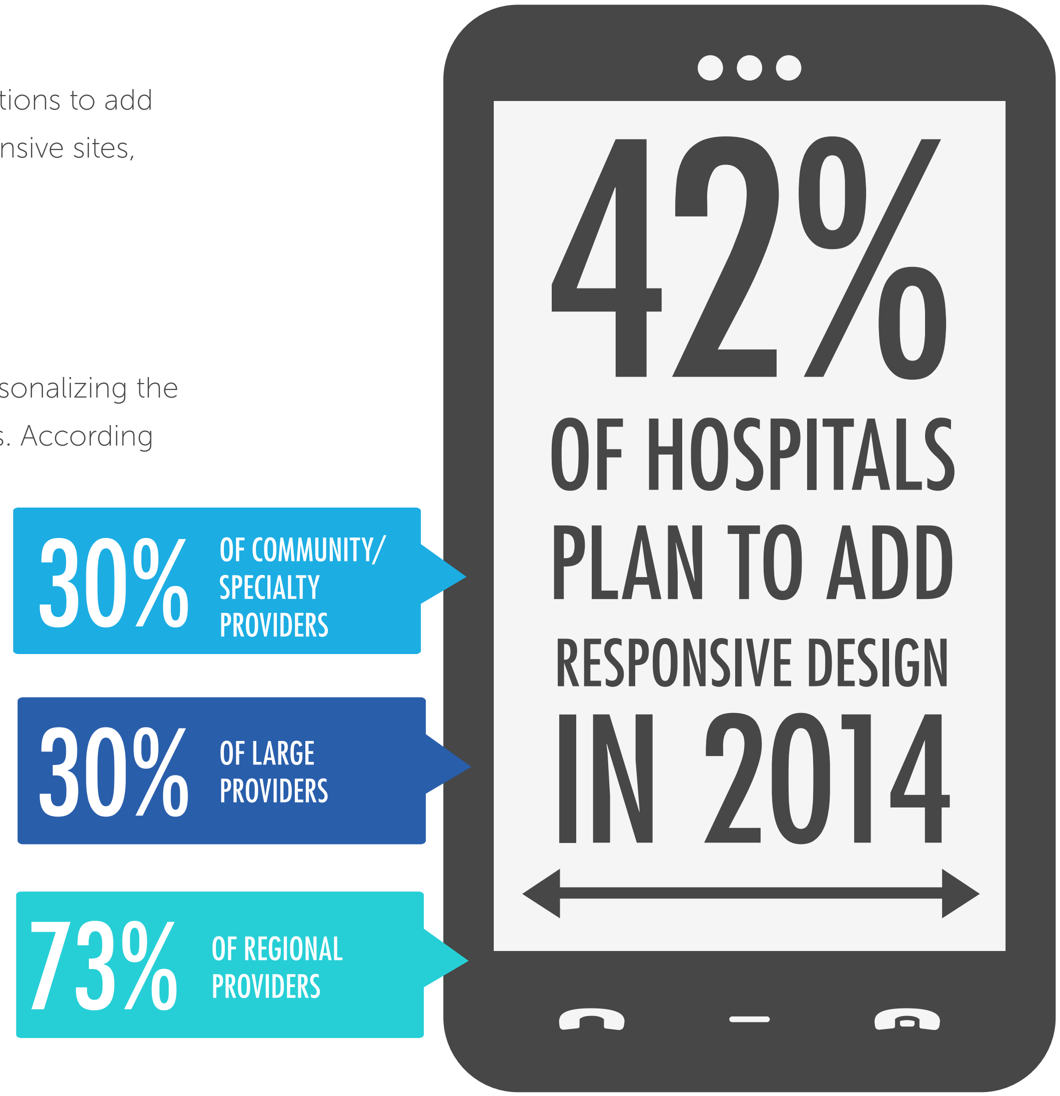
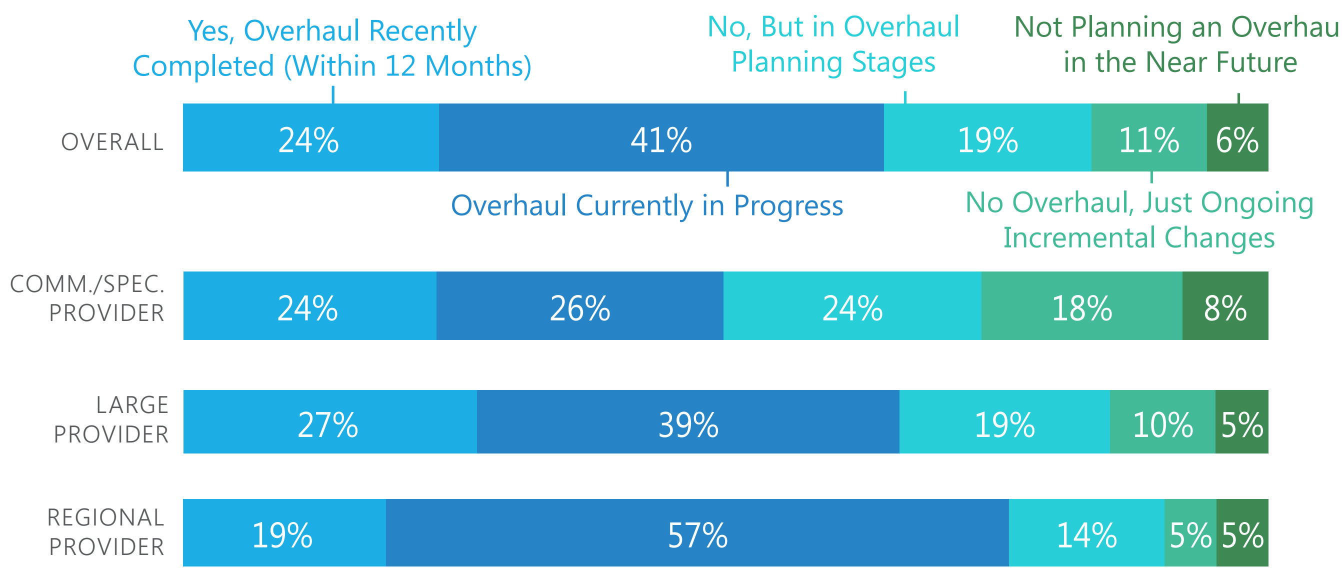
Meaningful Use objectives combined with trends in personalizing the healthcare experience is leading to more patient portals. According to the survey, 46% of organizations currently have a consumer portal and 27% plan to add one this year.



CHANGES FOR 2014

- The portion of respondents who are in process of redesigning their websites or have recently redesigned their site is astounding (65%).
- More than half of regional providers and 39% of large providers are in the midst of an overhaul.
- Even amongst the smallest respondents, 50% are overhauling now or have recently overhauled their websites.

ARE YOU INVOLVED IN AN ONLINE TECHNOLOGY OVERHAUL OR SIGNIFICANT SITE UPGRADE?



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WEBSITES

MOST AND LEAST VALUABLE FUNCTIONALITY

Respondents identified a wide variety of functionality as most and least valuable. Not only did the list vary, so did their criteria for determining what is "of value." Many indicate value based on what is popular among site visitors, while others base value on the return delivered to the organization.

In general, directories, such as provider and location directories, as well as transactional capabilities are considered the most valuable. Content in terms of marketing copy as well as transparency information (e.g., quality reports) seems to be missing the value mark.

MARKETING

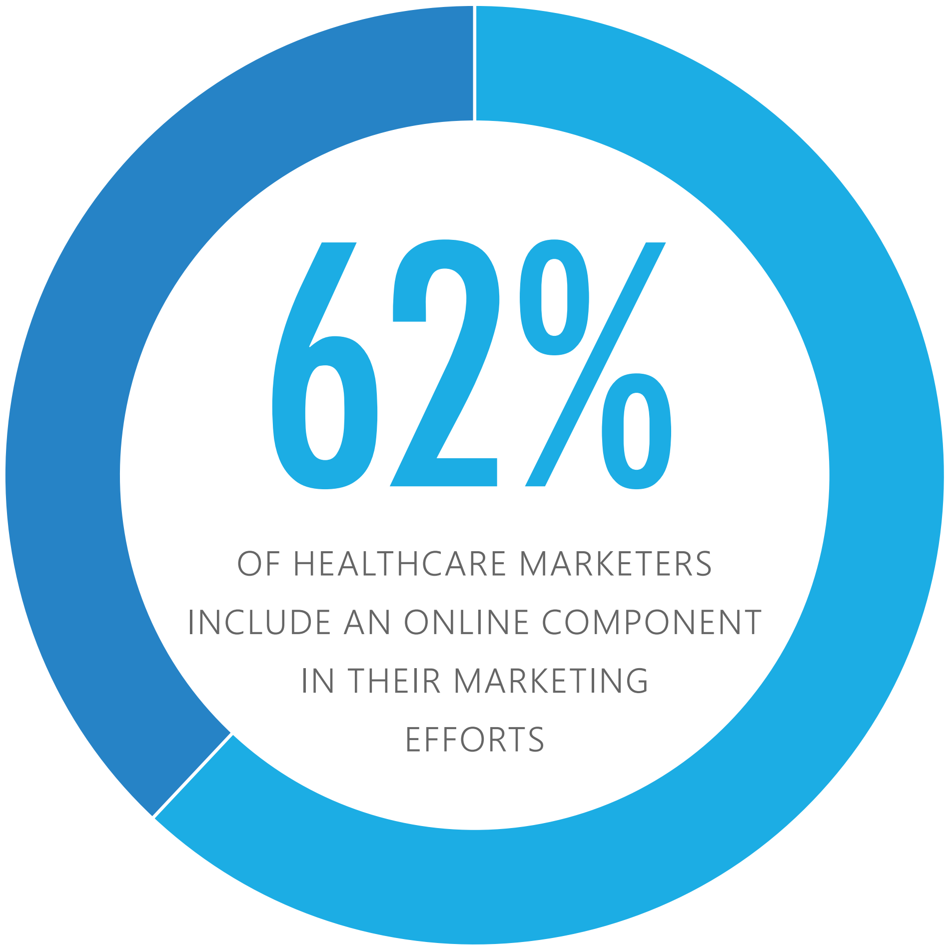
digital marketing

DIGITAL MARKETING

- Healthcare marketers include digital marketing in 62% of their marketing efforts. There is little difference between peer groups.

Share this Stat

- However, community and specialty organizations have an "all or nothing" approach when it comes to incorporating the Web into their marketing mix: 15% include digital in less than 5% of marketing, while 30% include digital in all of their efforts.



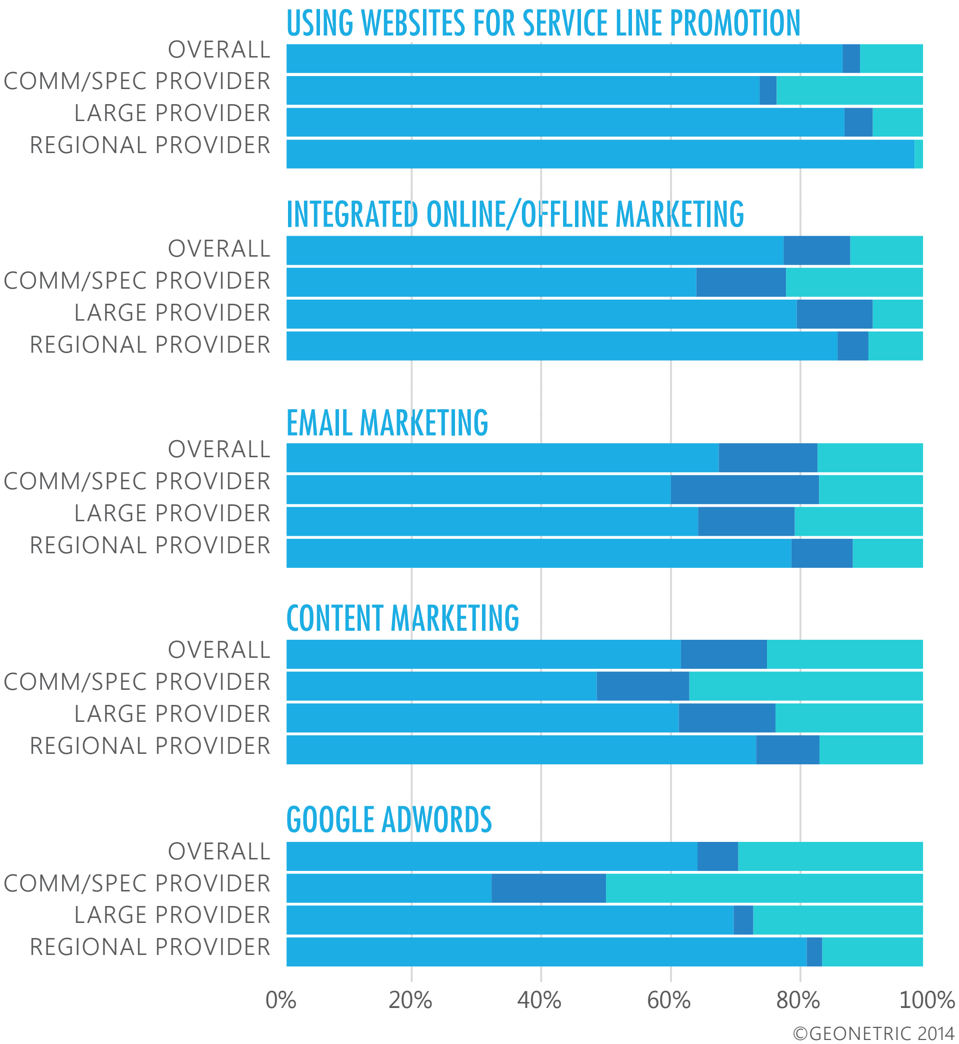
ONLINE PROMOTION AND ADVERTISING

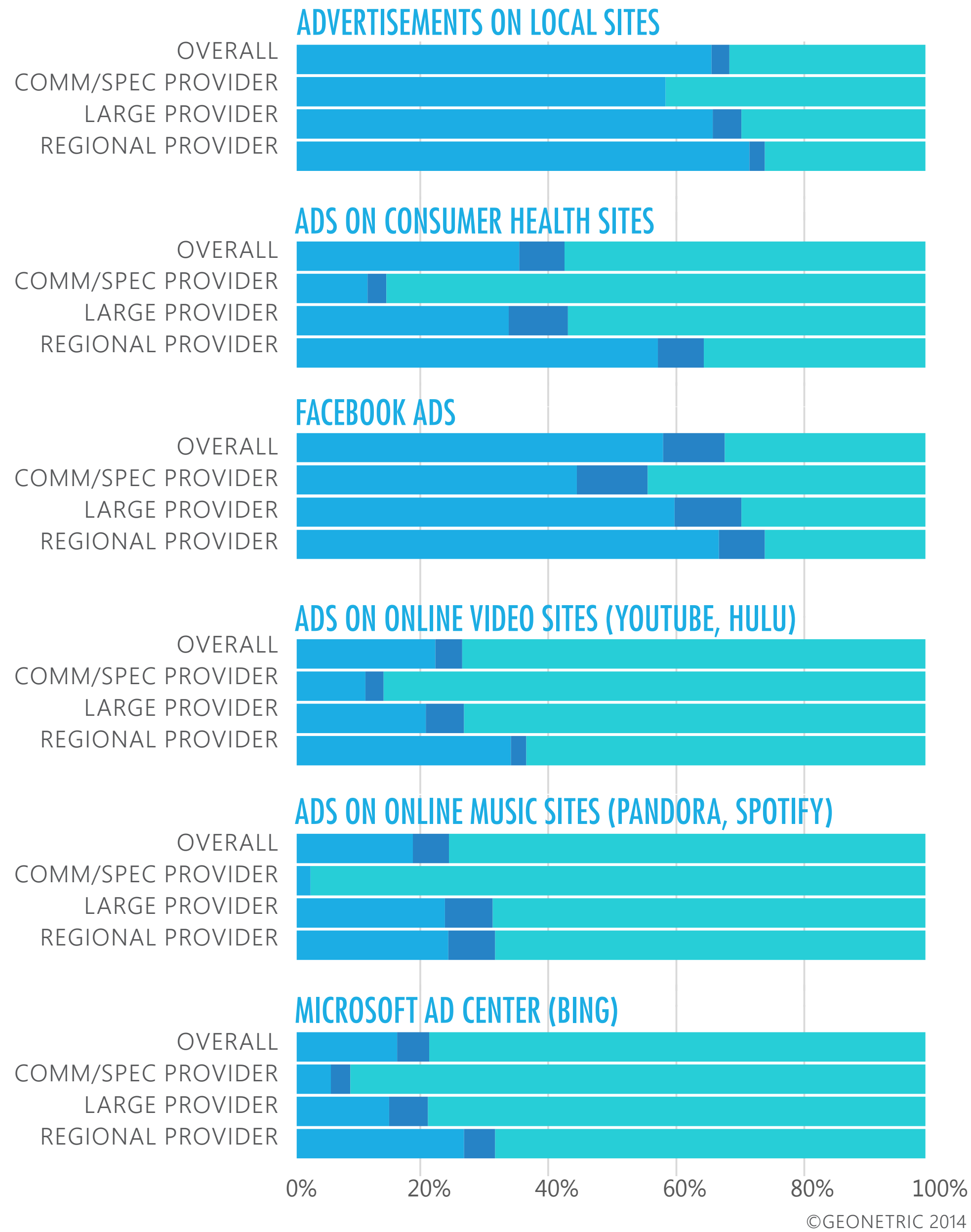
Organizations primarily use the Web to promote service lines (86%) and they use a variety of advertising tools to drive visitors to their sites. They are placing advertisements on:

- Local websites: 66%
- Google AdWords: 64%
- Facebook Ads: 58%
- Consumer health websites: 35%
- Online video sites (e.g., YouTube): 22%
- Online music sites (e.g., Pandora): 19%
- Microsoft Ad Center (e.g., Bing): 16%

ONLINE PROMOTION AND ADVERTISING

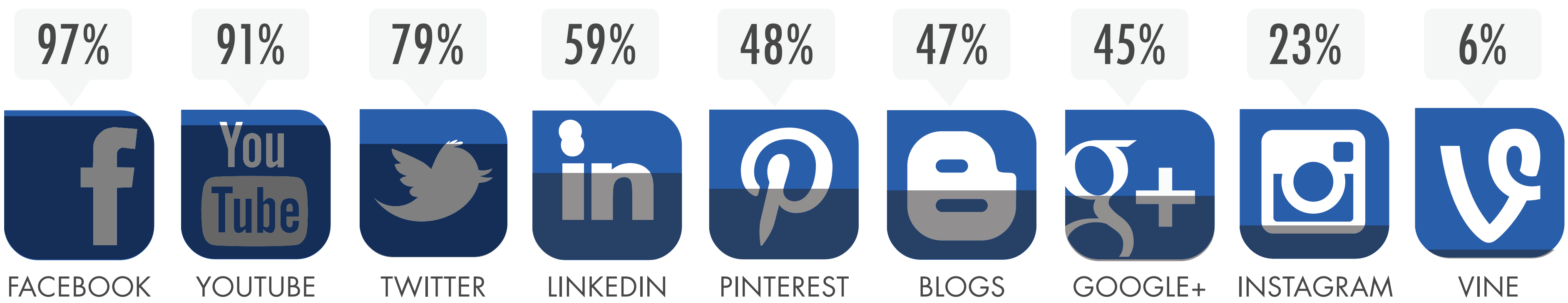
HAVE   PLAN TO HAVE IN NEXT 6 MONTHS   DON'T HAVE



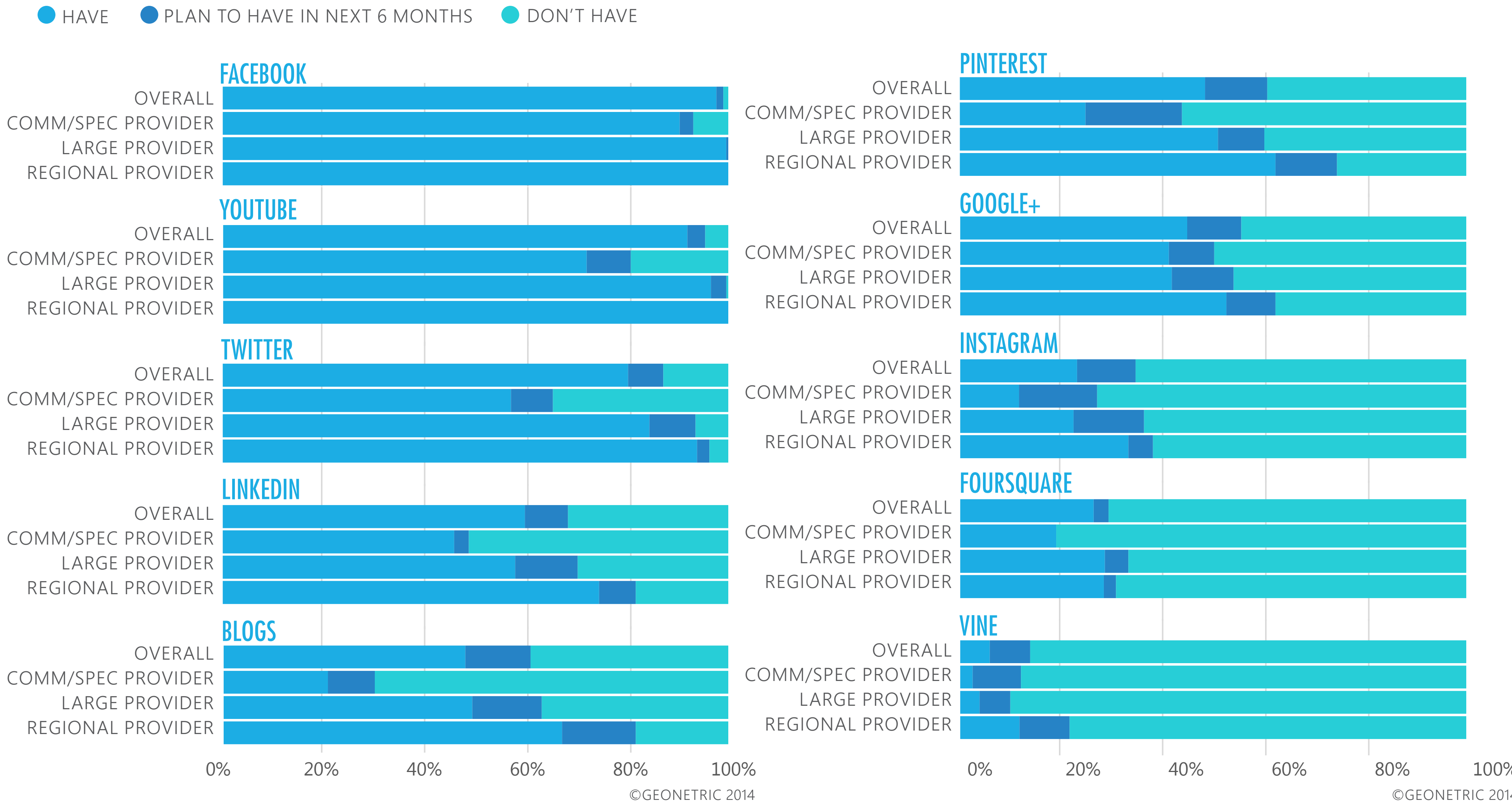


SOCIAL MEDIA TOOLS

Facebook is the most used social media tool: 97% of organizations have a Facebook account. Up and coming platforms include Pinterest, Google+ and Instagram. And although Vine comes in last with 6% of organizations dabbling in the micro–video tool, its usage is expected to more than double in 2014.



SOCIAL MEDIA TOOLS



DIGITAL MARKETING TOOLS POISED FOR GROWTH

After languishing in the shadow of hot social media platforms for the past several years, email marketing is making a comeback as the digital marketing tool expecting the largest new adoption in 2014. Of all the digital tactics in a healthcare marketer's arsenal, survey respondents indicated these were the top four they planned to use more of in 2014:

1. EMAIL MARKETING
2. CONTENT MARKETING
3. BLOGS
4. PINTEREST

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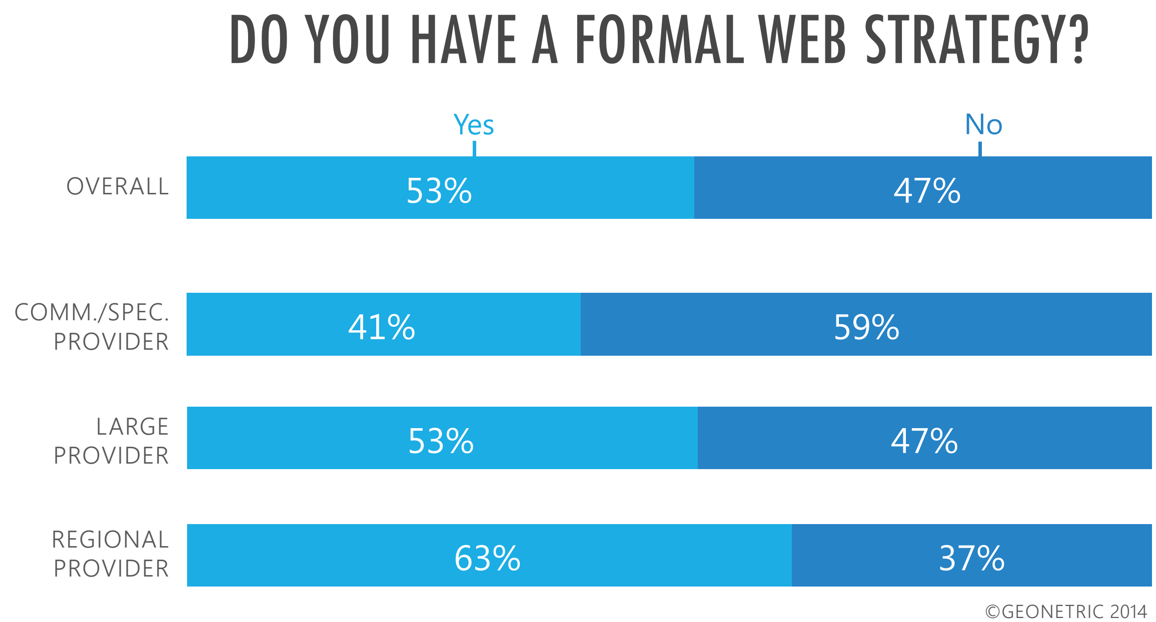
STRATEGY

web strategy

FORMAL WEB STRATEGY

- Just a little over half of respondents indicated they have a formal strategy for the Web. Of the peer groups, community and specialty organizations are most likely to not have a formal Web strategy, with only 37% indicating they have one in place.



FORMAL WEB STRATEGY

- Seventy-five percent of respondents indicate they update their Web strategy, with most updates occurring annually.

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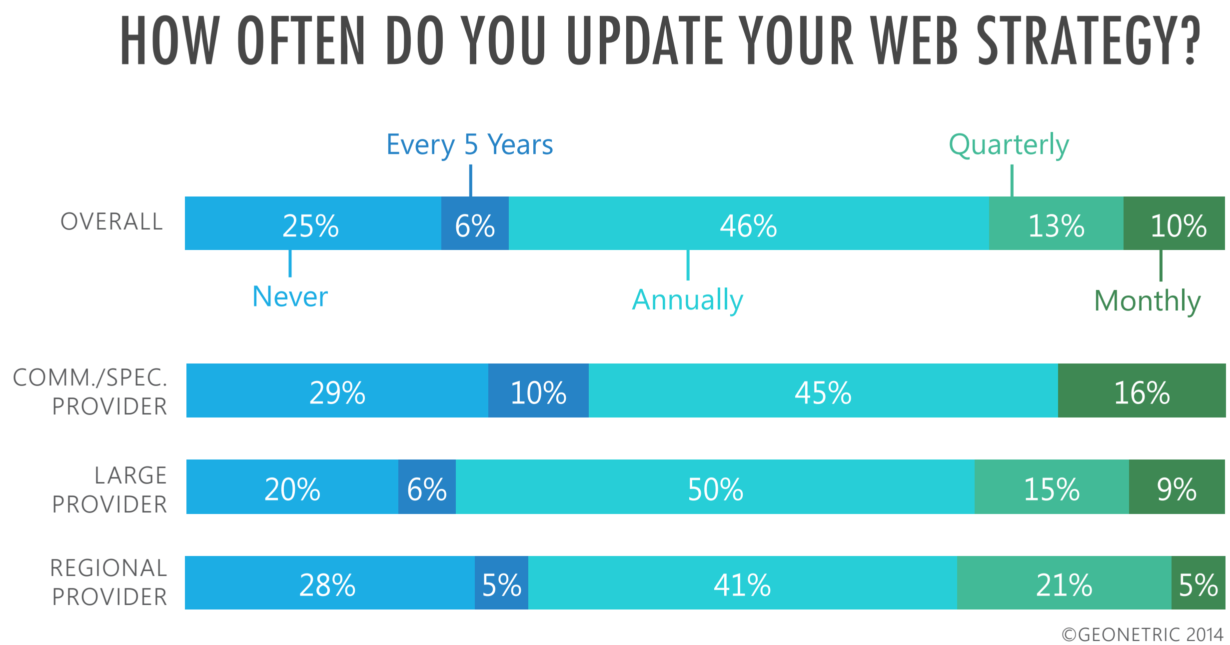

WEB STRATEGY AS A GUIDE FOR ONLINE INITIATIVES

Most organizations use their Web strategy to provide direction for their teams. Other organizations rarely consult it.

Some respondents mentioned that they use their Web strategy to justify budget requests for online initiatives, although not always with success.

"WE TYPICALLY LOOK AT IT ONCE AND FORGET ABOUT IT."

"KEEPS US ON TRACK AND DICTATES EXACTLY WHAT WE SPEND OUR ENERGY DOING."

TOP WEB GOALS

Respondents shared their top online goals for the upcoming year. But most listed initiatives (what they are planning to do) rather than goals (why they are doing it and what they intend to accomplish).

The goals therefore mirrored the functionality priorities:

- Responsive design
- Content
- CRM
- SEO
- Social media
- Patient portal

Organizations with big picture objectives are shooting to engage consumers, grow trust, support clinical and research business objectives, grow conversions and, most of all, generate a stronger and more measurable ROI for their efforts.

> “DRIVE BUSINESS TO OUR SERVICE LINES.”

> “ENGAGE CONSUMERS IN MEANINGFUL, DIGITAL RELATIONSHIP, GROW TRUST, CREATE AWARENESS OF THE BREADTH AND DEPTH OF OUR SERVICES AND ULTIMATELY CONVERT VIEWS TO USERS.”

TOP ORGANIZATIONAL GOALS

When asked to share their top five organizational goals (not related to the Web), most respondents were well versed in the challenges and opportunities that lie ahead for their organizations. Respondents were equally split between those primarily concerned about what the next few years will bring and those looking to capitalize on the current environment of change and find ways to grow.

Challenges

1. Financial Challenges (declining reimbursement, Medicaid expansion or the lack thereof, reduced budgets, solvency)
2. Regulatory Changes (ACA, ACO, HIE, MU2, ICD10)
3. Growing Competitive Pressure
4. Workforce Challenges (recruitment, retention and shortages, particularly in primary care)

Opportunities

1. Growth
2. New Care Models
3. Reducing Out-Migration

methodology

METHODOLOGY

METHODOLOGY

Data collection was handled through an online survey. Respondents were solicited through a wide range of channels including email, social media and phone. All survey questions were optional and some respondents chose not to answer individual questions. Each question received at least 150 responses.

Peer groups for segmentation were largely self–reported. Some responses were re-categorized based on organization data provided. Responses from vendors, consultants and agencies were not included in this analysis and are not included in response counts. Some questions required coding prior to analysis. Not all responses to open-ended questions are included in this report.

Data is provided as–is and represents only the input and opinions of those organizations who responded and is offered without any promises to its representation of the broader industry or statistical significance.

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BEN DILLON, MBA
VICE PRESIDENT & EHEALTH EVANGELIST

It's not just Ben's sultry radio–voice that makes him the perfect person to be Geonetric's eHealth Evangelist, although we do believe that increases attendance to our webinars. It's the fact that Ben's a thought leader. He follows healthcare technology trends like other people follow sports teams. He's constantly researching and analyzing everything from social media strategies to accountable care organizations and determining what it all means to Geonetric, our clients and the industry as a whole. This sought–after speaker and current SHSMD board member wasn't always in the spotlight, previously working in business process re–engineering and software development with the University of Iowa Healthcare and the Michigan Insurance Bureau. He holds a master's degree in eBusiness and strategic management from the University of Iowa and a bachelor's degree in computer engineering from the University of Michigan. If you saw this man's calendar you'd be very surprised to learn that in between all his trade rag interviews and speaking engagement prep he still finds time to feed his Twitter addiction and play the Big House with the University of Michigan Alumni marching band.

CONNECT WITH BEN!

ABOUT GEONETRIC

At Geonetric, we love eHealth statistics. That's because they help healthcare marketers make informed decisions about how to use digital marketing to connect with health consumers.

Geonetric is known for our content management system, VitalSite. From a robust provider directory to one of the best calendars on the market, VitalSite offers dozens of healthcare specific features and functionality. It also offers Smart Panels, technology that helps automatically cross promote doctors, locations and services throughout a website.

We're also know for our marketing services, which includes content creation, search engine optimization and responsive marketing campaigns. Our team has the healthcare knowledge and the marketing savvy to help hospitals get noticed.

Find out what more than 500 hospitals, physician groups and clinics around the country already know. Geonetric turns prospects into patients and delivers measurable results.

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